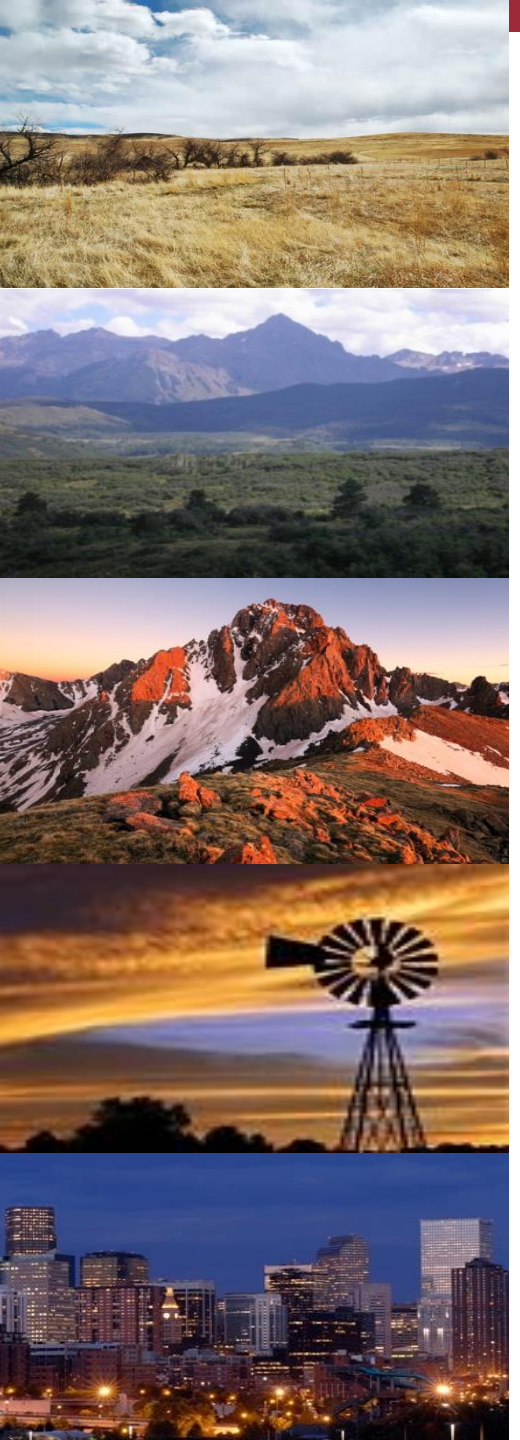

Same or Different Puzzles: Quality and Payment

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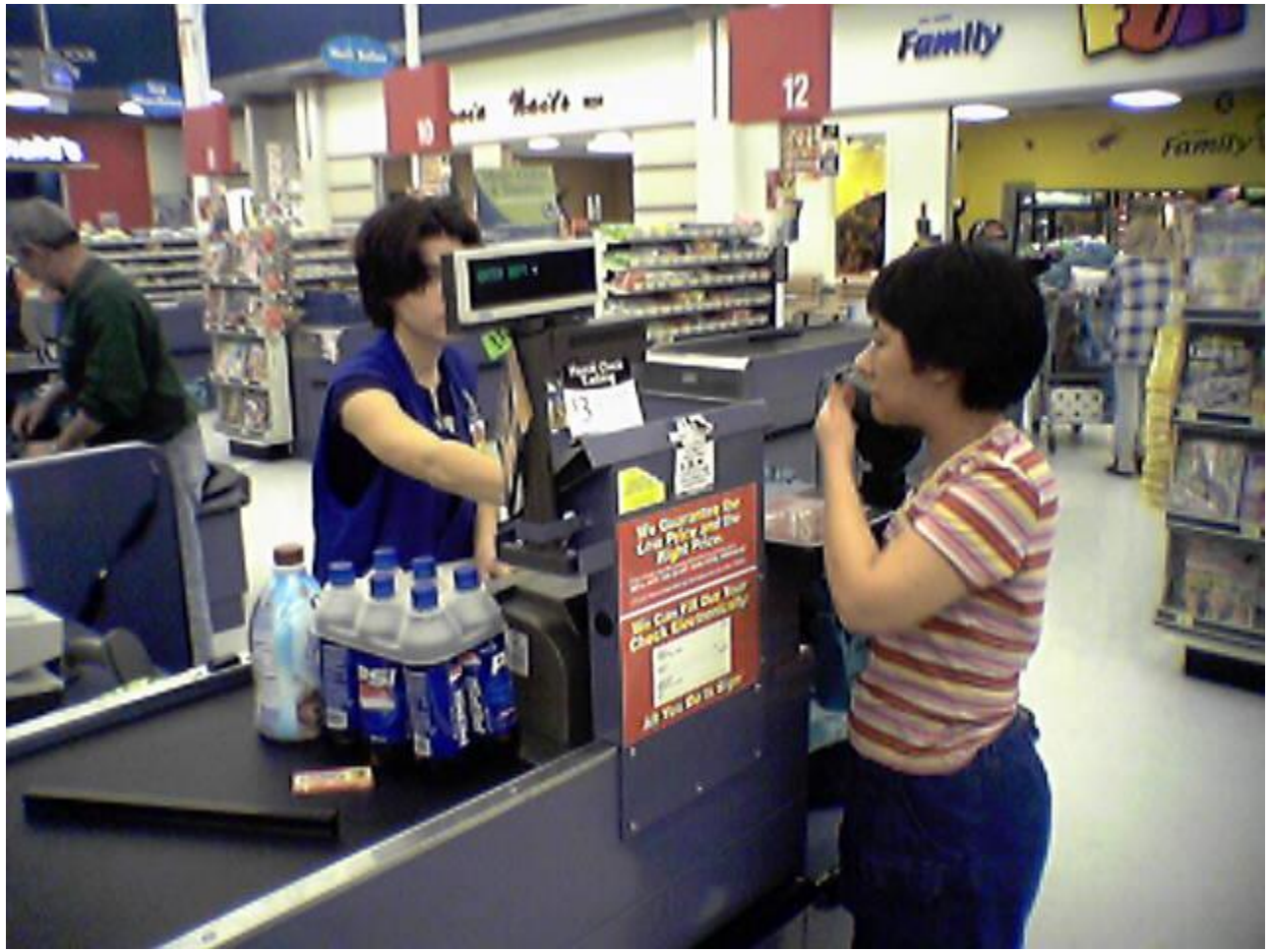
What is one word that comes to mind when you hear "Value-based payment" or "Value-based care"?

