



***ACHIEVING COST SAVINGS AND  
PATIENT SAFETY THROUGH  
RADIOLOGY BENEFIT MANAGEMENT***

**Webinar for**



**ACAP**  
Association for Community  
Affiliated Plans

# The Presenters

## **Michael Komarow, MD, JD - Chief Medical Officer, Care to Care LLC**

A pioneer in radiology benefit management, Dr. Komarow is a board-certified radiologist with more than 16 years of clinical practice as Chairman of Kingston Hospital's radiology department and a Juris Doctorate from Pace University. A recognized expert in managed care and a member of the New York Bar, he is known for his work in developing evidence-based criteria for radiology benefit management. Offering a 360-degree view of the radiological imaging industry, he has testified before state and federal legislators and provided expertise to the Centers for Medicare and Medicaid services.

As Chief Medical Officer for Care to Care, Dr. Komarow oversees our clinical operations including the development of Care to Care's proprietary internal case management engine. Dr. Komarow's collaborative approach to successfully managing radiology utilization and cost is at the heart of Care to Care's Peer to Peer Review Program which brings ordering physicians together with board certified radiologists to mutually choose the most appropriate diagnostic and treatment procedures in the best interests of patients, providers and payers.

# The Presenters

## **Hany Abdelaal, DO - Chief Medical Officer, Elderplan**

As CMO, Hany Abdelaal is responsible for all clinical aspects of Health Plan operations for Elderplan and its MLTC plan HomeFirst. In this capacity, his is responsible for medical management, utilization management and quality improvement.

Prior to this, he was Executive Director of HomeFirst with oversight for all operations. During that time, census was successfully tripled. He also supervised HomeFirst's Medical Management department and reviewed all policies and procedures regarding member care, as well as helped foster relationships within the provider community. In addition, he provided medical direction for Elderplan's products and services, as well as chaired several committees including credentialing, clinical practice and pharmacy and therapeutics.

Dr. Abdelaal graduated from St. John's University in 1988 and trained at New York College of Osteopathic Medicine in 1993. He also completed his internship and residency at Maimonides Medical Center, where he worked until 2003 as an Associate Attending and Assistant Medical Director of Outpatient Service

# Care to Care LLC

## Who We Are

Care to Care is a Radiology Benefit Management (RBM) company that was specifically built to be that tool.

## What We Do

Reduce wasteful medical imaging by assuring that the tests ordered are likely to provide useful information and are appropriate for the condition of the patient.

## Market

Health plans and self insured organizations with 10K-500K member lives that want:

- ➔ Proven expertise to manage radiology utilization
- ➔ Access to a cost-effective radiology network
- ➔ High-touch service, guaranteed performance and solid return on investment

# Elderplan

## Who We Are

Elderplan is a not-for-profit Medicare and Dual Eligible health care plan servicing the New York Metropolitan area for 25 years.

## What We Do

Reinvest earnings to bring improved benefits and services to Medicare populations.

## Market

Medicare Advantage beneficiaries:

- ➔ Medicare Advantage (HMO)
- ➔ Medicaid Advantage (HMO SNP)
- ➔ Elderplan Plus Long-Term Care (HMO SNP)
- ➔ 15,000+ Beneficiaries
- ➔ 14,000 network health care provider office locations

# The RBM Challenge

Diagnostic imaging is the fastest growing component of healthcare costs.

- ➔ Up to a third of imaging procedures may be inappropriate
- ➔ Worse still, 20% to 50% of high-tech, high-cost imaging does not contribute useful diagnostic information
- ➔ CT and MRI alone contribute \$26.5 billion in unnecessary costs

Sources: Excerpts from the Government Accountability Office (GAO) and the American Health Insurance Plans (AHIP) reports detailing the state of diagnostic imaging in the United States.

# The Roots of the Problem

Diagnostic imaging is the fastest growing component of healthcare costs.

