



Alliance of Community Health Plans

2021 REPORT ON AFFORDABILITY

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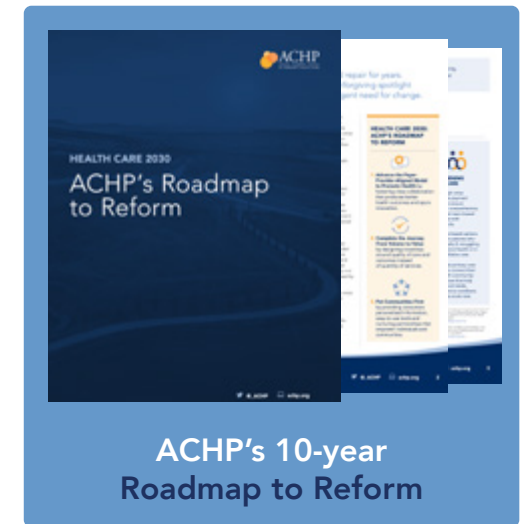
Year after year, health care costs continue to rise...

...and yet, despite skyrocketing prices, consumers are not benefitting from better care or improved health outcomes.

The Alliance of Community Health Plans (ACHP) and its member companies have committed to reverse this trend. By developing innovative approaches that both lower costs and enhance quality of coverage and care, community-based health plans **deliver the best possible outcomes for their members.**

The commitment to reducing the cost of care is a core component of ACHP's 10-year **Roadmap to Reform.** This inaugural Report on Affordability begins an annual series to realize that pledge, highlighting the tangible steps ACHP member companies take to increase the value of every dollar spent on health care.

Delivering greater value means more money available for other priorities — for families, businesses and taxpayers.



The many ways ACHP member companies addressed affordability in health care in 2021 included the following:

Reducing or holding the line on insurance premiums

- ▶ Several ACHP members have steadily increased benefits and kept premiums flat over multiple years

Every ACHP member company added new or expanded existing health benefits without increasing costs to consumers

- ▶ Examples of these additional benefits: free vaccines, transportation, hearing aids, reduced insulin costs, nutrition classes and meal services, smoking cessation programs and \$0 co-pays for mental health visits

Fully 3/4 of ACHP plans have moved acute and recovery services out of the expensive hospital setting

- ▶ By establishing hospital-at-home programs and remote patient monitoring, plans have generated significant savings for both consumers and the health system plus improved consumer satisfaction



Some insurance premiums have been reduced by as much as

10%



Free vaccines, hearing aids, reduced insulin costs, \$0 co-pays for mental health visits and more!



Hospital and recovery at home programs are generating savings and improving consumer satisfaction.

2/3 of plans offered robust price transparency tools that allow consumers to make choices that best fit their needs

- ▶ Information included for inpatient and outpatient services, behavioral health, prescription drugs, lab and imaging services, and other fees
- ▶ Many provide options for several locations and virtual care, saving families time and money on travel costs
- ▶ Priority Health's Cost Estimator has tallied \$13.8 million in shared savings and paid out roughly \$4.1 million in rewards to members

All plans expanded telehealth, which improves affordable access to care across all populations

- ▶ Significantly increasing access to mental health care as well as to specialties such as Medication Assisted Treatment, physical and occupational therapy, medication management, speech therapy and dialysis, with most eliminating copays and cost-sharing



Transparency tools enable shopping by price, benefits and services reflecting unique user benefits and out-of-pocket costs.



3 ACHP member companies launched first-of-their-kind **virtual-first** insurance products in 2021, saving consumers as much as

10%

in premiums compared to traditional health plans.

Virtual-First Products: Improving Access, Lowering Costs

ACHP member plans, in close concert with local providers, have long championed virtual care, recognizing the flexibility and convenience it provides to consumers. Telehealth reduces costs, expands access for underserved populations and fosters an improved patient experience.

