RED, AMBER, AND GREEN (RAG) STATUS TOOL FOR VBP

Presented By:

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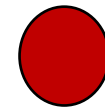
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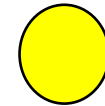
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- Risk Levels

- Performance Thresholds

- Ability to meet expectations
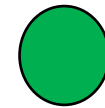
- Contract Reporting

RAG Color Coding

Red: outside of target with no improvement or worsening trend

Amber: inside of target with worsening trend or outside of target with improving trend

Green: inside of target with improving trend

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QUALITY ESSENTIALS OF A VALUE BASED CONTRACT

Covered Services

- The contract should specify which services are included in the value-based payment arrangement to ensure providers are clear on what services they need to deliver to qualify for payment. The definitions need to be detailed and include procedure codes as well as who should be able to bill for services (for example, physician vs. nonphysician and ancillary staff, or providers across multiple settings). The contract should also be clear on the services that are excluded from the payment.

Reporting

- Accurate performance data are essential to success in a value-based payment program. The contract should clearly outline obligations of both the contracting organization and the provider regarding the submission and reporting of data.

Outcomes

- Mutually recognized by payors and providers, that reflect the clinical or economic benefits expected from health care goods or services in therapy for a specific condition in a specific population

Payment Terms

- All value-based contracts should clearly describe these financial arrangement details, including the process for determining and distributing or recouping financial rewards/penalties and shared savings/losses associated with the payment arrangement.

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RAG CHEAT SHEET FOR QUALITY

Status	Green	Amber	Red
Attribution	• Clearly articulated process for attributing patients • Identifies if attribution is prospective or retrospective • Indicates if attribution is to single or multiple providers • Clearly articulates algorithm for determining patient assignment	• Articulates process for attributing patients • Identified if attribution is prospective or retrospective • Does not indicate if attribution is to single or multiple providers • Algorithm not articulated or provided	• Unclear or absent process of attribution • Prospective or retrospective attribution not defined • Does not indicate if attribution is to single or multiple providers • Algorithm not articulated or provided
Data Capture	• Data is fully captured and able to be reported • Includes requirements for submitting claims, including process, frequency, and timeframe	• Data may be incomplete, incorrect, or in development • Indicates expectation for submitting claims but lacks some detail (i.e., frequency)	• Data is missing, out of date, not available, or unreliable • Indicates expectation for submitting claims but provides no detail
Measures & Reporting Expectations	• Provides clearly defined metrics and data for quality measurement • Provides required format for submitting data • Provides frequency/procedure for submitting data	• Provides a list of possible or example measures • Does not specify clear reporting timeframes or procedures	• Provides a list of measures that are not relevant to the organization • Provides a list of possible or example measures. • Does not provide timelines or procedures for reporting
Performance Targets	• Clearly outlines performance benchmark, target, or thresholds • Provides a methodology for determining performance on measures • Benchmarks, thresholds, targets are within an achievable for organization	• Provides general language of performance benchmark, target, or thresholds • Undefined methodology for determining performance on measures • Benchmarks, thresholds, targets are outside achievable for organization (or organization does not have enough information to determine range)	• No provided or defined performance benchmark, target, or thresholds • Absent methodology for determining performance on measures • Benchmarks, thresholds, targets are not achievable for organization (outside achievable range – or organization does not have enough information to determine range)

WHAT TO DO WHEN CONTRACT ASSESSMENT IS RED

Resuscitation Action – remedy and address as many red items as possible

Get things in writing – ensure enough specificity to define the expectations

Do not be a passive participant – engage in as much conversation as necessary to enhance the contract language

Be cautious of unacceptable risk you cannot **manage**

WHAT TO DO WHEN CONTRACT ASSESSMENT IS AMBER

Corrective Action – strengthen language and enhance detail as needed

Clearly Define- all areas that require additional specificity

Internal Pulse - assess your own data and detail if you are unclear of organizational status

Align - compare VBP arrangement to the strengths of your organization strategy

Build Partnerships – identify partners that will help you succeed and are appropriate for the VBP contract

Enhance Resources – familiarize yourself with and utilize available resources