CLINICAL AND PROGRAMMATIC IMPLICATIONS OF VALUE-BASED PAYMENT ARRANGEMENTS

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DHCF
Department of Health Care Finance

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AGENDA

I. Collaborating and eventually partnering with payers
II. Modifying existing and develop new models of care (MOC)
III. Setting related metrics and performance targets
IV. Developing analytics and reporting to monitor those metrics
V. Negotiating payment models that make the MOCs financially sustainable
VI. Training staff in the models of care and measures of success
VII. Collaborating with external providers (hospitals, primary care practices, specialists, community-based organizations) as needed to implement the MOCs

Learning Objectives

1. Describe clinical components required to achieve valuable outcomes
2. Identify how the integration of services drives outcomes

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PURSUING SUCCESS IN VALUE-BASED PAYMENT (VBP) ARRANGEMENTS

- Goal: VBP aims to improve the quality of care while also reducing low-value healthcare utilization and costs; this should enhance member experience of care and loyalty as the provider of choice.

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PURSUING SUCCESS IN VALUE-BASED PAYMENT (VBP) ARRANGEMENTS

- Clinical and programmatic implications of VBP include improvements in:
  1. Collaborating and eventually partnering with payers
  2. Modifying existing and develop new models of care (MOC)
  3. Setting related metrics and performance targets
  4. Developing analytics and reporting to monitor those metrics
  5. Negotiating payment models that make the MOCs financially sustainable
  6. Training staff in the models of care and measures of success
  7. Collaborating with external providers (hospitals, primary care practices, specialists, community-based organizations) as needed to implement the MOCs

1

Collaborate and eventually partner with payers

COLLABORATING AND EVENTUALLY PARTNERING WITH PAYERS

Arrange to meet with the payer.

Present a strong value proposition outlining your organization's capabilities, track record, and strategies for achieving improved outcomes and cost savings.

Provide data and case studies to support this proposition.

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COLLABORATING AND EVENTUALLY PARTNERING WITH PAYERS

Strive to understand each other's business models and what determines financial sustainability and success.

Jointly review performance data on shared membership and additional health plan membership that you could serve to identify opportunities to improve member outcomes.

Pursue further analytics that could provide additional insight and inform development of modified or new MOC.

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COLLABORATING AND EVENTUALLY PARTNERING WITH PAYERS

Prioritize the improvement areas and agree on the population(s) of focus.

Ask the payer to monetize the potential value to them.

Agree to meet with them again after you develop the MOC and estimate the incremental expense to implement it.

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2

Modify existing and develop new models of care (MOC)

MODIFY EXISTING AND DEVELOP NEW MODELS OF CARE (MOC)

- Develop a multidisciplinary implementation team to guide all decision making

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MODIFY EXISTING AND DEVELOP NEW MODELS OF CARE (MOC)

Finance

- Risk Management
- Incentive Structures

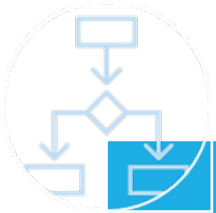
Clinical

- Evidence Based Practices (EBPs)
- Measurement based care
- Care Management

Quality

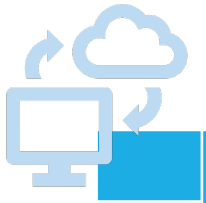
- Benchmarks
- Performance metrics
- PDSA Cycles
- Assess intervention effectiveness and related costs
- Identify disparities in quality/equity

MODIFY EXISTING AND DEVELOP NEW MODELS OF CARE (MOC)



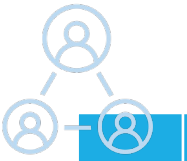
Operations

- Policies & Procedures
- Workflows
- Partnership Agreements
- Regulatory Compliance



IT

- Technology Investment
- Information Management
- Data Sharing
- Data Reporting



HR

- Recruiting
- Refiguring
- Onboarding
- Performance Management
- Training

MARY

Photo by Alev Takil on Unsplash

- 50 y/o, unmarried woman, with three adult children who live in other states.
- Diagnosed with Major Depression and cardiovascular disease after many years of tobacco use.
- Lives alone and has limited social support.
- Currently on disability from work as an office assistant.
- Struggling to pay rent and finds she must cut back on purchasing food to afford medication. She skips doses to make the medication last longer.
- Preparing to discharge from third hospitalization this year, two for depression one for pneumonia.
- In outpatient therapy, but her attendance is inconsistent.

