OREGON HEALTH AUTHORITY'S TRANSFORMATION CENTER

SPRING 2021: VALUE-BASED PAYMENT WEBINAR SERIES

TODAY'S SPEAKERS

Janet Meyer

Art Jones, MD

Jeanene Smith MD, MPH

HEALTH MANAGEMENT ASSOCIATES

Send your questions to the host
via
the chat window.

Q+A will open at the end of the presentation.

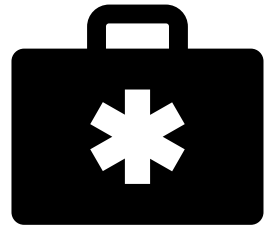
Follow-up questions?

⬇

Contact
OHAVBPQuestions@healthmanagement.com

WEBINAR SERIES OVERVIEW

- This is the first of a 5-part series focused on Value-Based Payment (VBP) for Providers.
- The objectives of the series include:
  - Provide an overview of VBP models as they apply to the Oregon landscape
  - How VBP can support providers to improve patient outcomes through more comprehensive and flexible approaches to deliver healthcare
  - Enhance primary care, behavioral health and maternity care providers' readiness for VBP
- Sponsored by the Oregon Health Authority's Transformation Center in collaboration with Health Management Associates.
- 1.0 hour of CME is available through the American Academy of Family Practice, equivalent to AMA PRA Category 1 Credit™ toward the AMA Physician's Recognition Award – please complete the evaluation we will send at the conclusion of the session.



2021 Webinar Series Dates

Noon to 1pm

- **March 17th**
- **April 21st**
- **May 19th**
- **June 2nd**
- **June 16th**

DISCLOSURES

Faculty	Nature of Commercial Interest
Janet Meyer (Presenter)	Ms. Meyer discloses that she is an employee of Health Management Associates, a national research and consulting firm providing technical assistance to a diverse group of healthcare clients.
Art Jones, MD (Presenter)	Dr. Jones discloses that he is an employee of Health Management Associates, a national research and consulting firm providing technical assistance to a diverse group of healthcare clients. He is also employed as Chief Medical Officer of Medical Home Network, a non-profit that supports Medical Home Network ACO and other safety net clinically integrated networks to transform care are under advanced alternative payment models.
Jeanene Smith, MD, MPH (Presenter and Curriculum Advisor)	Dr. Smith discloses that she is an employee of Health Management Associates, a national research and consulting firm providing technical assistance to a diverse group of healthcare clients. As a member of the American Academy of Family Practice (AAFP), she ensured the content met the AAFP CME requirements.

TODAY'S AGENDA & LEARNING OBJECTIVES

- Welcome and Introductions
- Review the challenges of Fee-for-Service (FFS) reimbursement to support optimal outcomes and efficiency of new models of care.
- Review payment models that move off the fee-for-service chassis to improve patient access to care and outcomes.
- Discuss examples of health care providers who have learned from other industries and are redesigning how they offer and are paid for services.
- Review linkages between payment reform and expanded use of the primary care workforce.
- Q & A

After this webinar, participants will be able to:

- Describe the linkages between payment methodology and health outcomes.
- Identify at least 2 models of care made uniquely feasible under VBP models.
- Identify at least 2 lessons from other service industries' approaches to improve access to their services and their applicability to health care.
- Describe the role payment reform can play to address primary care workforce shortages.

WHY ADOPT VALUE BASED PAYMENT (VBP) MODELS?

- The current fee-for-service payment system is a barrier to reaching optimal patient outcomes for some conditions.
- It is a barrier to using the full care team in the most efficient manner.
- It hampers provision of the most timely and convenient access to care.
- Competitors are using value-based payment as a tool to compete with me and disrupt the market.
- I can use the VBPs to garner more market share and enhance my profitability.

CURRENT MANAGEMENT OF HYPERTENSION

- Nearly half of American adults have high blood pressure.
- About 11 million of them do not know their blood pressure is too high and are not receiving treatment.
- Only about 1 in 4 adults with hypertension have their condition under control (below 130/80 mm Hg).
- Depending solely on office BP readings leads to treatment errors due to white coat effect and masked hypertension.
- Strong scientific evidence shows that self-measured blood pressure monitoring (SMBP) plus clinical support helps people with hypertension lower their BP and is recommended by the AHA.

MHN's Hypertension Management Program: *Self Monitored Blood Pressure & Resources*

Medical Home Network has created a hypertension management program (HMP) to support identified and at-risk members by using a dynamic and personalized approach.

The program has several offerings including:

- Utilization of risk screens for proactive member identification
- Machines for home Self-monitored Blood Pressure (SMBP) at no cost to the member
- Infrastructure for data collection
- Established care team relationships for outreach and a key factor for success; Provider and care team engagement

