

Sharing Risk & Value Contracting Opportunities

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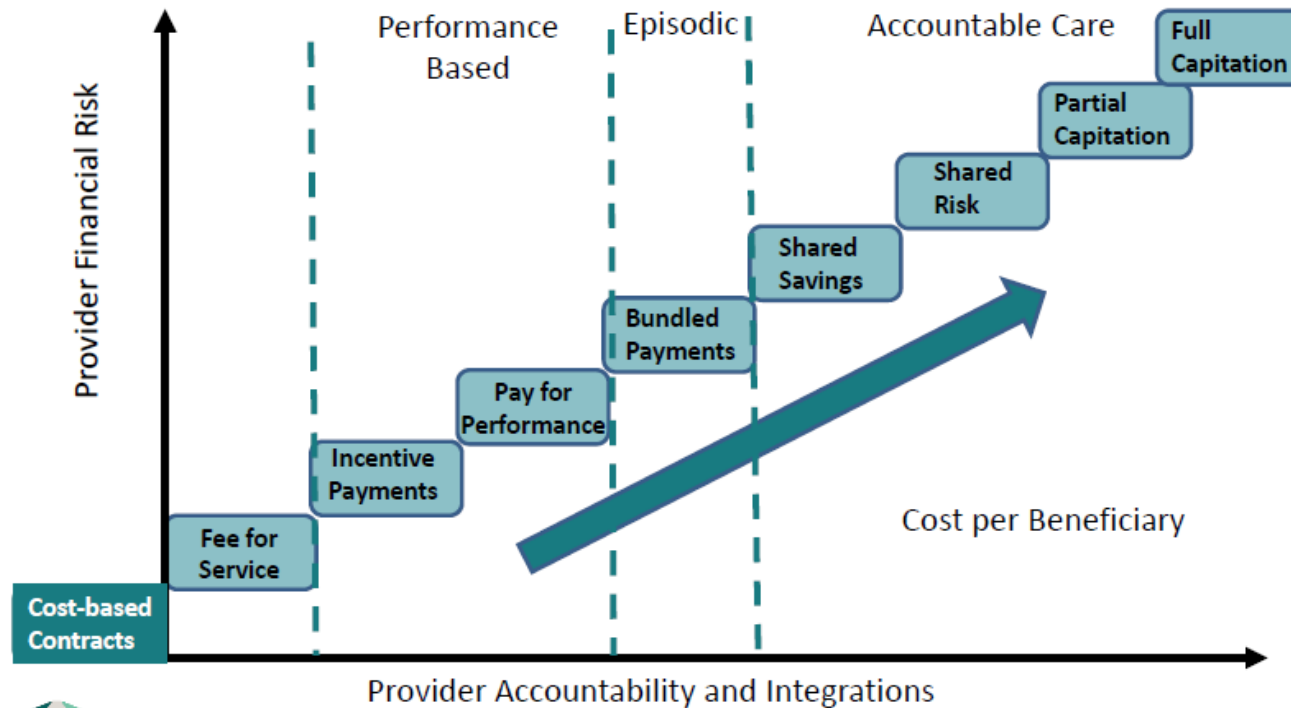
At the intersection of health care policy, politics and communications.

Current Provider Value Proposition

- Shared risk for direct service cost and / or units of service.
- Valuing provider cost, provider units of service, or a combination of the two.
- CMS requires counties to be a “prudent purchaser” with the expectation that the provider will seek to minimize its costs.

