



HCP LAN

Health Care Payment Learning & Action Network

**Accelerating and Aligning Clinical Episode Payment Models:
Preliminary Recommendations on Cardiac Care**

April 26, 2016

10:15am – 11:30am

WELCOME



Dr. Jason Wasfy

Director of Quality and Analytics

Director of Outcomes Research

*Massachusetts General Hospital
Heart Center*

SESSION OBJECTIVES



- ✓ Learn about the LAN CEP Work Group's Charge and Activities
- ✓ Hear a preview of the work group's recommendations for using episode payment to delivery care to patients with coronary artery disease (CAD)
- ✓ Hear from episode payment experts on how this APM is being used today to improve cardiac care delivery
- ✓ Provide an opportunity for the audience to interact with the panelists

AGENDA



Time (ET)	Topic & Speaker
10:15 – 10:35	CEP Work Group Overview and Draft CAD Recommendations Review Dr. Jason Wasfy
10:35 – 10:50	Health Care Improvement Incentives Institute Sarah Burstein
10:50 – 11:05	Archway Health Ed Bassin
11:05 – 11:15	Facilitated Audience Q&A

CEP Work Group

Clinical Episode Payment (CEP)

18 Members



Chair



Lewis Sandy

Senior Vice President, Clinical
Advancement, UnitedHealth Group



The group will identify the most important elements of clinical episode payment models for which alignment across public and private payers could accelerate the adoption of these models nationally. The emphasis will be on identification of best practices to provide guidance to organizations implementing clinical episode payment models.

Key Activities

- ✓ Identifying the elements for elective joint replacement, maternity, and cardiac care episode payments
- ✓ Identifying best practices for implementing clinical episode payment models

CEP MEMBERS

Member Roster



Lewis Sandy, MD, MBA

Executive Vice President, Clinical
Advancement, UnitedHealth Group

Amy Bassano, MPP

Director, Patient Care Models Group, Centers for
Medicare and Medicaid Services

Edward Bassin, PhD

Chief Analytics Officer, Archway Health

John Bertko, FSA, MAAA

Chief Actuary, Covered California

Kevin Bozic, MD

Chair of Surgery and Perioperative Care, Dell Medical
School at the University of Texas at Austin

Alexandra Clyde, MS

Corporate Vice President of Global Health Policy,
Reimbursement and Health Economics, Medtronic, Inc

Brooks Daverman, MPP

Director of the Strategic Planning and Innovation
Group, Tennessee Division of Health Care Finance
and Administration

François de Brantes, MS, MBA

Executive Director, Health Care Incentives
Improvement Institute, Inc.

Mark Froimson, MD, MBA

Executive Vice President and Chief Clinical Officer
Trinity Health, Inc.

Rob Lazerow

Practice Manager, Research and Insights
The Advisory Board Company

Catherine MacLean, MD, PhD

Chief Value Medical Officer, Hospital for Special
Surgery

Jennifer Malin, MD, PhD

Staff Vice President, Clinical Strategy, Anthem, Inc.

Cara Osborne MSN, CNM, ScD

Chief Clinical Officer, Baby+Co.

Dale Paton Reisner, MD

Maternal Fetal Medicine Specialist
Swedish Medical Center

Carol Sakala, PhD, MSPH

Director of Childbirth Connection Programs
National Partnership for Women & Families

Richard Shonk, MD, PhD

Chief Medical Officer, the Health Collaborative

Steve Spaulding

Senior Vice President, Enterprise Networks
Arkansas BlueCross BlueShield

Barbara Wachsman

Chair, Pacific Business Group on Health

Jason Wasfy, MD

Director, Mass General Heart Center

CARDIAC CARE

for CEP models

The draft white paper titled *Accelerating and Aligning Clinical Episode Payment Models: Coronary Artery Disease* describes goals for using episode payment to deliver high quality, person-centered care to patients living with coronary artery disease. The white paper reviews previous and existing CAD episode payment efforts – mainly related to CAD procedures -- in order to develop a set of recommendations that can potentially pave the way for broad adoption of bundled payment in a way that has not yet occurred: namely, at the condition level.

