Aligning for Action

LAN SUMMIT

Health Care Payment Learning & Action Network

Understanding the Physician-Focused Payment Model Technical Advisory Committee (PTAC)

Welcome

Elizabeth Mitchell (NRHI)

Member, LAN Guiding Committee

President & CEO, Network for Regional Healthcare Improvement

Today's Panel

Len Nichols

Director of the Center for Health Policy Research and Ethics (CHPRE)

Professor of Health Policy at George Mason University

Kavita Patel

Nonresident Fellow at the Brookings Institution

Frank Opelka, MD, FACS

American College of Surgeons

Understanding the Physician-Focused Payment Model Technical Advisory Committee (PTAC)

October 2017

PTAC's Charge

PTAC makes recommendations on Medicare physician payment models

- PTAC is a technical advisory committee created under Section 101 (e)(1) of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) to make comments and recommendations to the Secretary on proposals for physician-focused payment models (PFPMs) submitted by stakeholders.
  - PFPMs: models in which Medicare is a payer; eligible professionals play a core role in implementing the payment methodology; and quality and cost are the focus
- The Secretary is required to post a detailed response to PTAC's comments and recommendations on the CMS website.
- The statute specifies PTAC as a Committee under the Federal Advisory Committee Act (FACA).
- As directed by MACRA, ASPE provides operational and technical support to PTAC.

PTAC Members

All members appointed by GAO; Chair and Vice Chair appointed by HHS

- **Chair: Jeffrey Bailet**, MD, Otolaryngologist, Executive Vice President of Health Care Quality and Affordability, Blue Shield of California
- **Vice Chair: Elizabeth Mitchell**, President and CEO, Network for Regional Healthcare Improvement
- **Robert Berenson**, MD, Institute Fellow, Urban Institute
- **Paul N. Casale**, MD, MPH, Interventional cardiologist, Executive Director, NewYork Quality Care
- **Tim Ferris**, MD, MPH, Primary care internal medicine physician, Chairman and CEO, Massachusetts General Physicians Organization
- **Rhonda M. Medows**, MD, Executive Vice President of Population Health, Providence Health & Services
- **Harold D. Miller**, President and CEO, Center for Healthcare Quality and Payment Reform
- **Len M. Nichols**, PhD, Director, Center for Health Policy Research and Ethics, George Mason University
- **Kavita Patel**, MD, Doctor of internal medicine, Nonresident Senior Fellow, the Brookings Institution
- **Grace Terrell**, MD, MMM, Doctor of internal medicine, CEO, Envision Genomics
- **Bruce Steinwald**, MBA, Independent Consultant

What is a PFPM?

- A PFPM is an APM in which:

  (1) Medicare is a payer,

  (2) Eligible professionals are participants and play a core role in implementing the APM's payment methodology,

  – Eligible professionals include physicians, physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, certified nurse-midwives, clinical social workers, clinical psychologists, registered dietitians or nutrition professionals, physical or occupational therapists, speech-language pathologists, and audiologists.

  (3) Targets are the quality and costs of services that eligible professionals participating in the APM provide, order, or can significantly influence.

10 Criteria Used to Evaluate Proposed Models

Criteria Published in QPP Regulation

1. Scope of Proposed PFPM *. The PFPM aims to broaden or expand the CMS APM portfolio by either: (1) addressing an issue in payment policy in a new way, or (2) including APM entities whose opportunities to participate in APMs have been limited.

2. Quality and Cost *. The proposal is anticipated to (1) improve health care quality at no additional cost, (2) maintain health care quality while decreasing cost, or (3) both improve quality and decrease cost.

3. Payment Methodology *. Pay APM entities with a payment methodology designed to achieve the goals of the PFPM criteria. Addresses in detail through this methodology how Medicare, and other payers if applicable, pay APM entities, how the payment methodology differs from current payment methodologies, and why the PFPM cannot be tested under current payment methodologies.

4. Value over Volume. The proposal is anticipated to provide incentives to practitioners to deliver high-quality health care.

