

Employer-Led Innovation for Healthcare Delivery and Payment Reform: Intel Corporation and Presbyterian Healthcare Services

Can businesses increase employee satisfaction, create a healthier workforce, and control costs through disruptive innovation with the healthcare delivery system? Intel Corporation and Presbyterian Healthcare Services are betting they can, and have implemented a comprehensive redesign of health plan, delivery, and payment options for Intel's New Mexico employees.

Abstract/Introduction

As the Institute of Medicine noted in 2012¹, healthcare costs in the United States rose 88 percent in the past decade and now consume approximately 18 percent of the U.S. Gross Domestic Product (GDP). Yet waste and lack of coordination are pervasive throughout the system, and outcomes are significantly below those of other developed nations.

Employers are key stakeholders in the healthcare ecosystem. They hold the purse strings for much of the cost of employees' health insurance and often determine which benefits employees access. They can also be effective advocates for employees and their dependents in a complex healthcare system where care is often fragmented. To date, however, employers have largely limited their influence to wellness and disease management programs and contract negotiations with insurance companies.

After a decade of applying the usual levers to improve its employees' health and contain rising healthcare costs, Intel believes it is time for employers to work more directly to transform the payment and delivery systems for healthcare. In an innovative program with Presbyterian Healthcare Services (PHS), Intel has engaged directly and deeply in benefit design, plan design, and delivery optimization for employees and dependents at its Rio Rancho, New Mexico, facility. Intel and PHS have established a custom Integrated Delivery System (IDS) model of shared risks and rewards—essentially an employer-sponsored Accountable Care Organization (ACO) based on a patient-centered medical home (PCMH) model—that aims to give Intel employees more personalized, evidence-based, coordinated, and efficient care. This program, called Connected Care, moves beyond fee-for-service models to more effectively incent desired behaviors and results.

Connected Care is inspired by Intel's vision of having the healthiest workforce on the planet and making healthcare a strategic business and people advantage for the company. Intel and PHS believe Connected Care is also a demonstration of sustainable, system-wide changes that can improve access to high-quality, efficient, and affordable care.

Connected Care went live as an operational health plan and delivery system for Intel employees in New Mexico on January 1, 2013. In addition, Intel is establishing PCMH pilots with local providers in other regions to more fully engage members in managing their health and transforming system delivery.

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Employers are in a great position to influence healthcare. Fee for service is broken. If you set things up so providers are paid for doing the right thing and you hold the system accountable, you can trust the system. Employees get the best care at the best time for the best price, and employers win too.

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Intel's Journey

Intel is a global manufacturer of hardware and software building blocks that are "inside" many of the world's computers, servers, and networking and communications products. A majority of Intel's U.S. employees are located at six sites in California, Oregon, Arizona, and New Mexico. Intel is self-insured, and in Q4 2012 provided health insurance to approximately 48,000 U.S. employees and 79,000 dependents through several national plans.

Like most U.S. employers, Intel has worked to contain rising healthcare costs. A decade ago, Intel's healthcare cost trend was running above the national average and was projected to reach \$1 billion by 2012. Intel undertook research to understand the issues driving the high costs, and committed to a comprehensive, long-term strategy to address them.

Intel set an overall objective of developing a culture where employees and their families are healthy, productive, and engaged in wellness-oriented lifestyles. The company increased its focus on consumer health plans, which give employees greater visibility to healthcare costs and provide financial incentives for them to be wise healthcare consumers. Nearly 70 percent of Intel employees migrated to consumer plans.

Intel also engaged employees and dependents in wellness and behavior change through on-site primary care clinics, disease management programs, health education, and a three-step

wellness check that includes on-site biometric testing, an online health assessment, and in-person coaching. The wellness check and clinics achieved 70 percent participation, and more than 90 percent of participants were highly satisfied.

