



Population vs. Precision: A Quagmire for Physicians and Health Plans



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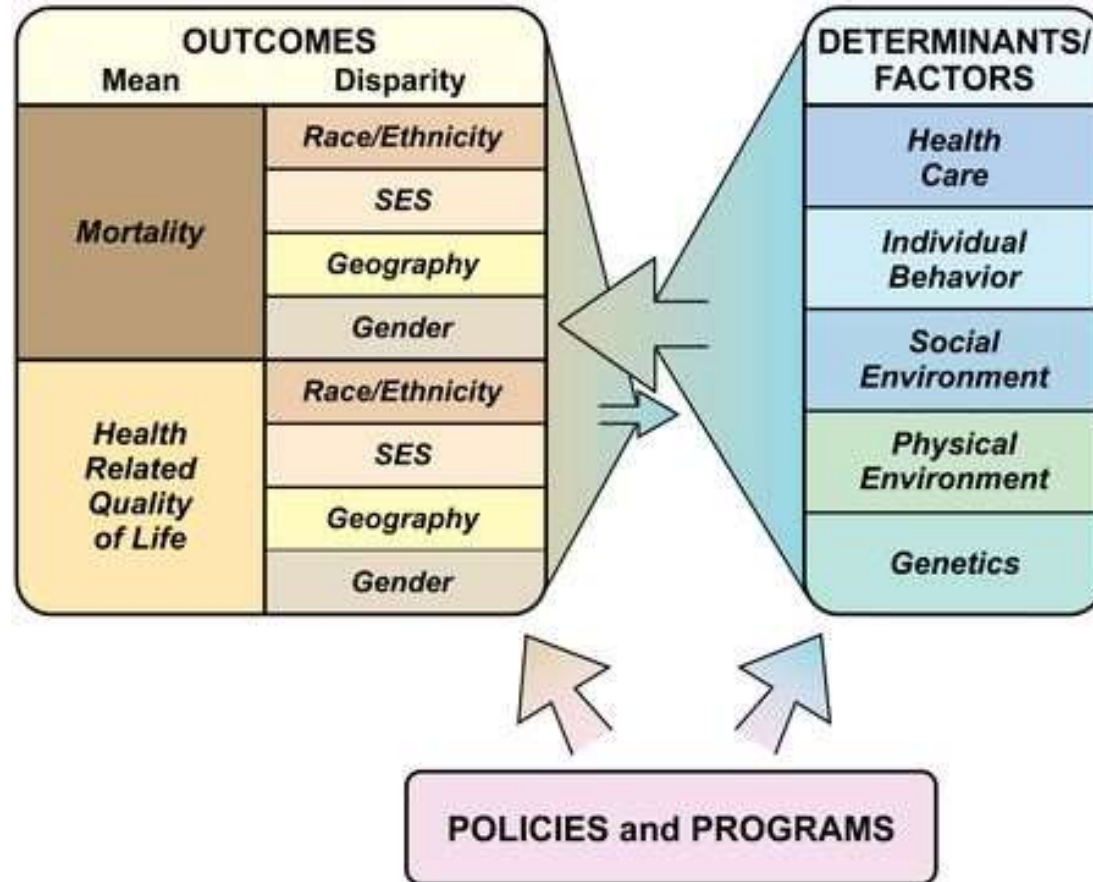
- 20 years practicing obstetrician and gynecology
- 4 years working on the payer side

Today's Tasks



1. Population Medicine – Past and Present
2. Precision Medicine's opportunities and challenges for the insurance industry
3. Decision making – Trusted partners

Population Health



Health outcomes:

- 20-30% attributable to genetics

Breast:

- 10% genetic
- Obesity, alcohol, HRT

Value: Insurance question



$$\text{VALUE} = \frac{\text{Cost}}{\text{Quality}}$$

“Views of US Physicians about controlling Health Care Costs.”

JAMA Article – July 29, 2013



59% Believe the Insurance Industry

Ezekiel Emanuel and Andrew Steinmetz, who wrote an editorial on this study, noted:

These attitudes, however, have an interesting character: while supporting cost-consciousness in health care, they largely relieve the physician from being the decision-maker and taking responsibility for cost control. Someone outside—either insurance companies, a government board, or some organization determining cost-effectiveness ratios—would bear the responsibility for bringing cost into the health care equation. This would allow physicians to point to someone else doing the resource allocation and cost control.”



