



Qliance

Society for Human Resource Management
June 20, 2013



Learning Objectives

Develop 'how-to' strategies that enable you to:

- Assess the value propositions of unique care delivery models, including direct primary care, on-site clinics, and near-site clinics
- Integrate new product ideas into current benefit offerings including insurance integration
- Analyze utilization, data flow and claims data in partnership with your broker/consultant to provide options that match your company mission and goals
- Communicate the importance of high quality, all-inclusive primary care delivery models



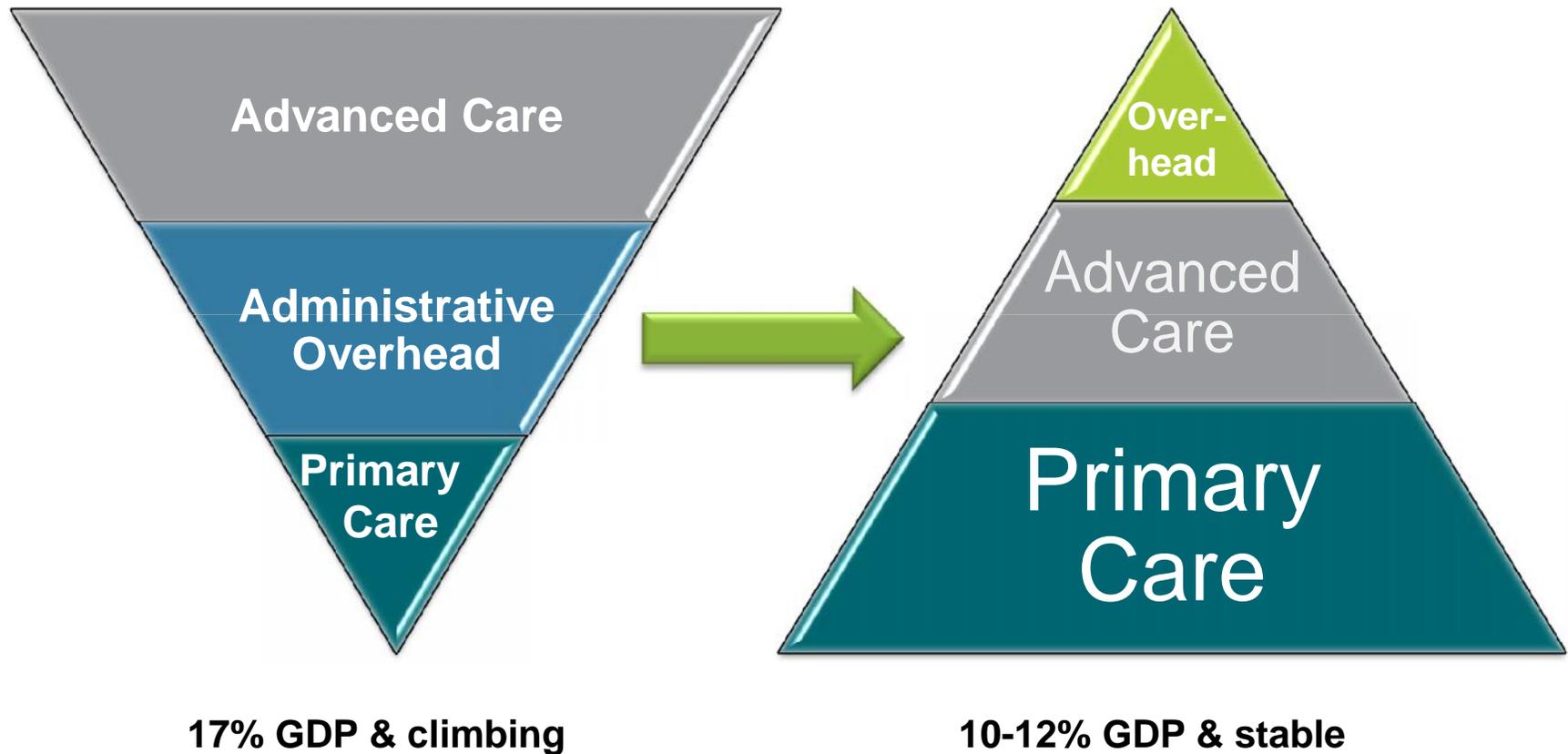
Is the Healthcare System Broken? How?



