New Care Models:
How insurers can rise to the challenge of older and sicker societies

#RiskConversations webinar series
2 June, 13:00–14:15 CEST
New Care Models

Welcome

Adrita Bhattacharya-Craven

Director Health & Ageing

The Geneva Association
New Care Models
How insurers can rise to the challenge of older and sicker societies

Report and summary can be downloaded at:
www.genevaassociation.org
Speakers

**Adrita Bhattacharya-Craven**  
Director Health & Ageing  
The Geneva Association

**Nicholas Goodwin**  
Director, Central Coast Research Institute for Integrated Care

**Christian Wards**  
Director of Group Healthcare AIA

**Margaret-Mary Wilson**  
Executive Vice President and Associate Chief Medical Officer  
UnitedHealth Group
The case for the New Care Models, evidence and applicability

Nicholas Goodwin
Director
Central Coast Research Institute for Integrated Care
The Need for New Care Models

- Shifting disease patterns leading to increase in people living with complex comorbidities and long-term care needs
- Rise in healthcare costs resulting in unsustainably high premiums and high-deductible plans – catastrophic costs for consumers
- Increased pressure on public health systems and growth of private-sector collaborations

<p>| Table 1: Distinguishing NCMs from conventional healthcare and singular disease-focused models |</p>
<table>
<thead>
<tr>
<th>Conventional medical-based care</th>
<th>Disease management programmes</th>
<th>New Care Models</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus on illness and cure with some population health at primary care level</td>
<td>Focus on priority diseases</td>
<td>Focus on holistic care to improve people’s health and well-being</td>
</tr>
<tr>
<td>Relationship limited to the moment of consultation</td>
<td>Relationship limited to programme implementation</td>
<td>Continuous care to individuals, families and communities across the life course</td>
</tr>
<tr>
<td>Episodic curative care</td>
<td>Programme-defined disease control interventions</td>
<td>Coordinated and people-centred care integrated around needs and aspirations</td>
</tr>
<tr>
<td>Responsibility limited to effective and safe advice to the patient at the moment of consultation</td>
<td>Proactive management of a patient’s risk factors to meet targets</td>
<td>Shared responsibility and accountability for population health, tackling the determinants of ill-health through intersectoral partnerships</td>
</tr>
<tr>
<td>Users are consumers of the care they purchase</td>
<td>Population groups are targets of specific disease-control interventions</td>
<td>People and communities are empowered to become co-producers of care at the individual, organisational and policy levels</td>
</tr>
</tbody>
</table>

Source: Adapted from Goodwin et al.36
The Evidence for New Care Models

- Good evidence for improvements in quality of care, care outcomes and care experiences
- Structural solutions often ineffective – focus on changes in care delivery at the interface between providers and consumers in ways that promote and coordinate health and well-being in primary and community care settings
- Potentially significant and sustainable comparative cost reductions have been demonstrated
- But depends on effectiveness of design and implementation which needs time to develop and mature

‘The Triple Aim’
The Institute for Healthcare Improvement
### The core building blocks of effective New Care Models

<table>
<thead>
<tr>
<th>Dimension of care</th>
<th>Strategies associated with successful implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person-centred care</td>
<td>The active engagement of patients and carers as partners in their care. Key strategies include: health literacy, supported self-care, carer support, shared decision-making, shared care planning and access to health data</td>
</tr>
<tr>
<td>Clinical integration</td>
<td>How care services are coordinated with and around people’s holistic needs. Key strategies include: multidisciplinary assessments and plans; active care coordination; care transition management; integrated care pathways; case management; a rostered/enrolled population; and involvement of community partners</td>
</tr>
<tr>
<td>Professional integration</td>
<td>How care professionals work alongside each other to meet people’s multiple needs. Key strategies include: shared governance and accountability for care outcomes; interprofessional training and education; working in teams; formal agreements to collaborate; and a positive attitude towards working together</td>
</tr>
<tr>
<td>Organisational integration</td>
<td>How care providers work together across organisational boundaries to enable professionals to work together. Key strategies include: shared finance and incentive schemes; aligned governance, regulatory and performance frameworks; common organisational goals; and effective care networks</td>
</tr>
<tr>
<td>Systemic integration</td>
<td>How the care system provides the enabling architecture to support organisational integration – for example through shared information and data systems; deregulation; financial flows; workforce investments; and other policies supporting and embedding new models of care</td>
</tr>
<tr>
<td>Functional integration</td>
<td>The capacity to communicate data and information across the system manifest in key capabilities such as patient identifiers, shared care records, and effective communication and use of such data in decision-making and care delivery</td>
</tr>
<tr>
<td>Normative integration</td>
<td>The extent to which different partners in care share the same norms and values towards care integration, for example in terms of: having a shared purpose and vision; building social capital and trust; promoting shared and distributed leadership; and having a collective emphasis on population health</td>
</tr>
</tbody>
</table>

