

WEBINAR

Real Time Episoding + Benchmarks

A Game-changer for VBC Payer Contracts

FEB 27 | 2-3 PM ET

A Conversation Featuring:



Chris Lester
Chief Analytics Officer



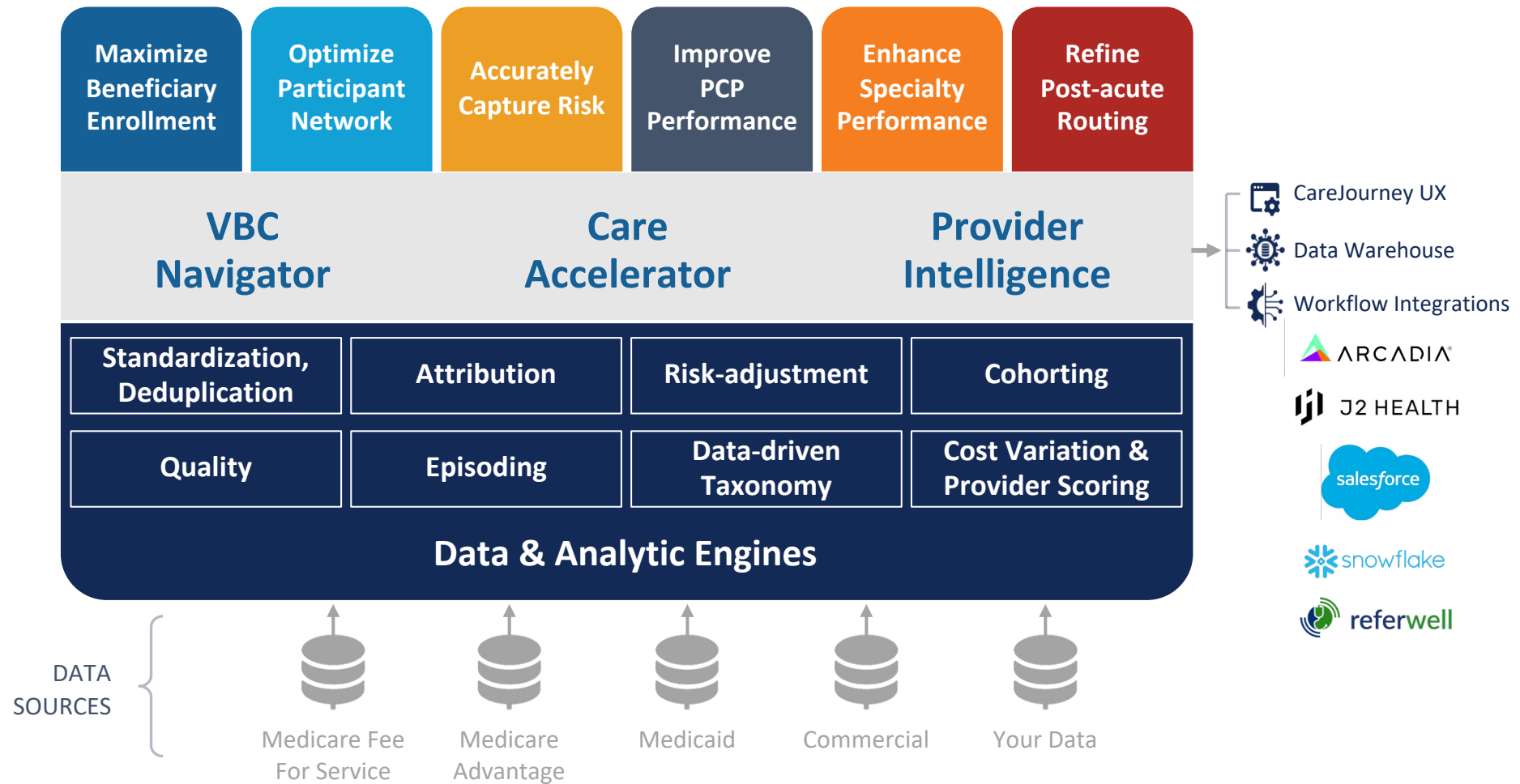
Angus McWilliams
*Executive Director,
Value Based Care*



Clark Edwards
*Program Manager,
Value Based Care*



Introducing CareJourney by Arcadia



Adding cost, quality, and benchmark insights to next-generation data platform, analytics, and workflow tools [Learn more](#)

A Need For Transparent Episode Approach



Patient Episoding and Segmentation

Capturing 250+ acute, chronic, procedure and patient segment episodes



High-Need, High-Cost Segmentation Framework

Developed by Jose F. Figueroa, MD, MPH at the Harvard T.H. Chan School of Public Health
Work Funded by the Commonwealth Fund

Patient Segment	Attributable Patients
Moderate Morbidity	24%
Frail Elderly	23%
Complex Multimorbidity	16%
Relatively Healthy	10%
Major Disability	9%
Minor Morbidity	6%
Serious Mental Illness	8%