These efforts helped reset Intel's health cost trend line and reduced annual cost increases to better than the national average. But by 2010, the double-digit trend line had returned. Reflecting national trends, approximately 10 percent of Intel's employees or dependents are responsible for 70 percent of the company's healthcare spend, and another eight percent of Intel's covered lives are trending towards the highest-needs category. With an aging work force, further reductions will require improvements in population health and overall system efficiency.

Intel employees experience their own frustrations with healthcare. Many are overwhelmed by the broad choice of plans offered and the growing cost shift, particularly given the difficulties of gaining reliable data on cost and quality. Despite the best efforts of the individuals and organizations in the system, the highest-needs employees and dependents often receive disjointed, poorly coordinated care. A growing number struggle to manage multiple, complex chronic conditions. Physician shortages in some regions create barriers to timely care. Even employees who rarely deal with the healthcare system are frustrated by its inefficiencies when the need arises.

At the same time, Intel has become more involved in the healthcare industry. As a trusted technology advisor, Intel supports healthcare leaders around the world in using open standards-based information technology (IT) to increase healthcare’s accessibility, quality, and efficiency. Intel’s global health research teams conduct ethnographic studies to understand issues related to health, aging, and independent living, and work with the company’s design teams to address them. In 2011, Intel and GE formed Intel-GE Care Innovations LLC, a healthcare joint venture to develop technologies that support healthy, independent living at

home and in senior housing communities. Care Innovations builds on the assets, expertise, and operations of Intel’s Digital Health Group and GE Healthcare’s Home Health Division, and Intel continues to hold a 50 percent stake in the company.

Intel collaborates closely with its supply chain and with industry organizations. For example, Intel has been a major contributor to Dossia, an open-source framework developed by employers to provide lifelong personal health records for employees, dependents, and retirees; and the Continua Health Alliance to develop standards for connected telehealth devices.

Intel also has a tradition of disruptive innovation, informed risk-taking, and possibility thinking. Intel’s co-founder, Robert N. Noyce, famously said, “Don’t be encumbered by history. Go off and do something wonderful.” As healthcare costs continued to climb, Intel’s leadership began asking: Can we create a healthier workforce, give employees a better healthcare experience, and control costs through disruptive collaboration with the delivery system? Can we turn health into a competitive advantage?

Table 1. Status Quo and Next-Generation Healthcare

| Stakeholders | Typical Status Quo | Next Generation |
|--------------------------|---|---|
| Employees and dependents | <ul style="list-style-type: none"> Overwhelmed by broad choice and growing cost shift No visibility into reliable quality and cost data Need help navigating the complex healthcare system Unhappy with system inefficiencies: difficulty getting appointments, long office waits, duplicate paperwork, etc. Lack tools and support to manage personal health Lack incentives for proactive involvement in their own healthcare | <ul style="list-style-type: none"> Unified, community-based model delivers comprehensive, evidence-based, coordinated care, with a heavy focus on prevention Focus on an efficient, high-quality healthcare experience Transparent data on cost and quality to guide member choices Optimal personal health is expected, supported, and rewarded Access to digital health tools, data, and communications for managing personal health Meaningful financial and health incentives Share proportionally in cost savings |
| Employers | <ul style="list-style-type: none"> Double-digit trends in annual cost increases Highest-need members tend to be lost in the system Frustrated by antiquated, proprietary, and duplicative data systems across the healthcare system Frustrated by lack of influence in the healthcare value chain Limited data to fully understand improvements in employee health | <ul style="list-style-type: none"> Compensation for value, with an intention to reduce overall costs while increasing quality of care and the healthcare experience Patient-centered medical homes at the heart of care with network of qualified specialists Unified, real-time system of record for data, claims, and performance monitoring Data and information on health improvement of defined cohorts of the workforce Effective collaboration with providers to drive change |
| Providers | <ul style="list-style-type: none"> Frustrated by bureaucracy Want to do the right thing, but incentives are misaligned Vary widely in their openness to change | <ul style="list-style-type: none"> Creation of medical neighborhood and elimination of prior authorization reduce bureaucracy and empower providers; only willing providers participate Measurement and payment are aligned with value and innovation Effective collaboration with employers to drive change |
| Medical insurance plans | <ul style="list-style-type: none"> Losing relevance beyond core claims processing; seeking ways to deliver value in a shifting landscape | <ul style="list-style-type: none"> Deliver value by supporting new models for care and compensation |