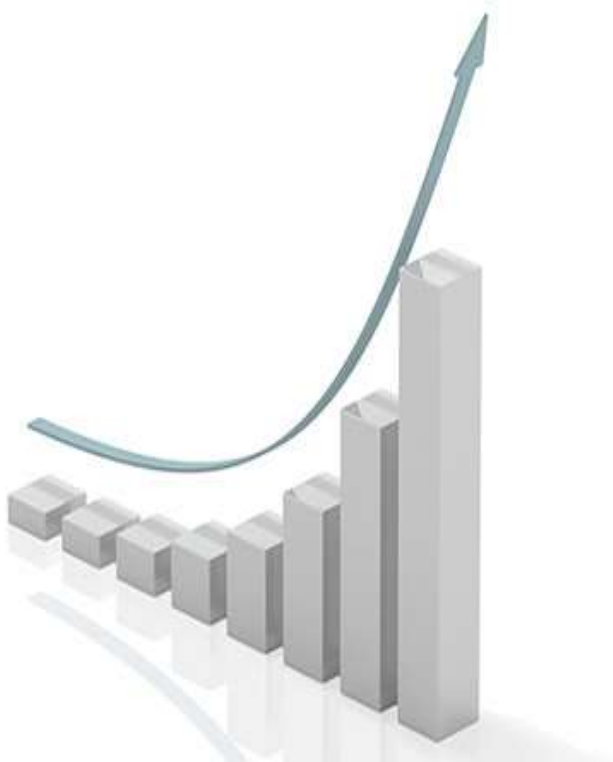
HOW MANY PATIENTS DO
YOU NEED TO REACH TODAY?



