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Optimizing Network Adequacy and Integrated Care Teams: A Path to Better Health Outcomes

The private sector routinely tracks how broad workforce issues impact the U.S. economy. What is less common is recognition of the ways the health sector's workforce is as much a critical component to overall economic stability as it is the ability of the health care system to care for the nation's population. Despite seeing this relationship in real time throughout the global COVID-19 pandemic, there has been little action taken outside of the health sector to reimagine support for the health workforce.

The health workforce is considered one of the most critical components of the health care system and its ability to support innovation, affordability, quality and equity within public and commercial insurance programs.

To unleash the full capacity of the health workforce, stakeholders should work to: →

Given the organization's focus on employer-sponsored coverage within the commercial market, Morgan Health acknowledges the importance of employers' plans' networks supporting the most expansive approaches to growing and scaling capacity within the health workforce.

- Maximize the ability of clinicians, providers, and allied health workers to practice at the top of their credentials.
- Support innovation in payment and delivery through the use of integrated care teams that bridge physical and behavioral health, especially in the delivery of advanced primary care.
- Update education and training to bolster awareness and better address population-specific concerns (e.g., women's health).
- Pursue methods to reduce barriers to entry for all levels of health careers, including community health workers, doulas and midwives.

Network Adequacy, the Health Workforce, and Integrated Care Teams

Sponsors of employer-sponsored insurance (ESI) plans continue to struggle with rising health care costs without seeing commensurate improvements in quality of care or employee health outcomes. These are among several factors leading employers to seek innovative ways to strengthen their offerings, including turning to tiered or narrow networks. Both of these approaches involve contracting with a limited or selected group of providers, and as a result, these network innovations may translate into lower premiums and reduced cost-sharing.[1] While tiered or narrow networks can benefit both the employer and employee, there is also a risk that these approaches could result in networks that fail to provide meaningful access to timely, convenient and high-quality care.

Employers – particularly large, self-insured employers – may also be drawn to direct contracting arrangements, where they bypass traditional insurer networks and contract directly with health care providers, often for specific services or bundles of care. Given recently enacted federal laws that promote direct primary care, there may be increased uptake of such arrangements.[2] For direct contracting arrangements to be successful, they must be supported by adequate provider networks. Little is known about how direct contracting will impact network adequacy across a given market (e.g., for other employers operating in the same area) or the health care system broadly. Maintaining network adequacy is critical because inadequate provider networks prompt patients to delay or avoid care, or seek out-of-network care, all of which increase costs across the health care system.[3]

Definitions

- **Tiered networks** divide providers into groups based on cost and quality, offering lower out-of-pocket costs for patients who choose higher-value providers.
- **Narrow networks** consist of a smaller, curated list of providers, often selected for lower costs or better performance.
- **Direct contracting** involves agreements between employers and providers, bypassing traditional insurance networks.

Variations in Network Adequacy Standards and Oversight

Network adequacy is a health plan's ability to deliver the benefits promised by providing reasonable access to enough in-network providers and hospitals. The concept is widely understood to include factors such as provider-to-enrollee ratios, minimum number of providers in a network, travel times and distances between enrollees and providers, and appointment wait times. As there is no national standard for network adequacy, there is wide variation in how federal and state oversight of plans and payers addresses adequacy.

The Employee Retirement Income Security Act (ERISA) does not include federal network adequacy standards for employer-sponsored group plans,[4] nor does the Department of Labor have the authority or standards to enforce network adequacy for employer plans.[5] At the state level, states have regulatory authority over fully insured health plans offered by state-licensed issuers; but self-funded plans are generally not subject to state law or oversight.[6]

Qualified health plans offered on the federal exchange are required to maintain provider networks that are sufficient in number and types of providers to ensure that all services, including mental health and substance use disorder services, are accessible to enrollees without unreasonable delay.[7] Provider networks of exchange plans also must include "essential community providers" that predominantly serve low-income and medically underserved individuals. However, the government has not promulgated standards or definitions to effectuate these requirements. In state-based exchanges, there have been limited efforts to adopt network adequacy standards or requirements, and methods of oversight range from self-attestation by insurers to third-party accreditation.[8]

