

PRE-DECISIONAL DRAFT



Decision Brief:

Modernization of the TRICARE Benefit

November 5, 2020

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Overview/Agenda

- Membership
- Review Tasking
- Summary of Subcommittee Activities to Date
- Foundational Principles
- Prioritization Criteria
- Innovation Prioritization
- Future Innovations



Membership



Wilsie Bishop,
DPA



Michael-Anne Browne,
MD (Chair)



Karen Guice,
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Vivian S. Lee,
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Col (Ret.) Michael D.
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Background (1/3)

- The Military Health System (MHS) is designed to ensure a medically ready force and a ready medical force. There are two arms of the MHS: Military Treatment Facilities (“Direct Care”) and contracted civilian providers (“Purchased Care”)
- Approximately 9.5 million beneficiaries, including 1.3 million active-duty Service members, leverage TRICARE benefits to obtain medical care through Direct or Purchased Care
- The Purchased Care benefit is governed by TRICARE contracts awarded to Managed Care Support Contractors for execution
- The latest contract iteration, ‘T-5,’ will be awarded in 2023



Background (2/3)

- Congress mandates periodic changes to TRICARE through the National Defense Authorization Acts (NDAA)
- Currently, TRICARE is based on a “fee-for-service” model with defined benefits



Background (3/3)

- The TRICARE Health Plan is regulated by certain laws and regulations
- However, there is flexibility for the DoD and DHA to pursue concurrent innovations as needed
- NDAA 2017 requires DoD to incorporate **value-based health care practices** into TRICARE
- The DHA has partially implemented 6 of 13 elements specified in NDAA 2017



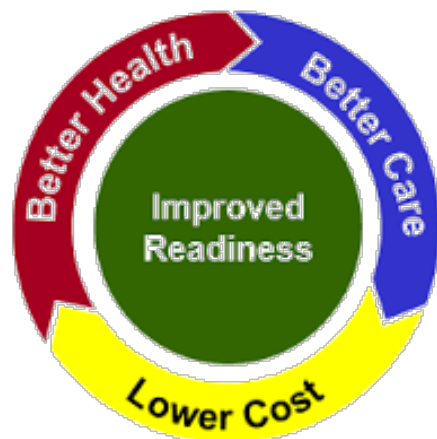
Overview of Tasking (1/3)

On July 24, 2020, the Assistant Secretary of Defense for Health Affairs, directed the Defense Health Board (“the Board”) to **develop criteria to assess and prioritize commercial health care innovations and provide advice and recommendations on how DoD might best develop and implement them within TRICARE.**



Overview of Tasking (2/3)

- Criteria should consider statutory requirements and the magnitude of impact on the MHS Quadruple Aim



- This may include an overall value-based healthcare vision that combines some or all of these innovations into a concerted strategy with optimal impact on readiness, cost, quality, and access



Overview of Tasking (3/3)

Innovations include:

- Virtual Value Providers
- Centers of Excellence
- Standard Telehealth
- Optimized Telehealth
- Targeted Utilization Review
- Automatic Authorizations
- Care Collaboration
- Care Management
- Advanced Care Management
- Provider Recognition
- Provider Reward
- Wellness Pilots
- Wellness and Disease Management Pilots
- Advanced Primary Care
- Access to Care Standards
- Central Enrollment
- Accountable Care Organizations
- Clinically Integrated Networks
- At-Risk Centers of Excellence
- Utilization Management
- Artificial Intelligence
- Any other innovations identified by the Board



Summary of Activities to Date (1/2)

Date	Activity
July 28, 2020	Kick off meeting, video teleconference
August 4, 2020	Discussion: NDAA and TRICARE Beneficiary Maps
August 7, 2020	Defense Health Board meeting
August 11, 2020	Briefing: Highlights of TRICARE Legal Framework
August 18, 2020	Briefing: Pacific Business Group on Health
August 25, 2020	Briefing: Mercer Healthcare Innovations
September 1, 2020	Report Development: Prioritizing Innovations and Criteria
September 8, 2020	Briefing: Value-Based Insurance Design



Summary of Activities to Date (2/2)

Date	Activity
September 15, 2020	Report Development: Criteria Discussion
September 22, 2020	Briefing: T-5 Evaluation Criteria
September 29, 2020	Report Development: Applying Criteria to Innovations
October 6, 2020	Report Development: Applying Criteria to Innovations
October 13, 2020	Report Development: Applying Criteria to Innovations
October 20, 2020	Report Review and Editing
October 27, 2020	Report Review and Editing



Foundational Principles

- ✓ Patient and Family-Centric with Shared Decision-Making
- ✓ Prevention Oriented Care Throughout the Continuum
- ✓ Collaboration, Teamwork, Multidisciplinary Care
- ✓ Measured, Reported, and Accountable Outcomes
- ✓ Alignment of Payment and Benefit Incentives
- ✓ Outcomes Transparency to all Stakeholders
- ✓ Leverage Care Enabling Technologies





