

Aligning for Action

LAN SUMMIT

Health Care Payment Learning & Action Network

5E Payment at the Front Lines: Structuring APMs for Physicians



Kenneth Cohen

*Chief Medical Officer,
New West Partners*

*LAN Guiding
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Today's Panel



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Lee McGrath

*Vice President,
Network Strategy and
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Shield of Illinois*



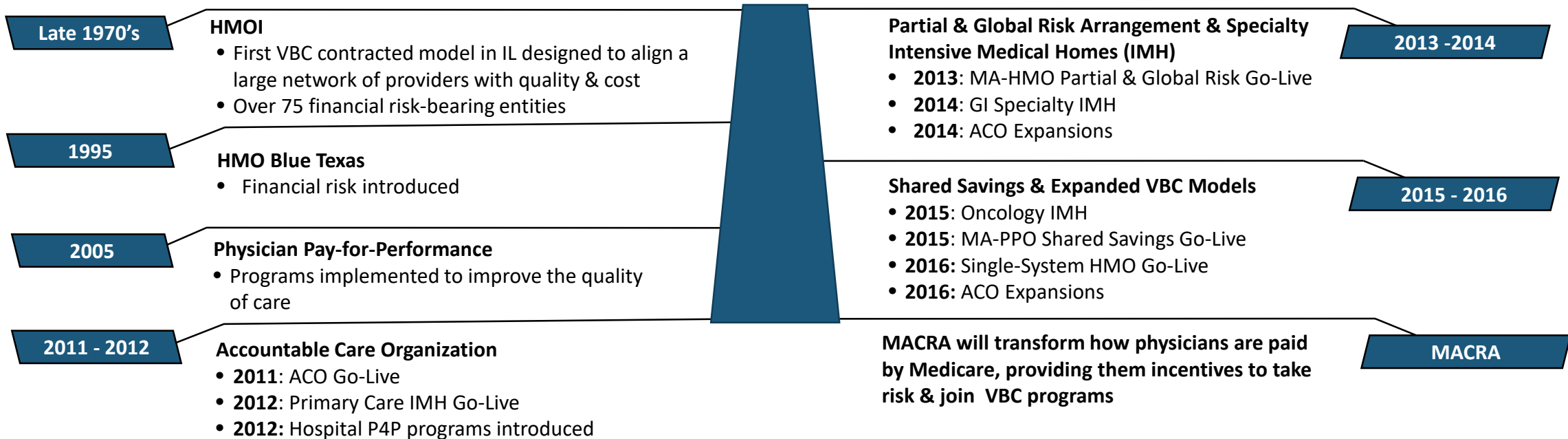
Al Kurose

*Co-Founded Coastal Medical
of Rhode Island*

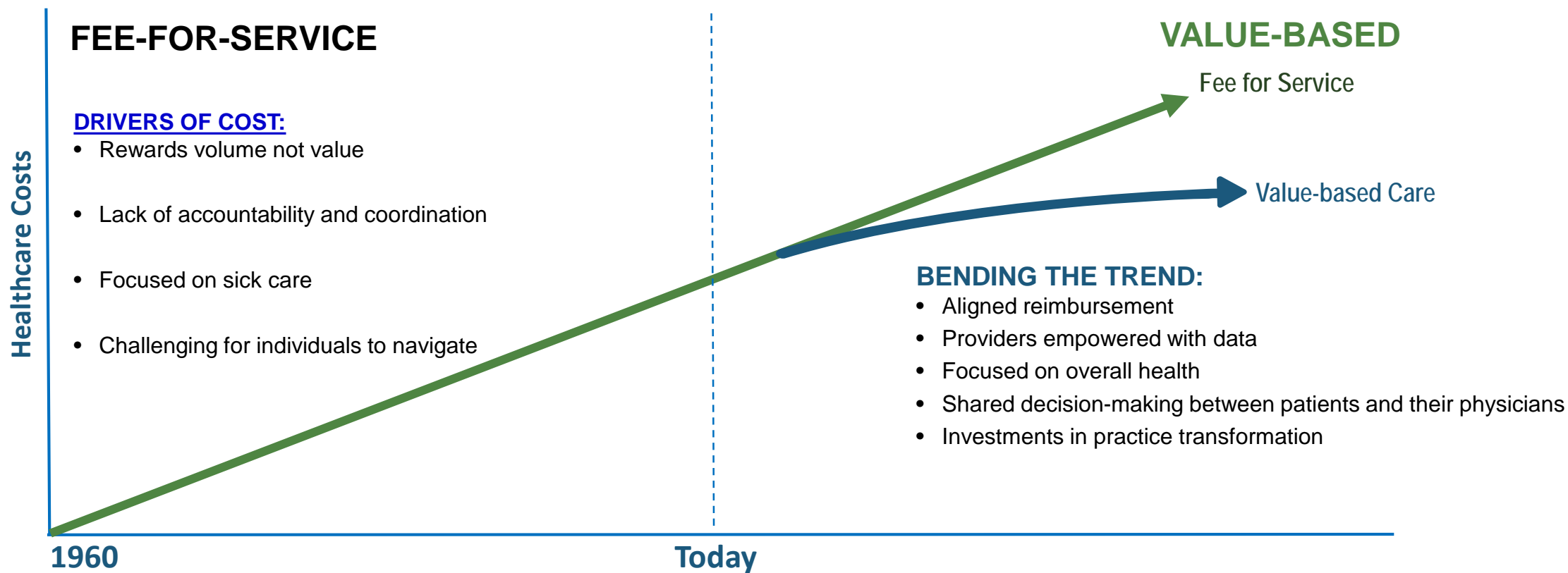
Who is BCBSIL?