Episode Name	Number of Episodes	Cost Score	Average Observed Cost	Average Expected Cost	Adjusted O/E Ratio	Opportunity	Average Observed vs Expected Cost
Spinal Fusion	62	2 / 5	\$32,524	\$32,125	1.01	\$208,563	<div><div></div></div>
Back And Neck Pain Treatment Without Fusion	37	1 / 5	\$12,354	\$11,108	1.11	\$77,300	<div><div></div></div>
Fracture/dislocation Treatment Pelvis/hip/femur	27	5 / 5	\$28,309	\$38,629	0.73	N/A	<div><div></div></div>

Source: <https://bettercareplaybook.org/resources/high-need-high-cost-segmentation-framework>
CareJourney Data 2023, MSSP cohort of attributable patients



Establishing an O:E Ratio

Example Expected Episode Cost Calculation



The regression model differs slightly for each episode type – more information is available on the next slide.

The “score” for each episode is then calculated as the observed vs. expected cost ratio within a CBSA.

Attributed Provider for Cardiac Valve Episode Dr. Smith

Total Allowed: \$3,204
Expected:* \$3,500

O/E = 0.915 for this particular population



Driving Action Through Insight

Uncovering variation + prioritizing intervention



Michael
Male, 70 yo

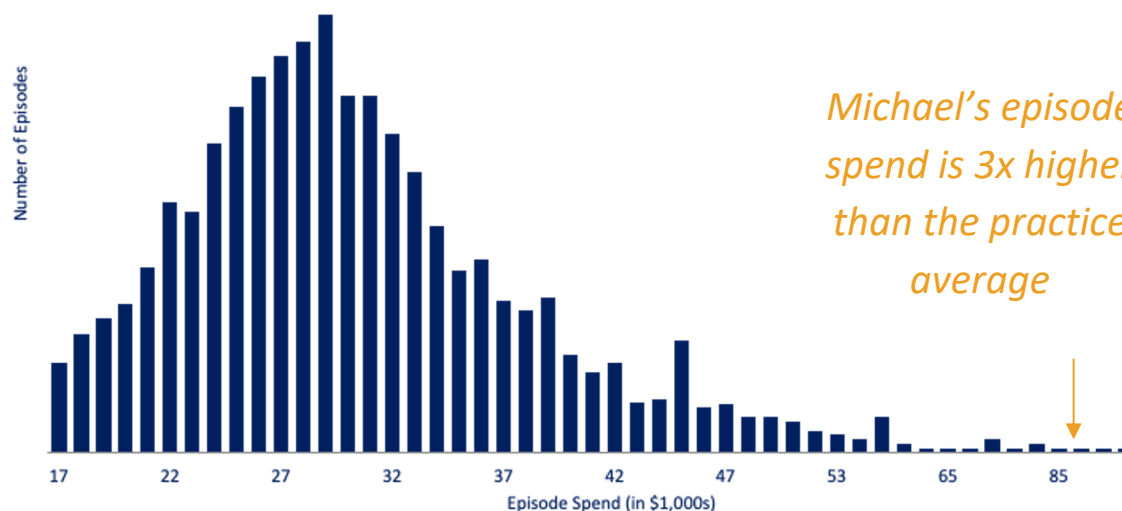
HCC Score

1.15

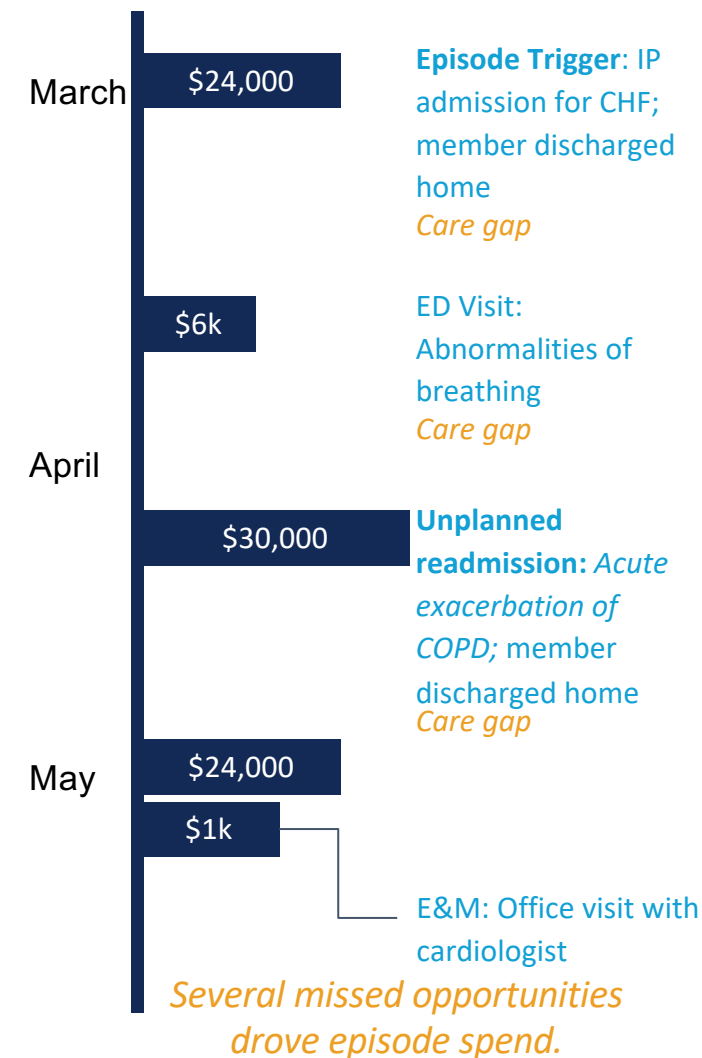
Care Gaps

Risk assessment
Medication Reconciliation
Care Plan Adherence
Patient Education

For our cardiology group of interest: Understand high-cost member CHF episode outliers to identify specific interventions



Michael's CHF Episode Timeline



POLL QUESTION

Are you currently evaluating your data through episodes of care?

CHOOSE
ONE

Yes

Not a priority

Don't know where to start

INTRODUCING

Providence

A health system and payer in WA, CA, and beyond!



Angus McWilliams
Executive Director,
Value Based Care



Clark Edwards
Program Manager,
Value Based Care

Providence By The Numbers

Providence across five western states:

- Alaska
- Montana
- Oregon
- Northern California
- Southern California
- Washington

The Providence affiliate family includes:

- Covenant Health in West Texas and New Mexico
- Facey Medical Group in Los Angeles, CA.
- Kadlec in Southeast Washington
- Pacific Medical Centers in Seattle, WA.
- Swedish Health Services in Seattle, WA.