Recent Pilots and Demonstrations

Pilots

- Medication Adherence Pilot
- Performance-Based Maternity Payments Pilot

Demonstrations

- Bundled Payments for Lower Extremity Joint Replacement Demonstration
- Accountable Care Organization Demonstration
- Comprehensive Autism Care Demonstration

Prioritization Criteria



Prioritization Criteria

- Potential Impact on the Quadruple Aim
- Demonstrated Success
- Ease of Implementation
- Outcomes Measurement
- Ease of Management and Monitoring
- Compliance with Statutory Requirements



Photo by: SSG Maricris McLane

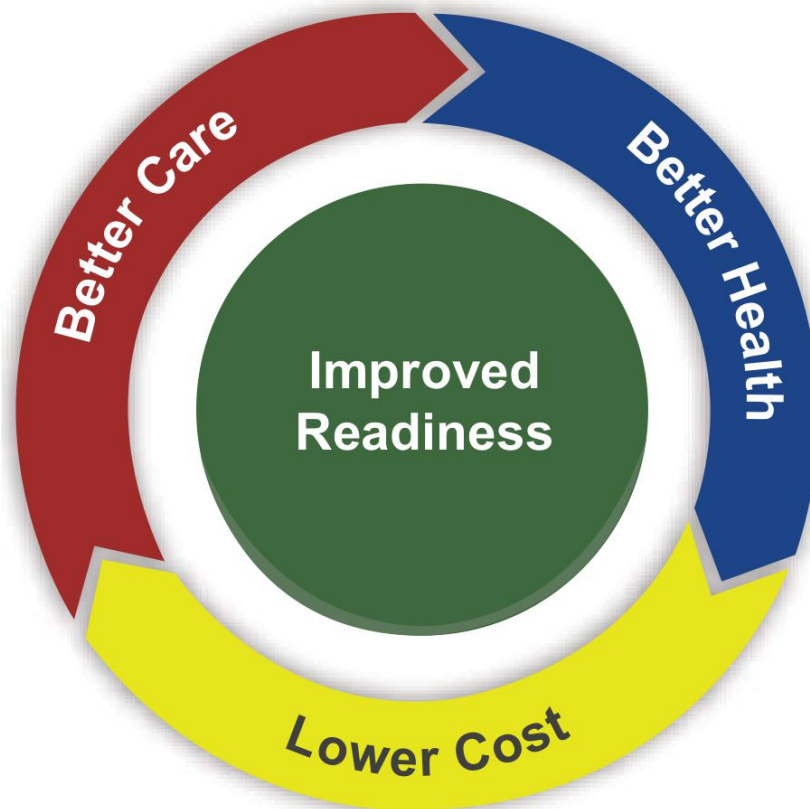


Photo by: SrA Cassidy Woody



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Potential Impact on the Quadruple Aim



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Demonstrated Success

- Randomized Controlled Clinical Trials are the Gold Standard
- Meta-analyses
- Non-randomized Controlled Clinical Trials
- Cohort Studies
- Case Series
- Case Studies
- Evidence of success by submitting vendors
- Eminence of experts



Photo by: SPC Josselyn Fuentes



Ease of Implementation

- DHA demonstration authority
- Rule and regulation-making authority
- Legislative authority



Photo by: SSG Armando Limon



Outcomes Measurement (1/2)



- Outcomes measurement is a major component of a value-based healthcare system
- Outcomes inform the effectiveness of care strategies relative to the cost of providing those services
- Metrics should be regularly tracked
- Data should be transparent to all stakeholders

Source: Excellence In Giving



Outcomes Measurement (2/2)

- Outcome measures may include:
 - Medical readiness of Active Duty Service Members and their families
 - Readiness of the medical force
 - Cost
 - Access to care
 - Patient-Reported Outcomes
 - Health information sharing
 - Health indicators



Photo by: SN Cory Daut



Ease of Management and Monitoring

- Regular reports from vendor
- Level of ongoing project management
- Requirement to gather information from beneficiaries



Photo by: MSG Ryan Matson



Compliance with Statutory Requirements

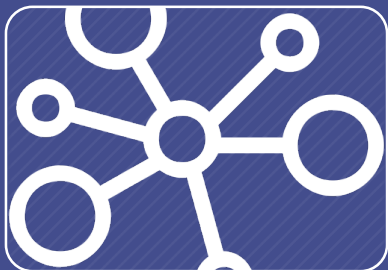
- NDAA 2017 requires the DoD to implement specific innovations to TRICARE
- The DoD should prioritize innovations that comply with NDAA 2017



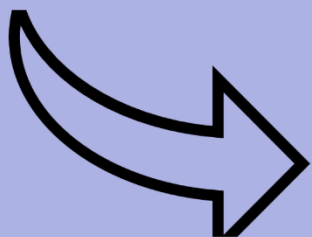
Innovation Prioritization



Innovation Categories



Network Design Innovations



System-wide Innovations



Innovations to Basic Health
Plan Operations



Prioritizing Innovations

- The Work Group prioritized innovations that:
 - Contribute to a value-based health care system
 - Impact the Quadruple Aim
 - Have evidence of effectiveness
 - Are feasible to implement with little rulemaking