Core Tenets of a Next-Generation Strategy

By 2011, Intel had spelled out a holistic, next-generation healthcare model for Intel employees and dependents, and the company’s leadership was ready to engage directly with the delivery system to implement it. In this model (Table 1, on previous page), evidence-based care is personalized to an individual’s unique needs and coordinated around a patient-centered system. Care is delivered through multiple channels and makes optimal use of resources. A customized care-delivery system has a backbone of PCMHs backed by a network of specialty and hospital services that align clinically and financially.²

Reflecting what the Institute for Healthcare Improvement calls the Triple Aim³, the next-generation model aims to increase population health, improve the member experience, and reduce costs. To encourage employee engagement with the healthcare system, the Intel model places a high priority on delivering an outstanding patient experience and removing barriers to care. The model also makes quality and costs transparent so employees can make informed decisions about when and where to seek care and which treatments to receive.

In 2011, Intel summarized these objectives as the Five Requirements:

- Right care: use of evidence-based medicine
- Right time: same-day access to care
- Right price: material decrease in the cost of care
- Best life: rapid return to productivity for the member
- Best outcome: patient satisfaction 100 percent of the time

The next-generation model promotes an attitude of “expecting health,” encouraging engagement and personal accountability by all members. Members are supported and encouraged to make the most of the medical home model and to actively manage their personal health.

The model promotes system-wide efficiency via payment reform, accountability, continuous process improvement, and waste reduction, all supported by patient-focused IT and using open information standards whenever possible. Value-based compensation is based on a global per-member per-month (PMPM) target with shared risks and rewards if results fall outside a buffer zone of expected results.

Benefits Design with the Employee at the Center

While designing its next-generation healthcare strategy, Intel was also taking a new, employee-centered approach to benefits design. Rather than developing programs and tools based on assumptions about what employees want and need, Intel conducted and commissioned research to find out.

Working with The Futures Company, a strategic consultancy with a focus on health and wellness, Intel undertook surveys, focus groups, and in-home, observational studies of Intel employees and their families to deeply understand how they feel about their health and the healthcare system. While guarding privacy, the research looked into what Intel’s members think, feel, and value about their health and the healthcare system. The Futures Company mapped Intel employees into its LIVING Well framework, which identifies six segments based on an individual’s health attitudes and behaviors (Table 2). It also showed what each segment sees as barriers to good health, what mindsets are associated with utilization, and how open members would be to new technologies and approaches.

Table 2. The Futures Company LIVING Well Segmentation Model

| Segment | Description | US as a Whole | Intel Employees |
|---------------------|---|---------------|-----------------|
| Leading the Way | Highly motivated; actively managing their health; see few barriers to health | 9% | 17% |
| In It for Fun | High priority on living a healthy lifestyle; avid exercisers; few have serious health issues | 18% | 26% |
| Value Independence | Skeptical, do-it-yourselfers; want to manage their own care rather than engage with the healthcare system; may have a diagnosed health issue but are not necessarily treating it; tend to think they’re healthier than they are | 22% | 16% |
| I Need a Plan | Want to be healthier but have a hard time taking action; many are older and are treating chronic conditions | 19% | 6% |
| Not Right Now | Younger; healthy but mainly due to their youth; may not feel in control of their health | 22% | 34% |
| Get Through the Day | In poorer health; feel their health is out of their control; many are treating chronic illnesses | 10% | 2% |

A lot of sophisticated employers understand the triangle of cost, quality, and access, but employers traditionally focus on cost at the level of the annual premium. What they need to do is design the benefit plan to incentivize the right behaviors, and improve cost by improving the system and optimizing health. They need a longer-term vision. Don't be so focused on short-term, one-year payment premiums.

