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Clinical Update

Q3 2024

INSIDE THIS ISSUE

Provider abrasion: Measure it to manage it

Introducing a data-informed approach to proactively track and manage the impact of health plan operations on providers.

Dr. Andrew Hertler
CHIEF MEDICAL OFFICER
EVOLENT

Drop in on a conference panel about prior authorization and you may come away with some eye-opening stories. On one side, physicians detail cases where patient care was delayed or denied improperly. On the other side, you may hear about inappropriate or even harmful treatments that might have reached patients were it not for the intervention of medical reviewers.

What you might not leave with is a deeper understanding of the topic. Stories have the power to humanize an issue and engage an audience, but lobbing them back and forth will only take us so far. There are also limits to national surveys, which ask providers whether prior authorization has ever resulted in a

delay in care. Most say yes, but the results offer no insights into the frequency of such delays. For Evolent at least, our internal data shows they are rare.

To advance the conversation, we need more high-quality data, which is often lacking from the prior authorization debate.

Provider abrasion is a significant issue. It contributes to physician burnout. It influences whether providers continue participating with plans. It cascades to their patients and how those patients think about their health plans. We need to alleviate the paperwork burdens, disruptions and other factors that contribute to abrasion.

Of course, some degree of abrasion is unavoidable if we are to ensure patients get the best quality care, and that we are good stewards of the healthcare dollar. A peer-to-peer call that avoids a low-value cancer treatment, for example, may still inconvenience the requesting physician even if it results in the best outcome for the patient.

The challenge is to find the correct balance. How do we drive better outcomes and value while minimizing abrasion? And how do specific policies, processes or technologies affect that level of abrasion?

How do we drive better outcomes and value while minimizing abrasion? And how do specific policies, processes or technologies affect that level of abrasion?

To answer such questions, we need to objectively measure levels of abrasion and its contributing factors. That is why I'm excited about Evolent's new Provider Abrasion Index, which tracks five key drivers of abrasion and rolls them into one score. The index was designed following deep conversations with providers, including members of Evolent's scientific advisory boards, to be sure we are working with them to create a meaningful metric — and ultimately improve their experience.

With this index, we can benchmark levels of abrasion within different solutions, across plans, provider groups and more. We can dive into the numbers to see what is driving the result. Is it overturned denials, the rate of peer-to-peers, or something else? Is it something occurring nationally, or specific to a region or specialty? And importantly, as we roll out new product upgrades and initiatives, we can see whether they move the needle. Read more about the index on page 4.

We will also continue to leverage the insights we gain from our annual provider surveys, in combination with the operational data from the index, to gain a deeper understanding of our impact on providers.

Easing the friction

There are massive opportunities to achieve the goals of prior authorization while making the process less onerous and less visible for practices. For example, artificial intelligence can help increase auto-authorization rates, decrease requests for additional documentation, and may eventually make the use of portals unnecessary for many requests. Helping to drive these efforts is Dr. Von Nguyen, our new chief clinical officer, who comes to us from Google, where he worked closely with world-class engineers on AI applications in population health. This background, together with his deep experience in the worlds of payers, government and clinical practice, gives him a unique skill set to help us seize these opportunities. Read the Q&A with him on page 6.

Another strategy to ease abrasion is engaging providers and members early in the care journey. In our revamped musculoskeletal (MSK) care solution, for example, we're intervening "upstream" to make sure that members receive all appropriate conservative care and imaging as part of an approved care pathway. Should the member later need surgery after attempting less aggressive options, we will be more likely to auto-authorize it. Read more about our new MSK model on page 9.

In the end, I do not believe providers take issue with the main tenets of prior authorization — performing a quality check and ensuring they are reimbursed for care. It's the way we go about achieving those goals. My hope is that as we roll out new interventions that reduce abrasion, much of the noise around prior auth will subside. And when it does, we'll be ready to measure it. ●

Introducing the Provider Abrasion Index

Evolent recently launched a new metric to help us understand the impact of prior authorization on providers, and how we might minimize it.

This might sound counterintuitive, but when it comes to prior authorization, providers don't always enjoy being proven right. Take initial denials that are later overturned on appeal. Sure, their clinical judgment is backed up, but in the interim, providers had to do more work, they lost precious time making their case, and most importantly, care was delayed.

