

Value-Based Purchasing Discussion

**A Presentation to the
Committee on Health Coverage, Insurance and Financial Services
Michelle Probert
Director, Office of MaineCare Services**



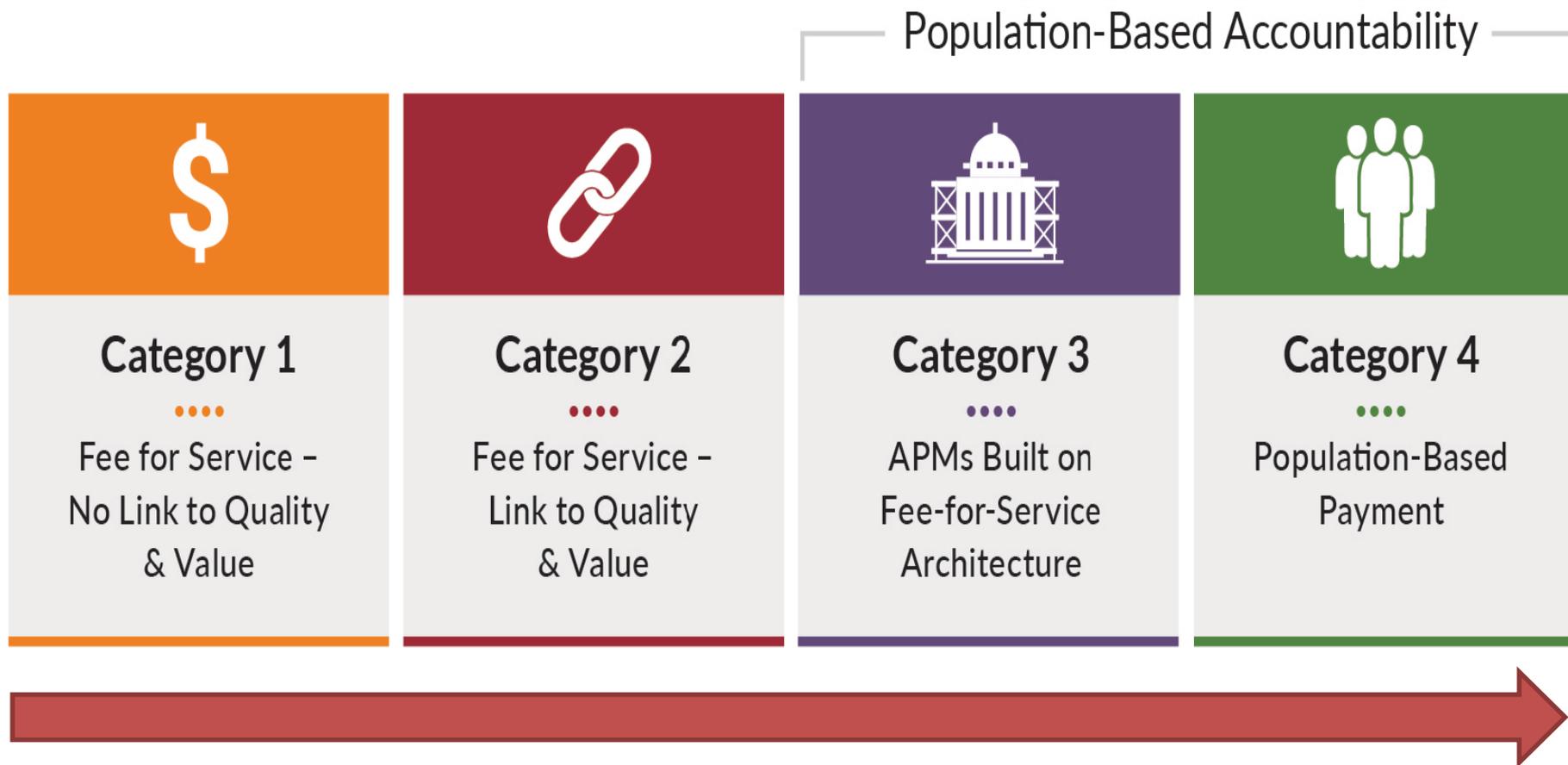
Goals for Session

1. Understand basic elements of Value-Based Purchasing (VBP)
2. Review continuum of alternative payment models
3. Review MaineCare VBP initiatives and efforts toward multi-payer alignment

What is Value-Based Purchasing?

$$\text{VALUE} = \frac{\text{QUALITY}}{\text{COST}}$$

Alternative payment models are the means to get to Value-Based Purchasing



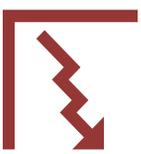
Source: [Alternative Payment Model \(APM\) Framework and Progress Tracking Work Group](#)

But I thought Value-Based Purchasing meant...

- Accountable Care Organizations
- Patient Centered Medical Homes
- Centers of Excellence

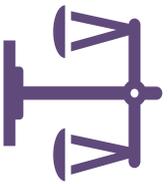


Examples of Initiatives Using Alternative Payment Models



Blue Cross Blue Shield: Hospital P4P

BCBS of Michigan provides bonus payments to hospitals who achieve success in quality, cost efficiency, and population health management, as long as they have received either a CMS Star Rating of 2 or a Leapfrog Safety Grade of “C”



