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Correspondence Memorandum

Date: October 24, 2019
To: Group Insurance Board
From: Renee Walk, Strategic Health Policy Advisor
 Office of Strategic Health Policy
Subject: The Healthcare Triple Aim Principle and the Group Insurance Board

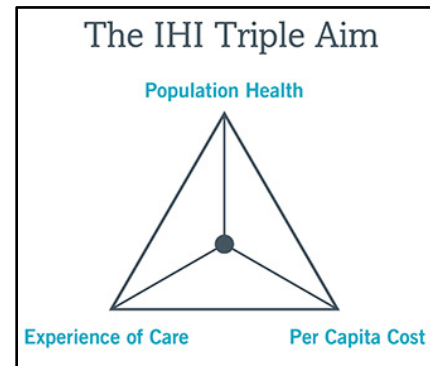
The Department of Employee Trust Funds (ETF) recommends the Group Insurance Board (Board) utilize the Healthcare Triple Aim (Triple Aim) framework as the guiding principle for program development.

Background

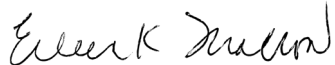
The Healthcare Triple Aim is a framework developed by the Institute for Healthcare Improvement to capture the optimal balance of population health, patient experience, and cost in a healthcare setting¹. Since its development in 2007, the Triple Aim has been adopted by a variety of healthcare and health services organizations to develop programming. The core concept, IHI notes, is that no single aspect of the Triple Aim should stand alone in a well-designed healthcare system; the Triple Aim is a single aim with three dimensions, and it is only by improving each of these aspects that stakeholders can achieve optimal state.

The patient experience aspect of the Triple Aim is further defined by the six Institute of Medicine dimensions: safe, effective, patient-centered, timely, efficient, and equitable.

The population health dimension, which IHI notes is occasionally dropped from the goals in acute care settings, is critical because the true Triple Aim cannot be achieved without making meaningful impacts to health. Improving health, “is a challenge that requires the engagement of partners across the community to address the broader determinants of health.”²



¹ <http://www.ihl.org/Engage/Initiatives/TripleAim/Pages/default.aspx>
² <http://www.ihl.org/communities/blogs/a-primer-on-defining-the-triple-aim>

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy

 Electronically Signed 10/29/19

Board	Mtg Date	Item #
GIB	11.13.19	5D

The cost dimension under the IHI Triple Aim is focused on reducing per capita costs; many organizations modify this to focus on reducing the growth of costs. IHI notes that it may be more efficient for resource-limited organizations or those managing fixed healthcare budgets to focus on value for money, rather than reduction.

Group Insurance Board Programs: Challenges and Opportunities

The challenges facing the Board's insurance programs are not unlike those of other healthcare entities that have adopted the Triple Aim as a guiding principle. Rising health care costs are a problem at all levels of the healthcare system, from direct service providers to insurers to employers. The prevalence of chronic disease states continue to rise in both the general population and the insurance program membership, contributing to higher costs while also reducing employee quality of life. While managing both cost and health, entities must also keep in mind the overall experience of their customers. Products that are either too expensive or do not adequately address customer needs will be selected against and will attract critical attention from a variety of stakeholders.

In these challenges, however, there is opportunity to design better programs that balance competing needs. In recent program development plans, ETF has begun to apply the lens of the Triple Aim to recommendations made to the Group Insurance Board. A planning discussion by the Board provides the opportunity for the Board to incorporate the Triple Aim as the guiding principle for program and policy changes.

Adapting the Triple Aim Framework to the Board's Programs

For its application of the Triple Aim, ETF adapts the Triple Aim to focus on member quality of life (health), program quality (service quality/experience), and affordability (cost).

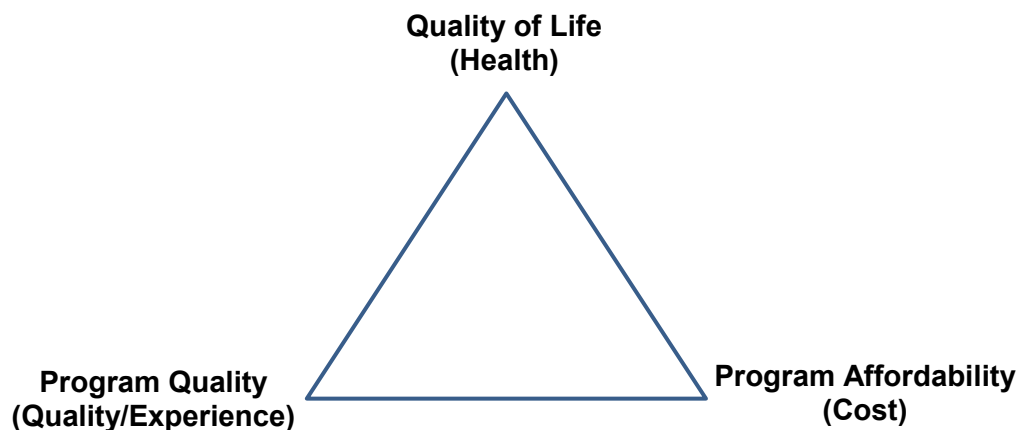
Within the domain of quality of life and health, ETF includes the concepts of population health, equity, and patient-centered care. Borrowing from the World Health Organization's definition, health is a state of complete physical, mental, and social well-being -- not merely the absence of disease or infirmity within a group of individuals and includes how well-being is distributed within the group.

Within the domain of program quality, ETF includes consistency with evidence-based practices, safety, timeliness, and efficiency of care and services as well as aspects of member experience. Member experience includes the concept of member activation or empowerment and the idea that a member feels able to manage their health conditions.

Within the domain of affordability, ETF focuses on the value of investment in services, as well as managing costs. ETF's cost domain leads with the concept of affordability, specifically examining what affordability means to each member, employer, and the plan as a whole. Pursuing affordability means pursuing a comprehensive benefits offering that results in a reduction of overall costs per capita and that aligns with a focus on affordability of products and premiums, the value of the commodity or service being provided, without causing excess member or employer financial liability.

In keeping with the IHI definition, all three of these are crucially-linked, to be pursued in tandem through benefits, initiatives, and programs. As such, many of the contained concepts within the domains overlap and influence one another.

Figure 1. The Healthcare Triple Aim, adapted to Board programs.



Why Should the Board Utilize the Triple Aim Framework?

Pursuing a multi-pronged improvement approach is more complicated than working toward a single goal. The Triple Aim approach leads to greater stability than does the pursuit of any one of its component parts. As the model describes, each component is equally important to a well-designed healthcare system, but even more important, neglecting one part of the Triple Aim will lead to the remaining goals ultimately failing. The Board will be better able to fulfill its fiduciary duty and maximize the investments the Board makes on behalf of members. The Triple Aim approach as described also allows the Board to systematically and holistically address member and employer needs and provides a framework for considering how and whether new products and approaches meet those needs.

Staff will be available at the meeting to answer questions.