5. Flexibility. Provide the flexibility needed for practitioners to deliver high-quality health care

6. Ability to be Evaluated. Have evaluable goals for quality of care, cost, and any other goals of the PFPM.

7. Integration and Care Coordination. Encourage greater integration and care coordination among practitioners and across settings where multiple practitioners or settings are relevant to delivering care to the population treated under the PFPM.

8. Patient Choice. Encourage greater attention to the health of the population served while also supporting the unique needs and preferences of individual patients.

9. Patient Safety. How well does the proposal aim to maintain or improve standards of patient safety?

10. Health Information Technology. Encourage use of health information technology to inform care**.**

***** *PTAC considers this a high priority criterion*

18 Submitted Proposals

14 Medical Specialties; 5 Payment Model Types; Range of Organization Types

1. **The COPD and Asthma Monitoring Project (CAMP):** Pulmonary Medicine, Infectious Disease and Critical Care Consultants Medical Group Inc. (PMA)
2. **The ACS-Brandeis Advanced APM:** American College of Surgeons (ACS)
3. **Project Sonar:** Illinois Gastroenterology Group and SonarMD, LLC
4. **The Comprehensive Colonoscopy Advanced Alternative Payment Model for Colorectal Cancer Screening, Diagnosis and Surveillance:** Digestive Health Network, Inc.
5. **Advanced Care Model (ACM) Service Delivery and Advanced Alternative Payment Model:** Coalition to Transform Advanced Care
6. **Oncology Bundled Payment Program Using CNA-Guided Care:** Hackensack Meridian Health and Cota Inc.
7. **Advanced Primary Care: A Foundational Alternative Payment Model (APC-APM) for Delivering Patient-Centered, Longitudinal, and Coordinated Care:** American Academy of Family Physicians (AAFP)
8. **"HaH Plus" (Hospital at Home Plus) Provider-Focused Payment Model:** Icahn School of Medicine at Mount Sinai
9. **Multi-provider, Bundled Episode-of-care Payment Model for Treatment of Chronic Hepatitis C Virus (HCV) Using Care Coordination by Employed Physicians in Hospital Outpatient Clinics:** New York City Department of Health and Mental Hygiene (DOHMH)
10. **Incident ESRD Clinical Episode Payment Model:** Renal Physicians Association (RPA) – *Adele*
11. **A Single Bundled Payment for Comprehensive Low-Risk Maternity and Newborn Care Provided by Independent Midwife-Led Birth Center Practices that are Clinically Integrated with Physician and Hospital Services:** Minnesota Birth Center
12. **Medicare 3 Year Value Based Payment Plan (Medicare 3VBPP):** Zhou Yang
13. **LUGPA APM for Initial Therapy of Newly Diagnosed Patients with Organ-Confined Prostate:** Large Urology Group Practice Association (LUGPA)
14. **Patient and Caregiver Support for Serious Illness:** American Academy of Hospice and Palliative Medicine (AAHPM)
15. **Changes to Medicare Annual Wellness Visit Reimbursement Policies for Rural Health Clinics:** Mercy Accountable Care Organization
16. **Intensive Care Management in Skilled Nursing Facility Alternative Payment Model:** Avera Health
17. **Acute Unscheduled Care Model (AUCM): Enhancing Appropriate Admissions A Physician-Focused Payment Model (PFPM) for Emergency Medicine**: American College of Emergency Physicians
18. **Patient-Centered Headache Care Payment: An Alternative Payment Model for Patient-Centered Headache Care**: American Academy of Neurology