122K

Caregivers



38K

Nurses



34K

Physicians



\$2.1b

Community Benefit



51

Hospitals



1000

Clinics



29m

Total Patient Visits



2.6m

Covered Lives



1700+

Published Research
Studies



1

Health Plan



18

Supportive Housing
Facilities



High School, Nursing
Schools & University

Providence Clinical Network at a Glance

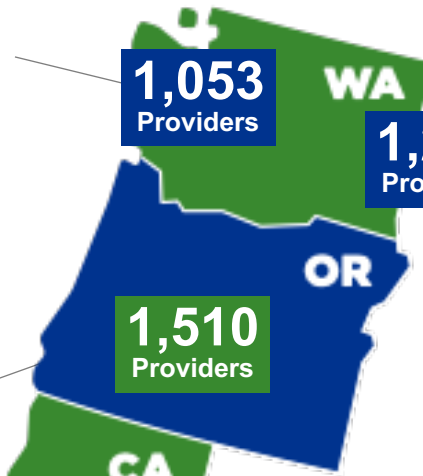
Alaska

26 Clinics
79.5K F2F visits
33.6K Virtual Visits
5 Retail Clinics
1 Urgent Care
1 ASC
4 Imaging Centers



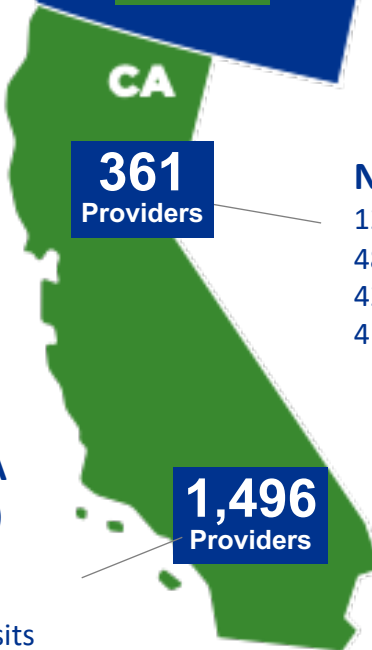
Puget Sound

134 Clinics
1.75M F2F visits
292K Virtual Visits
2 Retail Clinics
2 Urgent Care
3 ASC
4 Imaging Centers



Oregon

185 Clinics
1.26M F2F visits
201K Virtual Visits
13 Retail Clinics
10 Urgent Care
9 ASC
6 Imaging Centers



Northern CA

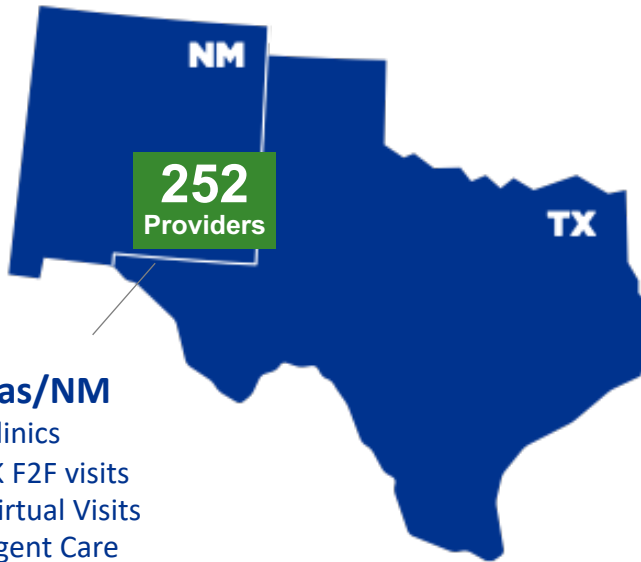
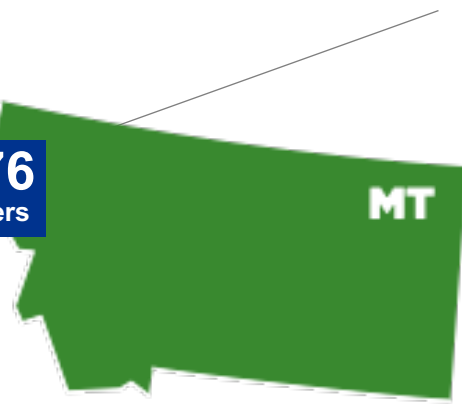
121 Clinics
482K F2F visits
42K Virtual Visits
4 Urgent Care

Southern CA (OCHD + LA)

291 Clinics
2.8M F2F visits
371K Virtual Visits
52 Urgent Care (+Exer)
10 ASC
14 Imaging Centers

EWA/Montana

318 Clinics
1.6M F2F visits
81K Virtual Visits
13 Retail Clinics
13 Urgent Care
5 ASC
12 Imaging Centers



Texas/NM

89 Clinics
896K F2F visits
4K Virtual Visits
2 Urgent Care
1 ASC
1 Imaging Centers

PCN at a Glance

Providers | 7,040
Caregivers | 30,000
Clinics | 1,164
Medicare AdvantAge Clinics | 4
F2F Visits | 8.8 Million
Virtual Visits | 1 Million
Retail Clinics | 31
Urgent Care | 81 (including Exer)
Ambulatory Surgery Centers | 31
Ambulatory Imaging Centers | 41

PCN areas of focus



Value-based care

Goals

- Build and deploy technology, analytics, and infrastructure to enable VBC growth and performance.
- Create structures, incentives, and operating models optimized to excel in a VBC environment.
- Identify, operationalize, and optimize practices to perform under VBC contracts.



Identifying Variation in 3rd Party Data to Target Improvement

Diving into two health systems with opportunities to improve

Hospital A

Strong performance, but areas to improve on cost efficiency and complication spend.

Episode Name	Number of Episodes	Cost Score	Average Observed Cost	Average Expected Cost	Adjusted O/E Ratio ⓘ	Opportunity ⓘ	Average Observed vs Expected Cost
Spinal Fusion	527	4 / 5	\$68,645	\$66,300	1.04	\$3,169,289	<div><div></div></div>

Episode Name	Total Episode Count	Avg Observed Complications	Avg Expected Complications	Adjusted O/E Ratio ⓘ	Quality Score	Opportunity ⓘ
Spinal Fusion	527	\$2,146	\$2,042	1.05	3/5	\$299,313