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Among the significant findings were that health is a priority for most Intel members, and more than half are highly engaged in managing or maintaining their health. However, nearly all segments perceive a tension between the work environment and wellness, with sedentary jobs, stress, and lack of time as the biggest perceived barriers to better health.

Highlighting the need for personalization, the data showed that Intel members vary widely in their needs, desires, and attitudes across LIVING Well segments, job categories, and site locations. Members with chronic conditions struggle with lifestyle barriers at higher-than-average rates. Members see physicians as powerful change motivators, but say few exercise their influence. Quality, cost, and choice are employees' highest priorities for health plans and healthcare experiences.

The research led Intel to focus on three clusters of motives and desires:

- Higher needs. I have complex health conditions. I want clear direction and support for how to manage my health. I could use help navigating the health system.
- Convenience. I'm super busy. I want more time to take care of my health. I value easy, timely access to my healthcare providers.
- Low cost. I want the most value for my healthcare dollar and the security of knowing my out-of-pocket fixed costs.

Intel has used these research-driven insights to guide its plan design and engagement strategies, as well as to optimize the delivery system experience for its members.

Next-Generation Collaboration with an Innovative Delivery System

Because healthcare delivery is local, Intel sought IDS collaborators at locations where the company has a large concentration of employees rather than a nation-wide supplier. In August 2011, Intel issued a Request for Information and Proposal, and in December entered a relationship with Presbyterian Health Services to create a benefits plan and delivery system for Intel's Rio Rancho employees and their dependents. The Rio Rancho site has approximately 3,500 employees and is home to Intel's largest semiconductor manufacturing facility.

In selecting Presbyterian, Intel gains an innovative IDS collaborator that is widely recognized for clinical and organizational excellence. PHS is a not-for-profit system of eight hospitals across New Mexico, a health plan, the 600-provider Presbyterian Medical Group (PMG), and other entities. PHS is one of only 32 organizations selected by the Centers for Medicare and Medicaid Services (CMS) Innovation Center for the Pioneer ACO model. Presbyterian Hospital is a multi-year Consumer Choice Award winner and a 2011 Leapfrog Top Hospital. PHS won the American College of Cardiology

Foundation's 2012 Platinum Performance Achievement Award for excellence in treating heart attack patients, and the cardiac critical care unit at Presbyterian Hospital received the 2010 Beacon Award for Critical Care Excellence from the American Association of Critical Care Nurses.

Other factors were important to Intel. PHS operates ten PCMHs, and all have achieved a Level 3 Recognition by the National Committee of Quality Assurance (NCQA). PHS works across the continuum of care and is experienced at population health management and high-risk case management. The Presbyterian Health Plan offers first-class claims processing, eliminating the need to seek external partnerships for that function. In addition, PHS focuses on Lean methodologies and data-centered improvement processes, and has used the Baldrige Criteria for Performance Excellence since 2002.

Healthcare IT is vital to the success of healthcare transformation, and PHS has made significant investments in healthcare IT. As of January 2013, all Presbyterian PCMHs have deployed Epic* Ambulatory, using electronic health records (EHRs) and other digital information tools to coordinate care and increase the use of evidence-based medicine. PHS hospitals are moving to Epic from a previous EHR platform over 2013-2014. PHS has deployed solutions that provide a basis for performance measurement, case management, and population health management.

For PHS, the collaboration with Intel is an opportunity to accelerate a transformation that is already well underway. Connected Care builds on much that PHS is already doing, and PHS is applying many Connected Care types of innovations across its system. PHS benefits from operating within an environment where the payment model provides incentives for "doing the right things right," and increases recognition of its leadership role in the industry.