What is Value-Based Payment?

"Value Based Payment is a concept by which purchasers of health care (government, employers, and consumers) and payers (public and private) hold the health care delivery system at large (physicians and other providers, hospitals, etc.) accountable for both quality and cost of care."

- American Academy of Family Physicians

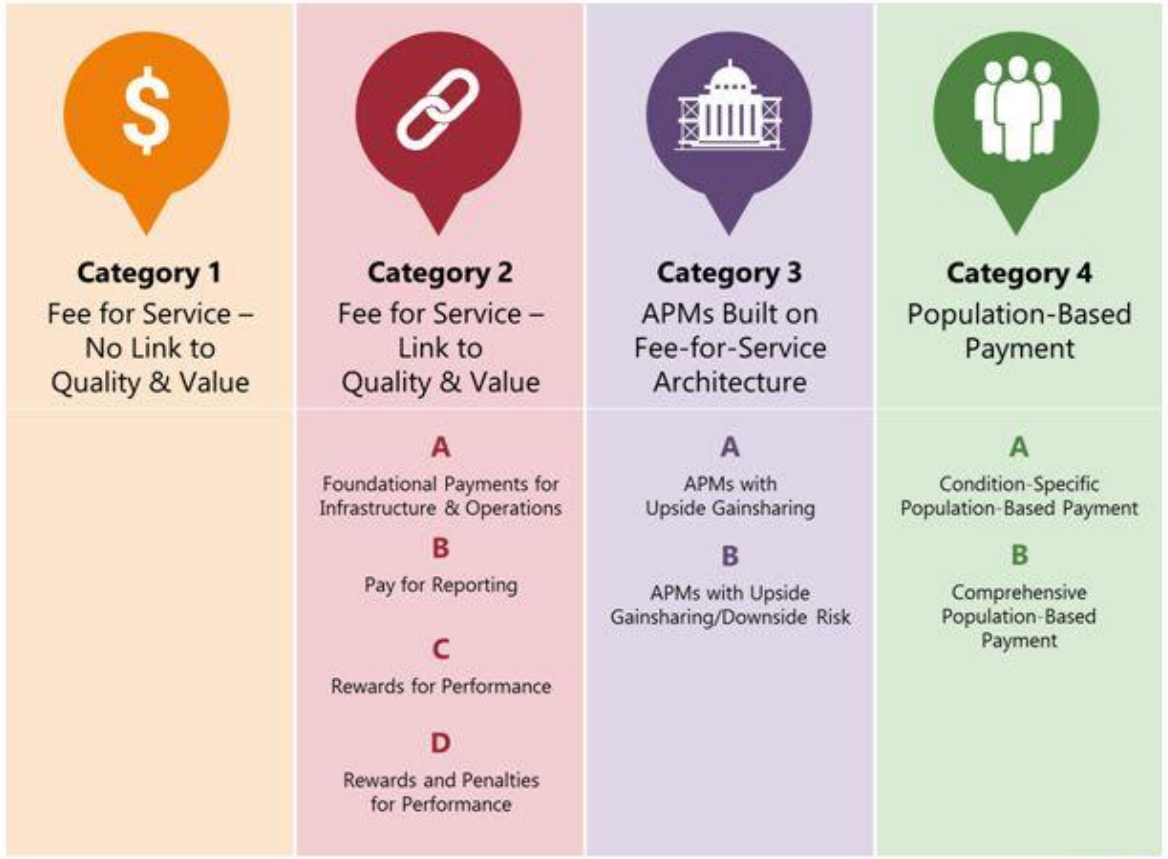
Payment Today



Value-Based Payment is:

APM Framework
At-A-Glance

The framework situates existing and potential APMs into a series of categories.