Accountability & Risk

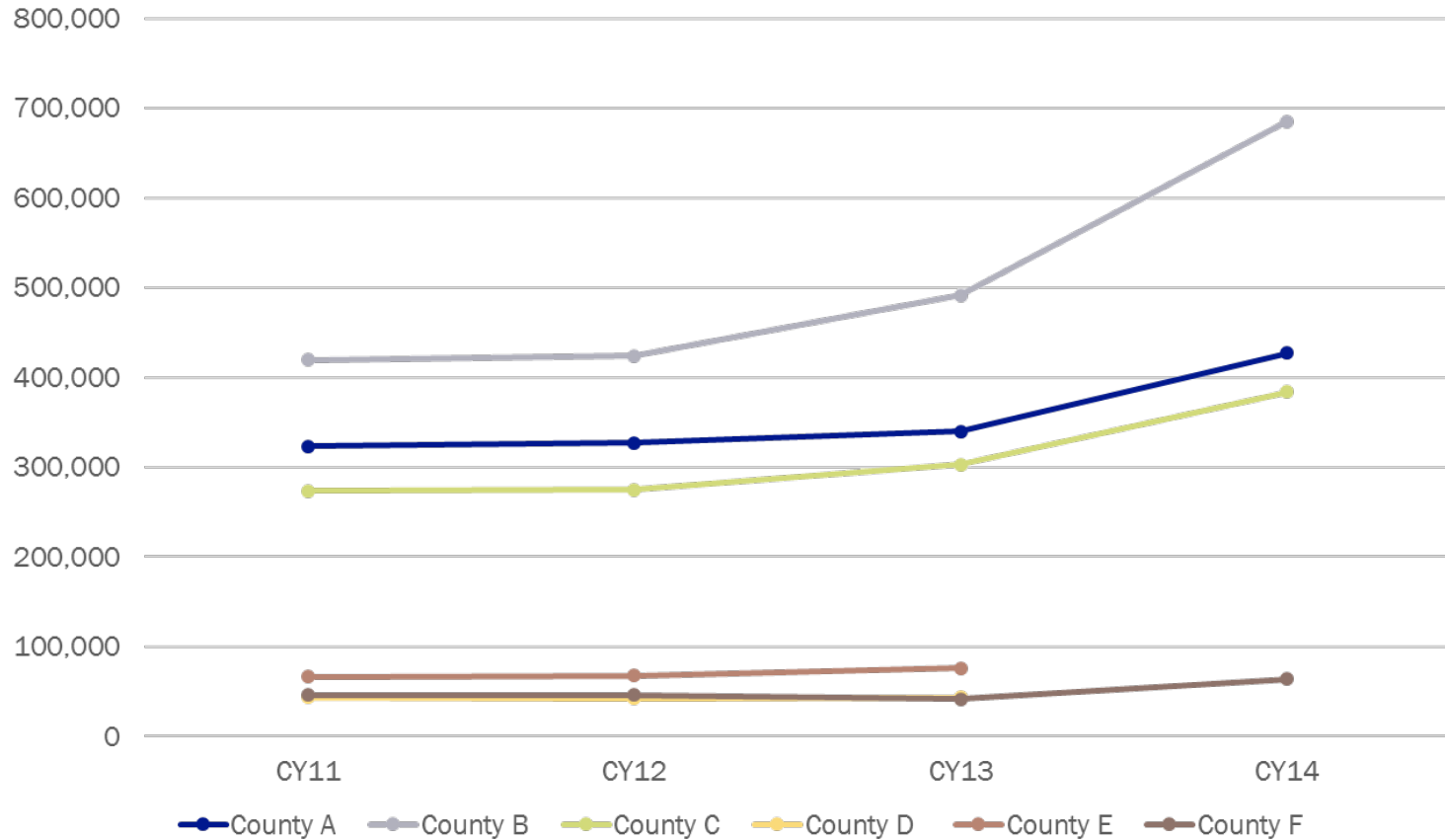
Accountability and Risk



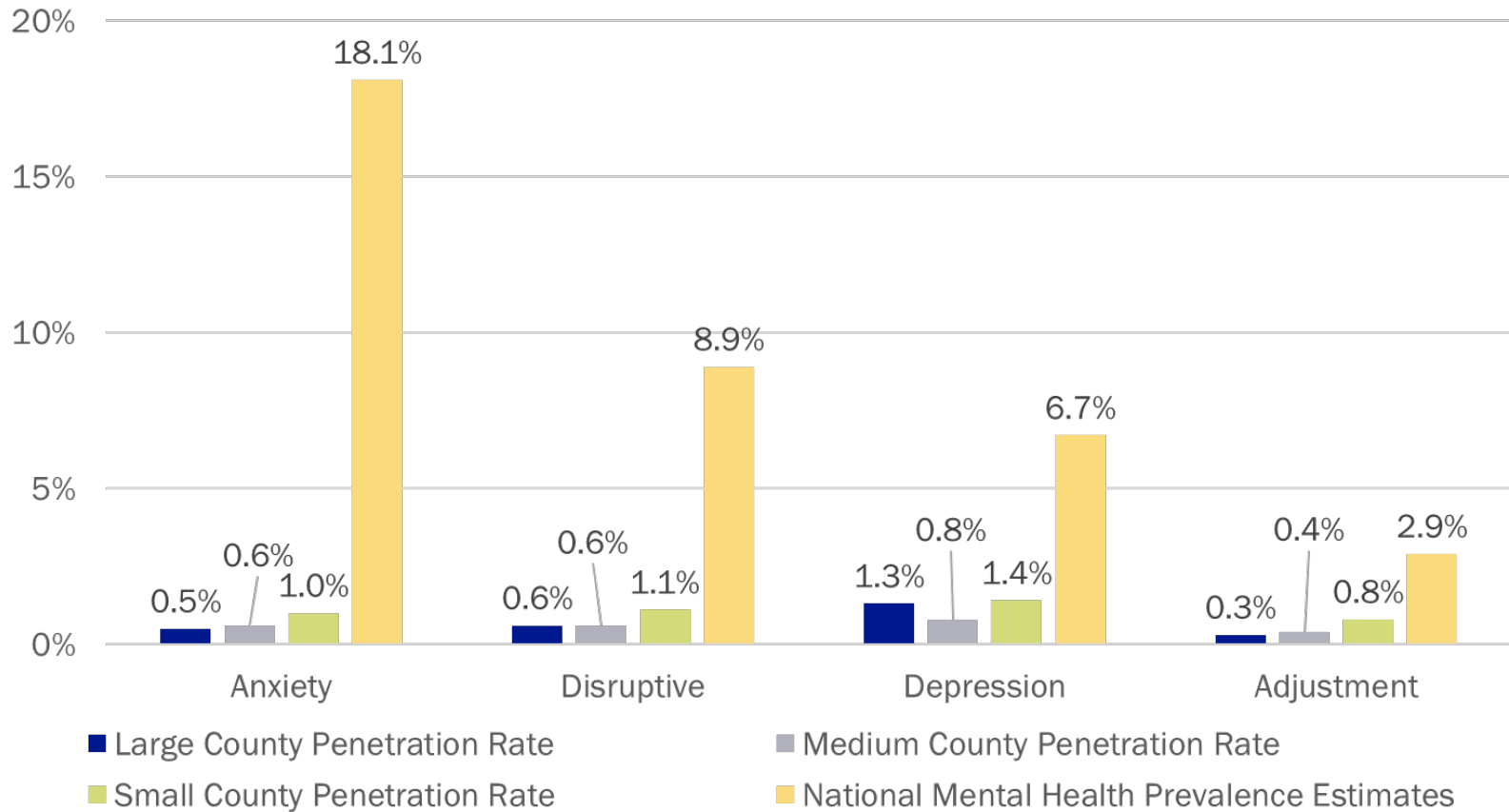
Beneficiary Risk & Value

- Covered Lives
- Prevalence
- Penetration
- Utilization
- Quality, Results & Outcomes