Table 3. Connected Care at a Glance

| Category | Capabilities |
|-----------------|---|
| Plan design | <ul style="list-style-type: none"> ▪ Patient centered medical homes with team-oriented care ▪ Medical “neighborhood” of selected local specialists ▪ High-value external network for special cases ▪ National in-network coverage when out of area ▪ 100 percent coverage of preventive services ▪ Comprehensive prescription drug coverage, including 100 percent coverage of specific medications for diabetes, hypertension, and other targeted conditions ▪ Elimination of nearly all prior authorizations ▪ Available as a high-deductible health plan (HDHP) or co-pay plan |
| Delivery system | <ul style="list-style-type: none"> ▪ Same-day, 24/7 access, including secure messaging ▪ Nurse navigators for high-needs members |
| Compensation | <ul style="list-style-type: none"> ▪ Per-member per-month cost baseline based on data validated through an underwriting analysis ▪ Shared risks and savings for results above and below a designated threshold ▪ Care is paid for by claim, but with risk and accountability built in ▪ Presbyterian Health Plan processes claims |

Operationalizing the Model

With the framework established in December 2011, Intel and PHS had one year to design health plan offerings, establish pay-for-performance specifics, and map out the member experience. The new system would be offered at open enrollment in October 2012 and go live in January 2013.

After initial all-hands strategy sessions, the two enterprises worked in small, cross-organizational teams focusing on plan/benefit design, delivery system design, payment model and incentives, the employee/patient experience, technology infrastructure, employee engagement and communication, and other areas.

The project had top-level executive support and oversight from both enterprises. Both enterprises were experienced at disciplined collaboration and put their most experienced leaders on

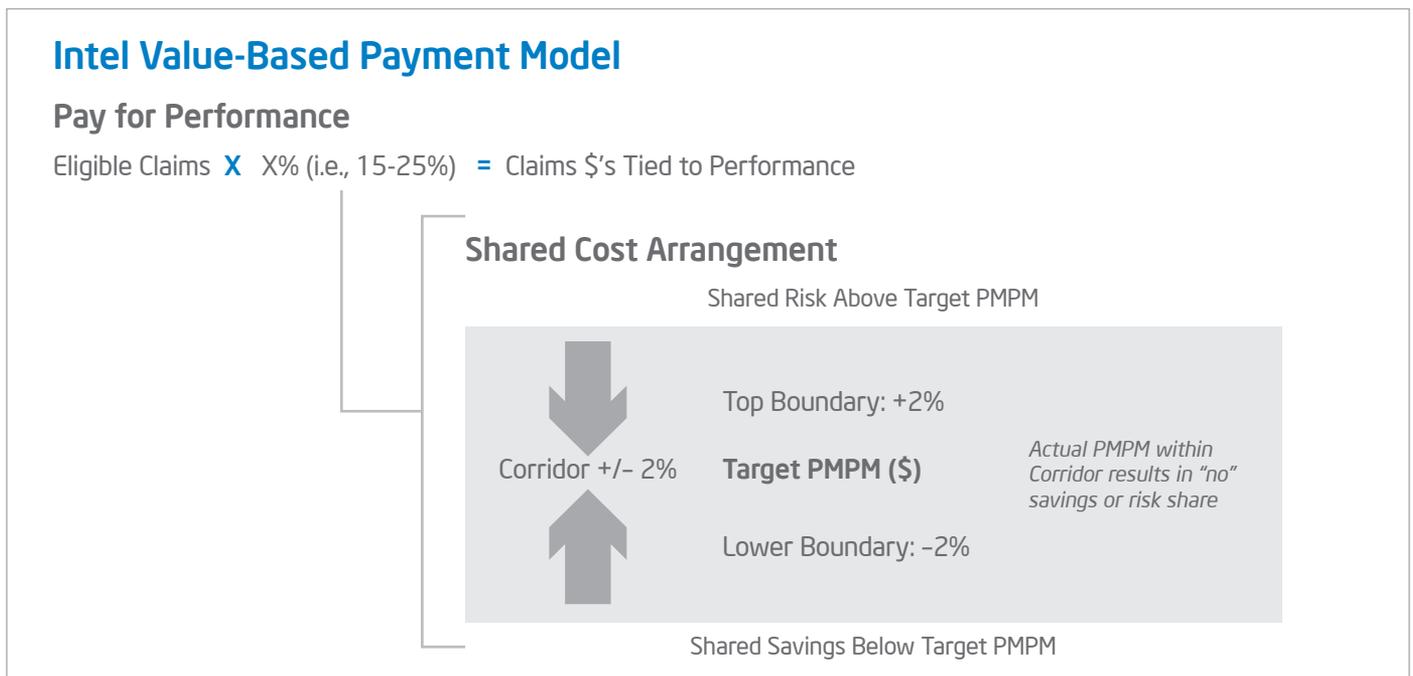


Figure 1. Value-Based Payment Model.