Over the last year, Evolent canvassed providers, including members of our scientific advisory boards, to learn what aspects of prior authorization create the most friction between them and payers. Our goal was to develop a way to measure an often-elusive concept: provider abrasion. As a result, the Provider Abrasion Index was born.

The index combines five indicators into a single number that can characterize abrasion across various dimensions — within a health plan, in an Evolent specialty solution, across provider groups, and more. Initially, it will be an internal tool to help Evolent understand the impact of its operations on providers. Eventually, results and insights will become more broadly available to clients.

While abrasion can certainly be reduced, the goal is not to eliminate it altogether. Peer-to-peer reviews, for example, inconvenience providers but they also help avoid low-quality care. Yet with this new tool, we hope to gain valuable insights into the cumulative impact of our operations on providers. The index can help us recognize patterns and trends, explore ideas for managing abrasion without compromising high-quality clinical oversight, and then assess the impact on providers of the ideas we implement.

Looking ahead

Evolent's work on the index has just started, and we are currently measuring and evaluating our data internally to get a pulse on the provider experience. As we move forward, we may refine the index by adjusting the weighting for certain metrics, for example.

Ultimately, we want to provide personalized, data-informed insights for our clients and explore ways that we can reduce provider abrasion together. We hope to better understand our business and process decisions, product design, and operational choices, and the impact they have on providers and, ultimately, members. ●
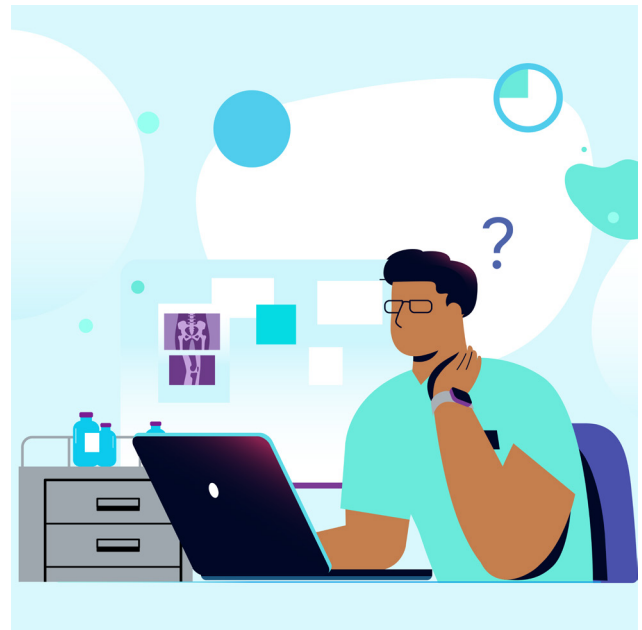
Moving beyond the subjective

Existing tools to gauge provider abrasion, such as surveys, often have limitations. For example, capturing feedback from every provider is impossible, and surveys typically gather subjective and imprecise information. Provider surveys may even contribute to the abrasion they purport to measure.

The Provider Abrasion Index captures quantitative data without the additional burden on providers. Still, the index doesn't capture all aspects of abrasion. For example, open-ended metrics such as average authorizations per patient can be challenging to measure in a straightforward way, given the impact of gold carding and other factors on which services require authorization. Nevertheless, we can track and report such metrics separately.

Q&A with Chief Clinical Officer Von Nguyen

Dr. Nguyen's background in value-based payment models, artificial intelligence and health plan operations lends itself well to the challenges of high-value specialty care.

Dr. Von Nguyen
CHIEF CLINICAL OFFICER, EVOLENT

Dr. Von Nguyen has spent his career paving the way for better outcomes and affordability in healthcare. With a background that includes designing federal value-based payment programs in several specialties, guiding quality and value efforts at a Blues plan, and helping to shape population health solutions at Google,

he recently brought his unique experiences and skills to Evolent as our new chief clinical officer. In this role, he will focus on scaling operations and integrating artificial intelligence (AI) to improve outcomes in specialty care.

Dr. Nguyen shared his perspective on multiple topics, including AI's role in healthcare, how he approaches provider abrasion, and why he says high-value specialty care is poised for growth.

You've worn many hats in your career. What is the perspective you have gained through the years about the pursuit of value and better health outcomes?

At the end of the day, whether you're a provider, a health plan, or the government, we all want to serve people and communities. We all want to ensure people have the right care, at the right time, and at the right place that makes the most sense for them. That was always my goal regardless of the role I held.