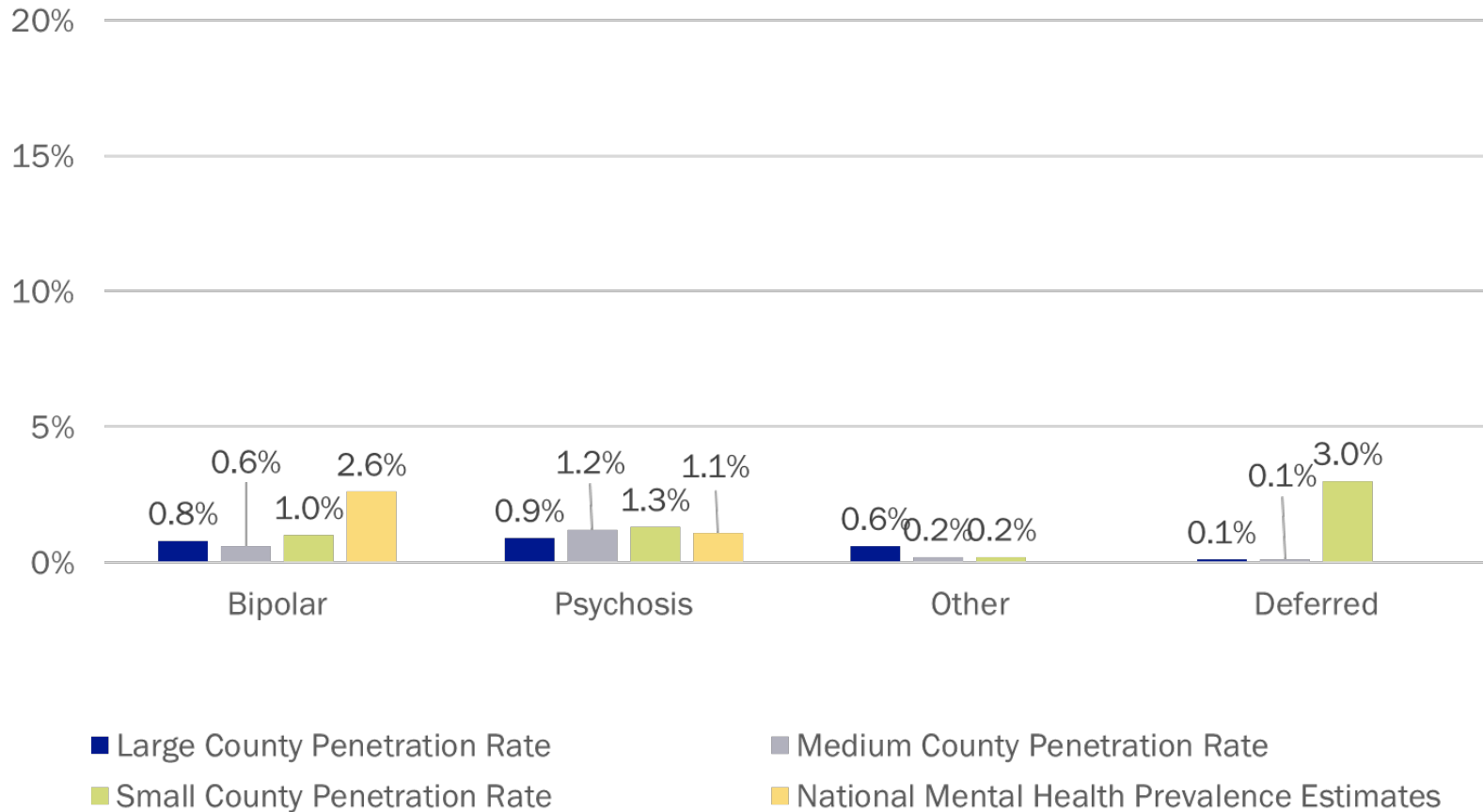
Covered Lives: Medi-Cal Enrollment is Increasing