Key Components

- Design Elements
- Recommendations
- Operational Issues



Development

February -- May 2016



Draft Release

Mid-May, 2016



Public Comment

May - June 2016



Revise

June 2016



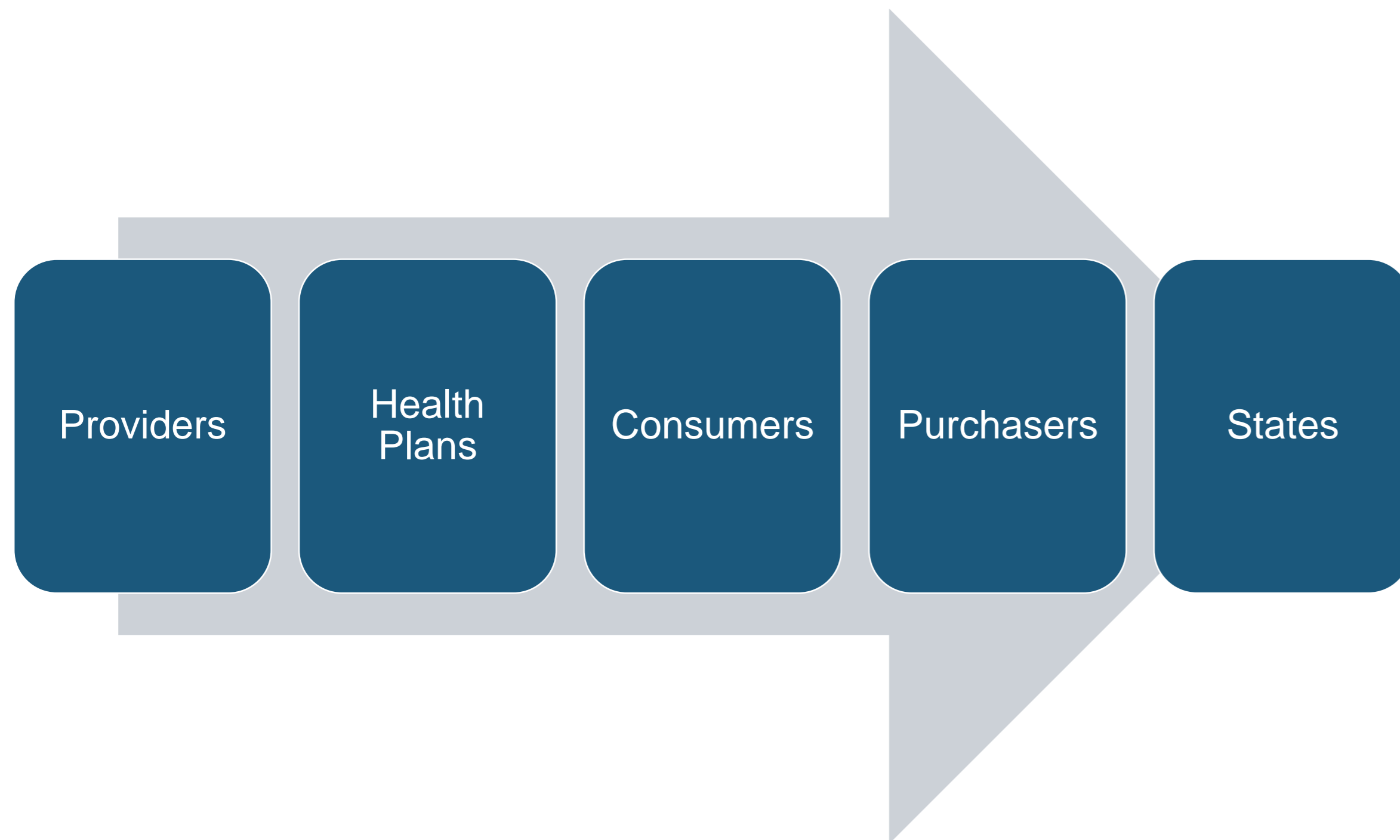
Final Release

Summer 2016



WORK GROUP AIMS TO...

Provide a Directional Roadmap to:



Promote Alignment:

- ✓ Design Approach
- ✓ Alignment Approach

Find a Balance Between:

- ✓ Alignment/consistency and flexibility/innovation
- ✓ Short-term realism and long-term aspiration

PURPOSE OF EPISODE PAYMENT

Episode Payment Can:

- ✓ Create incentives to break down existing siloes of care
- ✓ Promote communication and coordination among care providers
- ✓ Improve care transitions
- ✓ Respond to data and feedback on the entire course of illness or treatment

Episode Payments Reflect How Patients Experience Care:

- ✓ A person develops symptoms or has health concerns
- ✓ He or she seeks medical care
- ✓ Providers treat the condition
- ✓ The patient receives care for his or her illness or condition

Goal: The treatments the patients receive along the way reflect their wishes and cultural values.

