The “Michiana” Employer Initiative

Kim Woofter, Advanced Centers for Cancer Care (AC3)
Where is Michiana?
The Key to Success?

Transparency in the cost of care
Collaboration in controlling costs
Employer Costs vs Provider Allowed

• Uncover the discrepancies
Where did we start?

• Goal of Initial Engagement
  1. Develop Trusting and Transparent Relationship
  2. Solve the “Employers” Problem

• Initial Strategies
  1. Evaluate Employer Spend – Big data lake access
  2. Develop Meaningful Fee Schedule – Quick win
  3. Demonstrate Site of Service Savings – Validate with data

• Anticipated Outcome
  1. Value for Employer / Volume for Provider
  2. Reduction in the overall cost of care for patients (employees)
What did site-of-service data demonstrate?

<table>
<thead>
<tr>
<th>Treatment</th>
<th>Cost at Provider A (Hospital)</th>
<th>Cost at Provider B (Independent Clinic)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keytruda</td>
<td>$38,850</td>
<td>$9,714</td>
</tr>
<tr>
<td>Neulasta</td>
<td>$19,519</td>
<td>$4,442</td>
</tr>
<tr>
<td>Neupogen</td>
<td>$2,856</td>
<td>$480</td>
</tr>
<tr>
<td>Chemotherapy Infusion 1 hr</td>
<td>$491</td>
<td>$440</td>
</tr>
<tr>
<td>Extremity Scan</td>
<td>$490</td>
<td>$264</td>
</tr>
</tbody>
</table>

Patient Journey
financial impact of patient choice

$1,464,643
TOTAL SAVINGS resulting from patient choosing a community oncology provider
What happened next?

Positive:

• Dedicated Employer Team – SEMMA
• Expanded Specialties – Orthopedics, Surgery, Multi-Specialty, Imaging
• Expanded Access – Facilities close to home
• Cadence of Communication – Providers, Employers and Community Leaders
• Intelligent Plan Design “Discussion” – Shared Savings, Co-Pay Alignment, Fee Schedules

Learning Opportunities

• Need for an Audit Solution – Ineligible participants, Pre-Cert elimination
• Need for a collaborative TPA Solution
• Strategy to include Hospitals in “Community Value” discussions
Where are we now?

• Expanding Employer Network – Local Employers and Labor Unions
  – National Employer - data analysis and regional “best value” providers

• Plan Design to Drive Value
  – Shared Savings (Employer-Employee)
  – Co-Pay Segregation by Site of Service
  – Community Based “Thoughtful” Fee Schedules
  – Hospital System Participation – Urgent Care “Value”

• Clinically Integrated Network (CIN) – Local Providers

• Provider Access to Employees
  – Direct to Consumer Relationship Building / Education and Screening
Thank you

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