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VBP ARRANGEMENT

XYZ Hospital has entered a shared savings/risk contract with the payer.

Under this agreement, XYZ agrees to share the financial savings achieved by reducing avoidable hospitalizations with the payer.

XYZ's data analytics has identified Mary as high risk for a preventable admission based on diagnosis, SDoH and history of hospitalizations this year.

XYZ'S MODEL OF CARE

Implemented Project Re-Engineered Discharge (Project RED)

Proven to reduce rehospitalizations. In hospitals across the country, the RED has resulted in 30 percent fewer hospital readmissions and emergency room visits

Entered into care compacts with community behavioral health center and community SDOH providers

Share savings with these providers

IMPLEMENTING MODEL OF CARE

XYZ Hospital Activities	Community Behavioral Health Activities
Coordinates discharge activities through an advocate who coordinates with Mary and her care team	Care coordinator visits Mary before discharge to reengage in care and identify barriers to attending
	Arranges an appointment for day of discharge
Facilitates team activities and discharge planning rounds with primary medical provider, Community Behavioral Health and SDOH provider	At appointment, introduces SDOH provider either virtually or in person (warm handoff)
	Wellness nurse visits the home to do med reconciliation and education. Reinforces appointment with PCP
Ensures care plan is completed and person understands the instructions in the plan	Peer specialist invites the patient for coffee and develops a recovery plan

MODIFY EXISTING AND DEVELOP NEW MODELS OF CARE (MOC)

- Evaluate cost of the model:
  - "How much is it going to cost us to implement this model of care?"
  - "Given the projected value per earlier discussions with the payer, is this financially sustainable?"

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3

Set related metrics and performance targets

SET RELATED METRICS AND PERFORMANCE TARGETS

- Identify the specific metrics that are critical to monitor the success of your value-based care initiatives. These could include:
  - Task completion to determine fidelity to the model of care
  - Quality of care
  - Patient experience of care
  - Health service utilization (readmission rates, etc.)
  - Cost savings
- Clearly define the objectives for each metric, setting realistic and measurable targets.

SET RELATED METRICS AND PERFORMANCE TARGETS

- Consider aligning with AmeriHealth Caritas 8/2023 Value Based Strategy and that of other Medicaid managed care plans if available.
  - Incentive compensation is paid to BH provider groups that improve their performance in the defined components:
    - **HEDIS quality measures**
    - **Hospital utilization:** Potentially preventable initial admissions and all-cause readmissions within 30 days
    - Social determinants of health **(SDOH)**
    - Pulse survey

SET RELATED METRICS AND PERFORMANCE TARGETS

Use Standardized Measures from Existing Sources:

- **P4P** reported by health plans
- **HEDIS** reported to DC/health plan
- **UDS** reported to HRSA
- **Core Set** reported to CMS
- **GRPA** reported to SAMHSA
- **NOMS** reported to SAMHSA
- **CRISP** data/metrics

SET RELATED METRICS AND PERFORMANCE TARGETS

Table 3. Comprehensive Diabetes Care PIP Key Elements

2022 PIP (MY 2021)	Comprehensive Diabetes Care
Program	DCHFP
MCPs	ACDC, CFDC, MFC
Performance Measures	Comprehensive Diabetes Care– 1. Blood Pressure Control (<140/90 mm Hg) 2. Eye Exam (Retinal) Performed 3. Hemoglobin A1c (HbA1c) Control (<8%) 4. HbA1c Poor Control (>9%) 5. HbA1c Testing
Measure Steward	NCQA
Population	Enrollees 18-75 years of age with type 1 and type 2 diabetes
Aim	Will implementation of targeted educational and outreach interventions improve performance in process and outcome measures for enrollees with diabetes during the measurement year?
Phase	Remeasurement 4