Medicare Shared Savings Program

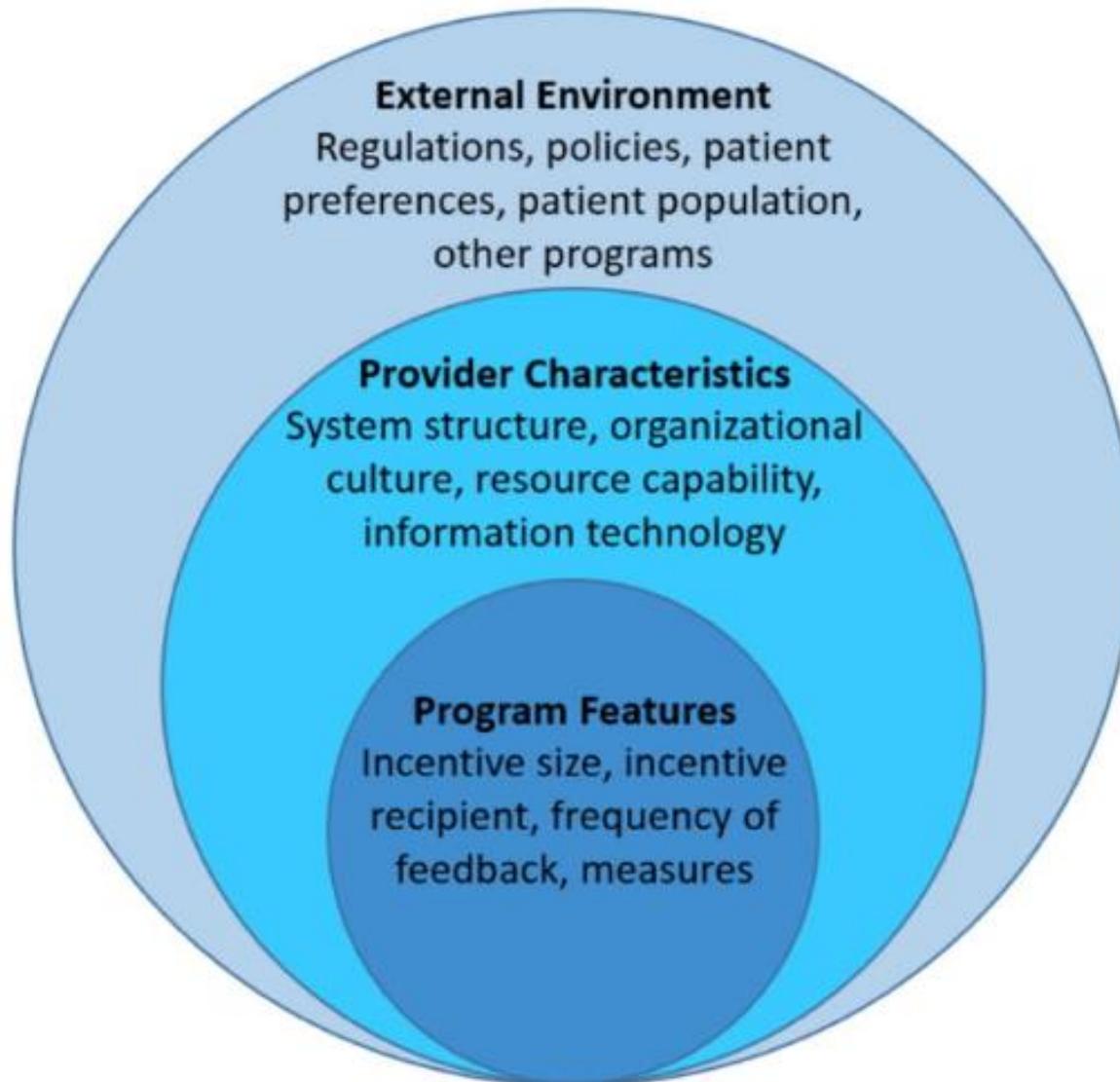
Groups of providers commit to being accountable for the costs of their Medicare members. They can receive a shared savings payment if they spend lower than projected costs and meet quality benchmarks



Carrum Center of Excellence, in use by State of Maine

Carrum contracts with Centers of Excellence to receive prospective bundled payments for procedures like joint replacements and bariatric surgery. Providers must absorb the cost of any readmissions.

VBP Success Depends on Multiple Factors



How is quality measured?

Structure

Measures of a provider's capacity, systems, & processes

e.g. Provider use of Electronic Health Records, Ratio of providers to patients

Process

Measures of actions taken in the course of medical care; often based on widely accepted clinical recommendations

e.g. Percentage of individuals with diabetes receiving blood glucose screening,
Percentage of adolescents with well-care visits

Outcome

Measures of a group or individual's health status

e.g. Readmission rate, percent of patients with controlled asthma, functional outcomes

Patient Experience

Measures of an individual's satisfaction with care

e.g. Consumer Assessment of Healthcare Providers and Systems (CAHPS)

State Goals for APMs

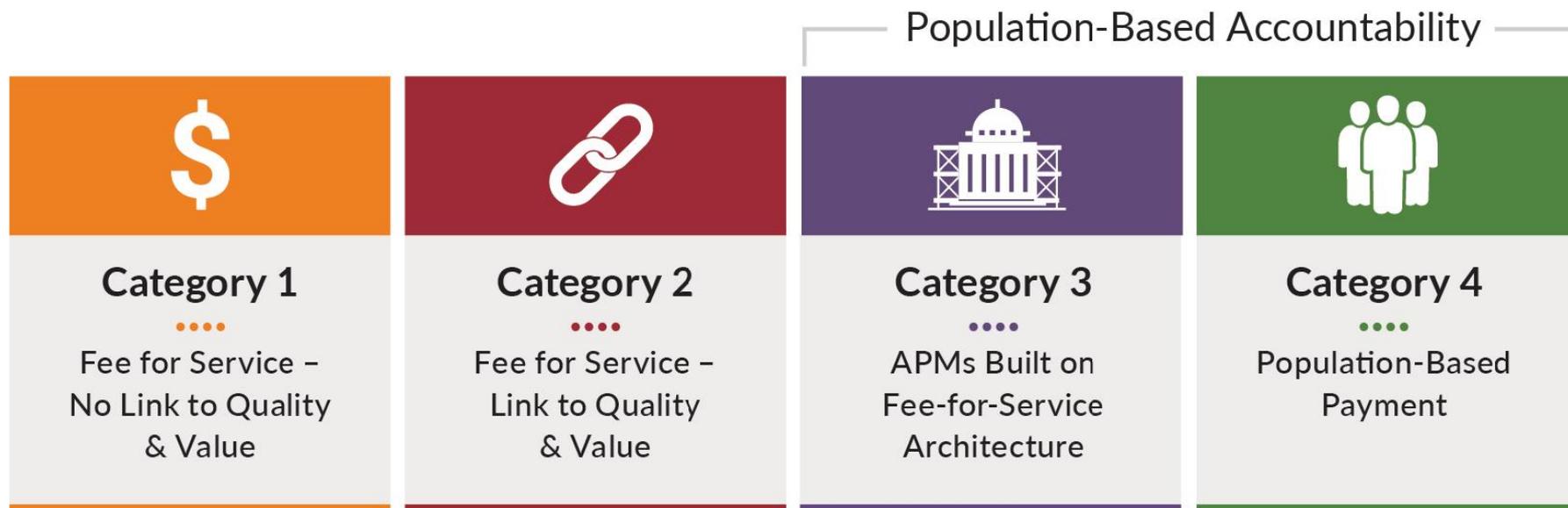
Washington:
90% of publicly
funded health
payments linked
to VBP by 2021