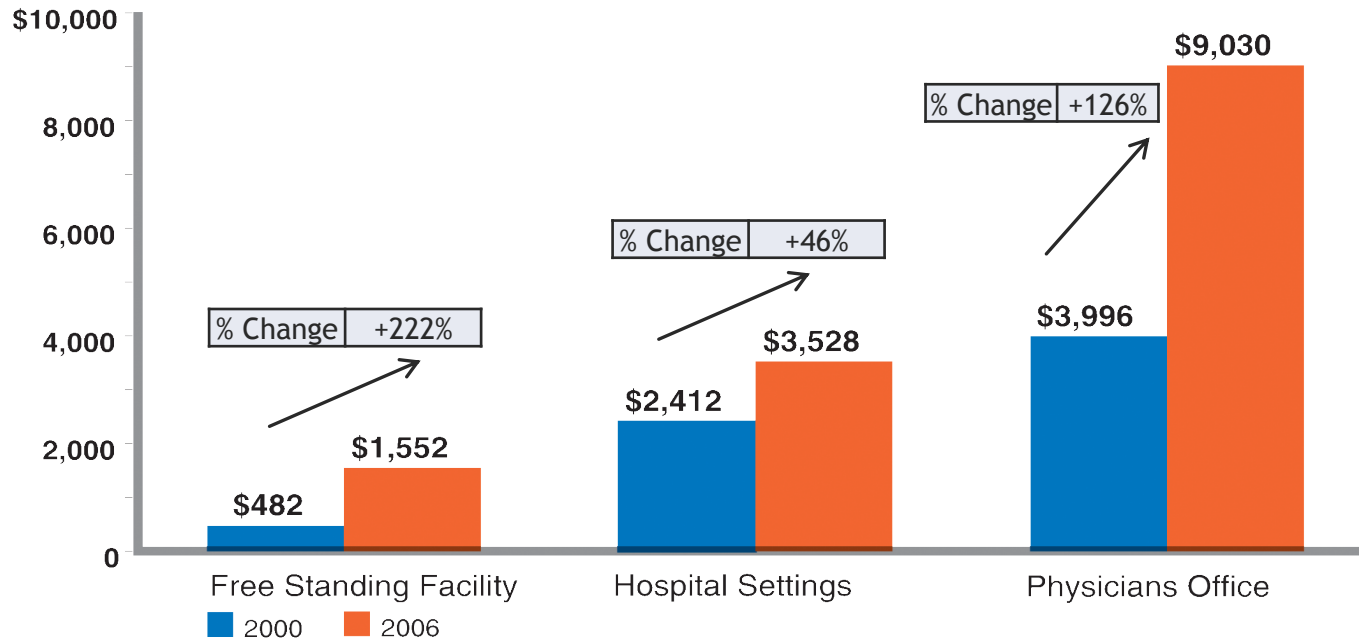
- ➔ Medical Imaging has developed so rapidly that physicians have not yet integrated the strengths of new exams into their practices or accounted for their limitations
- ➔ Tests are therefore ordered without a firm knowledge of what they can contribute to diagnostic certainty
- ➔ Other tests result from the practice of “*defensive medicine*”
- ➔ Patients often demand tests, and physicians placate them by complying
- ➔ Self-referral often shades physician judgment regarding the necessity of tests

# The Challenge

## ➔ GAO Report

- In-office imaging grew from 58% to 64%, of total spend
- In 2006, in-office spend per member varied by 800%
- CT, MR and Nuclear Medicine rose substantially faster than low tech imaging