Career Highlights: Dr. Von Nguyen

GOOGLE
Clinical Lead, Population Health
Developed products at the intersection of population health and AI

BLUE CROSS NORTH CAROLINA
Chief Medical Officer and Senior Vice President
Led strategy and operations for population health, quality, provider relations, and value-based care modeling

CDC
Deputy Associate Director, Policy & Strategy
Led population health collaborations across various sectors

CMS
Senior Advisor
Built several value-based care programs at the Center for Medicare and Medicaid Innovation

What excites you most about your new role?

The opportunity to leverage all the skills I've acquired throughout my career to improve the health of the members we serve and also to advance value-based care. For 2025, experts are predicting upwards of an 8% increase in healthcare costs. As healthcare continues to increase faster than the rate of inflation, the environment isn't sustainable. There's been a lot of innovation with ACOs and primary care, but less so in specialty care. Now it's time. Evolent is on the cutting edge of innovation, and we have an opportunity to transform healthcare.

What are some of the key projects you'll be focused on?

One of the most interesting areas I'm working on is artificial intelligence. When I was at Google, I was part of a research team using large language models (LLMs) to build core capabilities for healthcare. These models are great with general conversations but require additional investment to be useful in specific applications. So we need to tune and train these models to understand the complexities of healthcare.

Despite so much innovation and technology, healthcare still lags behind other industries, and so many processes are still manual. I think we single-handedly keep the fax industry alive! AI can decrease the administrative burden on providers and staff and free them up to use their years of training and practice at the top of their licenses. AI can allow them to spend more time delivering care, building trusted relationships with patients, and ultimately improving quality and outcomes.

AI in healthcare is still in its infancy. What do you think it will look like when it's "grown-up"?

Some people don't realize how pervasive and second nature AI will become. But we shouldn't fear the "Terminator" scenario or think that it will take over all our jobs.

Healthcare is a team sport, and we should look at AI as another member of the team. We'll need to define roles and responsibilities and assign tasks to AI that it can do well. Tasks that it doesn't do well should stay in human hands. AI should never replace human judgment because it doesn't have that capacity, nor would we want it to.

What are some of the best use cases for AI in specialty care management?

AI is really good at recognizing patterns that humans can't see. If you have enough data, it can help you understand risk and intervene. For example, we can use AI to predict if a patient is likely to be hospitalized.

AI is also useful for picking up needles in a haystack. If you're a clinical reviewer who typically has to sift through pages upon pages of documentation, AI can quickly find those key pieces of information you need for a medical necessity determination. The technology can also capture an idea, rather than just finding specific words, and summarize it based on all the notes in a meaningful way.

Provider abrasion is a stubborn challenge. How can we best minimize abrasion while still delivering value?

Above all else, we must prioritize trust and remember that providers, health plans, and Evolent are all trying to make the right decisions for patients. Trusted relationships, however, don't happen overnight but through engagement over time. That's the core of what we do at Evolent — building trust and engagement with providers to drive value for patients and our customers.

Technology also has a large role. Through AI, we can make the prior authorization process more transparent, issue more auto-authorizations, and reduce paperwork and administrative burden.

ACOs and other primary care VBC models have been around for years. Where do you think we are with value-based specialty care?

All our early successes, such as the Medicare Shared Savings Program, have been very important in helping us understand what's working and what's not. We're at that inflection point where we can think about specialty models in a way we haven't before and impact the cost of care in complex areas like oncology, cardiology and musculoskeletal care. We're ready to scale these models to make them more accessible to more patients. ●

READ MORE

Visit Evolent Insights to read a longer version of this interview:

evolent.com/von-nguyen-interview

Re-envisioning musculoskeletal condition management

Evolent's vision for musculoskeletal conditions builds on its deep UM capabilities to engage patients and providers upstream to improve overall quality and affordability.

For 15 minutes, a physician counsels a patient on a list of health conditions — high blood pressure, smoking and weight. But as the appointment winds down, the patient brings up a new ailment — acute back pain that also radiates down his leg. The physician knows that such conditions often resolve themselves within a month without intervention or after physical therapy. But she also senses an urgency to "do something," and she thinks he'll feel better if a scan reveals no underlying issues. Already late for her next patient, she orders an MRI.

