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## Project Description

I wanted to explore strategies to impact rising healthcare costs without compromising healthcare quality or disenfranchising clinicians.

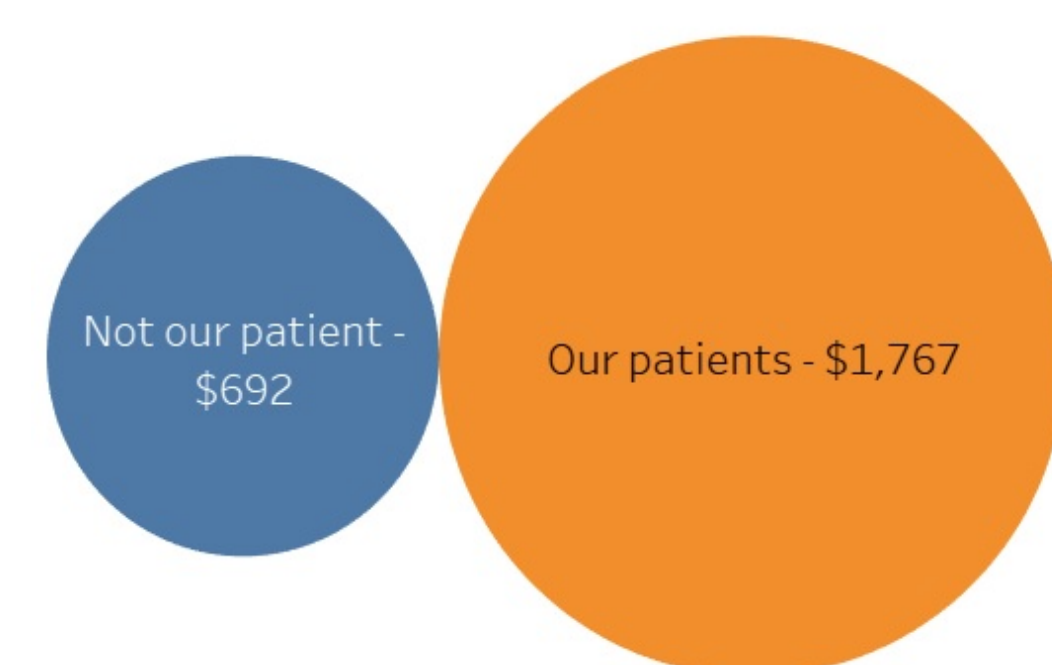
### Problem Statement:

Clinicians lack information about treatment costs, which makes them unable to make the best decisions for the patient. This can lead to worse care if the patient can't afford what is recommended, delayed care, and also disempowers clinicians to be part of the solution of overall rising healthcare costs.

### Discovery:

- This idea came from our own clinicians, who wanted to be part of the discussion and solution of rising healthcare costs, but felt like they were not given the tools to do so.
- Clinicians also felt like they would rather self-regulate than wait for healthcare payors to make these decisions for them.
- Healthcare payors, such as self-insured employers, were eager to get providers onboard.
- Cost data is very hard to find (i.e. medication costs were shrouded in unassigned rebates and other mechanisms to make cost completely obscured, even to healthcare payors).
- Initiated pilot project by making lab cost available, which showed providers would change behavior if cost information was made available.
- Identified an area of growing cost in our health plan (diabetes medications).

Cost per patient based on clinic participation  
(Actual numbers masked, ratio preserved)



