

## Total Joint Replacement Centers of Excellence Update

**Marcia Peterson**, PEB Benefit Strategy and Design Section Manager, provided an update on the Total Joint Replacement Centers of Excellence Program that becomes effective January 1, 2017. We selected two apparently successful vendors, Virginia Mason, for the Center of Excellence and Premera for the Third Party Administrator (TPA). This program covers UMP Classic and CDHP members only. We are working with the vendors on contract development and defining the benefit design. There are many next steps, such as creating a work plan around key milestones, a communication's strategy, Board vote, and implementation. We need to get all the parties together in order to make this a smooth experience for the member.

This proposed program is different than what's been offered in the past. The process begins when the member calls Premera to inquire about the Total Joint Center of Excellence Program. Premera will set up a case file for the member and start assembling their medical records, which then get reviewed by the surgeons at Virginia Mason. The program will follow the BREE Collaborative criteria for appropriateness. Members will be counseled along the way about the need for the procedure and how to resolve any issues they may have that keep them from being appropriate for the procedure or having a positive outcome, such as their BMI is too high, they are a smoker, etc.

The components of the bundle include: the implant itself, the hospital facility fee, the surgeon, the anesthesiologist, and durable medical equipment (DME). Patients are usually released with a walker or a cane. We are still in discussions as to what exactly goes into the bundle, but in general, the bundle covers from the time the member goes through that pre-surgical visit to the time that they are discharged. Currently under the fee-for-service system under Classic and CDHP, the member is responsible for a fair amount of coinsurance and copay. The proposal under the bundled program is for there to be no cost or coinsurance to the member.

In addition, the bundle includes what is referred to in the BREE Collaborative as a 90-day warranty, which is not currently offered. At present, if there are complications or other issues related to the procedure once the member is discharged, the member is responsible for a portion of that cost. Under the bundled program's 90-day warranty, services for any complications that are related to the bundle would be covered and the member would not be responsible for those services. The Center of Excellence is at financial risk for the cost of those services. Under the deductible and copays, there would be no deductible and no coinsurance for the member with regard to these services; with the exception of the CDHP members who will still need to meet their deductible due to IRS regulations.

We selected one Center of Excellence for the state. In order to remove all the possible barriers we can for our members, both financial and geographic, we are proposing a travel and lodging benefit. We would allow the patient and one caregiver to accompany them to Virginia Mason for the procedure if they live more than 60 miles outside of the

Center of Excellence. Virginia Mason has a hotel located next door to their facility. It's part of their system. Premera will take care of the travel arrangements, making it a smooth experience for the member.

Virginia Mason suggested that our team get together and spend the day doing a walkthrough of what the member experience would look like. The team included Health Care Authority staff, Premera staff, and Virginia Mason staff. We were all very impressed. At the end of the day, the room was filled with yellow post-it notes tracking the patient flow. We talked about the patient experience and what it would be like throughout. We talked about the roles of the different parties and what would be needed. We kept going back to what the patient would need at each point. We also met with Premera to discuss their case management approach that they will use on the phone.