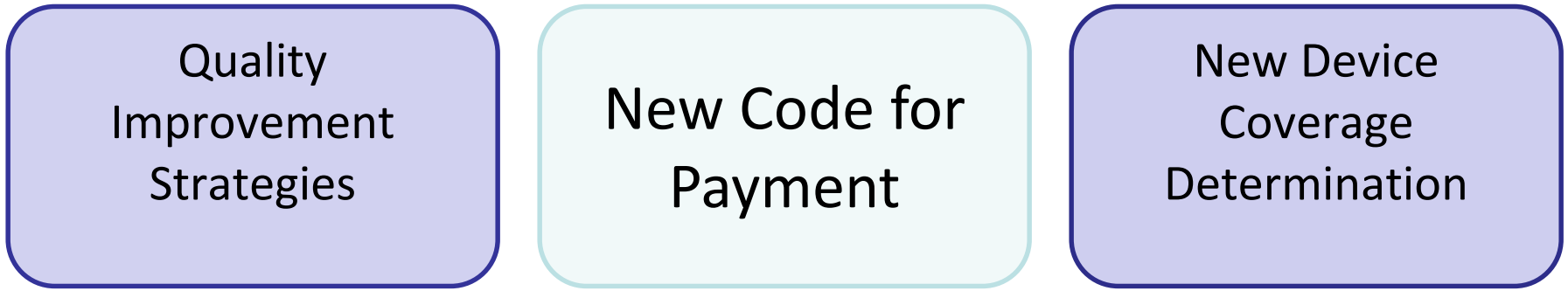
Letters of Intent

15 LOIs, waiting for proposals to be submitted

1. **Episodic Payments for Radiation Oncology**: American College of Radiation Oncology (ACRO)
2. **Radiation Oncology Total Cost of Care Physician Focused Payment Model:** American Society for Radiation Oncology (ASTRO)
3. **ACCESS Project** submitted by the University of New Mexico Health Sciences Center
4. **APM for Retinal Disease** submitted by US Retina
5. **Medical Cardiology Super Bundle** submitted by Cynapse Health, Inc.
6. **CAPG Medicare Alternative Payment Model – Full Risk** submitted by CAPG
7. **Comprehensive Cancer Care Delivery Model** submitted by Community Oncology Alliance
8. **Physiatrist Led Post-Acute Micro-Bundle Model** submitted by Edward Bumetta MD, LLC
9. **Patient-Centered Asthma Care Payment (PCACP)** submitted by The American College of Allergy, Asthma & Immunology (ACAAI) and the Advocacy Council of ACAAI (AC)
10. **Total Joint Arthroplasty Advanced APM** submitted by the American Association of Hip and Knee Surgeons (AAHKS)
11. **Physician Focused Payment Model (PFPM) for Comprehensive Care of Chronic Kidney Disease (CKD) Patients** submitted by the National Kidney Foundation
12. **Patient-Centered Oncology Payment Model (PCOP)** submitted by the American Society of Clinical Oncology (ASCO)
13. **An Innovative Model for Primary Care Office Payment (APC-APM)** submitted by Jean Antonucci, MD
14. **Home Hospitalization: An Alternative Model for Delivering Acute Care in the Home** submitted by Marshfield Clinic and Personalized Recovery Care, LLC
15. **CMS Support of Wound Care in Private Outpatient Therapy Clinic** submitted by BenchMark Rehab Partners

Determine if PFPM is Required

- Not all care delivery innovations require a new payment model.
- Often, other tools are more suitable for achieving desired changes in care delivery.
  - These tools can be used in existing FFS or APMs.
  - These tools do not require accountability for cost or quality.
- Care delivery innovations not requiring a new payment model may fall into three big buckets.



Determine if PFPM is Required:

Quality Improvement Strategies

- Sometimes, care delivery innovations do not require a new payment model.
  - These innovations could be achieved under existing FFS or in collaboration with existing APMs.
  - For example, using an app to improve diabetes management might be a great strategy to use for patients either in FFS or APMs.
- Potential Next Steps
  - Contact local ACOs, health systems, or commercial insurers about implementing your innovation.
  - Or, develop a payment model to further the goals of the care delivery innovation.

