

**The Webinar will begin promptly at 12:00 pm ET**

Due to the number of participants, you will be automatically placed on mute as you join to ensure good quality sound. If you would like to comment or ask a question, please use the “chat feature”

Send your questions to the host via the chat window in the Zoom meeting.

Q+A will open at the end of the presentation.

**Follow-up questions?**

**Contact**



Samantha Di Paola  
[sdipaola@healthmanagement.com](mailto:sdipaola@healthmanagement.com)

# BUNDLE UP! WHAT'S A BUNDLED PAYMENT AND HOW DOES IT FIT IN A VBP FRAMEWORK?



**PRESENTED BY:**  
**Caitlin Thomas-Henkel, MSW,**  
**Scott Haga, MPAS, PA-C**

**Tuesday,**  
**February 15, 2022**  
**12 pm – 1 pm EST**

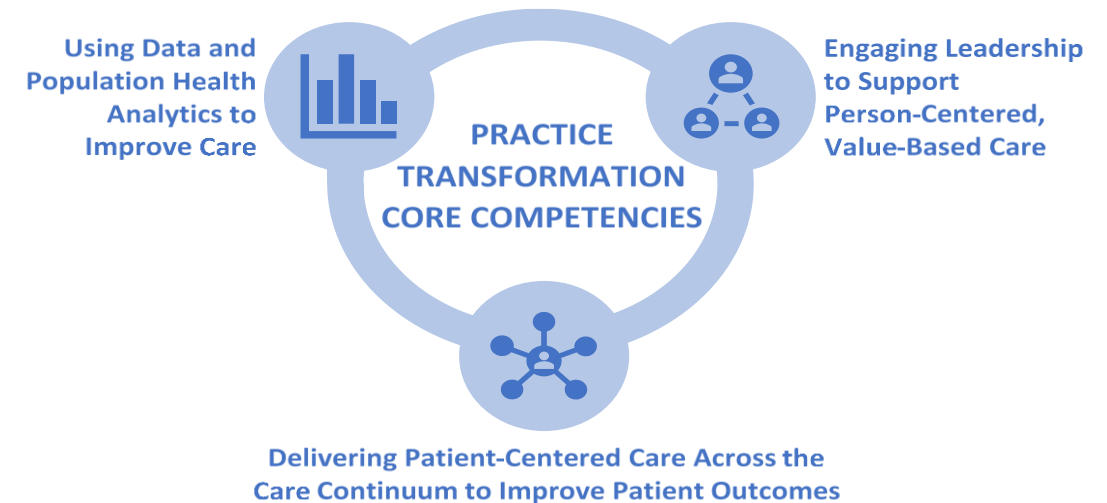
The Integrated Care DC is managed by the DC Department of Health Care Finance (DHCF) in partnership with the DC Department of Behavioral Health (DBH). This project is supported by the Centers for Medicare and Medicaid Services (CMS) of the U.S. Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$4,616,075.00 with 100 percent funded by CMS/HHS. The contents are those of the author(s) and do not necessarily represent the official views of, or an endorsement by, CMS/HHS, or the U.S. Government.

# WHAT IS INTEGRATED CARE DC?



- >> Integrated Care DC is a five-year program aimed to enhance Medicaid providers' capacity and core competencies to deliver whole person care for physical, behavioral health, SUD and social needs of beneficiaries.
- >> Integrated Care DC is managed by the DC Department of Health Care Finance (DHCF) in partnership with the DC Department of Behavioral Health (DBH). Health Management Associates will provide the training and technical assistance.

The goal is to improve care and Medicaid beneficiary outcomes within three practice transformation core competencies:



- » The program offers several components of coaching and training. Material is presented in various formats. The content is created and delivered by HMA subject matter experts with provider spotlights.
- » All material is available on the project website: [Integratedcaredc.com](https://integratedcaredc.com)
- » Educational credit is offered at no cost to attendees for select elements.



# PRESENTERS



**Caitlin Thomas-Henkel, MSW**  
*TA Coach/SME*  
[cthomashenkel@healthmanagement.com](mailto:cthomashenkel@healthmanagement.com)



**Scott Haga, MPAS, PA-C**  
*TA Coach/SME*  
[shaga@healthmanagement.com](mailto:shaga@healthmanagement.com)

# DISCLOSURES



Faculty	Company	Nature of relationship
Elizabeth Wolff, MD, MPA CME Reviewer	No financial disclosures	N/A
Caitlin Thomas-Henkel, MSW	No financial disclosures	N/A
Scott Haga, MPAS, PA-C	No financial disclosures	N/A

## **Bundle Up! What's a bundled payment and how does it fit in a VBP framework?**

- Welcome and Program Announcements
- Value Based Payment Framework & Bundled Payments
- Medicare Bundled Payment Reimbursement
- Closing Remarks/Q&A



# OBJECTIVES

1. Define the key concepts of Value Based Care
2. Explain how bundled payments fit within a VBP framework
3. Understand how Medicare bundled payments support care for SUD services
4. Understand the reimbursement for Medicare bundled payments



Image permitted by DC Department of Health Care Finance



# KEY CONCEPTS OF VALUE-BASED CARE

# WHAT IS VALUE?



$$\begin{array}{c} \text{V} \\ \text{(Value)} \end{array} = \frac{\begin{array}{c} \uparrow \text{Q} \\ \text{(Quality)} \end{array} \times \begin{array}{c} \text{S} \\ \text{(Service Volume)} \end{array}}{\begin{array}{c} \downarrow \$ \\ \text{(Cost)} \end{array}}$$