Last year, with telehealth adoption at an all-time high, ACHP plans accelerated their timelines for bringing cost-effective, virtual care insurance products to market. Three ACHP members – Kaiser Permanente, Point32Health and Priority Health – announced new, first-of-their-kind products to meet rising demand for telehealth. Launched across both commercial and individual markets, the products were exceedingly popular and enrollment exceeded expectations, prompting expansion into additional markets in late 2021.

Consumers who choose these virtual-first products use telehealth for a range of services, including primary care and specialist appointments, lab results and asynchronous communications with their clinical team. From managing chronic conditions such as diabetes to post-op visits with the surgical team, telehealth reduces travel costs and improves patient adherence.

This innovative new approach has been dubbed “clicks and mortar” because patients also have the option of in-person care when needed. Consumers retain their existing health plan benefits while receiving the additional flexibility and savings of telehealth. Without having to cover the overhead costs of hospitals and clinics, the virtual-first offerings save consumers as much as 20 percent in premiums and co-pays, compared to traditional health plan coverage.



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Care Anywhere: Driving Quality, Value and Patient Satisfaction

In the last year, ACHP members improved and expanded the hospital-at-home care model, offering new and efficient ways to provide acute and recovery care as well as care management in a home setting. The expansion of virtual care, complete with remote monitoring and social support, reduces the risk of infection, keeps patients comfortable at home and alleviates inpatient hospital bed shortages.

SelectHealth and its owner system Intermountain Healthcare, based in Utah, launched Connect Care Pro, a virtual hospital to ensure that patients in remote locales have access to the care they need when they need it. The online, digital program connects more than 500 caregivers across the Intermountain system, enabling patients to receive both basic medical and specialty care without making a long journey, including by helicopter. For instance, babies born in rural Utah and in need of NICU care can receive consultations from the system's top critical care specialists via telehealth, allowing the family to remain in their community and among their support system. The program saves consumers time and money, while reducing costs for the health plan and system by eliminating the need for patient transfers or additional specialists.

Presbyterian Health of New Mexico's Complete Care is a high-touch, wrap-around program that combines primary, urgent and home care for patients with complex medical needs, including those with functional decline and at risk of needing long-term institutional care. Patients receive and manage their care from home, 24/7, including acute and palliative care, house-call and same-day visits, as well as medication management. In addition, care coordinators and social workers manage social needs, including transportation and food insecurity. Between 2015 and 2020, the Complete Care program resulted higher patient satisfaction, improved health outcomes, reduced hospitalization rates – and the cost of care dropped 38 percent on a per-member, per-month basis, as compared to predicted costs for similar patients.

Intermountain and SelectHealth's virtual hospital connects more than **500 caregivers** virtually, enabling patients to receive care **without making a long journey.**

Between 2015 and 2020, Presbyterian Healthcare's Complete Care program improved health outcomes and dropped costs for participants by **20%** per member, per month.

The Home Care Recovery program from Wisconsin's Security Health Plan and Marshfield Clinic Health System brings the elements of acute inpatient recovery to a patient's home, eliminating fixed-cost allocations associated with traditional hospital-level care and reducing post-acute utilization and readmissions for 150 traditional inpatient conditions such as congestive heart failure, pneumonia and asthma.

The program has had a direct impact on patient health and cost savings. Among Security Health patients with the same condition, patients in the Home Recovery Care program had a 44 percent lower readmission rate than patients who were treated in the hospital. By establishing a 30-day episodic rate for all costs of care, Security estimates cost savings of 15 - 30 percent for a Home Recovery Care patient, compared to traditional hospitalization. Patients and family members prefer the program too, with 90 percent of Home Recovery Care patients reporting satisfaction with the program.

As ACHP members deliver more effective care, at a lower cost, with a better patient experience, these "care anywhere" innovations demonstrate one path to affordability, and, ultimately, value in health care delivery.

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Conclusion

The care anywhere approach and virtual-first products exemplify ACHP's commitment to improving the value of care – by delivering the right care, at the right time, to the right patient – ensuring better bang for every health care dollar. By creating flexible products to meet consumer needs, using technology to streamline existing processes and bringing services to the patient – at home or at a local facility, ACHP member companies are delivering higher value coverage and care.



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