

## FREQUENTLY ASKED QUESTIONS

### WHAT IS CLINICAL NUANCE?

Clinical nuance is the foundation of V-BID. This concept recognizes that medical services differ in the benefit they provide, and that the benefit of a clinical service depends on the patient using it, as well as when, where and by whom the service is provided. V-BID plans utilize “clinical nuance” by providing incentives for specific patient populations, such as those with chronic diseases, for specific services that will provide the highest benefit. In this way, V-BID improves healthcare care quality and spends healthcare dollars more effectively.

### WHAT IS MEANT BY “HIGH-VALUE SERVICES”?

High-value services are those that have a strong evidence-base, enhance clinical outcomes, and increase efficiency. The template in this Manual recommends incentivizing certain “high value services” that have shown evidence of improving health for specific patient groups.

### WHAT IS MEANT BY “HIGH-VALUE PROVIDERS”?

For the purposes of this initiative, high value providers are those identified by a health plan as achieving superior performance on certain transparent cost and quality metrics. While this initiative does not define the specific metrics that health plans should use to identify high value providers, the concept of “high value provider” is being constructed by the SIM Quality Council under the guidance of the SIM Steering Committee and includes specific criteria for measuring providers. Refer to Appendix E on page 45 for the complete criteria under consideration. The Quality Council has identified a standard set of quality measures and the Consortium recommends their use, along with cost measures focused on total cost of care, as part of a transparent value measurement method. In addition, the consumer representatives of the V-BID Consortium have defined care collaboration principles that providers should consider when delivering services as part of a V-BID plan. Refer to Appendix E on page 44 for these principles.

### HOW WILL IMPLEMENTING V-BID IMPACT MY BOTTOM LINE?

With the flexibility of the V-BID template, it is difficult to estimate whether an individual employers’ V-BID plan will result in net cost savings. However, adopting a V-BID plan means spending healthcare dollars more wisely by incentivizing effective and appropriate services for only the patients who need these services at the time that they need them. Financial savings may result from lower utilization of more expensive services due to better management of chronic conditions. This could also potentially result in a different experience rating for the company, lowering premium rates in future years.<sup>5</sup>

### WILL V-BID IMPLEMENTATION INCREASE COSTS TO EMPLOYEES?

No. By reducing cost-sharing or providing financial incentives for specific services and visits to specific providers to employees, V-BID relieves employees of financial burdens that are common barriers to effectively managing chronic conditions or adhering to medication regimens.

### WHAT IS THE ROLE OF MY HEALTH PLAN ADMINISTRATOR IN PLANNING AND IMPLEMENTING V-BID?

It is recommended that employers receive assistance from their health plan administrators in assessing the clinical needs of their employee population, measuring certain outcomes for the V-BID program, choosing which conditions to target and/or benefits to incentivize, and tracking compliance with

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<sup>5</sup> While this is a possible outcome of a V-BID plan, additional evaluations are needed to provide evidence of this.

recommended services. Doing so will allow employers to develop a customized program that makes the most sense for the company. Health plan administrators can also provide additional guidance on state and federal regulations as well as provide online tools for record keeping and evaluation measures. While employers are encouraged to develop a comprehensive communications plan for introducing the V-BID plan design to employees, health plans should develop supplemental materials around what V-BID benefits and incentives will be offered.

#### I AM A NATIONAL EMPLOYER. HOW DO I HANDLE THE ADMINISTRATIVE BURDEN OF CHANGING TO A V-BID PLAN FOR MY CONNECTICUT EMPLOYEES?

While administration of a V-BID plan can be more complex, several national employers have successfully implemented V-BID plans. Dedicating ample resources to administration of the plan and gaining senior management buy-in is key. Many national employers utilize electronic tools offered by their health plan administrator or a third party contractor to track program participation and eligibility for incentives. National employers may rely on a health plan's provider directory to identify high value providers within Connecticut networks.

#### HOW DO I EXPLAIN V-BID TO MY EMPLOYEES?

Communication is key to the success of any V-BID plan design. Employers should develop a comprehensive communication plan to explain, in detail, V-BID benefits to employees before implementation. Describing eligibility requirements and incentive structures to employees will require outreach by HR departments. Many Connecticut employers have had great success with new member communication technologies to help communicate health plan benefits. For more information on communication best practices, refer to page 26. For sample visual aids and communication and marketing scripts, refer to Appendix F, starting on page 47.

#### HOW DO I GET MY EMPLOYEES TO SUPPORT MOVING TO A V-BID PLAN?

Working in collaboration with employee leaders to promote V-BID plans can increase employees' buy-in to the program, as they may be more likely to trust a peer. Some Connecticut employers have suggested that in-person communications, such as lunch and learns, are also highly effective. In addition, while V-BID plans incentivize the use of specific high-value services and high-value, high-performing providers for specific members, many employers and health plans currently offer incentives for other wellness and health initiatives. Tying V-BID plan designs into a larger employer wellness and/or incentive program is a strategy many employers in Connecticut have found useful for engaging employees. Employee outreach and engagement strategies are outlined in Appendix D, page 44.

#### HOW DO I ADDRESS EMPLOYEE CONCERNS ABOUT THE COMPANY ACCESSING THEIR HEALTH INFORMATION?

Employers should assure employees that their health information will remain confidential and that employers will not have access to employees' health information. Communications should emphasize this and explain that health plan administrators or other third parties will be responsible for tracking employee compliance and conducting health care claims analyses. For employers offering HSA contributions or other incentives outside of the insurance design, the third party administrator may notify the employer of the incentive amount owed to each employee, but not of the way the incentives were earned or the health programs or outcomes the employee participated in or achieved. Additionally, employers can utilize nurse health counselors or coaches to notify members if they qualify for certain incentives based on health status, and to inform health plan administrators of employees' participation in certain programs.