



STRADA HEALTHCARE  
DIRECT PRIMARY CARE  
PILOT PROGRAM REPORT



Contents

Background ..... 2

Premium and Premium Rates ..... 3

DPC Pilot Program Population Demographics ..... 5

Member Engagement ..... 8

Cost Metrics ..... 9

Medical Utilization Comparison..... 10

Key Takeaways ..... 11

Analysis Overview ..... 12

Report Notes ..... 12

## Background

In April 2018, the Direct Primary Care (DPC) Pilot Program Act was passed, which allows for the inclusion of DPC in the Nebraska State Insurance Program for fiscal years 2019-2020 through 2022-2023. The Department of Administrative Services (DAS), along with their health plan vendor, United Health Group, offered two different DPC health plans including a high-deductible option and a low-deductible option for coverage outside of primary care. Strada Healthcare was selected to oversee the provision of DPC by select primary care providers in locations across Nebraska.

DPC allows teammates and their families who are enrolled in one of the DPC health plans unlimited access to their selected Strada primary care provider without copays or deductibles. As members, teammates and their families can visit their DPC provider in the office or access them via phone, text, or video chat. The goals of DPC are to, 1) address acute issues quickly and conveniently to avoid further illness and Emergency Room visits, 2) manage chronic disease to improve health and reduce long term medical costs, and 3) proactively engage members in their healthcare.

The primary care services covered by DPC membership include:

- Annual physicals including establishing lab work
- Assessment of health risks
- Medical care to prevent diseases and illnesses
- Medical care for short term and long-term diseases and illnesses
- Treatment of simple skin disorders
- Treatment for depression, anxiety, and stress management
- School, sports, and workplace physicals
- Assessment and support for sleep disorders
- Treatment of sprains, simple wounds, and minor injuries
- Lesion removal
- Weight management
- Women's health, excluding mammograms
- Well checks for infants and children, (excluding vaccinations)
- EKGs
- Same-day or next-day appointments based on medical need
- Communication with Providers through email, text, video, and phone

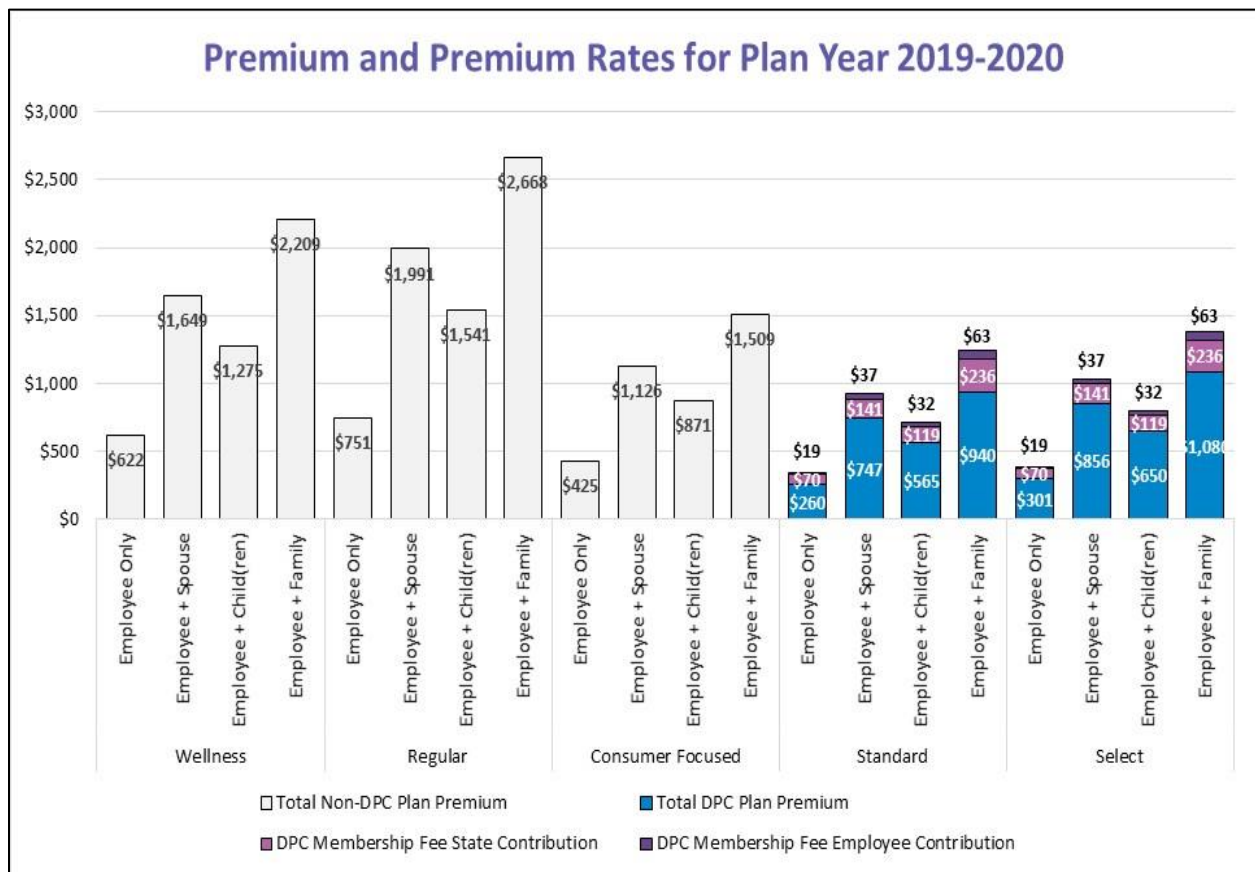
DAS offered Nebraska teammates in-person education about the DPC health plan options prior to open enrollment for the 2019-2020 fiscal year. Video education was provided for fiscal years 2020-2021 and 2021-2022 due to COVID-19 restrictions on in-person gatherings.