## Preserving Revenue

- Fee-for-service  
Capitated  
APM



A Bigger Piece of the Cake  
(Market Share )

## Icing on the Cake

- CM fee
- PCMH
- P4P
- Shared savings
- Partial capitation for non-PCP services

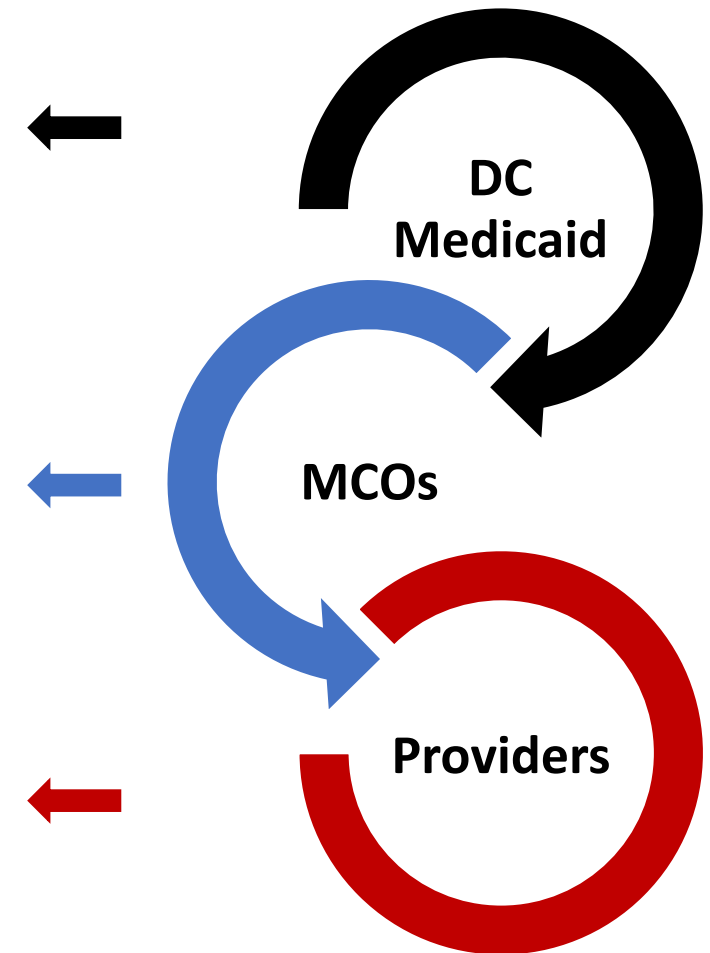


Image courtesy of Unsplash

>> In 2019, DC Medicaid set 5-year strategic priorities for managed care quality in the 2019-2023 Quality Strategy.

- >> MCOs required to **report on quality**: HEDIS/CAHP metrics will be benchmarked by DC
- >> MCOs get **paid for quality**: a portion of MCO payments is withheld and paid based on performance on non-emergent ER use, hospitalizations and readmissions

- >> MCOs required to **pay providers for quality**: incentivize providers to improve health outcomes or achieve cost savings through value-based payment (VBP)/other alternative payment model (APM).







- Value-based healthcare is a delivery model in which providers, including hospitals and providers, are paid based on health outcomes.\*
- Value-based payments are intended to support the delivery of evidence-based, person-centered, efficient care that contributes to improved quality and positive health outcomes at an appropriate cost.\*\*

*The future of health care will be determined by payers and patients looking for the best value and rewarding providers who can deliver better outcomes*