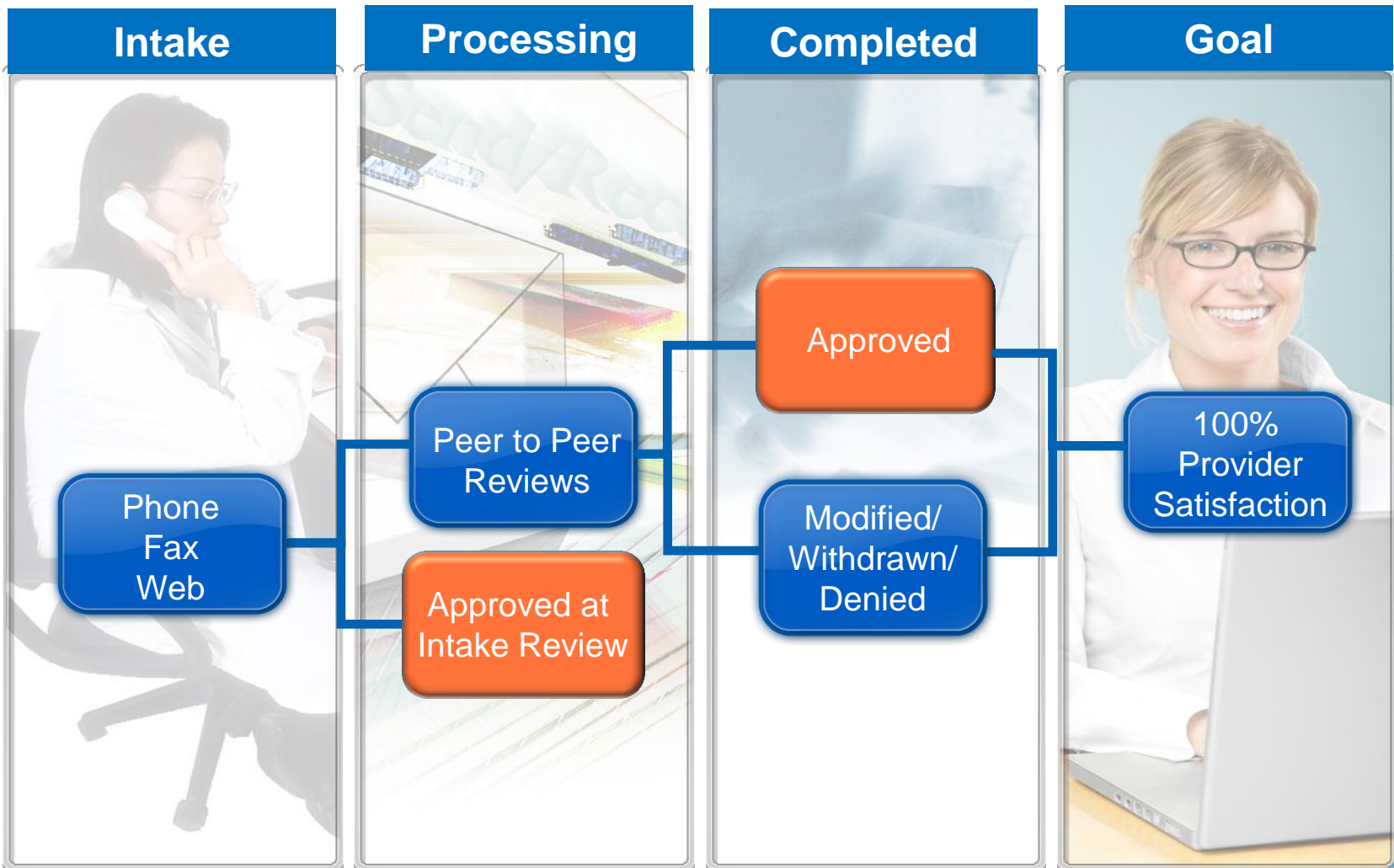
Medicare Imaging Spending Growth, 2000 through 2006 (\$ Millions)



# RBM Solution

- ➔ Provides expertise to payers regarding standards for imaging facilities, their personnel and their equipment, and
- ➔ Decreases the use of imaging studies that are not appropriate for the clinical picture being evaluated
- ➔ While respecting the referring physician's knowledge and expertise
- ➔ And allowing for the intangible needs of patients