Beginning in fiscal year 2021-22, the department shall provide a report to the Governor and the Legislature by September 1 of each year. The report shall evaluate the clinical and financial performance of the pilot program. The report shall be submitted to the Legislature electronically.

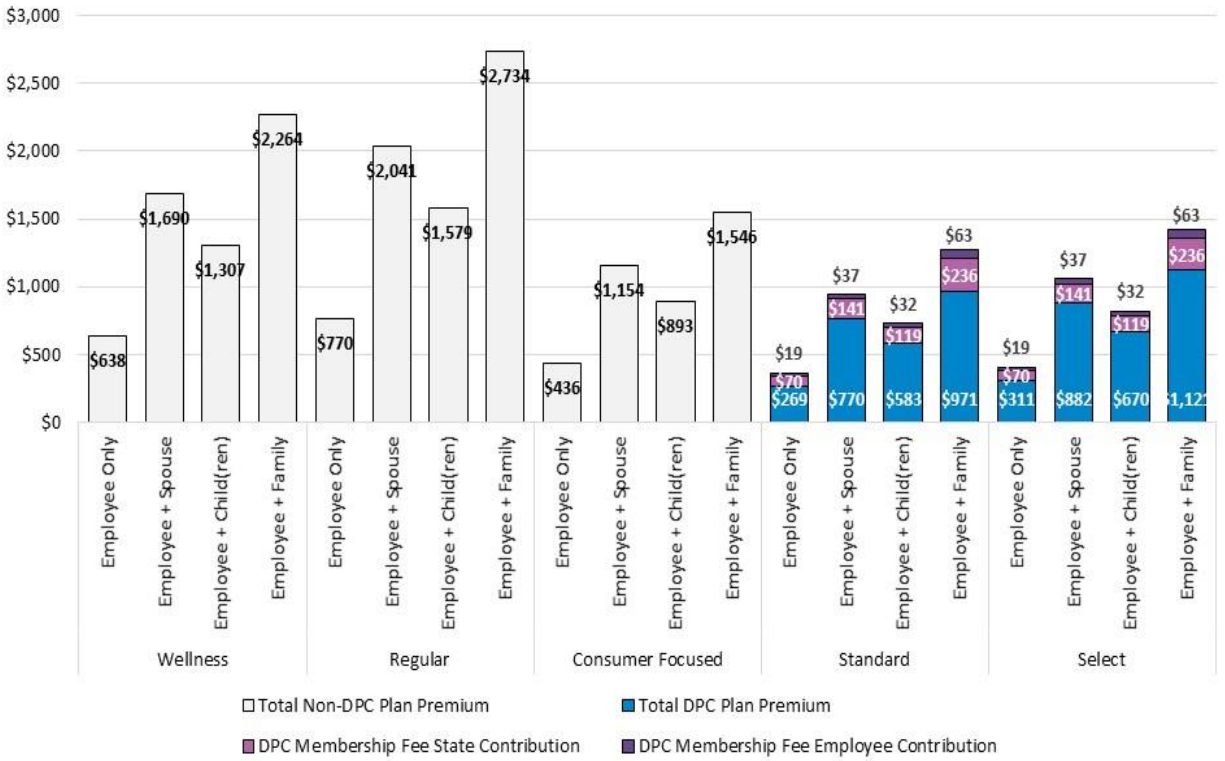
## Premium and Premium Rates

The State of Nebraska’s health insurance program consists of five self-insured health plans: the Regular Plan, the Wellness Plan, the Consumer-Focused Health Plan, and two DPC plans. The Regular Plan is the base PPO. The Wellness Plan offers teammates incentives for meeting wellness-related requirements. The Consumer-Focused Health Plan provides an option for teammates to set aside pre-tax funds in a Health Savings Account. The two DPC plans are offered in conjunction with two high deductible plans, The Standard Plan with a \$5,000 deductible and the Select Plan with a \$3,500 deductible. These plans provide preventive and DPC services at no additional charge beyond the monthly membership fee. Services outside of the preventive and primary care spectrum are subject to the high deductible component of the plans.

The State pays 79% of monthly rates and active, full-time teammates pay 21%. The remainder of the contribution reflect the health plan premium. The charts below represent the total monthly premium for each plan.



