

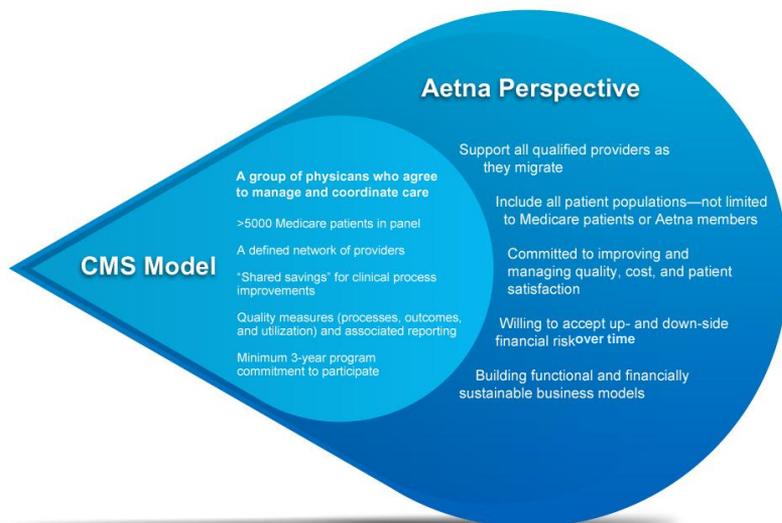


## Collaborating To Transform Health Care

Aetna Accountable Care Solutions Overview



## Redefining the Structure and Financing of the Delivery System





# The Aetna ACO Business:

Using Health Care Reform to Evolve the Health Plan Business Model From Competition To Collaboration

### Incentives:

Wrong provider incentives  
Wrong payer incentives

### Strategies & Structure:

Consolidation for defense,  
not for value optimization



## Zero Sum Competition

### Competition:

Wrong level of competition  
Wrong form of competition  
Limited by geography

### Information:

Wrong/No Quality Information  
Wrong/No Cost Information

Michael Porter, Elizabeth Teisberg, "Redefining Competition in Health Care" Harvard Business Review, June 2004



# ACOs & HIT: Realizing the Vision of Reform

## HIT Enabled Supply Sensitive Care Management Strategies

*Dartmouth studies, Atul Gawande's reports and multiple other sources of information show that higher cost regions do not have higher use of evidence based interventions—The ACO Opportunity: Use HIT to manage supply sensitive care & improve quality*

Study of CMS Costs in the Last Year of Life published in Health Affairs study<sup>4</sup>

Higher cost areas did not have higher use of widely accepted proven, evidence based, effective care based on accepted measures

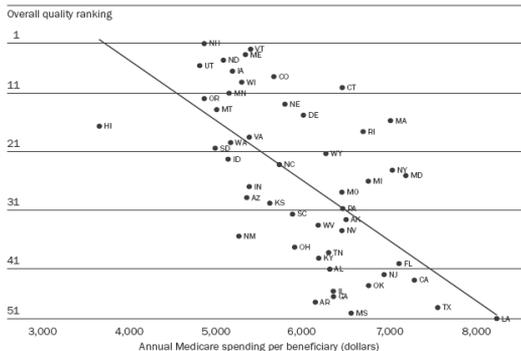
High cost areas had higher use of specialists

Increased use of specialists highlights the failure of information sharing across larger teams and the potential for HIT to create value

ACO Solutions combined with Health IT which focus on care coordination amongst care providers; increased compliance with the evidence base, and appropriate utilization guidance have the best opportunity especially at transitions of care are likely to generate expected value opportunities

Supply sensitive care management strategies offer the promise of reduced cost with better quality. HIT is foundational to the successful execution of this strategy

**EXHIBIT 1**  
Relationship Between Quality And Medicare Spending, As Expressed By Overall Quality Ranking, 2000-2001



SOURCES: Medicare claims data; and S.F. Jencks et al., "Change in the Quality of Care Delivered to Medicare Beneficiaries, 1998-1999 to 2000-2001," *Journal of the American Medical Association* 285, no. 3 (2003): 305-312.  
NOTE: For quality ranking, smaller values equal higher quality.



## The ACO Solution: Collaboration

Clinical value creation is realized and shared through Aetna collaborations



Financial incentives, business structure innovations, and Health information technology support improved clinical performance

Improved clinical performance measured through quality scores and cost of care measures creates economic and clinical value

Private label insurance products which allow delivery systems to directly market their services

Complete transparency between efficiency and effectiveness and price to market

- Direct rewards for quality and efficiency
- New innovations for clinical care

Aetna has over 140 delivery systems of varying size, type and scope who are planning various forms of Accountable Care Collaborations. HIT is foundational to creating new clinical value through clinical integration and decision support.