EPISODE SELECTION CRITERIA



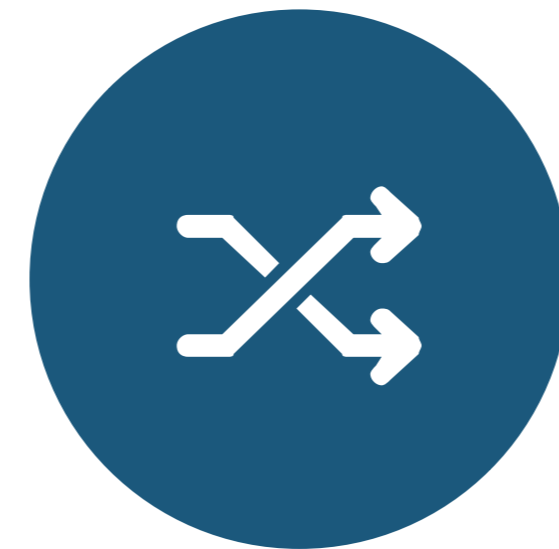
Empowering Consumers

Conditions & procedures with opportunities to engage patients and family caregivers' through the use of decision aids support for shared decision-making; goal setting and support for identifying high-value providers.



High Volume, High Cost

Conditions & procedures for which high cost is due to non-clinical factors such as inappropriate service utilization and poor care coordination that correlate with avoidable complications, hospital readmissions and poor patient outcomes.



Unexplained Variation

Conditions & procedures for which there is high variation in the care that patients receive, despite the existence evidenced based "best" practices.



Care Trajectory

Conditions & procedures for which there is a well-established care trajectory, which would facilitate defining the episode start, length and bundle of services to be included.