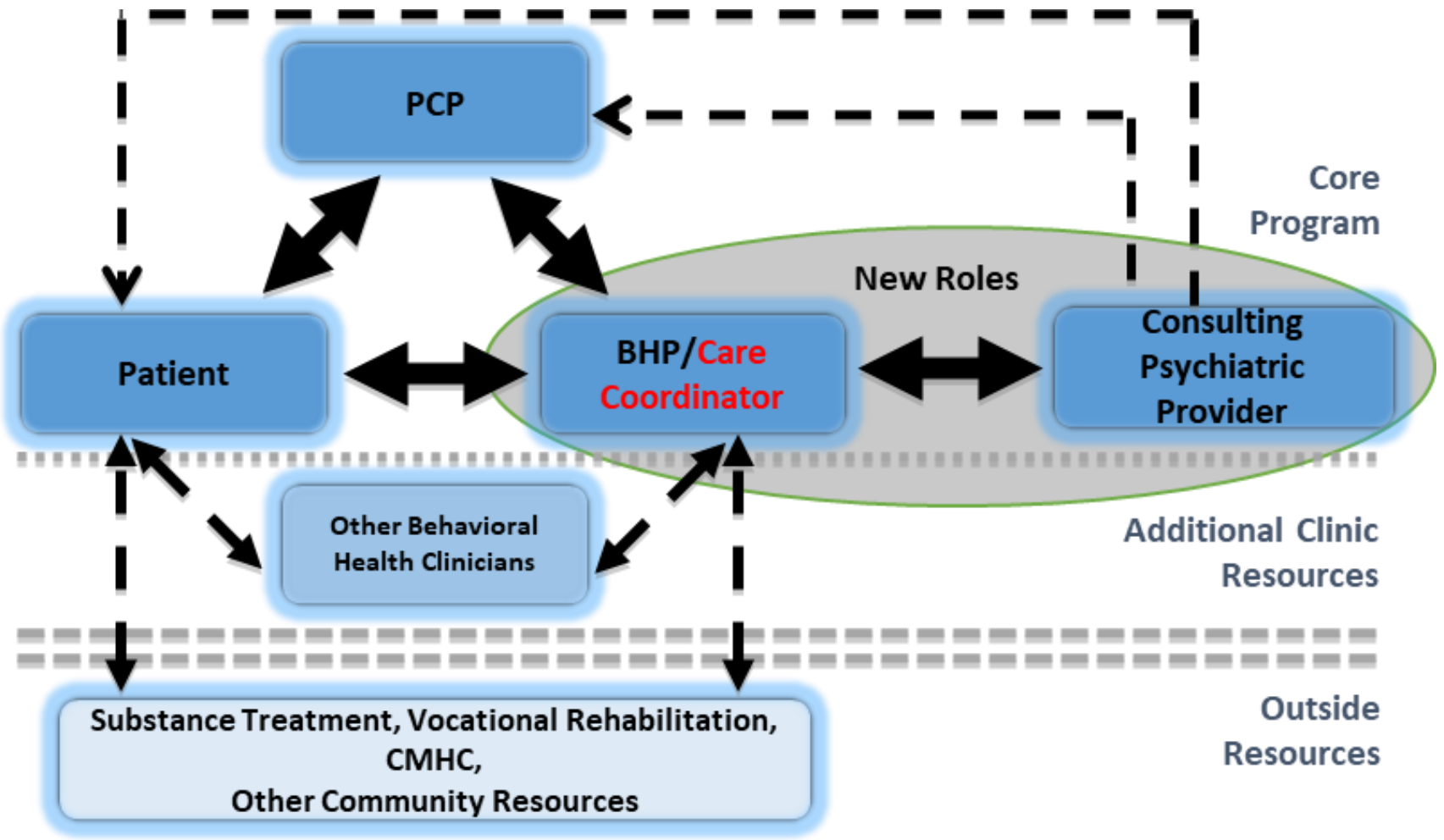
The Script Includes:

SMBP	Outreach	Toolkit	Scheduling Follow-Up	Ongoing Monitoring
				MHNconnect

CURRENT MANAGEMENT OF DEPRESSION

- During 2013–2016, 8.1% of American adults aged 20 and over had depression in any given 2-week period.
- Major depression was most prevalent among Hispanics (10.8%), followed by African Americans (8.9%) and Whites (7.8%).
- The medical cost of treating several common medical conditions increases between 40% to more than double when there is superimposed anxiety and/or depression.
- Research evidence from over 80 randomized controlled trials have consistently shown that the collaborative care model is more effective than usual care.
- VBPs usually measure screening, not outcomes.

COLLABORATIVE CARE MODEL – INTEGRATING PRIMARY CARE AND BEHAVIORAL HEALTH

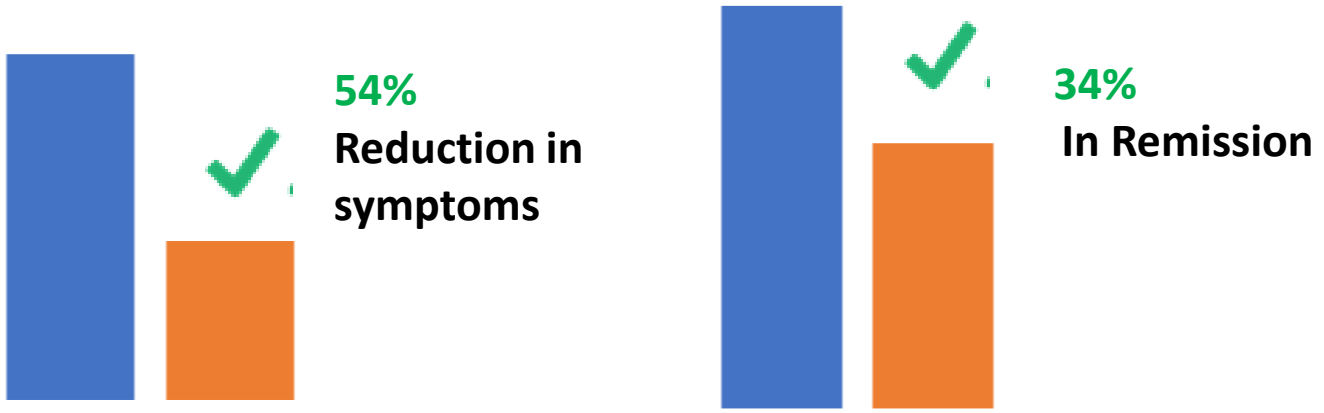


COLLABORATIVE CARE MODEL – INTEGRATING PRIMARY CARE AND BEHAVIORAL HEALTH

- MHN recognized the need to integrate physical and behavioral health in the primary care setting, while also reducing strain on, and improving access to, psychiatry services.

- MHN self-funded a roll out of an evidence-based approach to enhancing behavioral health access for our population.

