



## **BlueCross BlueShield and Kaleida Health Integrated Health Network Fact Sheet and Frequently Asked Questions**

An emerging network of Western New York physicians committed to providing quality care have partnered with BlueCross BlueShield of Western New York and Kaleida Health to create a new, physician-led health care organization that will provide tailored network health benefit offerings to the region's self-insured employers.

Tailored network health benefit products have significant cost savings when a member utilizes a designated network of physicians and hospitals – in this instance, the forming physician network and Kaleida Health.

The partnership is the first of its kind for this region, bringing all three elements of the healthcare delivery system together: physicians, hospitals and health plan. It is being designed to enhance the ability of physicians to provide patient-centered care, with less administrative burden, supported by the region's largest health system and health plan.

This innovative model of clinical integration is supported through a tailored network health benefit offering. It is the first in our region bringing a value proposition of delivering patient-centered, physician-led care, at a lower cost accomplished by a network of physicians working in partnership with the region's largest health system and health plan.

### **What will this solve?**

Today, health care is too expensive, too fragmented and too complex. For the first time in our region, we are bringing together Kaleida Health, its partners like ECMC, physicians and the health insurance plan/payer to develop a new model of care. This strategic partnership will work with those who purchase health care, like employers, to take accountability for both the clinical outcome of the patients and the cost of the care provided. It will be responsible for care coordination, the quality of care provided and lowering the cost of care provided.

### **Is this really different from what we have today?**

Yes. This unique model will be offered directly to employers as an alternative to today's traditional health benefits model. This model aligns the needs of the patients with the interests of physicians, providers- like hospitals, health plans, and employers. It is true clinical integration.

### **What Does Clinical Integration Mean?**

The overarching goal of clinical integration is to continuously improve the quality of care provided to patients, while simultaneously controlling the cost of the health-care services provided.

Clinical integration allows patient, physician/hospital and the insurance company to have transparency and be connected at all times so each knows what the other is doing. This takes patient-centered focus to a new level and saves costs;

- **Patients:** Clinical integration provides patients with greater consistency of high-quality care delivery from a trusted source - their physician - through patient-centered approaches.
- **Physicians:** Clinical integration allows physicians to focus on patients versus administration, and provide coordinated care anchored by the primary care physician
- **Hospitals:** Clinical integration gives hospitals the ability to develop more collaborative relationships with their physicians, align physician support for quality initiatives, and position themselves at an advantage in the market on the basis of quality
- **Employers:** Clinical integration gives employers the ability to more effectively manage the health care costs of employees and their dependents through the purchase of better, more efficient health benefit products and methods of providing care.
- **Health Plan:** Clinical integration supports the health plan's goal to partner with health-care providers, hospital systems and the community to provide better care, improve health and reduce costs

### **What is the Physician Leadership Council?**

The Physician Leadership Council is a group of physicians who are forming a new clinically integrated network. The members of the Council will be responsible for engaging over 500 doctors committed to care improvement and providing leadership to the other partners in the Network.

### **What is the role of Kaleida Health in the Network?**

Kaleida Health will serve as the primary health system in this network, including the new Gates Vascular Institute, Buffalo General Medical Center, Women and Children's Hospital of Buffalo, Millard Fillmore Suburban Hospital, DeGraff Memorial Hospital, the Visiting Nurse Association, plus other Kaleida Health facilities and partners across Western New York.

**What about other hospitals and health systems?**

The network will also include Roswell Park, ECMC, Olean General Hospital and the Center for Hospice and Palliative Care along with their affiliated physicians.

**What is the role of BlueCross BlueShield of Western New York?**

BlueCross BlueShield is the region's largest health plan and continuously seeks innovative solutions for its customers. This network exclusive health plan will have maximum benefit to those employers who choose to select this benefit plan for their employees. It's anticipated that the first subscribers will be self-insured businesses in the 200+ employee range.

**How is this different?**

This is the first of its kind collaboration in upstate New York because it aligns all three legs of the stool – the physicians, the health plan and the health system/hospitals to work together to improve care to those in need.