# Prior Authorization Process

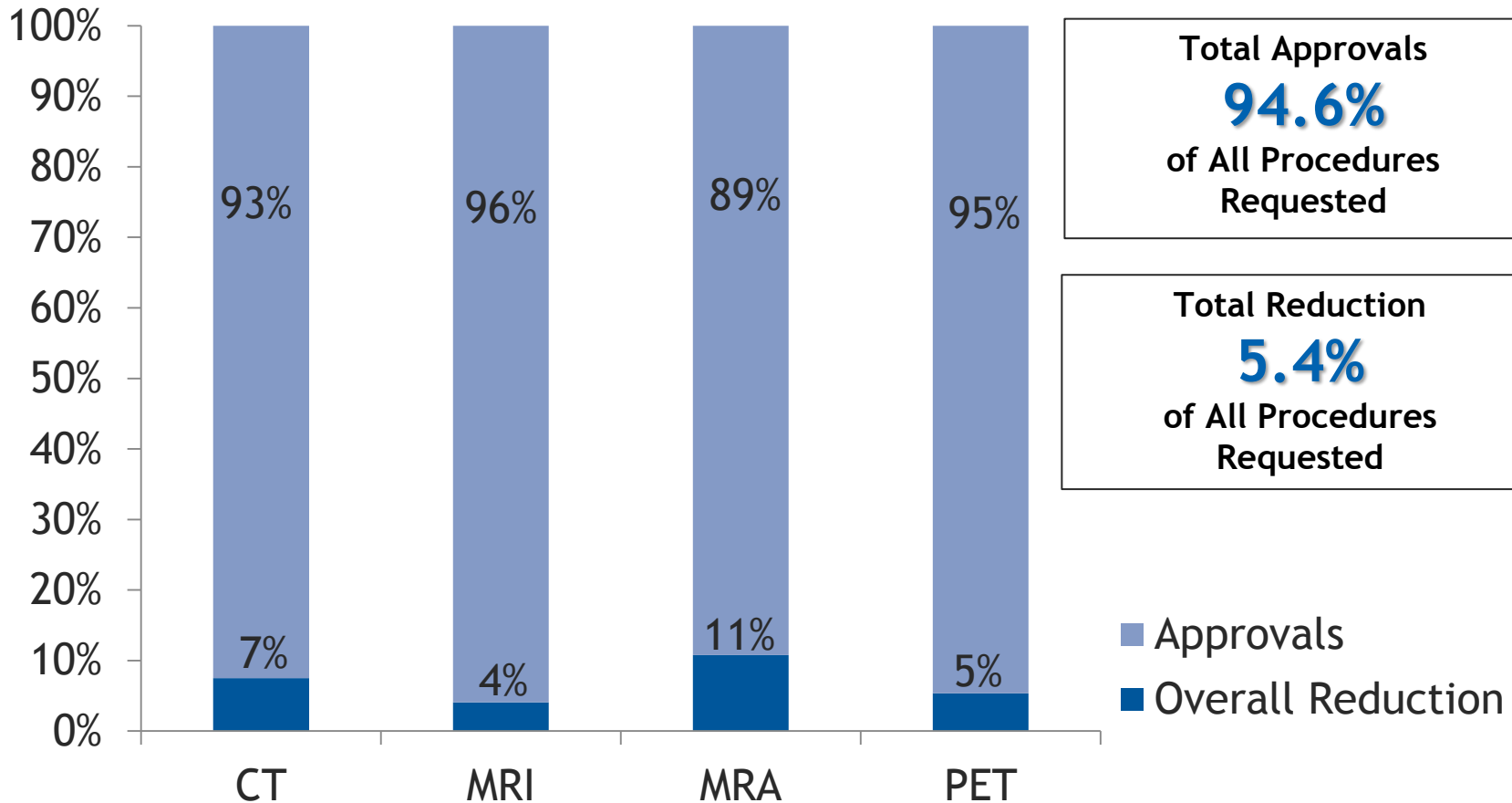


## Radiology Utilization Management

- ➔ Has shown immediate utilization and cost reductions of **8% to 20%**
- ➔ Reduced the year-to-year growth rate to half of the historic unmanaged rate
- ➔ Has achieved high levels of acceptance by the physician community
- ➔ Improved quality through the vetting of providers, their facilities, and equipment
- ➔ Improved patient care by eliminating waste and by advising referring physicians about the most appropriate procedure