- 3,659 patients have been enrolled in the Collaborative Care Program. **54%** of patients actively engaged in the program demonstrated a **50% reduction** in depression symptoms and **34% reached full remission from depression.**



WHAT OUR PATIENTS LEARNED IN THE PAST YEAR

Medicare members using telehealth grew 120 times in early weeks of COVID-19 as regulations eased:

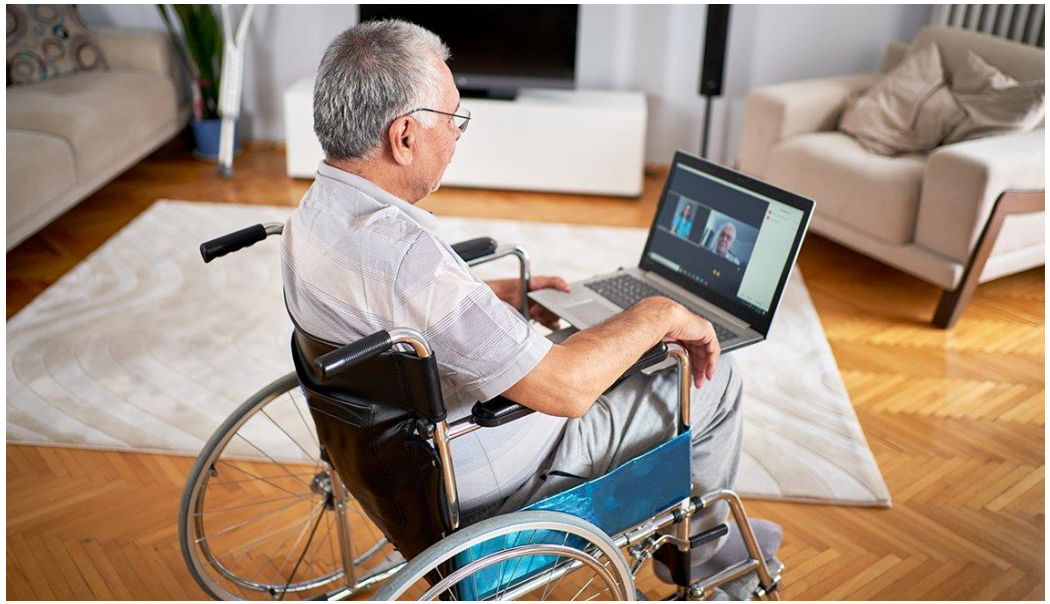
Week ending 3/7/20:

11,000 Members

Week ending 4/18/20:

1.3M Members

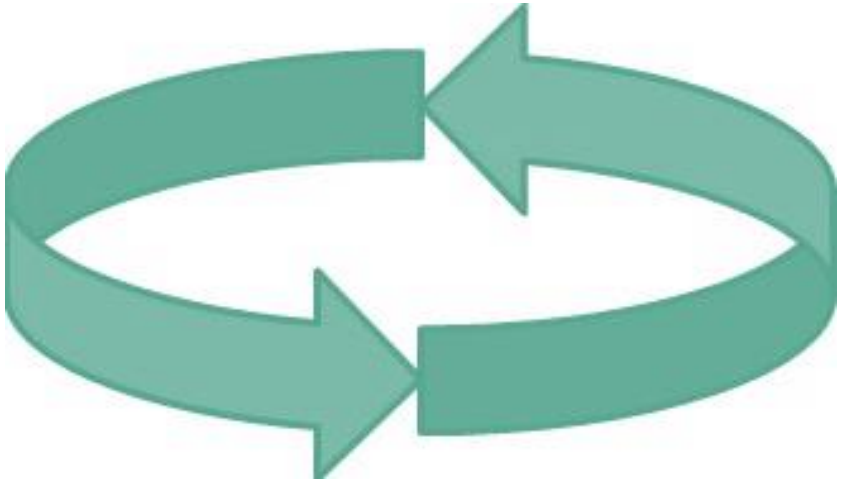
Source: healthcaredive.com/news/Medicare-seniors-telehealth-covid-coronavirus-cms-trump/578685/



TRANSFORMATION IS A DYNAMIC AND INTERRELATED PROCESS

Payment Reform
without
practice transformation
does not change
outcomes.

Delivery System Transformation



Payment System Transformation

Practice transformation
without a
financial model
is not
sustainable.

VALUE-BASED PAYMENTS SUPPORT VALUE-BASED CARE

- Value-based healthcare is a delivery model in which providers, including hospitals and providers, are paid based on health outcomes.*
- Value-based payments are intended to support the delivery of evidence-based, person-centered, efficient care that contributes to improved quality and positive health outcomes at an appropriate cost.**

The future of health care will be determined by payers and patients looking for the best value and rewarding providers who can deliver better outcomes

*NEJM Catalyst-Innovations in Health Care Delivery Jan 2017 "What is Value-Based Healthcare?" available at https://catalyst.nejm.org/doi/full/10.1056/CAT.17.0558

**OHA-CCO VBP Roadmap September 2019 available at: https://www.oregon.gov/oha/HPA/dsi-tc/Documents/OHA-CCO-VBP-Roadmap.pdf

HEALTH CARE PAYMENT LEARNING & ACTION NETWORK (LAN)