### Goal:

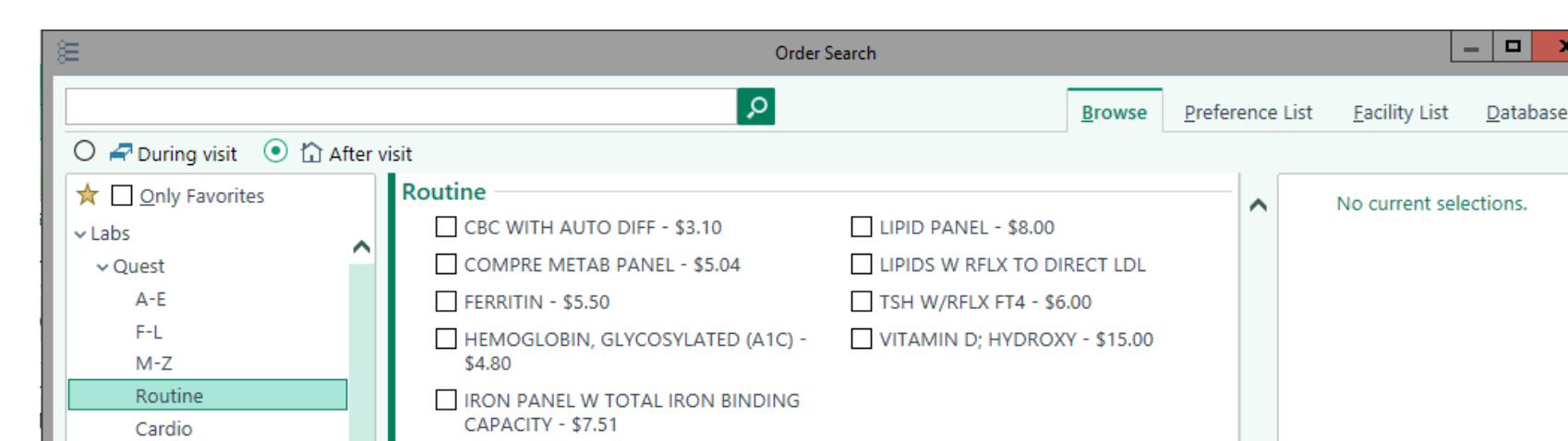
Provide clinicians with cost information at point of ordering so they are empowered to make the best decision for their patients.

### Outcome-oriented Objective:

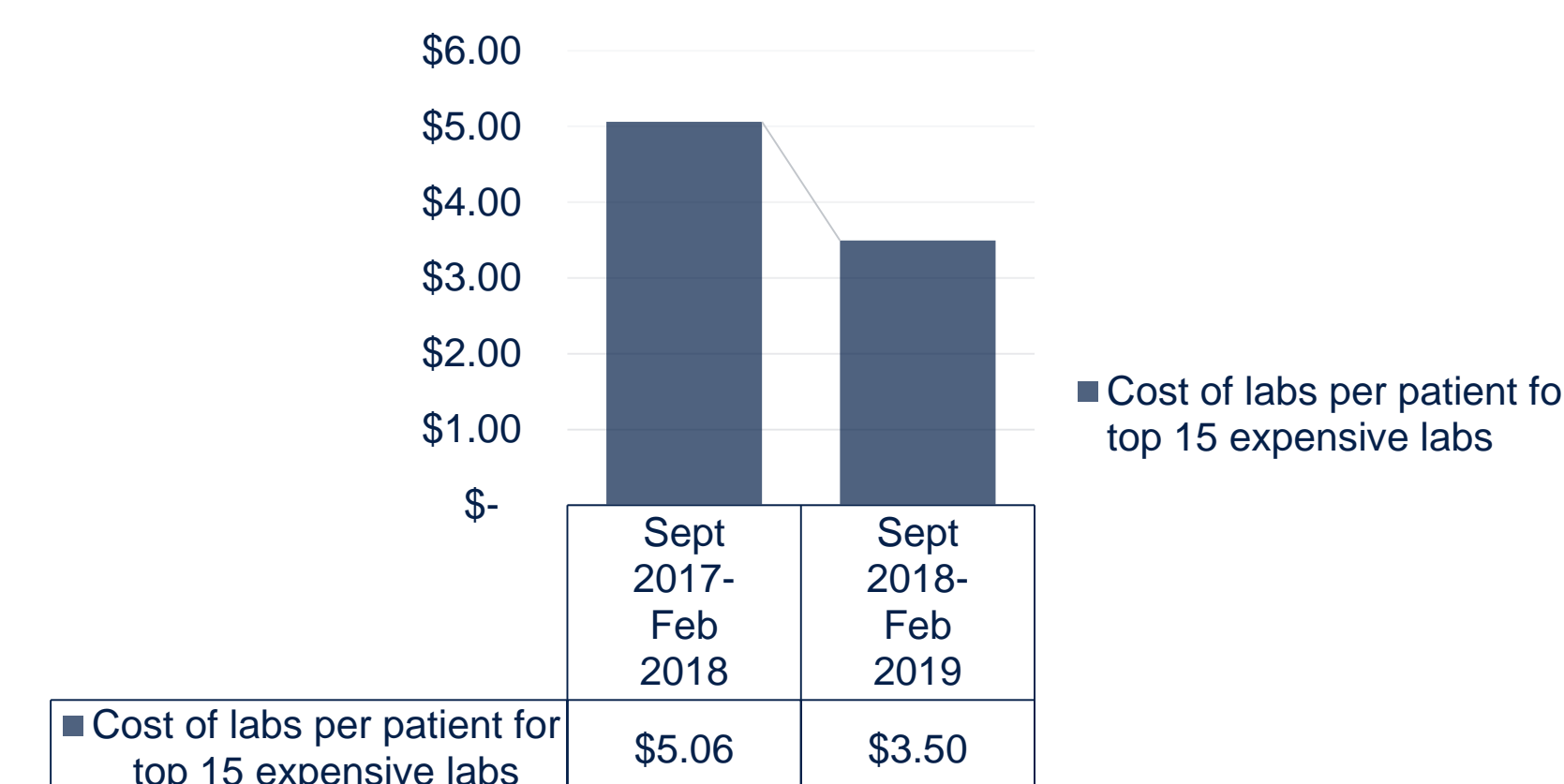
Reduce cost of care for each diabetic patient on our patient panel by 10% when comparing Q1 2019 costs to Q1 2020.

