



The Power of Payment A Prescription to a Brighter Future



Agenda

- Introduction
 - About the Presenter
 - About PBC Solutions
- Power of Payment in Driving Health Outcomes
 - 8 Key Influences Payment Can Shape in Healthcare
- Case Study
 - LFP (Longitudinal Family Physician) Payment Model
- Conclusion
 - The Importance of Payment Models in Shaping Healthcare
- Roundtable Discussion Questions



About the Presenter



Barry Rivelis

- President, PBC Solutions
- SVP and Chief Strategy Officer of Pacific Blue Cross
- Chief Information Officer, PHSA, Vancouver Coastal and Providence Health
- VP Health, TELUS and TELUS Health
- Partner, EY (Toronto)
- Founder, TELUS Health and PBC Solutions

- System experience from a Private, Public and Operational Perspective

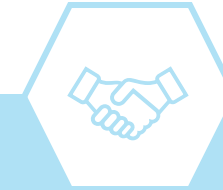


Who is PBC Solutions?



PBC Solutions:

- Wholly owned subsidiary of Pacific Blue Cross
- Operates Health Insurance British Columbia (HIBC) Services and can scale
- 300+ team members (Exempt and Union)



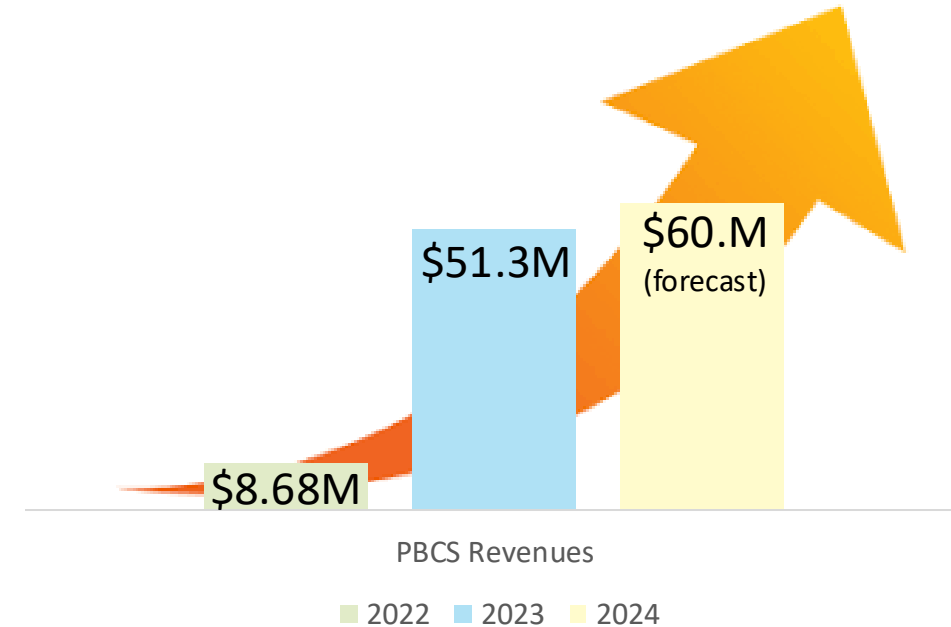
Collectively PBCS and Pacific Blue Cross manage:

- Payment platform for physicians (PBCS)
- Payment platform for Allied Care providers (PBC)
- Payment platform for Pharmacies (Public and Private payer) (PBC and PBCS)



PBC Solutions

- PBC Solutions was incorporated in 2022
- Revenue over three years has grown exponentially
 - 2022 - \$8.9M (transition)
 - 2023 - \$51.3M
 - 2024 - \$~60M (forecast)
- Ability to scale by leveraging assets and expertise from the vast experience of Pacific Blue Cross and our strategic partners, for both Public and Private sectors





PBCS draws on 80 years of experience

80+ years

PBC establishes experience and relationships with

- Blue Cross ecosystem
- BC government (HLTH)
- Digital health strategy leaders
- Physicians and allied health providers

2020

Province of BC issued a Joint Solutions Request for Proposal (JSRFP) for HIBC Services.

2021

PBC and its consortium were affirmed as HIBC's preferred provider, triggering contract negotiation and transition planning.

2022

PBC Solutions is created and signs contract as HIBC's alternative service provider. Transition planning begins.

2023

PBC Solutions assumes the responsibility for HIBC's administration services.

Today

PBC Solutions is modernizing BC's health benefits systems

HIBC SERVICES CONSORTIUM





We operate key elements of the health benefits experience

MSP Provider
Services

MSP Beneficiary Services

PharmaCare Program
Manage PharmaNet



How we support HIBC and beneficiaries



\$5B

in payments processed annually through 190M claims



5.5M

beneficiaries covered including about 3 million families



1.3M

inquiry phone calls annually through our call centre



1.4M

Families receiving assistance under Fair PharmaCare



87M

Prescriptions and PharmaCare covered claims per year



1M

Documents processed each year (enrolments, premium assistance, etc.)