New York: 15% of
managed LTC
expenditures in
Level 2 or above
by April 2020.

Arizona: 70% of
payments for acute
physical claims
linked to VBP by
2021.

CY2018 MaineCare Alternative Payment Model Results



Source: [Alternative Payment Model \(APM\) Framework and Progress Tracking Work Group](#)



2A: Health Homes

2C: Behavioral Health Homes

3N: Opioid Health Homes

3A: Accountable Communities

78%

4%

18%

0%

Polling Instructions

3G 5:37 PM

SendSMSApp

Enter Phone Number :

22333

Enter SMS Message :

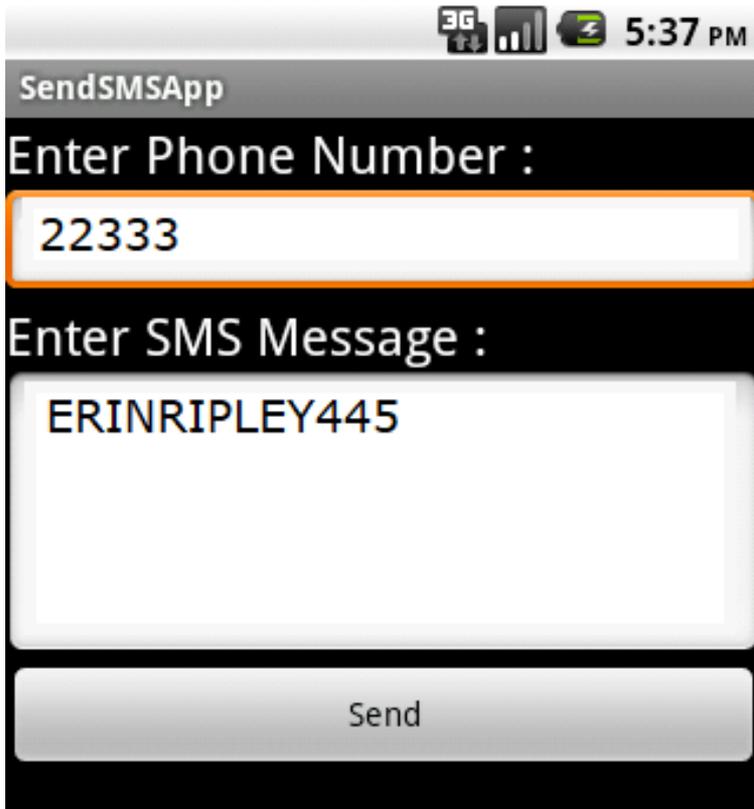
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Send

We are going to answer a question using a tool called Poll Everywhere. Your answers will populate on our computer screen and display in real time. You will see everyone's answers in the visual display. Responses are anonymous.

First, you will log into the tool via your cell phone.

Polling Instructions



SendSMSApp

Enter Phone Number :

22333

Enter SMS Message :