## Results

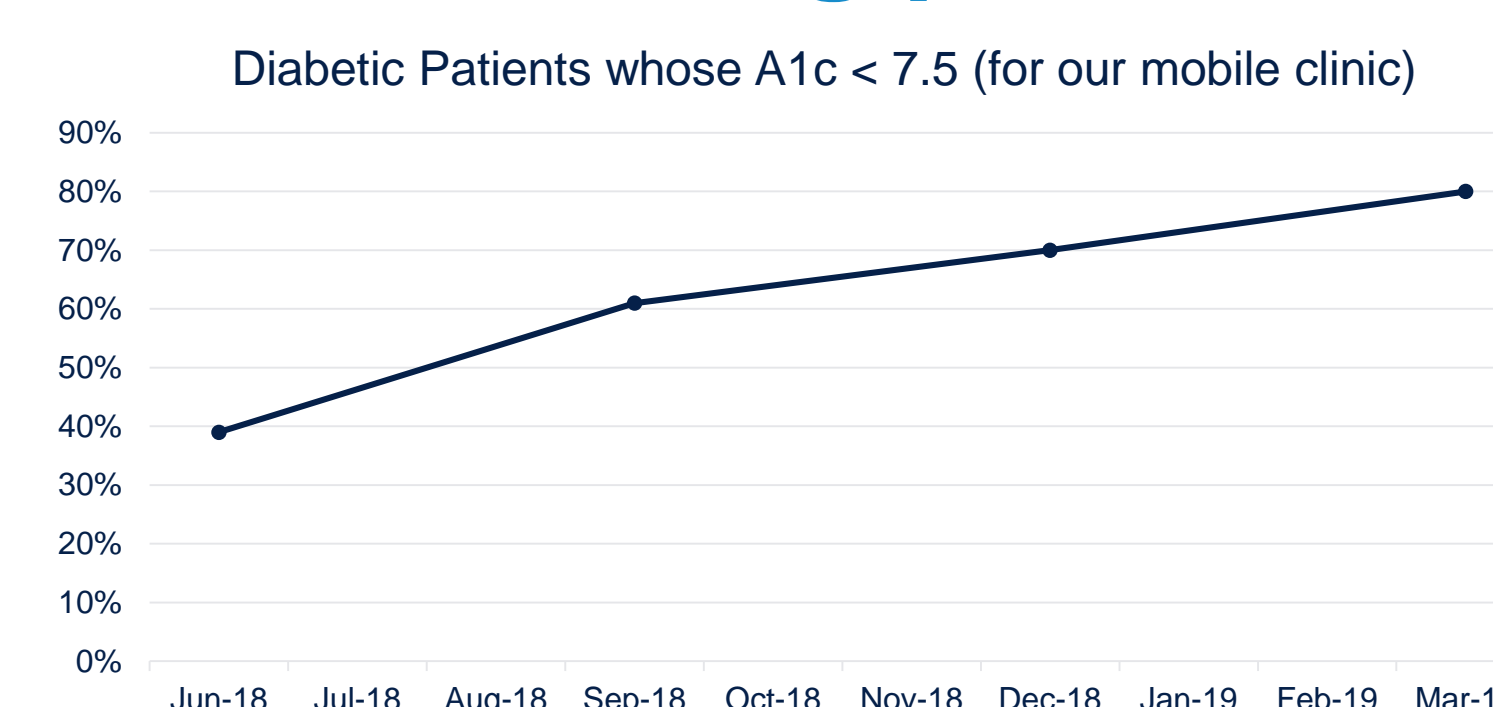
### Costs were placed within the EMR next to orders (piloted with labs)