This model of care is being utilized in other regions. Examples include Anthem-Healthcare Partners in Los Angeles; Humana-Norton Healthcare in Louisville; Blue Cross Blue Shield of Michigan-University of Michigan Hospital; and United-Tucson Medical Center in Arizona

**How is this better for physicians and patients?**

The new partnership is the first of its kind for this region bringing all three elements of the healthcare delivery system together - physicians, hospitals and health plan. It is being designed to enhance the ability of physicians to provide patient-centered care, with less administrative burden, supported by the region's largest health system and health plan.

A patient going from one doctor to another without coordination does not exist in a network plan, because care will be connected and data will be shared, via electronic medical records and BlueCross BlueShield analytics.

**What does this mean for me as a BCBS member today? Will I only be allowed to receive medical care at a Kaleida facility?**

No. BlueCross BlueShield of Western New York will continue to offer a wide variety of health benefit plans that include member choice of physicians, hospitals and health systems. BlueCross BlueShield nationally offers one of the largest networks of physicians and hospitals. That will not change.

This is an optional benefit plan and one we think is beneficial for members who want to take part, especially members and businesses that already use Kaleida-affiliated doctors. But if your doctor is associated with another hospital or health-care system you are fully covered under your current insurance/benefit plan. In the future, employers will have the option to select this network-exclusive health benefit product but it does not change any aspect of your health insurance coverage today as a BlueCross BlueShield member.

**What does this mean for me if I do not have BlueCross BlueShield and want to go to a Kaleida Health Hospital? Will my insurance not be accepted there anymore?**

Kaleida will continue to accept a variety of health insurance plans at their facilities. And you will continue to have access to all Kaleida Health facilities. Physicians affiliated with Kaleida Health will continue to accept a wide variety of health insurance and payment options.

**Will this lower the cost of health care?**

Yes. The overarching goal of clinical integration is to improve the quality of care provided to patients while controlling the cost of the healthcare services provided. The concept of clinical integration is based on the idea that greater collaboration and shared accountability among key stakeholders will create better outcomes for patients and health care as a whole. Clinically integrated physician networks create an opportunity for physician-driven quality initiatives to demonstrate value to health plans and employers. Clinical Integration creates a high degree of interdependence and collaboration among physicians designed to control the cost of health care.

**How will this improve quality?**

Clinical integration and network exclusive health benefit plans promote preventive health care and more interaction between doctor and patient. The physician has more to gain by emphasizing early treatments or preventions well in advance of increased risks. In general, preventive care costs less than treating a full-blown illness or condition. If diabetes, heart disease, obesity and other chronic conditions can be avoided, eliminated or postponed with proactive treatments and lifestyle changes, health-care costs decline.

**If this is such a great idea, why aren't more hospitals and health insurers doing it?**

There are examples of this model in other parts of the country. BlueCross Blue Shield and Kaleida Health have studied these in great detail and are certain this will be an innovative and improved health-care delivery partnership for this region.

As previously noted, this model is being utilized in other regions. Examples include Anthem-Healthcare Partners in Los Angeles; Humana-Norton Healthcare in Louisville; Blue Cross Blue Shield of Michigan-University of Michigan Hospital; and United-Tucson Medical Center in Arizona

**When do you see this starting?**

The Physician Leadership Council is tasked with working in the physician community to enlist practitioners in the network, while BlueCross BlueShield develops the network-exclusive health benefit products for the market. We want to be transparent as we form the network, and we wanted to openly involve not only the physicians in the community, but also the region's employers, benefits administrators and insurance brokers at the start of the process. We anticipate the offering for employers will be available starting in June and effective January 1, 2013.

**Who do I contact for more information?**

Physicians can contact any member of the Physician Leadership Council, Don Boyd at Kaleida Health at (716) 859-8829/dboyd@kaleidahealth.org, or Meri Notaro at BlueCross BlueShield of WNY at 716/887-7015, [notaro.meri@bcbswny.com](mailto:notaro.meri@bcbswny.com).

Benefits Administrators, Employers and Brokers can contact Margaret Anderson at BlueCross BlueShield of WNY at 716/887-8513, [anderson.margaret@bcbswny.com](mailto:anderson.margaret@bcbswny.com).

A general overview is available at [www.wnyvaluenetwork.com](http://www.wnyvaluenetwork.com)

April 19, 2012