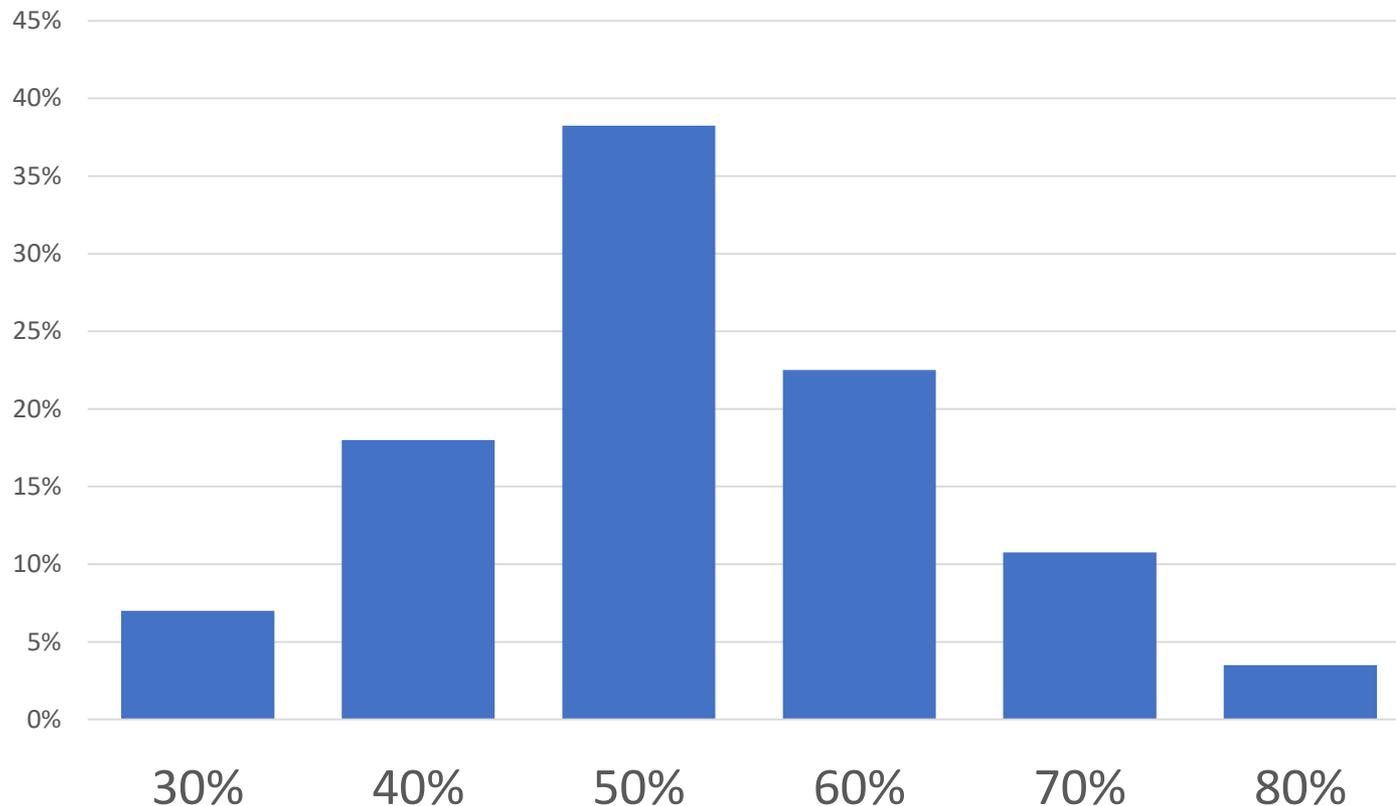
ERINRIPLEY445

Send

- 1) Open your cell phone SMS/text application.
- 2) Log into Poll Everywhere by entering the contact number as **22333** and sending the message **erinripley445**.
- 3) You will receive a text stating you have joined Poll Everywhere if this is your first time using this tool.
- 4) Type your response to the question into the message field and press send.

Forum Poll: Provider Opinions

By the end of 2022, where do you think MaineCare should be in terms of the percent of payments in alternative payment models?



National Goal for Percentage Payment in Shared Savings and Population-Based APMs

	Medicaid	Commercial	Medicare Advantage	Traditional Medicare
2020	✓ 15%	✓ 15%	✓ 30%	✓ 30%
2022	25%	✓ 25%	✓ 50%	50%
2025	50%	50%	100%	100%

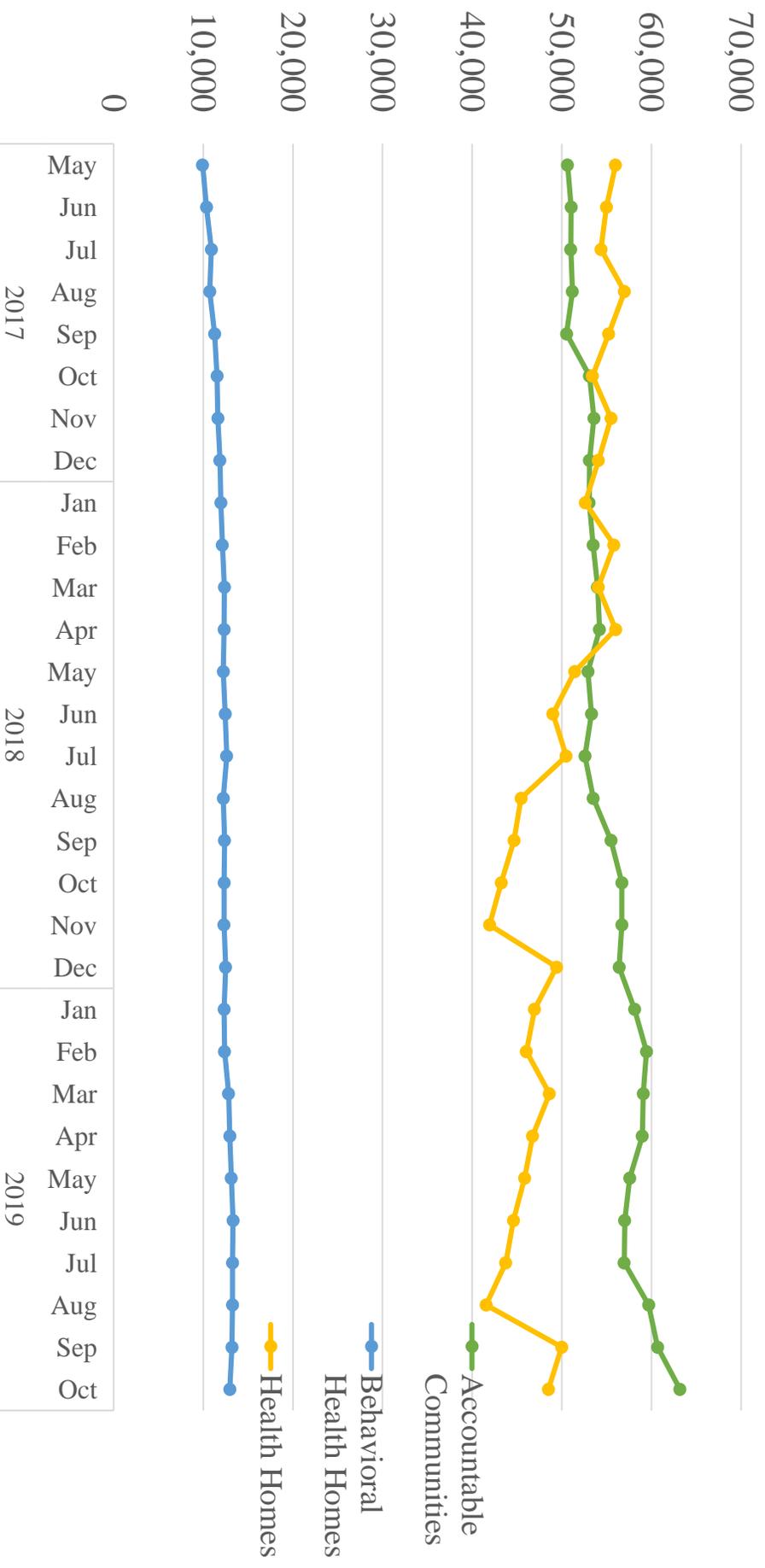
2018 **23%** **30%** **54%** **41%**

Maine: 18%

MaineCare Value-Based Purchasing Programs and Alternative Payment Models

Primary Care Health Homes, Behavioral Health Homes, and Accountable Communities Enrollment