Source: Adapted from Calciolari et al.38
Enabling New Care Models

Insurers as the ‘Strategic Payer’

- Insurers use their purchasing power to act as the ‘integrator’ of care delivery to drive New Care Models
- Move away from fee-for-service models to pooled budgets and capitated funding
- Formal linkages and joint governance between purchasers and providers developed to establish dual accountability and risk sharing
Pros & cons of different models of care

- Accountable Care Organisation (ACO)
- Fully integrated care systems (e.g. Kaiser Permanente, USA)
- Direct to provider (e.g. Direct Primary Care)
- Consumer directed payments

Table 3: The potential strengths and weaknesses of NCMs

<table>
<thead>
<tr>
<th>Models of care</th>
<th>Traditional approach to procurement</th>
<th>ACO-prime contractor</th>
<th>ACO-prime provider</th>
<th>ACO alliance</th>
<th>Fully integrated</th>
<th>Direct to provider</th>
<th>Consumer-directed payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving health outcomes</td>
<td>Medium</td>
<td>Medium</td>
<td>Medium</td>
<td>High</td>
<td>High</td>
<td>Low/Medium</td>
<td>Low/Medium</td>
</tr>
<tr>
<td>Potential consumer market</td>
<td>Medium</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Potential consumer attractiveness</td>
<td>Medium</td>
<td>High (to groups with specific needs)</td>
<td>High (to groups with specific needs)</td>
<td>High (to groups with specific needs)</td>
<td>High (to groups with specific needs)</td>
<td>Low (to groups with specific needs)</td>
<td></td>
</tr>
<tr>
<td>Provider management capability</td>
<td>Low</td>
<td>High</td>
<td>Very High</td>
<td>Medium/High</td>
<td>Very High</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>Influence over care utilisation patterns</td>
<td>Low/Medium</td>
<td>High</td>
<td>Very High</td>
<td>Medium</td>
<td>Very High</td>
<td>Very High</td>
<td>Low/Medium</td>
</tr>
<tr>
<td>Required new organisational capability</td>
<td>Low</td>
<td>High</td>
<td>High</td>
<td>Medium/High</td>
<td>Very High</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>Risk to insurer</td>
<td>High</td>
<td>Low/Medium</td>
<td>Low/Medium</td>
<td>Low/Medium</td>
<td>Low</td>
<td>N/A</td>
<td>Low/Medium</td>
</tr>
<tr>
<td>Potential for cost containment</td>
<td>Low</td>
<td>High</td>
<td>High</td>
<td>Very High</td>
<td>Medium</td>
<td>Low</td>
<td></td>
</tr>
</tbody>
</table>

Source: The Geneva Association
Findings from key informant interviews and recommendations

Adrita Bhattacharya-Craven
Director Health & Ageing
The Geneva Association
Views on NCMs of key informants from life & health insurers

Who were involved?

- 15 key informant interviews
- Represent senior leadership of some of the largest global life & health insurers
- Wide geographical spread: Asia and the Pacific region, Europe, North America, Southern Africa and those with a global footprint

What was involved?

SIX THEMES

- Rationale for NCMs
- Characteristics of NCMs
- Market buy-in
- New opportunities
- Effect on insurance value chain
- Considerations for scalability
Finding #1: Rationale

What were the main reasons?