The Crisis in American Healthcare

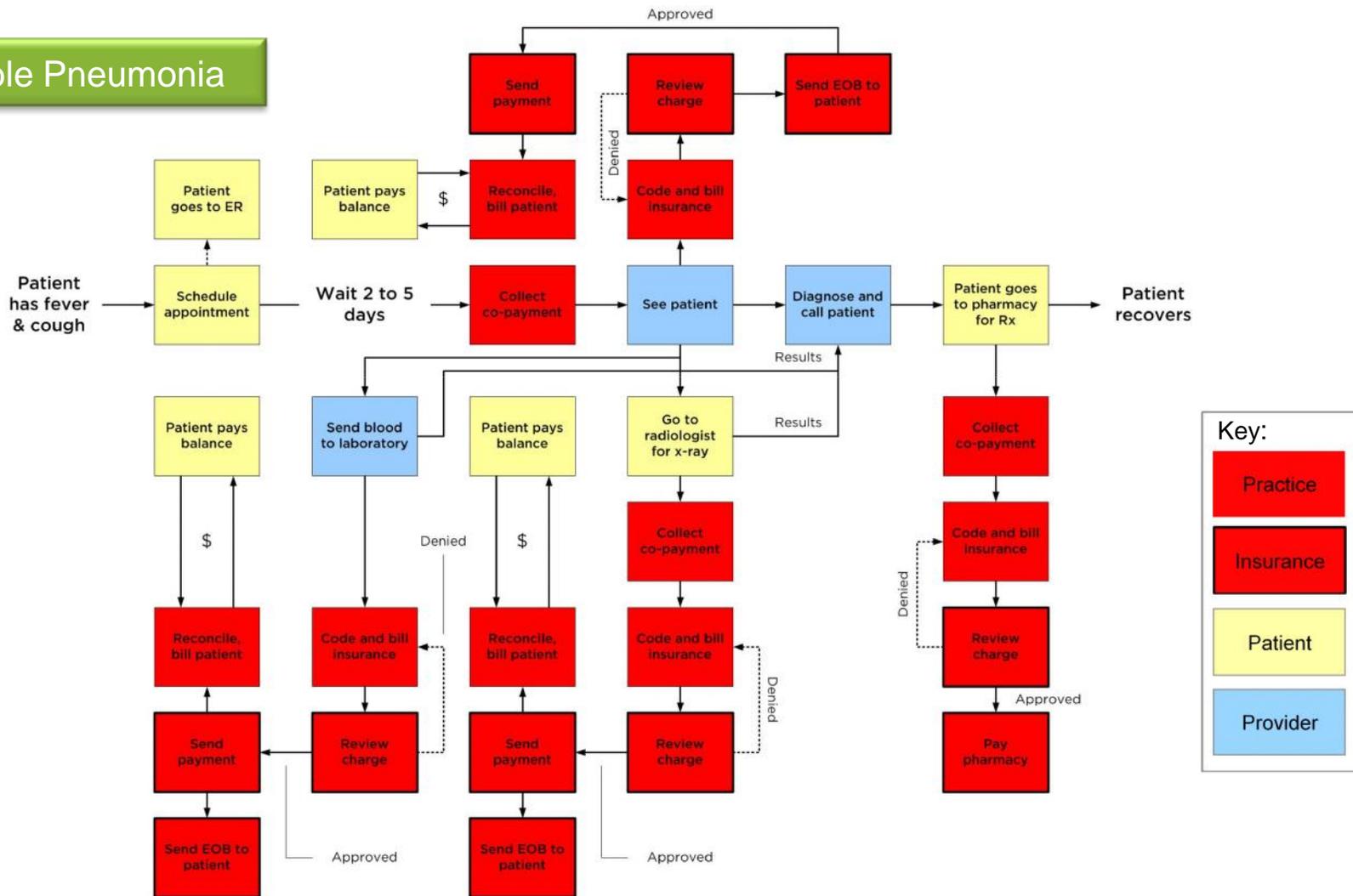
- **Costs out of control:** many efforts to trim costs and change patient behavior → may get to 0% trend BUT what about the 30% unnecessary care delivered according to the IOM?
- **Quality uneven to poor:** overuse of unproven therapies, poor management of chronic conditions, fragmented care leading to gaps in care and missed opportunities
- **Access to care limited:** primary care workforce may be too small to meet everyone's needs; long waits and short appointments are the norm