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AETNA ALIGNED CARE SOLUTIONS

OVERVIEW



## Aetna's ACS Transformation-- The Fundamental Enabler Is Health IT

### Health Care of Today

Health Plan Interventions



Doctor-Patient Relationship

The doctor-patient relationship is influenced by utilization management, financial incentives, which use claim data and are focused on to cost reduction

### ACO Transformed Care

Doctor-Patient Relationship



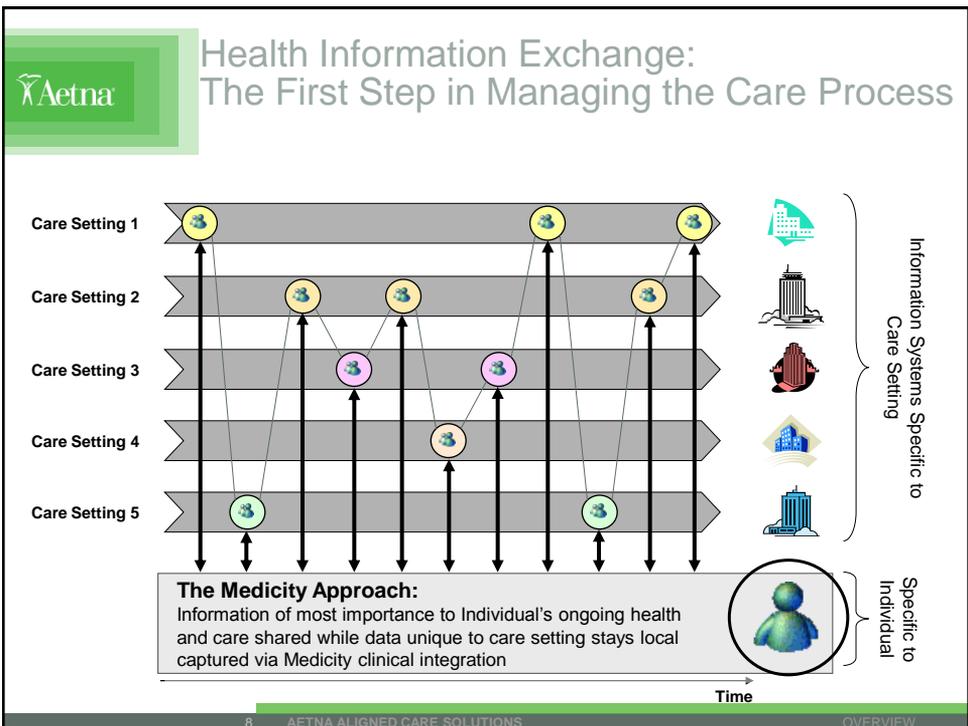
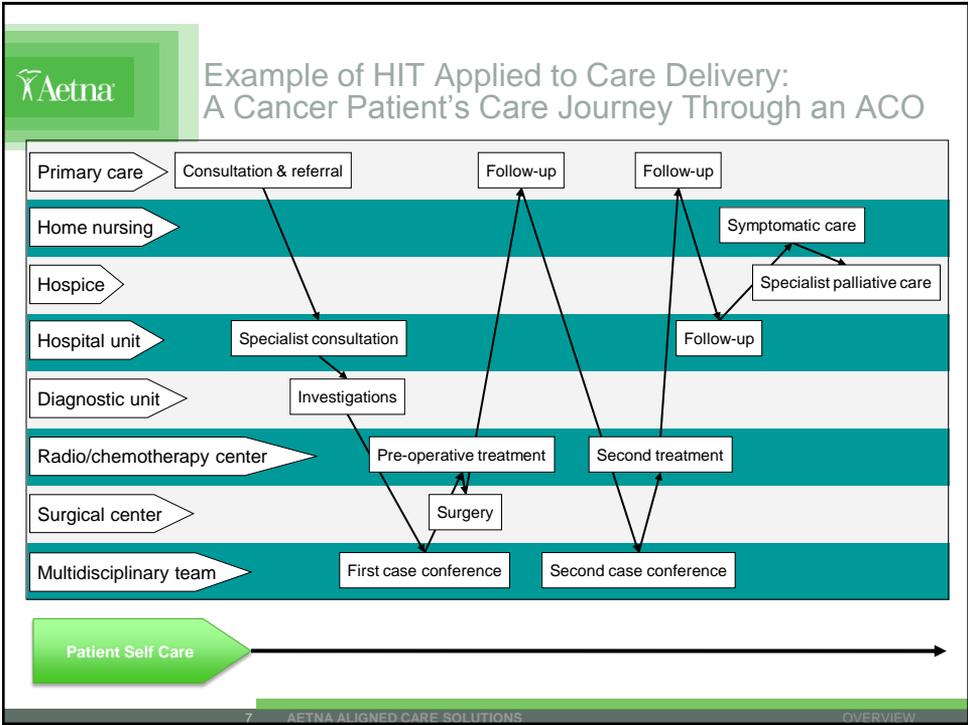
Accountable Care Solutions