Vision

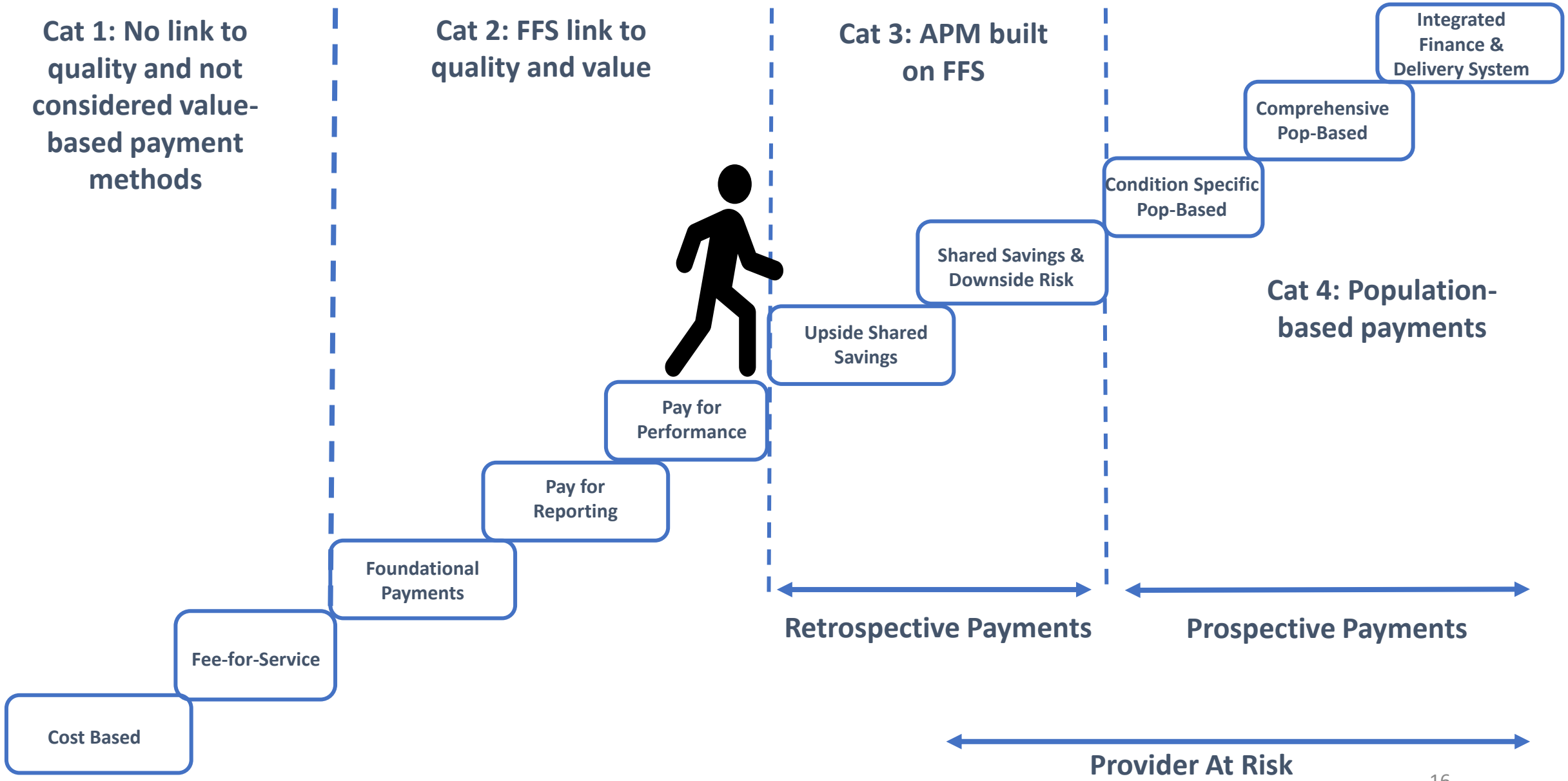
An American health care system that pays for value to the benefit of our patients and communities.

Mission

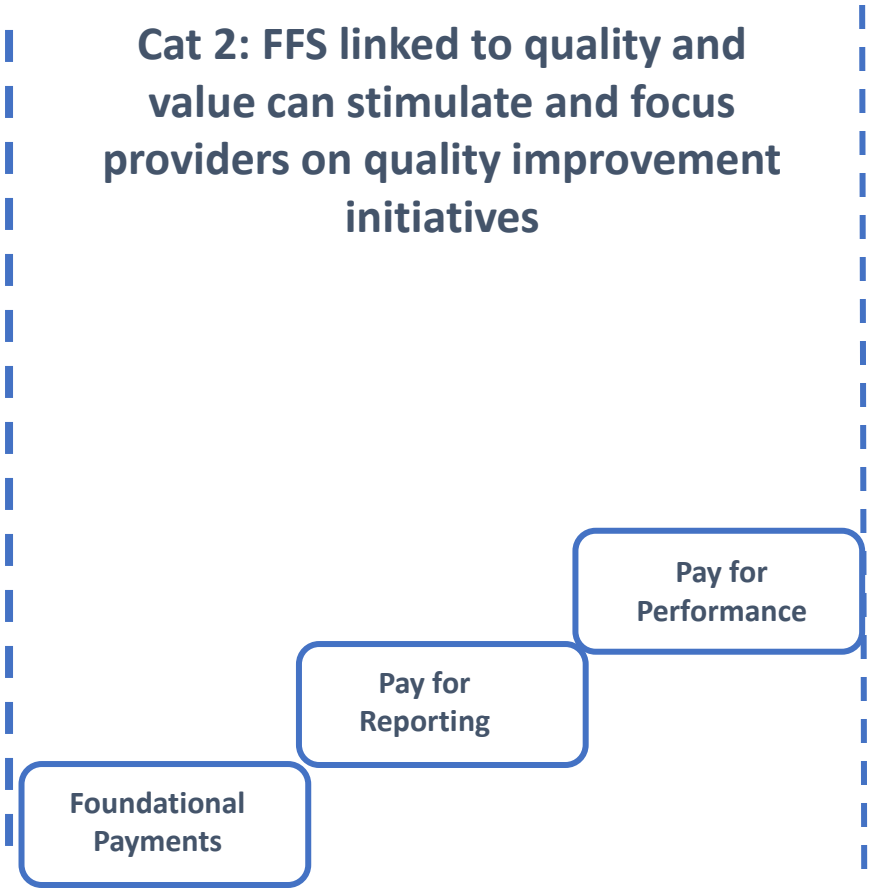
To accelerate the shift to value-based care in order to achieve better outcomes at lower cost.

- **The LAN is an active group of public and private health care leaders providing thought leadership, strategic direction, and ongoing support to accelerate the adoption of alternate payment models.**
- **Since 2015, health care stakeholders have relied on the LAN to align them around core APM design components, build consensus among leaders, and measure the progress of APM adoption.**
- **Oregon's use of VBP is equivalent to the LAN's APM.**

PROGRESS IN PURSUIT OF VALUE-BASED PAYMENT: LAN VBP CATEGORIES



LAN VBP CATEGORY 2: FFS PAYMENTS WITH LINKS TO QUALITY AND VALUE



2-A: Foundational Payments: Often paid on a per member per month (PMPM) basis, these are also known as infrastructure investments. Include payments designated to support a Community Health Worker, care coordinator, or upgrading Electronic Health Records.

2-B: Pay for Reporting: These provide positive or negative incentives to report quality data to the health plan. They support providers in building internal resources to collect and report data.

2-C: Pay for Performance: These reward providers that perform well on quality metrics and/or penalize providers that do not perform well. These directly link payment to quality.