The Solution: Resuscitate Primary Care



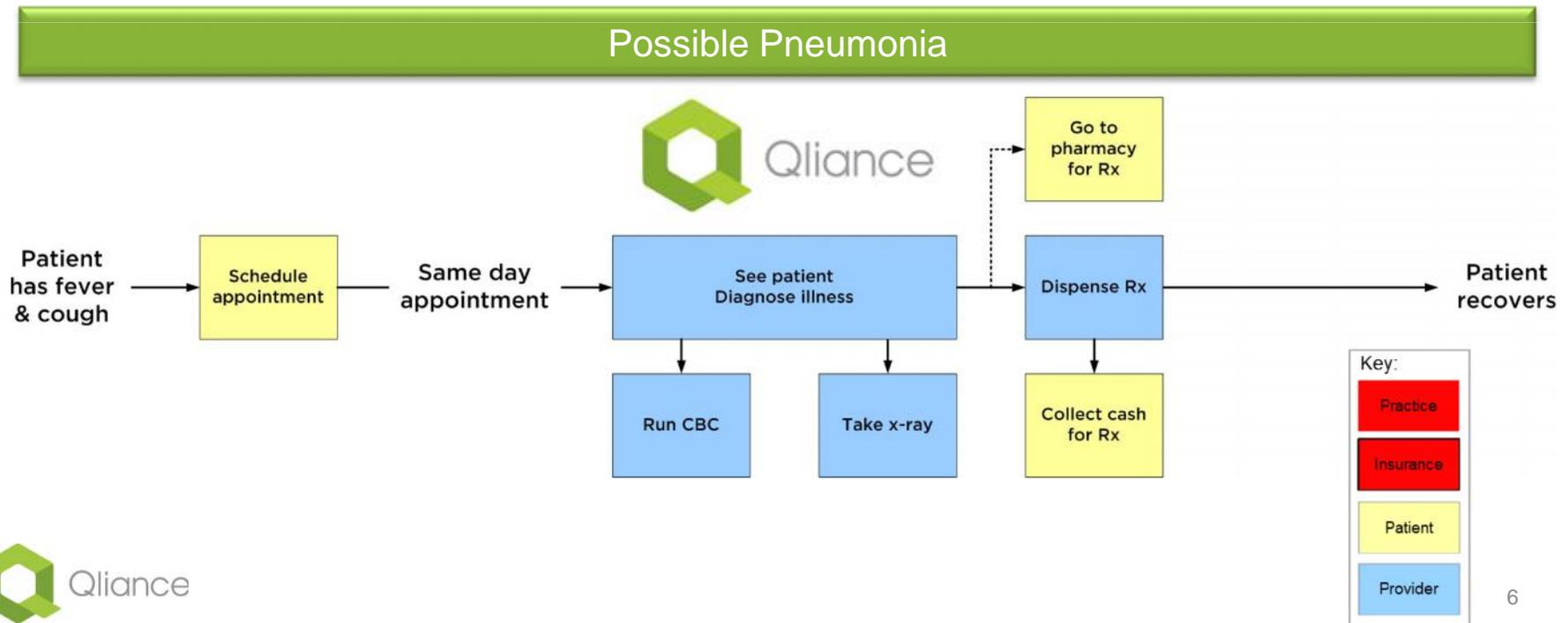
Fee-for-service creates waste & dysfunction in traditional primary care

Possible Pneumonia



Direct Primary Care Changes the Dynamic

- Direct Primary Care (DPC) provides primary care services directly to patients using a PMPM model
- Operates either outside or alongside traditional insurance
 - Reserves insurance for undesirable, costly events
 - Lowers practice costs by eliminating fee-for-service billing



Qliance Direct Primary Care Model

- Doctors are employed, salaried; encourages focus on holistic care
- Limited patient panel size
- Flat monthly fee for unrestricted, 7 day a week access
- Operate community-based, on-site and near-site clinics
- Proprietary IT platform tailored to care delivery model, supports data integration with carriers, purchasers, and other systems
- Steward healthcare resources from the primary care level



