

Brief Notes

News for
Brokers and Consultants

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Applies to: All markets

Results show doctors, patients and Horizon BCBSNJ members all win from company's innovative Episodes of Care program

Horizon Blue Cross Blue Shield of New Jersey has announced that it paid out approximately \$3 million to 51 specialty medical practices as part of shared savings generated through the company's innovative Episodes of Care program. The doctors, in five different specialty areas, earned the payments by achieving quality, cost efficiency and patient satisfaction goals in 2014 while treating more than 8,000 Horizon BCBSNJ members.

The episodes model is one in which specialists manage the full spectrum of care related to a specific procedure, disease diagnosis or health event – such as a joint replacement or pregnancy. The doctors and Horizon BCBSNJ define the episode components and determine the quality of care outcomes. It's a collaboration where doctors are able to determine best approaches to care delivery while reducing costs and enhancing the medical experience for the patient – also known as the “triple aim.” When they achieve the triple aim, Horizon BCBSNJ rewards the doctors with shared savings, in addition to their fee-for-service reimbursement.

“For the last six years, Horizon has been collaborating with doctors and hospitals across the state to change the way health care is delivered and financed in New Jersey,” said Allen Karp, Senior Vice President of Healthcare Management for Horizon BCBSNJ. “The results of our Episodes of Care program show how we can work together to make New Jersey's health care system more coordinated and cost-efficient while raising the bar on quality.”

Horizon BCBSNJ received results from the following five episodes for 2014:

- Hip Replacement
- Knee Replacement
- Knee Arthroscopy
- Pregnancy
- Colonoscopy

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For its 2014 results, Horizon BCBSNJ reviewed claims data for members receiving care from an episodes practice and those receiving the same procedure from a non-episodes practice. Horizon BCBSNJ members in episode practices had much lower hospital readmission rates and experienced other high quality outcomes compared to members receiving the same services from non-episode practices, including:

- 100 percent fewer hospital readmissions for Knee Arthroscopy
- 37 percent fewer hospital readmissions for Hip Replacement
- 22 percent fewer hospital readmissions for Knee Replacement
- 32 percent reduction in unnecessary Pregnancy C-Sections

“These results demonstrate how Horizon and its providers are working collaboratively to move from a fee-based reimbursement system to one that improves the quality of care, enhances patient satisfaction and reduces costs,” said Lili Brillstein, director of Horizon BCBSNJ’s Episodes of Care program.

“Rewarding doctors for quality, while wringing excessive, duplicative costs out of the delivery system, is at the core of value-based care.”

The company continues to add more episodes to its program, which now also includes congestive heart failure, hysterectomy, lung cancer, breast cancer and colon cancer.

“The Episodes of Care model is a game changer in the progress from fee-for-service to value-based contracting,” said Charles A. Accurso, MD, a Hillsboro gastroenterologist in Horizon BCBSNJ’s Colonoscopy Episodes of Care program. “By tying financial incentives to quality, it improves the care of the patient while also decreasing costs.”

“Horizon’s Episodes of Care program has become one of the fastest growing and most progressive commercial bundled payment programs in the country,” said Amita Rastogi, MD, Chief Medical Officer, HCI3 (Health Care Incentives Improvement Institute, Inc).

At the end of 2015, more than 800,000 Horizon BCBSNJ members were part of the company’s value-based programs, which include Episodes of Care, Accountable Care Organizations and Patient-Centered Medical Homes.

If you have any questions, please contact your Horizon BCBSNJ sales executive or account manager.