## Premium and Premium Rates for Plan Year 2020-2021

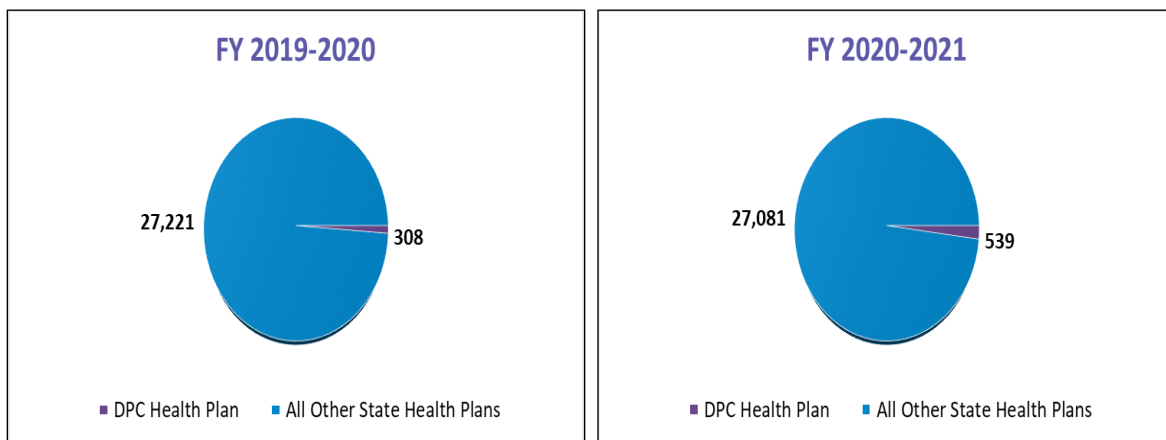


## DPC Pilot Program Population Demographics

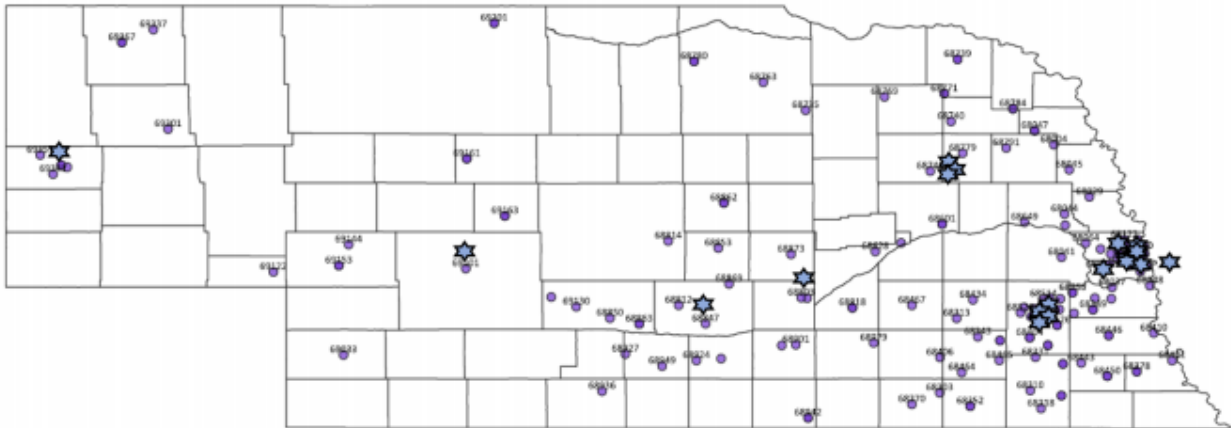
The DPC plans were most popular among younger teammates who elected employee-only or family coverage. The average age of teammates enrolled in all State health plans was 46.4. The average age for those enrolled in a DPC plan was 26.

Younger teammates are seeking health plan options with lower premium costs, that still provide robust primary care services such as unlimited primary care access, telemedicine, and no copays or deductibles.

Participation in the DPC plans represent 1% of all State health plan participants in Fiscal Year 2019-2020 and 2% in Fiscal Year 2020-2021. In-person education is important in explaining the benefits because DPC is a new and innovative program. The inability to provide face to face education due to the pandemic limits our ability to grow the program.



