Accelerating to Value

LAN SUMMIT

Health Care Payment Learning & Action Network

APRIL 25-26, 2016 SHERATON TYSONS HOTEL TYSONS CORNER, VA

HCP LAN
Health Care Payment Learning & Action Network

Payment Reform Evaluation Hub: Better Evidence for Payment Reform

4/26/2016

Duke | Duke-Margolis Center for Health Policy

HMR LAB | HARVARD MEDICAL SCHOOL | Department of Health Care Policy

PBGH PACIFIC BUSINESS GROUP ON HEALTH

CMS CENTERS FOR MEDICARE & MEDICAID SERVICES

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Principal Investigator on CMMI & other awards

Professor of Public Policy, Business, Nursing, & Medicine

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Payment Reform Evaluation Hub

Supported by:
Arnold Foundation &
Health Care Payment Learning and Action Network

- **Goal:** Identify and implement specific steps and support to enable evaluations that are:
  - Transparent
  - Faster
  - Cheaper
  - More translatable
- **Value Proposition:** Better evidence through more efficient and effective evaluation can lead to better payment reform design, more rapid diffusion of payment reforms, and better results for patients

Two Key Areas of Improvement

1. Better evaluations
   - Are there specific, feasible steps to move beyond lengthy summative approaches often used to date?
   - Are there specific, feasible features that should generally accompany the implementation of new payment reform models to enable them to generate better evidence?
2. Better communication of results
   - Engage stakeholders and decision makers earlier
   - Steps to enhance transparency and clarity in communication about payment reforms

“Payment Reform Evaluation Hub”

Mar– June 2016

Convene

- Review and gain input from experts and stakeholders
- Recruit advisory group and/or working group to **support “sprints”** in promising areas for **improving the efficiency and impact of evaluations**
- Identify initial evaluation opportunities and partners

July – Dec 2016

Develop the Content

- Complete and circulate draft work products from sprints
- Convene public meeting on Better Evidence for Payment Reform
- Produce and circulate draft evaluation framework and tools for feedback
- Initiate evaluations

Jan 2017 - TBD

Pilot Evaluations

- Produce and circulate final evaluation framework and tools for more effective evaluations, including preliminary experience with hub-supported pilot evaluations
- Develop financial sustainability plan for increased conduct of effective evaluations