High Value Proposition for All

Patients	<ul style="list-style-type: none">• Time with doctor, relationship-based care• No barriers to access
Providers	<ul style="list-style-type: none">• Time with patients to do the right thing• Professional satisfaction & recognition
Purchasers	<ul style="list-style-type: none">• Reliable, accessible source of high quality care• Lower healthcare costs• Improved productivity and retention
Payers	<ul style="list-style-type: none">• Lower downstream claims costs• Lower administrative overhead
Public	<ul style="list-style-type: none">• Improved health indicators• Appropriate healthcare resource utilization• Sustainable healthcare economics

Qliance Patients Use Less Advanced Care

Type of Referral	Qliance # per year/1000*	Benchmark**	Difference	Savings PMPY***
ER Visits	73	158	-53%	\$84
Hospitalizations (days)	155	184	-16%	\$102
Specialist Visits	850	2,000	-58%	\$345
Advanced Radiology	273	800	-66%	\$1,054
Surgeries	28	124	-77%	\$960
Primary Care Visits	4,411	1,847	139%	(\$528)
Savings PMPY	---	---	---	\$2,017

* Based on best available internal data, may not capture all non-primary care claims.

** Based on regional benchmarks from Ingenix and other sources.

*** Based on average costs in WA State.

Source: Qliance Medical Group insured patients under 65, 2011 (n=3,011)

Patients Love the Experience



- “...the doctors actually listen to the patient and provide feedback and suggestions.”
- “ ... the doctors at Qliance can focus on patient education and pay attention to the whole-patient, aiming to solve the problem, not just the immediate symptoms.”
- “I’d suggest to anyone who wants a truly unique and amazing healthcare experience to go to Qliance.”
- “Qliance is redefining what good healthcare looks like, and honestly, you have to experience it to believe it...”