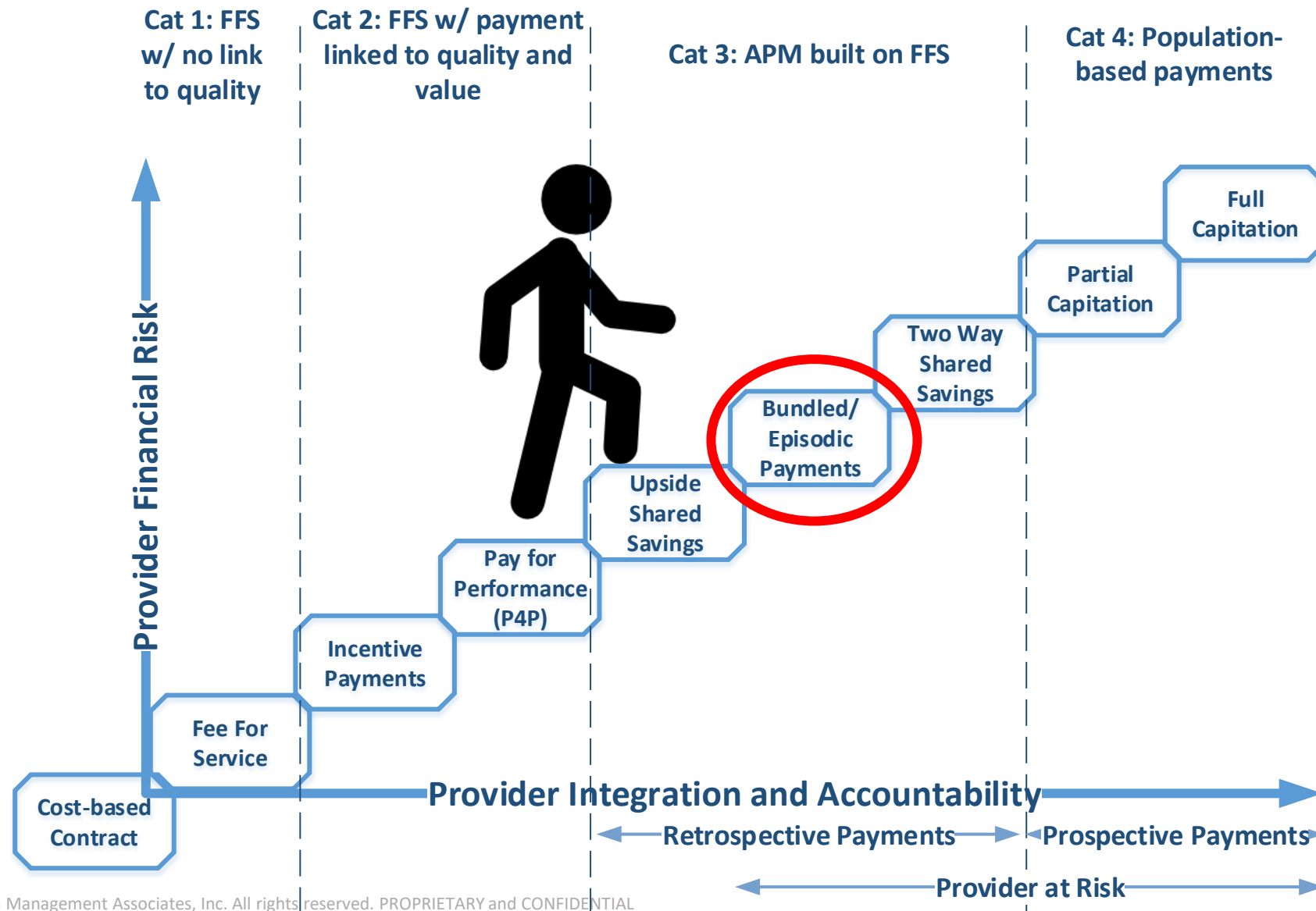
\*NEJM Catalyst-Innovations in Health Care Delivery Jan 2017 "What is Value-Based Healthcare?" available at <https://catalyst.nejm.org/doi/full/10.1056/CAT.17.0558>

\*\*OHA-CCO VBP Roadmap September 2019 available at: <https://www.oregon.gov/oha/HPA/dsi-tc/Documents/OHA-CCO-VBP-Roadmap.pdf>

- » First published in 2016 and then refreshed in 2017, the Alternative Payment Model (APM) Framework established a common vocabulary and pathway for measuring and sharing successful payment models
- » 4 Categories & 8 Subcategories
- » Has become the foundation for implementing APMs