Photo by: SSgt Andrew Sarver

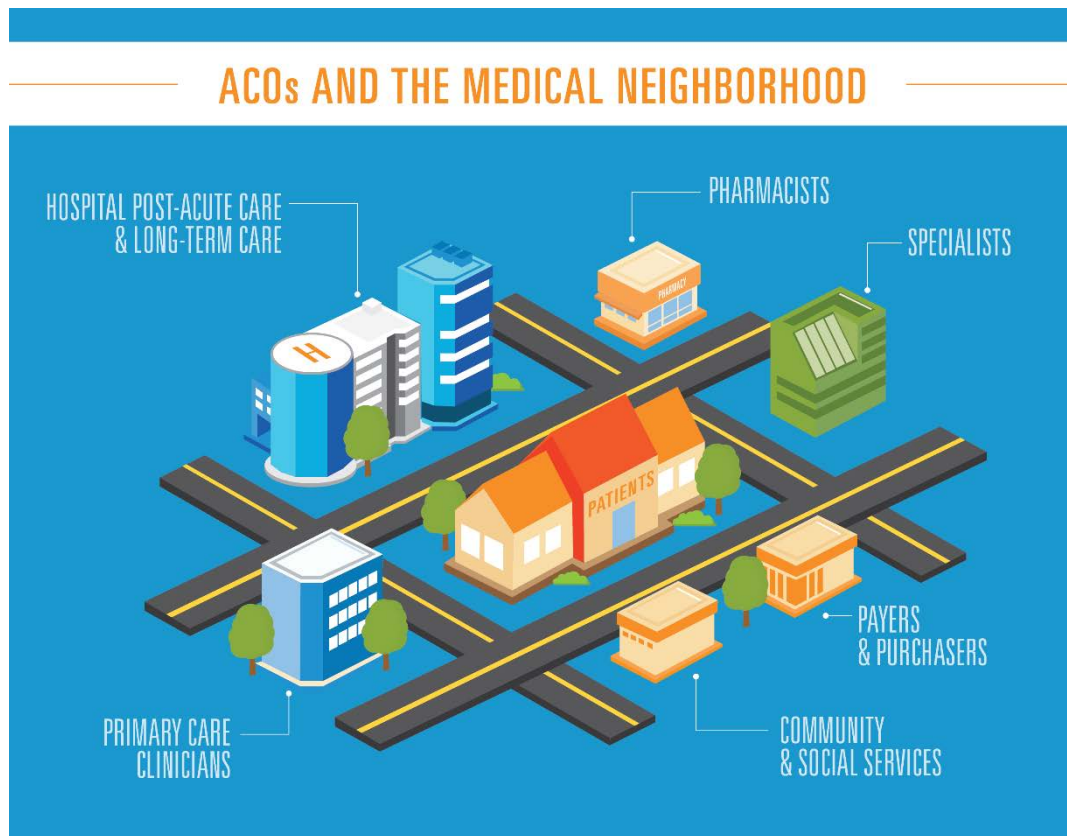


Photo by: LTC John Hall



Accountable Care Organizations

- ACOs have a system of care with outcome accountability
- Promote *better health* by tracking prevention and wellness measures
- ACOs are already proven in some locales



Source: Blue Cross Blue Shield: What is an Accountable Care Organization (ACO)?



Centers of Excellence

- COEs *lower costs* by reducing down time for beneficiaries by increasing access and reducing complications
- COEs promote *better care* through reduced treatment variability between providers and reducing inappropriate care
- The DoD should judge a COE's willingness to integrate with military providers



Source: National Council for Behavioral Health: "Becoming a Center of Excellence: A Member's Story"



Virtual Value Providers



Source: Thinkstock

- Promote high value providers to beneficiaries
- TRICARE should measure quality of care at the condition and individual provider level



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Advanced Care Management

- Encompasses care coordination, chronic condition management, case management, and medication therapy management



Photo by: PO1 Jacob Sippel

- Promotes *better care* and *better health* through a collaborative care process among multidisciplinary team members providing holistic treatment for the patient
- Vendor should include Care Management activities that have an impact on patient adherence, which leads to *better health*

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Telehealth and Digital Health

- Involves remote health monitoring and treatment
- Contributes to better outcomes by supporting multiple aspects of a patient's care experience
- Particularly important for beneficiaries in rural areas to gain access to specialty care



Source: Thinkstock



Utilization Management

- Vendors' demonstrated effectiveness in reducing low-value procedures and tests
- Data identified hotspots lead to corrective actions
- Data informs automatic authorization decisions



Source: Insight Exchange Network

Future Innovations



Future Innovations (1/2)

- Data Availability and Transparency
- Beneficiary Cost Structure Flexibility to Enable Value-Based Benefit Design
- Provider Payment Reform
- Integration with Pharmacy and Dental Benefit





Future Innovations (2/2)

- Artificial Intelligence
- Intensive Lifestyle Disease Reversal Programs
- Rapid Cycle Innovation with Demonstrations and Pilots



Photo by: LCpl Kris Daberko



Photo by: SSgt Melissa Karnath



Photo by: Jeanine Mezei

Questions ?