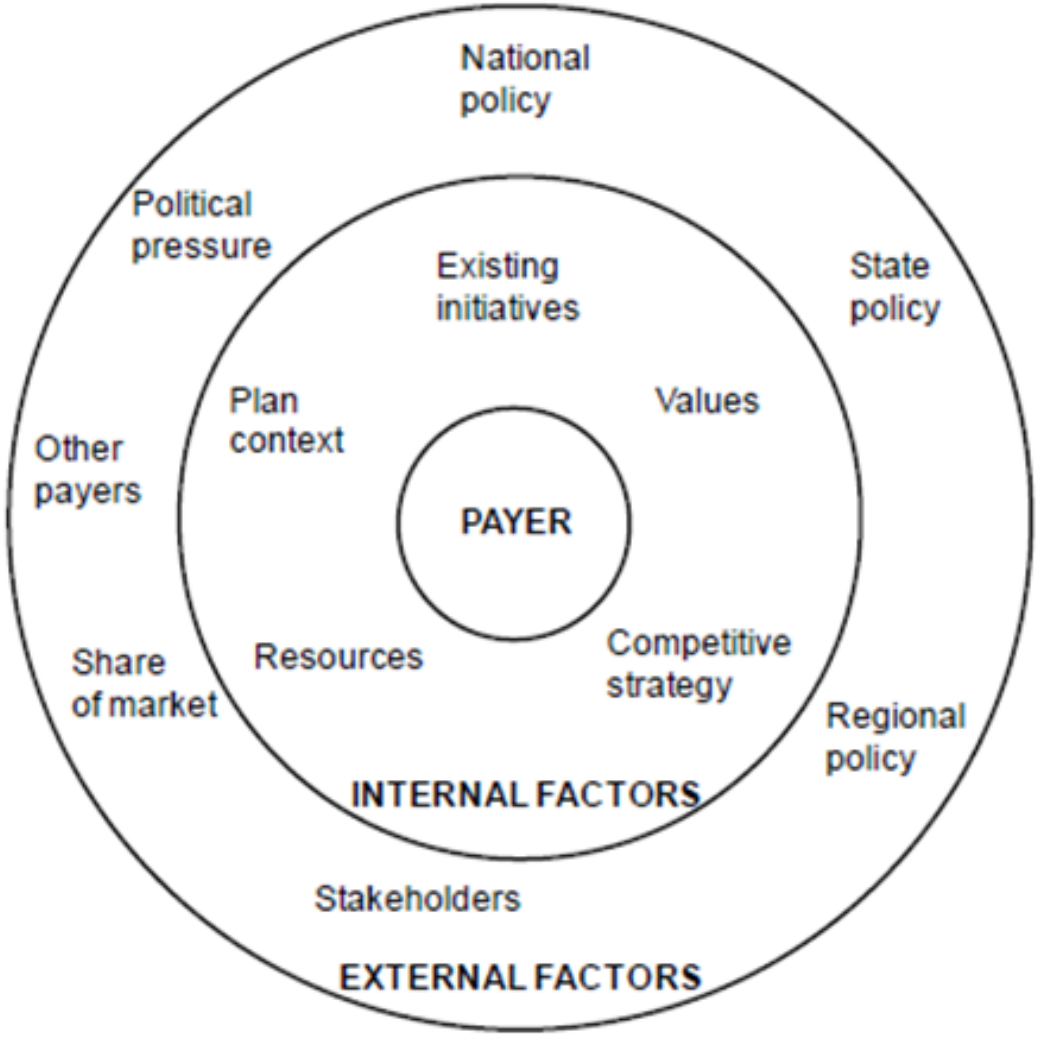
LAN APM Framework – Has Evaluation needs

- Payment reform book of business can span several categories
- Evaluation needs in distinct buckets dealing with specific populations and data requirements for tracking
- Decision making is needed at iterative levels to inform various factors impacting the services aligned, cost, & outcomes achieved.

Figure 1. APM Framework (At-A-Glance)

Multiple factors affect payer's decision to participate in Alternative Payment Models (APMs) and the impact of APMs

- CMS and other payers are implementing APMs, but are not producing translatable evidence to inform market response & policy dynamics
  - Internal and External Factors influence evaluation models and best practice dissemination
    - Assumption of uniformity of interventions in study designs limits handling translation
  - Public-private partnerships are key to implementing evaluations and producing translatable evidence



CMS & CMMI Experience

Figure 2: Graphical Summary of Joint Replacement Design Elements & Operational Considerations

Source: Ripple Effect Communications, Inc.