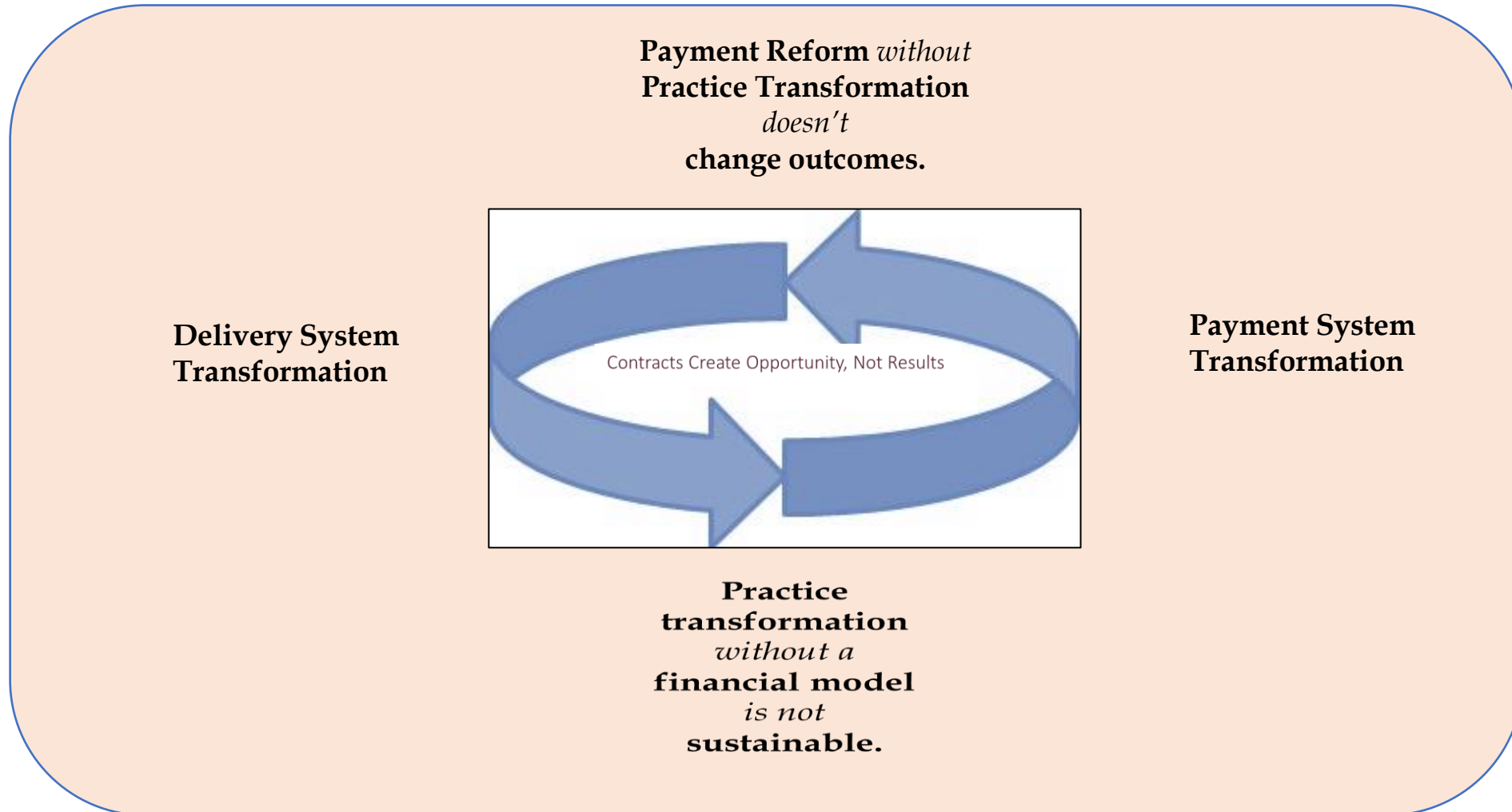
			
<b>CATEGORY 1</b> FEE FOR SERVICE – NO LINK TO QUALITY & VALUE	<b>CATEGORY 2</b> FEE FOR SERVICE – LINK TO QUALITY & VALUE	<b>CATEGORY 3</b> APMS BUILT ON FEE-FOR-SERVICE ARCHITECTURE	<b>CATEGORY 4</b> POPULATION – BASED PAYMENT
	<b>A</b> <b>Foundational Payments for Infrastructure &amp; Operations</b> (e.g., care coordination fees and payments for HIT investments)	<b>A</b> <b>APMs with Shared Savings</b> (e.g., shared savings with upside risk only)	<b>A</b> <b>Condition-Specific Population-Based Payment</b> (e.g., per member per month payments, payments for specialty services, such as oncology or mental health)
	<b>B</b> <b>Pay for Reporting</b> (e.g., bonuses for reporting data or penalties for not reporting data)	<b>B</b> <b>APMs with Shared Savings and Downside Risk</b> (e.g., episode-based payments for procedures and comprehensive payments with upside and downside risk)	<b>B</b> <b>Comprehensive Population-Based Payment</b> (e.g., global budgets or full/percent of premium payments)
	<b>C</b> <b>Pay-for-Performance</b> (e.g., bonuses for quality performance)		<b>C</b> <b>Integrated Finance &amp; Delivery System</b> (e.g., global budgets or full/percent of premium payments in integrated systems)
		<b>3N</b> <b>Risk Based Payments NOT Linked to Quality</b>	<b>4N</b> <b>Capitated Payments NOT Linked to Quality</b>