Prevalence by Diagnosis

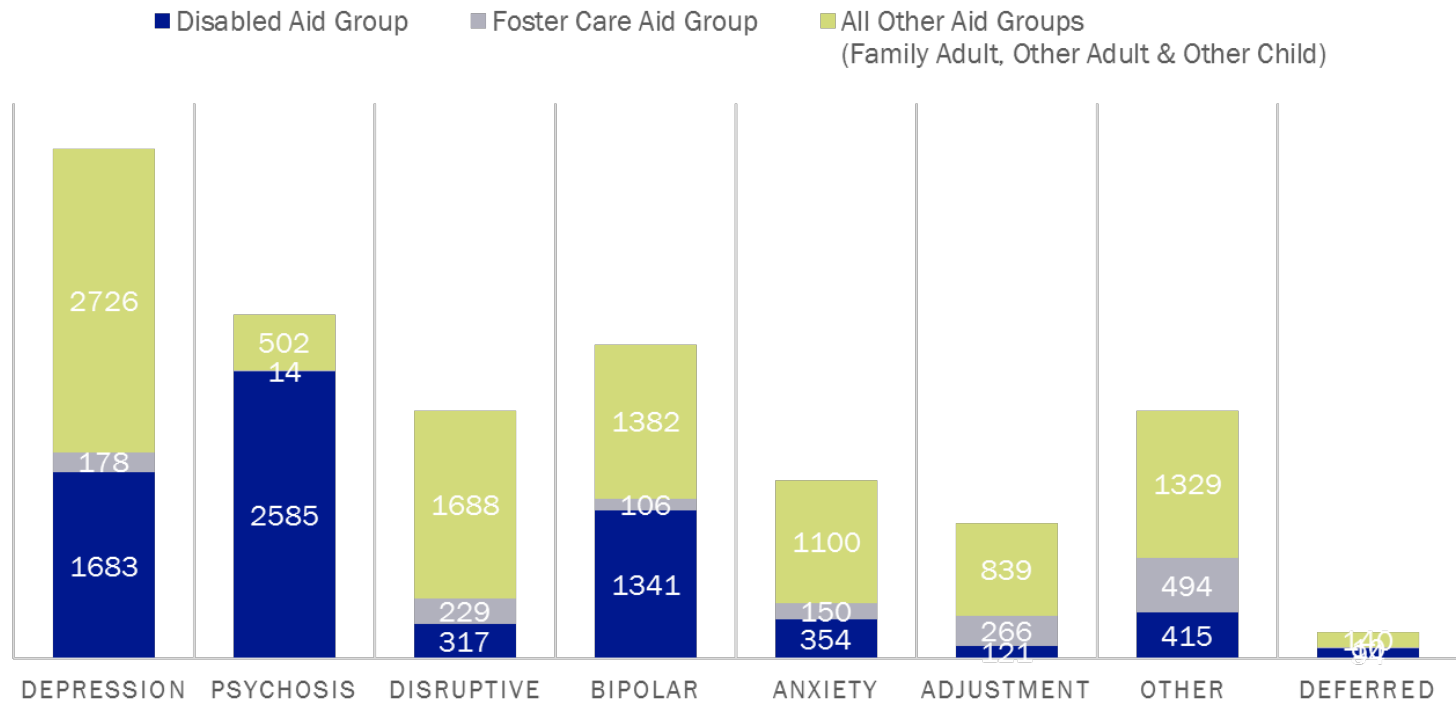


Prevalence by Diagnosis (cont.)