If a PFPM is Required

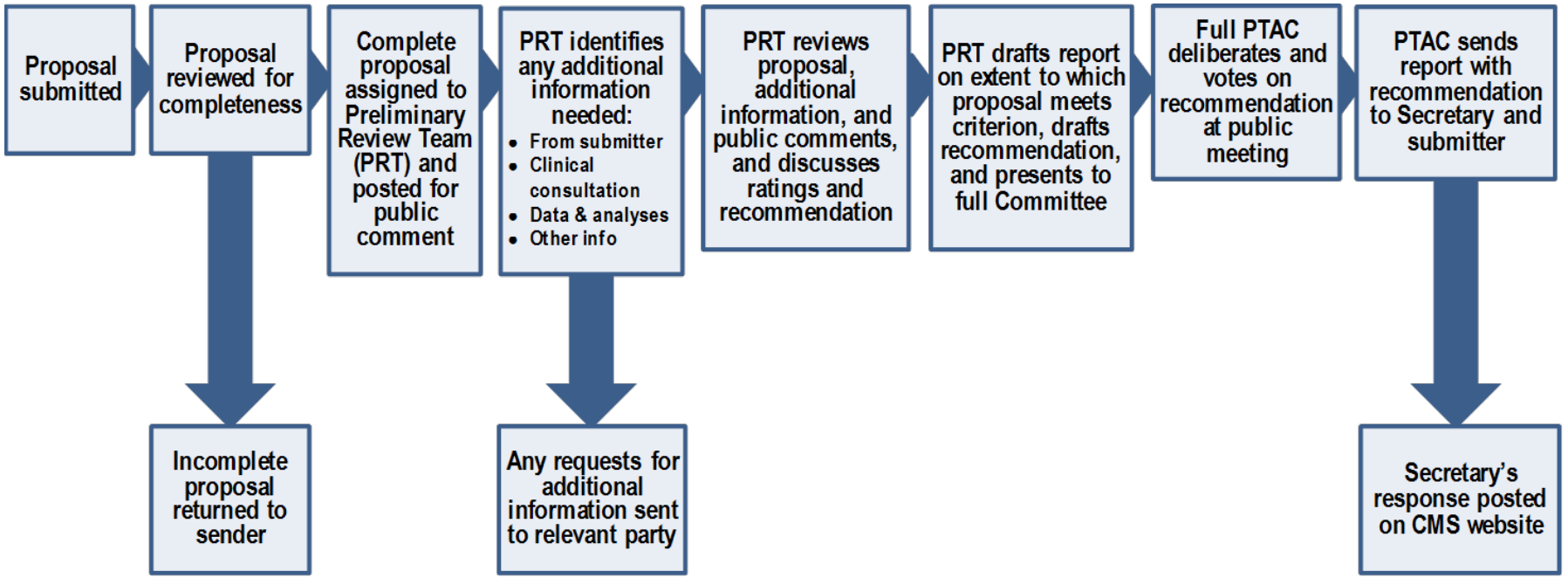
- If a new payment model is necessary to achieve the goals of the care delivery model already defined, these are the steps to take:
  - **Step 1**: Define the payment model
  - **Step 2**: Address the Secretary's 10 criteria
  - **Step 3**: Submit the PFPM proposal to PTAC

Define the Payment Model

More on Step 1

- How is this model different from existing payment?
  - Why is this innovation not possible in FFS?
  - Why could it not possible in existing APMs?
  - What defines this as a Category 3 or 4 payment?
- What is the type of payment model? For example,
  - Bundled payment for a procedure, condition, or stay
  - Accountable care for a defined patient population
- How is quality tied to payment?
  - How does level of performance on quality affect payment?
  - How do quality and payment interact within the model?

Proposal Review Process



Comments and Recommendations to the Secretary and the Secretary's Response

- April 10-11 public meeting: PTAC deliberated and voted on 3 proposals.
  - The COPD and Asthma Monitoring Project (CAMP): Pulmonary Medicine, Infectious Disease and Critical Care Consultants Medical Group Inc. (PMA)
  - The ACS-Brandeis Advanced APM: American College of Surgeons
  - Project Sonar: Illinois Gastroenterology Group and SonarMD, LLC
- May 31: PTAC delivered reports to the Secretary on each of the 3 proposals.
- September 7: the Secretary responded to PTAC's comments and recommendations.

