



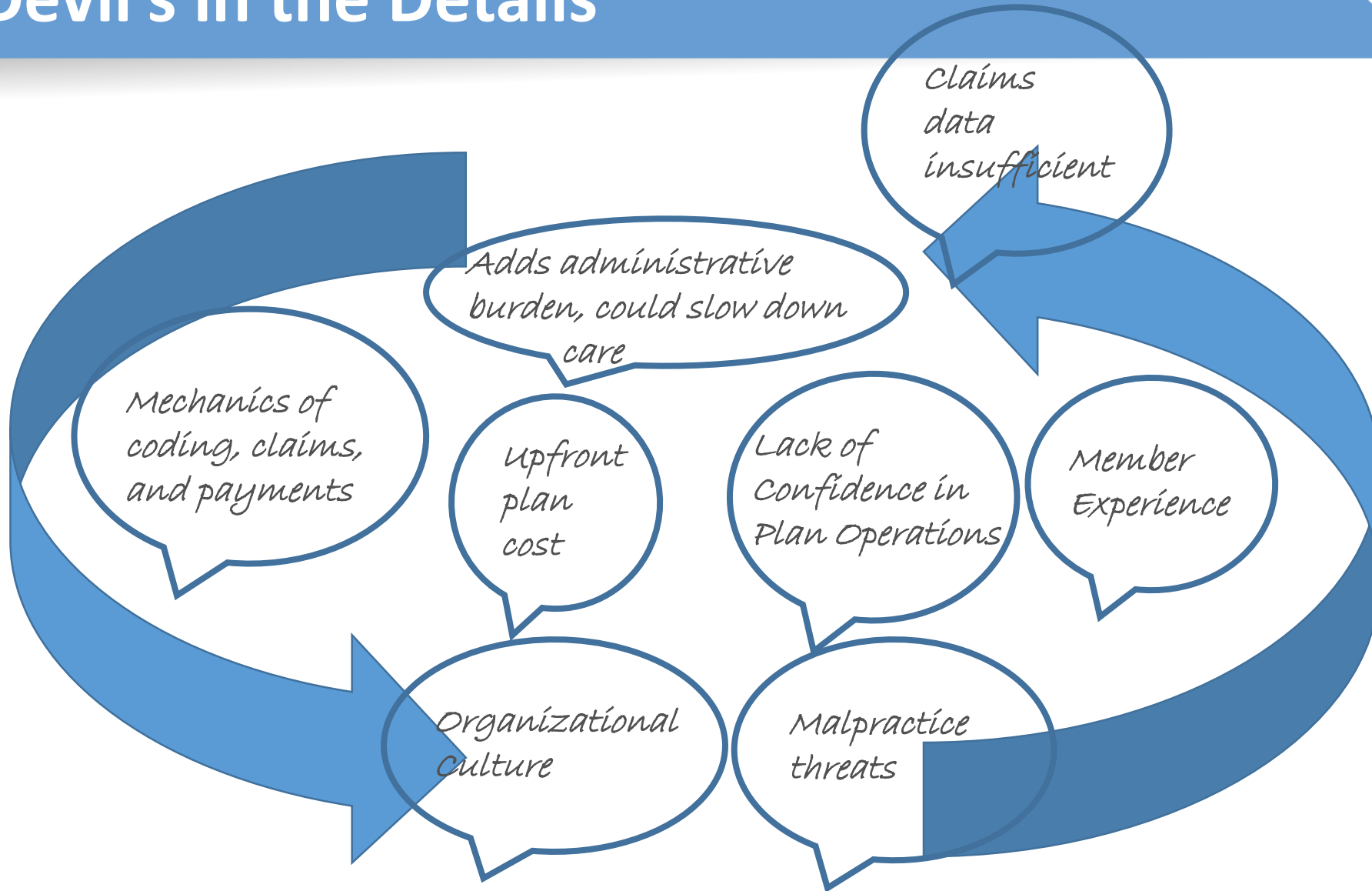
# Low Value Care Task Force

March 2018



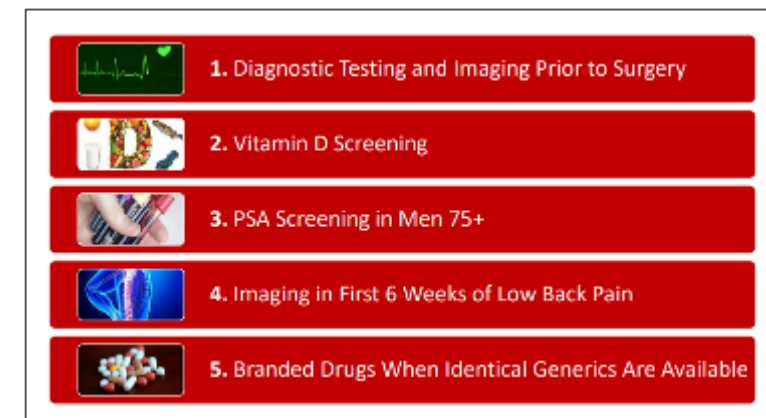
**PBGH**  
PACIFIC BUSINESS  
GROUP ON HEALTH

**Employers  
count on  
Health  
Plans!**



**Health  
Plans wait  
for  
Employers!**

- As plans adopt value based payment structures that reward better management of total cost of care, there are built-in incentives for providers to identify and decrease the use of wasteful procedures. I.e. moving AWAY from FFS will reduce waste.
- Pre-authorization programs can impact much wasteful spending but are not universally deployed, and may not be effectively administered when they are.
  - PA programs have substantial “Member Experience” risk. Once patients hear doctors order/prescribe an intervention....from their perspective, they need it! Point-of-care clinical decision support is the end game!
- Consumer education is great but not particularly effective
- Benefit design can play a role, if/when used





- Pre-authorization is the primary mechanism to prohibit these procedures from occurring under these circumstances.
  - UHC reports a self-insured buy-up rate of 24%
  - Aetna has an opt-out program and PA is reportedly in play for 95% of self-insureds (100% fully insured business btw)
  - Program effectiveness unknown
- The Good News...
  - Low back pain imaging HEDIS measure
  - Adoption of payment schemes promoting TCOC accountability
  - Experimentation with episodic pricing (bundles)

**Employer To-Do List**

- ✓ Turn on PA for imaging and diagnostic testing!