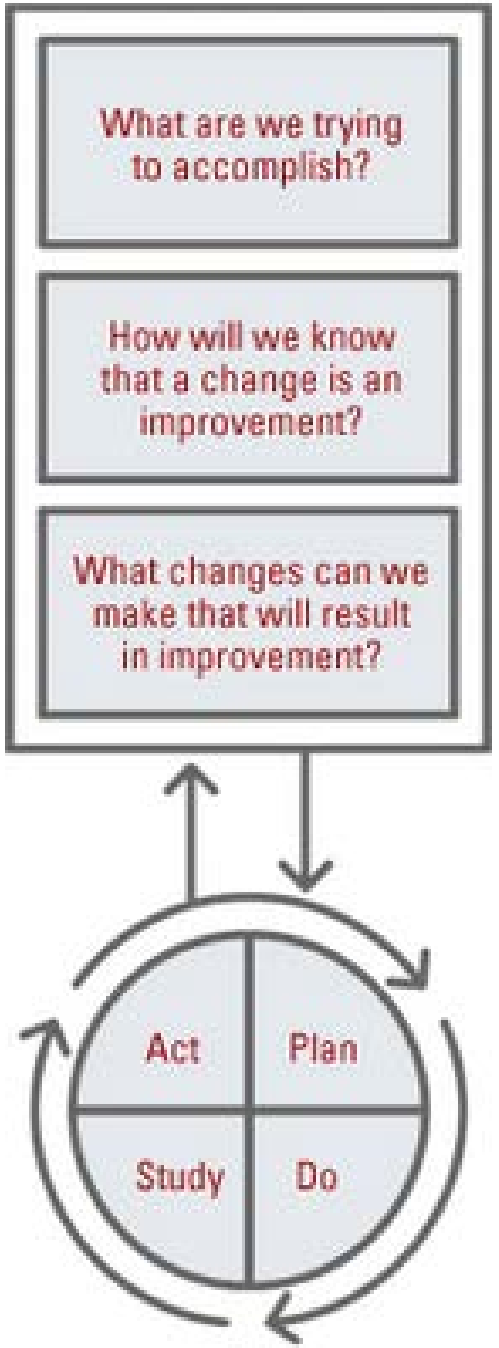
- Bundled Payments for Care Improvement (BPCI) Initiative
  - 4 models of bundled payments
- Comprehensive Care for Joint Replacement Model
- Physician Specialty Models
  - Oncology Care Model

- Replication Uptake, Results
- Early feedback
- What's needed

Commercial / Payer Experience

- Accelerate Transparency
- Engaging consumers
  - Reporting & feedback
  - Building exchanges and sharing lessons
- Paying for Value
- Redesigning Care Delivery

- Evidence needed to make decisions
- Early feedback



Tracking Payment Reform:
LAN National Health Plan APM Survey

- HCP-LAN will approach 100-400 payers, final count of 200-250 needed to represent at least 60% of each of the markets (public/private)
- Pilot began on Feb 18th, 2016 – key lessons on refining methodology and informing the "attribution" and "benchmarking" white papers
- 8 Week quantitative survey to run from May 16-July 8, 2016

-Landscape will be informed by levels of adoption and the financial /measure reporting preparedness of payers.

- Key areas to leverage current categorizing of beneficiary group

Other Commercial Metrics

REVISED DRAFT METRICS FOR APM FRAMEWORK

3.15.16

#	Numerator	Numerator Value	Denominator	Denominator Value	Method for Calculating and Reporting the Metric	Metric	Metric Calculation	Please list any assumptions, qualifications, considerations, or other limitations of the data
Attributed Consumers (Historic CPR Metric)								
19	Total number of commercial, in-network health plan members attributed to a provider with a payment reform contract in CY 2015 or most recent 12 months.		Number of commercial, in-network health plan members enrolled in CY 2015 or most recent 12 months.		Single metric displayed as a percentage (numerator divided by denominator).	Payment Reform Penetration - Attributed Plan Members: Percent of commercial, in-network plan members attributed to a provider participating in a payment reform contract in CY 2015 or most recent 12 months.		
Provider Participation								

CPR Payment Reform Evaluation Framework

CPR Payment Reform Evaluation Framework

Initial Assessment

I. Program Design: General Description
II. Program Design: Feasibility
III. Program Design: Cost
IV. Program Design: Quality

Ongoing Monitoring

I. Program Outcomes: Cost
II. Program Outcomes: Quality

CATALYST FOR PAYMENT REFORM

Questions for Specific Payment Models: Bundled Payment/ Episode-Based Payment			
6	a.	Please list for which clinical conditions or episodes of care the program makes bundled payments to providers.	
	Please respond to the questions below for each of the clinical conditions or episodes of care listed in a.		
	b.	What health care services related to the condition or episode of care are not covered by the bundled payment?	
		Is the cost for complications, readmissions, or other such related services included?	☐ Yes ☐ No
	c.	Is there an expressed warranty period (e.g. 90 day period within which all complications are addressed)?	☐ Yes ☐ No
		If yes, please describe.	
	d.	Does the program pay providers prospectively or are they paid retrospectively?	☐ Prospectively ☐ Retrospectively
		If the program reconciles the bundled payment retrospectively, please describe how the program pays providers during the course of care (e.g. FFS, capitation) and the reconciliation process.	
	e.	Is the bundled payment amount set below the estimated FFS cost for the same procedures/care?	☐ Yes ☐ No
		Is the payment amount risk-adjusted?	☐ Yes ☐ No
Questions for Specific Payment Models: Shared Savings and Shared Risk			

- Can this framework from CPR inform the best evaluations & investment to take on based on organizational readiness and ability to measure cost & quality in standardized way?