There are 92,120 unduplicated members across all three programs



Primary Care



CATEGORY 2
FEE FOR SERVICE –
LINK TO QUALITY
& VALUE

Primary Care Case Management (PCCM)

- Providers receive a Per Member Per Month (PMPM) payment for providing 24/7 coverage and coordinating care.
- About 60% of MaineCare members are part of PCCM.

Primary Care Provider Incentive Program (PCPIP):

- Bonus payment made to independent primary care providers, based on their comparative performance on certain measures related to member access, utilization, and quality.
- Payments total \$2.6M annually.

A

Foundational Payments for Infrastructure & Operations

(e.g., care coordination fees and payments for HIT investments)

C

Pay-for-Performance

(e.g., bonuses for quality performance)

Primary Care Health Homes

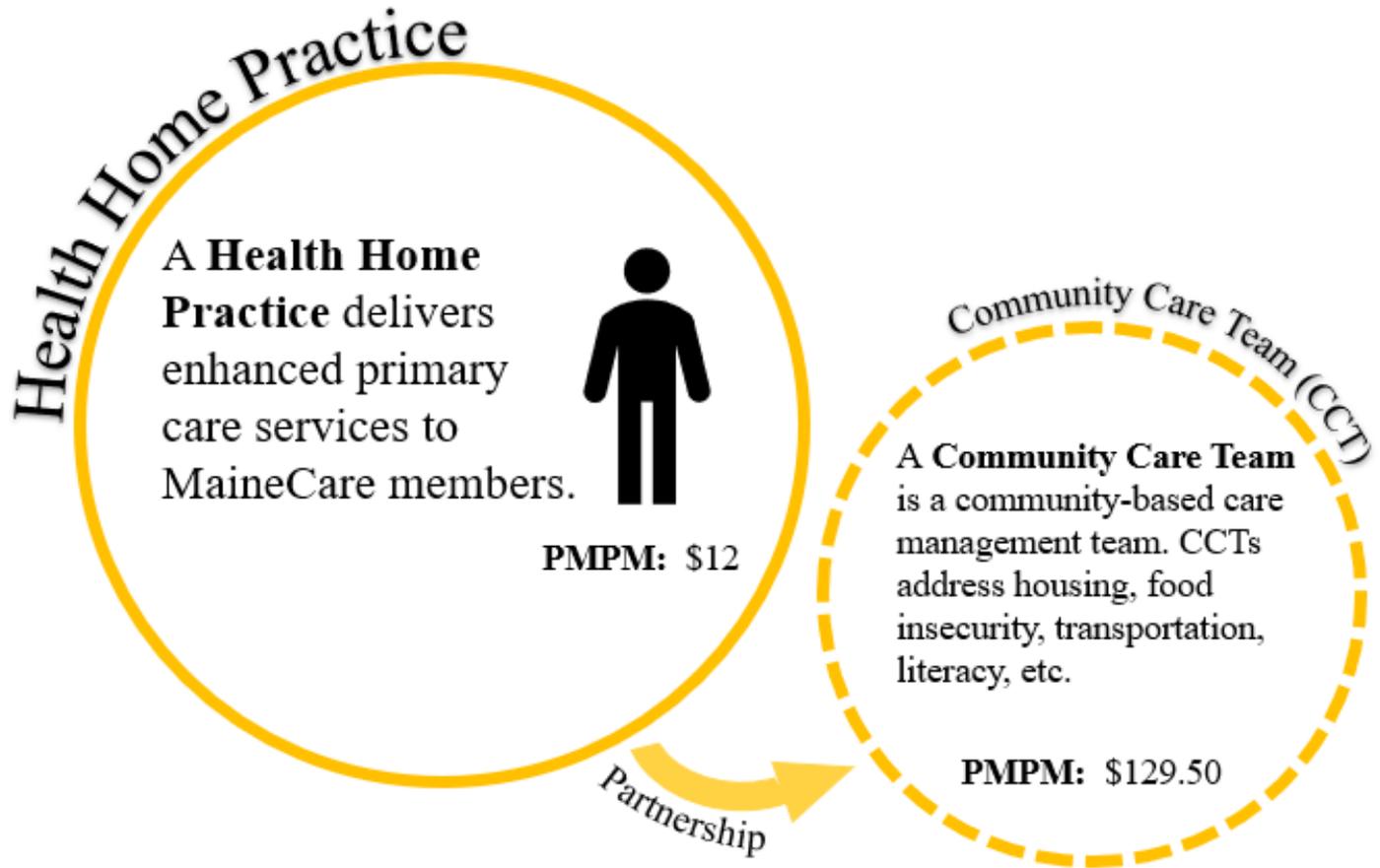


CATEGORY 2
FEE FOR SERVICE –
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A

Foundational Payments
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Primary Care: MaineCare's Next Steps

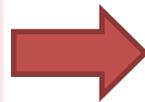


CATEGORY 2
FEE FOR SERVICE -
LINK TO QUALITY
& VALUE

1. Grow enrollment in PCCM and Health Homes
2. Explore alignment with Center for Medicare & Medicaid Innovation (CMMI) Primary Care First Initiative
3. Simplify MaineCare's primary care initiatives into one
4. Tie payment to quality for all foundational payments
5. Explore further movement along the APM continuum

A

Foundational Payments
for Infrastructure
& Operations
(e.g., care coordination
fees and payments for
HIT investments)



C

Pay-for-Performance
(e.g., bonuses for quality
performance)



and Beyond!