OREGON'S PATIENT-CENTERED PRIMARY CARE HOMES - (2-A) FOUNDATIONAL PAYMENTS

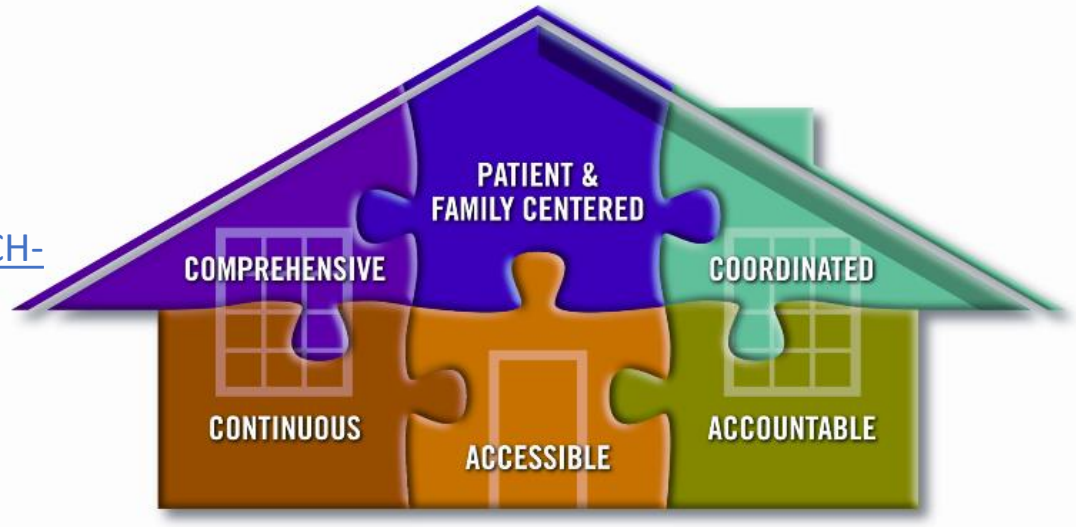
- CCOs and other health plans pay a foundational payment PMPM based the PCPCH's tier, or level, of recognition achieved.
- Foundational payments create opportunities to invest in staff and services that are not otherwise billable and improve patient outcomes.
- These foundational payments may continue to support ongoing infrastructure, as practices move up into higher LAN categories of VBP.

Cost Effective Care

Initial evaluation* of the PCPCH program found:

For every $1 increase in primary care expenditures related to the PCPCH program, there is a $13 in savings in other services, such as specialty care, emergency department and in-patient care.

*https://www.oregon.gov/oha/HPA/dsi-pcpch/Documents/PCPCH-Program-Implementation-Report-Final-Sept-2016.pdf



LAN VBP CATEGORY 3: VALUE-BASED PAYMENTS BASED ON FFS

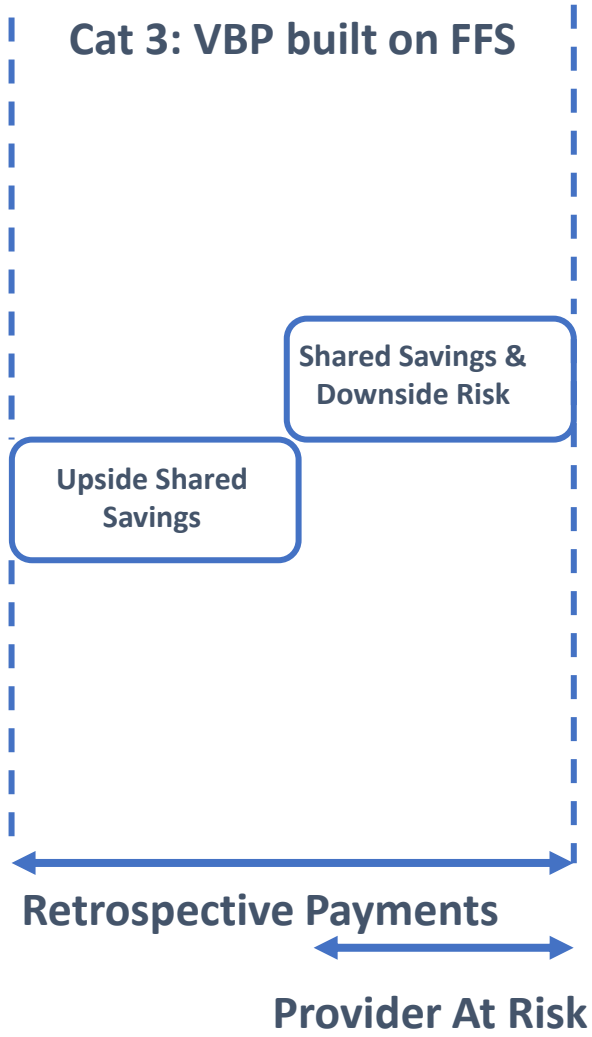
Category 3 payments are based on cost (and occasionally utilization) performance against a pre-defined target.

Upside Shared Savings:

- Providers can share in a portion of the savings they generate against cost or utilization targets if quality targets are met.

Shared Savings & Downside Risk:

- Providers can share in a portion of the savings they generate against cost or utilization targets if quality targets are met.
- Payers recoup from providers a portion of the losses that result when cost or utilization targets are not met.



OREGON'S CPC and CPC+: EXAMPLES OF SHARED SAVINGS VBP TO SUPPORT PRACTICES

Comprehensive Primary Care (CPC):

- Practices received
  - prospective care management fees
  - an opportunity to earn shared savings
  - data feedback on cost, utilization, and quality
  - technical assistance
- Practices added
  - care management staff
  - pharmacists
  - behavioral health programs and providers
  - patient and family advisory councils

Comparing one year prior to the initiative for Oregon through March 2016:

- **Hospitalization rates were reduced by 9.2%**
- **30-day unplanned readmission rates were reduced by 6.7%**

All 64 Oregon practices were successful in achieving quality benchmarks in 2015 and qualified for regional shared savings.*

* Oregon's CPC and CPC+ information available at: https://www.ohsu.edu/school-of-medicine/care-management-plus/projects

Comprehensive Primary Care Plus (CPC+) continues these efforts with VBP payments with 156 enrolled Oregon practices supported by 15 local payers, results to be evaluated