24K

Registered primary care providers



Process

- Health Benefits Management
- Drug Information Management
- Digital Channels (Call Centre, IVR, Portals)
- Analytics
- Document Scanning
- Cybersecurity/Privacy
- Finance, HR, Payroll
- Knowledge Management

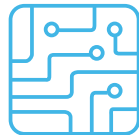


People

- Health benefit process leaders
- Adjudicators
- Citizen Services
- Provider Services
- Document Management and Administrator
- Analytics
- Architecture/IT
- Corporate Service Team

Technology

- ACES Claims Processing System
- Cloud - based services
- Architecture Modelling (LeanIX)
- Analytics (PowerBI)
- Security and Access (Microsoft Azure)



Relationships

- BC Government (Ministry of Health)
- BC Citizens (1/3)
- BC Providers (Public & Allied)
- Blue Cross ecosystem

**Our Unique
Assets**



Power of Payment in Driving Health Outcomes



8 Key Influences That Payment Can Shape in Healthcare

-  1 Access to Care
-  2 Cost Control
-  3 Provider Behavior and Incentives
-  4 Patient Outcomes
-  5 Equity and Fairness
-  6 Innovation and Quality
-  7 Government and Policy Influence
-  8 Sustainability



1



Access to Care

Payment models determine whether patients **can afford care and how easily they can access it.**

- Insurance networks
- Out-of-pocket costs
- Government programs

2



Cost Control

Payment models like value-based care, which rewards quality outcomes rather than the volume of services, **help control rising healthcare costs.**

- Bundle payments
- Payment caps
- Incentivized fees



3

Provider Behavior and Incentives




Payment models affect how providers **deliver care**.

- Fee-for-service
- Capitation/bundled payment
- Value-based/volume-based

4

Patient Outcomes



Models that emphasize coordinated care, prevention, and long-term health tend to lead to better outcomes.

- Patient satisfaction
- Clinical results
- Reduced hospital readmissions (rather than quantity of services provided) can improve patient outcomes and experiences.



5



Equity and Fairness

Payment systems can help address **healthcare disparities**.

- **Global budgeting**
- **Universal healthcare** models distribute healthcare more equitably
- **Sliding-scale payments** and subsidies for low-income patients

6



Innovation and Quality

Payment models **that reward outcomes and innovation** encourage healthcare providers to adopt new technologies and treatment methods.

- Canada Health Infoway
- **Value-based care** promotes the use of telemedicine



7



Government and Policy Influence

Government-funded healthcare models.

- Setting industry standards
- Shaping market behavior
- Driving policy reforms.

Policymakers use payment models as tools for **broader healthcare reform**.

8



Sustainability

Financial sustainability of healthcare systems .

- Depends on how payment models control costs while maintaining quality. Poorly designed models can lead to overuse of services



Example:

Longitudinal Family Physician (LFP) Payment Model British Columbia



What is LFP?

- New Payment Model developed by the BC Ministry of Health in consultation with BC Family Doctors and Doctors of BC
- Came into effect February 1, 2023
- Alternative to the *Fee-for-Service* model and *Alternative Payments Program*
- Blended compensation model for Family Practice physicians to support those who provide longitudinal family medicine care
- Initial rollout to Family Physicians working in primary care settings



Why LFP?



- Critical need to retain and attract family physicians in community longitudinal practice
- Helps more family physicians start or continue their practice and enhance primary care access
- Provides greater flexibility in physician practices
- Reduces administrative pressures for physicians to support more time for direct patient care
- Structure enables physicians to discuss multiple issues with their patients during a single appointment



Impacts



- **Transformative shift** on how Family Physicians (FPs) are compensated
- Since its launch, **80%** of FPs (or **over 4,100** physicians!) have registered for the LFP Payment Model
- A **16% increase** (or **700+!**) more FPs delivering care in BC
- Many are **new to practice or newly billing MSP**, and some were posed to close their offices and are choosing to continue to practice (DoBC reported)



Overview of the work by PBC Solutions

Design and testing

Resource Requirement
Analysis

New fee codes analysis and
coding of related business
rules

Monitoring and
reporting

Data Collection &
Analysis Requirements

Communications,
adjudication training
materials

Operational Impact
Assessment

Ongoing analysis, design
and implementation of
system improvements



The Importance of Payment Models in Shaping Healthcare



Payment models and systems are a critical pillar of the health system.



When utilized effectively, clinical outcomes can be influenced widely.



Effective payment systems are essential for reducing costs, driving innovation, and ensuring engagement.



Data management plays a critical role: a transition to a new payment model relies on robust data collection and analysis.



There is a need to prepare for changes in payment models across Canada. These changes require training and investments in people, processes and technology.



Thank you

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