

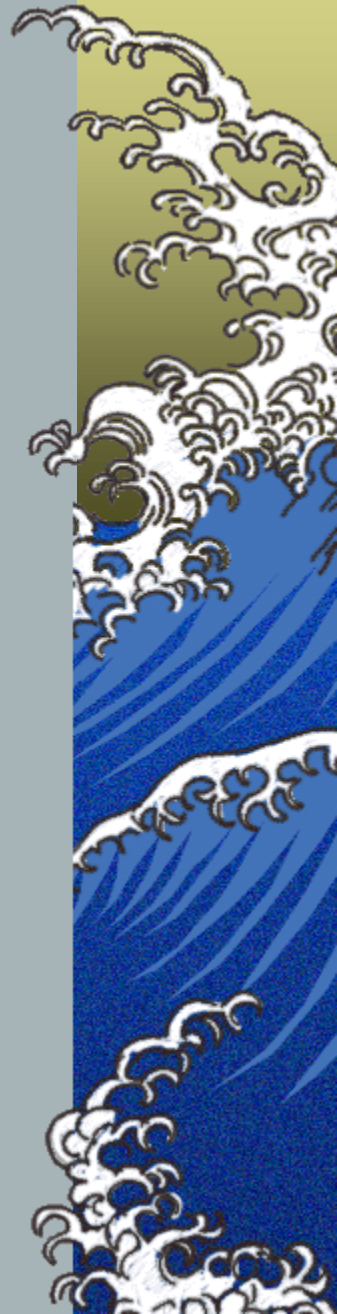
Western Providers, Inc.

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(605) 719-5839

*Information for
Health Care Providers*

Revised, September 2015

Web site: www.westernproviders.com



Who Are We?

- ▶ *Western Providers, Inc. is a physician-hospital organization (PHO), a network of health care providers (physicians and other licensed independent practitioners, hospitals and other medical providers) cooperating to provide high quality and high value services to our community.*
- ▶ *Our service area includes all of western South Dakota, as well as parts of Wyoming, Nebraska and Montana.*



Who Owns Us?

- ▶ *Organized in 1997, Western Providers, Inc. is owned by Western Providers Physician Organization and Regional Health, Inc.*
- ▶ *Western Providers Physician Organization is owned by approximately 250 physicians in practice in western South Dakota.*
- ▶ *Regional Health, Inc. is the parent company of Rapid City Regional Hospital, Regional Health Network (community hospitals in Custer, Spearfish, Deadwood, Sturgis), as well as Regional Health Physicians (medical clinics in western South Dakota, and now two clinics in Wyoming)*



How are We Managed?

- ▶ *A governing board of 12 directors guides company policy.*
 - ▶ *The Board consists of 6 directors of Western Providers Physician Organization, and 6 representatives of Regional Health, Inc.*
- ▶ *A chief executive officer provides strategic planning and oversees operations of the company.*



What Do We Do?

▶ *Provider Network Development*

- ▶ *Western Providers, Inc. network of health care providers are the preferred panels of numerous health plans serving citizens of western South Dakota, eastern Wyoming and eastern Montana. The network provides discounted pricing for health plans primarily based on improving volume for participating providers*

▶ *Provider Education*

- ▶ *Western Providers sponsors provider education for quality and cost management.*

▶ *Credentialing*

- ▶ *Credentialing is conducted by Western Providers Physician Organization, a physician-owned organization, using an independent credential verification organization. We are certified in credentialing by NCQA.*

▶ *Cost Management*

▶ *Messenger Model*

- ▶ *For employer self-funded health plans, the provider network is developed through a legally qualified “messenger model”, an independent pricing process designed to obtain competitive provider costs.*

- ▶ *Resource-based Relative Value System*
- ▶ *Discount from charges*
- ▶ *Pay for Performance*
- ▶ *Other value-based provider compensation models*

▶ *Risk-based products*

- ▶ *For some health plans, a Western Providers panel is developed using financing approaches that provide incentives for physicians and hospitals to manage costs.*



A Key Initiative – Sensible Payment Models and Patient Education Strategies

- ▶ *Working with employer benefit plans to develop payment approaches designed to alert physicians about ways to enhance quality and manage potentially avoidable treatment costs.*
 - ▶ *Goal: Greater integration of care toward a common quality goal*
- ▶ *Defining benefit plans that promote preventative care and diagnostic screening*
 - ▶ *Goal: Better care, better patient education*
- ▶ *Developing systems of web-based education for patients*
 - ▶ *Goal: More informed patient decision making regarding medical care options*