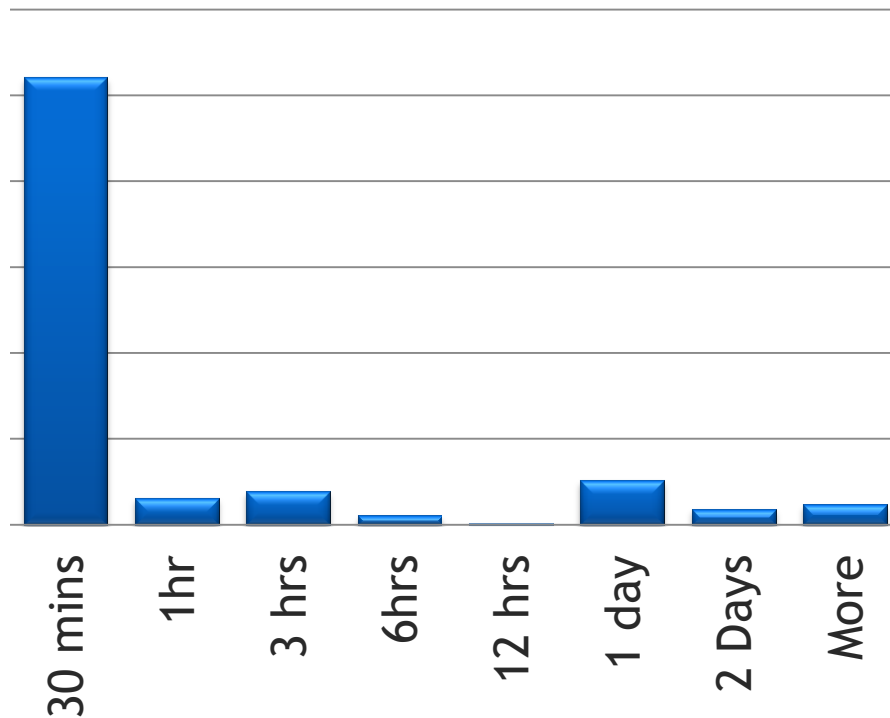
# Typical Utilization Management Metrics

## Approval/Denial Distribution



# Common Authorization Process Metrics

## Prior Authorization Turn-Around Times



- ➔ **74.8%** of cases completed in **< 30 minutes**
- ➔ **94%** of cases result in a determination in **< 1 day**

