

Connecticut SIM SWOT Analysis Webinar: March 18, 2016



Strength, Weakness, Opportunity, Threat (SWOT) Analysis

- ▶ A SWOT Analysis is a study undertaken by an organization to identify internal strengths and weaknesses as well as external opportunities and threats.
- ▶ SWOT analyses can be carried out for products, places, industries and/or persons.



Purpose

- ▶ The purpose of the SWOT analysis is to:
 - Summarize the feedback received from Consortium members and interviews with health plans, employer groups and employers.
 - Assess employer uptake of V-BID in Connecticut including:
 - Employer barriers to implementation
 - Resources needed to overcome these barriers
- ▶ Findings from the SWOT Analysis have been used to inform the creation of a template for V-BID Implementation in Connecticut

Strengths: Internal to CT Stakeholder Team

- ▶ Connecticut citizens show enthusiasm for engaging in new insurance options and have active consumer advocacy groups
 - Recommendation: Engage consumer groups to become strong V-BID champions for employees and consumers

- ▶ HEP is the leading national model for the V-BID market
 - Recommendation: Apply model to other self-insured employers and modify for other market segments

- ▶ CT SIM includes Quality Measure Alignment Initiative
 - Recommendation: Leverage to help identify and promote high-value providers

Strengths: Internal to CT Stakeholder Team

- ▶ Some health plans have already begun defining high-value providers (especially PCPs) and driving patients toward them
 - Recommendation: Align cost sharing for high-value providers as part of V-BID plans with existing tiered networks and ACO structures
- ▶ Patients are driven towards high-value primary care providers, a trend that aligns with provider and patient incentives
 - Recommendation: Incorporate incentive structure to drive members towards using high-value primary care providers as a part of a V-BID Template

Weaknesses: Internal to CT Stakeholder Team

- ▶ Employers are hesitant to increase cost-sharing for employees which may affect short-term ROI
 - Recommendation: Encourage implementation of balanced incentives over time

- ▶ Employers are focused on immediate cost reduction and increased ROI
 - Recommendation: Emphasize short-term non-financial benefits and predicted long-term cost reductions (found in HEP and other VBID plan evaluations)

Weaknesses: Internal to CT Stakeholder Team

- ▶ There are limited examples and little demand for V-BID models in the CT market
 - Recommendation: Leverage Learning Collaborative to build demand for V-BID among employers; encourage Exchange to adopt V-BID plan which may drive demand in market

- ▶ Payers perceive Connecticut's regulatory environment to be challenging
 - Recommendations:
 - Pursue self-insured plan designs as models for differential cost-sharing
 - Explore options for building differential cost-sharing into a care management approach for fully-insured individuals

Opportunities: External to CT Stakeholder Team

- ▶ Health care costs are rising in the state and nationally - employers and plans are looking for innovative ways to curb costs and improve outcomes
 - Recommendation: Provide examples of how V-BID aligns with these goals in the Tool kit and employer communications materials
- ▶ HSA-eligible High Deductible Health Plans are becoming more common
 - Recommendation: Leverage consumers' increased awareness of the cost of services by identifying strategies for implementing V-BID as part of HDHP-HSAs
- ▶ Large employer and self-insured markets have more flexibility in plan design, easing the adoption of clinical nuance
 - Recommendation: Use self-insured market template as the “ideal” template for V-BID uptake by leveraging the market as a testing ground for V-BID strategies

Opportunities: External to CT Stakeholder Team

- ▶ The market may be primed to progress towards clinical nuance and design innovation with the introduction of the Medicare Advantage Model
 - Recommendation: Leverage Medicare Advantage as the national model to drive V-BID adoption amongst commercial insurers
- ▶ V-BID adoption is growing with innovative employers, Medicare Advantage model, and ACA (requires some differential cost sharing for specific high value services)
 - Recommendation: Market V-BID as a competitive edge for plans by promoting a clinically nuanced incentive structure to get better outcomes and higher ROI

Threats: External to CT Stakeholder Team

- ▶ Health plans and employers are wary of the administrative burden of implementing clinical nuance
 - Recommendation: Engage Consortium members in strategies to reduce administrative burden when designing V-BID template

- ▶ Consumer advocacy groups are very active and may push back on perceived “discriminatory benefits”
 - Recommendation: Engage key consumers (e.g. union groups) in the Learning Collaborative to increase their understanding and buy-in

- ▶ Patients may not understand the differences between low-value and high-value services, or how differential cost sharing is applied
 - Recommendation: Allow for simple cost sharing schemes; engage union and other employee leaders to educate employees

Threats: External to CT Stakeholder Team

- ▶ There has been a rise in employee wellness plans, which are not necessarily clinically nuanced or evidence-based, and are often mistaken as V-BID
 - Recommendation: Address the difference between clinical nuance and employee wellness plans in template and employer communication materials

- ▶ Due to the fact that this is an election year, efforts to promote V-BID may be thwarted by the election outcome
 - Recommendation: Consider a Plan B for moving forward to promote V-BID in the event of a major change in health care law

- ▶ There has been an increase in HSA-eligible High Deductible Health Plans, which do not cover secondary preventive services for chronic diseases under the HSA
 - Recommendation: Adopt innovative designs for HSA-eligible HDHPs, such as the employer contributing to the HSA for utilizing certain preventive services

Discussion