MCO External Quality Review Annual Technical Reports that monitor MCO performance: https://dhcf.dc.gov/page/mco-external-quality-review-annual-technical-reports

SET RELATED METRICS AND PERFORMANCE TARGETS

Example measures

Type	Metric	Description	Alignment
Outcome	Depression remission at 12 months	Percentage of patients 12+ years of age with major depression or dysthymia who reached remission 12 months (+/- 60 days) after an initial event.	UDS
Outcome	Antidepressant medication management (AMM)--acute and continuation	Percentage of enrollees 18+ years of age who were treated with antidepressant medication, had a diagnosis of major depression, and remained on an antidepressant medication treatment for at least 84 days/12 weeks (acute) and at least 180 days/6 months (continuation)	AmeriHealth P4P; HEDIS; Core Set
Outcome	Low Acuity Non-Emergent (LANE) ED Visits	Percentage of avoidable, low-acuity non-emergent, emergency department visits.	DHCF VBP
Process	Screening for trauma-related experiences	The intent of this question is to reinforce the importance of screening clients for experiences of violence or trauma that may impact their recovery journey.	NOMS
Structure	Number and percentage of work group/advisory group/council members who are consumers/family members	Assesses the number and percentage of work group/advisory group/council members who are consumers/family members to assess consumer involvement in the planning of mental health services	GPRA

