

VIDEO CONFERENCING (VCON)

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Executive Summary of the Initiative and Benefits

The initiative increases the use of VCON at meetings, workgroups, committees, etc. for managed care organizations (MCOs) who contract to provide services for Oregon Health Plan (OHP) clients.

This initiative provides savings for MCOs by reducing travel expenses and their staff time spent traveling. Another anticipated outcome of this initiative is improved MCO satisfaction.

Redeployment Plan

All savings are for MCOs; therefore, DMAP does not have a redeployment plan.

Improvement Summary

There are approximately fifteen to twenty monthly meetings, workgroups, or committees with MCOs. DMAP is increasing the availability of VCON during these meetings.

Prior to this initiative, DMAP did not hold any VCON meetings with MCO stakeholders. Currently, DMAP offers VCON at six of these meetings. Two MCOs have chosen to participate by VCON on a regular basis. However, interest and inquiries from other MCOs to participate continues to increase. Participants used existing VCON applications, therefore they did not need to invest in purchasing expensive equipment.

MCOs who are traditionally called into meetings have two benefits from VCON. One is a far better quality of sound, and the second is the benefit of seeing people at the meeting. This will result in higher satisfaction for DMAP's MCO stakeholders and result in more effective meetings.

Benefit/Outcome Description

DMAP distributed a survey prior to the beginning of monthly VCON meetings with MCOs and received responses from nine out of the twenty-five MCOs that took the survey.

There are concerns as well as excitement about the possibilities VCON may create for DMAP's MCO stakeholders. The quality of the VCON must be good in order to increase its use. In fact, current MCO stakeholders that use VCON have commented on how much easier it is to hear than on the phone.

DMAP promotes the use of VCON in meetings and also in the electronic announcements of future meetings. It is probable that DMAP will never have 100 percent of its MCOs using VCON 100 percent of the time, because of the opportunity for networking that face-to-face meetings provide.

Logic Description

Most MCOs spend between 1.5 and 2.5 hours roundtrip to participate in meetings at DHS, and most participate in six or more meetings each month. Through the use of VCON, each MCO could potentially save on average fifteen hours of non-productive driving time each month.

The hourly cost of the non-productive time varies greatly depending on the where the MCO is located. Most MCOs travel between 91 and 150 miles roundtrip combined to attend the six meetings per month. Using the federal reimbursement rate of 55 cents per mile, the average mileage cost per MCO is \$66 per month.

Average roundtrip of 120 miles X \$.55 = \$66 per trip

Assumptions - Baseline:

0 meetings etc. held using VCON.

0 MCOs using VCON

Source of savings:

Direct costs – 1) MCO travel time 2) MCO mileage

TRAVEL TIME SAVINGS FOR EACH MCO

A	Travel time to a single meeting (Roundtrip)	1.5 hours	2.5 hours
B	Number of hours of travel time per month for one MCO for six meetings (A X 6 meetings)	9 hours	15 hours
C	Average MCO employee wage (used by McKinsey) at \$30 per hour for travel time (B X \$30)	\$270	\$450
D	Average cost of food per day	\$46	\$46
E	Average cost of hotel per day	\$70	\$70
F	Average mileage cost per month per trip	\$66	\$66
G	Total savings per month for one MCO (C + D + E + F = G)	\$452	\$632
H	Annual dollars saved for one MCO (G X 12 months = H)	\$5424	\$7584

Sustainability Plan / Ongoing Metrics for the Next 12 Months (June 1, 2009 through May 31, 2010)

Through November 2009 the average number of MCOs participating has grown to four and savings of \$7,829 have been achieved against a twelve months goal of \$10,231. DMAP now projects a savings of \$15,660 for the MCOs during the period ending May 31, 2010. The Initiative Leader will work with the Initiative Sponsor and support staff to ensure that the emphasis on using VCON for MCO meetings will continue. The Initiative Leader will submit monthly data to DMAP's Project Manager through May 2010 that indicates the following:

- Total number of MCOs capable of using VCON
- Number of meetings per month in which VCON is available
- Number of meetings per month in which VCON is NOT yet available
- Number of VCON participants per month

Attachments:

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| <input checked="" type="checkbox"/> Data Spreadsheet | <input type="checkbox"/> Reinvestment Plan |
| <input checked="" type="checkbox"/> Customer Survey | <input type="checkbox"/> Business Case |

References:

Surveys – customer/client: Customer survey

Reports – internal/external:

Web links: