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**Industry Day Exchange, Spring 2019**

# Defense Health Agency Industry Day Exchange TRICARE Overseas Program (TOP) 2021 June 04, 2019



# TRICARE Health Plan

## TRICARE Overseas Program Office

### TOP 2021

*Pre-Decisional Briefing*



- Key TOP trends include:
  - Increased emphasis clinical quality
  - Increased focus on the beneficiary experience of care
  - Direct Care/Purchase Care Integration
  - Exploration of value based care
- The TOP 2021 will include requirements which focus on these trends

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# TRICARE Health Plan

## TRICARE Overseas Program Office

### TOP 2021



- Best possible experience for the beneficiary through all phases of health care delivery
- Flexible versatile, and adaptable overseas health care delivery system: Deliver health care solutions to COCOMs
- Highest Level of Clinical Quality
- Efficient and Integrated Overseas Health Care Delivery

# TRICARE Health Plan

## TRICARE Overseas Program Office

### TOP 2021



- Overseas MTFs will transition to DHA sometime between April 2020 and Sept 2021
- Imperative that TOP 2021 contractor and DHA partner to integrate direct care and purchased care with respect to:
  - Beneficiary experience of care
  - Clinical quality
  - Access to care
  - Network development
  - Medical management/referral management



# TRICARE Health Plan

## TRICARE Overseas Program Office

### TOP 2021



Specifications	Summary
Requiring Activity	<ul style="list-style-type: none"> <li>DAD Healthcare Operations; Chief, TRICARE Health Plan</li> </ul>
Opportunity Title	<ul style="list-style-type: none"> <li>TRICARE Overseas Program Contract</li> </ul>
Existing Contract#	<ul style="list-style-type: none"> <li>HT9402-15-D-0001</li> </ul>
Opportunity Description	<ul style="list-style-type: none"> <li>TRICARE Overseas Health Care Services</li> <li>Development of purchased care provider networks, referral management activities, TRICARE eligibility verification and enrollment, medically necessary evacuations (medevacs), medical record translation services, medical management services, customer service/call center activities, beneficiary and provider education and marketing, and claims processing and coding</li> </ul>

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## TRICARE Overseas Program Office

### TOP 2021



Specifications	Summary
Contracting Office	<ul style="list-style-type: none"> <li>Aurora CO, HQ Defense Health Agency</li> </ul>
Contract Type	<ul style="list-style-type: none"> <li>Fixed Price, Indefinite Delivery Indefinite Quantity (IDIQ), Performance-based Services</li> </ul>
Total Contract Duration	<ul style="list-style-type: none"> <li>1-Year Base + 7 Option Years</li> </ul>
NAICS	<ul style="list-style-type: none"> <li>524114, Direct Health and Medical Insurance Carriers</li> </ul>
Contract Value Range	<ul style="list-style-type: none"> <li>Est \$700M - \$900M</li> </ul>
Small Business Set Aside (Y/N)	<ul style="list-style-type: none"> <li>No</li> </ul>
Transition Period	<ul style="list-style-type: none"> <li>September 1, 2020 – August 31, 2021</li> </ul>
Start of Health Care Delivery	<ul style="list-style-type: none"> <li>September 1, 2021</li> </ul>

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## TRICARE Overseas Program Office

### TOP 2021



### TOP Contract Breadth

- 3 Regions
- 163 Countries and health care systems
- 99 Languages
- 134 Currencies

### TOP COCOM Support

- Over 600 Medical Capability Reports (75-100 added per year)
- 150-200 Aeromedical Evacuations per year
- 5-10 new TOP Prime Remote Locations added per year

### TOP Contract Scope

TOP Prime	62 Locations 280K Enrollees
TOP Prime Remote	273 Locations 24K Enrollees
Claims Processed	560K per year
Referrals/ Authorizations	175K per year

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## TRICARE Overseas Program Office

### TOP 2021



## Value Based TOP 2021 Requirements

### Clinical Quality

- Clinical quality metrics for TOP Prime/Prime Remote locations
- Clinical quality rating system: 75% of network providers must be in the 75% percentile

### Networks

- Right-sized Networks
- 85% network providers accredited
- Beneficiaries directed to network providers with highest quality outcomes

### Beneficiary Experience of Care

- Embedded contactor customer service personnel in MTFs
- Flexibility to employ contractor nurses to assist MTF in providing optimal experience of care in purchased care network and managing referrals
- Enhanced beneficiary web portal and app

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**Defense Health Agency  
Industry Day Exchange  
Value-Based Design  
Dr. Dawn Erckenbrack  
June 04, 2019**





- Key DHA Value-Based Design trends include:

- Pursuing an approach of transitioning from the standard FFS payment model to a new value-based/quality driven purchasing
- Three lines of effort that include:
  - (1) Alternative payment models which utilize provider incentives to reward high-value care
  - (2) Value-based insurance design strategies which focus on changing beneficiary behavior to improve outcomes
  - (3) A high-value network design which is built to continuously develop and improve flexible networks of high-value providers.



Collaborating on value-based pilots linked to improve:

- Quality
- Cost
- Beneficiary experience of care that is patient focused
- Reducing the provision of inappropriate services
- Readiness and overall health

# TRICARE Health Plan

## Medical Benefits & Reimbursement Branch; Value-Based Design



- The DHA is working to ensure value based care efforts are integrated with direct care efforts and pilots in the United States Family Health Plan sites
- Imperative that contractors and DHA partner to integrate direct care and purchased care with respect to:
  - Beneficiary experience of care
  - Clinical quality
  - Access to care
  - Network development
  - Medical management/referral management
- DHA’s overarching value-based/contracting strategy is evolving from a volume-based to a value-based paradigm over time



### “How can Industry assist?”

Performance Assessment and Overall Effectiveness of Value Based Purchasing (VBP)

- What reasoning drove you to implement VBP?
- What approaches do you use for VBP? What have you found most effective? Least effective?
- What reimbursement methodologies has your organization found useful to improve value and quality of care and why? (e.g., bundled payments, episode of care payments, accountable care organizations, shared savings for acceptance of risk, global payments or capitation, care management fee, or quality incentives.)

# TRICARE Health Plan

## Medical Benefits & Reimbursement Branch; Value-Based Design



### “How can Industry assist?”

Use of Value Based Incentives and Best Practices

- What have you found to be the most effective tools for driving quality outcomes and controlling costs?
- What are your key lessons learned from implementing VBP or other incentives aligned with performance?
- What are the keys to successful risk sharing?
- What approaches to sharing risk with the providers have you found to be the most effective?



# TRICARE Health Plan

## Medical Benefits & Reimbursement Branch; Value-Based Design



### “How can Industry assist?”

Value, Quality, and TRICARE	<ul style="list-style-type: none"><li>• What other opportunities exist in Value-Based Purchasing to improve TRICARE?</li><li>• What are industry best practices for measuring clinical quality outcomes?</li></ul>
Challenges	<ul style="list-style-type: none"><li>• What are some of the challenges you have faced from implementing and sustaining VBP?</li></ul>
Vision	<ul style="list-style-type: none"><li>• Approach fits into the overall objectives and strategy of the DHA.</li><li>• Approach is clear and well thought out.</li><li>• Level of vendor familiarity with the area of the project is high.</li></ul>

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# TRICARE Health Plan

## Medical Benefits & Reimbursement Branch; Value-Based Design



### “How can Industry assist?”

#### Feasibility

- Potential technical success is apparent and acceptable.
- Development and execution time is reasonable.

#### Scalability and Replicability

- Vendor approach is scalable to the MHS.
- Approach lends itself to replicability.

Questions?