- ✓ Be sure the low back pain imaging measure is in your set and put money on it! (PS-it IS in the PBGH/IHA set...come talk to me...)
- ✓ Measure the extent to which you are wasting resources on these high-dollar low-value procedures



## 2. Vitamin D Screening

- If bundled with other lab tests, might be difficult to unbundle for payment.
- Both Cigna and UHC report removing Vitamin D screening from their preventive care list!
  - Editing for “medical necessity” or a relevant companion diagnostic code

### Employer To-Do List

- ✓ Communicate with employees that Vitamin D screening will no longer be covered. Leverage LVCTF materials!
- ✓ Be sure Vitamin D screening is NOT on your preventive care list.
- ✓ Measure the extent to which you are wasting resources on this high-frequency, low-value lab test



### 3. PSA Screening in Men 75+

- Not generally relevant for employed populations
- Biggest challenge is subjective nature of physicians' determination of likely life expectancy > 10 years.
- A large national carrier reports adding a hard edit, no longer considering PSA screening preventive for any man > 75 years.



## 5. Branded Drugs When Identical Generics Are Available

- Employers generally think they have this handled.
- Plans are dependent on employer engagement with benefit design.
  - Aetna promotes reference pricing to the generic drug.
  - Cigna promotes reference pricing to the generic or brand exclusion when generics are available.
- GDRs: Aetna=84.3%    UHC=85.2%

### Employer To-Do List

√ Implement generic reference pricing!

√ Measure the extent to which you are wasting resources on this no-value benefit. Benchmark your generic dispensing rate.