Consistently > 95% patient experience & satisfaction scores

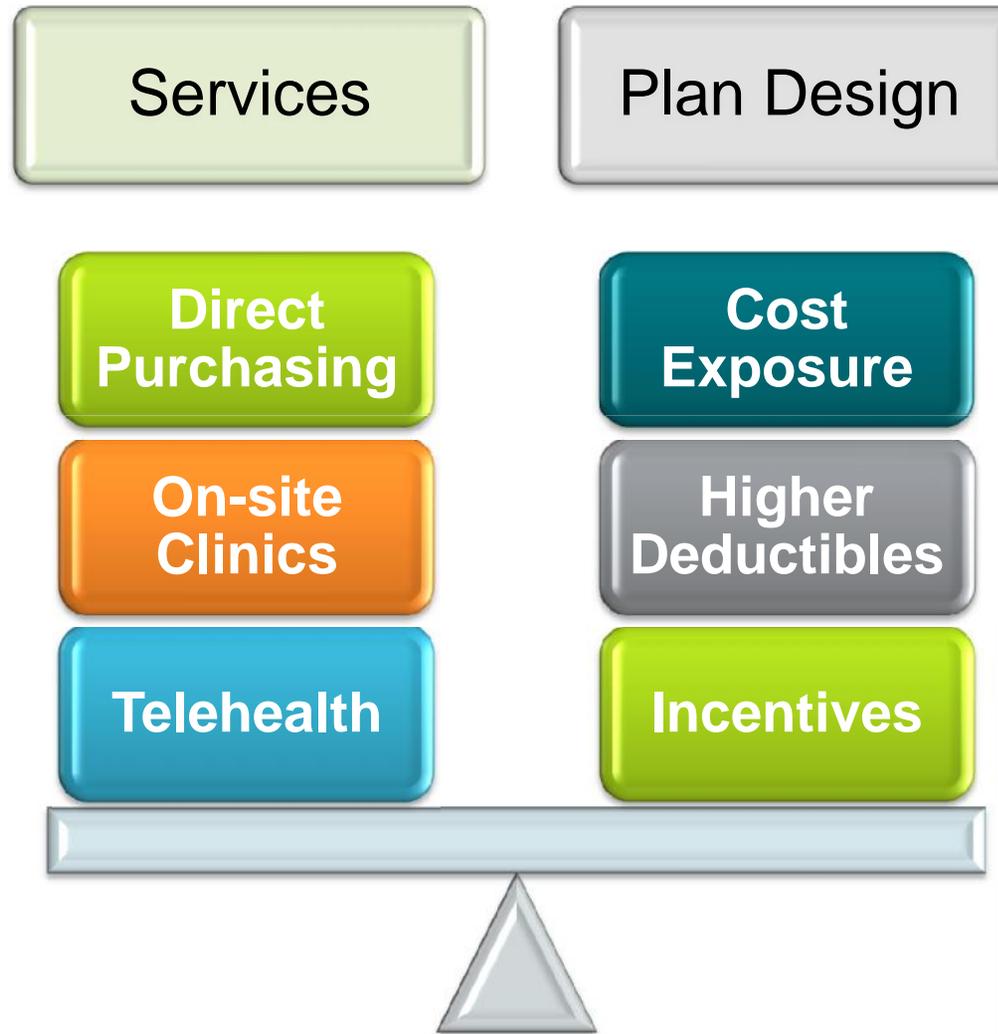
Barriers to innovation

- Entrenched payment models (FFS, E&M, RVU, fragmented additional payments for care coordination, etc.)
- Large employers concerned about differential benefits across geography
- Resistance to higher value for primary care without proof of savings
- Lack of information at point of care to guide decision making re: referrals, care pathways, costs
- Change is difficult!
- And more...



How Would You Change the Way Health Benefits are Structured?

Purchaser Trends





The Opportunity for Purchasers of Healthcare Benefits

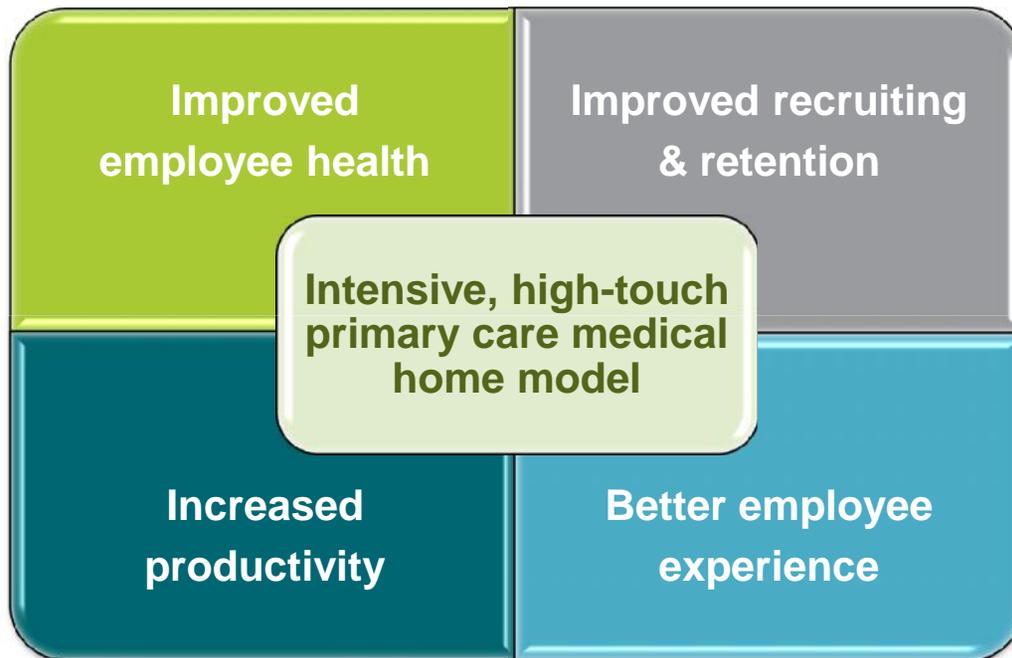
- Primary care provider (PCP) as steward of healthcare resources (purchasing agent for patients and payers)
- PCP as shared decision maker & true partner w/patients
- Employees as engaged patients & informed users of services
- Primary care as the foundation of the healthcare system
- Your purchasing power driving innovation and rapid change
- Flexible pricing and delivery models adapted to your needs

Primary Care Trends



	DPC	Concierge	On-site operators
Examples	Qliance, Paladina, Iora	One Medical	Take Care, QuadMed, Vera
Target patients	Enrolled group (all patients)	Younger/ healthier individual patients	Employees while at work
Value proposition	Comprehensive population management	Convenient access	Employee wellness, cost control
Fee structure	PMPM fee, Risk/gain share	Monthly access fee + FFS	Cost +

How Does DPC Benefit Employers



Also:

- Combat rising healthcare costs
- Guarantee access to primary care
- Focus on prevention and wellness
- Simplify benefits (reduce dependence on multiple fragmented service offerings)

Care Coordination – What Could Primary Care Be Doing for You?