# TAKING THE NEXT STEP IN VBP

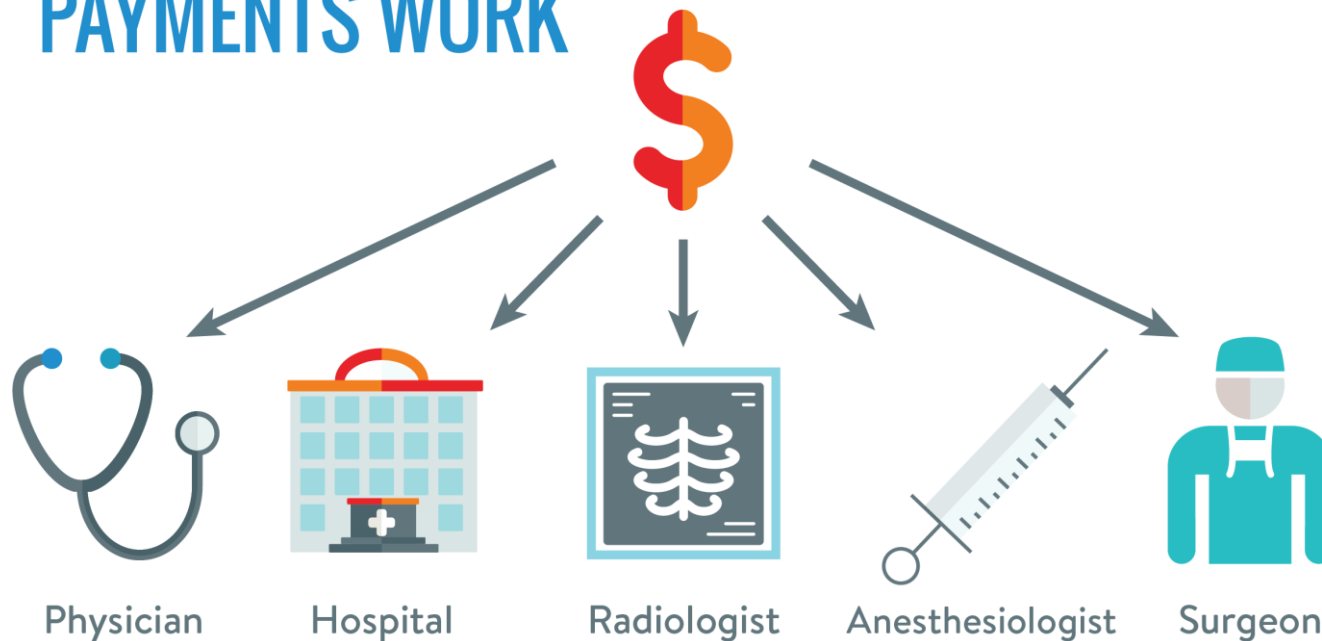




# ALTERNATIVE PAYMENT MODELS CREATE OPPORTUNITIES, NOT RESULTS

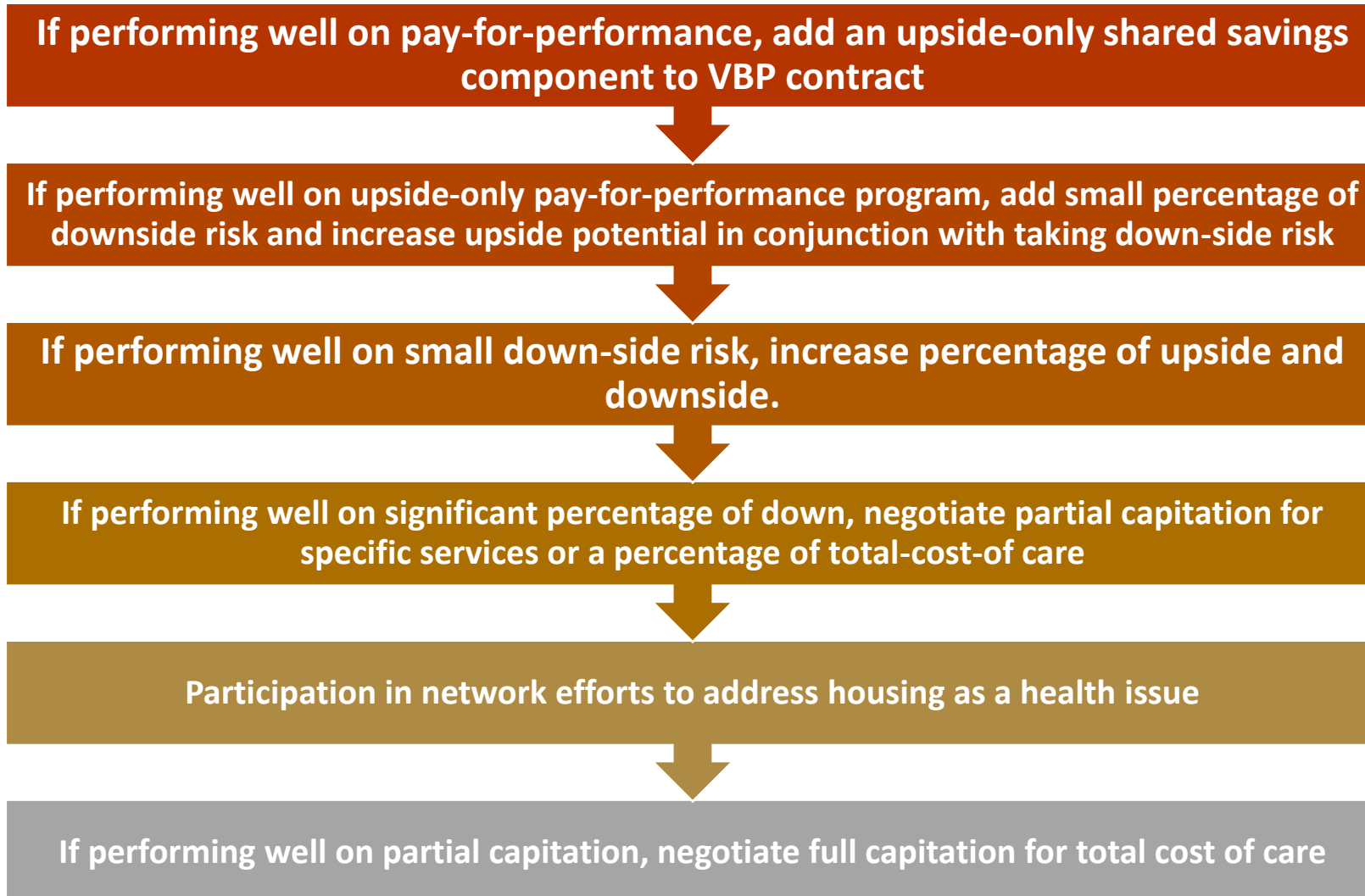


## HOW BUNDLED PAYMENTS WORK



- >> Bundled payments are a fixed payment that covers all services delivered by providers for all services to treat a given condition or provide a given treatment.
- >> Bundles can take different forms: Condition-Specific, Capitation, and Episode Based Payments.
- >> Bundled payments are a central component of public and private payers' efforts to transition from volume- to value-based care.