the project. Many team members brought valuable cross-functional backgrounds: HR professionals who had worked in the delivery system, delivery system leaders with a background in plan design, and so forth. The two organizations respected each other's cultures and expertise, and their commitment to the goal helped maintain a focus on removing roadblocks and finding the win/win.

The crux of the implementation was translating Intel's vision of the Five Requirements into practical, measurable specifics that provide a reasonable basis for accountability. Teams wrestled with the details of each requirement. How did Intel and PHS define access, for example? How would PHS meet Intel's objective of 24/7, same-day access? What level of access was appropriate—an appointment, an e-mail response, something in between? How would access be measured and what was an appropriate target? How would decisions on access impact other requirements? How would they contribute to the Triple Aim of improving outcomes, satisfaction, and costs? Intel and PHS were designing multiple systems with many moving, interlocking parts. Even the Five Requirements evolved during the year-long effort as the teams' understanding increased.

To better align risks and rewards with desired outcomes, Intel and PHS developed a value-based compensation structure that includes both shared costs and pay for performance and addresses both cost and qualitative factors. This compensation system is based on a global per-member per-month target, with a shared-savings "corridor" (see Figure 1). Intel and PHS share risks and rewards if results exceed or fall short of a designated target. Data for the cost baseline were validated through an underwriting analysis.

Synergies Among Plan Design, Delivery, and Compensation

The breadth of what Intel and PHS are tackling certainly presents challenges, but it also provides opportunities to have more of an impact. By addressing plan design, healthcare delivery, and compensation holistically, Intel and PHS gain significant synergies and enhance the likelihood of achieving the desired results. When trade-offs are necessary, implementation teams can balance them across all three elements. The system can be optimized for quality, efficiency, cost, and member satisfaction while focusing on Intel's specific objectives and those of its employees.

For example, instead of a typical plan design that takes a "plain vanilla" approach targeting low-volume healthcare users, Intel explicitly wants to ensure that highest-volume members get the highest-touch care. It is also important that all members receive evidence-based care. Intel and PHS designed the delivery system around PCMHs supported by a "medical neighborhood" of specialists, so members with complex needs have a team of health professionals providing coordinated care. This approach can increase quality and reduce wait times while contributing to lower costs. PHS established nurse navigators for high-needs members, so they get follow-up care without delays or confusion.

To promote evidence-based prevention and treatment of chronic conditions, Connected Care plans provide 100 percent coverage of preventive care, along with 100 percent coverage on a set of medications for asthma, hypertension, cholesterol, diabetes, and other conditions. Performance measures track a number of evidence-based screening procedures.

Intel wants all members to engage with the healthcare system and have a great experience. An outstanding experience is an intrinsic value since

it helps generate higher patient engagement, which can improve health outcomes and contribute to cost savings. Delivery teams examined every phase of the member experience, looking for ways to optimize it for Intel's members without unduly disrupting PHS' ordinary processes. In addition to increasing convenience and satisfaction, these step-by-step process reviews led to changes that help reduce waste and optimize time with healthcare providers. This in turn promotes excellent care by giving providers more opportunity to identify and treat problems, strengthen their relationships with members, and positively influence behavior.

Although it wasn't part of Intel's initial plan, the company chose to turn its on-site clinic into a full PCMH with Presbyterian leading the design and implementation and providing overall management of the clinic. This step required remodeling and expanding the clinic and deploying Epic Ambulatory, but it adds convenience for Intel's members, enhances care coordination, and offers more meaningful ways to engage members than would otherwise have been possible.