Optimizing network adequacy is critical to ESI, but can be challenging to operationalize. Shortages across the health workforce are a primary driver of this problem. A lack of providers contributes to issues like long wait times for appointments and large geographies without access to certain types of care, which are common metrics for assessing network adequacy. There is also a qualitative component to adequacy, driven by factors like whether there are sufficient types of health care workers who can provide care in ways that maximize quality and patient experience. In this way, innovative models like integrated care teams and value-based care arrangements can help foster network adequacy in ESI. These approaches prioritize working collaboratively across provider types, settings and modalities, and emphasize primary care, early intervention and shared management of complex conditions.[9]

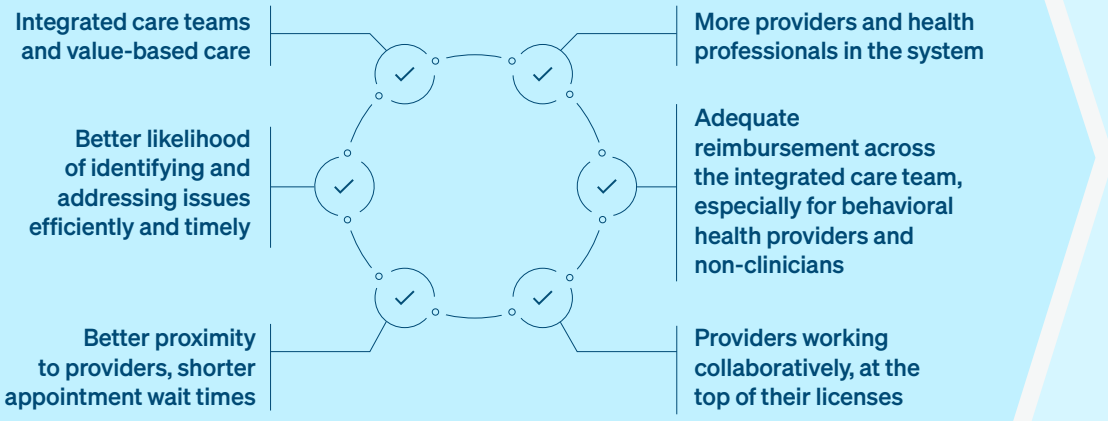
In integrated care teams, a group of diverse health care professionals – across different specialties and including clinical and non-clinical providers – collaborate to provide comprehensive, coordinated care for patients. In these arrangements, providers are each working at the top of their licenses, providing care and services that they are uniquely positioned to offer, and working together to deliver efficient and high-quality care.

Network adequacy and integrated care teams are both shown to have significant impacts on health outcomes and the cost of care.

- **An adequate network of providers helps minimize delays in treatment, long travel distances, or reliance on inappropriate or out-of-network providers and services; all of which can drive up costs and worsen health in the short and long-term.[10]**
- **Similarly, research shows that integrated care decreases utilization of avoidable high-cost services like emergency department utilization[11] and hospital readmissions,[12] and improves outcomes along important metrics like medication adherence,[13] blood pressure control,[14] and patient satisfaction.[15]**
- **Adequate networks and integrated care teams, populated by a robust, multidisciplinary, and diverse workforce, can be especially beneficial for vulnerable and medically underserved populations and can help address disparities in health care access and outcomes.[16]**

Realizing the vision of integrated and value-based care rests on system-level workforce strategies that provide for enough qualified staff to coordinate extensive services and deliver personalized care.[17] Health systems and payers, including employers across the spectrum of industries, should commit to building a strong pipeline for all kinds of health professionals - from primary and specialty care physicians, to behavioral health providers, to nurses and advanced practice clinicians, to health support specialists and other allied health professionals like community health workers, doulas and care coordinators.

What Network Adequacy Makes Possible



Higher quality care, improved patient experience, lower costs for both patients and payers, including employers sponsoring health benefits plans

Notes

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