

**PHILIPS**

wellcentive

Case study

## **MGM Resorts International**

# Philips Wellcentive helps MGM Resorts stack the wellness odds in employees' favor

National healthcare cost trends have increased rapidly over the past 15 years.<sup>1</sup> Unfortunately, these rising costs often do not correlate to higher quality care. Forward-thinking employers such as MGM Resorts International, the largest employer and tax payer in the state of Nevada, are seeking to reverse that trend.

MGM Resorts International wants to use the organization's size and influence to improve the quality of healthcare for its employees and their families as well as the entire population of southern Nevada. That mission helped launch the 2012 rollout of its Direct Care Health Plan (DCHP), which is offered to 22,000 of its employees in Las Vegas as an alternative to their traditional Preferred Provider Option (PPO) and Health Maintenance Organization (HMO) options.

The DCHP was designed to give employees more frequent and less costly access to their primary care physician (PCP) to improve wellness and overall health. To attract provider participants, MGM Resorts promised PCPs that they would be compensated at a higher rate compared to the current payments received from the larger commercial payers dominating Las Vegas. Moreover, PCPs would be allowed to reduce the size

of their patient panels so they could spend more time focusing on patient needs while still operating profitably. In return, the PCPs would provide more population health management (PHM) services to MGM Resorts employees.

Philips Wellcentive's integrated solution for population health management (PHM) was critical to the successful execution of the DCHP. The solution aggregated health data from 26 physicians in 20 PCP offices using different electronic health records, such as Vitera, or paper records, as well as claims data from third-party administrators (TPAs) and pharmacy data. Philips Wellcentive gave PCPs a more complete view of the care management framework required to manage their patient population.

By using the Philips Wellcentive solution to identify and close care gaps, the DCHP has been able to increase mammogram screenings by 10.6%, cervical screenings by 10.4% and colorectal screenings by 31.3% for first-year participants. It has also improved diabetic screening rates for HbA1c by 25.2%, lipids by 28.6% and proteinuria by 29.1%. The result is a movement toward better health outcomes for Nevada residents.

## Direct Care Health Plan (DCHP) at a glance

**Participating practices: 20**

**Participating physicians: 26**

**Enrollees:**

- More than 10,000 employees
- Nearly 6,000 adult dependents
- 6,000 dependents under age 18
- Nearly 16,000 paneled adults

**Results among first-year Direct Care Health Plan (DCHP) participants:**

- Improved diabetes outcomes:
  - HbA1c screening rates rose 25.2%
  - Lipids screening rates rose 28.6%
  - Proteinuria screening rates rose 29.1%
- Mammogram screening rates rose 10.6%
- Cervical screening rates rose 10.4%
- Colorectal screening rates rose 31.3%

**The case study details:**

- MGM Resorts' vision and strategy for developing the DCHP
- The impact of Philips Wellcentive's solution on aggregating data from disparate sources, organizing the data into actionable patient registries, and improving and measuring clinical outcomes
- The marked improvements in wellness screenings and overall employee satisfaction with their PCP encounters
- The positive reaction of PCPs to the plan

## The challenge:

# Improving population health in Nevada

MGM Resorts International has long been an advocate for higher quality healthcare, both for the organization's employees and for all citizens in the state of Nevada. In 2011, the company's leaders' idea of enhancing the role of PCPs as a way to improve the quality and lower the cost of healthcare led to a proposal to create MGM Resorts' Direct Care Health Plan.

The strategy behind the DCHP was simple, yet elegant:

- Recruit a network of PCPs in the Las Vegas metropolitan area
- Offer superior compensation to the current rate being paid to them (approximately 65% of Medicare) by the commercial health network dominating the market, allowing PCPs to reduce patient panel sizes without sacrificing profitability
- Require that PCPs guarantee same- or next-day visits to all members for sick visits and wait times of 30 minutes or less
- Offer incentives to PCPs such as collecting bonuses if certain performance measures were met
- Require all DCHP members (and their eligible dependents) to select a PCP and schedule a physical exam within the first six months of enrollment
- Allow members to keep their existing specialists after receiving a referral from the PCP
- Offer the plan with no deductible and fixed copays and make paycheck contributions lower than other plans to encourage participation

- Use the data aggregated across multiple providers to build a PHM program that helps physicians better manage the health of their patient population

The overriding goal of the DCHP was to help PCPs actively work with employees to manage their healthcare needs. If successful, it would also establish a model that could be used to improve the quality and lower the cost of healthcare throughout Nevada, and perhaps the entire country.

