PHO Annual Meeting

Clinical Update

December 2015

Robert Carr, M.D.

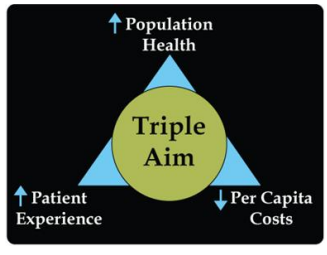
Western Connecticut Health Network
Danbury Hospital
New Milford Hospital
Norwalk Hospital

Topics to Discuss

- Transitioning from Volume to Value
- PCMH
- MSSP
- Shared-Savings
- VCA
- MACRA
  - MIPs & APMs

Weaknesses of Fee for Service Payment

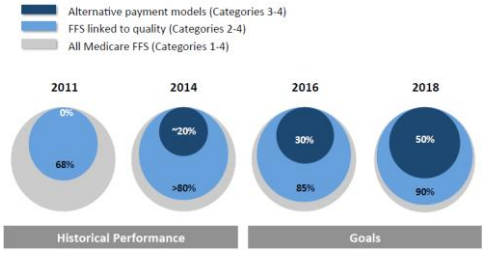
Value-Based Care



HHS Secretary Sylvia Burwell

January 26, 2015

Target percentage of payments in 'FFS linked to quality' and 'alternative payment models' by 2016 and 2018

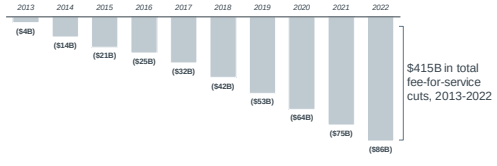


Medicare

Medicare FFS Payment Cuts Continue

ACA's Medicare Fee-for-Service Payment Cuts

Reductions to Annual Payment Rate Increases[1]



$260B	$56B	$151B
Hospital payment rate cuts, 2013-2022	Reduced Medicare and Medicaid DSH[2] payments, 2013-2022	Reduced Medicare payments due to sequestration and 2013 budget bill

1) Includes hospital, skilled nursing facility, hospice, and home health services; excludes physician services; annual reductions rounded.
2) Disproportionate Share Hospital.

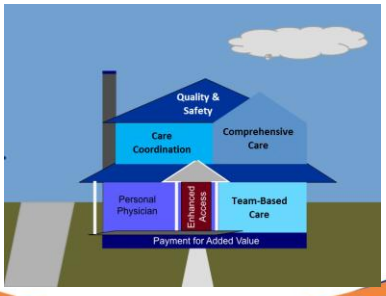
Source: CBO, "Letter to the Honorable John Boehner Providing an Estimate for H.R.6079, The Repeal of Obamacare Act," July 24, 2012; CBO, "Estimated Impact of Automatic Budget Enforcement Procedures Specified in the Budget Control Act," September 12, 2011; CBO, "Bipartisan Budget Act of 2013," December 11, 2013, all available at www.cbo.gov; Health Care Advisory Board interviews and analysis.

Alternative Payment Models

Bundled Payments

Patient Centered Medical Home

The Foundation for Value-Based Care



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PCMH 2014
(6 standards/27 elements/100 points)

1) Patient-Centered Access (10)
- A. Patient-Centered Appointment Access*
- B. 24/7 Access to Clinical Advice
- C. Electronic Access

2) Team-Based Care (12)
- A. Continuity
- B. Medical Home Responsibilities
- C. Culturally and Linguistically Appropriate Services
- D. The Practice Team*

3) Population Health Management (20)
- A. Patient Information
- B. Clinical Data
- C. Comprehensive Health Assessment
- D. Use Data for Population Management*
- E. Implement Evidence-Based Decision Support

4) Care Management and Support (20)
- A. Identify Patients for Care Management
- B. Care Planning and Self-Care Support*
- C. Medication Management
- D. Use Electronic Prescribing
- E. Support Self-Care & Shared Decision Making

5) Care Coordination and Care Transitions (18)
- A. Test Tracking and Follow-Up
- B. Referral Tracking and Follow-Up*
- C. Coordinate Care Transitions

6) Performance Measurement and Quality Improvement (20)
- A. Measure Clinical Quality Performance
- B. Measure Resource Use and Care Coordination
- C. Measure Patient/Family Experience
- D. Implement Continuous Quality Improvement*
- E. Demonstrate Continuous Quality Improvement
- F. Report Performance
- G. Use Certified EHR Technology

*Must-pass

NCQA

PCMH 2014

The WCHN PHO has a Team of PCMH Certified Content Experts to Assist Primary Care Practices in Transforming to the PCMH Model

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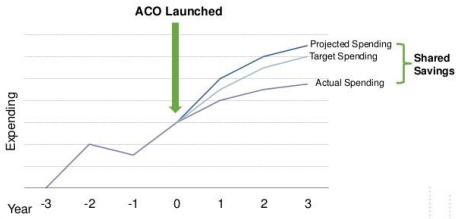
The Shared Savings Model



Source: Lewis, Julie. *"What Could be Next for Health Reform? The Debate in Washington"* Presentation. The Dartmouth Institute for Health Policy & Clinical Practice. 2009-07-02.

Slide Content Courtesy of Premier, Inc.

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MSSP Quality Measures

2015 Reporting Year: Total Points for Each Domain within the Quality Performance Standard

Domain	Number of Individual Measures	Total Measures for Scoring Purposes	Total Possible Points	Domain Weight
Patient/Caregiver Experience	8	8 individual survey module measures	16	25%
Care Coordination/ Patient Safety	10	10 measures, the EHR measure is double-weighted (4 points)	22	25%
Preventive Health	8	8 measures	16	25%
At-Risk Population	7	6 measures, including a 2-component diabetes composite measure	12	25%
Total in all Domains	33	32	66	100%

What is PQRS?

