

HELPING EMPLOYEES GAIN GREATER INSIGHTS INTO HEALTH CARE COSTS AND QUALITY

Introducing Patient Choice Insights, a new program dedicated to helping employers manage their health care costs, while educating employees to become better health care consumers.

Like other Patient Choice programs, Insights is based on an innovative approach, whereby health care providers are “tiered” according to cost and quality, and employees are rewarded for using more efficient, high quality providers. In addition, Insights offers greater administrative flexibility for employers and enhanced freedom of choice for employees.

With Patient Choice Insights, providers – including primary care physicians, specialists and hospitals – are analyzed on cost and quality factors and then ranked into three tiers. The lower the tier, the better the provider has performed on cost and quality indicators. Employees can review comparative data to find providers that meet their unique needs. Those who obtain services from providers in a lower tier (i.e., low-cost/high-quality) are rewarded through greater overall value, lower co-pays, coinsurance or other incentives selected by the employer.

Primary care, specialty care and hospitals are tiered on cost/quality measures

Tier \$ - lowest cost
Tier \$\$ - middle cost
Tier \$\$\$ - highest cost

Patient Choice Insights allows employees to access any provider in the network – *in any tier, at any time*. The program is completely open access, meaning employees don’t need to select a primary care provider or clinic. Instead, they are able to directly access network providers in various tiers, depending on their needs at the time of service.

ADVANTAGES OF A TIERED APPROACH

Patient Choice Insights benefits both employers and their employees. First and foremost, employers benefit from greater cost savings when employees – armed with comparative provider data and incentives to choose wisely – migrate to providers who deliver quality care at a lower cost.

Rewarding better performing providers creates true competition on value in health care delivery. By allowing consumers to truly shop for value in health care services, Insights helps prompt the health care market to become responsive to consumers and improve the value they deliver.

Consumer are exposed to facility pricing for selected elective in-patient and out-patient hospital procedures

	Maternity (cesarean section w/out complications)	Adult Hernia Repair	More...
Hospital A	\$9,000	\$5,000	
Hospital B	\$10,070	\$4,988	
Hospital C	\$12,370	\$6,920	
More...			

Another advantage is flexibility, both in plan design and in administration. Employers can select the incentive most likely to reward their employees for using more cost effective providers, such as lower co-pays, better coinsurance, lower deductibles, wellness points, even a special gift item. In addition,

there is greater ease of administration, and freedom of choice for employees.

Employees like the ability to directly access network providers without referrals. Ultimately, they benefit from greater understanding as health care consumers – leading to greater control over their health care choices, rewards and outcomes. Comparative data helps shine light on differences between providers, enabling your employees to “comparison shop” based on their overall personal situation or a specific condition.

WHY PATIENT CHOICE INSIGHTS OFFERS MORE:

- More potential for cost savings
- More information on cost/quality
- More flexibility
- More control
- More informed provider choice

ABOUT PATIENT CHOICE

Patient Choice, a nationally recognized tiered network program, is offered by Medica, Minnesota’s largest HMO, largest PPO and leading non-profit and independent provider of health plans with more than 1.2 million members.

The Patient Choice program has revolutionized the purchase and delivery of health care for today’s purchasers, providers and patients. The program saves employers money, spurs providers to improve quality and efficiency, and enables consumers to choose providers that meet their specific health care needs and budgets.

Patient Choice Insights includes an extensive network of participating providers in the Twin Cities area and is available to self-funded employers.

For more information visit www.pchealthcare.com, contact your Medica sales representative or call 952-992-1700.

INSIGHTS INTO THE TIERING PROCESS

Primary care providers are ranked according to a cost/quality measure that takes into account their price, the price of the specialists and hospitals they use, and their ability to effectively manage resources; especially for chronically ill patients. Consumer-friendly information is made available to help individuals compare factors of most importance to them and select providers accordingly.

On the other hand, most *specialty care providers* with competitive prices are placed into Tier 2 (\$\$). Specialists with competitive pricing, who have incorporated special programs and developed an infrastructure that can be expected to lead to improved quality and better management of resources are moved to Tier 1 (\$). Those with higher pricing are placed in Tier 3 (\$\$\$).

Hospitals and other outpatient facilities are tiered on their pricing for specific procedures and admissions, combined with their performance on nationally accepted quality standards. Patient Choice provides data on the costs of specific procedures at various hospitals and outpatient facilities, so consumers can better understand the wide variations that exist and make side-by-side comparisons according to their specific needs.

There is also an “Affiliated” category comprised of providers and facilities that are part of the network, but have not been assigned a tier. Rather, the benefit level is set at employer discretion.