## Patient Zip Code Distribution

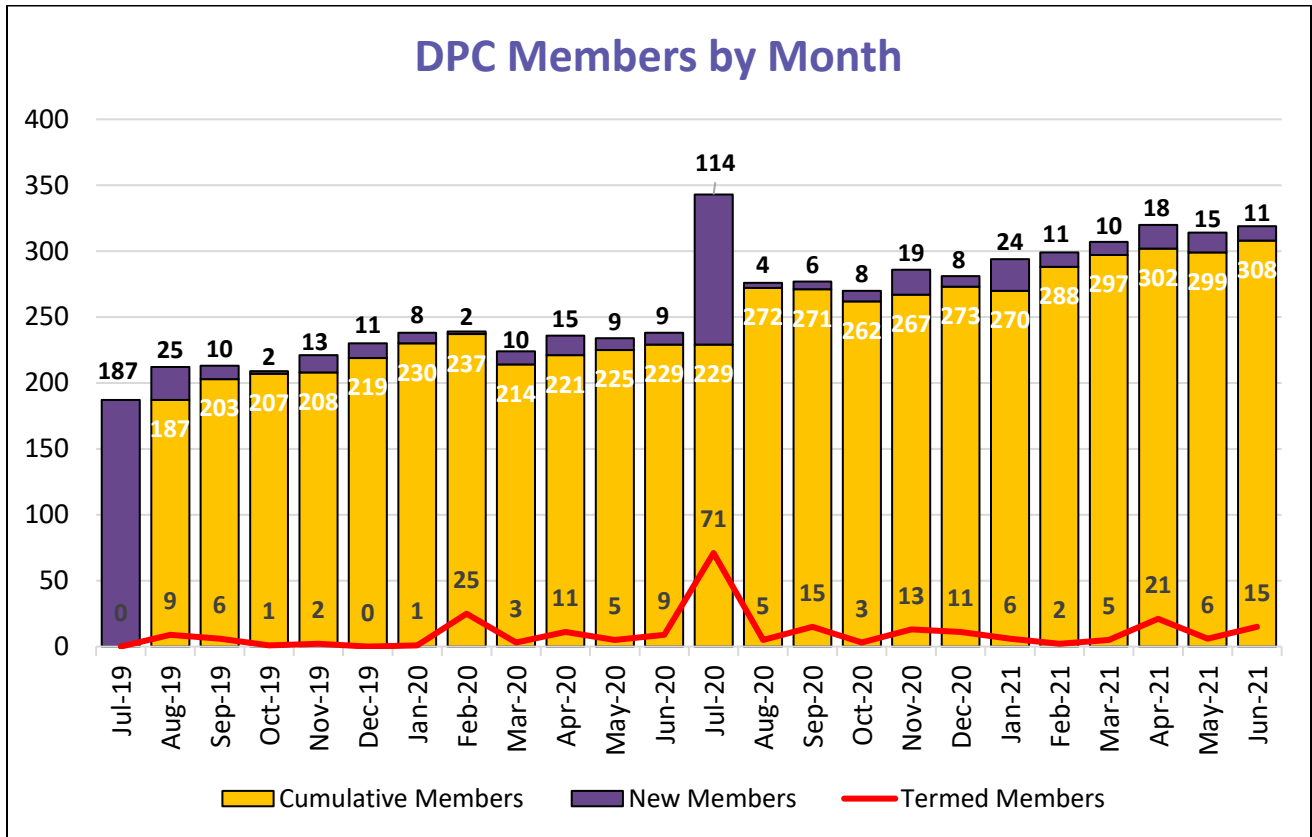


The purple dots on the map represent teammates who selected a DPC plan. The blue stars represent DPC provider locations.

For 2019-2020 teammates could select from 26 providers in Bellevue, Gretna, Kearney, Lincoln, Norfolk, Omaha, Papillion, Scottsbluff, and Council Bluffs, Iowa. Additional locations were added for 2020-2021 in Grand Island and North Platte to include a total of 42 providers. Strada continues to add DPC providers to the network across Nebraska to promote the growth of the program.

The DPC program offers new and innovative health care services to teammates outside the Omaha/Lincoln metro areas. The pandemic has accelerated the growth of telemedicine. Teammates with limited geographic access to primary care established with a DPC provider and continued their care through telemedicine.

## Membership Growth



New teammates are added throughout the year when they become eligible for coverage and select one of the DPC plans. If a major life event occurs (birth of a child, divorce, etc.), teammates can add/delete participants on the health plan they have selected. Teammates can select a different health plan only during open enrollment. Terminations throughout the year reflect teammates who have left State employment.

Member satisfaction surveys were conducted with our DPC members, however due to minimal participation we were not able to provide actual data from those surveys. Survey questions included:

1. Overall, how satisfied are you with your Strada Healthcare experience?
2. How long were you a Strada Healthcare member?
3. How often did you or your family use your Strada Healthcare membership?
4. Would you recommend Strada Healthcare to a friend or family member?
5. How likely are you to continue or re-join Strada Healthcare in the future?
6. If you are no longer a Strada Healthcare member, what was the reason for canceling your Strada membership?