# PROGRESSION ON VBP CONTRACTS



## VALUE-BASED PAYMENT RELIES ON SOME LEVEL OF INTEGRATION

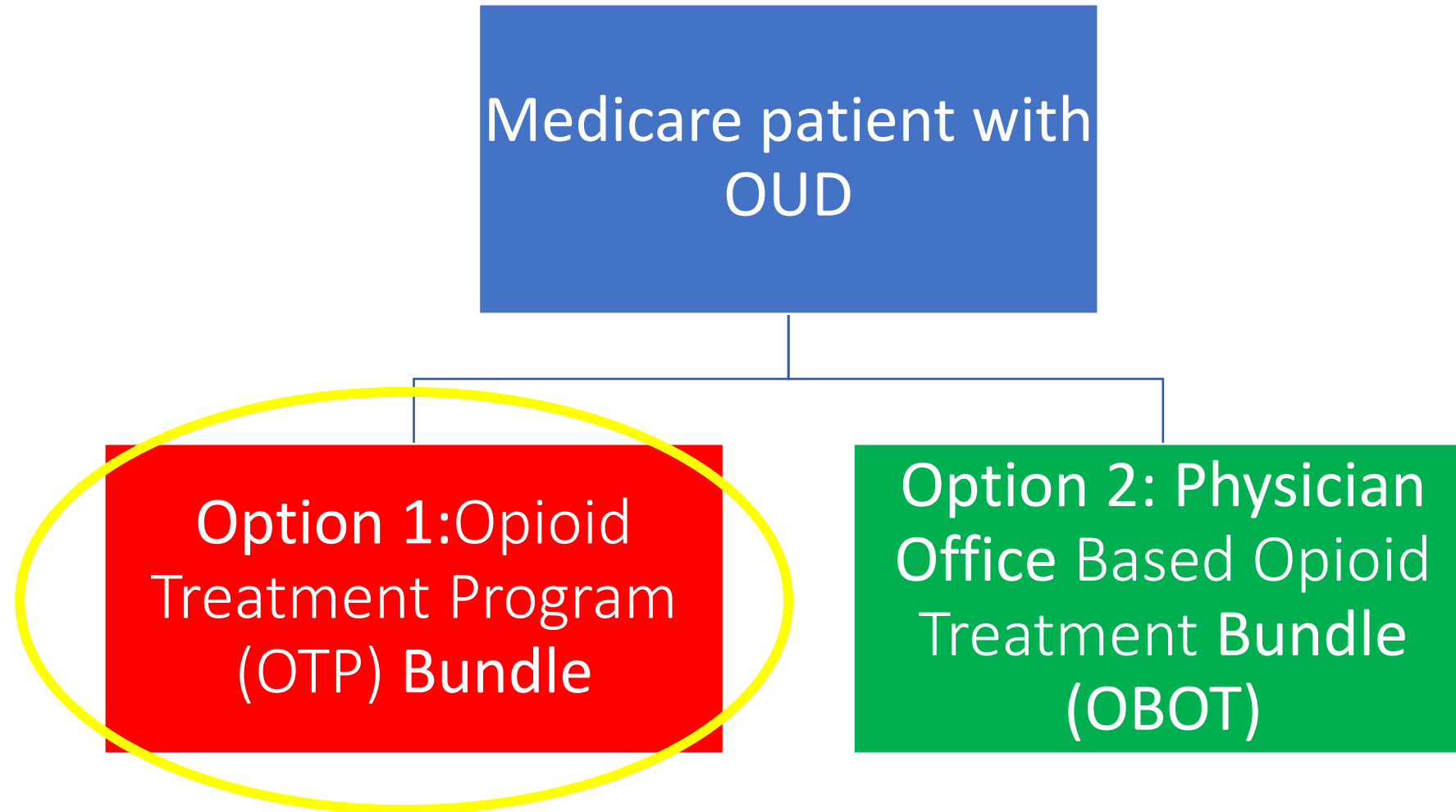


- » A lot of the savings accrued from improvements in BH outcomes is to the physical health side (with respect to costs/shared savings)
- » Purchaser role
- » Incentive alignment
- » Inpatient and ED vs. Outpatient

# **MEDICARE BUNDLED PAYMENT FOR SUD TREATMENT**

- Opportunity: As of January 1, 2020, Medicare beneficiaries may receive—and providers can be paid for—opioid use disorder (OUD) treatment. Providers are paid based on a weekly or monthly bundled payment.

# OVERVIEW OF MEDICARE OUD BENEFIT





- » OTP Bundle is based on a WEEKLY payment
- » Included in bundle
  - Medical services
  - Nursing services, including dispensing fees
  - All FDA-approved medications for MAT
  - Individual & group therapy
  - Toxicology testing
  - Periodic assessments

- Payment is different for each MAT medication. This makes treatment with most appropriate medication easier.
- Billing is by the OTP, not the individual providers
- Billing is based on services provided
  - Not time based
  - Based on providing services that are indicated in treatment plan
  - Add-on codes to the weekly bundle exist for intake, periodic assessment, and service provided beyond those normally provided in treatment plan

>> There are codes based on which services are provided during the week

1. Any service provided (other than take home dosing) → Bill full weekly bundle

➤ Provided intake, periodic assessment, or additional services beyond treatment plan → Bill additional code

2. Provided take home medications only → Bill take home bundle

3. No services provided → No billing

# MEDICARE OTP REIMBURSEMENT



## 2022 weekly bundled payment rates– rates are adjusted for each locality

HCPCS	Description	DC
G2067	MAT, <b>methadone</b> ; including dispensing and/or administration, substance use counseling, individual and group therapy, and toxicology testing, if performed	\$241.70
G2068	MAT, <b>buprenorphine (oral)</b> ; including dispensing and/or administration, substance use counseling, individual and group therapy, and toxicology testing if performed	\$283.11
G2069	MAT, <b>buprenorphine (injectable)</b> ; including dispensing and/or administration, substance use counseling, individual and group therapy, and toxicology testing if performed	\$1,907.05
G2071	MAT, <b>buprenorphine (implant removal)</b> ; including dispensing and/or administration, substance use counseling, individual and group therapy, and toxicology testing if performed	\$506.99
G2073	MAT, <b>naltrexone</b> ; including dispensing and/or administration, substance use counseling, individual and group therapy, and toxicology testing if performed	\$1476.22
G2074	MAT, <b>not including the drug</b> , including substance use counseling, individual and group therapy, and toxicology testing if performed	\$191.86