Chapters	1 The Illinois Plan Commitment	2 Our Industry, Environment and Products	3 Our Members, their Families and their Communities	4 Our Employees and their commitment to care	5 Expanding Access and driving Value- Based Care
Headlines	BCBSIL is committed to expanding access to quality, cost-effective health care to as many people as possible in Illinois.	The health care industry is changing rapidly and BCBSIL takes a long view of the market.	BCBSIL is dedicated to partnering with its community advocates on matters important to their wellbeing.	We adopt a Customer First approach when interacting with our members.	We are doing our part to make the health care system work.
Chapter content	<p>As a strong, leading brand we recognize consumers have a choice when they select their health care coverage. Market competition is key and we welcome it.</p> <p>Despite the strong local and national competition we face, our members consistently choose BCBSIL.</p>	<p>We are focused on innovative health care treatment and delivery trends that meet local market needs for our employer Group, Government programs and Individual plan products.</p> <p>We collaborate with doctors, hospitals, legislators and regulators to find more meaningful ways to enhance our customer experience and improve the health of our members.</p>	<p>We are focused on building awareness and educating our members to help them make informed decisions about their coverage so that they can make the right choice for the right health care at the right price to meet their individual and family needs.</p> <p>Our care teams provide a variety of programs and resources, focused on driving down costs and ensuring our members get the most value from their plan and benefits.</p>	<p>We strive to anticipate customer needs by viewing every experience through their eyes.</p> <p>For over 80 years, our employees have volunteered in support of community health initiatives and partnered with civic and non profit organizations across the state.</p> <p>All to provide a variety of prevention programs and resources, focused on driving down costs and improve health.</p>	<p>As part of our commitment to addressing the needs of today's health care consumer, our aim is to continue to expand access to cost-effective care and advance value-based care solutions.</p> <p>This includes accountable care organization arrangements with providers; promoting the use of technology and data; and looking for better ways to manage chronic disease to keep people healthy.</p>
Factoids	<ul style="list-style-type: none"> BCBSIL is the largest health insurer in Illinois. Currently, we serve more than 8.2 million members. 2,345 employee volunteers gave 46,675 hours of their time. 		<ul style="list-style-type: none"> BCBSIL employs over 9,900 in the state of Illinois (more than 800 under the Illinois Plan). BCBSIL has nearly 83,000 providers and approximately 1,274 facilities in our networks. BCBSIL's 2016 gross revenue was \$33 billion with \$9.4 billion in reserves (about \$636/member). 		

HCSC's Valued Based Care Evolution



Transitioning to Fee for Value System



Care is Being Delivered Differently

With the shift from volume to value, physicians are delivering care differently and running their practices differently

- Leveraging EMRs to promote efficient clinical documentation and patient care processes
- Removing barriers to patient access
- Deploying staff to work at their highest levels of licensure
 - **Shifting appropriate work functions away from clinics**
 - ✓ Scheduling
 - ✓ Nurse Triage (After hours, on call)
 - ✓ HIM/Scanning
 - ✓ Registration
 - ✓ Referrals and Prior Authorizations
- Investing in population management tools



Care is Being Delivered Differently

- Track and learn from referral patterns
- Restructure how physicians are paid
 - Create bonus pools
- Reporting and finance teams must be tied directly to every clinical initiative
- Building case management and chronic disease management programs that are fully integrated within a clinic setting
- Rolling out Transition of Care, SNF and Palliative Care Programs
- Focusing on new ways to talk to a patient



BCBSIL is Delivering Service Differently

- Created a multi-disciplinary Value Based Care Team to think creatively about how to provide actionable insights to our provider community
 - Meets at least quarterly with all our VBC partners
- Built an analytic team to support our provider partners
- Share claim, utilization, gaps in care reports with our VBC partners
- Share referral pattern analytics with our VBC partners
- Provide quality measurements including benchmark data



HCSC's Success Metrics

Our Results

Demonstrated results (ACO): Members within an ACO compared to similar members not in an ACO.