Incentives First . . . Then Penalties

	PQRS Incentive/Penalty Amounts % of Total Allowable Medicare Part B FFS Charges		
	Satisfactory Participation in PQRS	Or PQRS+MOC	Not Participating in PQRS
2010	2.00%	N/A	0%
2011	1.00%	1.50%	0%
2012	0.50%	1.00%	0%
2013	0.50%	1.00%	0%
2014	0.50%	1.00%	0%
2015	*No PQRS Incentive Authorized* *Potential +% with Value Modifier*		-1.50% (CY13 reporting)
2016			-2.00% (CY14 reporting)
2017			-2.00% (CY15 reporting)

WCHN ACO MEMBERS

(Participating in Medicare Shared Savings Program)

- PQRS is submitted by the ACO on your behalf
- TIN must be linked to our ACO
- Providers billing with other TINs may have to report separately.

WCHN PHO MEMBERS

(NOT Participating in Medicare Shared Savings Program)

- Continue to report PQRS through one of the CMS-approved mechanisms.
- Cannot be reported as a group through the PHO.

FOR ACO/MSSP MEMBERS

- PQRS is reported through GPRO
- 33 Measures

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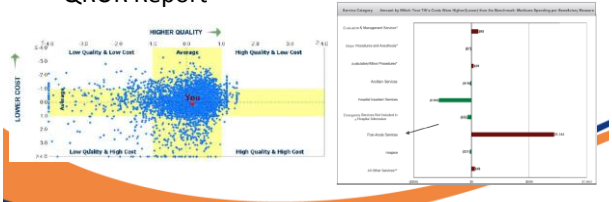
GPRO Reporting Process

- January 2016 – CMS randomly selects 4000 patients from 2015
- Data harvested for 17 GPRO measures
  - Arcadia
  - Manual
- File Returned to CMS by March 2016

Impact of Quality Scores

- Year 1 is “Reporting Only”
- Quality Benchmarks Phased-In Years 2-3
- QRUR Report



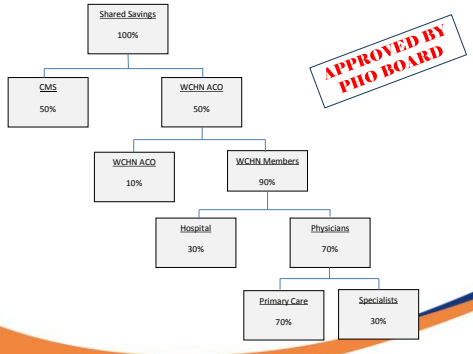
General Principles of Shared Savings

- Operational Expense Obligations of ACO
  - HIT, Care Coordination
- Reinvestment in Infrastructure, Data Analytics, Support Staff, Targeted Programs
- Distribution to Participating Providers
  - Hospital, Primary Care, Other specialists

Factors to Consider

- Impact on Coordinating Care
- Ability to Control Costs
- Ability to provide Population Health
- Ability to coordinate Transitions of Care and communicate Patient Information
- Attribution

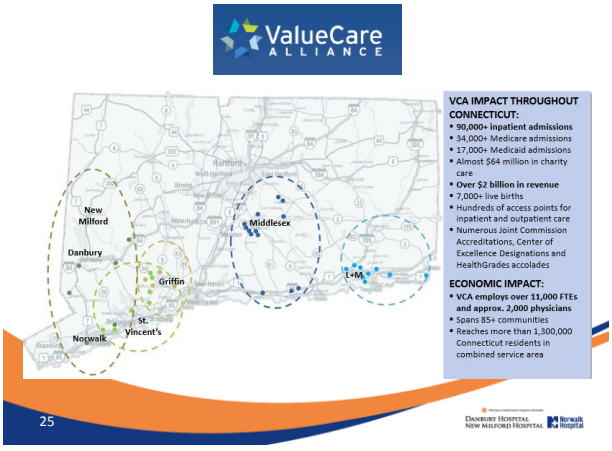
CMS Shared Savings Methodology



APPROVED BY PHO BOARD

Optional "Domains"

- Performance on Quality Metrics
- Cost Data (PMPM)
- Citizenship (collaboration, EMR use)
- Change Implementation (quality program, care transitions, PCMH)
- Utilization Measures (ED, Readmissions)



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VCA Partnership

- VCA, Aetna & Hartford Healthcare
- Tiered-Network
- 2017 - Health Plan for VCA-Hospital Employees

ValueCare ALLIANCE

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What's Coming Next??

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Medicare Access & CHIP Reauthorization Act (MACRA)

- Repeals Flawed SGR
- Annual Fee Updates
  - 0.5% annual increase 2015-2019
- Establishes 2 Payment Tracks beginning 2019
  - Merit-Based Incentive Payment System (MIPS)
  - Alternative Payment Models (APMs)

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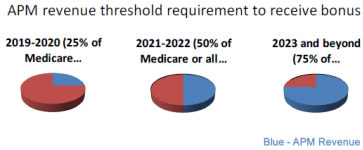
MIPS

- Replaces PQRS, MU, VBM
- Scores based on:
  - Quality; Resource Use; Clinical Practice Activities; Meaningful Use
- Based on Score, Payment Increase/Decrease:
  - 4% in 2019; 5% in 2020; 7% in 2011; 9% in 2022-4

Alternate Payment Models

- 5% Bonus to Providers
- Exempt from MIPS Assessment
- Must Accept Downside Risk



Summary

- FFS Being Rapidly Replaced by APMs
- PHO/ACO Well-Positioned
- PQRS Data for ACO/MSSP members will be submitted by ACO
- PHO members *not participating in MSSP* should submit on own as usual
- The Future is Here Now!! – Don't wait!