Hospital B

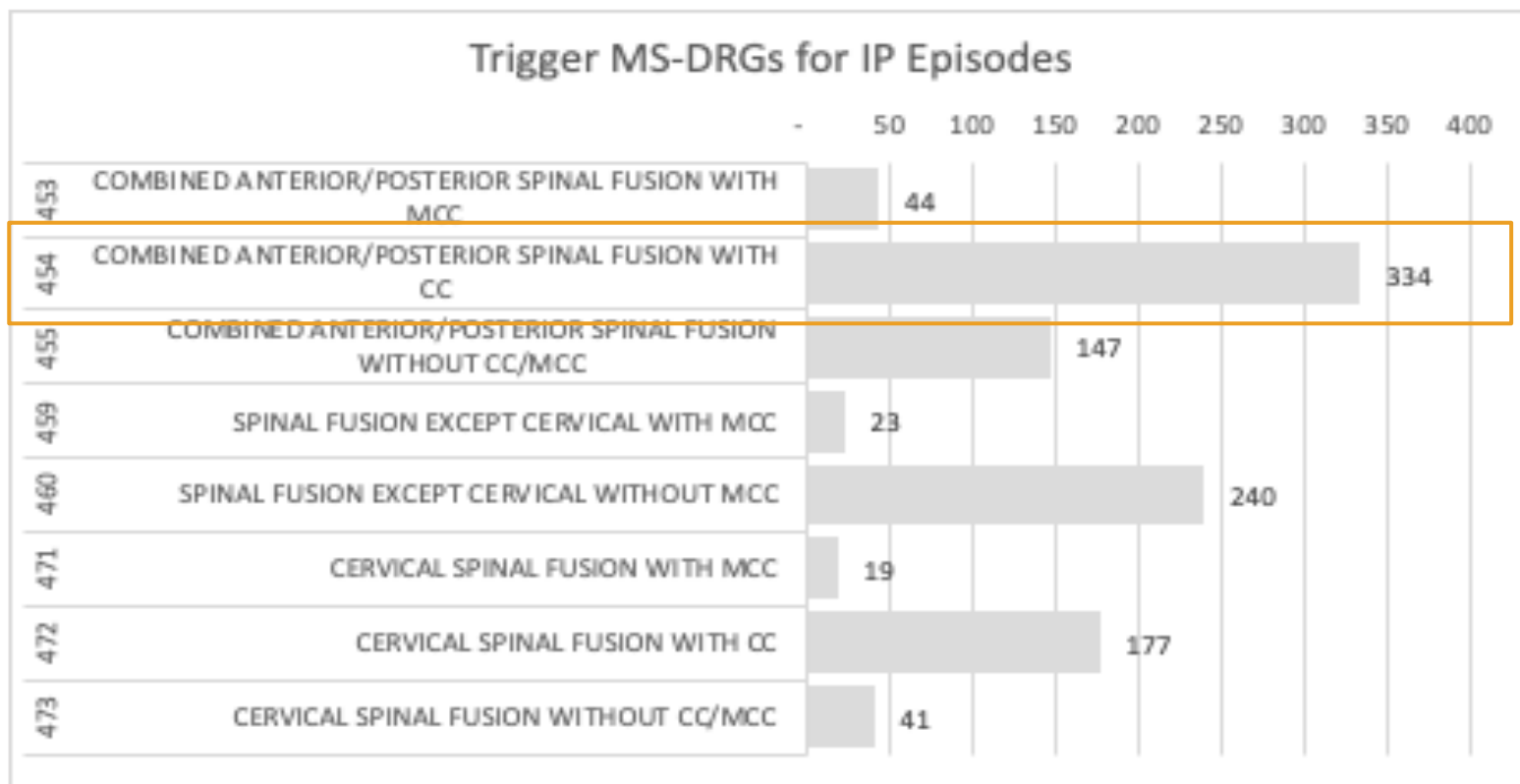
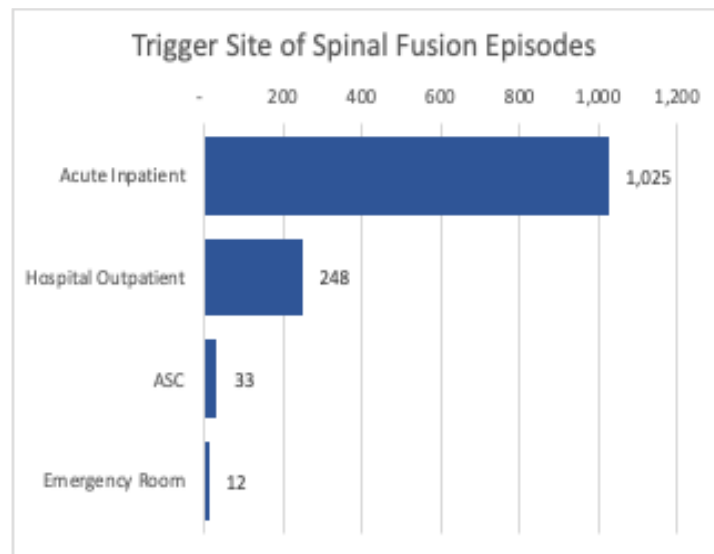
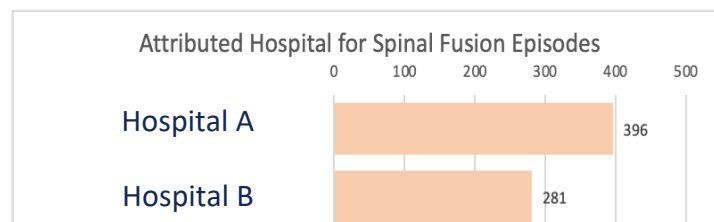
Average performance, with the same areas of improvement.