\$17 LOWER
COST
PaMPM



16% FEWER
ER
VISITS



15% FEWER
INPATIENT
DAYS



13% PROFESSIONAL
OFFICE
VISITS



9% FEWER
HIGH-TECH
IMAGING
SERVICES

Kimberly Kauffman

Summit Medical Group

- **Physician owned - 349 providers (165 PCPs)**
- **54 sites, 14 county market in East Tennessee**
- **Ancillaries – lab, imaging, sleep, PT / OT, urgent care**
- **100% primary care sites NCQA level III PCMH**
- **300K active pts; 1.1M+ pt encounters in 2016**
- **60% of active pts under Value Based Care Agreement**
- **Downside risk contracts: MA, Next Gen and commercial**
- **14 sites with 16K pts in CPC+**
- **54 sites with 20K pts in TennCare (Medicaid) PCMH**

Summit Strategic Solutions

- **Physician owned**
- **Managing 160K pts via ACO contracts (~60% of patients)**
 - Medicare Advantage, trad'l Medicare, Commercial & Medicaid
- **Transitional Services Organizations**
 - Care Coordination
 - Health Education
 - Quality Reporting & Improvement
 - Risk Adjustment
 - Data Analytics
 - Provider Engagement
 - Patient & Caregiver Experience
- **Management Services Organization**

Rewards & Engagement Program

Principles for metrics:

- Align incentives
 - Reward behaviors that positively impact MER
 - **Simple** (3 – 4 elements)
 - Transparent
 - Timely
 - Credible
- } can be quantified in **tracking report**
- Fair (weighted by panel size or flat dollar amount)
 - Calculated in time for **inclusion in 2015 income**

Education – 20%

\$XXX / Physician

\$YYY / Advance Practitioners

- HCC documentation & coding Q2 & Q3
- Pt & Caregiver Experience Q3
- Payable in month following session

Revenue Management – 35%

- Prior year chronic HCCs closed year-to-date
- Thresholds: 60% and 90%
(note: 46% complete Q1)
- Paid \$XX per HCC as threshold achieved

Quality Management – 20%

- Clinical Quality Dashboard (CQD) STARs
Aggregate 4.5 – 4.75 pd at 1x PMPM (cap \$15K)
Aggregate ≥ 4.76 pd at 3x PMPM (cap \$25K)
- Calculated annually; performance period truncated for timely calculation and inclusion in 2015 income

Expense Management – 25%

- Readmit rate $\leq 9\%$
- PCP to Specialty visit ratio ≥ 1.5
- Paid PMPY
- Calculated annually, performance period truncated for timely calculation and inclusion in 2015 income

SHA Keys for Success 2017

Patients: 203

G [redacted] MD

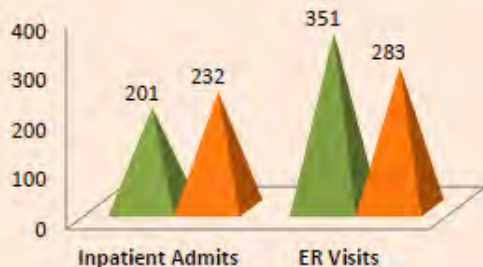
Quality ★ ★ ★ ★ ★

[Click to view quality scores and drill to payer level](#)

Expenses

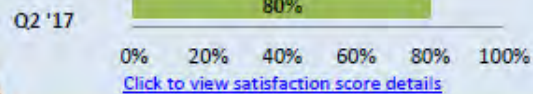
■ Performance
■ Goal

[Click to view patient ER visit detail](#)
[Click to view patient IP admit detail](#)

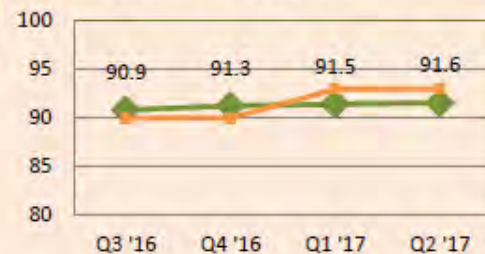


Patient Satisfaction

Goal 35%

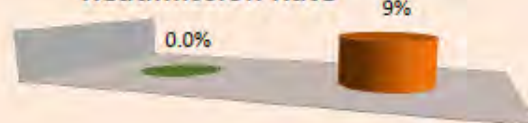


% Generic Rx / Quarter



[Click here to see Rx Savings Opportunities](#)

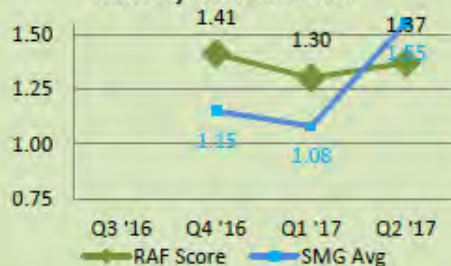
Readmission Rate



[Click here to see readmissions](#)

Risk Adjustment

Risk Adjustment Factor



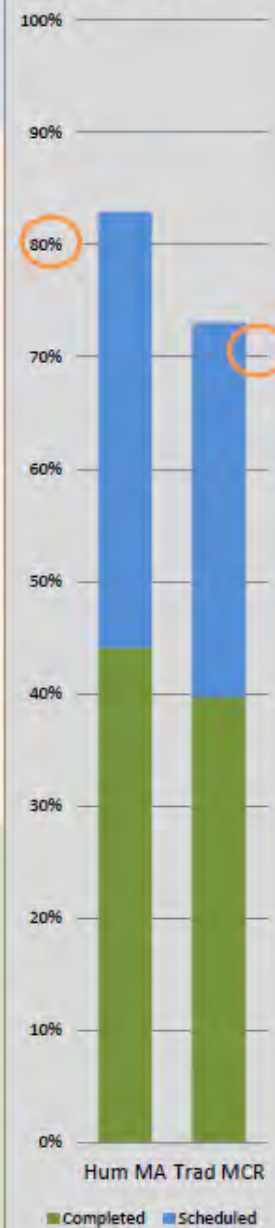
Participation In HCC Education

% 2017 Chronic HCCs Address YTD



[Click to view 2016 HCCs NOT addressed YTD by patient detail](#)

MAVV



Coastal Medical

- Primary care-driven ACO in Rhode Island
- Physician owned and governed
- 124 providers
- 7 populations under shared savings
- In vigorous pursuit of the Triple Aim

Better health, better care, lower costs



Comp model \neq payment model

Guiding Principles

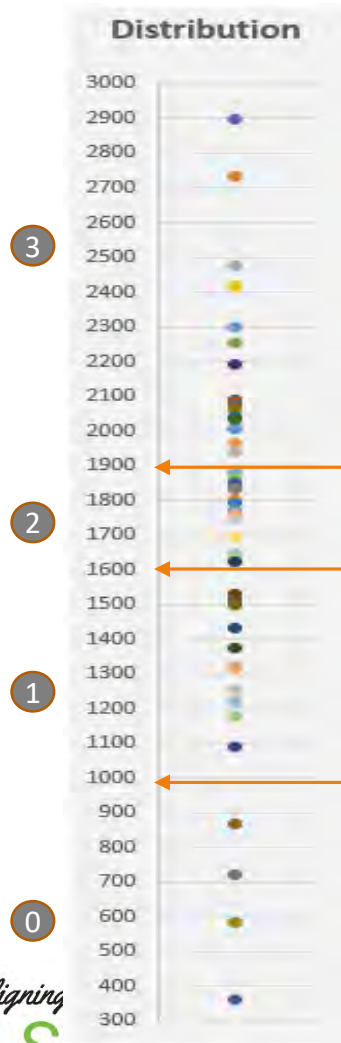
- Logic
- Consonance with values
- Fairness
 - Distributive justice
 - Procedural justice
- Clear and timely communication

Process

- 2013: Comp reform 1.0
- Summer 2016: Convening, framing, “straw man”
- Fall 2016: “Town hall”
- Winter 2017: refine formula, review data, set thresholds
- Spring 2017: webex presentations
- Fall 2017: “dry run”; peer comparisons on metrics, comp variation reduction visits
- Jan. 2018: Go-Live

Setting Thresholds

Panel Size



Pattern Recognition

Logic

Consonance with Values

Fairness

We can revise

Formula

(Applied to available shared savings and quality surplus)

<u>Metric</u>	<u>Points</u>
Ownership class	
Owner	X
Employed	0
Pod quality performance	X
Pod cost performance	X
Panel size	X
Panel risk score	X
Pod patient experience survey performance	X
Open panel	X
Closed panel	0
Citizenship	
Participation	X
No participation	0

Where We Stand

- Docs are interested in the comparative performance data
- Docs are receptive to variation reduction visits
- Very little conflict
- A few open questions
- We'll be using the new formula in 2018

LAN Resources

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



Contact Us

We want to hear from you!



www.hcp-lan.org



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