It may be the path of least resistance, but it may also be the road to a longer recovery, more severe complications and higher spending.

Variations of this scenario play out across musculoskeletal (MSK) care, as early decisions have profound consequences for the patient's trajectory. Patients with low back pain who receive an early MRI — within 30 days of the onset of symptoms — are eight times more likely to undergo surgery.[1] On the other hand, patients who receive early physical therapy have 60% lower healthcare costs.[2] They also spend less time on disability and have lower risk of surgery, spinal injections or opioid use.

Despite the importance of these early care decisions, they typically occur outside the realm of traditional prior authorization, and often in a primary care setting. Months after that first

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[1] Webster BS, Cifuentes M. Relationship of early magnetic resonance imaging for work-related acute low back pain with disability and medical utilization outcomes. J Occup Environ Med. 2010;52(9):900-907. doi:10.1097/JOM.0b013e3181ef7e53

[2] Childs JD, Fritz JM, Wu SS, et al. Implications of early and guideline adherent physical therapy for low back pain on utilization and costs [published correction appears in BMC Health Serv Res. 2016 Aug 26;16(1):444. doi: 10.1186/s12913-016-1681-2]. BMC Health Serv Res. 2015;15:150. Published 2015 Apr 9. doi:10.1186/s12913-015-0830-3

decision, when a surgeon requests approval for a procedure, it may be approvable. Yet, that outcome might have been prevented had conservative care been attempted at the start.

To meet this need, Evolent is designing a comprehensive solution for management of MSK conditions that seeks to navigate patients toward better outcomes from the beginning of their journeys. While most MSK products tend to focus on either member engagement, provider behavior change, or utilization management, such approaches have limited impacts on their own. Evolent's comprehensive MSK care management solution pulls all three approaches together into an integrated approach that aims to drive outsize value. Those are:

Next generation UM. We are building upon the strength of our UM capabilities with investments in machine learning and artificial intelligence, to make it more provider friendly and efficient. Moving beyond traditional UM, this platform enables us to provide suggestions to providers about the optimal path of care — for example, shifting procedures to more appropriate, lower-cost sites of care.

Member engagement and activation. Connecting Evolent's UM platform to a member-facing engagement platform that identifies and activates members as early as possible allows us to more effectively navigate

8X

increase in likelihood of surgery if early MRI is performed for low back pain

members to conservative care and away from costly downstream procedures. We do that by connecting members to an MSK-focused clinician for a full telehealth evaluation of their case, providing the member a holistic view of their treatment options, and developing a personalized care pathway. Members referred to physical therapy receive high quality care through an app, in-person appointments, or a hybrid approach.

Provider outreach and alignment. To get members into the engagement program as early as possible, we will align with key primary care provider groups and management services organizations to establish referral flows into the program. Later, if members need additional services, such as a referral to a surgeon, we leverage deep provider analytics and performance monitoring to "soft steer" them to high-value providers and sites of care.

As important as these three components are, so too are the links between them. For example, having members and providers aligned around curated care pathways can streamline approvals, as our UM team will have a view into the steps that led the member to need an escalation of care. Through such connections, we hope to create a more cohesive MSK care experience from beginning to end. ●
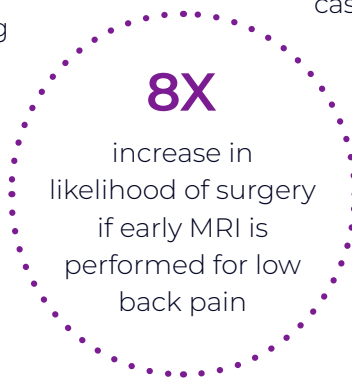
TRANSFORM MSK CARE

Ready to reimagine the MSK care experience for your members?
Connect with your account team to learn more.

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Evolent partners with health plans and providers to achieve better outcomes for people with complex health conditions. Working across multiple medical specialties and primary care, we seek to ensure that care plans align with clinical evidence, respect members' goals and preferences, and connect seamlessly across providers and settings. Evolent serves a national base of leading payers, including managed Medicaid, Medicare Advantage and commercial health plans. Through a comprehensive suite of resources — such as high-value clinical pathways, electronic decision support and value-based payment models — we create an ecosystem that helps providers deliver better, more affordable care to their patients. Tens of millions of Americans have access to our clinical expertise through their plans. Learn more about Evolent **evolent.com**