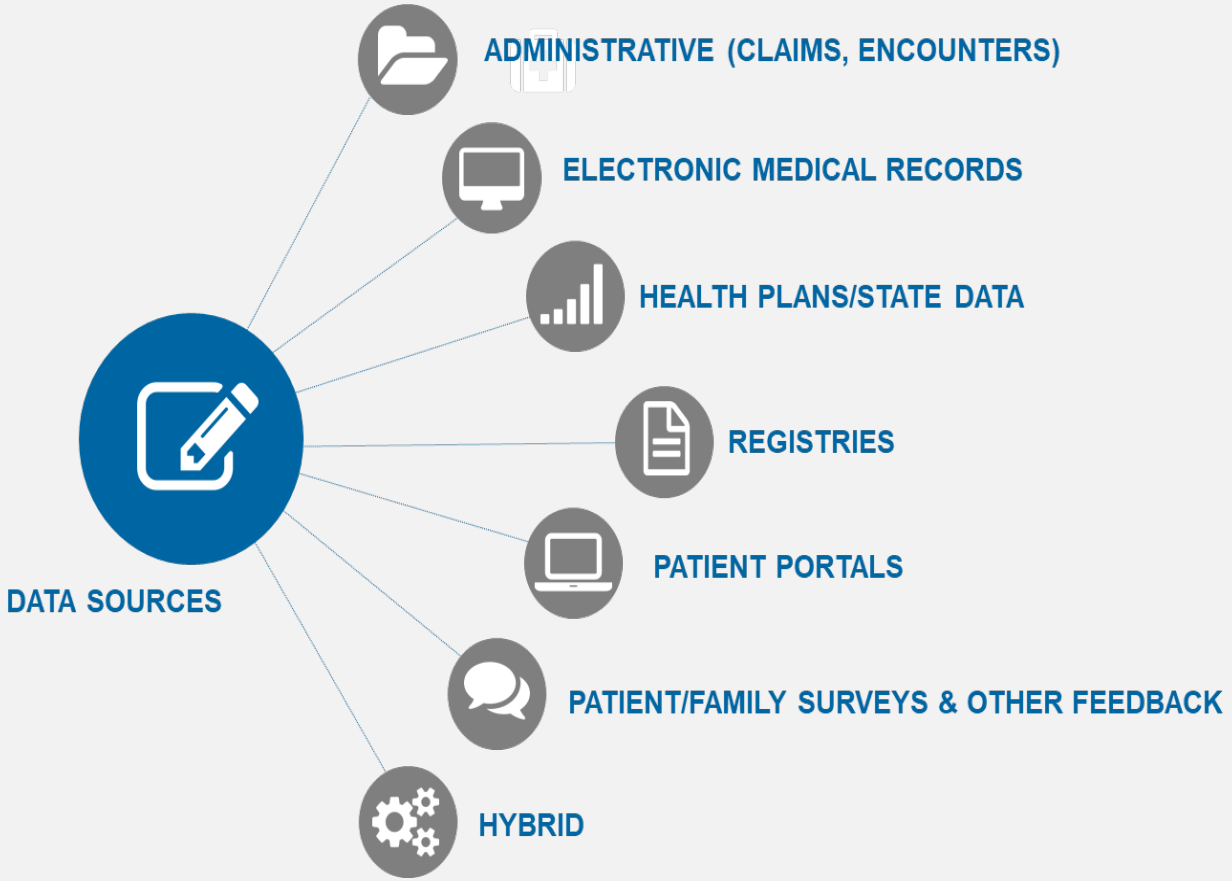
4

Develop analytics and reporting to monitor those metrics

DEVELOP ANALYTICS AND REPORTING

- Gather data from various sources.
- Utilize a secure and scalable data storage solution.
- Implement data governance practices to maintain data quality, security, and compliance.

Use Existing Data Sources/Collection Methods:



DEVELOP ANALYTICS AND REPORTING

Create

Create dashboards that provide a snapshot of key metrics, displaying performance as trended and versus benchmarks and targets.

Implement

Implement automated processes to extract data and load it into your analytics tools.

Determine

Determine how often you will generate reports that are tailored to the needs of different stakeholders.

5

Negotiate payment models that make the MOCs financially sustainable

NEGOTIATE PAYMENT MODELS

Decide which payment models align best with the care model goals and capabilities, such as

Pay-for-performance	Bundled payments	Shared savings	Capitation

Develop a negotiation strategy that considers both short-term and long-term financial sustainability.

NEGOTIATING PAYMENT MODELS

Present the model of care to the payer.

Do they think this is a good plan for addressing their pain points?

Demonstrate how the proposed payment model will benefit both parties in terms of improved patient outcomes and cost containment.

Present associated costs, potential savings

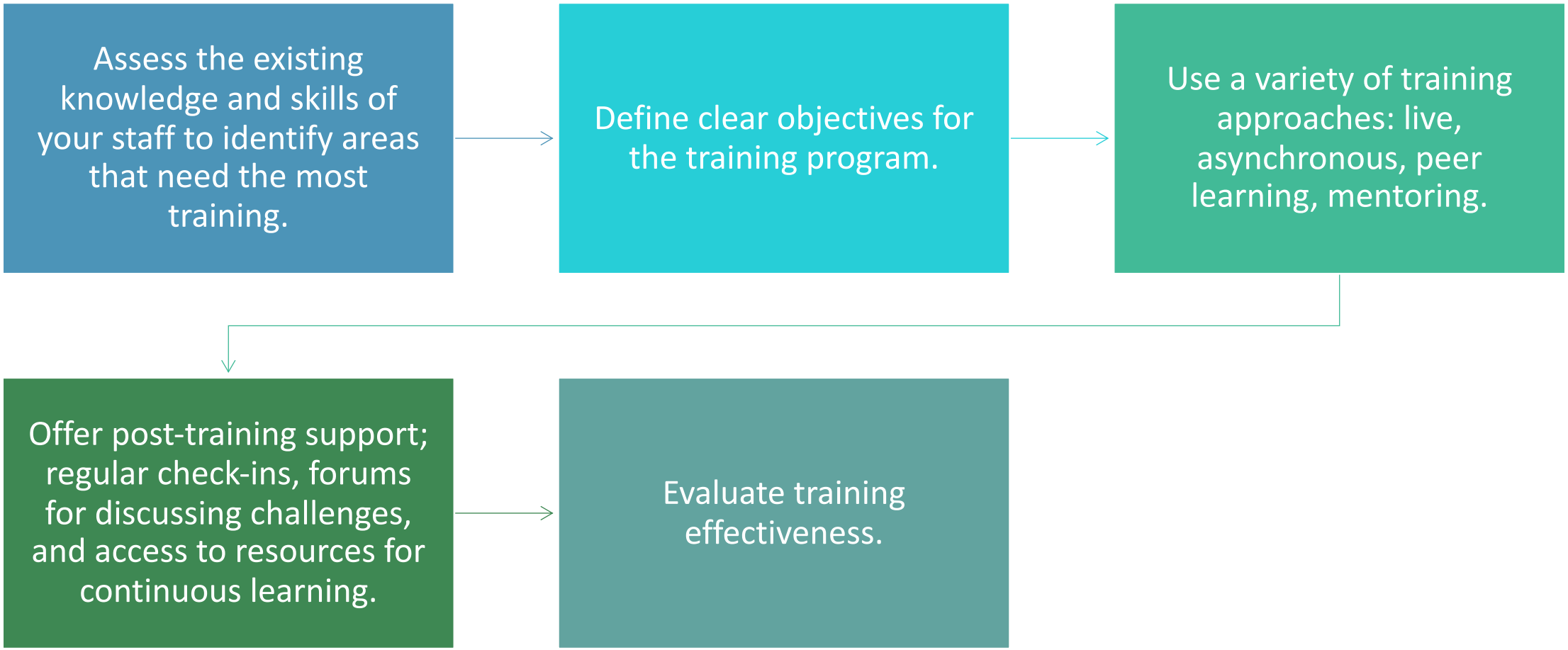
Is there an ROI for the payer?