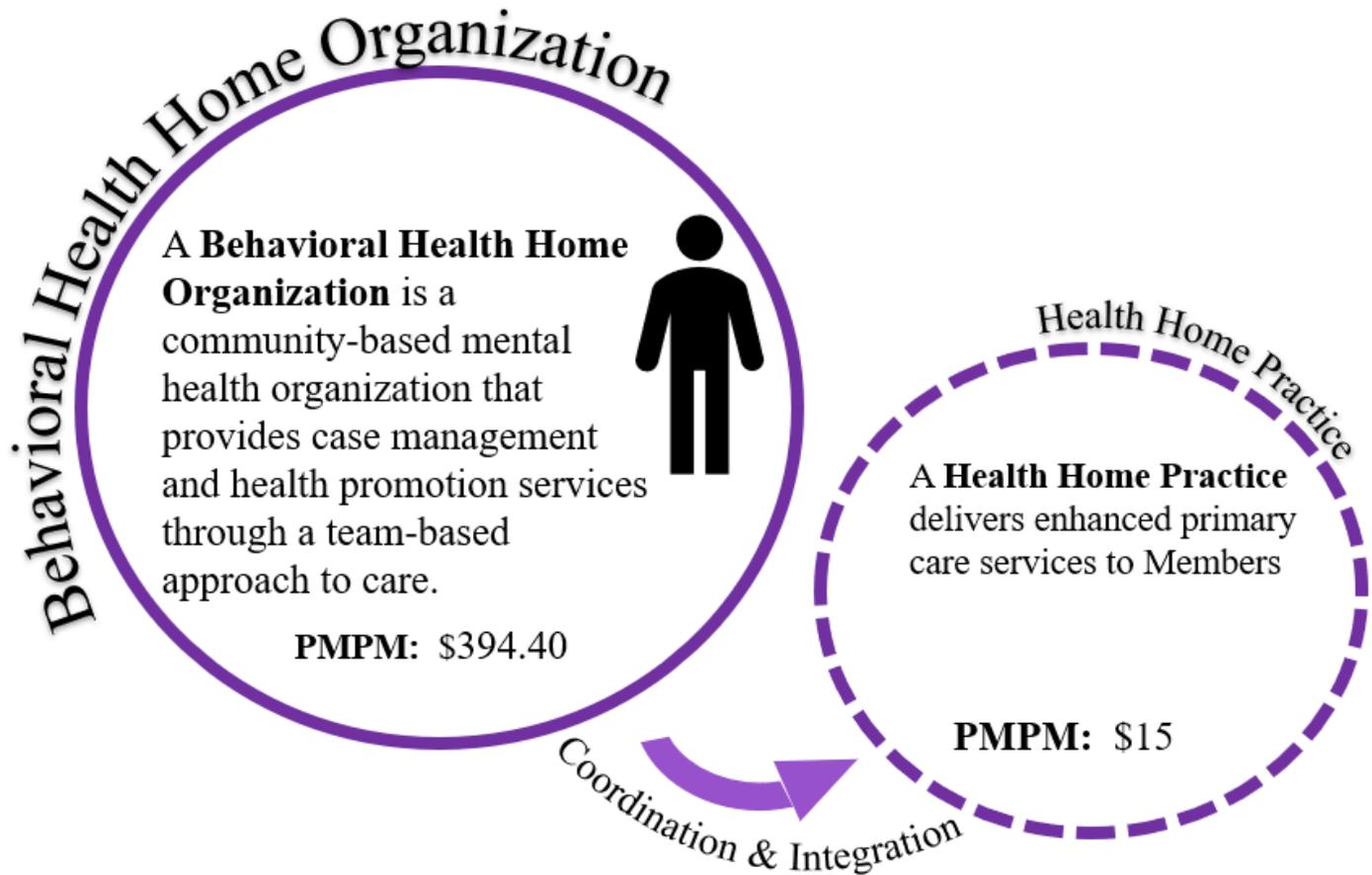
Behavioral Health Homes (BHH)



CATEGORY 2
FEE FOR SERVICE –
LINK TO QUALITY
& VALUE

C

Pay-for-Performance
(e.g., bonuses for quality
performance)



Behavioral Health Homes (BHH) Next Steps



CATEGORY 2
FEE FOR SERVICE –
LINK TO QUALITY
& VALUE

C

Pay-for-Performance
(e.g., bonuses for quality
performance)

1. Evaluate BHH Model alongside comparable services (Community Integration, Targeted Case Management)
2. Move toward a more unified model of care coordination for adults with Serious Mental Illness and kids with Serious Emotional Disturbance
3. Re-visit current Pay for Performance model and metric
4. Explore potential for integration of services such as medication management into the model, or for the introduction of a higher level of service to act as a step-down for individuals receiving Assertive Community Treatment (ACT)

Opioid Health Homes (OHH)

