

## POPULATION HEALTH FORUMS

### Next Generation Payer Strategies

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Minalkumar (Minal) Patel, MD, MPH is the Senior Vice President and Chief Strategy Officer of Horizon Blue Cross and Blue Shield of New Jersey (BCBSNJ), where he is responsible for the integration of strategic work throughout the enterprise; the development of business opportunities via a newly-formed business development function; alignment of data analytics with the strategy function; and the creation of a unit that serves as liaison with the Blue Cross Blue Shield Association. Dr. Patel previously served as CEO and founder of Care Management International, a company focused on applying the concept of business process outsourcing to the medical management industry.

Dr. Patel began his Forum presentation with a detailed overview of the healthcare value landscape by describing the market forces that continue to put pressure on traditional payer business models. These forces include: new entrants and intensified competition; provider consolidation and disruption; increased reliance on government; a shift to

consumerism and commoditization; and advances in technology. Patel explained that the payer industry is dynamic and that, in his role, he has the opportunity to help chart the future course.

In general, payers are moving away from fee-for-service reimbursement (volume) in favor of paying for value. In order to create value for the sake of the patients and populations, payers must work closely and collaboratively with all key stakeholders. Patel outlined how payers must: partner with leader providers; promote population health management; and engage members in care delivery.

Patel went on to describe a virtual integrated delivery system, one positioned to align incentives and capabilities around efficient, high-quality care delivery. A virtual integrated delivery system may include the hospital system, non-hospital facilities (like urgent care centers and ambulatory surgical centers), and employed and affiliated physicians, and health plans. This integrated model facilitates interactions with provider partners, and payer capabilities assist in enhancing value to the healthcare consumer.

Patel discussed criteria to select system partners, with emphasis on clinical quality, leadership and commitment to a value-based model.

The future of Horizon BCBSNJ will include the provision of power analytics to providers as a means to facilitate delivery of cost-effective care in optimal settings. Patel pointed out ways in which the payer hierarchy of data continues to evolve, with new devices coming online to produce and distribute health data along with documentation of incidences. The future will also include focus on product design of support tools for members and enhanced financial and clinical analytics for providers.

Patel challenged the audience to imagine a system where consumers can have access to care prior to getting sick...at a site that is convenient for them...perhaps even at home; clinicians can practice and refer to other clinicians at the highest level of their training and benchmark their performance; and hospitals can determine where they excel and should treat more patients; and employers can maximize productivity of their workforce and truly understand the ROI of investments in workplace wellness.

After the Forum, JCPH held a special workshop for Grandon Society members. Dr. Patel spent some time answering questions and discussing the complexities of criteria, tiering, and market strategies, as well as the company's vision.