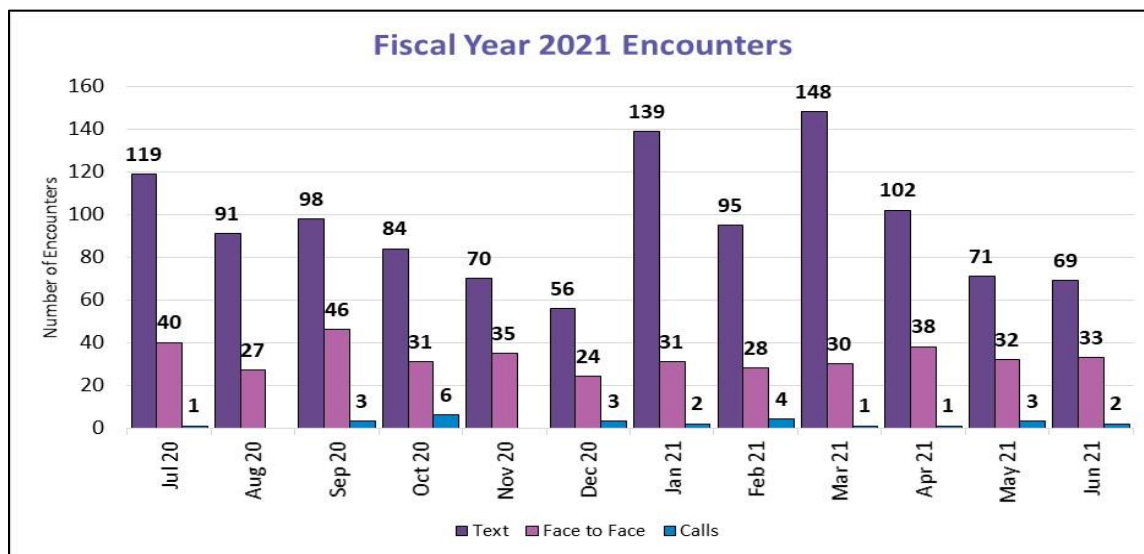
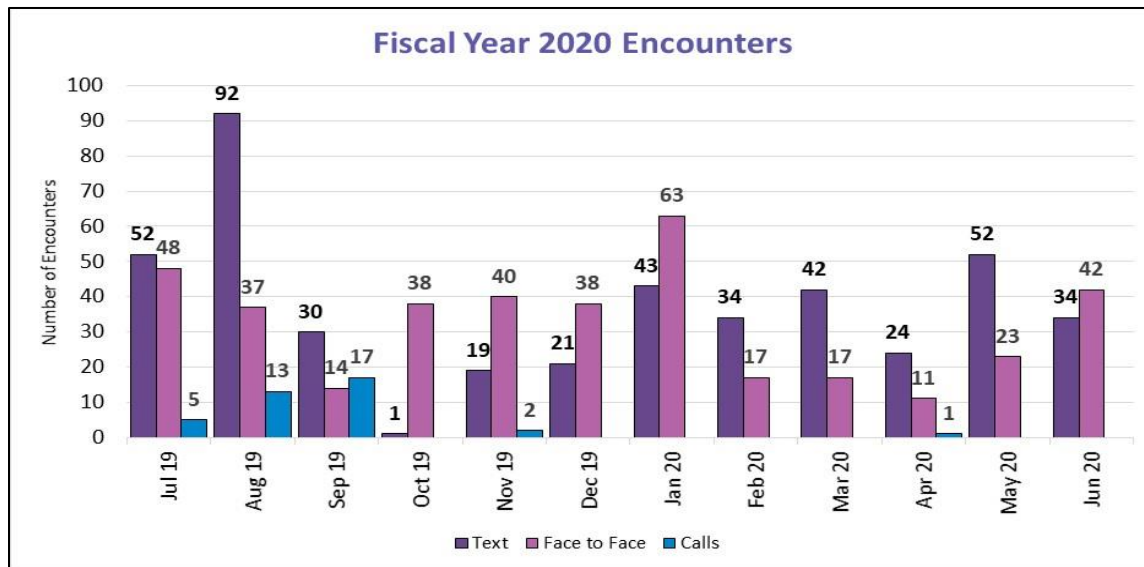


## Member Engagement

After open enrollment, Strada contacted each state teammate to explain the DPC program, assist in provider selection, and answer any questions about the program. The provider’s office contacted teammates and their families to schedule face to face visits to establish care.

The charts below represent calls, face to face visits, and text interactions between members and their DPC provider. A text interaction is defined as a series of messages between a patient and the provider within a 24-hour timeframe.

Thirty-four percent of teammates who were enrolled in a DPC plan for at least three months engaged with their provider at least once. Of those encounters, fifty-five percent were between the teammate and the provider. The remaining forty-five percent were between an adult or child on the plan and the provider.