### Pilot Results: Lab order behavior changed based on cost transparency



### Continued increase in quality of care metrics during pilot



## Lessons Learned

- Clinicians want to be part of the solution of rising healthcare costs, and would rather self-regulate than have healthcare payors or health plans make the decisions for them.
- Providing cost data can be misinterpreted, both in terms of intention as well as how to use the data, so implementation must be iterative and thoughtfully planned with clinicians.
- Cost transparency can influence behavior without sacrificing quality.
- It was more work than anticipated just to identify costs, particularly pharmaceutical costs, which were obscured by pharmaceutical benefits managers. We had to renegotiate contracts just to get cost information. Previously, many payors paid without knowing what and how much they were paying and for what. This led to a lack of accountability and contributes to ballooning healthcare costs.
- There are lots of other benefits to cost transparency (i.e. ability to find wasteful spending, or negotiate new purchasing contracts).

### Next Steps:

- Create a cost dashboard for providers to see cost of care relative to patient complexity and health outcomes.
- Poll providers on their satisfaction with project.
- Track costs to evaluate impact of providing cost data in EMR on cost of care for diabetics.
- Use cost data as an input when negotiating new contracts and ensure accountability from pharmaceutical benefits managers.

## Mission Model Canvas

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| <b>Key Partners</b> <ul style="list-style-type: none"> <li>• Clinicians</li> <li>• Payors (like self-insured employers)</li> <li>• Benefits administrator</li> <li>• Health IT vendors (like Epic)</li> <li>• Clinic operations staff</li> </ul> | <b>Key Activities</b> <ul style="list-style-type: none"> <li>• Work with stakeholders to develop strategies to influence cost</li> <li>• Identify costs</li> <li>• Input costs at point of order within the EMR</li> <li>• Track impact</li> </ul> | <b>Value Propositions</b> <ul style="list-style-type: none"> <li>• Identify per unit healthcare costs, which have previously have not been available</li> <li>• Presents cost information to clinicians in an easy manner</li> <li>• Provides clinicians more data for appropriate decision making</li> <li>• Patient pay less for co-pays/co-insurance and experience less delay in care</li> <li>• Health plan saves cost per member per year</li> <li>• Payors able to increase accountability of spending</li> </ul> | <b>Buy-in &amp; Support</b> <ul style="list-style-type: none"> <li>• Requested by clinicians as an idea to be part of the solution and pre-empt other solutions that might come from payors</li> <li>• Health plan and payors are happy to engage clinicians</li> </ul>                                                                                                                                 | <b>Beneficiaries</b> <ul style="list-style-type: none"> <li>• <b>Clinicians</b> <ul style="list-style-type: none"> <li>• Want to be able to retain decision making ability when it comes to treatment</li> <li>• Want to make best decision for patients and not delay care</li> </ul> </li> <li>• <b>Healthcare Payors</b> <ul style="list-style-type: none"> <li>• Reduce cost per patient for same health outcomes</li> <li>• Have cost information for accountability</li> </ul> </li> <li>• <b>Patients</b> <ul style="list-style-type: none"> <li>• Reduction of co-pay/co-insurance</li> <li>• Decrease delay in care through claim denials</li> </ul> </li> </ul> |
| <b>Key Resources</b> <ul style="list-style-type: none"> <li>• My time</li> <li>• Claims data</li> <li>• My staff (Business System Analysts') time to obtain cost information</li> <li>• EMR</li> <li>• Benefits staff time</li> </ul>            |                                                                                                                                                                                                                                                    | <b>Deployment</b> <ul style="list-style-type: none"> <li>• Pilot with lab data since that is more readily available to see if influences behavior</li> <li>• Renegotiate Pharmaceutical Benefits Manager contract to allow way to see drug cost</li> <li>• Place drug costs into EMR</li> </ul>                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Mission Budget/Cost</b> <ul style="list-style-type: none"> <li>• No marginal cost, staff resources will be allocated for this project</li> </ul>                                                                                              |                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>Mission Achievement/Impact Factors</b> <ul style="list-style-type: none"> <li>• Reduce cost of treating diabetic patients 10% in 1 year through cost awareness and efficiency without compromising outcomes (through tracking HbA1c)</li> <li>• Provider satisfaction with having information and feeling empowered</li> <li>• Use data to increase mechanism for spending accountability</li> </ul> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |