

Payment Models Work Group
Meeting Agenda 5-12-14

**VT Health Care Innovation Project
 Payment Models Work Group Meeting Agenda
 Monday May 12, 2014 1:00 PM – 3:30 PM.
 BCBSVT 445 Industrial Lane, Presentation Room, Berlin
 Call in option: 1-877-273-4202
 Conference Room: 2252454**

Item #	Time Frame	Topic	Presenter	Relevant Attachments
1	1:00 – 1:05	Welcome and Introductions Approve meeting minutes	Don George and Steve Rauh	Attachment 1: Meeting Minutes
2	1:05 – 1:10	Update on ACO/SSP	Richard Slusky & Kara Suter	
3	1:10– 1:15	Update on Other Work Groups	Georgia Maheras	
4	1:15 – 1:30	Review of Updated Work Plan	Kara Suter	Attachment 2: Updated Work Plan
5	1:25 – 2:00	Break Out Groups	Facilitators	Attachment 3: Break Out Sessions
6	2:00 – 2:45	Report on Break Out Group Recommendations	Break Out Reporters	
7	2:45 – 3:00	Public Comment	Don George and Steve Rauh	
8	3:00 – 3:30	Next Steps and Action Items	Don George and Steve Rauh	Attachment 4-5: Future Draft Agendas Next Meeting: Monday June 2, 2014 2:00 PM – 4:30 PM 312 Hurricane Lane, Large Conference Room, Williston

Attachment 1 - Payment Models Work Group Minutes 4-07-14



***VT Health Care Innovation Project
Payment Models Work Group Meeting Minutes***

Date of meeting: Monday April 7, 2014 1:00 PM – 3:30 PM. DVHA Large Conference Room, 312 Hurricane Lane, Williston

Call in: 877-273-4202, Passcode: 2252454

Attendees: Don George, Stephen Rauh, Co-Chairs; Georgia Maheras, AoA; Chris Tompkins, Brandeis University; Carrie Hathaway, Kara Suter, Erin Flynn, Amy Coonradt, DVHA; Michael Curtis, Washington County Mental Health Services; Bard Hill, Jen Woodard, DAIL; Kelly Lange, BCBS; Annie Paumgarten, Richard Slusky, GMCB; Mike DelTrecco, VT Assoc. of Hospital and Health Systems; Lila Richardson, VT Legal Aid; Michael Bailit, Bailit Health Purchasing; Heather Bushey, Planned Parenthood; Paul Harrington, Vermont Medical Society; Sarah King, Rutland Area VNA; David Martini, DFR; Sandy McGuire, Howard Center; Julie Wasserman, Carolyn Hatin, Diane Cummings, AHS; Heidi Hall, DMH; Sharon Winn, Joyce Gallimore, Bi-State; Abe Berman, OneCare; Marlys Waller, VT Council of Dev. and MH Services.; Jessica Mendizabal, George Sales, Project Management Team.

Agenda Item	Discussion	Next Steps
1 Welcome and Introductions, Approval of meeting minutes	Don George called meeting to order at 1:00 pm. Kelly Lange moved to approve the minutes which was seconded by Bard Hill and the motion passed unanimously.	
2 Update on ACO/SSP	<p>Kara Suter gave an update on the Medicaid ACO contracts: Medicaid has signed two contracts for the ACOs. The kickoff implementation meeting is planned for some time within the next two weeks. DVHA has submitted the State plan to the federal government which will be an ongoing review process.</p> <p>Richard Slusky gave an update on the commercial ACO contracts: Blue Cross Blue Shield (BCBS) has signed contracts with three ACOs and MVP has signed with OneCare. Participation agreements between ACOs and participating providers have been signed. The commercial side</p>	

Agenda Item	Discussion	Next Steps
	<p>will send provider rosters to payers by April 15 and Medicaid agreed to wait until April 30th to receive provider rosters. The GMCB has received proposals for an analytics contractor and they are in negotiations with one vendor, hoping to have a contract by June. The vendor will be working with the payers and ACOs around setting expected expenditures, tracking target expenditures and calculating shared savings with both the commercial and Medicaid Shared Savings Programs.</p> <p>Don George asked if the ACOs have sent out participation agreements and if there is a sense of what the participation will be. Richard stated they still need to get the lists of the participating providers from the ACOs.</p> <p>Kara has not received participation agreements from Medicaid yet.</p> <p>Richard stated we still don't know how many practitioners are participating within the ACOs yet.</p>	
<p>3 Update on Other Work Groups</p>	<p>Georgia Maheras gave a brief update on the status of other work groups:</p> <ul style="list-style-type: none"> • QPM work group has started looking at Year Two shared savings ACO quality measures and reviewing pending measures recommended by other work groups. They are hoping to make a recommendation to the Steering Committee by mid-late summer. • CMCM work group is working on developing a learning collaborative with the goal of bringing together existing care management resources in three communities throughout the State to collaborate and improve outcomes around specific conditions in need of improvement. • HIE work group is looking at data across the State including telemedicine, telemonitoring, and telehealth. They will also work with the HIT plan over the next three to four months. • DLTS work group is looking at quality measures as payment models expand. They released an RFP for a patient satisfaction survey, for which a vendor has been selected and they've begun the contract process. • Kelly Lange asked if an ACO operations group has given work group reports. Georgia responded that they need to look at how the data flows. 	
<p>4 EOC Presentation</p>	<p>Christopher Tompkins of Brandeis University presented Episodes of Care: Analytics and Options</p>	<p>Participants should</p>

Agenda Item	Discussion	Next Steps
	<p>(attachment 2). The following points were addressed:</p> <ul style="list-style-type: none"> • PROMETHEUS (Provider Payment Reform for Outcomes, Margins, Evidence, Transparency Hassle-reduction, Excellence, Understandability and Sustainability) is a particular model that the Health Care Incentives Improvement Institute (HCI3) uses. • Christopher discussed episodes of care in terms of the CMS/CMMI Roadmap: <ul style="list-style-type: none"> ○ Rutland Regional Medical Center is participating in Model 2. ○ Model 1 was first to be launched but was cancelled for a time and received a few applications but negotiations fell through. New Jersey may be using Model 1. ○ Model 2 is the most popular and hospitals are most interested. ○ Model 4 includes expected costs for reimbursement. <p>Steve Rauh asked about cost containment and savings. Christopher responded that if you are a payer, you want your costs to go down. If you are a provider, costs might also go down. Development of these programs involves changes of delivery systems and looking at the delivery through the episodes. You want them both to happen so it depends on which stakeholder you talk to. If there are effective redesign attempts being made, the new system should support those not challenge them.</p> <ul style="list-style-type: none"> • Christopher noted that the presentation does not contain state-specific information, but that they will be looking specifically at Vermont over the next few months. Additionally, the data presented is from an All Payers Claims Database (APCD), which excludes behavioral health. There can be differentials in costs depending on Medicare. • Kara noted that we need to think about what analytics we want VT to have and about measure of resource use and variation in price. • Regarding pharmacy spending: under the Medicare demonstration, Part D is not included. However, other slides in the presentation do include prescription drugs. • Regarding slide 32- Hip Replacements: <ul style="list-style-type: none"> ○ The data represents the actual array of the episode without any factors that might explain why the costs are high. ○ The horizontal axis represents the number of episodes, and the last 200 episodes are driving up the costs. ○ The dark horizontal lines show the dollar amount and 80% of cases were less than that amount. To the right of it is where 20% of the cases are. ○ The highest 20% of cases are in the range. If you are trying to reduce variation, 	<p>send questions or comments about this presentation to Kara Suter.</p>