1. Customer experience
   - Influence well-being
   - Choice
   - Control
   - Quality
   - Outcomes

2. Business sustainability
   - Passive to active payer
   - Balance liability with efficiency
   - Unsustainable rise in premiums

3. Changing ecosystem
   - Pressure on public finances
   - System too polarised
   - Align provider incentives
   - De-medicalise health

4. Demographic and disease shifts
   - Manage chronic illnesses
   - Promote active ageing

Life insurers embracing NCMs

- Mitigate mortality in risk-based products
- Lower risks of expensive long-term care in savings-based products

Traditionally, life insurers have sold a policy and then money is available to help in the event of death or for rainy days. Rather than focusing solely on providing financial protection for families after death, we wanted to make life insurance about living. **John Hancock**
**Finding #2: But... implementation has a way to go**

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Market buy-in</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong tendency towards service innovation (i.e. expanding the range/scope of service).</td>
<td>Consumer response to NCMs is positive.</td>
</tr>
<tr>
<td>• BUT few match these with supply-side &amp; financing interventions.</td>
<td>• BUT the added value of NCMs over traditional services needs clarity to sustain loyalty.</td>
</tr>
<tr>
<td>NCMs have a focus on the whole continuum of care.</td>
<td>Provider receptiveness is mixed.</td>
</tr>
<tr>
<td>• However, the use of risk stratification to target services is limited.</td>
<td>• NCMs are seen to generate a sizeable volume of consumer.</td>
</tr>
<tr>
<td>Programmes are nascent but evidence is promising.</td>
<td>• But strategic objectives not clear.</td>
</tr>
<tr>
<td>• Improved consumer experience.</td>
<td>Unfamiliarity gets in the way.</td>
</tr>
<tr>
<td>• Addresses cost inflation.</td>
<td>• Patchy understanding of the provider landscape.</td>
</tr>
</tbody>
</table>

We spent a lot of time relationship-building with our providers which eventually gave us some power to shape the market. But we had to build this power muscle by muscle. We got a lot of pushback initially, but that makes it even more important to make investments upfront and put actual dollars on the table. Providers can then see it is real and that they are being rewarded. **Discovery**

This idea that there is a payer and there is a provider and never the twain shall meet won’t work. **UnitedHealthcare**
Finding #3: But... implementation has a way to go

**New Opportunities**
- Use data to improve existing products
- Package and sell new competencies
- Reach more riskier groups
- Diversify from risk-based products to service-based products

**Effect on insurance value chain**
- **Marketing and distribution** are the most functions in the insurance value chain influenced by NCMs

**Consideration for scalability**

**The regulatory environment**
- Licensing rules for life insurers
- Data protection
- Provider market reform

**Data**
- Systems for collecting, storing and analysing
- Better design, targeting and monitoring of NCMs

**Leadership and cultures**
- Enable greater risk taking
- Longer-term horizons for NCMs to mature

**Concurrent focus on key supply-side**
- Provider management
- Payment reforms

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**BUT concerns remain about**
- articulating a value proposition to consumers
- achieving outcomes alongside volume
- understanding ROI
- adverse selection
- short-termism

**BUT NCMs still unsupported by traditional distribution channels**

**Lack of focus on institutional structures** to influence other parts of value chain to
- influence quality
- shape the supply of care
Recommendations

- Go beyond the simplistic notions of choice and convenience to reflect ‘the triple aim’
- Adopt a ‘strategic payer’ approach to ensure favourable supply-side condition that can optimise NCMs.
  - Stratify risks
  - Share risks
  - Plan the journey incrementally towards a value-based system
- Identify the strategic touchpoints of health and life insurance business lines.
  - Pooling, analysing and sharing data
  - Joint marketing and distribution plan
  - Develop a clear country-specific plan to navigate the external environment

#RiskConversations: New Care Models
Modernising healthcare models: A way forward

Margaret-Mary Wilson
Executive VP and Associate Chief Medical Officer
UnitedHealth Group
Modernizing Healthcare Models: A Way Forward

with

Dr. Margaret-Mary Wilson
EVP & Associate Chief Medical Officer
UnitedHealth Group
Joan detects a potential lump in her breast and calls her physician.

Dr. Smith confirms the presence of a lump but both are unaware of her high-risk history.

Dr. Smith is not able to access Joan’s past medical records to help determine course of action.

Dr. Smith inadvertently orders a duplicate set of scans for Joan.

ABC Payer detects Joan recently received the same scans from another physician and denies the duplicate request from Dr. Smith. The treatment is delayed until Dr. Smith can find the existing scans.

Dr. Smith confirms the presence of a lump but both are unaware of her past medical records to help determine course of action.

