

Aligning for Action

LAN SUMMIT

Health Care Payment Learning & Action Network

**QPP Other Payer Advanced APMs:
CMMI Multi-Payer Model
Payer Perspective**



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*Public Health Analyst at
Center for Medicare and
Medicaid Innovation*

Today's Panel



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Primary Care Plus (CPC+)
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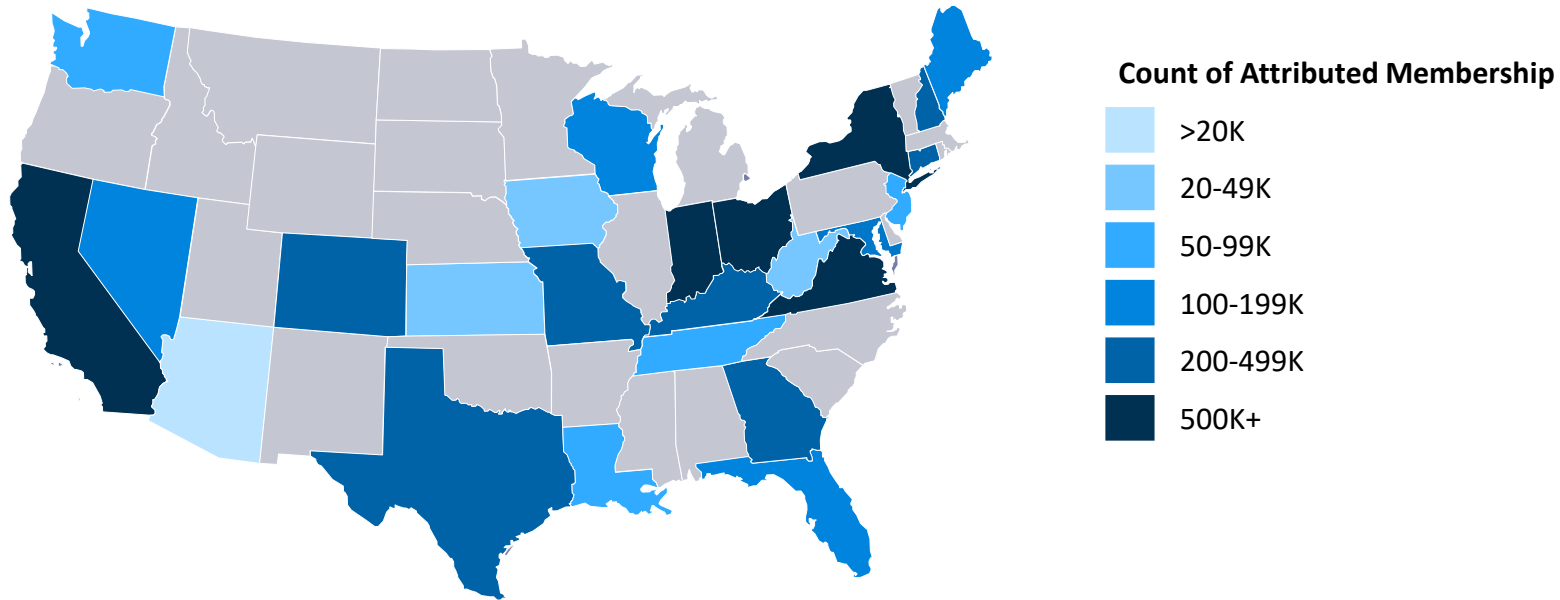
Anshu Choudhri

*Managing Director,
Value-Based Policy, Blue
Cross and Blue Shield
Association*

Anthem Multi-Payer Value-Based Payment Model Participation

Katie Pierson
Director, Program Operations and Management
Anthem

Anthem National ACO and PCMH Footprint



Contract Types

Patient Centered Medical Home (PCMH)

- Smaller provider practices linked together in virtual panels
- Upside (shared savings only)

Accountable Care Organization (ACO)

- Larger group practices with enough attributed membership to bear risk independently
- May include upside only or upside/downside risk

Payment Models

Commercial

- Performance against **Medical Cost Target (MCT)**; shared savings bonus payments calibrated against quality scorecard performance

Government Business

- Performance against **Medical Loss Ratio (MLR)** target; shared savings bonus payments calibrated against quality scorecard performance

Multi-Payer Model Participation

CPC Classic

- Commercial
 - Participating in NY, OH, Northern KY, CO
 - 82 groups
- Medicare
 - Participating in OH, NY
 - 38 groups
- Medicaid
 - Participating in NJ
 - 4 groups

CPC+

- Commercial
 - Participating in NY, OH, Northern KY, CO
 - 131 groups
- Medicare
 - Participating in OH, NY
 - 30 groups
- Medicaid
 - Participating in NJ, TN, LA
 - 27 groups

Oncology Care Model

- Not participating

Roll-out

- Care Management Fees and PBIP
 - PCP Based Shared Savings Program –
 - Commercial and Medicare; 250+ attribution
 - Medicaid; 1,000+ attribution
 - PCP Based P4P with Quality and Utilization Performance measures - *Smaller Attributed Population Approach* –
 - Commercial and Medicare (Available 1/1/18)
 - Medicaid; 250-999 attribution
- Track 2 Alternative Fee For Service
 - Commercial and Medicare - Pilot targeted for Q1 2018 (similar to CPCP)
 - Medicaid –
 - TN – State specific bundle requirements in place
 - NJ – PCP capitation (2018)



From Value-Based Care to Advanced APMs: Blue Cross Blue Shield Perspective

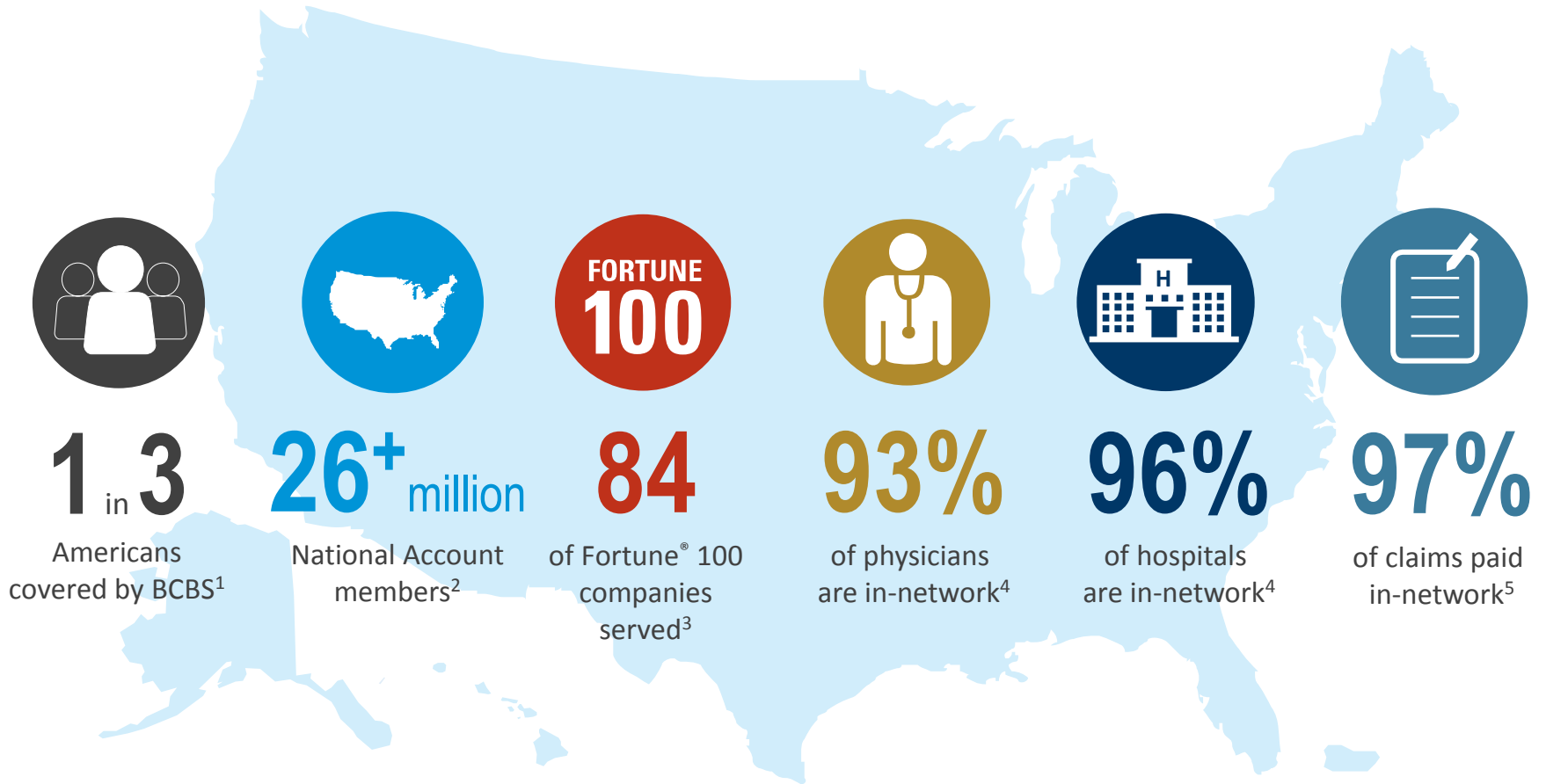
Anshu Choudhri, MHS

Health Care Payment Learning &
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October 30, 2017

Blue Cross Blue Shield System by the Numbers

Largest networks and share of market provide advantages for employers



^{1,2} BCBSA Q4 2015 Quarterly Enrollment Report, BCBSA Analysis

³ Fortune Magazine, 2015 BCBSA Analysis

⁴ CHP Network Compare Findings, Q4 2015

⁵ Hewitt Discount Benchmarking Analysis, Mid-Year 2014

Partnering in the Shift to Value-based Care

The Blues work with local providers to design programs and maximize value based on what each provider can afford and operationally support

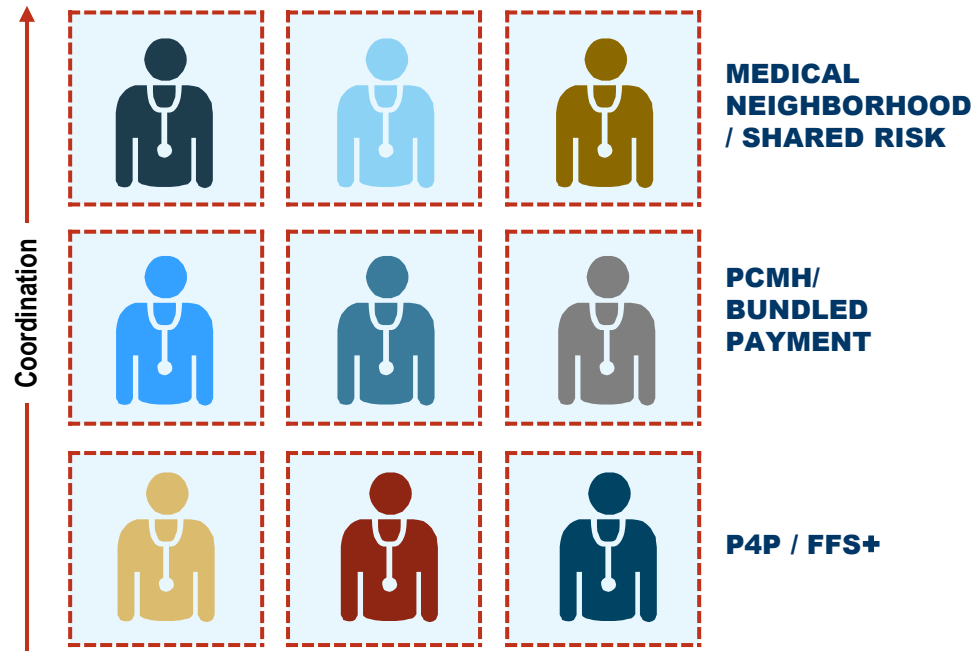
Providers, like their communities, are not all the same:

Many lack capacity to take on risk and/or change financial models, or to integrate delivery of care

Model will vary by provider and population:

Program variations will continue to expand and evolve in our effort to improve quality and affordability

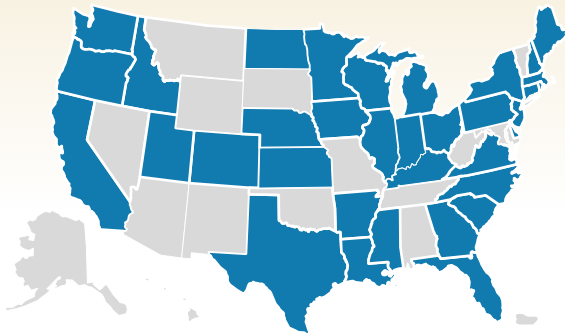
MULTIPLE VALUE-BASED MODELS



Flexible mix of payment arrangements and care coordination models

2017 BCBS Value-Based Care Programs

ACCOUNTABLE CARE ORGANIZATIONS



35 States

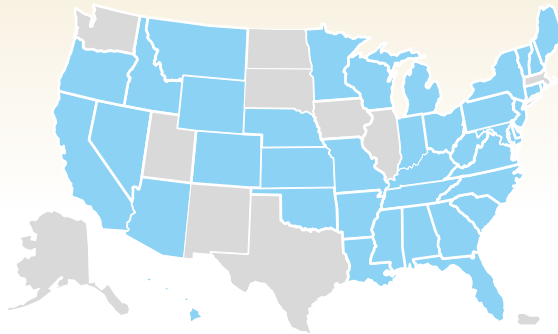
158,763

Participating Physicians

8,631,758

Blue Members Covered

PATIENT-CENTERED MEDICAL HOMES



39 States Plus D.C.

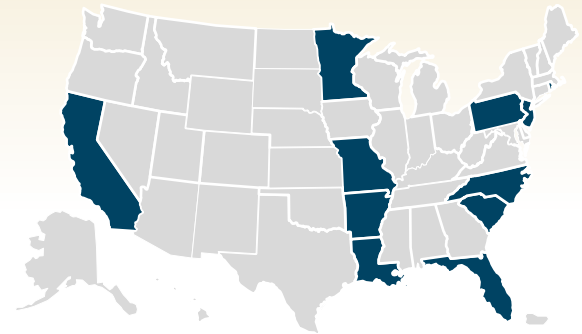
60,314

Participating Physicians

6,115,135

Blue Members Covered

EPISODE-BASED PAYMENT



11 States

2,790

Participating Physicians

64,729

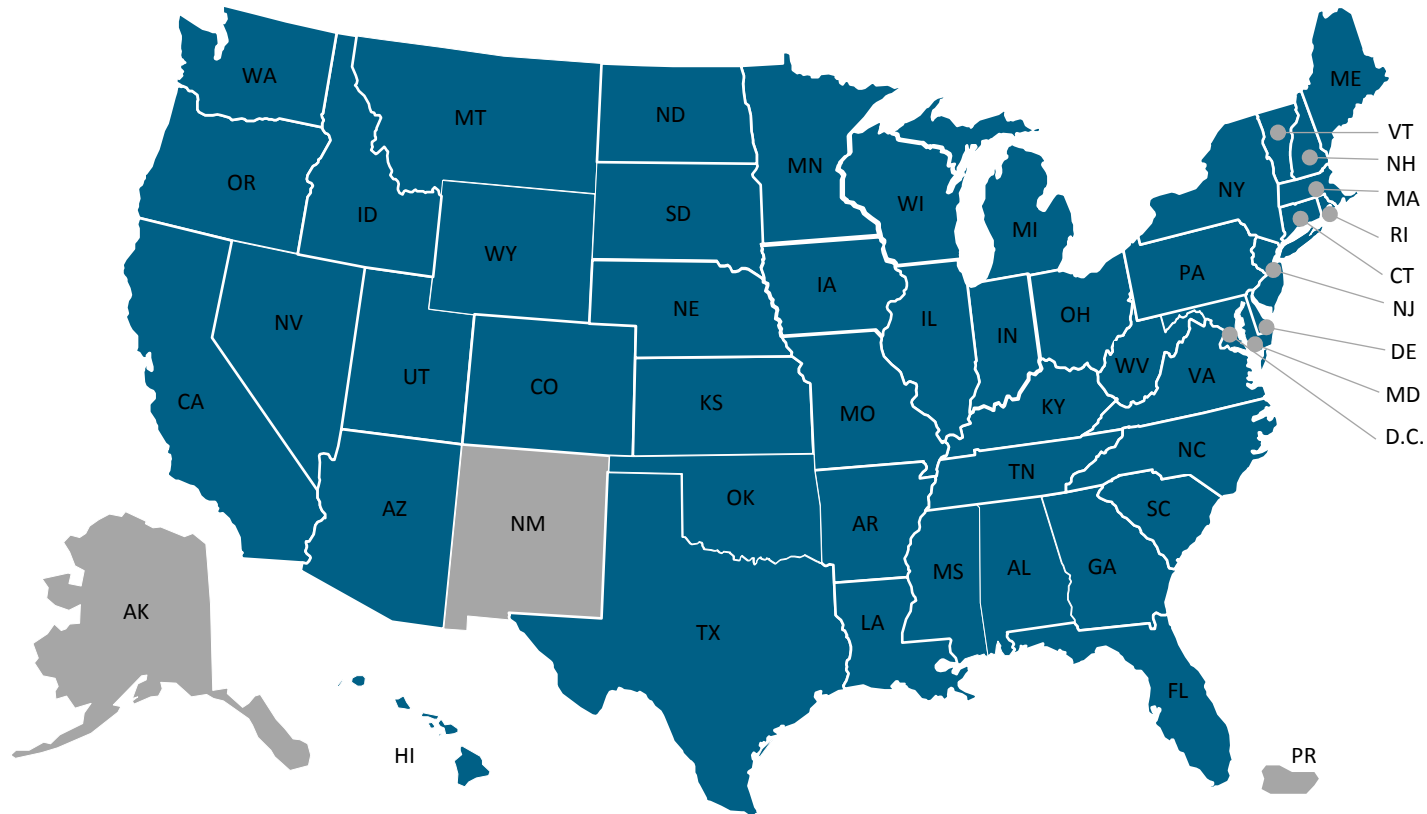
Episodes Completed

BCBS Value-Based Programs

	States	BCBS Members Covered ¹	Primary Care Participating	Specialty Care Participating	Hospitals Participating	BCBS Medical Claims Spend Tied to Total Care
Value-based Programs Today	48	53,137,255	234,053	213,516	1,271	\$121.8B
			447,569			30% of total claims

BCBS Value-Based Programs

In 2017, value-based programs are available in 48 states and in 98 of the top 100 MSAs



Longitudinal Results Driven by Real Changes in Care Delivery

Blue Cross Blue Shield Massachusetts
Alternative Quality Contract (AQC)

Lower Back Pain

22% Reduction
in cases

▶ **\$3.5M+**
Total est. yearly
account savings¹

Avoidable ER Visits

11% Reduction
in cases

▶ **\$1M+**
Total est. yearly
account savings¹

Hospital Readmissions

17% Reduction
in cases

▶ **\$4.9M+**
Total est. yearly
account savings¹

Total yearly estimated member out-of-pocket savings¹ ▶ **\$2.2M+**

¹ Blue Cross Blue Shield of Massachusetts CY 09-15 data

Changing Relationships with Providers to Reward Value

Anthem BCBS
Enhanced Personal Healthcare

Fewer members admitted to the hospital

6.1% fewer IP
admits

3.4% fewer IP
days

Providers choosing preferred sites

Lower costs
on imaging

2.4%

lower utilization
of radiology services

Declining cost and utilization of surgical services

7.6% fewer IP
surgeries

6.7% fewer surgical
IP days

1.9% fewer IP
surgeries

▶ Resulting in **\$14.08 gross savings PMPM** (\$11.43 net)
while maintaining – or improving – quality

Patient-Focused Care Improvement for At-Risk Members

BCBS Louisiana
Quality Blue Primary Care

Program leading to cost savings through attributed members having more primary care doctor visits, leading to fewer hospital stays

Percentage of Attributed Patients with Managed Disease States

Diabetes Care

31%¹

Hypertension Care

68%¹

Vascular Disease

38%¹

Kidney Disease Care

75%¹

- ▶ **Results:** Participating physician groups successfully cut spending and improved healthcare quality; **saving 1.7%**, on average, in their total healthcare costs; **most successful groups saved 3.8%, on average**
- ▶ *Physician groups with the best health outcomes for their patients had the highest total savings*

MACRA: Potential Impacts on Private Sector

Future ability to
innovate

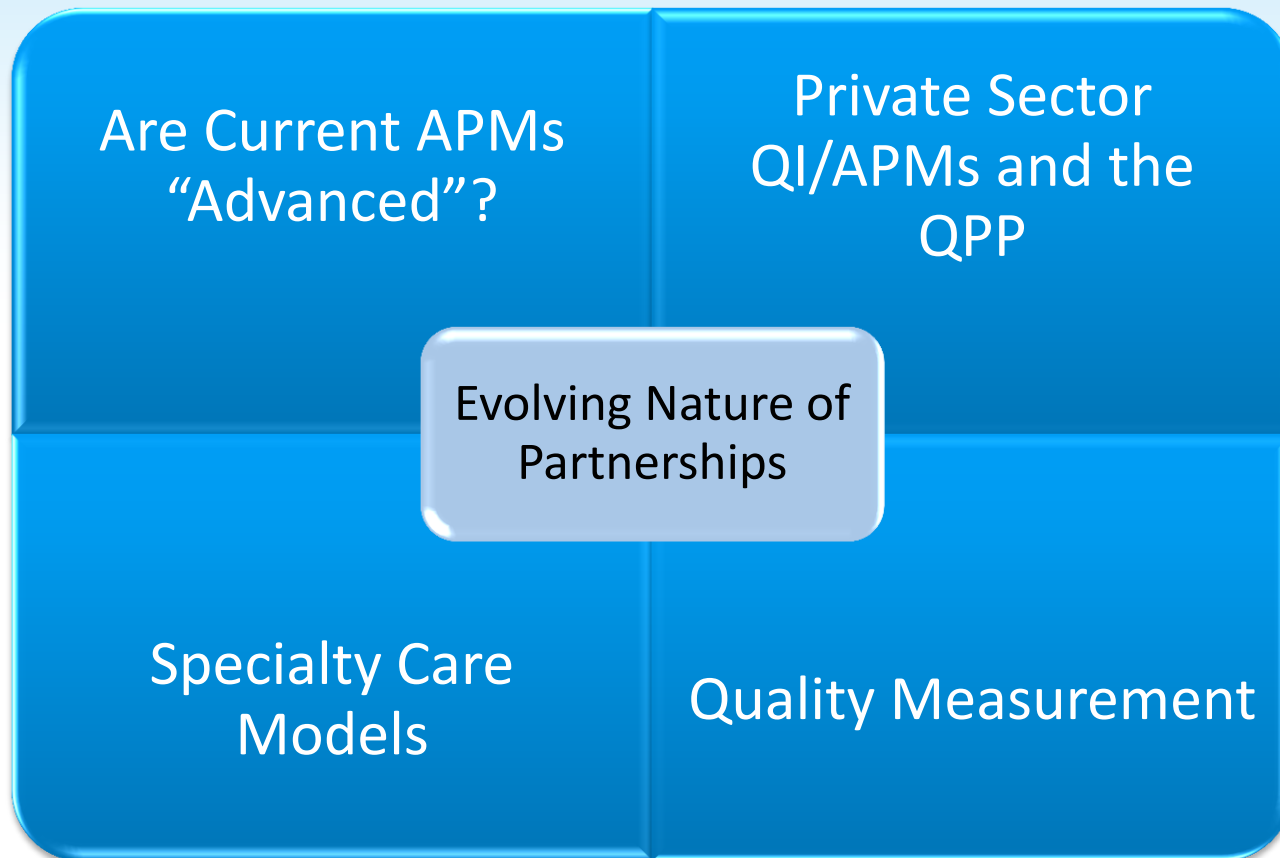
Viability of
small/independent
practices

Medicare
Advantage

Cost-shifting to
private sector

Role of Health Plans – moving to Advanced APMs

Opportunities to drive value-based care, but more work needs to be done



LAN Resources

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



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