Category 2

Fee-for-Service with a Link to Quality and Value – Includes:

- Foundational payments for infrastructure and operations
- Pay-for-Reporting
- Rewards for performance
- Rewards and penalties for performance

Category 2 Examples

- Colorado Medicaid Primary Care Alternative Payment Model (APM)
- Colorado Medicaid KPIs
- Patient Centered Medical Home (PCMH) grants/funding
- HRSA Quality Awards

Category 3

Alternative Payment Models (APMs) Built on Fee-For-Service Architecture

- APMs with upside gainsharing
- APMs with upside gainsharing/downside risk
- Example: Medicare Shared Savings Program (MSSP)

Category 4

Population Based Payment

- Condition specific population based payment
  - Bundled arrangement examples: knee replacements, pregnancy, cardiac surgery
- Comprehensive population based payment
  - Managed care

Insert a poll

- What category do the majority of your payer contracts fall into?

What category do the majority of your payer contracts fall into?

Category 1: Fee-for-service

Category 2: Fee-for-service with a link to quality

Category 3: APMs built on fee-for-service architecture

Category 4: Population based payment

Quality Measurement in VBP

Gates – pass/fail measures or thresholds which determine if a provider is eligible for awards, additional payment, or shared savings. Examples:

- PCMH recognition
- Threshold of patient engagement
- Reduced/lower than predicted total cost of care

- Programs I've seen that use these:
  - MSSP – part of shared savings distribution plan
  - Medicaid – Behavioral Health Incentive program for regional entities

Quality Measurement in VBP

Performance – measures in which the providers improvement or achievement of a benchmark impact or adjust the payment the provider receives.

- Electronic Clinical Quality Measures
- HEDIS or other claims measures

- Programs I've seen use this:
  - Colorado Medicaid APM
  - MSSP – federal shared savings distribution

Considerations for Development

- What will be rewarded?
  - Improvement, achievement or both?
  - Participant choice or one measure set?
  - Process or outcomes?

- How will measurement work?
  - Nationally aligned or in-house developed?
  - Who collects and verifies the data?
  - How are benchmarks or targets established?

Considerations for Development

- What are the rewards?
  - Modifications to regular rates or separate payments?
  - Rewards for each measure or combined system?
  - Gainsharing/downside risk: same for all or different based on size or provider type?

- Is the program fair?
  - Does it account for social determinants of health?
  - Does it disadvantage provider types?

My Criteria for Meaningful Benchmarks

- Achievable
- Relevant to the population served
- Consistent over time
- Aligned with other initiatives

Other Program Design Components

- How does the program balance the need for consistency over time for practices while also continuing to encourage innovation?
  - How long can a practice receive “credit” for a measure they do well on?
  - How long will a measure be available if all practices perform well?
  - How frequently are baselines refreshed?

- How does the program manage changes to nationally defined metrics?

Practice Level Considerations in Selection

- How ready for a value-based arrangement are we?
  - Quality Improvement process
  - Data and IT capabilities
  - Patient and panel management
  - Care team structure and readiness

- What do we do well?
  - Partnerships with hospitals or other community organizations
  - Certain disease or diagnosis management

Practice Level Considerations in Selection

- Where could we improve?
  - Are there evidence based practices which have not been expanded in your clinic?
  - Could workflows be built around specialist, hospital and imaging referrals?

- What level risk are we ready to take on?
  - Are you financially stable? With a good reserve?
  - How have past efforts to implement new programs gone?
  - Is your workforce stable?

The Measures of Today

- Percent of defined population screened for…
  - Breast cancer
  - Colon cancer
  - Dental carries
- Percent of defined population receiving…
  - Wellness visit
  - Fluoride varnish
  - Pap test
- Percent of defined population with…
  - Uncontrolled diabetes
  - Controlled hypertension
  - Follow-up plan for depression
- Use of care:
  - ER resulting in admit
  - Readmission within 30 days
  - Follow-up after discharge
  - Total cost of care

Envisioning the Future of Measurement

- Are patients with certain diseases improving once engaged with the provider?
  - Tracking improvements in a1C and hypertension, not just controlled/uncontrolled

- How do we measure wellness, not just disease progress?
  - How does this happen in an environment in which wellness visits may no longer be the norm? What is the role of technology?

Resources

- Health Care Payment Learning Action Network – HCP LAN
  - www.hcp-lan.org
  - Specific resources: APM Framework and measurement, APM design and implementation

- Delta Center for a Thriving Safety Net
  - https://deltacenter.jsi.com/resources/
  - Specific resources: tool kit, white papers, and readiness assessment