Aligning Price & Quality Transparency at Virginia Mason

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Virginia Mason Health System

- Integrated health care system in WA State
- 336-bed hospital in Seattle
- 226-bed hospital in Yakima Valley
- 8 Regional Medical Centers
- 500+ employed physicians
- 6,000 employees
- 860,000 clinic visits (2016)
- Graduate Medical Education
- Benaroya Research Institute
- Virginia Mason Institute

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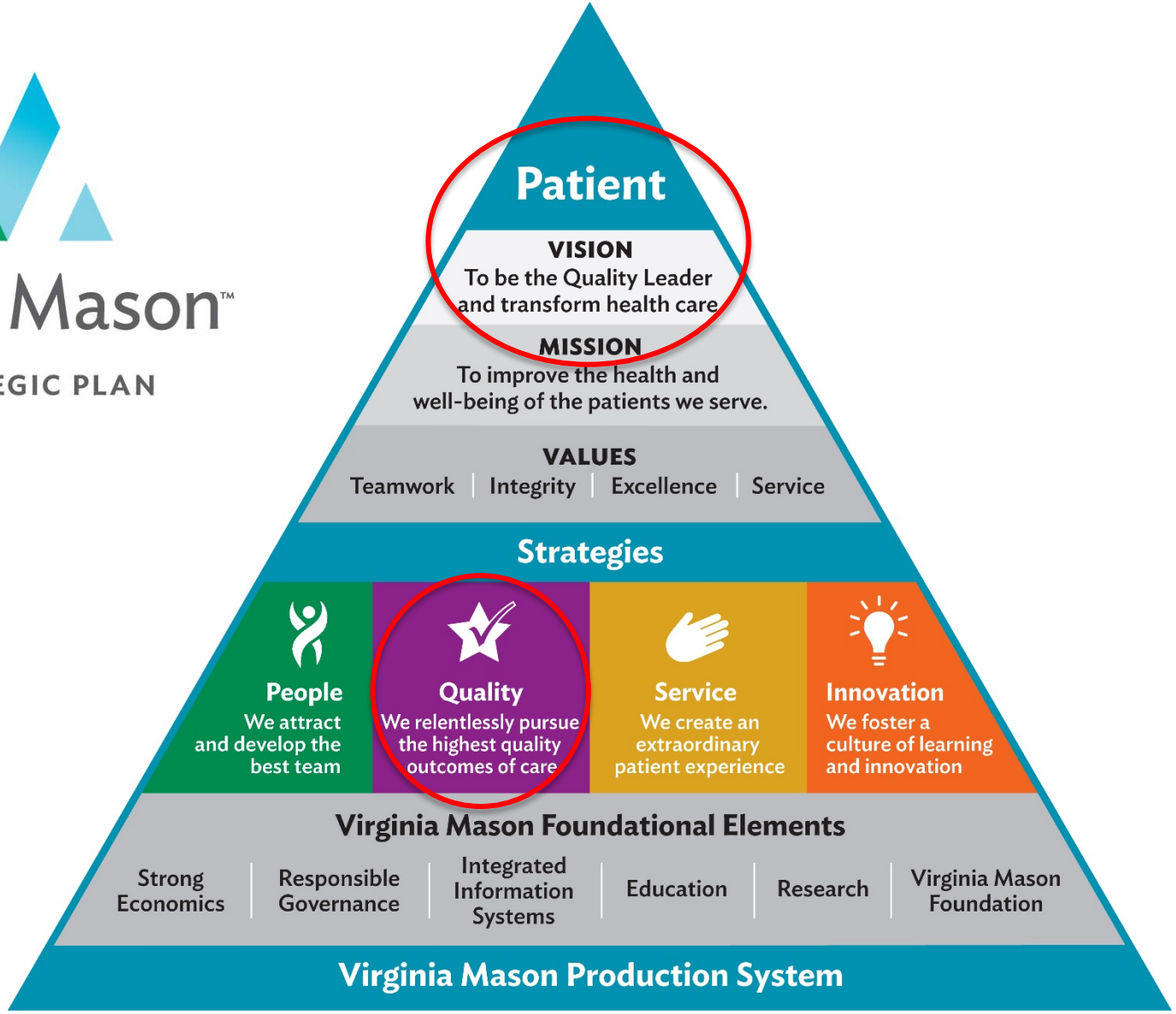
Virginia Mason™

OUR STRATEGIC PLAN



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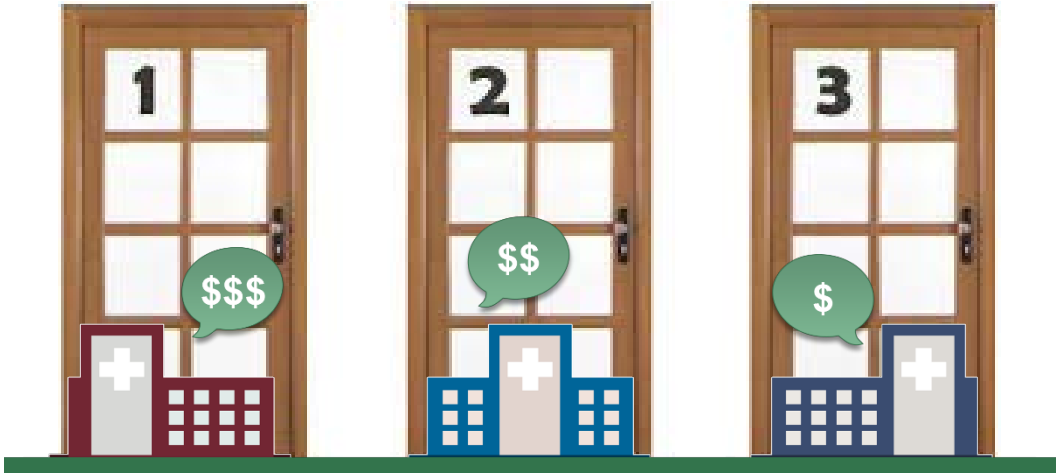
Problem



WASHINGTON HEALTH ALLIANCE
Leading health system improvement

DIFFERENCE BETWEEN HIGHEST BILLING HOSPITAL AND LOWEST BILLING HOSPITAL FOR HIP OR KNEE REPLACEMENT:

4x OR **$69,475**

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Three Strategies to Align Price & Quality

Puget Sound High Value Network

PUGET SOUND HIGH VALUE NETWORK

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Accountable Care Program (ACP) Details

Shifting from Volume to Value:

- WA State Health Care Authority (HCA)
  - Policymaker & purchaser for 2.5 million WA residents
  - $10B in purchasing, 400,000 public employees & dependents
  - 2021 Goal: 90% of state-financed care in value-base arrangement

ACP Model:

- Commercial ACO – direct purchaser-to-provider contract
- Shared Savings Model: Upside (Quality) & Downside (Total cost of care)
- Trend Reduction Guarantee – expected to bend the cost curve

Benefits

- HCA defines purchasing standards → align care with quality, not volume
- PSHVN focused on providing evidence-based care & reducing wastes

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Centers of Excellence Program

Program

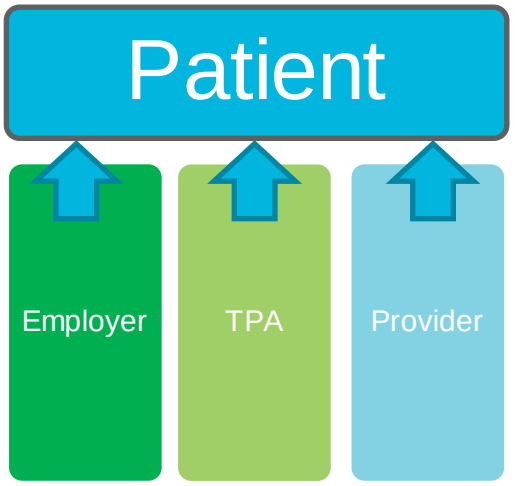
- Bundled care program for patients across the country since 2013
- Many employers including HCA, Walmart, Lowes, McKesson
- Bundles: orthopedic, spine, cardiac, bariatric surgery