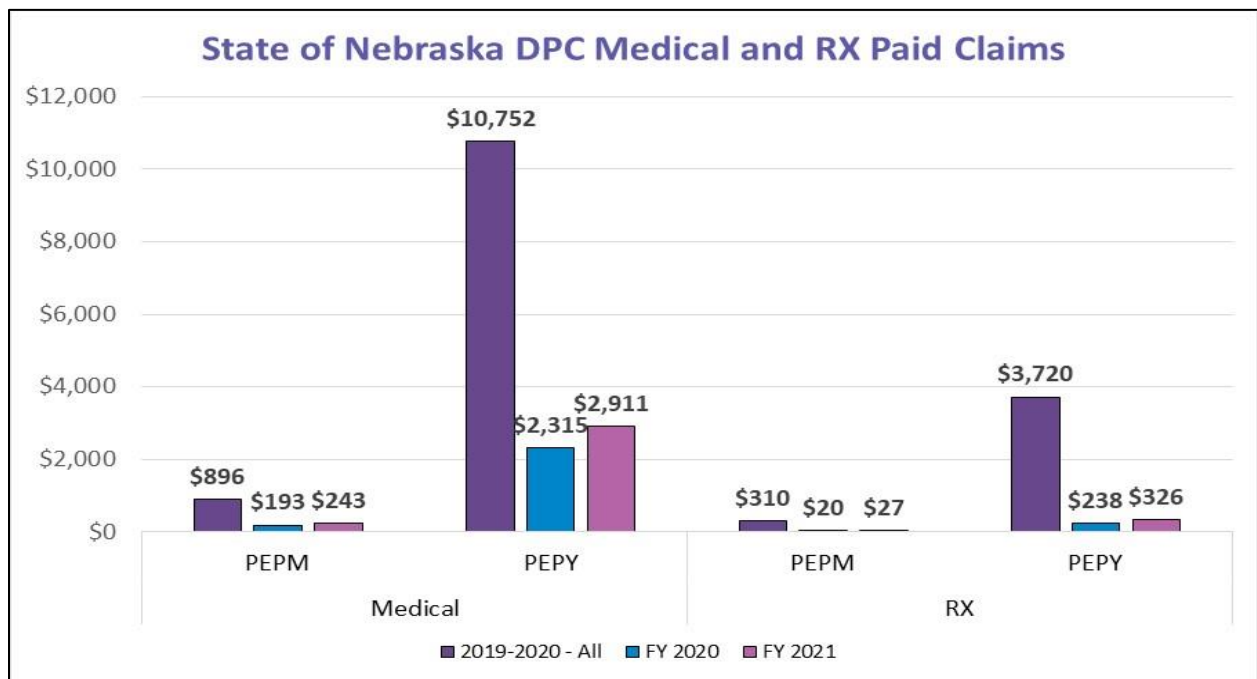


## Cost Metrics

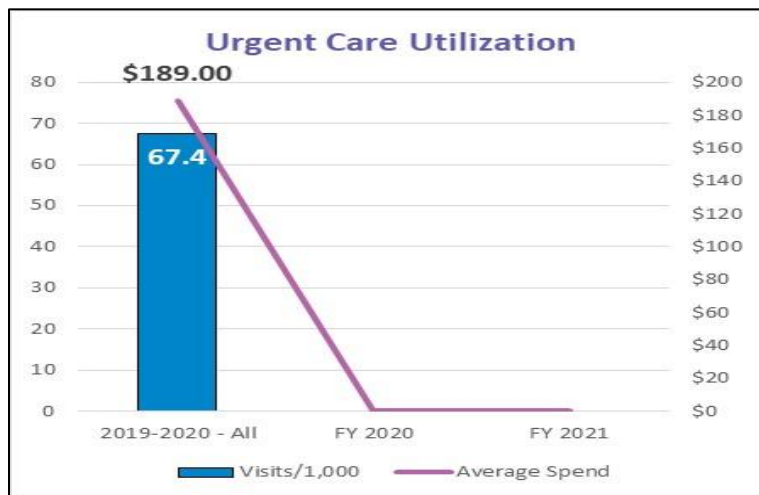
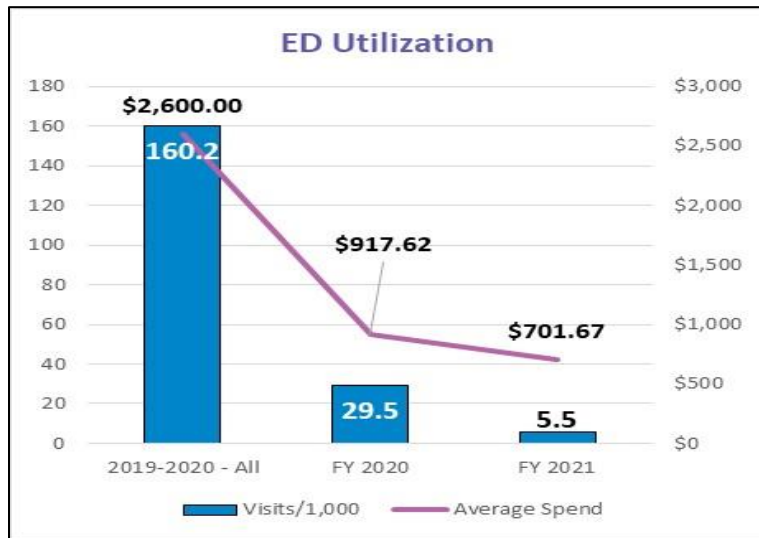
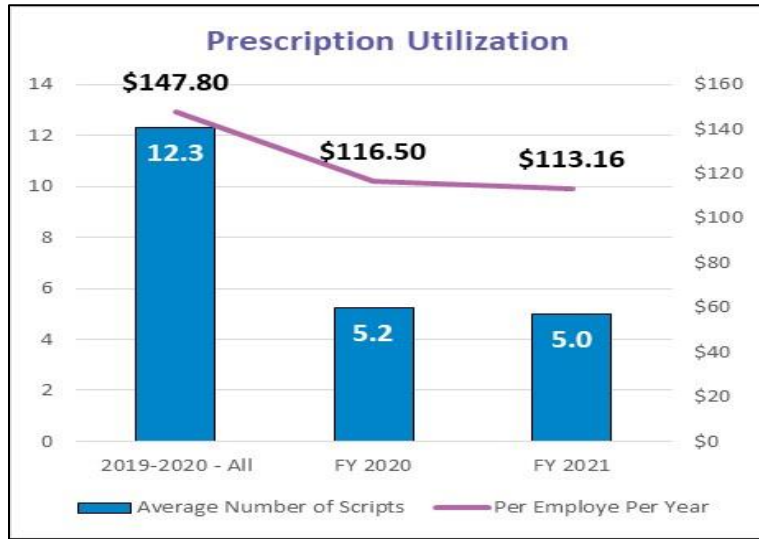
The charts below show the cost differences between all teammates enrolled in any State-sponsored health plans (2019-2020-All) and those in one of the two DPC health plans.

