Decision Brief:
Modernization of the TRI CARE Benefit

November 5, 2020
Overview/Agenda

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

Membership

Karen Guice, MD, MPP

Michael-Anne Browne, MD (Chair)

Wilsie Bishop, DPA

Vivian S. Lee, MD, PhD, MBA

Robert S. Kaplan, PhD, MS

Col (Ret.) Michael D. Parkinson, MD, MPH
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.
• 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
• 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
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 TRI CARE.
• 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
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)

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<th>Date</th>
<th>Activity</th>
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<tr>
<td>July 28, 2020</td>
<td>Kick off meeting, video teleconference</td>
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<td>August 4, 2020</td>
<td>Discussion: NDAA and TRICARE Beneficiary Maps</td>
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<td>August 7, 2020</td>
<td>Defense Health Board meeting</td>
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<td>August 11, 2020</td>
<td>Briefing: Highlights of TRICARE Legal Framework</td>
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<td>August 18, 2020</td>
<td>Briefing: Pacific Business Group on Health</td>
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<td>August 25, 2020</td>
<td>Briefing: Mercer Healthcare Innovations</td>
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<td>September 1, 2020</td>
<td>Report Development: Prioritizing Innovations and Criteria</td>
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<td>September 8, 2020</td>
<td>Briefing: Value-Based Insurance Design</td>
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## Summary of Activities to Date (2/2)

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<tr>
<td>September 15, 2020</td>
<td>Report Development: Criteria Discussion</td>
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<td>September 22, 2020</td>
<td>Briefing: T-5 Evaluation Criteria</td>
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<td>September 29, 2020</td>
<td>Report Development: Applying Criteria to Innovations</td>
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<td>October 6, 2020</td>
<td>Report Development: Applying Criteria to Innovations</td>
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<td>October 13, 2020</td>
<td>Report Development: Applying Criteria to Innovations</td>
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<tr>
<td>October 20, 2020</td>
<td>Report Review and Editing</td>
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<tr>
<td>October 27, 2020</td>
<td>Report Review and Editing</td>
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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

<table>
<thead>
<tr>
<th>Pilots</th>
<th>Demonstrations</th>
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<tr>
<td>• Medication Adherence Pilot</td>
<td>• Bundled Payments for Lower Extremity Joint Replacement Demonstration</td>
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<tr>
<td>• Performance-Based Maternity Payments Pilot</td>
<td>• Accountable Care Organization Demonstration</td>
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<td>• Comprehensive Autism Care Demonstration</td>
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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
Potential Impact on the Quadruple Aim

- Better Care
- Better Health
- Improved Readiness
- Lower Cost
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
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
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

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

Source: Thinkstock
Advanced Care Management

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

- 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*
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
Questions ?