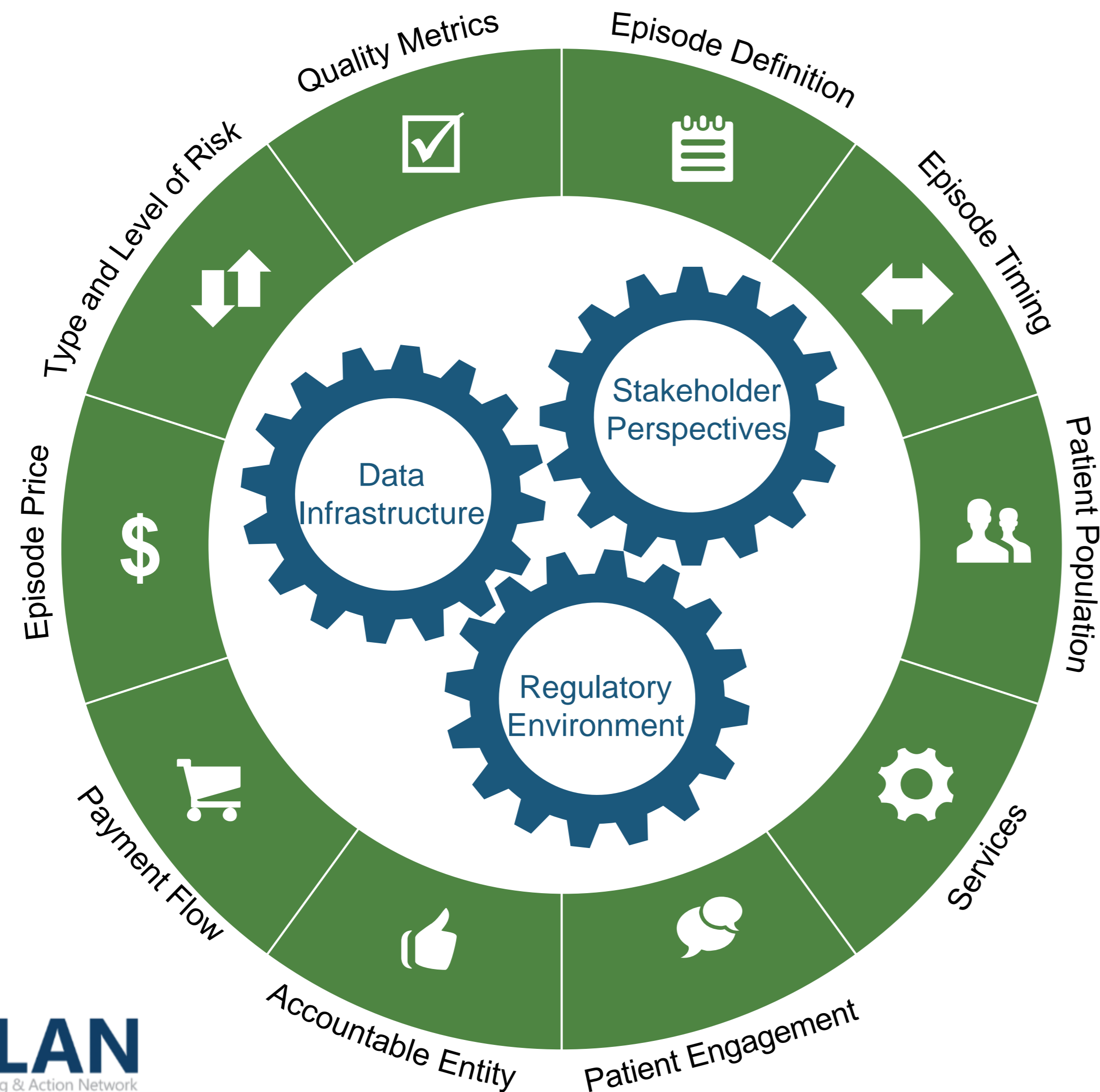


Availability of Quality Measures

Conditions & procedures with availability of performance measures that providers must meet in order to share savings which will eliminate the potential to incentivize reductions in appropriate levels of care.

EPISODE PARAMETERS

Episode Design and Operational Considerations



- **Stakeholder Perspectives:**
Ensure that the voices of all stakeholders – consumers, patients, providers, payers, states and purchasers – are heard in the design and operation of episode payments
- **Data Infrastructure:**
Understand and develop the systems that are needed to successfully operationalize episode payments
- **Regulatory Environment:**
Recognize and understand relevant state and/or federal regulations, and understand how they support or potentially impede episode payment implementation

CARDIAC CARE: WHERE ARE THE OPPORTUNITIES 12

Coronary Artery Disease (CAD) and its associated care accounts for more than one million procedures done in the U.S. annually, at a cost of more than \$15 billion in health care spending in 2012.

Value Proposition

- Care is highly fragmented, resulting in poor outcomes, reflected by higher than necessary rates of adverse drug events, hospital readmissions, diagnostic errors, and lack of appropriate follow-up testing.
- Individuals that are diagnosed with a cardiac condition, such as CAD or CHF experience disjointed, uncoordinated, silo'd care across multiple settings

- Primary care
- Specialty care
- In-patient and out-patient hospital
- Post-acute care (Skilled nursing facilities, rehab)
- Home health
- Hospice

WHAT ARE THE LEVERS FOR DRIVING CHANGE?

Developing recommendations for the cardiac episode design elements depends on the goal(s) of the model, and the associated levers

Goal	Levers
Increasing the rate of providing the right care at the right time in the right setting	<ul style="list-style-type: none"> • Delivery of imaging diagnostics, and low-acuity procedures (catheter/PCI) in the most appropriate and efficient setting • Providing optimal medication management
Increasing preventive care to reduce hospitalizations and readmissions	<ul style="list-style-type: none"> • Innovative delivery of coordinated preventive care • Disease management • Lifestyle change
Increasing positive outcomes for acute care patients	<ul style="list-style-type: none"> • Patient-centered discharge processes • Coordination of post-acute care • Innovative transitional care

CORONARY ARTERY DISEASE (CAD) EPISODE

✓ Goals:

- Patient-level: Improve quality of life for CAD patients through increase in symptom-free days, a reduction in AMI, the ability to return more quickly to normal activities, and other goals unique to the patient's care plan.
- System level: Increase the rate of high value needed services, lower the rate of low value services, avoidable complications, and inappropriate procedures.