LAN VBP CATEGORY 4: POPULATION BASED PAYMENTS

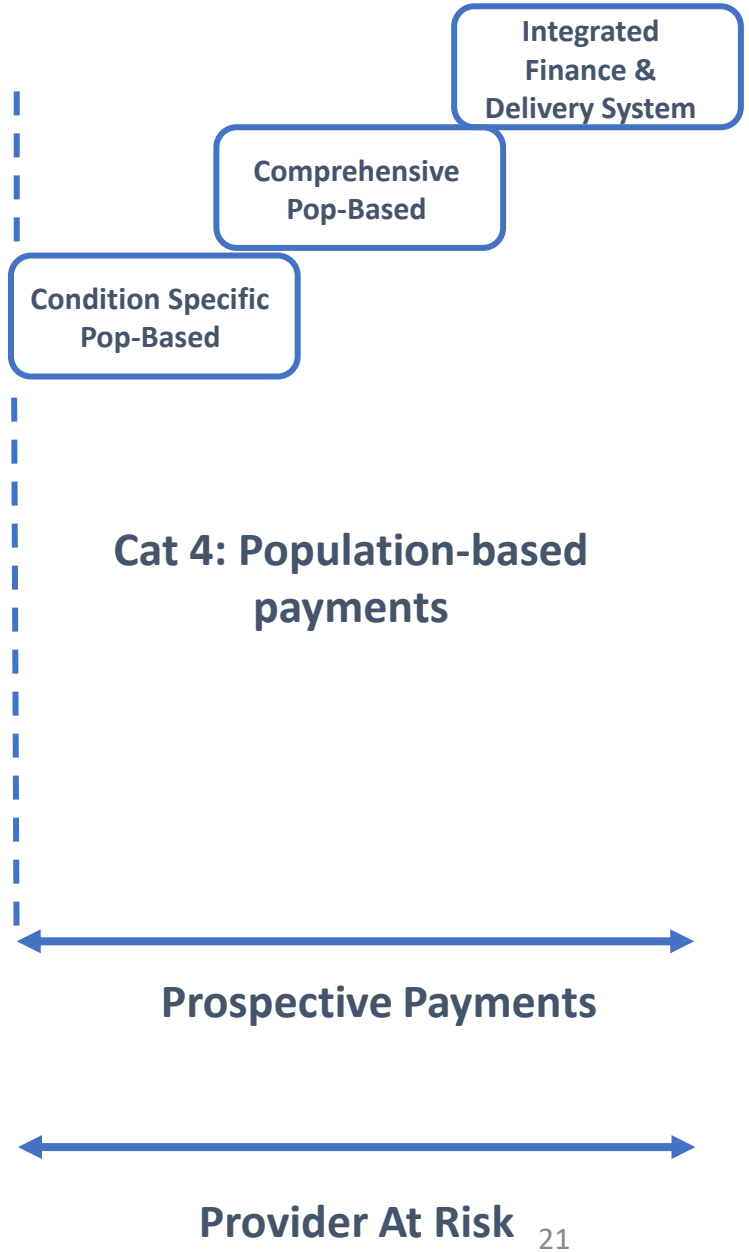
Category 4 involve:

- **Prospective, population-based payments encourage the delivery of coordinated, high-quality, and person-centered care.**
- **Requires accountability for measures of appropriate care to safeguards against incentives to limit necessary care.**

4-A: Condition Specific Population Based: Includes bundled payments for comprehensive treatment of specific conditions, such as cancer care, or all care delivered by specific types of clinicians such as primary care or orthopedics.

4-B: Comprehensive Population Based: Prospective population-based that covers all of an individual's health care needs. This category assumes that payers and providers are organizationally distinct.

4-C: Integrated Finance & Delivery System: Integrated finance and delivery systems bring together insurance plans and delivery systems within the same organization. This may include joint ventures between insurance companies and provider groups, insurance companies that own provider groups, or provider groups that offer insurance products.

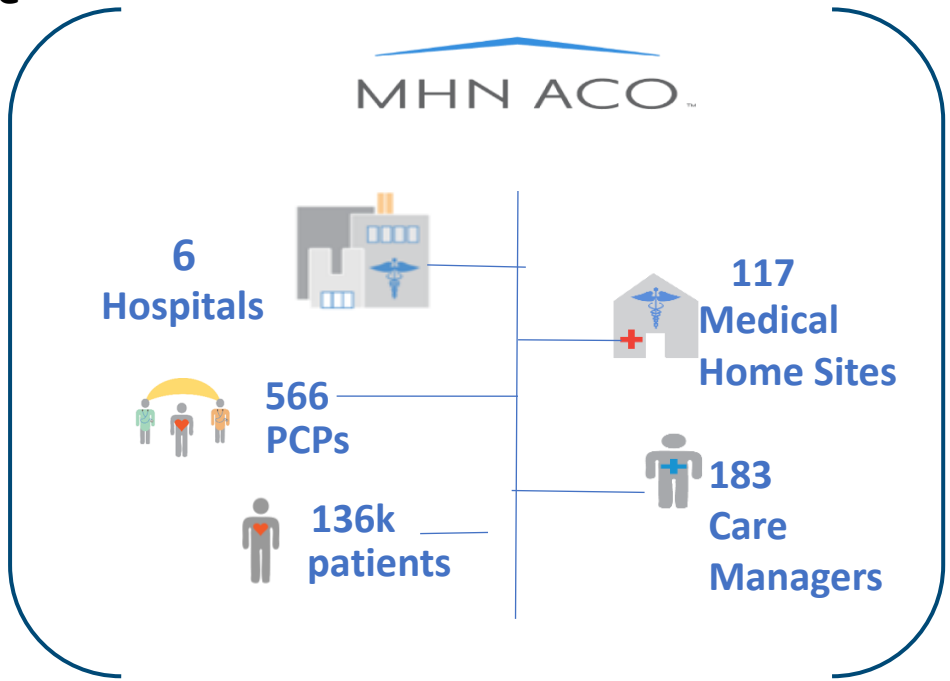


LAN VBP CATEGORY 4: POPULATION BASED PAYMENT

Medical Home Network ACO: Enhancing Patient Care, Driving Value & Improving Outcomes