# Savings Projections

## Assumptions\* for a Medicare Plan in Northeast:

Average Spend PMPM: \$14.25

Average PMPM Trend: 12%

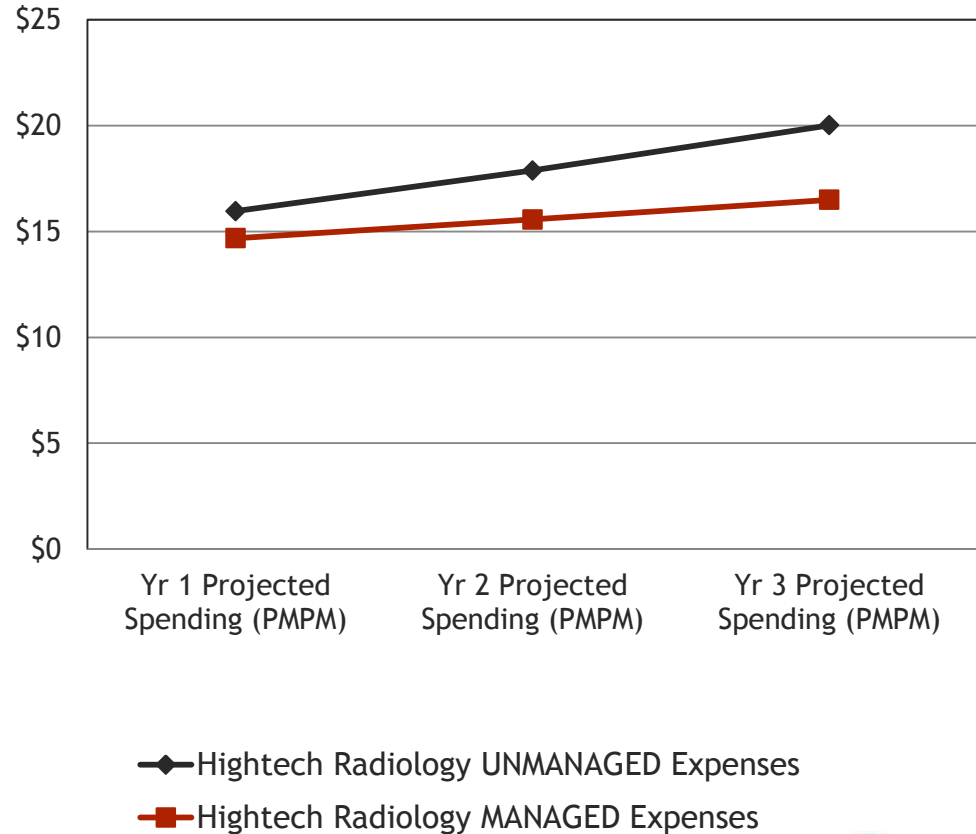
Average Utilization Trend: 12%

### Projected Savings

Membership	3 Year Savings
100,000	\$8,531,986
250,000	\$21,329,965
500,000	\$42,659,931

\*All assumptions are based on industry data collected by Care to Care

## Health Plan's Projected Savings



# Savings Potential

## Assumptions\* for a Medicaid Plan in Northeast:

Average PMPM Spend: \$3.55

Average PMPM Trend: 8%

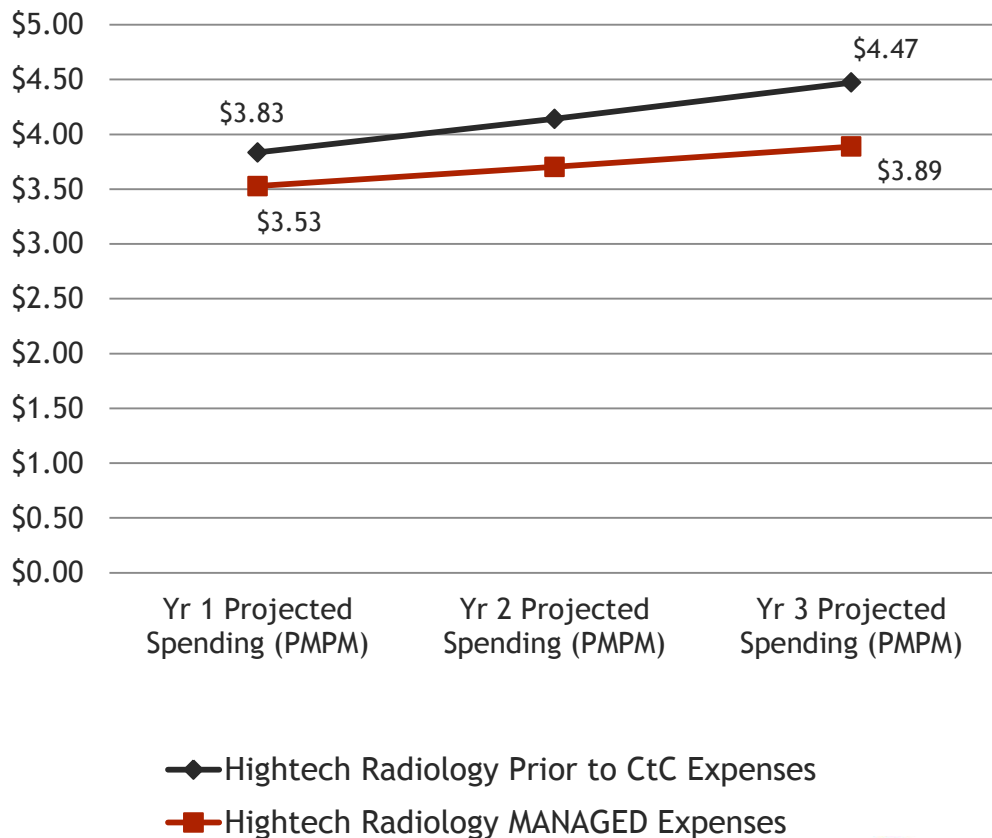
Average Utilization Trend: 10%

### Projected Savings

Membership	3 Year Savings
100,000	\$1,592,337
250,000	\$3,980,842
500,000	\$7,961,684