Precision Medicine: asks a different question

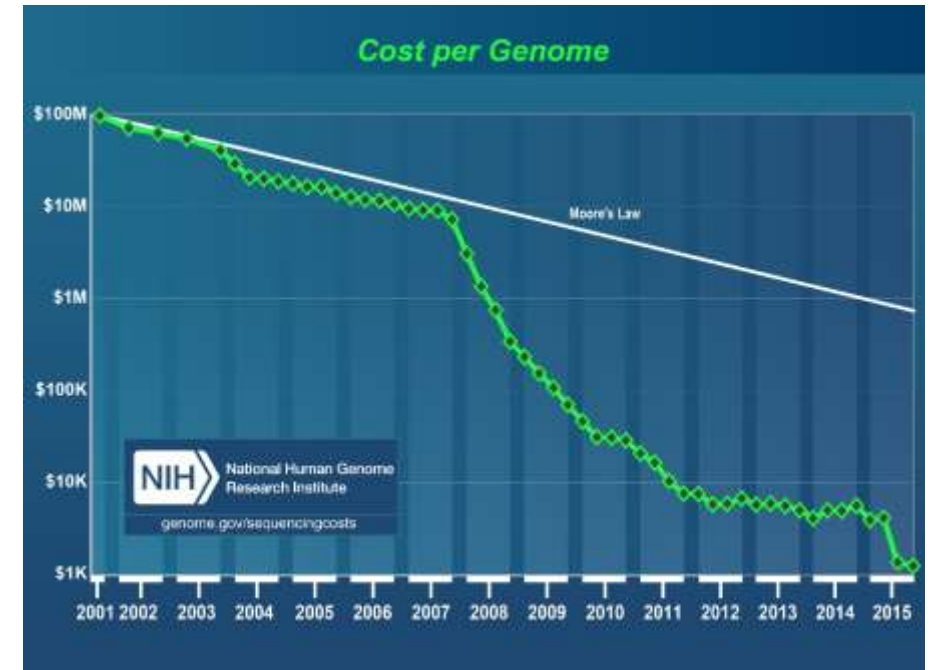


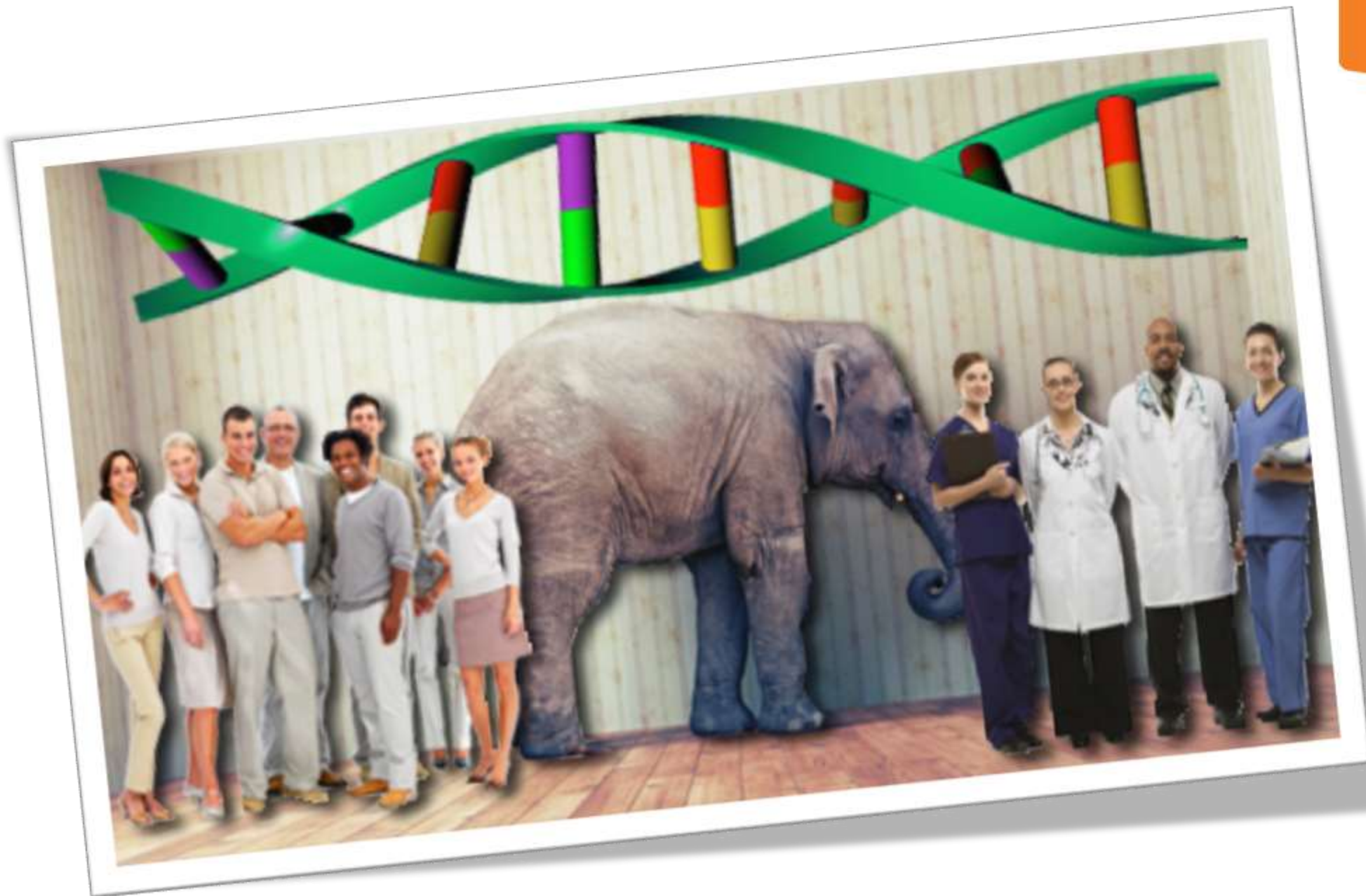
A bit of History



Sequencing Technology progressing faster than Moore's Law:

- 2001 – 1 Year, many machines and \$100M
- 2007 – 1 machine, 1 year, \$1M
- 2017 – 1 machine, 1 Day, \$1000





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Major Uses in 2017



- Rare and Undiagnosed Genetic Diseases
 - Decreasing costs improve economic model for more testing
- Reproductive and Genetic Health
 - Lower risk and increased accuracy (e.g. NIPT)
- Oncology
 - Enhanced diagnostic capability and accuracy leading to appropriate therapeutic targeting
 - Improved outcomes based on robust analytics

Trusted Partners

- Population Health
 - U.S. Preventative Services Task Force (USPSTF)
 - Choosing Wisely
- Precision Medicine
 - Local tumor boards ?
 - Foundation Medicine ?