Diagnosis & Risk

LARGE COUNTY AID GROUP DISTRIBUTION BY DIAGNOSIS



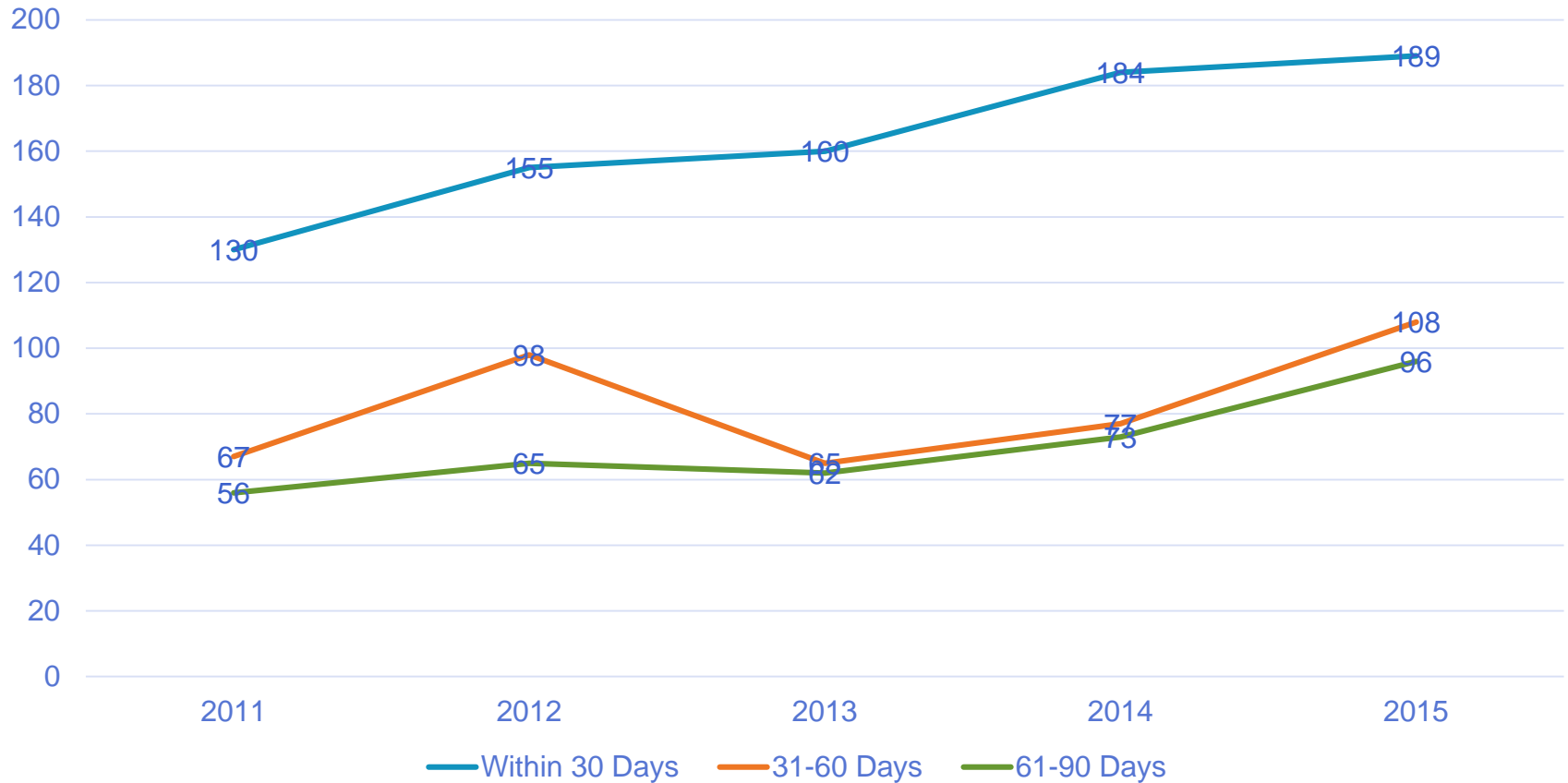
Service Utilization - % of ED Visits with an Open Outpatient Episode

Year	ED Admits	Open Outpatient Episode count	% of Open Outpatient Episodes
2011	1,385	387	28%
2012	1,360	408	30%
2013	1,392	449	32%
2014	1,692	494	29%
2015	1,959	666	34%