MHN ACO, LLC established in 2014

- 10 FQHCs
- 3 Hospital systems
- Wholly provider-owned entity
- Unique egalitarian governance model
- Delegated for Care Management
- At Risk for Total Cost of Care



Enables members to drive cultural transformation & advance an integrated, practice-level model of care

Alivio Medical Center · Aunt Martha's Health & Wellness · CFHC Chicago Family Health Center · Centros de Salud erie Family Health Centers · Esperanza health centers · Friend Health · NearNorth Health Service Corporation · La Rabida Children's Hospital · Lawndale Christian Health Center · PCC Community Wellness Center · PrimeCareHealth Community Health Centers · RUSH · Sinai Health System

KEY HEALTHCARE TRENDS DRIVING THE SYSTEM TOWARDS VALUE-BASED PAYMENTS

- Patients want convenient and timely, coordinated care, high quality and affordable care.
- Payers want value and provider accountability for population outcomes, not just quality of care of those engaged in primary care.
- Retail and technology companies are entering health care believing they are more responsive and can create margin by reducing waste.
- Outside capital is investing in disruptive care models that provide care outside of traditional health care settings.
- Health systems continue to focus on vertical as well as horizontal integration.
- Aggregation and analytics of multiple sources of timely data will increasingly inform provider decisions at the point of care making providers financially accountable.

- Leadership, clinical, and other staff need to understand what is happening in the environment, and the scope and reason for the changes, that will prepare the organization for VBPs.
- Partnering with other health care providers across the continuum is becoming increasingly critical to manage populations under VBPs.
- Ability to achieve performance targets require advanced systems of care that support the management of all populations assigned/attributed to a provider.

TO BE SUCCESSFUL WITH VALUE-BASED PAYMENTS

Aim for a staged approach that is operationally feasible and made in consideration of both health plan and provider system capabilities

Providers need to assess core capabilities and systems that are critical to succeed under VBP contracts

- \+ Clinical integration/teamwork
- \+ Data analytics and connectivity
- \+ Care management and coordination
- \+ Patient engagement and wellness programs
- \+ Leadership committed to practice transformation

Alignment with the Medicare's Quality Performance Program (QPP)

Strive for VBPs that mirror Medicare's Alternative Payment Models (APMs) to provide consistent contracting for providers.

LEARNING FROM OTHER INDUSTRIES -- AUDIENCE QUESTION

Which of these industries has the worst reputation for being customer friendly?

1. Movie
2. Banking
3. Health Care
4. Travel

INDUSTRY DISRUPTERS ARE CHANGING HEALTHCARE

- Now familiar, these disrupters were successful because they recognized and responded to what consumers wanted and they completely changed their respective industries.
- Healthcare disruptors are shifting the healthcare industry by making big changes that significantly redefine the way care is delivered.
- That means integrating new technologies, streamlining processes, and simply refusing to do things the way they've always been done.
- CVS acquired Aetna last year for $69 billion, vowing to shift the consumer healthcare experience and ensure people rely less on hospitals and emergency health services.

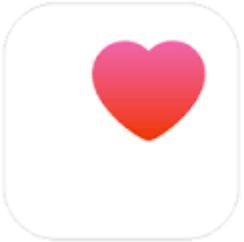
PROVIDERS (AND TECHNOLOGY) ARE ALREADY CHANGING HOW SERVICES ARE DELIVERED

Epic
with the patient at the heart

Providers with comprehensive EHRs have empowered their patients to email their providers, pay bills, get test results, and schedule routine appointments from the convenience of home (or wherever we are via our smart phones).

ZOOM+care

"We make going to the doctor easy, affordable, and even kind of enjoyable. That means no crowded sitting rooms, no long waits to see your family doctor, no aggravation with healthcare billing, and no annoying up-charging. Just amazing primary, urgent, and specialist care, optimized for real life and perfected to fit your needs. We call what we do Twice. ½. Ten: That's twice the health, at half the price—with ten times the delight."



WATCH

"The technology to make healthcare more personal." Health features on the Apple Watch can track heart rate, irregular rhythms, and the ECG app can give people an early warning sign that further evaluation may be warranted. There are 26 million Apple Watch customers in the U.S. and 79% of them report using the health and fitness app.