Comments and Recommendations to the Secretary and the Secretary's Response

- September 7-8 public meeting: PTAC deliberated on 3 proposals.
  - The "HaH-Plus" (Hospital at Home Plus) Provider-Focused Payment Model: Icahn School of Medicine at Mount Sinai
  - Oncology Bundled Payment Program Using CNA-Guided Care: Hackensack Meridian Health and Cota Inc.
  - The Advanced Care Model (ACM) Service Delivery and Advanced Alternative Payment Model (AAPM) submitted by Coalition to Transform Advanced Care (C-TAC)
    - Submitter will revise and resubmit; no report to the Secretary at this time
- PTAC will submit PTAC's formal comments and recommendations to the Secretary shortly.
- The Secretary's response will be posted on the CMS website; there is no required timeline for the Secretary's response.

PTAC Letter to the Secretary

PTAC delivered a letter to the Secretary on August 4, 2017, which conveys observations and lessons learned to date:

1. **Individualized Technical Assistance to Submitters in Payment Model Design**
    - Some proposals submitted by practicing physicians provide a clear description of the care delivery model, but the description of the payment model is underdeveloped.
    - Submitters could address these gaps if they had access to assistance from individuals with expertise in payment model design.
2. **Access to Data and Analysis**
    - Evaluating a proposal usually requires analysis of Medicare claims data that has been disaggregated into the types of conditions and procedures being addressed.
    - Large and well-resourced organizations could hire consultants to complete analyses, but the feasibility is limited for small organizations.
    - PTAC requests that a mechanism be established for submitters to obtain analyses of Medicare claims data to be incorporated within their proposals.

PTAC Letter to the Secretary (continued)

3. **Guidance and Technical Assistance on Data Sharing in HIT**
   - Submitters and PTAC members have had difficulties in addressing the HIT criterion (i.e., encourage use of HIT to inform care).
   - Most propose some degree of data sharing, however, insufficient interoperability remains a barrier that individual submitters cannot resolve by themselves.
4. **A Ready Path for "Limited Scale" Testing**
   - PTAC has observed that it will not be possible to fully specify the payment methodology for some proposed PFPMs without the benefit of experiential data.
   - PTAC believe that a path for testing on a smaller scale would be a helpful first step for many models.
5. **Barriers to Innovation in Current Payment Systems**
   - As a way of overcoming barriers to innovation in the Physician Fee Schedule clinicians are proposing new payment models to PTAC.
   - However, in some cases, a more straight-forward approach to accomplishing the payment improvement is to remove an identified barrier in the current payment system.

Proposal Tip:

Respond to Instructions and Criteria

- Address the specific elements listed under each criterion to the extent possible.
- Pay attention to the technical aspects of PTAC's *Instructions for Submitters* and provide as much detail as possible for each criterion.
- Focus particular attention on the high priority criteria, but address ALL criteria in the instructions

Proposal Tip:

Be Clear and Concise

- Adequate information on all criteria should be included within the 25 page limit.
- Appendices can be used to provide additional detail, but essential information must be within the 25 page limit.
- Facts and data are the most convincing and objective way for PTAC to assess the criteria.

Proposal Tip:

Explain the Problem(s) You're Trying to Solve

- Explain what improvements in care delivery would be supported by the proposed PFPM.
- Explain why the care delivery improvement cannot be implemented under current payment systems (or with relatively simple adjustments to the Physician Fee Schedule or other payment systems).
- Explain why the payment barriers are not addressed by existing CMS payment demonstrations and why a new PFPM is needed.

Proposal Tip:

Explain Clearly How the Payment Methodology Would Work

- How would payments to physicians and other entities be different than they are today?
- How would accountability for quality, utilization, and spending be different than it is today?
- How would the methodology assure adequate payment for services that patients need?
- How would the methodology ensure that savings are not being offset by higher spending elsewhere?