Episode Name	Number of Episodes	Cost Score	Average Observed Cost	Average Expected Cost	Adjusted O/E Ratio ⓘ	Opportunity ⓘ	Average Observed vs Expected Cost
Spinal Fusion	182	3 / 5	\$66,173	\$65,325	1.01	\$811,981	<div><div></div></div>

Episode Name	Total Episode Count	Avg Observed Complications	Avg Expected Complications	Adjusted O/E Ratio ⓘ	Quality Score	Opportunity
Spinal Fusion	182	\$2,470	\$2,123	1.16	3/5	\$150,916

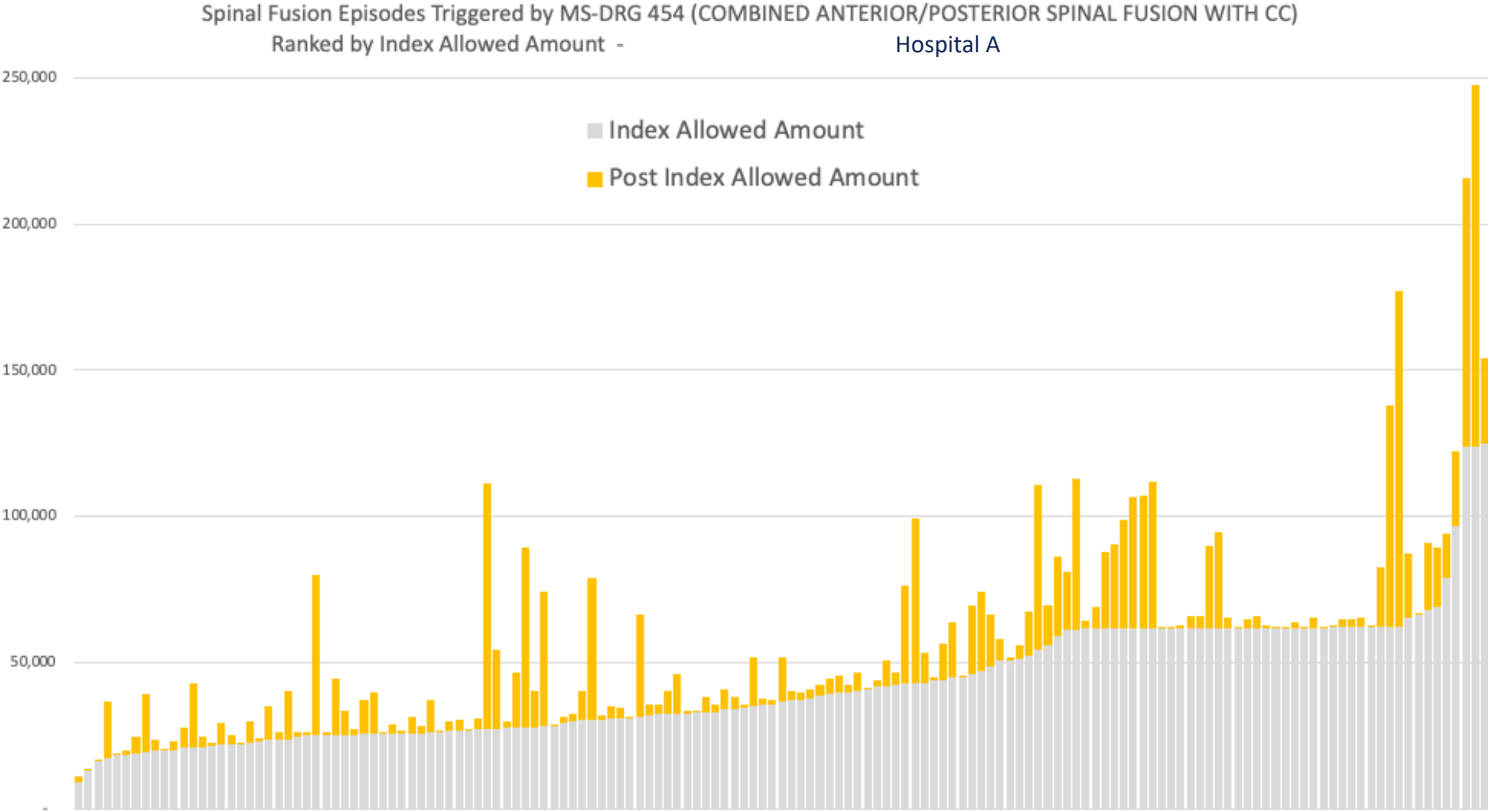
Unpacking the Story with 1st Party Data

Spinal fusion episodes triggered predominately by DRG 454 in IP setting.