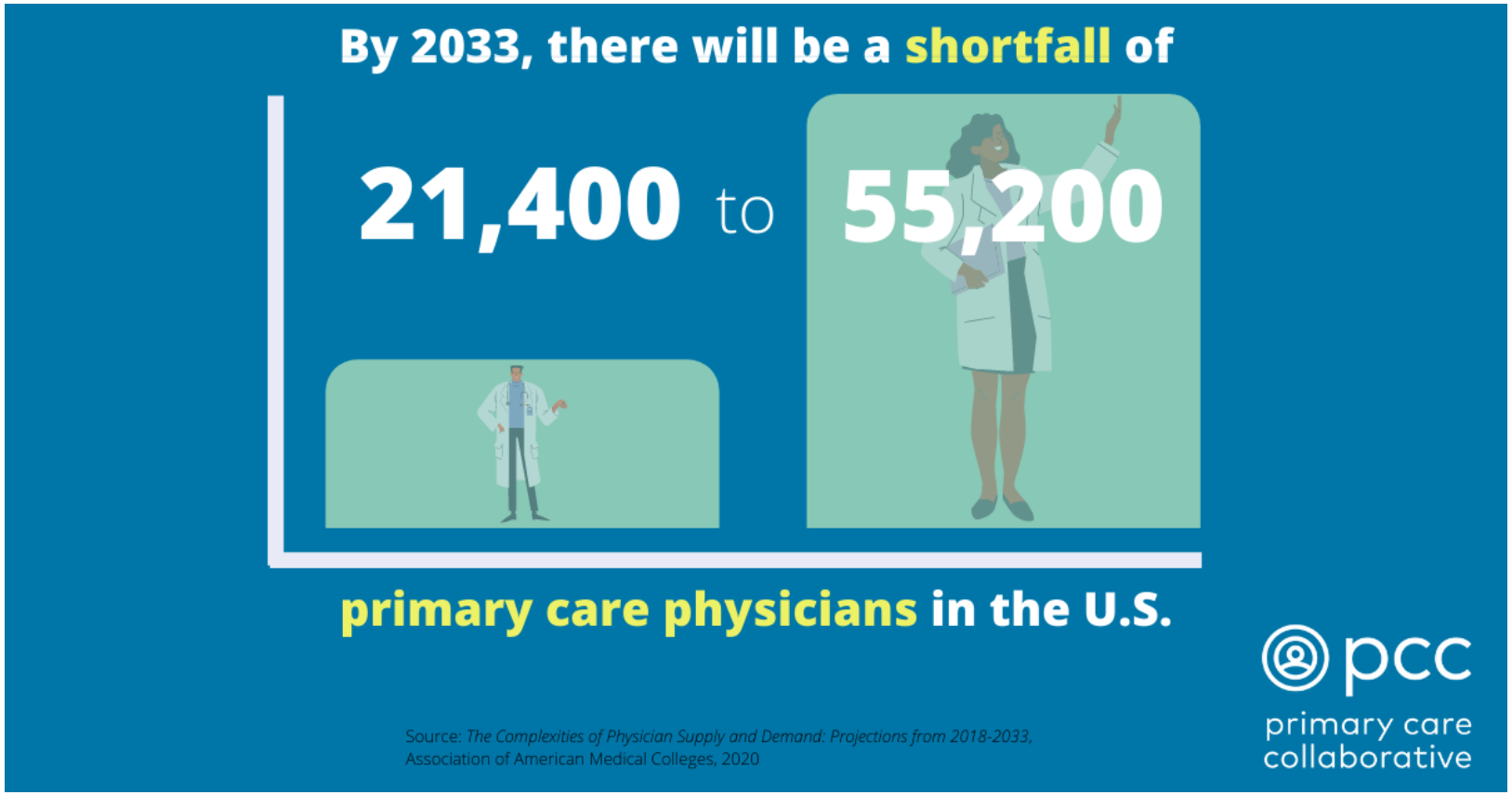
THE PATIENT IS BECOMING THE CONSUMER

- Consumers want choices regarding where, when, how, and from whom they get their care.
- New service providers can offer consumers qualities such as convenience, attentiveness, timeliness, value, and price transparency.
- New ways of delivering care offer consumers qualities they look for from other service providers, including convenience, attentiveness, timeliness, value, and price transparency.

With payments for infrastructure support and performance, rather than FFS payments that just reward volume,
VBP models can help to transform the current delivery system into a consumer (or patient) centric system.

PRIMARY CARE WORKFORCE – FACING SHORTAGES

NATIONALLY



OREGON*

The ability of current primary care providers to meet demand is 23% lower in rural and frontier areas compared with urban areas.

Plus, in the first months of the pandemic, the number of health care visits fell, which resulted in financial losses for many providers, causing layoffs and furloughs within the health care workforce.

*https://www.oregon.gov/oha/HPA/HP-HCW/Documents/2021-Health-Care-Workforce-Needs-Assessment.pdf

PAYMENT REFORM AND PRIMARY CARE WORKFORCE

- VBP enable providers to invest in the infrastructure and services that may not always be billable under fee-for-service (FFS) payment models, such as care coordination, care management, peer and/or parent support, telemedicine, community health worker visits, and more.

- VBP can help to sustain or support repurposed positions as well as create new jobs.

  “Working at the Top of License”
  - Practices that have relied on registered nurses or other licensed clinicians to screen patients are increasingly relying on a certified workforce such as Community Health Workers (CHWs).
  - Evidence indicates that CHWs can successfully conduct psychosocial screening and elicit more self-reported risk than RNs, especially lack of basic social needs.
  - Comparing the hourly salary/wage, the cost for CHWs was 56% lower than RNs.
  - This can then free up the RNs for care management with patients with complex needs.

CONCLUSIONS

- Enhanced care coordination models such as the Patient-Centered Primary Care that can improve patients' outcomes are hard to sustain under FFS.
- Moving up and combining categories of LAN's VBP models can provide regularity of payments or new dollars through shared savings – this can sustain the enhanced care coordination models that are not billable under FFS.
- Patients increasingly want more convenient and timely access to care, as they are used to from industry disrupters. The pandemic has accelerated rapid adoption of virtual care, further enhancing patient expectations, offering an opportunity to transform care delivery.
- New models of care supported by technology and value-based payments can better engage patients in self-care and improve outcomes.
- VBP offers a means to support an expanded care team, which in turn, can assist practices to be more successful.

RESOURCES

- "Alternative Payment Model (APM) Framework White Paper Refreshed 2017“, Health Care Payment Learning and Action Network available at: https://hcp-lan.org/workproducts/apm-refresh-whitepaper-final.pdf
- NEJM Catalyst-Innovations in Health Care Delivery Jan 2017 “What is Value-Based Healthcare?” available at https://catalyst.nejm.org/doi/full/10.1056/CAT.17.0558
- Categorizing VBP Payments According to LAN Brief available at: https://www.shvs.org/wp-content/uploads/2018/02/SHVS_APM-Categorization_Brief-Final.pdf
- OHA-CCO VBP Roadmap Updated November 2020 available at: https://www.oregon.gov/oha/HPA/dsi-tc/Documents/OHA%20CCO%20VBP%20Technical%20Guide%20November%202020%20Update.pdf
- Oregon’s PCPCH Program Implementation Report available at: https://www.oregon.gov/oha/HPA/dsi-pcpch/Documents/PCPCH-Program-Implementation-Report-Final-Sept-2016.pdf
- OHA VBP resources: https://www.oregon.gov/oha/HPA/dsi-tc/Pages/Value-Based-Payment.aspx

Q & A

Send your questions to the host via the chat function.

UPCOMING FROM THE OHA TRANSFORMATION CENTER

- Please complete the evaluation for the webinar that will be sent out after the webinar.
- CME credit will be emailed to participants completing the evaluation.
- Slides will be available at: **https://www.oregon.gov/oha/HPA/dsi-tc/Pages/Value-Based-Payment.aspx**

- Next session: **April 21, 2021 Noon to 1pm**

  Topic: What do you need to know to negotiate value-based payment agreements?

- Follow-up questions?

  Contact: **OHAVBPQuestions@healthmanagement.com**