Agenda Item	Discussion	Next Steps
	<p>reducing costs of high spenders closer to average. You want to adjust for the very high percentile.</p> <ul style="list-style-type: none"> ○ The band between the horizontal lines shows significantly higher spending or “stop loss”. Below the 98th percentile is performance risk, above it is insurance risk. There is individual stop loss around this so the provider will not be held responsible. ● Regarding slide 33 “Potential Savings”: <ul style="list-style-type: none"> ○ Percent episode savings is the amount of dollars. ○ Average costs will vary by payer, how can you deal with it in this context and how were these percentiles chosen? <ul style="list-style-type: none"> ▪ Choose what you want to appropriately adjust for. If you are choosing a lower percentile, you are reducing the confidence interval. ● Quality discussions will take place separately: thinking about how to change and improve care and see where this data intersects with patient outcomes. Data can be reviewed to understand procedures and what can be linked to these conditions and episodes. In principal it happens at the beginning and in practice it happens during the selection process. <ul style="list-style-type: none"> ○ Throughout the country bundled payments and quality measures are being used as a gate to qualify providers to share any generated savings: provider performance is gauged on quality for participation in the program and in the insurance network. Quality measures are also being used for public transparency purposes. ● Kelly Lange noted payer involvement is missing and to think about what the administrative burden might be. ● Next steps for work group: <ul style="list-style-type: none"> ○ Move toward deciding what criteria to use including adding price standardization metrics, where more service doesn’t equal better quality. ○ Discuss how this interplays with ACO paradigm and make some progress on selecting what we’re looking at. ○ Bring Medicaid information to the table and see which areas the group is focused on. ○ Brandeis will begin to run data in a Vermont specific way over the next few months. 	

Agenda Item	Discussion	Next Steps
	<p>Julie Wasserman asked how the analytics team would account for price stabilization and cost comparison. Chris responded that they don't base calculations off of the internal accounting document facilities keep, but use price standardization, noting that you don't only want to standardize price however.</p> <p>Don asked if it is consistent with an ACO's perspective to pay an underlying reimbursement with a gain sharing ACO.</p> <p>Abe Berman asked which episodes of care we are looking at and if we plan to implement two separate programs with different aggregation.</p> <p>Richard noted that the episodes of care as a model for delivery system change offers opportunity for cost reduction and better outcomes. The group needs think about how this intersects with an ACO if you also attached a shared saving model. The first step is to look at episodes and see if there are opportunities for delivery system change within those episodes and then see if we want to attach savings to that.</p> <p>Michael Bailit responded that most payers and providers are simultaneously working on ACOs and most don't seem as concerned. For right now they are counting the savings twice, but it's not the long term strategy. Medicare has a complicated formula for counting savings twice.</p>	
5 Public Comment	<p>Richard noted that overall we should try to improve our ability to communicate with people participating by phone (referring to connection issues and feedback). No other comments were offered.</p>	
6 Next Steps and Action Items	<p>Next Meeting: May 12th, 1 – 3:30 pm. Blue Cross Blue Shield, Berlin.</p>	

Attachment 2 - Updated Work Plan

***VT Health Care Innovation Project
DRAFT Payment Models Work Group Work plan***

Objectives	Supporting Activities	Target Date	Responsible Parties¹	Status of Activity	Measures of Success
DECEMBER					
Review member roles and responsibilities		Meeting 1	Co-Chairs	Complete	Finalized Membership List and Signed Charters
Update on Predecessor WG	Prepare historical overview and update	Meeting 1	Staff	Complete	Presentation
Review WG Charter	Draft Charter	Meeting 1	Co-Chairs	Complete	Requested but did not receive formal feedback
Review WG Work Plan	Draft Work plan	Meeting 1	Staff	Complete	Requested but did not receive formal feedback
JANUARY					
Adopt WG Charter and WP	Collect feedback and revise	Meeting 2	Co-Chairs	Complete	WG and WP Adopted
Understand Episodes of Care(EOC)Programs	Created EOC 101 presentation(s)	Meeting 2	Staff	Complete	Presentation
FEBRUARY					
Update on other WGs	Collect updates	Meeting 3	Staff	Complete	Update
Review SOW for Consultant Support	Created SOW and presentation	Meeting 3	Staff	Complete	SOW Reviewed; Consultant Obtained
MARCH					
Update on other WGs	Collect updates	Meeting 4	Staff	Complete	Update
National and State Case Studies	Two presentations; outside speaker	Meeting 4	External Speaker and Staff	Complete	Two Case Studies Presented
APRIL					
Update on other WGs	Collect updates	Meeting 5	Staff	Complete	Update
Review EOC Evidence and National Data	Created presentation	Meeting 5	Consultants	Complete	Presentation on EOC Evidence and National Data
MAY					
Update on other WGs	Collect updates	Meeting 6	Staff	Planned	Update
Adopt Updated Work Plan	Review Revised Work Plan	Meeting 6	Staff	Planned	Work Plan Adopted
Develop Criteria for Prioritizing EOCs	Break-out sessions on criteria development	Meeting 6	Staff and Consultants	Planned	Criteria Selected
JUNE					