Dr. Smith inadvertently orders a duplicate set of scans for Joan.

ABC Payer detects Joan recently received the same scans from another physician and denies the duplicate request from Dr. Smith. The treatment is delayed until Dr. Smith can find the existing scans.

Dr. Smith is not able to access Joan’s past medical records to help determine course of action.

Dr. Smith submits an authorization request to ABC Payer to approve new scans.

Joan’s anxiety increases as she waits for approval.

And iterate until we get it right...

Dr. Smith is unaware that supplemental clinical data is needed to approve treatment – ABC Payer denies the request.

Dr. Smith submits additional clinical documentation and ABC Payer approves treatment.

Dr. Smith submits the final claim, unaware additional medical data is required by ABC Payer for Joan’s specific case. ABC Payer denies the claim.

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Everyone Suffers

- An incomplete view of ABC Payer’s payment policies
- Outdated clinical data for Joan
- An incomplete view of evidence-based, next best actions for Joan
- Unstable revenue stream

- Anxiety and stress during an uncertain and scary time
- Referee between Dr. Smith and ABC Payer
- Costs for every interaction with Dr. Smith are complicated and unclear
- Uncertain of what to do next

- Incomplete clinical data for a Joan
- The most complete view of their own payment policy, which varies by payer
- Denials are time consuming and complex
- Limited data-sharing and lag time
**Challenges Summarized**

**Clinical / Cost Information Sharing**
Connecting clinical and claims information for use in the right place at the right time with the right context is difficult and complex.

**Lag Time**
Inherent delay and disconnected flow of information between providers, payers, and patients.

**Limited Scalability**
Provider, payer, and patient interactions are focused on working through approvals, denials, and exceptions.

**Financial Experience**
Financial experience for providers, payers, and patients is often manual and fragmented.
Accelerating Our Approach to Improve
Joan, Dr. Smith and ABC Payer are counting on us

Clinical / Cost Information Sharing
Lag Time
Limited Scalability
Financial Experience

How We Will Address Them

Drive the right, real-time clinical information to point of care for more informed and clinically advanced patient care decisions.

Proactively combine and share clinical and cost information across payer, provider and patient.

Facilitate the provider-payer flow of clinical and cost information.

Leverage digital technology to modernize and streamline the financial side of health care.

Collectively referred to as a

Transparent Network
Joan’s Ideal Health Care Journey Benefits Everyone

Preliminary Contact

- During Joan’s annual check-up, Dr. Smith uses evidence-based models to determine she is a high-risk patient for breast cancer.
- Dr. Smith and Joan proactively discuss and agree an exam is a good addition to this visit.

Provider / Patient Interface

- Dr. Smith finds a breast lump and is able to seamlessly consult Joan’s medical records, in real time.
- Dr. Smith performs Joan’s procedure and associated tests; the results support a non-cancerous diagnosis.

Provider / Payer Interface

- Dr. Smith and ABC Payer have treatment alignment for Joan’s standard of care.
- Joan is informed by Dr. Smith of options and costs at point of care.

Quality Patient Care for Joan

- Joan’s care required one scheduled visit, with predictable cost for Joan.
- Dr. Smith avoided the unnecessary scans, saving Joan money and weeks of worry between doctor visits and imaging results.
- ABC Payer and Dr. Smith harmonize their approval and payment processes to create best overall experience for Joan.

- Dr. Smith submits the claim to ABC Payer.
- The claim is processed and paid quickly.
Everyone Wins with the Transparent Network

Joan
Clear and complete care plan
Positive financial experience

Dr. Smith
Clinical and cost information in sync
Evidence-based medical standards delivered at point of care
Streamlined treatment approvals and payments fully automated over time

ABC Payer
Scales across the healthcare system
Clarity of coverage in sync with Dr. Smith’s understanding
THANK YOU
New Care Models in the context of Life insurance in Asia

Christian Wards
Director of Group Healthcare
AIA
New Care Models in the context of Life insurance in Asia

Dr. Christian Wards
AIA Group Health & Wellness Transformation
Delivering AIA’s brand promise of Healthier, Longer, Better Lives by empowering and enabling people to understand and manage their health, while meeting their long-term savings and protection needs

Life and Health insurer in Asia with geographic breadth across emerging to mature markets

