1
00:00:00,270 --> 00:00:05,190
So at CareFirst, we're just getting started on this journey. This has got a long-term journey.

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00:00:05,190 --> 00:00:14,490
Just to put this in perspective, what we are setting out to do is change the economic dynamics of 20 percent of our economy,

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00:00:14,490 --> 00:00:20,970
did you know that 20 percent of the United States gross domestic product goes to healthcare? Nearly 20 percent.

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00:00:20,970 --> 00:00:28,260
Last I saw, it was eighteen point nine percent but we can round up. Right? So we're talking about a massive part of the United States economy.

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00:00:28,260 --> 00:00:33,640
And it's not going to change overnight. It's going to take a lot of time. So our first steps here

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00:00:33,640 --> 00:00:36,900
are these new value-based constructs.

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00:00:36,900 --> 00:00:47,910
We are helping working with, partnering with large private organizations, small provider organizations to focus on creation of value and outcomes,

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00:00:47,910 --> 00:00:52,290
defining together what that is defining together what problems we want to solve.

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00:00:52,290 --> 00:00:58,890
Thinking about how we get more equitable healthcare delivered both on the geographic basis and by population.

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00:00:58,890 --> 00:01:07,080
These are important features of our value-based care programs. And today all of these programs continue to operate on fee-for-service medicine.

11
00:01:07,080 --> 00:01:14,670
So we measure the results based on the outcomes that we see and all of the data and analytics.

12
00:01:14,670 --> 00:01:20,250
But it is still a fee-for-service system today and because it's nearly 20 percent of the economy,

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00:01:20,250 --> 00:01:27,840
And we're trying to change the economics of 20 percent of the economy, it's going to take a little while to to shift that to new payment constructs.

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00:01:27,840 --> 00:01:35,190
But what we're doing today is we're getting comfortable. We're getting our provider partners comfortable with managing populations.

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00:01:35,190 --> 00:01:39,030
And as they get better and better at it in this fee-for-service world,

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00:01:39,030 --> 00:01:42,960
we will be able to move to even more innovative payment models in the future that

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00:01:42,960 --> 00:01:48,090
get at complete redesign of the business model of many of our healthcare partners.

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00:01:48,090 --> 00:01:58,910
So, what you can look for in the coming years, would be opportunities to move to new models that fund primary care in a different way.

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00:01:58,910 --> 00:02:04,410
It's not based on fee-for-service that fund broader health systems in a different way.

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00:02:04,410 --> 00:02:09,720
That's not based on fee-for-service. It would be extremely predictable for employers.

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00:02:09,720 --> 00:02:13,740
You would know what your expense is going to be for a particular population.

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00:02:13,740 --> 00:02:18,930
There may be some things that are outliers that are provided for still in a fee-for-service.

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00:02:18,930 --> 00:02:24,180
But the core of the cost would be more predictable on an annual basis.

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00:02:24,180 --> 00:02:33,390
And then for particular types of encounters with the healthcare system, like a knee replacement, like a colonoscopy, like the birth of a child.

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00:02:33,390 --> 00:02:41,070
We may pay one fixed price to the provider organization again, offering more predictability for our employers.

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00:02:41,070 --> 00:02:46,800
And the great thing for the provider is if they can predict and know what the cash

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00:02:46,800 --> 00:02:51,420
flow is going to be and it's not entirely dependent on the generation of volume,

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00:02:51,420 --> 00:02:57,450
they can look for new economies to get the outcomes that we seek for a fixed amount of cost.

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00:02:57,450 --> 00:03:00,390
There are many things that can be done to redesign the system.

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00:03:00,390 --> 00:03:07,110
If every increment of revenue for the healthcare delivery system is not based on a visit with a patient by a licensed physician.

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00:03:07,110 --> 00:03:11,820
There are lots of opportunities under that umbrella to to make things better,

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00:03:11,820 --> 00:03:21,600
using technology and employing different types of healthcare providers that are appropriate for different types of activities with patients.

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00:03:21,600 --> 00:03:26,130
We can get further. We can get more value from the healthcare delivery system.

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00:03:26,130 --> 00:03:30,210
We can achieve a place where we have more affordability.

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00:03:30,210 --> 00:03:37,680
That translates into more accessibility and definitely a better equitable, a more equitable healthcare system.

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00:03:37,680 --> 00:03:41,970
There's an awful lot of funding going into healthcare today.

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00:03:41,970 --> 00:03:50,016
If it was better allocated and was more focused on creation of value, we'll have a better healthcare delivery system to serve everyone.