The missing piece within this plan, however, was an IT solution that could aggregate comprehensive patient data across the continuum. For example, PCPs were using different interoperable EHR applications or paper records. This caused the practices to struggle with aggregating and normalizing the data so that it could be used to develop meaningful, data-driven insights and valuable performance feedback.

The goal was to have aggregated data easily accessible by all the PCPs and enable the creation of patient registries across a broad spectrum of parameters, such as age, gender and chronic conditions. Finally, the IT tool would need to be able to create reports identifying care gaps among patient panels in order for PCPs to proactively recommend interventions that improve member health.

## The solution:

# Population health management technology and value-based incentives

### The Philips Wellcentive population health management solution

The decision of which population health management solution to adopt came down to two options. MGM Resorts brought in some of the PCPs who had enrolled in the DCHP program and asked them to test each solution. Philips Wellcentive was the unanimous choice for its intuitive user interface and overall ease of use.

Bringing data from a wide number of disparate sources was one of the most important aspects of implementing the DCHP program.

“The PCPs participating in our program use several different EHRs—eClinicalWorks, Cerner, e-MDs, Nextgen, Amazing Charts and others. Philips Wellcentive’s ability to integrate data sources quickly and pull health information into the system has been critical to the speed of the launch,” said Matthew Morrison, Executive Director of Healthcare Operations at MGM Resorts International. “Philips Wellcentive is not only aggregating data from the PCPs in the program but also from specialists, hospitals, labs and pharmacies. This is powerful for us, because it creates a miniature health information exchange for our program. On top of that, the solution then organizes the data into patient registries designed to help providers manage their population of patients.”

As a result of the Philips Wellcentive population health management solution, PCPs in the DCHP program are able to:

- View a single, actionable patient record for each patient, giving PCPs a specific and granular view of each member
- Easily identify gaps in care – such as a missing mammogram or HbA1c test

- Identify patients that may not be taking prescribed medications based on pharmacy records
- Implement actions to address gaps in care
- Enter data in their EHR, regardless of vendor, and have it populate the registry automatically

In addition, the Philips Wellcentive solution has allowed PCPs to receive reports that show how they compare to other providers in the program on measures such as patient satisfaction and wait times, as well as view their progress toward earning performance bonuses. It has also given MGM Resorts the means to measure the program’s performance in closing care gaps for specific patient populations and to compare the results of the DCHP program with its other health plan offerings.

### Value-based incentives

MGM Resorts recognized that the traditional fee-for-service payment model offered incentives for over-utilization but felt that moving to a pure capitation model would encourage under- utilization. The organization ultimately created a payment model that was a blend of both.

The model offers PCPs a global fee nearly double what they receive from the PPO schedule. The DCHP also pays a care management fee, which works out to roughly \$3 per patient per month. This care management fee enables cash-strapped PCPs to add the support and infrastructure resources they may need to practice effective PHM. In addition, the structure provides two year-end bonus opportunities, including:

- A benchmark bonus that awards PCPs if they have met certain performance standards, regardless of how they compare to other PCPs
- A peer comparison bonus that delivers additional bonuses to the top 50% of provider participants

## The result:

Participation in the Direct Care Health Plan has grown rapidly since it was launched on January 1, 2012. In the first year, 2,300 employees out of an eligible 22,000 (or a little more than 10%) enrolled in the DCHP. In the second year, enrollment grew to 4,500. By 2014, enrollment was 7,200 employees, and, in 2015, it increased to include 10,000 employees—almost half of those eligible.

In addition, the DCHP also serves another 6,000 adult dependents and 6,000 dependents under the age of 18, bringing the total patient population to 22,000—including 16,000 adults.

MGM Resorts also continues to increase the number of PCPs who are included in the program. When the program began, it encompassed 18 PCPs in 13 offices. Today the plan includes 26 PCPs in 20 offices, with a goal of increasing it to 28 PCPs in 21 offices in 2015. Currently, the largest individual patient panel size is 1,100. The target, however, is to raise panel sizes to the 1,800 to 2,000 range, which MGM Resorts believes is ideal.

### Population health management drives diabetic and cancer screenings up

The first PHM project that MGM Resorts implemented included a care management program focused on its diabetic patient population. In addition, MGM sought to control and increase preventive screenings for breast, cervical and colon cancer. These programs were selected because they provide a snapshot of a large population and help further measure the incremental effects of working with a PCP. For example, 9% of the Direct Care Health Plan's adult members are classified as diabetic.