# MEDICARE OTP REIMBURSEMENT ADD ON CODES



## 2022 intensity add-on code rates– rates are adjusted for each locality

HCPCS	Description	DC
<b>G2076</b>	<b>Intake activities</b> , including initial medical examination that is a complete, fully documented physical evaluation and initial assessment by a program physician or a primary care physician, or an authorized healthcare professional under the supervision of a program physician or qualified personnel that includes preparation of a treatment plan that includes the patient's short-term goals and the tasks the patient must perform to complete the short-term goals; the patient's requirements for education, vocational rehabilitation, and employment; and the medical, psycho-social, economic, legal, or other supportive services that a patient needs, conducted by qualified personnel; List separately in addition to code for primary procedure (i.e., weekly bundle).	\$212.92
<b>G2077</b>	<b>Periodic assessment</b> ; assessing periodically by qualified personnel to determine the most appropriate combination of services and treatment; List separately in addition to code for primary procedure (i.e., weekly bundle).	\$130.84
<b>G2078</b>	<b>Take-home</b> supply of <b>methadone</b> ; up to 7 additional day supply; List separately in addition to code for primary procedure (i.e., weekly bundle).	\$37.38
<b>G2079</b>	<b>Take-home</b> supply of <b>buprenorphine</b> (oral); up to 7 additional day supply; List separately in addition to code for primary procedure (i.e., weekly bundle).	\$78.79
<b>G2080</b>	Each <b>additional 30 minutes of counseling in a week of MAT</b> ; List separately in addition to code for primary procedure (i.e., weekly bundle).	\$36.71

# OTP MEDICARE REIMBURSEMENT EXAMPLE



First month of treatment for a new patient -- **Methadone**

Week	Services	Code	Payment
Week 1	Intake + treatment	G2076 + G2067	\$212.92+\$241.70
Week 2	Treatment in Clinic	G2067	\$241.70
Week 3	Treatment in Clinic	G2067	\$241.70
Week 4	Treatment in Clinic	G2067	\$241.70
<b>Total for 4 weeks</b>			<b>\$1179.72</b>

# OTP MEDICARE REIMBURSEMENT EXAMPLE



Patient on 14 day take home -- **Methadone**

Week	Services	Code	Payment
Week 1	Seen in clinic	G2067	\$241.70
Week 2	Payment for take home	G2078	\$37.38
Week 3	Seen in clinic	G2067	\$241.70
Week 4	Payment for take home	G2078	\$37.38
Total for 4 weeks			\$558.16