Variation in Cost Driven by Post-index Spend

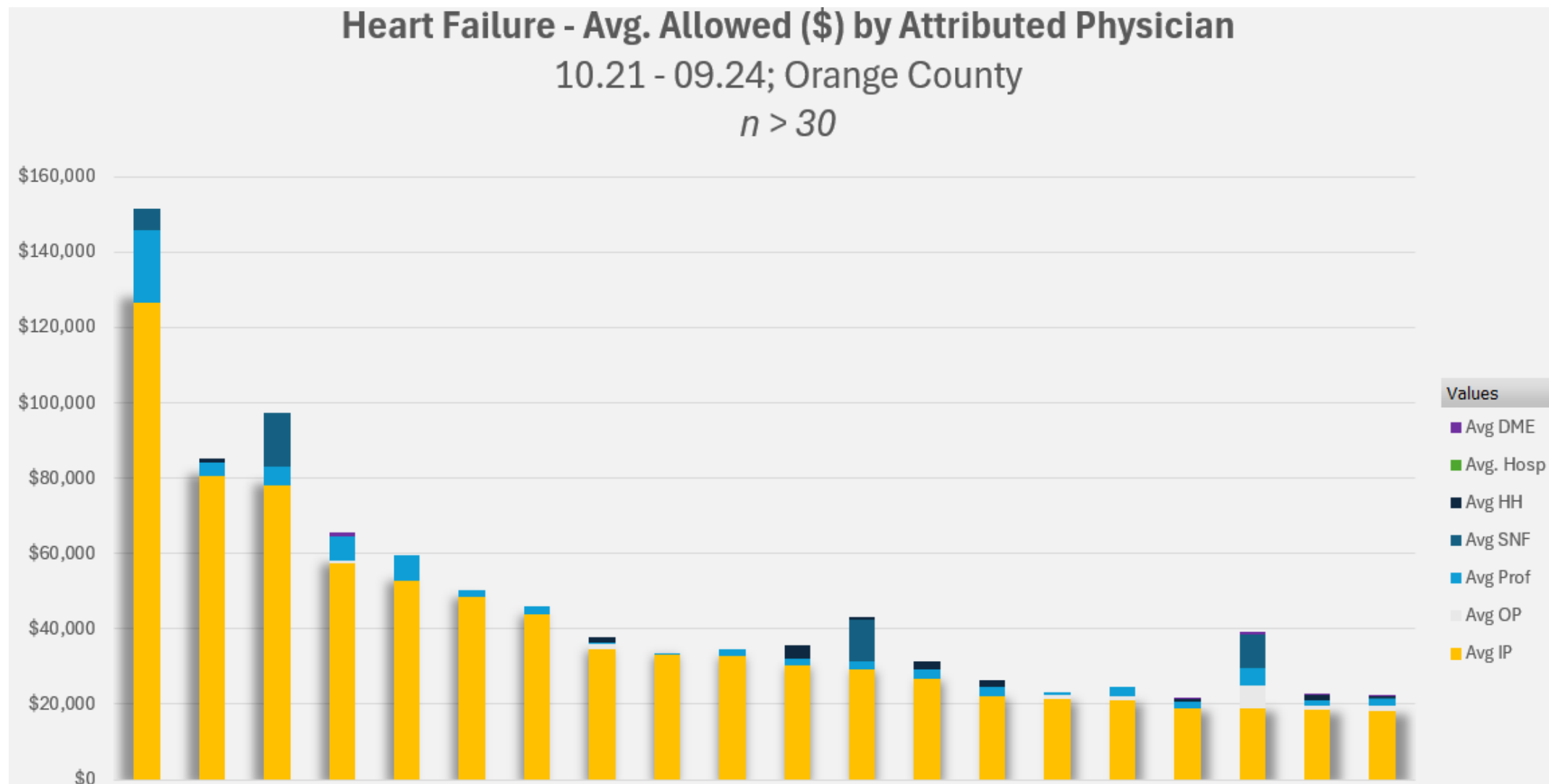


Insights on the Individual Physician Level

					Weighted O/E		Sum Total Opportunity	
attributed_physician_npi_num							1.00	\$6,323
episode_type_nm	Episode	Trigger Setting	Episode Count	Avg. Observed	OC Network Avg.	O/E	Total \$ Opportunity	
ACUTE OUTPATIENT MEDICAL EPISODE	CONJUNCTIVITIS	OFFICE	103	\$125	\$145	0.86	-\$2,081	
ACUTE OUTPATIENT MEDICAL EPISODE	DRY EYE SYNDROME	OFFICE	125	\$117	\$142	0.83	-\$3,025	
ACUTE OUTPATIENT MEDICAL EPISODE	HEREDITARY CORNEAL DYSTROPHIES	OFFICE	19	\$108	\$300	0.36	-\$3,648	
ACUTE OUTPATIENT MEDICAL EPISODE	INFLAMMATION EYELID	OFFICE	204	\$129	\$144	0.90	-\$2,925	
ACUTE OUTPATIENT MEDICAL EPISODE	KERATOCONJUNCTIVITIS	OFFICE	119	\$123	\$144	0.85	-\$2,580	
ACUTE OUTPATIENT MEDICAL EPISODE	SHINGLES	OFFICE	8	\$141	\$313	0.45	-\$1,374	
ACUTE OUTPATIENT MEDICAL EPISODE	TRANSIENT ISCHEMIC ATTACK	OFFICE	5	\$202	\$330	0.61	-\$641	
ACUTE OUTPATIENT MEDICAL EPISODE	VISUAL DISTURBANCES	OFFICE	36	\$148	\$216	0.69	-\$2,447	
CHRONIC MEDICAL EPISODE	CATARACT	NOT APPLICABLE	195	\$2,509	\$1,808	1.39	\$136,829	
CHRONIC MEDICAL EPISODE	GLAUCOMA	NOT APPLICABLE	487	\$337	\$582	0.58	-\$119,614	
CHRONIC MEDICAL EPISODE	VITREOUS OPACITIES/DEGENERATION	NOT APPLICABLE	12	\$170	\$179	0.95	-\$108	
OUTPATIENT/ASC OR OFFICE PROCEDURAL	CATARACT SURGERY SEC MEM	HOSPITAL OUTPATIENT	273	\$1,168	\$1,063	1.10	\$28,671	
OUTPATIENT/ASC PROCEDURAL EPISODE	CATARACT SURGERY IOL	HOSPITAL OUTPATIENT	757	\$3,278	\$3,305	0.99	-\$20,736	