\*All assumptions are based on industry data collected by Care to Care

## Health Plan's Projected Savings



# Elderplan's RBM Initiative

## Elderplan's Challenges:

- ➔ Radiology was a high cost unmanaged benefit
- ➔ Radiology annual growth trend was 18%

## Elderplan's Goals: Targeted Monitoring and Management of a Hidden Cost Center

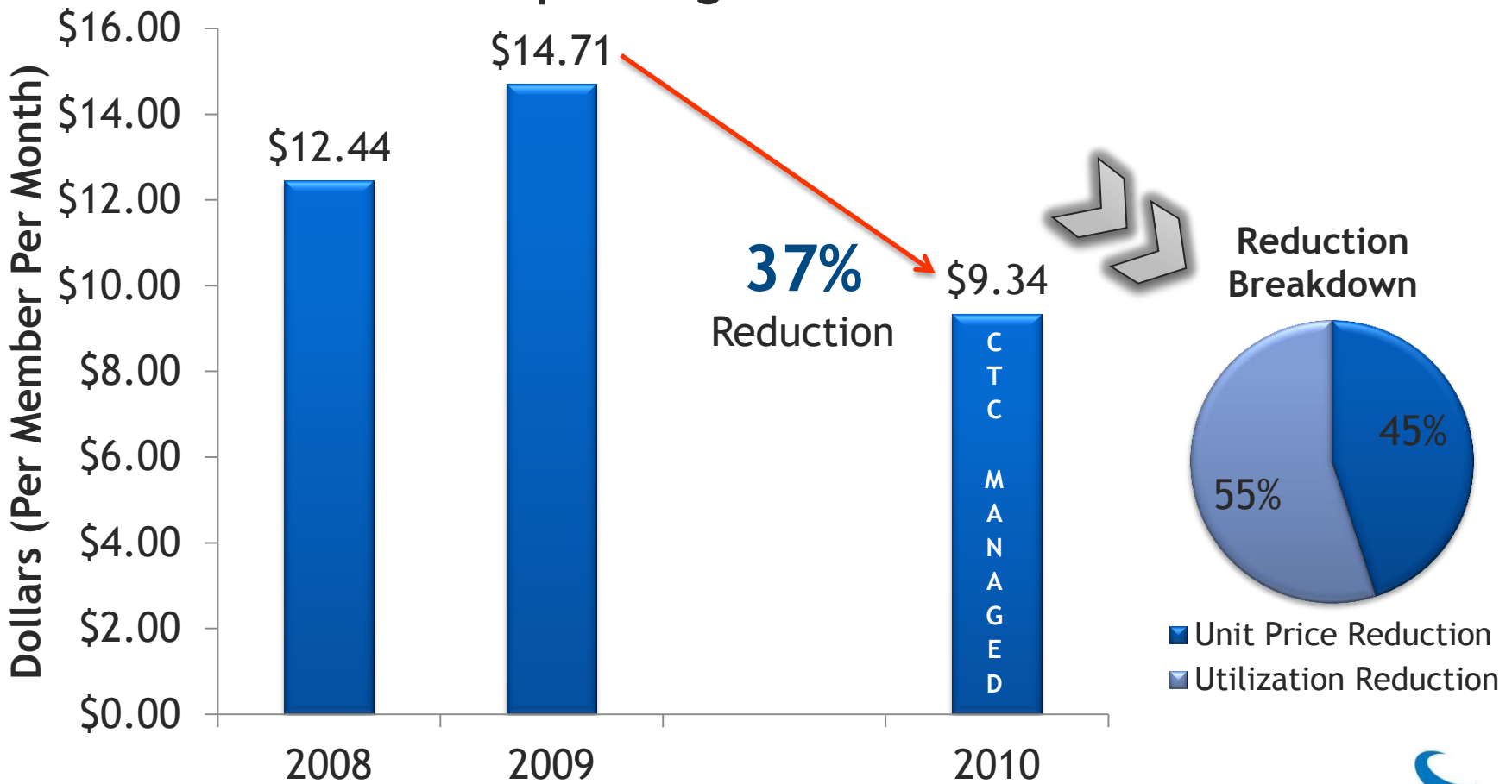
- ➔ Cost Savings – Utilization and Network Management
- ➔ Patient Safety – Right Test at the Right Time