Proposal Tip:

Explain and Estimate the Expected Impact on Quality and Cost

- Describe what aspects of care quality or outcomes would be improved and how that would be measured.
- Describe where savings would be achieved.
- Explain what mechanisms would be used to ensure savings offset any additional costs.
- Estimate how many Medicare beneficiaries could potentially benefit.
- To the extent possible, quantify the improvements in quality and savings anticipated over the time frame of the proposal.

Proposal Tip:

The Model You Propose Should Not Just Apply to One Organization

- PTAC (and the Secretary) wants proposals for payment models that have the potential to be used by physicians and other eligible practitioners across the entire country.
- PTAC is not likely to recommend theoretical models that no one is interested in, so we want to know that there are some physicians who are interested and willing to actually use the payment model if it is implemented.
- However, we also are unlikely to recommend models that are only designed to work for one particular organization, small collaborative, or community.
- It's OK to have a proposal that is designed to support specific types of services that you want to deliver, but we are most interested in payment models and care delivery mechanisms that a range of other organizations will also be able to implement.

Proposal Tip:

Types of PFPMs Likely to be Recommended

- PTAC is open to a wide range of models, not just models similar to what Medicare has already implemented.
- PTAC is more likely to recommend truly different payment models, not things that could be addressed through normal fee schedule changes.
- PTAC is more likely to recommend models that replace or bundle payments for *all* services that are related to a condition, a treatment, or all aspects of a patient's care, not just a subset of those services.
- PTAC is more likely to recommend models in which clinicians take accountability for controlling spending on *all* services related to the condition, risk factor, or treatment addressed by the payment model, or for factors that are the primary drivers of that spending.

Proposal Tip:

Types of PFPMs Likely to be Recommended (continued)

- PTAC is more likely to recommend models that address appropriateness of treatments, not just the cost of treatments.
- PTAC is more likely to recommend models that take accountability for outcomes, not just measures of processes of care.
- PTAC is more likely to recommend models that have an effective method of adjusting payments and measures based on differences in patient needs.
- PTAC is more likely to recommend models in which any financial risk is designed to be feasible for physicians, particularly small practices.

Proposal Tip:

Explain the Data You Use and Justify the Assumptions You Make

- Provide data/information supporting assumptions and conclusions.
- Describe sources and explanations of data presented.
- To the extent possible, indicate if proposed quality and spending measures have been tested and validated.

Proposal Tip:

Check the Proposal Checklist

- Ensure that the title of the submitted proposal is made clear.
- Follow the formatting instructions – check the checklist.
- Proposal must include:
  - Title page, table of contents, abstract, and page numbers
  - Name and address of submitting individual or organization
  - Name, mailing address, phone number, and e-mail for primary point of contact

Upcoming Public Meetings

- December 18-20, 2017, Washington, DC
  - PTAC expects to deliberate and perhaps vote on 7 proposals.
  - Meetings are announced in the *Federal Register,* through the listserv, and on the ASPE/PTAC website.
  - PRT reports will be posted on the PTAC website 3 weeks prior to the public meeting.
- March 26-27, 2018
- June 13-14, 2018
- September 5-6, 2018

Resources for the Public on ASPE Website

PTAC commitment to transparency and resources for proposal submission

- ASPE-PTAC website https://aspe.hhs.gov/ptac-physician-focused-payment-model-technical-advisory-committee
- Public data guides, all data used in proposal reviews, Medicare utilization and reimbursement for fee-for-service beneficiaries with certain medical conditions
  - Webinars, toolkits, examples of payment models
  - Proposals, public comment letters, analyses
  - Public meeting information – agenda and registration information for upcoming meetings; recordings and transcripts of prior meetings
  - FAQs and “Ask a Question” button
- PTAC listserv announcements
- PTAC mailbox: PTAC@hhs.gov

LAN Resources

https://hcp-lan.org/resources/

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