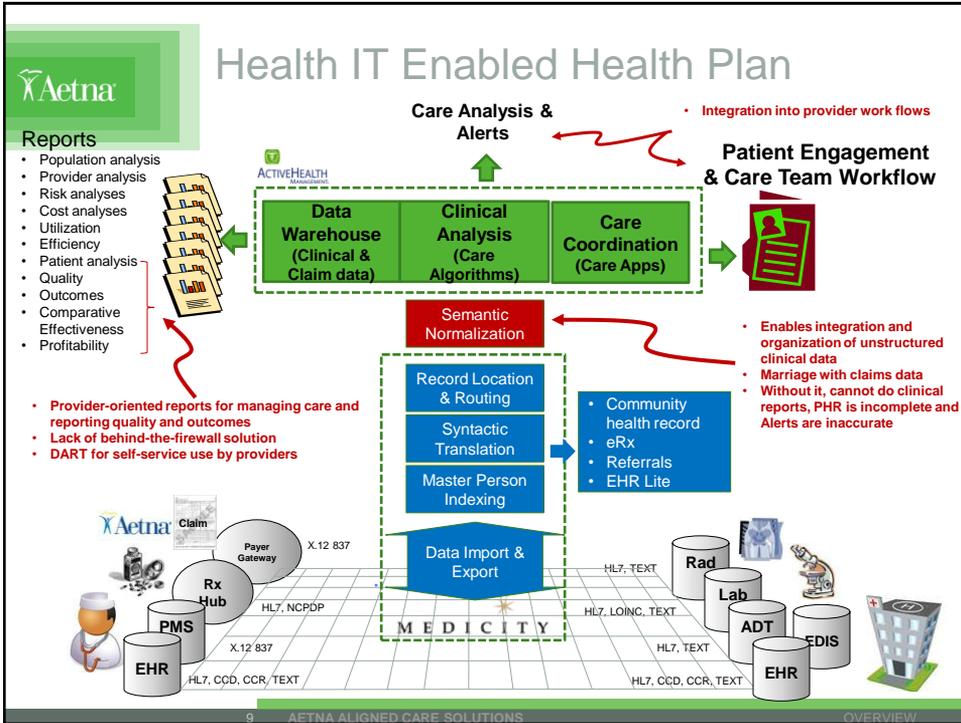
Doctors and patients are SUPPORTED by ACS technology, finances, and structures using integrated clinical & claim data enabled via Aetna's Health IT for value based decision making by doctors & patients

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AETNA ALIGNED CARE SOLUTIONS

OVERVIEW





# Meaningful Use Support for Health Care Reform

Meaningful Use Phase 3 could better support HIT enabled ACO care delivery through:

- Addressing the challenges noted in the PCAST report with vendor requirements for semantic interoperability
- Development of clinical ontologies which are designed to directly support the care management process
- New flexibility in meeting Meaningful Use Requirements with a new ACO enablement path for Meaningful Use

**10 AETNA ALIGNED CARE SOLUTIONS OVERVIEW**



**HIT Value: By integrating Pathology report of “adenomatous polyps of colon” into data model, guideline is automatically changed to indicate that the next colonoscopy is due in 5 years (vs 10) because of clinical findings. Both physician and patient see this information allowing for clinical care management automation. Aetna ACOs use this tool to automate highest quality care delivery and maximal scoring for quality incentives. However, tool can also be used to improve medical management for cost reduction**

Carol Bailey Gender: Female Birth Date: 01 May 1952 Age: 57 yr

The Health Status Summary lists the current status on an individual's health conditions. This summary contains the programs, (e.g., individual is currently listed, along with a current status on each of the measures included in the programs. The Health Status Summary defined for the individual.

**Women's Health**

Goal	Status	Alert	Recommendation
Annual Mammography Exam	Current	Green	Compliant with mammogram guideline
Annual PAP Test	Current	Green	Compliant with PAP Smear guideline

**Immunization Status**

Goal	Status	Alert	Recommendation
Adult Varicella Immunization	Unknown	Yellow	Immunization guideline compliance not met

**Colorectal Cancer Screening**

Goal	Status	Alert	Recommendation	Last Update
Colorectal Cancer Screening	Current	Green	The colorectal cancer screening guideline indicates: Colonoscopy every 5 years.	05 Dec 2008

**Consistent Patient View**

**My Health Indicators**

Goal	Alert
Annual Mammography Next Due: May 2010	Green
Annual PAP Test Next Due: May 2010	Green
Colorectal Cancer Screening Next Due: December 2013	Yellow
Adult Varicella Immunization	Yellow

Individual view