## Elderplan and Care to Care's Partnership: Phased Program

- ➔ ASO/Network Management – January 2010
- ➔ Full Risk Capitation – January 2012

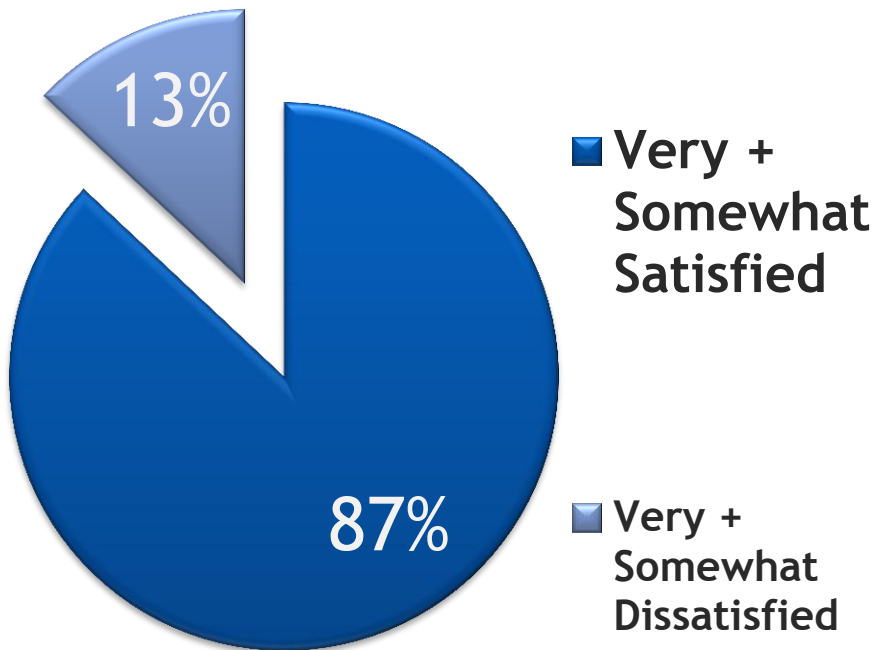
# Care to Care's Impact on Elderplan's Spending

## Elderplan High-Tech Radiology PMPM Spending

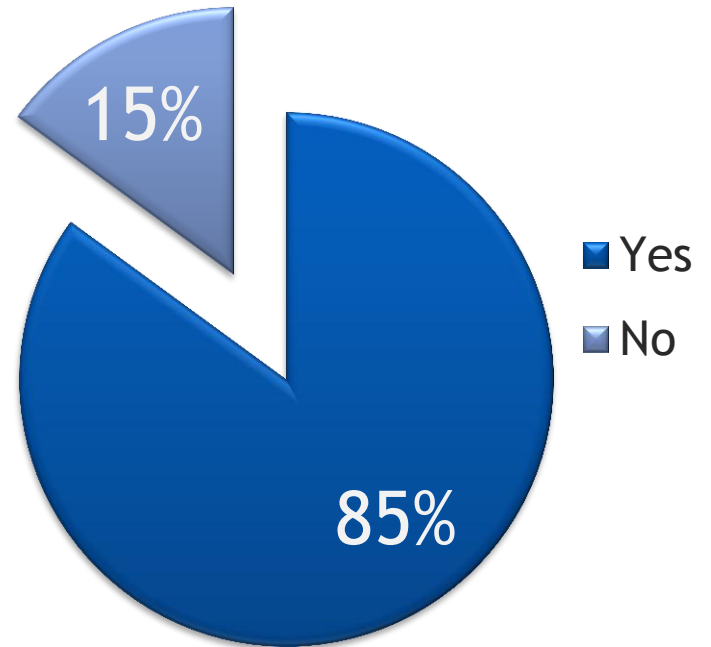


# 2011 Doctor Satisfaction Survey

## Overall Satisfaction With Care to Care



## Recommend Us to Other Health Plans





# Thank you!

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