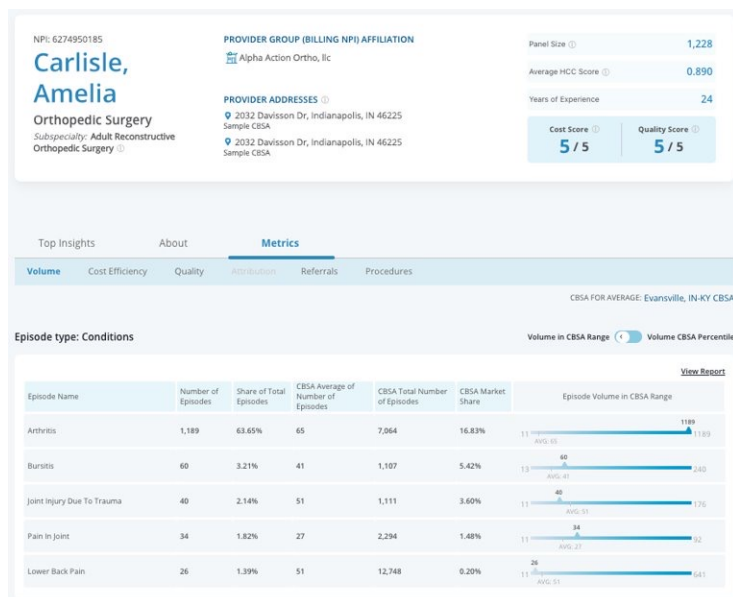
Identifying Leading Episode Spend Categories





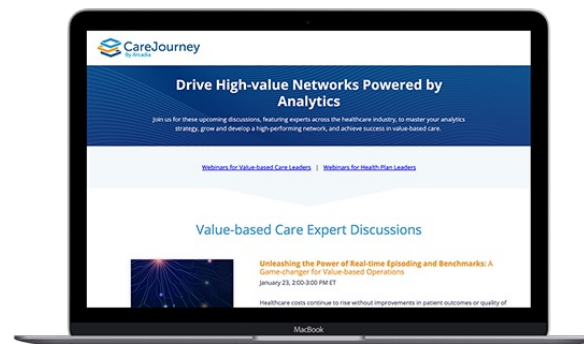
Want to Learn More?

CHECK IT OUT:



Explore a provider profile with episode of care performance - Type “YES” into the chat!

JOIN OUR NEXT WEBINAR:



Join us for these upcoming discussions, featuring experts across the healthcare industry, to master your analytics strategy, grow and develop a high-performing network, and achieve success in value-based care. [Register for the series](#)

High-Performing Networks: Unlock the Secrets to Value-based Excellence

April 1, 2:00-3:00 PM ET

What truly defines a high-performing network? Join us for an in-depth session that separates fact from fiction and delivers actionable strategies for payer leaders to design and optimize networks across multiple lines of business (LOB).

This session will explore:

- Evaluating provider performance and cost efficiency to pinpoint high-performing providers
- Leveraging multi-payer insights to identify trends and opportunities across all contracts
- Implementing effective network tiering and VBC contracting to drive quality and efficiency
- Streamlining specialist paths and referrals based on condition and episodes of care to enhance access and outcomes

Discover how leading payers use third party analytics for a comprehensive view of provider performance, enabling smarter network decisions and more impactful results for members. This session will empower payer leaders to transform their networks into engines of value-based excellence and competitive differentiation.

Who should attend: Payer VBC leaders, Payer Provider Relations teams, Payer Network Development teams, Payer Contracting teams

[Register Now](#)

A DISCUSSION

Questions & Answers



Angus McWilliams
*Executive Director,
Value Based Care*



Clark Edwards
*Program Manager,
Value Based Care*

Thank You!

Reach out to connect with us at
info@carejourney.com

