



Accelerating to Value

LAN SUMMIT

Health Care Payment Learning & Action Network

**Accelerating and Aligning Clinical Episode
Payment Models: Opportunities and Challenges**

April 26, 2016
9:00am – 10:00am

Welcome



Lewis Sandy

Member,

LAN Guiding Committee

Chair,

HCPLAN Clinical Episode Payment (CEP) Work Group

Executive Vice President, *UnitedHealth Group*

Session Objectives

- Provide a broad overview of the why's and how's of episode payment
- Highlight the variety of conditions and procedures for which episode payment is being designed and implemented
- Describe the CEP work group's aims and the principles used to develop the group's recommendations on maternity, cardiac care, and joint replacement
- Hear from panelists about the biggest opportunities and challenges they see in implementing and getting results from episode payment

Agenda

Time (ET)	Topic & Speaker
9:00 am – 9:15 am	Clinical Episode Payment Overview <ul style="list-style-type: none">• Lew Sandy
9:15 am – 9:45 am	Panelist Reactions <ul style="list-style-type: none">• Dorothy Teeter, Washington State Health Care Authority• Alan Balch, National Patient Advocate Foundation• William Jiranek, American Association of Hip and Knee Surgeons
9:45 am – 10:00 am	Facilitated Discussion

Clinical Episode

A clinical episode or episode of care is a series of temporally continuous healthcare services related to the treatment of a given spell of illness or provided in response to a specific request by the patient or other entity.

Clinical Episode Payment

Clinical episode payment is a bundled payment model that considers the quality, costs, and outcomes for a patient-centered course of care over a longer time period and across care settings.

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.

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

Episode Selection Criteria



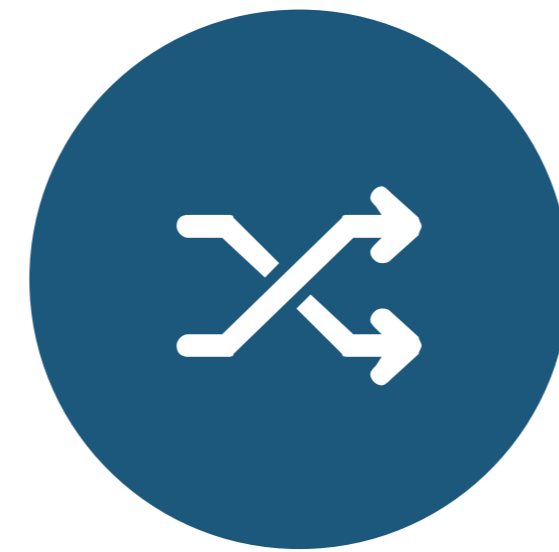
Empowering Consumers

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.

ELECTIVE JOINT REPLACEMENT

Elective hip and knee replacement for CEP models

The draft white paper titled *Accelerating and Aligning Joint Replacement Episode Payment: Considerations and Recommendations* describes bundled payment for episodes of elective hip and knee replacement. The white paper reviews previous and existing joint replacement episode payment efforts 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.

Key Components

- Design Elements
- Recommendations
- Operational Issues



MATERNITY

for CEP models

The draft white paper titled *Accelerating and Aligning Clinical Episode Payment Models: Maternity Care*, describes design recommendations for using bundled payment to pay for patient-centered prenatal, birth, and postpartum care as one comprehensive episode. The white paper reviews existing maternity care episode payment efforts 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.