Service Utilization - % of AIAs with an Open Outpatient Episode

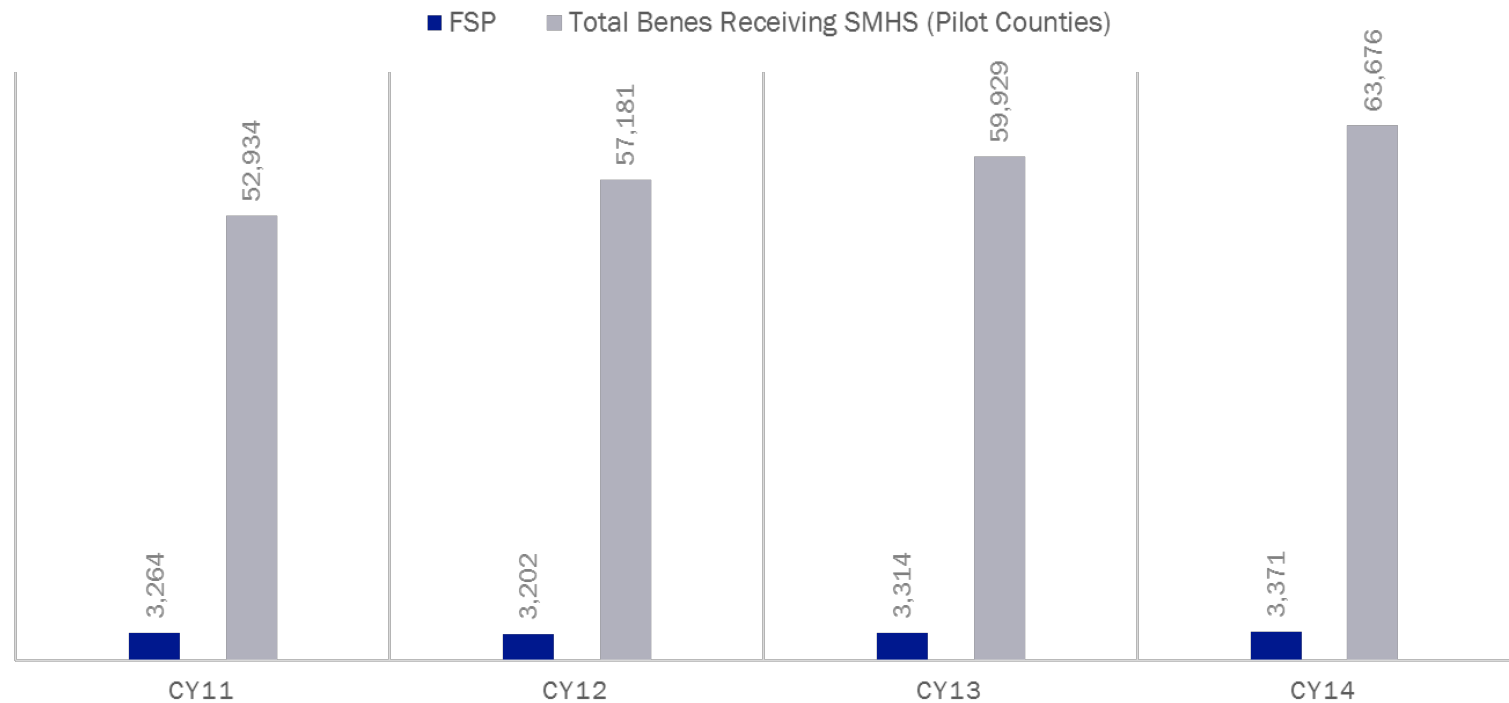
Year	Acute Inpatient Admissions	Open Outpatient Episodes	% of Open Outpatient Episodes
2011	829	318	38%
2012	1024	366	36%
2013	1078	387	36%
2014	1299	418	32%
2015	1398	559	40%