Continued Research on New Payment Models and Provider Incentive Alignment

▲ *Goals:*

- ▲ *Establish physician and hospital supportive financial models and incentives, and more importantly –*
- ▲ *Developing treatment protocols that will minimize Potentially Avoidable Complications, improving quality*
- ▲ *Ongoing research – we'll keep our provider network informed on this.*



Revenue and Expenses

▶ *Western Providers, Inc.*

- ▶ *Revenue from access fees paid by its clients, the health plans it serves.*
- ▶ *Expenses include administrative operating costs, insurance and legal fees.*

Pays the expenses related to our provider rate setting methodology, known as the “messenger model”

▶ *Western Providers Physician Organization*

- ▶ *Revenue from membership and contractor fees paid by the panel of providers, and fees for certain consultative, risk management and administrative services.*
- ▶ *Expenses include administrative operating costs, credentialing and privileging of providers, insurance and legal fees.*



Why a Provider Contractor Fee?

- ▶ *Western Providers Physician Organization has few ways to obtain revenue for its operation. Operating costs, though kept minimal, are ongoing. WPPO derives the majority of its revenue from membership and contractor fees.*
- ▶ *Membership and contractor fees are paid directly to Western Providers Physician Organization. They support the costs of WPPO, serving in-panel clinicians.*



Physician Membership

- ▲ *Physicians (MD and DO) are eligible for membership (ownership) in Western Providers Physician Organization.*
 - ▲ *Membership advantages include:*
 - ▲ *Vote in corporate business (physicians not employed by Regional Health)*
 - ▲ *Eligibility for Board membership*
 - ▲ *Favorable treatment in certain provider panels*
 - ▲ *Risk/Surplus profit opportunity for some health plans.*
 - ▲ *Performance-based bonuses in some cases*
- ▲ *Eligibility for membership is determined by the Western Providers Physician Organization Board.*
- ▲ *Membership remains with the physician identified, and may be transferred with Board permission if the physician retires, dies or permanently leaves the service area.*



Why Participate?

- ▲ *Western Providers, Inc.'s network serves leading health plans, including:*
 - ▲ *Humana (Commercial and Medicare)*
 - ▲ *Avera*
 - ▲ *FCE*
 - ▲ *NGS*
 - ▲ *Wyoming School Board/CNIC*
 - ▲ *Wyoming Chamber of Commerce/CNI C*
 - ▲ *First Health/Coventry*
 - ▲ *First Choice (Washington)/Health Info Net*
 - ▲ *Multiplan*
 - ▲ *Nebraska Medicaid Programs (Coventry and Amerihealth)*
 - ▲ *Tricare (administered in our region by United Healthcare)*
 - ▲ *Veterans Administration (Health Net)*
 - ▲ *Others.*
- ▲ *Currently, these health plans serve in excess of 45,000 + covered individuals, not including Tricare and Nebraska Medicaid beneficiaries.*
- ▲ *Providers can choose the groups and payers with which to participate.*
- ▲ *By joining the Western Providers network, you invest in the future of quality health care that meets the needs of your patients and your practice. You also get potentially higher volume through in-network steerage of patients.*



Health Insurance Exchange?

- ▶ *Western Providers does not sell health insurance or administrative services directly – we manage the provider network and pricing.*
- ▶ *Avera, one of our partners, offers solutions available through the federal Health Insurance Exchange for South Dakota:*
 - ▶ *Avera Health Plans offers solutions for individuals, small, medium and large businesses.*



Check Out Our Web Site

- ▶ Visit: www.westernproviders.com.
- ▶ Information about our organization
- ▶ Information about our client-specific provider panels, as these can vary by client.
- ▶ Check your provider listings on our web site
 - ▶ If you find a provider not classified correctly, or with errors, let us know by phone: 605-755-5839



Summary:

- ▶ *Western Provider serves approx. 46,000 beneficiaries in western SD, Nebraska, Wyoming and Montana, more lives if Tricare and Nebraska Medicaid are included*
- ▶ *Second largest beneficiary population in the region*
- ▶ *In-panel benefit schedules, help patients and providers*
- ▶ *Provider owned, with local staff, local and national payers*



Questions???

- ▲ *Call:*

- ▲ *Rick Stracqualursi, CEO*

- ▲ *605-755-5839*

- ▲ *Allen E. Nord, MD, President*

- ▲ *605-342-2880*

- ▲ *Edna McDermott (Team Consulting)*

- ▲ *605-456-2024*

- ▲ *Visit our Web Site*

- ▲ *Learn more about Western Providers, its clients and services*

- ▲ *www.westernproviders.com*