Key Components

- Design Elements
- Recommendations
- Operational Issues



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

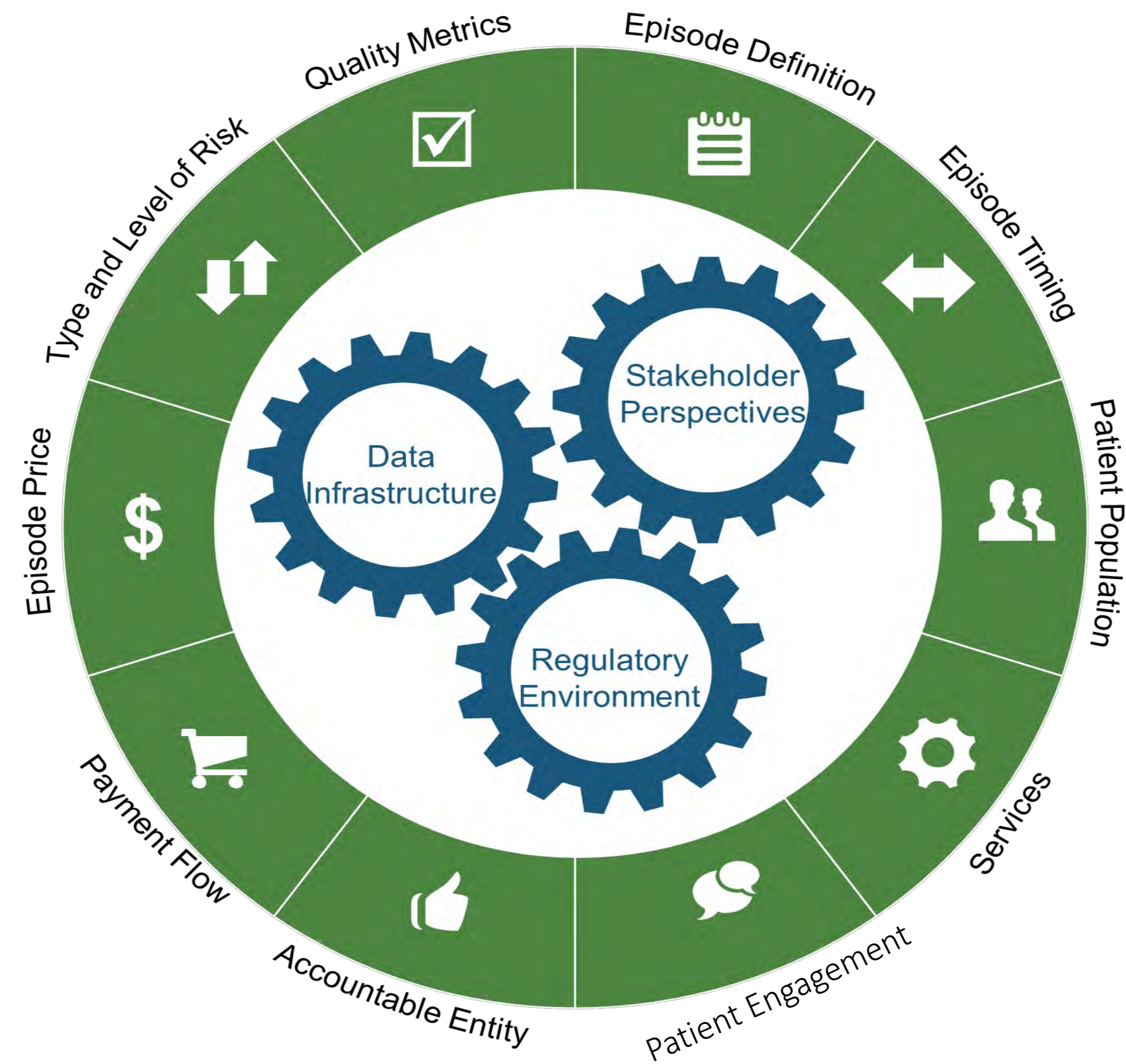


Final Release

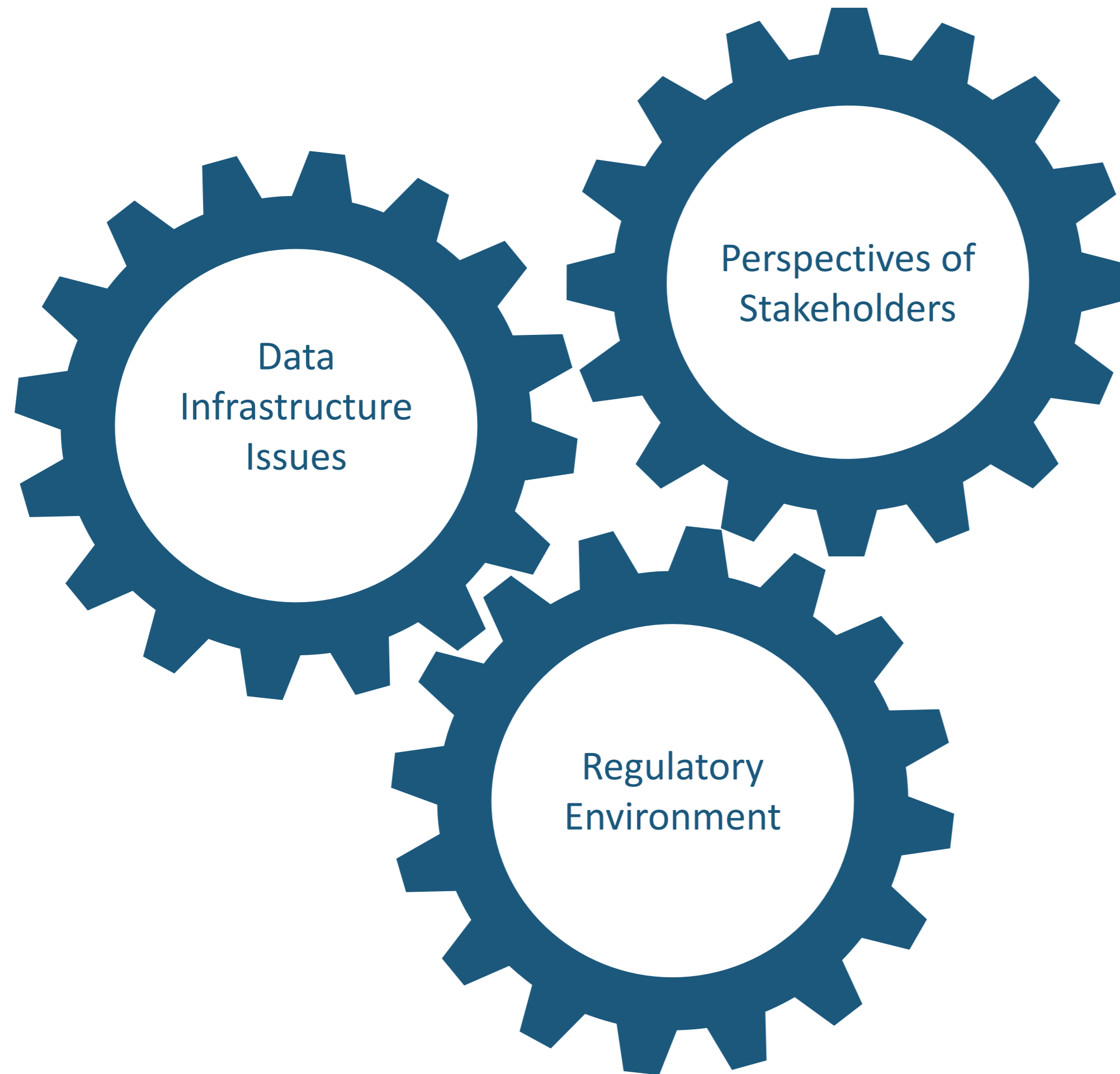
Summer 2016



Episode Design Elements



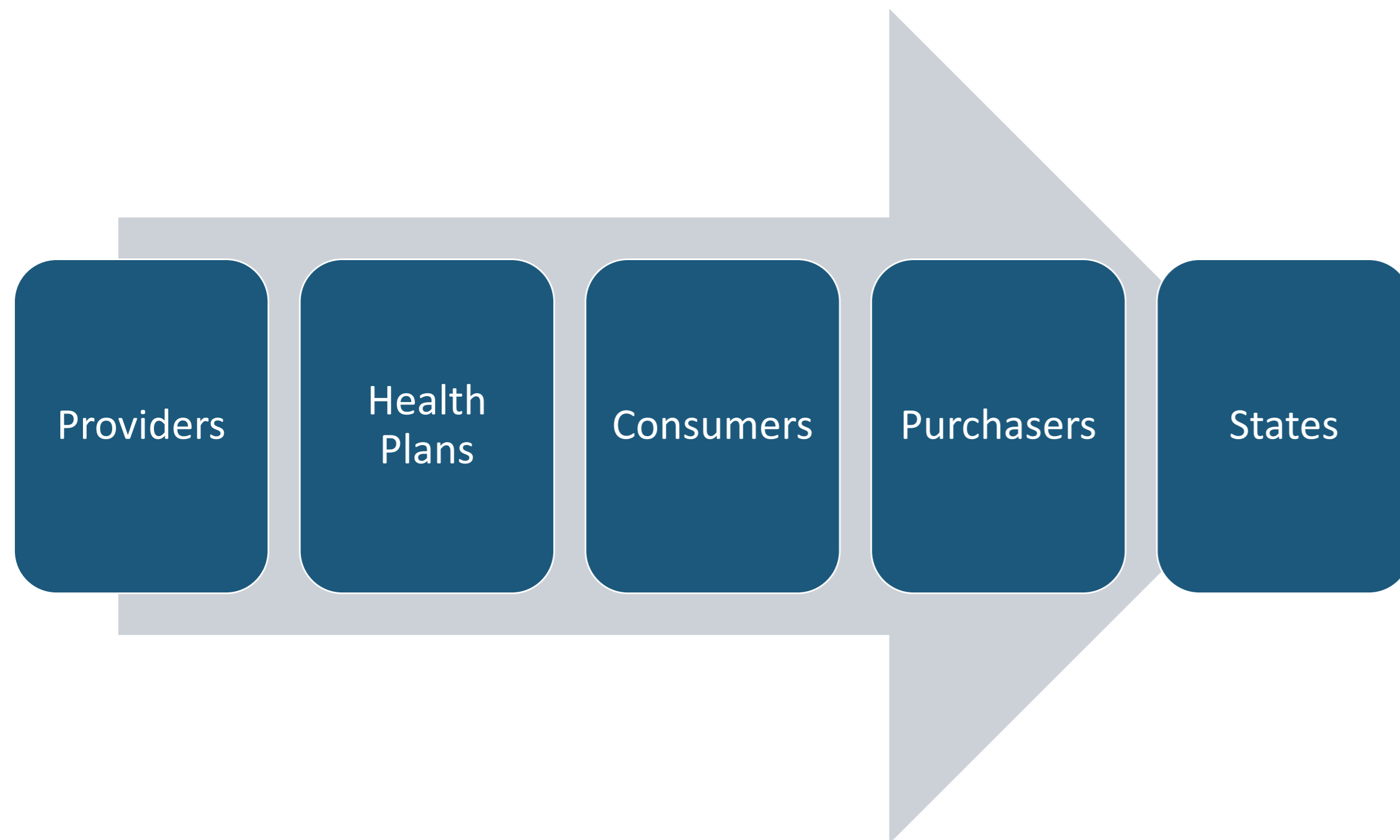
Episode Operational Considerations



- **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

The 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

Panel Speakers



Dorothy Teeter

Director

*Washington State Health Care
Authority (HCA)*



Alan Balch

CEO

*National Patient Advocate
Foundation*



William Jiranek, MD

President

*American Association of Hip
and Knee Surgeons*



Panel Discussion

Access the white papers:

<https://hcp-lan.org/groups/cep>



CONTACT US

We want to hear from you!



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