Reflecting the technology expectations of the Intel workforce (and, indeed, of most Americans), the plan supports secure digital communications. Members can use Epic MyChart* to exchange secure electronic messages with providers, review lab results, and monitor their personal health trends. Measures of convenience and engagement are incorporated into the Connected Care performance metrics.

Intel and PHS took advantage of opportunities to optimize the delivery system to meet the specific needs of Intel's population. When anonymized analytics identified depression as a relevant health issue, Intel and PHS created a new depression screening process, incorporated it into the EHR, and integrated it into the provider's customary workflow.

Connected Care

By moving away from fee for service and aligning incentives around efficient, high-quality care, Connected Care helps eliminate traditional barriers that add waste, cost, delays, and frustration without adding value. For example, since provider incentives are aligned with appropriate care, Connected Care eliminates prior authorization for all but a handful of treatments. This removes a layer of bureaucracy (i.e., cost) and provides a better experience for patients and providers. Members, too, have a financial incentive to seek the most effective and cost-effective treatments. A treatment cost navigator calculator will make costs transparent and support members in finding high-quality, cost-effective care.

With the business model and the groundwork for care in place, PHS and Intel expect to begin working through an IT framework and tools to further improve care, increase member engagement, and reduce waste across the system year over year. Connected Care's value-based compensation model aligns with effective deployment of technology solutions, and this is an area with tremendous potential for innovation. Near-term options range from apps that engage members and support their health goals via their smartphones and tablets, to in-home telehealth monitoring for members with complex chronic conditions. Intel and PHS are also working toward the goal of a unified data warehouse for system performance analysis.

Data and Measurement: Critical Challenges

As data-driven enterprises, PHS and Intel recognized that solid data and detailed analytics would be critical to success. In addition to performance measures, the two organizations used data-driven assessments to better understand population health and attitudes, select specialists to invite into the medical neighborhood, develop a customized formulary, and establish the cost baseline of the PMPM target.

Table 4. Connected Care Sample Measures

| Category | Measure | Description |
|---------------------------|--------------------------------------|---|
| Evidence-based medicine | Diabetes management | Percent of diabetic members attaining hemoglobin A1C level less than 8.0%, LDL level less than 100 mg/dL, and blood pressure less than 140/90 mmHg. |
| | Depression screening | Percent of adult members completing the depression screening when seen in a PCMH. |
| Right time, right setting | Nurse call response time | Percent of time nurses return symptom-related calls when requested within four business hours. Calls with urgent symptoms are transferred per protocol with a warm handoff immediately. |
| Member experience | Patient satisfaction with experience | Overall rating of PMG patient satisfaction using survey question: "Would you recommend?" |

Data experts were an integral part of the program from the outset, working to identify analytics requirements, seek data sources and tools to meet them, and address gaps in the data. The implementation team is also collaborating with an independent healthcare analytics firm.

As is often the case in healthcare, the immaturity of information standards and tools often forced the implementation teams to extrapolate from multiple sources and reconcile different definitions of terms. Major data sources include claims data, health risk and biometric data from Intel's wellness program, self-report risk assessments, disability data, and electronic health records. All data is managed in accordance with HIPAA requirements.

As with other aspects of the program, Intel and PHS collaborated closely to identify targeted metrics aligned with the Five Requirements and with the needs of Intel's members. In some cases Intel and PHS wanted to track measures for which they had no baseline data; these were added as learning measures but will not factor into the first year's compensation calculations. Table 4 lists sample metrics.

For example, to measure the program's success in following evidence-based best practices and improving the health of diabetic members, Intel and PHS created a bundled metric that measures the percent of patients with diabetes mellitus who achieve hemoglobin A1C level less than 8.0 percent, LDL level less than 100 mg/dL, and blood pressure less than 140/90 mmHg. Since member participation in the healthcare system is an Intel objective, Intel and PHS are tracking system utilization by measuring the percent of employees and spouses who accessed a PCMH or nurse navigator to complete MyChart or complete two steps of Intel's three-step wellness program; Intel and PHS share responsibility for achieving targets for this metric.