Service Utilization – Re-Hospitalization Rates

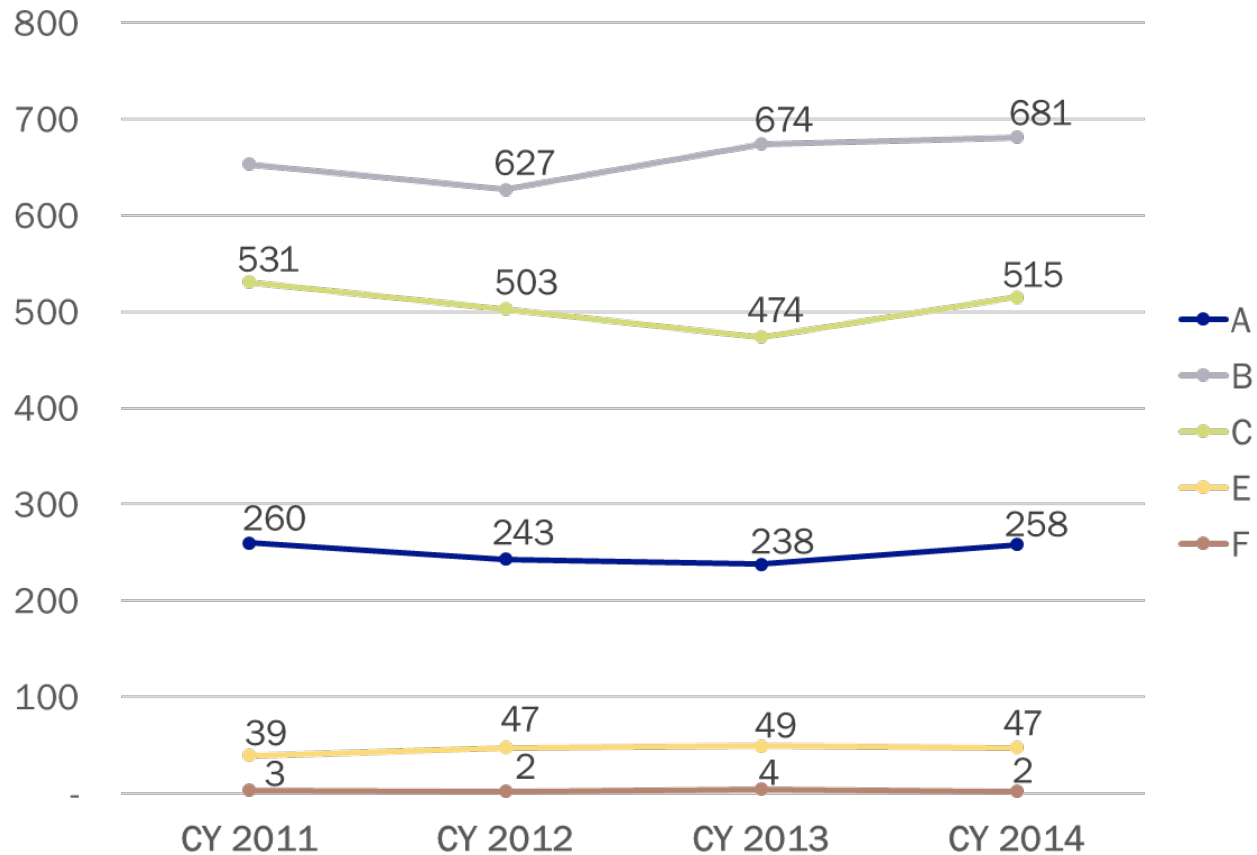


Service Utilization – FSP Enrollment

FSP ENROLLMENT VS. TOTAL BENEFICIARIES RECEIVING SMHS



Service Utilization – LPS Conservatorship



Quality, Results & Outcomes

Step 1: Cost to Volume

Step 2: Access / Intensity

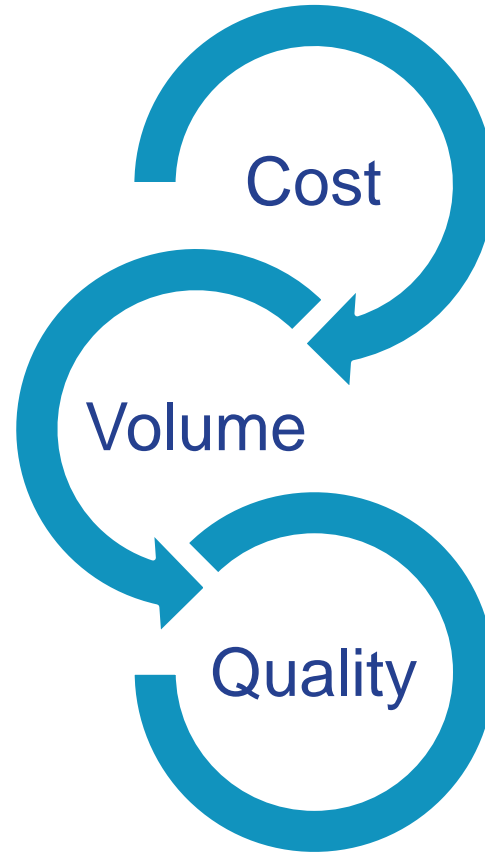
Step 3: UR / UM

Step 4: Trend Utilization
Variables

Examples of Bending the Trend

- Decrease Re-hospitalization Rates
- Focus on Access and Utilization for High-Risk Diagnoses
- Partner with Health Plans to Address High-Prevalence Diagnoses

Adding Quality to the Fee-For-Service Equation



Questions & Discussion

Thank You for your Participation

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