Is the model too expensive?

6

Train staff in the models of care and measures of success

TRAIN STAFF IN THE MODELS OF CARE



7

Collaborate with external providers

COLLABORATE WITH EXTERNAL PROVIDERS

- Your mutual success and outcomes will rest on the effectiveness of the partnerships you develop and implement together.

SUMMARY

- Clinical and Programmatic Implications of Value-based payment arrangements
- Successful clinical and financially sustainable models in value-based care require a comprehensive approach that includes:
  - Payer-provider collaboration
  - Multidisciplinary decision-making
  - A model of care targeted to outcomes
  - Staff prepared to deliver evidence-based, and data driven care
  - A quality strategy to monitor success and challenges
  - Provider community partnerships
  - Commitment to delivering high-quality care while managing costs

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WRAP-UP/NEXT STEPS

BRIEF EVALUATION

1. Overall rating:

1. Poor 2. Fair 3. Average 4. Good 5. Excellent

2. Content Level:

1. Too Easy 2. Just Right 3. Too Advanced

3. Which TA modalities are you interested in for additional TA? *(Select all that apply)*

1. Webinars 2. Individual Coaching 3. Group Coaching

4. Which domains are you interested in receiving additional TA in? *(Select all that apply)*

1. Financial 2. Clinical 3. Legal 4. Business

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UPCOMING SESSIONS & MORE INFORMATION

Upcoming Cohort Sessions:

- Role of a Clinically Integrated Network – *Wednesday, Sept. 13 (12-1 PM ET)*
- Managing High-Cost High Need Individuals– *Thursday, Sept. 14 (12-1 PM ET)*

Visit the Medicaid Business Transformation DC web page for more information and upcoming events:

