Alliance for Health Reform

Network Adequacy: Balancing Cost, Access and Quality

Katherine Arbuckle
Senior Vice President and Chief Financial Officer
Ascension Health

July 21, 2014
Network Adequacy: Our Experience

Ascension Health participation in insurance marketplace products

- Varies by Market
- Broadly Participating
- Also offering our own health plans in some markets
Benefits of Narrow Networks

Coordinated care in clinically integrated networks benefits patients and providers:

- More complete information available to be shared among providers in network
- Better coordinated information between payers and providers
- Familiar trusted high quality providers with known practice protocols
- Better feedback from providers on service gaps
- Better information to patients and families on access to other providers in the network
- Reduction in duplicative testing and treatment
Our experience with insurance marketplace enrollees

• Tend to be on the lower end of the income scale
• Majority are previously uninsured
  (Kaiser Family Foundation, June 2014)
• Need extra time and assistance understanding their policies, treatment options and provider networks

We have invested in certifying application counselors in our hospitals
Consumer Protection and Education

Need more insurer accountability to explain aspects of their products to customers

- Which providers are in network
  Insurance Provider Directories
    - Inaccurate, out of date, no hard copies
    - Should be viewable on healthcare.gov website

- Better understanding of premiums and subsidies
  - Differences between silver vs bronze

- Better understanding what is covered and what is not covered

- Better understanding out-of-pocket obligations

- Overall affordability concerns
Need for Standardized Outcome Quality Metrics

- Large Variation by Payers on Quality Metrics
  Milliman Study Highlights Lack of Consistency

- Ascension Health & AHIP Recommendation
  As part of a Coalition called “Partnership for Sustainable HealthCare” issued April, 2013:

  By 2016 …there should be a uniform national core measurement set that is used by both the public and private sectors
Network Adequacy: Numbers and Types of Providers

Take into account the characteristics of the population being served

- Lower in income with limited means (child care, inflexible work hours, complex medical issues)

- Geography based on transportation needs and available hours-- not strictly mileage

- Complete service coverage, such as ambulatory testing and specialty services
Affordability of Premiums and Cost Sharing

- Challenges of high cost sharing health plans (deductibles and coinsurance)
  - Hard to coordinate care in a narrow network model when patients are faced with high cost sharing
  - People delay seeking care when faced with large out-of-pocket costs and therefore unable to comply with prescribed treatments
- Ascension Health experience to date