The numbers were clear. In their first year in the plan, 79% of patients enrolled in the DCHP received HbA1c screening, versus just 53% when those same patients were enrolled in the PPO plan (see Table 1). That pattern was repeated across the board for HbA1c, lipids and proteinuria.

**Table 1: Diabetes screening rates**

2012-14 screening rates	1st year DCHP avg	Prior year PPO avg
Diabetic — A1c	78.5%	53.4%
Diabetic — LDL	90.5%	61.9%
Diabetic — Microalbumin	80.6%	51.5%

The results were similar for cancer screenings (see Table 2), with one difference being an increase in numbers each year for all three tests. And that was just from claims data, which provides the most comparable measurement between the DCHP and the PPO. Based on registry data, overall colorectal cancer screening is now at 83% among eligible members enrolled in the DCHP plan for 12 months or more—well above the national average of 65% recommended by the Centers for Disease Control and Prevention (CDC).<sup>2</sup>

MGM Resorts attributes one of the program's success factors to the direct contact between providers and patients, rather than between payers and patients. Prior to the DCHP, health plans would send reminders around events such as National Breast Cancer Awareness Month to encourage employees to have a mammogram. The PCPs now contact patients directly to remind them of the screenings.

The company believes that a message from a physician to come in for a cancer screening or diabetic lab test, (rather than a general mailing from the health plan or employer), is much more effective and appropriate.

**Table 2: Cancer screening rates**

2012-14 screening rates	1st year DCHP avg	Prior year PPO avg
Cancer — Colorectal	62.0%	30.7%
Cancer — Cervical	79.1%	68.7%
Cancer — Breast	81.7%	71.1%

### Measuring quality of service

Because the DCHP is a self-funded plan with bonuses built in, MGM Resorts is taking a much more active role in measuring the quality of service being delivered by the PCPs. The company actively surveys the membership on a regular basis to determine whether PCPs are meeting the pre-selected quality measures, such as wait times not exceeding 30 minutes. To date, 76% of members say they are experiencing wait times of less than 15 minutes.

MGM Resorts is also using a data analytics tool to determine the cost-effectiveness of each PCP. Through this process, the organization can determine whether PCPs are providing the appropriate level of care in a cost-effective manner.

### Positive physician feedback

The PCPs who have been participating in the DCHP have expressed overwhelmingly positive support for the plan and for Philips Wellcentive's technology.

They report advantages such as:

- Manageable patient panels, which allow PCPs to spend more time working with patients
- The ability to take the vast array of data collected by MGM Resorts and share it with physicians
  - Wellcentive allows MGM Resorts to provide each PCP monthly performance metrics with actionable patient-level detail
  - PCPs can easily recognize which patients require the most attention without having to open each individual record
  - Ability to view all care provided to patients across the continuum, including specialists, hospitals and pharmacies
  - Ability to identify gaps in care such as patients missing mammograms
  - Reports that clearly show providers their progress in earning quality and performance incentives in comparison to other PCPs
- More collaborative rather than adversarial relationship between the health plan and PCPs
- Care management fees that allow PCPs to add support staff and workforce infrastructure that aids in the transition from a fee-for-service to value-based payment model

### Looking to the future

The next big healthcare initiative MGM Resorts plans to undertake includes building a medical "neighborhood" where PCPs would keep referrals within the network or "neighborhood" of specialists who have been shown to provide access to high quality, cost-effective care.

MGM Resorts is also planning a significant expansion of the program to incorporate prevention and management of additional chronic diseases. Ultimately, the organization wants to leverage its influence as a large employer within Nevada to help improve healthcare throughout the state, using the DCHP as its model. Given the performance to date, it's a safe bet that they will succeed.

### Lessons learned

After two years of offering the DCHP alongside a PPO and HMO plan, MGM Resorts has learned some important lessons:

- PHM technology had a measurable impact on preventive care such as cancer screenings which resulted in early detection for members
- A PHM solution helped overcome issues with incompatible EHR systems, allowing data from all the systems to be aggregated in one place
- Allowing providers to see how they measure up against their peers takes advantage of their natural competitiveness and helps spur adoption and improve outcomes
- Care messages that come from physicians carry much more weight with patients than those that come from health plans
- Paying fair compensation to PCPs and helping them revamp their operations to reflect the current trends in healthcare builds loyalty and a more collaborative relationship between health plans and providers

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