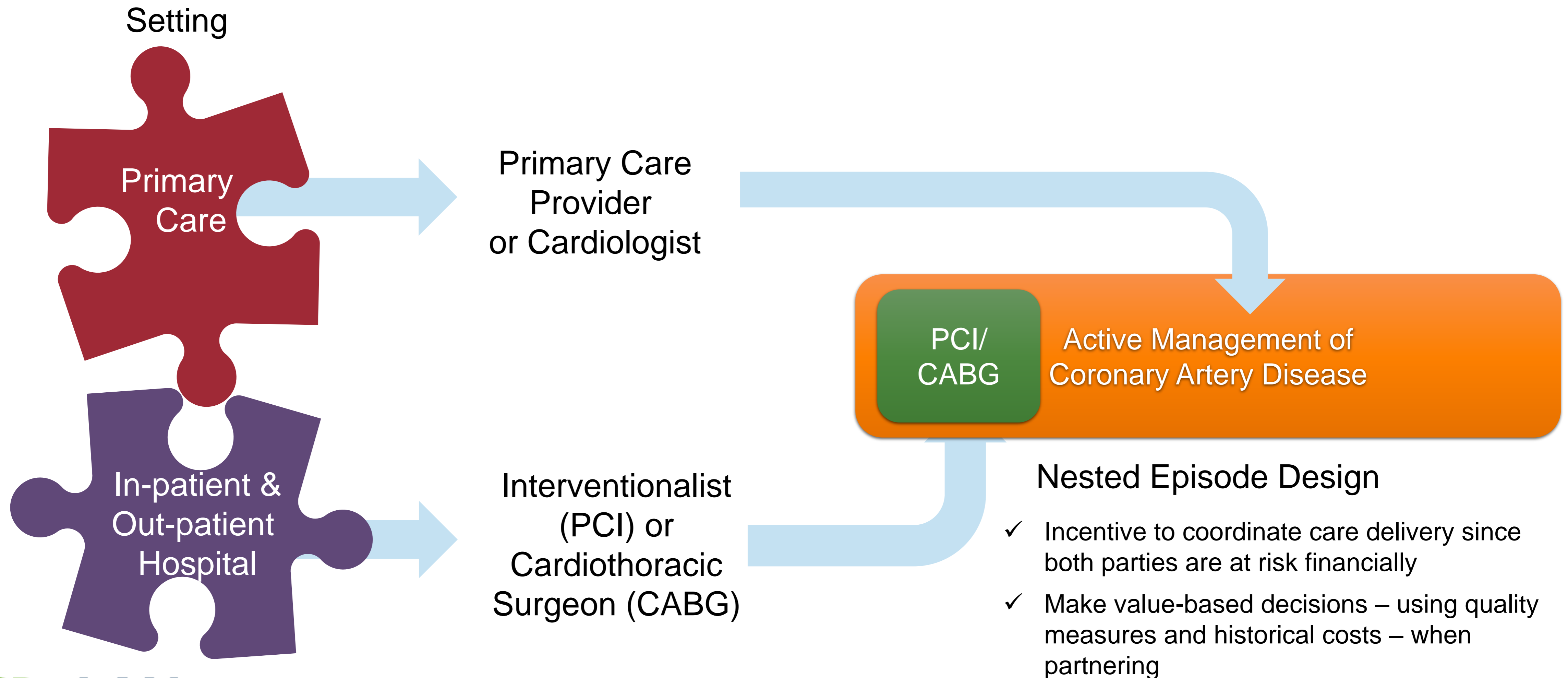


✓ Overarching Design is a “nested” episode:

- CAD condition episode payment: Payment for 12 months of preventive care and disease management
- CAD procedure “nested” episode payment: A sub-bundled payment for the delivery of a CAD-related procedure (e.g. PCI, CABG) within the course of the condition episode.

CARDIAC – PRICE & CARE

Why a Nested Cardiac Care Episode?



WHY A “NESTED” CAD EPISODE?