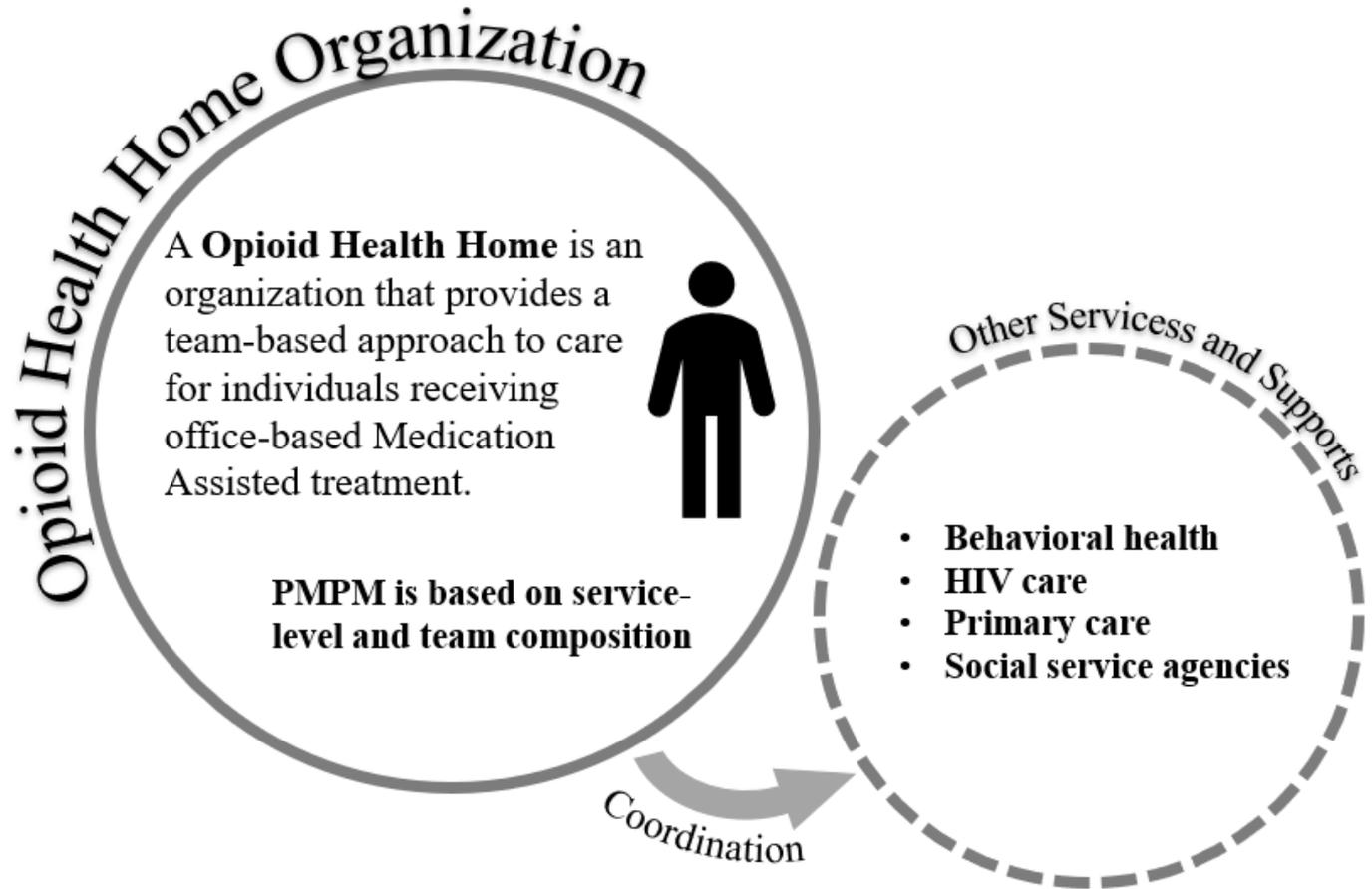


CATEGORY 3
APMS BUILT ON
FEE-FOR-SERVICE
ARCHITECTURE

3N

Risk Based Payments
NOT Linked to Quality

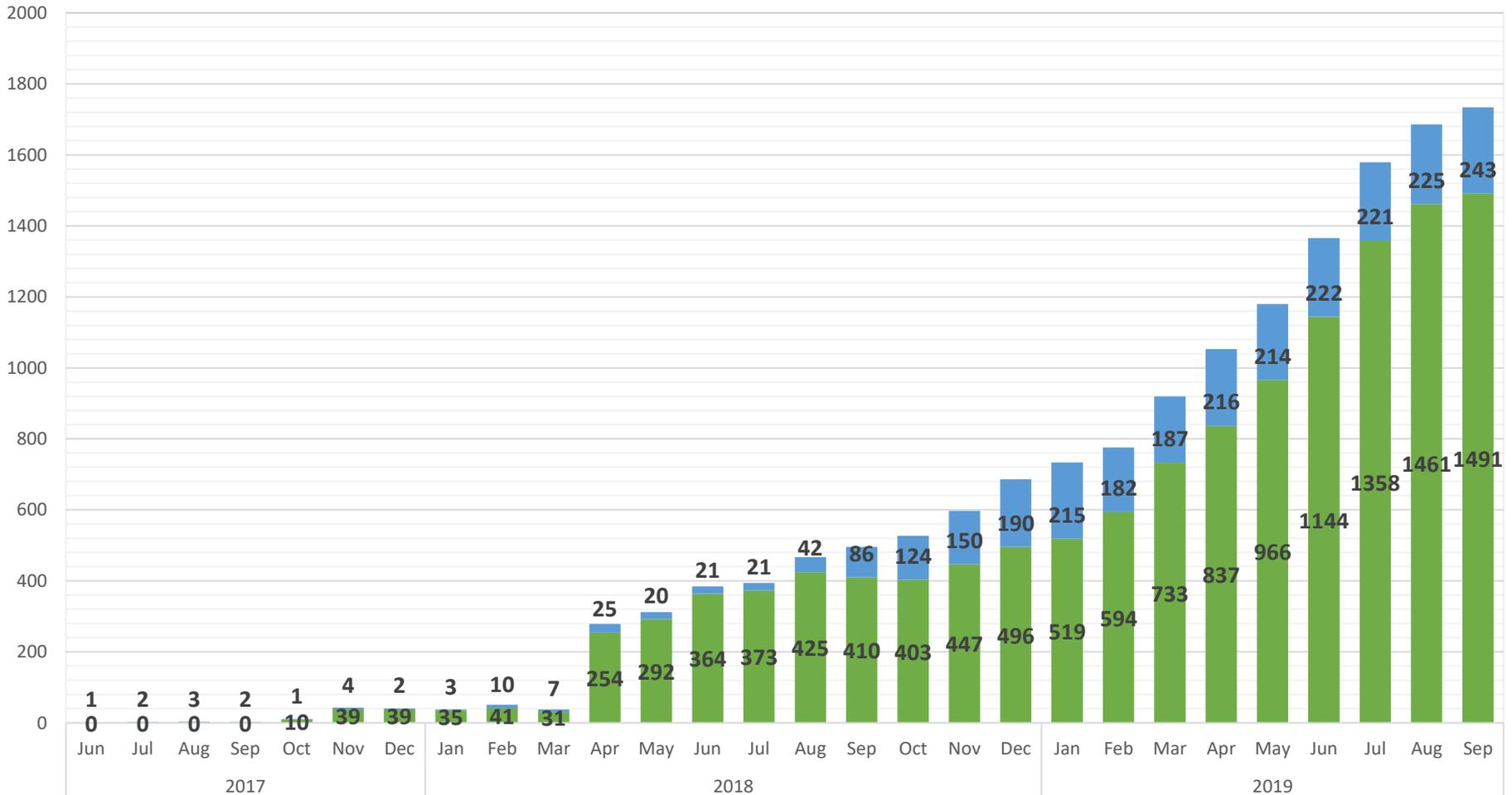
Does not get
counted in APM %



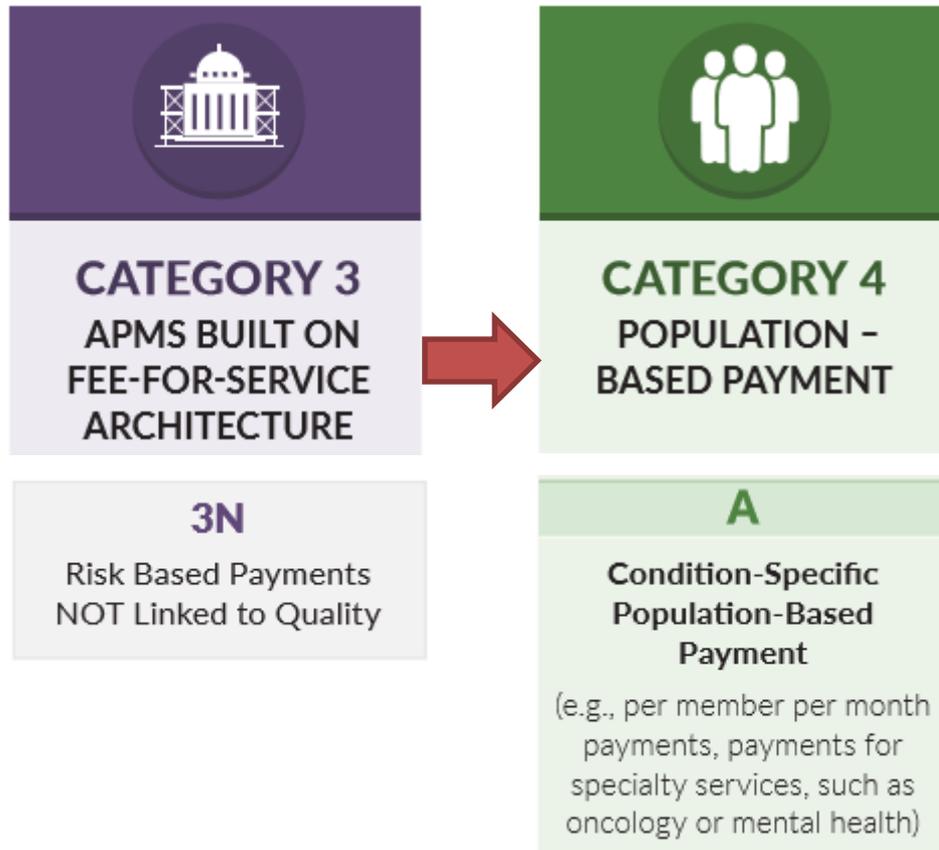
OHH Enrollment

Opioid Health Homes Member and Uninsured Monthly Attestations

■ Opioid Health Home Member Attestations ■ Opioid Health Home Uninsured Client Attestations



Opioid Health Homes (OHH) Next Steps



1. Continue to grow enrollment in program
2. Introduce pay for performance model and metrics
3. Propose additional changes to:
 - Improve access to Opioid Use Disorder treatment
 - Better integrate with primary care
 - Meet the needs of individual members in treatment

Accountable Communities (AC)



CATEGORY 3 APMS BUILT ON FEE-FOR-SERVICE ARCHITECTURE

A

APMs with Shared Savings

(e.g., shared savings with
upside risk only)

B

APMs with Shared Savings and Downside Risk

(e.g., episode-based
payments for procedures
and comprehensive
payments with upside
and downside risk)

Accountable Community

An **Accountable Community** is a group of providers who take responsibility for the cost and quality of care for attributed members through a **shared savings model**.



- ① Meet cost benchmarks
+ ② Quality achievement



Shared Savings
Payment

Accountable Communities (AC) Performance

First 3 Years of AC Initiative	
Shared Savings payments to 4 AC's	Over \$4M
Savings to MaineCare from 4 AC's	Over \$24M
Minimum # of ACs who have received shared savings each year	2
Largest shared savings payment to an AC	\$1.1M
Range of quality scores for ACs receiving shared savings payments	72% – 95%

Accountable Communities (AC) Next Steps



CATEGORY 3 APMS BUILT ON FEE-FOR-SERVICE ARCHITECTURE

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APMs with Shared Savings

(e.g., shared savings with
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APMs with Shared Savings and Downside Risk

(e.g., episode-based
payments for procedures
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1. Move ACs toward assumption of downside risk
2. Promote partnership with community-based organizations to move ACs beyond accountability for “traditional” healthcare services to better serve high need members
3. Incent screening and referral for social health needs

What Else?

- MaineCare assessing opportunity for APMs as a part of its evaluation of its current rate setting system
- CMMI's multi-payer Rural Health Model
- Episodes of care/ bundled payments for maternity, other services
- Provide greater flexibility through bundled payment models with links to quality for:
 - Assertive Community Treatment
 - Care Coordination Services for individuals with Long Term Services and Supports needs

Questions

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