Model

- Fixed price per episode including diagnosis, surgery & return to function
- Financial risk for preventable surgical complications & infections
- Leverages Bree Collaborative guidelines as standard

Benefits

- Purchaser, TPA, providers aligned around patient
- Focus on clinical appropriateness
- Rapid return to work/function
- Predictable cost for employers & employees
- Reward high quality providers



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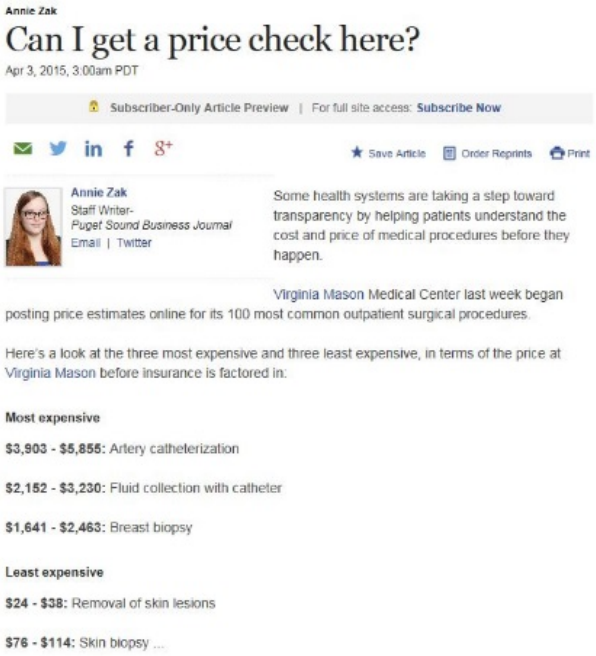
Connecting Price & Experience to the Consumer

Transparency: Price

Virginia Mason provides accurate cost estimates

A comprehensive estimate of what the out-of-pocket cost will be for services

- Includes professional, facility, lab, radiology, etc.
- Available to current patients and "shoppers
- Available in person or over the phone



Annie Zak

Can I get a price check here?

Apr 3, 2015, 3:00am PDT

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Annie Zak
Staff Writer-
Puget Sound Business Journal
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Some health systems are taking a step toward transparency by helping patients understand the cost and price of medical procedures before they happen.

Virginia Mason Medical Center last week began posting price estimates online for its 100 most common outpatient surgical procedures.

Here's a look at the three most expensive and three least expensive, in terms of the price at Virginia Mason before insurance is factored in:

Most expensive

$3,903 - $5,855: Artery catheterization

$2,152 - $3,230: Fluid collection with catheter

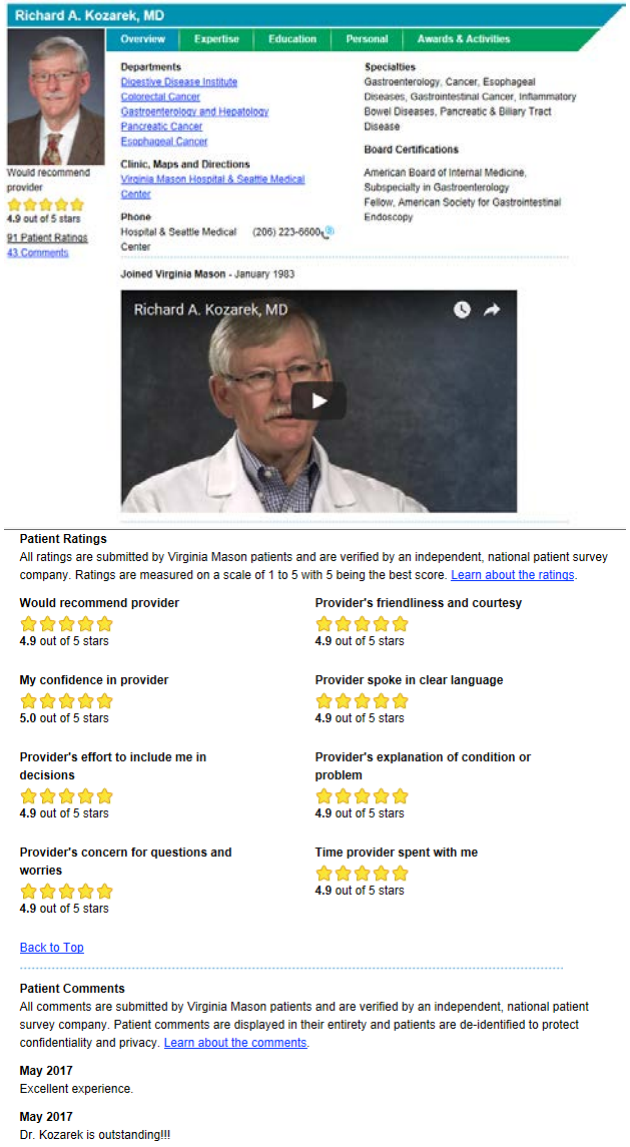
$1,641 - $2,463: Breast biopsy

Least expensive

$24 - $38: Removal of skin lesions

$76 - $114: Skin biopsy ...

Transparency: Patient Experience



Richard A. Kozarek, MD

Overview | Expertise | Education | Personal | Awards & Activities

Would recommend provider
4.9 out of 5 stars
91 Patient Ratings
43 Comments

Departments
Digestive Disease Institute
Colorectal Cancer
Gastroenterology and Hepatology
Pancreatic Cancer
Esophageal Cancer

Clinic, Maps and Directions
Virginia Mason Hospital & Seattle Medical Center

Phone
Hospital & Seattle Medical Center (206) 223-6600

Specialties
Gastroenterology, Cancer, Esophageal Diseases, Gastrointestinal Cancer, Inflammatory Bowel Diseases, Pancreatic & Biliary Tract Disease

Board Certifications
American Board of Internal Medicine, Subspecialty in Gastroenterology
Fellow, American Society for Gastrointestinal Endoscopy

Joined Virginia Mason - January 1983

Richard A. Kozarek, MD

Patient Ratings
All ratings are submitted by Virginia Mason patients and are verified by an independent, national patient survey company. Ratings are measured on a scale of 1 to 5 with 5 being the best score. Learn about the ratings.

Would recommend provider
4.9 out of 5 stars

Provider's friendliness and courtesy
4.9 out of 5 stars

My confidence in provider
5.0 out of 5 stars

Provider spoke in clear language
4.9 out of 5 stars

Provider's effort to include me in decisions
4.9 out of 5 stars

Provider's explanation of condition or problem
4.9 out of 5 stars

Provider's concern for questions and worries
4.9 out of 5 stars

Time provider spent with me
4.9 out of 5 stars

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Patient Comments
All comments are submitted by Virginia Mason patients and are verified by an independent, national patient survey company. Patient comments are displayed in their entirety and patients are de-identified to protect confidentiality and privacy. Learn about the comments.

May 2017
Excellent experience.

May 2017
Dr. Kozarek is outstanding!!!

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Barriers

Accountable Care:

- Perception of limited choice in providers
- Data availability & patient attribution

Bundles:

- Lack of non-surgical alternative payment structures
- Evolving benefit structures to drive program use

Price & Experience Transparency

- Limited consumer resources available to public
  - WA State HealthCareCompare site to launch Q1 2018

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Each Person.
Every Moment.
Better Never Stops.