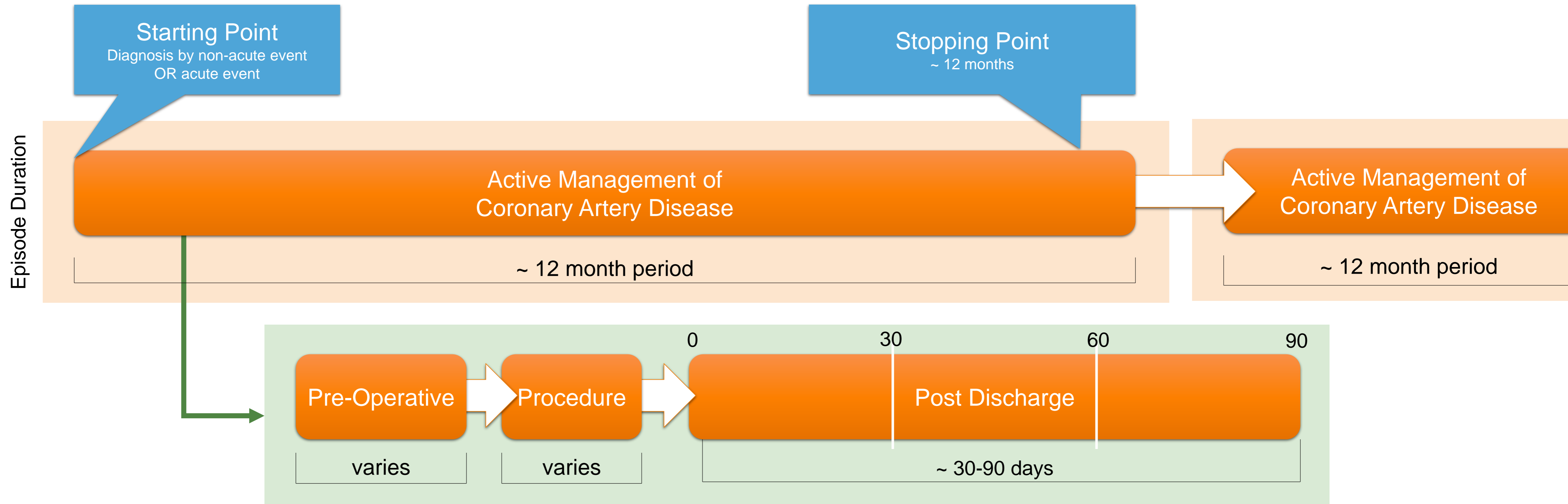
- The “procedure-within-a-condition” episode design incentivizes the cardiologist/PCP to employ low-resource tools such as medication and lifestyle change to manage the patient’s condition with the goal of avoiding the need for procedures (PCI/CABG)
- Accountable provider understands that denying a patient appropriate CAD management services may result in costly complications that would count against the episode price
- Creating an episode payment structure for procedures, when done appropriately, will incentivize the PCP/Cardiologist to coordinate with the intensivist/cardiothoracic surgeon, to drive improved patient outcomes.
- Recognition that for a condition that has procedures in it, you have to figure out how to efficiently deliver the procedures.



CARDIAC - TIMELINE

Episode Timeline for Cardiac Care

NOTIONAL – Still in Development





EPIISODE DESIGN RECOMMENDATIONS



1. Episode	2. Episode Timing	3. Patient Population	4. Services	5. Patient
<p><u>Condition:</u> 12 months active CAD management</p> <p><u>Procedure:</u> PCI or for treatment of CAD</p>	<p><u>Condition:</u> Parallel to benefit year</p> <p><u>Procedure:</u> Pre-op, procedure, and 30-days post-discharge</p>	<p><u>Condition:</u> Patients diagnosed with CAD in same health plan full 12 months</p> <p><u>Procedure:</u> Patients deemed to need a PCI CABG based on appropriate use guidelines</p>	<p><u>Both:</u> Core services CAD management for quality delivery procedure.</p>	<p><u>Both:</u> Patient and self-tools, patient and family engagement in care planning and transitions; shared decision-making</p>
6. Accountable	7. Payment Flow	8. Episode Price	9. Type and Level of Risk	10. Quality Metrics
<p><u>Condition:</u> and/or PCP for condition and for overall episode</p> <p><u>Procedure:</u> Intensivist cardiothoracic</p>	<p><u>Both:</u> Payment flow either upfront FFS or prospective payment depends on the characteristics of the model's players.</p>	<p><u>Both:</u> Balance regional/multi-provider and provider-specific utilization history; Acknowledge efficiencies; be feasible to attain</p>	<p><u>Both:</u> Upside and/or downside risk, depending on model.</p>	<p><u>Both:</u> Clinical and patient-reported outcomes; including functional status</p> <p><u>Procedure:</u> Process outcome measures</p>

PANEL SPEAKERS



Sarah Burstein
Product Manager
ECR Analytics
HCI³



Edward Bassin, PhD
Chief Analytics Officer
Archway Health