Potential Opportunities for Improving Evaluations

- Better Evaluations
  - Are there specific, feasible steps to move beyond the approaches often used to date?
    - For example, steps to move beyond lengthy, summative evaluations through standard core measures or better control-group resources?
    - Steps to increase support for evaluations in the commercial space that are not shared now?
  - Are there specific, feasible features that should generally accompany the implementation of new payment reform models to enable them to generate better evidence?
    - For example, complementing forthcoming recommendations from the Health Care Payment Learning and Action Network, best practices for data sharing for timely and meaningful evaluations
- Better communication of results
  - Mechanisms to engage stakeholders and decision makers earlier
  - Steps to enhance transparency and clarity in communication about payment reforms

Better Evaluations: What can this look like?

- Most models will not be randomized and the interventions are not uniform
- Non-experimental inference must be reliable
  - Cutting edge research design, data methods, and analytics
    - Control group models
    - Measures/metrics that are relevant and actionable by stakeholder groups
    - Timely sharing of key data to support timely and effective evaluation
  - Enhanced body of knowledge for policymakers and evaluators
    - Online tools and resources, and network of expert evaluators
    - How much evidence is “good enough” to decide to scale or not?

Initial Guidance of Payment Reform Evaluation Work Group - 1

- ACOs and purchasers need more empirical evidence to make decisions on what to replicate/scale, and also guidance on when evidence is good enough to make business decisions
  - Relevance of evidence can be variable by provider characteristics, market differences, demographics, and region.
- A national compendium or clearinghouse of payment reforms would be very helpful, and could be extended to track what is known about their impact in various contexts
  - Connecting payment reforms to evaluators and funding (e.g. J-PAL), help provide baselines, and perhaps to support meta-analysis/summary review or the use of Bayesian statistics.
  - This information might be captured in a taxonomy or template to help guide evaluations for those implementing reforms, based on the type of reform and the data available.
  - Major findings in the compendium could be discussed in forums on key topics.

Initial Guidance of Payment Reform Evaluation Work Group - 2

- Promoting faster access to evaluators to provide early, timely advice on what needs to be done to help enable any given payment reform evaluated effectively. This "SWAT team" effort could also help make sure that any tools the hub develops are practical and get applied.
- Evidence from payment reform evaluations should provide more timely support for an **iterative process for improving payment reforms and care**
  - Evaluations should help assure that measures and benchmarks used in payment reforms are giving the right answer about quality and spending impacts
  - Stronger evidence on "best practices" for measures, benchmarks, and data sharing could lead to more confidence in adopting standard methods and faster learning

Potential Next Steps for the Evaluation Hub

- Catalog or compendium of recent, ongoing, and planned evaluations
  - Template for basic description of reform, population, data, context, and power
  - Builds on recent surveys/activities of collaborating groups (LAN Payer Survey – health plans; PBGH and CPR – employers; Milbank, NAMD, and SIM Group – states; CMS - Medicare)
- Aid in building & linking evaluators (SWAT team) with evaluation opportunities and empirical design questions
- Building and implementing a framework for applying existing evidence to new payment models, enabling decisionmakers to make more confident decisions

Key Questions for Forum participation

- What is the most important obstacle or obstacles to more compelling, timely, and impactful evaluations that could be addressed in the next 18 months – and how should it be addressed?

- **What steps to enhance current evaluations could be most helpful for policymakers & organizations to act with confidence based on their results?**

Thanks!

Questions?