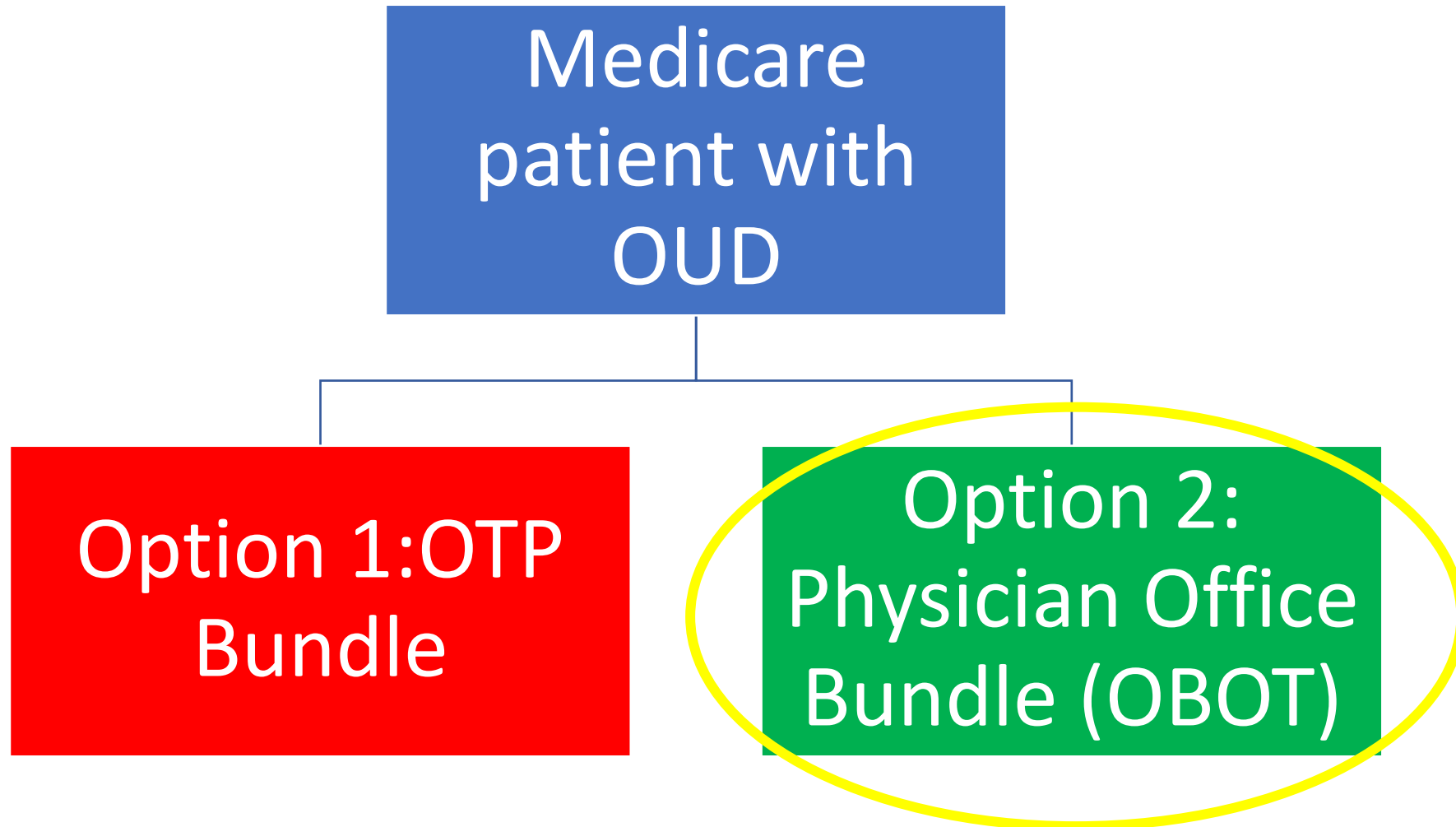


# OTP MEDICARE REIMBURSEMENT EXAMPLE



First month of treatment for a new patient -- **Buprenorphine**

Week	Services	Code	Payment
Week 1	Intake + treatment	G2076 + G2068	\$212.92+\$283.11
Week 2	Treatment in Clinic	G2068	\$283.11
Week 3	Treatment in Clinic	G2068	\$283.11
Week 4	Treatment in Clinic	G2068	\$283.11
<b>Total for 4 weeks</b>			<b>\$1345.36</b>



- >> Office based treatment is based on a MONTHLY bundle
- >> While this is call “Office Based”, can be provided in any setting that is not an OTP
- >> Included in bundle
  - Medical services
  - Individual & group therapy
  - Other clinical services (case management, peer/recovery coach, etc.)
- >> NOT included in the Office based bundle
  - Toxicology testing
  - All FDA-approved medications for MAT

- » Bundle is billed under the NPI of the physician/prescriber and includes all services of other professionals, such as behavioral health
- » Office based bundle is based on total TIME of services provided to a patient by all individuals in the month, including medical, behavioral health, peers, group, etc. Services include any type of professional that meets state requirements.
- » Services can be provided in person or via telehealth
- » **Starting in 2021, Medicare expanded the benefit to include treatment of any SUD in the non-OTP setting**
  - **A Medicare patient in outpatient treatment who is being treated by medical provider and behavioral health for an SUD is eligible for this benefit.**

### >> Who can provide services?

- Professionals who can provide the substance use counseling and individual and group therapy included in the bundled payment may include: licensed clinical social workers, licensed professional counselors, licensed clinical alcohol and drug counselors, certified peer specialists who are permitted to furnish this type of therapy or counseling by state law and scope of practice and others who are ***permitted to furnish this type of therapy or counseling by state law and scope of practice.***

# OFFICE BASED (NON-OTP) BUNDLED BILLING



## 2022 monthly bundled payment rates for Washington, DC

HCPSC CODE	DESCRIPTION	BUNDLED PAYMENT (MONTHLY)
G2086	Office-based treatment for opioid use disorder, including development of the treatment plan, care coordination, individual therapy and group therapy and counseling; at least 70 minutes in the first calendar month	\$448.11
G2087	Office-based treatment for opioid use disorder, including care coordination, individual therapy and group therapy and counseling; at least 60 minutes in a subsequent calendar month	\$385.31
G2088	Office-based treatment for opioid use disorder, including care coordination, individual therapy and group therapy and counseling; each additional 30 minutes beyond the first 120 minutes (List separately in addition to code for primary procedure)	\$71.48

# MEDICARE REIMBURSEMENT



- » Bundled payments are a central component of advancing public and private payers' efforts to transition from volume- to value-based care.
- » Medicare beneficiaries, including those dually eligible for Medicare & Medicaid, are the fastest growing group of OUD patients.
- » Services are covered by a bundled payment, either weekly or monthly depending on type of provider, that can repeat as long as a patient needs treatment.
- » Patients who seek treatment must choose 1 of 2 provider pathways for all of their OUD services:
  - Opioid Treatment Programs (OTPs) (i.e., methadone clinics)
  - Physicians + other health professionals

# Q&A

# CONTACT US



**Caitlin Thomas-Henkel, MSW**  
[cthomashenkel@healthmanagement.com](mailto:cthomashenkel@healthmanagement.com)



**Scott Haga, MPAS, PA-C**  
[shaga@healthmanagement.com](mailto:shaga@healthmanagement.com)

- >> Please complete the online evaluation! **If you would like to receive CME credit, the evaluation will need to be completed.** You will receive a link to the evaluation shortly after this webinar.
  
- >> The webinar recording will be available within a few days at:  
<https://www.integratedcaredc.com/learning/>
- >> **Upcoming Webinars:**
  - >> *Integrating Screening for Drug Use in General Medical Settings*, February 22, 12pm – 1pm EST
  - >> *Introduction to Primary Care Behavioral Health*, March 1, 12pm – 1pm EST
  
- >> For more information about Integrated Care DC, please visit:  
<https://www.integratedcaredc.com/>