Members/Patients



- Benefits
 - Does precision medicine become a specific benefit
 - Prescription Drugs become a tiered benefit
- Medical Necessity
 - Who is our trusted partner
- Centers of Excellence
 - Testing
 - Treatment

$$\text{VALUE} \equiv \frac{\text{Cost}}{\text{Quality}}$$

Pilot Programs – joint learning



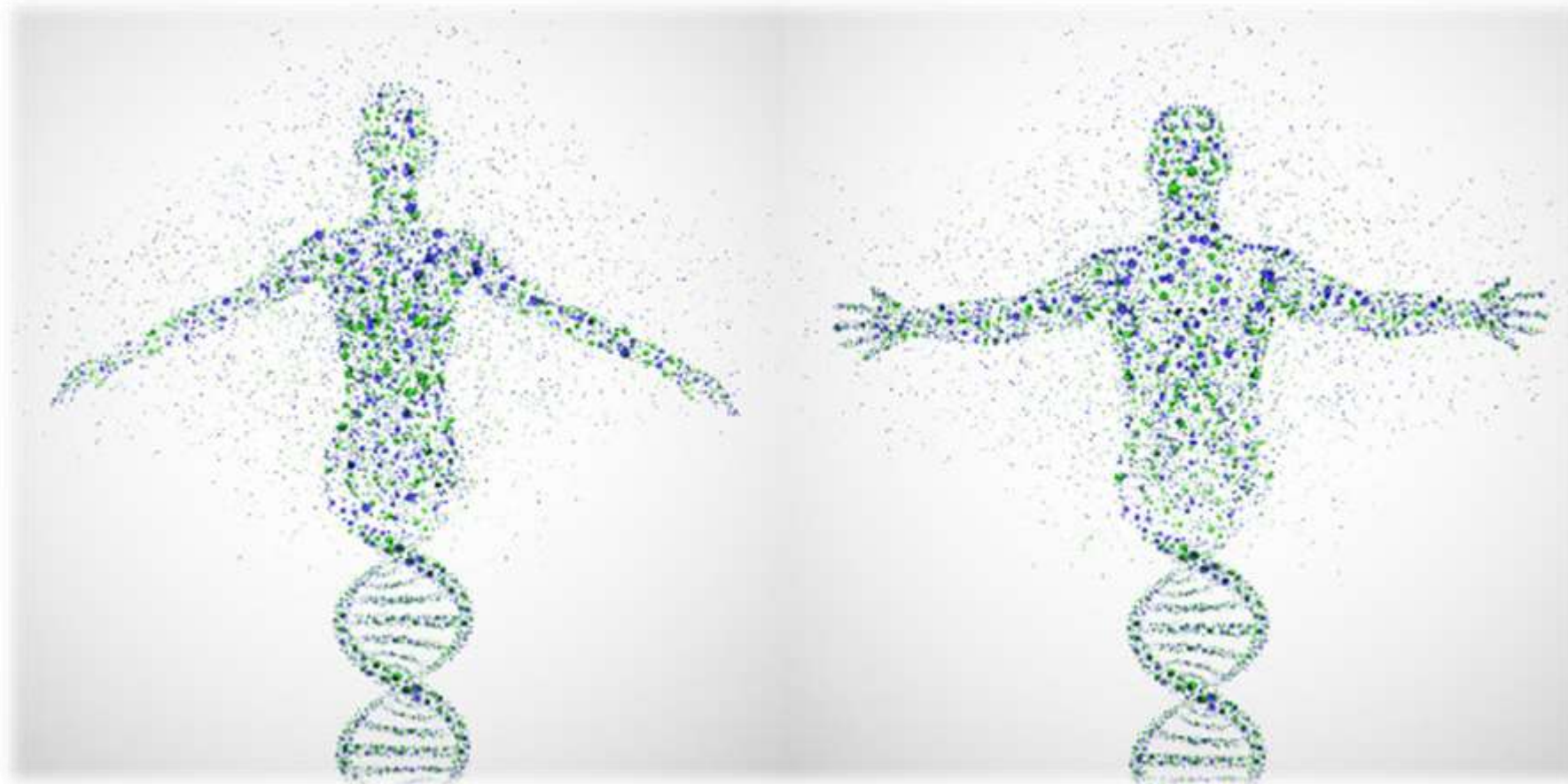
Health Alliance Plan and Henry Ford Precision Medicine Program

“We agreed in principle to explore the concept of HAP covering up-front testing for an initial diagnosis of all solid tumors coming in to Henry Ford, if the request for testing was vetted through one of our disease specific tumor boards, to prevent an unlimited number of requests and also to ensure that medical, radiation, and surgical oncology providers for each tumor type agreed that molecular precision medicine sequencing data had a realistic chance of changing the treatment outcome.”

The Golden Pill



Questions





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