The Quality (and price) Problem

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Need for Quality Data
Non-Provider Themes

**DATA INTEROPERABILITY**
Integration of multiple data sets to derive actionable insights

**TRANSPARENCY**
Employers demand the full picture

**BEST IN CLASS**
Quality driving decisions for plan designs, contracts, employment, etc.

**DIFFERENTIATOR**
Vital component to overall value proposition

**STEERAGE**
Educate/guide members to high value care
## Value Beyond Providers

Quantros data has multi-channel strategic value

### Payers
- Strategic market analysis
- COEs
- Designator provider identification
- Member-facing tools

### Specialty Providers
- Surgery Bundles
- COEs, Narrow Networks
- RBP
- TPA
- Care navigation

### Data Analytics Firms
- Data interoperability & transparency
- Actionable insights
- Prospective risk profiles
- Outcome/ROI management

### Employers
- Plan design / contracting
- Care navigation

### Brokers/Consultants
- Data interoperability & transparency
- Actionable insights
- Plan design / contracting

### Health Coalitions
- Statewide quality awareness / initiatives
- Healthcare legislation
- Resource for members
Commercial Use

Providing employers and their employees with objective quality and cost insights leading to optimal healthcare navigation

9,000+
CLIENTS

50+
TPAs

4.8M+
LIVES
Scoring Methodology
Components of Quality Scoring

Composite Quality Score

- Unanticipated Mortality
- Unanticipated Readmissions
- AHRQ Inpatient Quality Indicators
- AHRQ Patient Safety Indicators
- Post Surgical & Medical Complications
Components of Risk Adjustment

- # of Major Chronic Conditions
- Age
- Gender
- # of Other Significant Comorbidities
Quality Measure Statistic (RAMI)

Z-Value (determines the extent of statistical significance)

Z-Score (standardizes z-values to a normal distribution)

Percentile Score
Quality Disparities
Quality Measures

Overall Hospital

- Quality Measure: 91.9%
- Performance: EXCELLENT

Overall Medical

- Quality Measure: 30.4%
- Performance: AVERAGE

Overall Surgical

- Quality Measure: 97.4%
- Performance: EXCELLENT
Overall Hospital Care
MSA Indianapolis Comparison

Overall Hospital Care
Overall Medical Care
Overall Surgical Care
Hospitals May Do Everything, But They are Not Great at Everything . . .

- Joint Replacement, 99th percentile
- Cholecystectomy, 53rd percentile
- Bariatric Surgery, 4th percentile
Hospital Quality Example

Same hospital, different outcomes for different surgeries

**Hip Fracture Repair**
- 87th Percentile Nationally
- 3 out of 26 in area
- 516 out of 2,429 Nationally

**Neurological Care**
- 11th Percentile Nationally
- 29 out of 32 in area
- 3,504 out of 3,925 Nationally
Quality Varies Within the Same System

Indianapolis Hospital North

Indianapolis Hospital South
A great hospital ≠ a great doctor

**Academic Medical Center**

Joint Replacement 99th percentile

<table>
<thead>
<tr>
<th>Orthopedic Surgery Specialists: Quantros Quality Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physician 1</td>
</tr>
<tr>
<td>Physician 2</td>
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<tr>
<td>Physician 3</td>
</tr>
<tr>
<td>Physician 4</td>
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<tr>
<td>Physician 5</td>
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<tr>
<td>Physician 6</td>
</tr>
<tr>
<td>Physician 7</td>
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<tr>
<td>Physician 8</td>
</tr>
</tbody>
</table>
Cost Disparities
## Market | Indianapolis

<table>
<thead>
<tr>
<th>Market Basket of Procedures</th>
<th>Low Price</th>
<th>High Price</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colonoscopy (screening)</td>
<td>$1,054</td>
<td>$7,639</td>
<td>725%</td>
</tr>
<tr>
<td>Shoulder MRI (no contrast)</td>
<td>$437</td>
<td>$3,975</td>
<td>910%</td>
</tr>
<tr>
<td>Sleep Study</td>
<td>$811</td>
<td>$6,649</td>
<td>820%</td>
</tr>
<tr>
<td>Chest CT (no contrast)</td>
<td>$265</td>
<td>$1,871</td>
<td>706%</td>
</tr>
<tr>
<td>Knee Arthroscopy</td>
<td>$4,077</td>
<td>$21,077</td>
<td>517%</td>
</tr>
<tr>
<td>Upper Gastrointestinal Endoscopy (no biopsy)</td>
<td>$933</td>
<td>$6,891</td>
<td>739%</td>
</tr>
<tr>
<td>Abdominal Ultrasound</td>
<td>$99</td>
<td>$1,064</td>
<td>1075%</td>
</tr>
<tr>
<td>Cataract Surgery</td>
<td>$1,867</td>
<td>$9,892</td>
<td>530%</td>
</tr>
<tr>
<td>Heart Perfusion Imaging</td>
<td>$870</td>
<td>$6,902</td>
<td>793%</td>
</tr>
<tr>
<td>Ear Tube Placement (Tympanostomy)</td>
<td>$1,352</td>
<td>$13,074</td>
<td>967%</td>
</tr>
</tbody>
</table>

**Average Market Variance**  778%
ACL Knee Surgery

Indianapolis Area
Identifying value is a challenge

And often you don’t get what you pay for

There is zero (and sometimes negative) correlation between healthcare cost and quality
Hospital Quality vs Cost | Total Knee Replacement

Indianapolis Area Hospitals

Quality Percentile

A

B

C

D

E

F

G

H

Fair Price
$42,573

Facility = $38,715 | Physician = $2,850 | Anesthesia = $1,008
If we do nothing, how likely are we to hit the cost & quality target?

<table>
<thead>
<tr>
<th></th>
<th>Green</th>
<th>Yellow/Red</th>
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<tbody>
<tr>
<td>Green</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>Yellow/Red</td>
<td>37%</td>
<td>35%</td>
</tr>
</tbody>
</table>

Quality

Leads to

15%

Waste in medical spend
Key Considerations

- Independent viewpoint on cost and quality
- Understand the data / markets
- Contract for value
- Align benefits to support value
- Tools and information to make better referrals from the point of care
Thank You