DPC member medical and Rx costs are markedly lower, as are urgent care visits, emergency room visits, and Rx utilization. The lower costs may be due a combination of several factors:

- Primary care services were covered by the membership rather than billed to the plan as a claim,
- Younger age of the DPC population, and/or
- Utilization of discounted cash prices for medical services such as lab work, imaging, physical therapy, and chiropractic care.



## Medical Utilization Comparison



## Key Takeaways

- With the rising costs of healthcare, teammates can opt for higher deductible plans to keep their monthly out-of-pocket insurance costs low. Teammates who selected a DPC plan are not only paying lower premiums, but they are also getting better access to primary care, with no copays or deductibles.
- The DPC plans are most popular with younger teammates who elected employee only or family coverage.
- Primary care became more accessible for teammates in geographic areas with limited healthcare resources.
- The DPC population had lower costs, lower Emergency Room visits, and lower Urgent Care visits than the State-sponsored health plan teammates overall. This translates to lower healthcare costs for both Teammates and the State.
- More aggressive marketing and education, as well as additional provider locations, will be necessary to continue to grow the program.

## Analysis Overview

### Date Ranges:

State Fiscal Year 2019 (Pre-DPC)	July 2018 - June 2019
State Fiscal Year 2020 (Year 1)	July 2019 - June 2020
State Fiscal Year 2021 (Year 2)	July 2020 - June 2021

### Data Sources:

Medical Claims, RX Claims, Member Eligibility, Telemedicine, Provider Electronic Health Record

	State Fiscal Year 2020	State Fiscal Year 2021
<b>Eligibility</b>		
Number of Active Members	308	539
Number of Member Months	3,022	5,497
Average Member Age	26.76	27.09
<b>Total Number of Claims</b>		
Medical	1,482	2,621
RX	308	539
<b>Unique Members with a Claim</b>		
Medical	157	279
RX	120	220
<b>Total Plan Paid Amount</b>		
Medical	\$551,343	\$1,072,190
RX	\$68,049	\$229,062

## Report Notes

- This report only contains claims data for State of Nebraska teammates and their dependents who participated in a DPC plan.
- PMPM cost were calculated using paid amounts.
- Medical claims over \$100,000 are considered outliers and were removed from the analysis for DPC plans only.
- Utilization metrics were aggregated based on United Healthcare's place of service groupings.