SURVEY

We want your feedback!

surveymonkey.com/r/LANSummitOverall

surveymonkey.com/r/LANSummitSession

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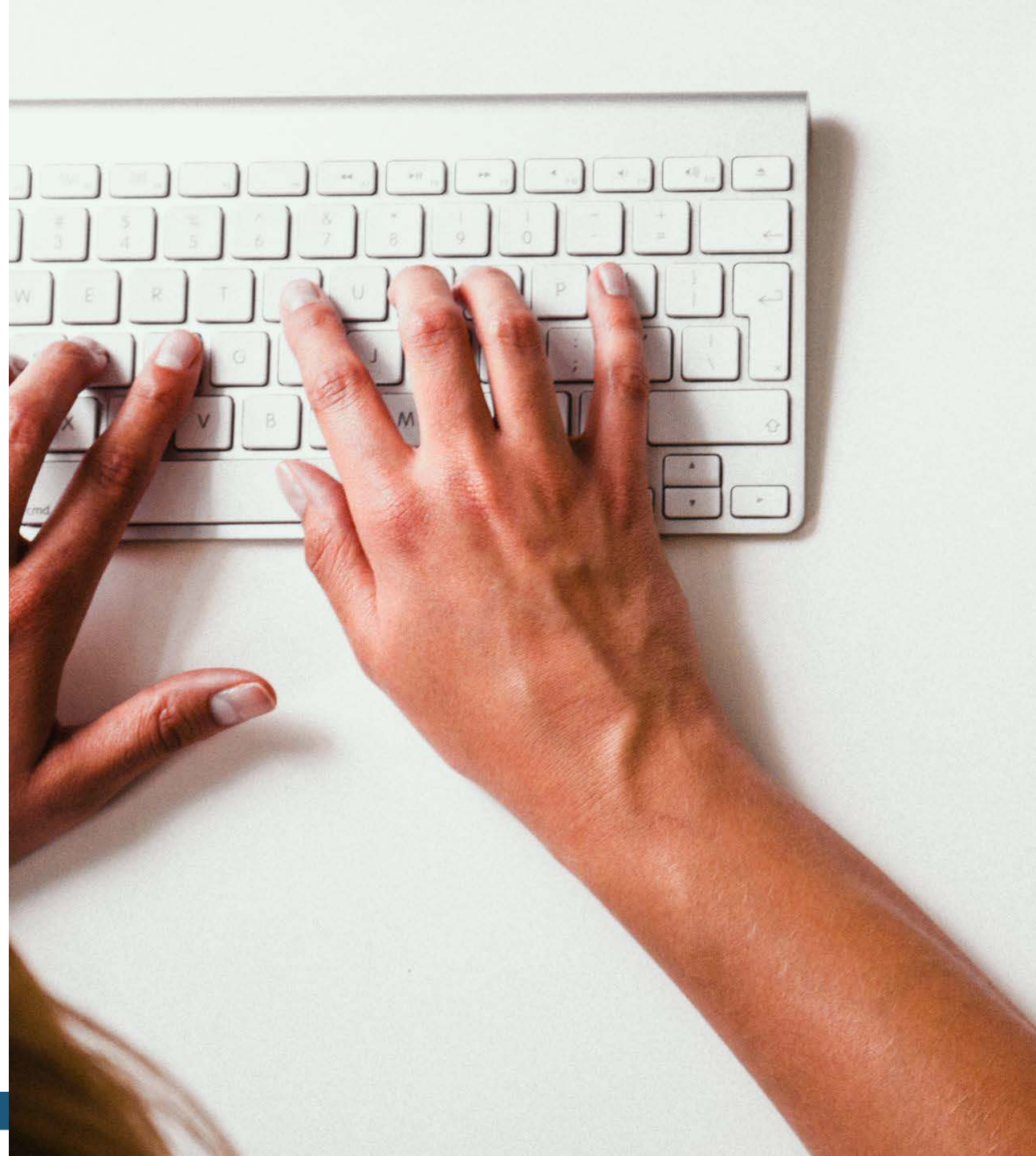

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