Managing Change

No employer wants to undertake significant change for its workforce without good reasons and careful planning. Intel used its Employee at the Center model to optimize the Connected Care design, engagement and communication strategy, and rollout to members. Intel tested its messaging and vocabulary in focus groups, and discussed Connected Care benefits in relationship to employee priorities such as convenience, cost, and coordination. A phased engagement strategy presented information in digestible chunks through a series of events, in a variety of formats, starting well before open enrollment.

Intel provided clear information to help employees determine the plan that would best meet their needs, and attempted to be clear and transparent about trade-offs. Employees who did not sign up for a plan defaulted into the Connected Care plan most similar to their previous plan (either HDHP or co-pay). Intel also created videos and other communications to enable members to understand and benefit from the PCMH model, and to encourage their participation in the system.

Due to ecosystem changes and Intel's requirements, the Connected Care rollout occurred in tandem with other changes in the plans Intel offered. Some plans were being dropped, and as a result some members would need to find new providers. Intel worked systematically to minimize these changes, even negotiating a special, short-term contract with one plan to spare the plan's members from having to change providers before Connected Care's start date.

Intel's Rio Rancho site management was heavily involved in Connected Care planning and rollout, and the site manager's enthusiastic support was influential. PHS representatives were part of Intel's open enrollment presentations, and PHS established a high-touch customer service team to ensure a smooth go-live. Connected Care enrollment exceeded the target.

Next Steps and Conclusions

With Connected Care in full operation for Intel's Rio Rancho employees, Intel and PHS are monitoring activities, gathering data, and planning ways to incorporate new learnings. Both Intel and PHS are applying key learnings from the partnership throughout their organizations. Intel is also working to adapt and scale the model in other Intel locations in the U.S. Intel aims to replicate as much as possible while taking advantage of innovation and excellence in the healthcare ecosystem at each location. Intel is also looking at creative ways to influence healthy choices and help busy employees take better care of themselves.

The experiences of Intel and PHS show that employers and providers can be effective partners in advancing healthcare's transformation. Providers can gain enthusiastic partners who share their commitment to efficient, high-quality healthcare delivery and will align payment incentives to achieve it. Employers can support innovation in healthcare delivery and bring the employee/consumer voice into the healthcare system.

Employers and delivery systems can combine their unique perspectives toward the shared goals of improving member health, increasing satisfaction with the healthcare system, and reducing costs. Although it is daunting to tackle payment reform, delivery system design, and plan design together, this approach creates exciting opportunities to have a significant impact. Putting healthcare costs on a more sustainable basis can strengthen U.S. competitiveness in a global economy. Improvements in the health and healthcare experiences of employees can increase job satisfaction, loyalty, and quality of life.

Forward-looking health plans can support these collaborations by focusing on innovation and added value. Healthcare solutions providers and platform providers can help by committing to open information standards and rapid innovation.

Intel and PHS encourage employers and delivery services to engage in hands-on collaboration focused on a more sustainable, high-quality healthcare system. We have much to teach each other—and American workers have much to gain.

For More Information

Intel plans to publish other white papers on this experiment to share results, technology blueprints, and best practices.

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¹ Margaret O'Kane et al, Demanding Value from Our Healthcare: Motivating Patient Action to Reduce Waste in Health Care, Institute of Medicine, July 2012. Download the full discussion paper at <http://www.iom.edu/Global/Perspectives/2012/DemandingValue.aspx>.

² For a recent review of PCMH results, see Nielsen et al, Benefits of Implementing the Primary Care Patient-Centered Medical Home: A Review of Cost & Quality Results, 2012. http://www.pcpcc.net/files/benefits_of_implementing_the_primary_care_pcmh_0.pdf

³ For resources on IHI's Triple Aim Initiative, see <http://www.ihl.org/offerings/Initiatives/TripleAim/Pages/default.aspx>.

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