1. AIA has a 49 per cent joint venture in India.
2. All the figures are as of 30 June 2020, unless otherwise stated.
A key pillar of our H&W strategy is to provide customers with an ecosystem of service partnerships across their health journey…

**AIA Vitality**
- 10m health assessments
- 4m mental health assessments
- 800k workouts a day
- 73% unhealthy to healthy glucose levels

**Personal Case Management**
- 11 markets live
- 22% diagnosis change
- 58% refined treatment plan
- 94% customer satisfaction rate

**Telemedicine and Local Health Networks**
- 8 markets live
- During pandemic significant increase in monthly consultations and increase in number of eligible lives

**AIA Regional Health Passport**
- 8 markets live
- Top 100 upper-tier hospitals in Asia
- Leading US and European hospitals
- 10k providers globally

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Enabling the **NCM TRIPLE AIM**

- Better customer experience through digital journeys embedded in products
- Improving accessibility through **cost-effective scalable** regional partnerships
- Leading to **improved health outcomes**

…by integrating them into our products and accelerate AIA’s transition from a payor to a “strategic payor” & partner
We have recognised the need for New Care Models and continue to innovate through our propositions to deliver shared value outcomes…

The rapid rise of lifestyle-related non-communicable diseases (NCDs) across Asia is placing an increased burden on health systems and insurance businesses

5 Lifestyle behaviours and Mental Health

Leads to

5 Main NCD risks and Air Pollution

Responsible for

70% of all deaths Worldwide

With the global pandemic driving up mortality rates, increasing reports of burn-out culture amongst workers in Asia and poor air quality statistics across the region means there is more focus on health and wellness

Recognising these trends, AIA was the first to launch a scientifically proven, incentive-based & integrated wellness programme in Asia

AIA Vitality and its shared value business model is more relevant today than ever before

AIA Vitality is a holistic wellness programme that improves health outcomes and rewards long term behaviour change

AIA Vitality customers earn points across multiple wellness dimensions, e.g. physical activity, nutrition, mental health & sleep and are recognized across 4 statuses

Source: WHO 5-5-70
...constructing end to end health journeys with scalable digital engagement and awareness at a population level to enable interventions matched to risk & need…

A. Long term behaviour change and support through Real time AI - Food scoring and gamification: Create awareness through scalable dynamic solutions and triggers for appropriate risk-based journeys e.g. nutrition assessments, weight loss interventions and Condition Management

A.1. Complex Conditions

A.2. Chronic

A.3. All Risk

A.4. Healthy

1. Food Scoring Challenge
2. Food Photo Upload
3. AI based food scoring
4. Tracking and Average score
5. Vitality points for right behaviors

Virtualization of health assessments performed at home through our verified third party tools

8 markets are now offering Vitality points for COVID vaccinations

Conversion of “brick & mortar” benefits to online e.g. healthy food grocers as a delivery service

Leveraging AI - nutrition scoring tool to create campaigns and competitions

B. Adapting the programme to sustain relevant behaviour change through the pandemic: Engagement initiatives put in place to navigate extended lockdowns and restrictive movement

1. Virtualization of health assessments performed at home through our verified third party tools

2. 8 markets are now offering Vitality points for COVID vaccinations

3. Conversion of “brick & mortar” benefits to online e.g. healthy food grocers as a delivery service

4. Leveraging AI-nutrition scoring tool to create campaigns and competitions

…ensuring relevant programmes available to achieve customer engagement
Delivering integrated insurance propositions in both our retail and employer channels that enable access to New Care Models

**RETAIL**

Customer empowerment by providing access to different benefits through personal choices enabling access to NCMS

- **A-Plus Total Health**
  - Innovative LTS and protection
  - Comprehensive, sustainable (options to pay less) medical protection
  - A Health Wallet that rewards customers for not making claims
  - Integrated Vitality and health services
  - First-in-market
  - Personal case management

**CORPORATE**

Leveraging our Employer base in Asia to make an impact in mental health & wellness - personalised digitally enabled tools integrated with the product

- Engaging HRs on their Mental Health & Wellness strategy, design annual roadmap and corporate reporting
- Digital interactions through self-help and guided tools to manage mental wellness
- Signposting to other HR and medical resources supported through EB coverage
  - Signposting to local and HR resources
  - Mental health coverage under Employee Benefits
  - AIA Mental health specialist network
THANK YOU