www.integratedcaredc.com/medicaid-business-transformation-dc/

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September 21st

VBP Virtual Learning Collaborative

HMA

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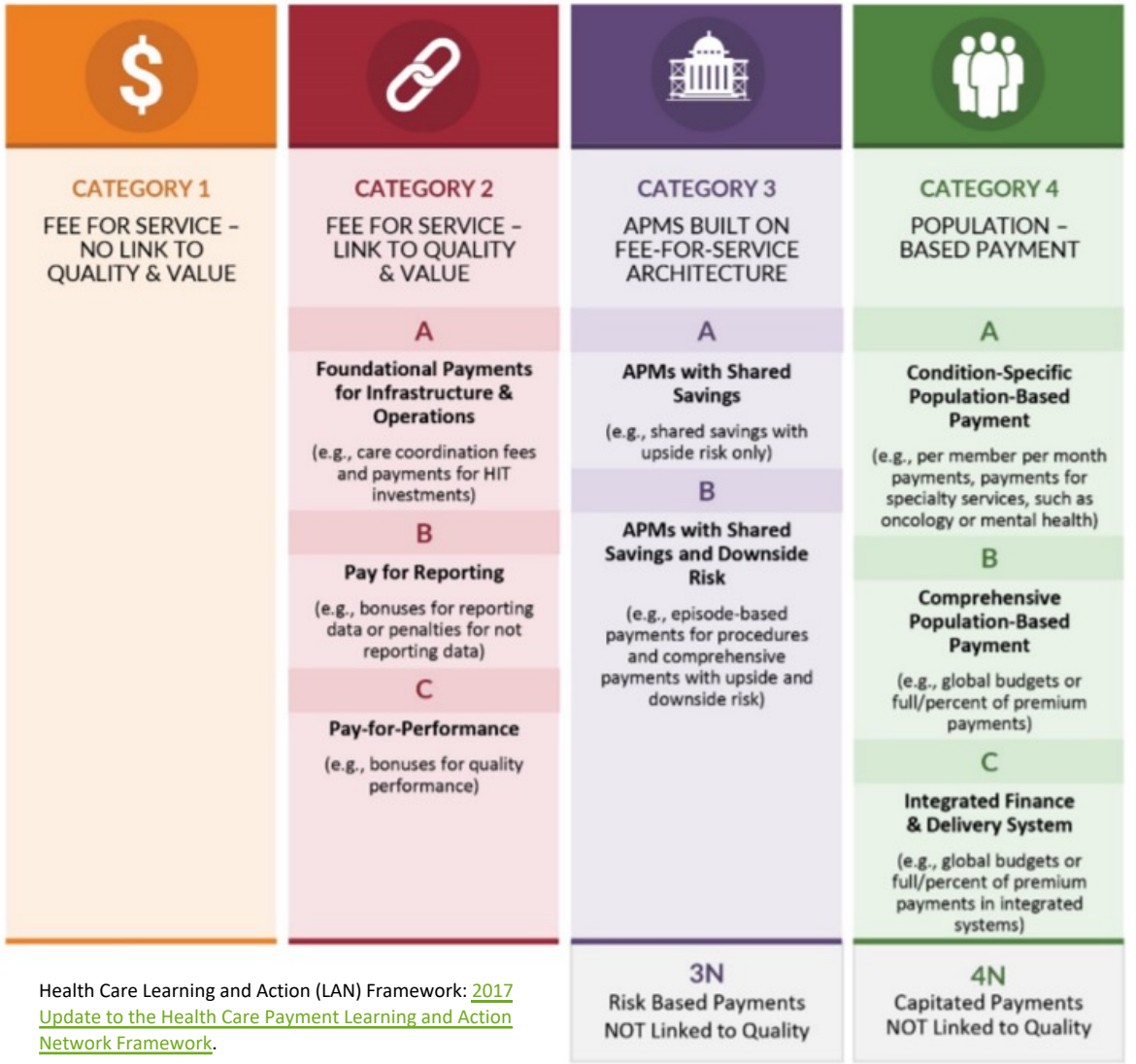
DISTRICT OF COLUMBIA MCO VBP CONTRACTS

- Base Year One: **30% of total** medical expenditures through VBP arrangements through models in LAN categories 2-4.
- Base Year Two: **40% of total** medical expenditures through VBP arrangements through models in LAN categories 2-4.
- Base Year Three: **50% of total** medical expenditures through VBP arrangements. At least half through models in LAN categories 3-4.
- Base Year Four: **60% of total** medical expenditures through VBP arrangements. At least half of qualifying total medical expenditures must be through models in LAN categories 3-4
- Base Year Five: **70% of total** medical expenditures through VBP arrangements. At least half of qualifying total medical expenditures must be through models in LAN categories 3-4



Health Care Learning and Action (LAN) Framework: 2017 Update to the Health Care Payment Learning and Action Network Framework.