- Judicious use of referrals and referral tracking
- Selection of referral providers and hospitals based on cost and quality data and our experience
- Care transition management (hospital admission/discharge, medication reconciliation, etc.)
- Team care (provider, nurse, medical assistant, medication manager, medical records, etc.)
- Collaboration with Plan programs
- Promotion of Plan programs (smoking cessation, wellness, etc.)
- Identification of barriers to care
- Collaboration with Plan to review claims, predictive modeling → target highest risk/cost/volume people and conditions



Considerations for Employers

- **HDHP + HSA:** Current regulations unclear on HSA's and direct practice – Qliance is working on clarifying rules via IRS & Congress
- **Plan design goals:** What are the problems you are solving for (i.e. increasing cost of care, overutilization, absenteeism, productivity, high chronic disease burden, lack of prevention, etc.)
- **Engagement:** incentives, plan design, marketing/ communications to direct employees and dependents to the desired source of care (primary care) vs. undesirable care (advanced care)
- **Integration with existing plans:** Can your primary care solution exchange data and integrate into existing networks to simplify administration?
- **Alternative payment mechanisms:** monthly fee, hybrid monthly fee + utilization, performance guarantees, risk/gain share, modified fee for service, channeling of payments through carrier/administrator, etc.



Digging Deeper – More Questions to Ask Your Partners and Advisors

- **Health Plan Partners** – Look for ways to integrate innovative offerings into networks, share data, enhance value of other program elements
- **Technology & Health Informatics** – Look at what can innovative health IT do for you – clinical quality programs, provider reporting, patient and company/ consultant portals, patient self-management, etc.
- **Onsite & Near Site Clinics** – Is onsite health right for you? Consider how this can be part of an overall solution and how non-traditional approaches can help you reach your goals.
- **High Performing Networks** – Ask your primary care providers to partner with high quality, high service, appropriately priced providers of secondary, tertiary, and ancillary services to expand impact on patients' health and overall costs.
- **Geographic Expansion** – Have discussions with potential partners about expanding services to build in locations where your employees are.



Qliance Owned & Operated Clinics in the Puget Sound

Downtown Seattle
509 Olive Way
Suite 1607
Seattle, WA 98101

Kent Station
521 2nd Place N
Suite 103
Kent, WA 98032

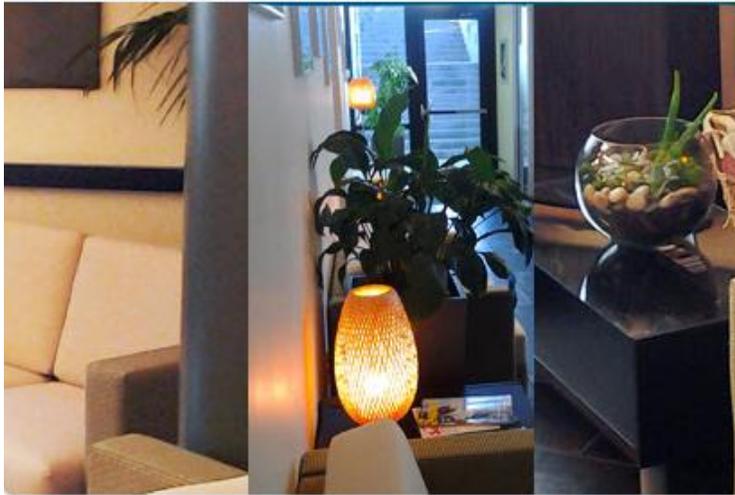
Edmonds
7315 212th St SW
Edmonds, WA 98026

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2420 S. Union Ave
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Bellevue, WA 98004



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