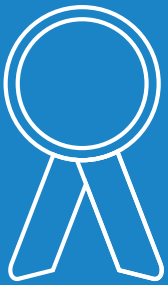


# EVOLVING NETWORK SOLUTIONS\*

## A QUICK REFERENCE GUIDE

What network solution or combination of solutions is right for your business? Use this guide to gain a high-level understanding of how they work.

### Centers of Excellence



#### WHAT:

Centers of Excellence (COEs) give your employees access to providers with excellent performance in delivering care for complex conditions and procedures.



#### WHY:

COEs deliver better outcomes for your employees and reduce the cost of care.

COEs ARE USED BY **88%**  
OF LARGE EMPLOYERS<sup>1</sup>



#### KEY CONSIDERATIONS:

- How extensive is the historical performance data?
- What quality standards are applied?
- How significant are the cost differences for each specialty?

### Tiered Networks



#### WHAT:

Providers in these networks are tiered by performance. Top-tier providers deliver better outcomes at a lower cost.

#### WHY:

Guiding employees to top-tier providers promotes quality and reduces total cost of care.

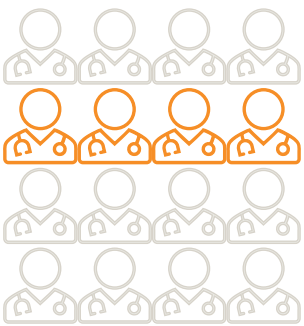
TIERED NETWORKS ARE USED BY **31%**  
OF FIRMS WITH 5,000+ EMPLOYEES<sup>1</sup>



#### KEY CONSIDERATIONS:

- Are both cost and quality standards consistently applied?
- What utilization assumptions were used to project savings?
- Are the tiers overly restrictive?
- Are incentives strong enough to encourage selection of top-tier providers?

### Narrow Networks



#### WHAT:

Narrow networks limit participation to providers who've agreed to lower fees in return for patient volume and/or who've shown to deliver care at lower costs.



#### WHY:

Contracting lower per unit costs and limiting employee access to select in-network providers can generate substantial savings.

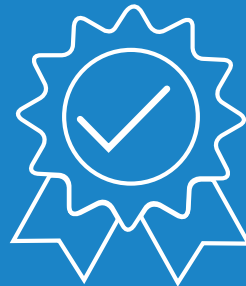
NARROW NETWORKS ARE USED BY **19%**  
OF FIRMS WITH 5,000+ EMPLOYEES<sup>2</sup>



#### KEY CONSIDERATIONS:

- Is quality of care appropriately emphasized?
- How many employees will be impacted by reducing in-network providers?
- Are you prepared to handle employee feedback and/or dissatisfaction in these cases?

### High-Performance Networks



#### WHAT:

These networks limit access to, and/or promote providers who achieve quality outcomes at a lower cost compared with other providers.



#### WHY:

Ensures your employees are seeing high-quality providers while also reducing total cost of care.

HIGH-PERFORMANCE NETWORKS ARE USED BY **15%**  
OF EMPLOYERS<sup>3</sup>



#### KEY CONSIDERATIONS:

- Are there well-defined and rigorous quality standards, using sufficient data, applied across all providers?
- Are you offering side-by-side with a PPO which may negate effectiveness due to self-selection?

\* For illustrative purposes only. Not intended to reflect any specific network. Network features and purpose will vary.

1. National Business Group on Health, NBGH 2018 Large Employers' Healthcare Strategy and Plan Design Survey  
2. Kaiser Family Foundation, 2017 Employer Practices and Health Plan Networks  
3. Kaiser Family Foundation Employer Health Benefits 2017 Annual Survey