¹ “Responsible Party” refers to person or persons responsible for organizing content and/or facilitating discussions around recommendation generation

***VT Health Care Innovation Project
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Objectives	Supporting Activities	Target Date	Responsible Parties¹	Status of Activity	Measures of Success
Update on other WGs	Collect updates	Meeting 7	Staff	Planned	Update
Review Draft Request for Information (RFI) for EOC and P4P Programs	Prepare draft RFI	Meeting 7	Staff and Consultants	Under Development	Input collected on RFI
Guest Speaker	Secure Speaker	Meeting 7	Staff and Consultants	Speaker Invited but not confirmed	Speaker Presentation & Discussion
JULY					
Update on other WGs	Collect updates	Meeting 8	Staff	Planned	Update
<i>Release RFI</i>	<i>Incorporating feedback from June meeting</i>	<i>Meeting 8</i>	<i>Staff and Consultants</i>	<i>Under Development</i>	<i>RFI released</i>
Review VT EOC Data; Evaluate Against Criteria	Brandeis to report findings	Meeting 8	Staff and Consultants	Under Development	Data Analysis Presented
<i>Draft Recommendation about EOCs to QPWG and CMCM WG</i>	<i>Compile discussions from meeting</i>	<i>Meeting 8</i>	<i>Staff and Consultants</i>	<i>Under Development</i>	<i>Draft Recommendations</i>
<i>Initiate Financial Modeling related to chosen EOCs</i>	<i>Using data and recommendations, develop model to estimate potential impact of EOC program to report back to WG</i>	<i>Meeting 8</i>	<i>Staff and Consultants</i>	<i>Under Development</i>	<i>Draft Financial Model</i>
AUGUST					
Update on other WGs	Collect updates	Meeting 9	Staff	Planned	Update
Review Presentations to QPWG and CMCM WG on EOC Recommendations	Brandeis/staff to do draft, out to WG for feedback	Meeting 9	Staff and Consultants	Under Development	Presentations Developed and Meetings Scheduled
Present Financial Modeling based on EOC data	Presentation	Meeting 9	Staff and Consultants	Under Development	Presentation of Financial Modeling
Review P4P Models currently in VT Guest Speaker	Craig Jones Presentation	Meeting 9	Staff and Consultants	Under Development	Presentation on Blueprint P4P
SEPTEMBER					
Update on other WGs	Collect updates	Meeting 10	Staff	Planned	Update
Complete Presentations to PQWG and CMCM WG	Secure speaker and presentations	By Meeting 10	Staff/Consultants	Under Development	Presentations given at WG meetings
Review Findings of RFI	Presentation	Meeting 10	Staff and Consultants	Under Development	Comments Summarized from RFI
ACO SSP – Year Two Standards	Bailit to lead	Meeting 10	Staff and	Under	

***VT Health Care Innovation Project
DRAFT Payment Models Work Group Work plan***

Objectives	Supporting Activities	Target Date	Responsible Parties¹	Status of Activity	Measures of Success
			Consultants	Development	
OCTOBER					
Update on other WGs	Collect updates	Meeting 11	Staff	Planned	Update
Make recommendations of ACO SSP – Year Two Standards with SC/Core Team	Bailit to lead	Meeting 11	TBD	Under Development	TBD
Develop EOC Payment/Incentive Program Recommendations	TBD	Meeting 11	TBD	Under Development	TBD
Develop P4P Payment/Incentive Program Recommendations	TBD	Meeting 11	TBD	Under Development	TBD
NOVEMBER					
Share recommendations of ACO SSP – Year Two Standards with SC/Core Team	TBD	Meeting 12	TBD	Under Development	TBD
Develop EOC Payment/Incentive Program Recommendations	TBD	Meeting 12	TBD	Under Development	TBD
Develop P4P Payment/Incentive Program Recommendations	TBD	Meeting 12	TBD	Under Development	TBD
DECEMBER					
Develop EOC Payment/Incentive Program Recommendations	TBD	Meeting 13	TBD	Under Development	TBD
Develop P4P Payment/Incentive Program Recommendations	TBD	Meeting 13	TBD	Under Development	TBD

Attachment 3 - Criteria Break Out

Why we need criteria?

Agreeing on criteria will help us understand and make recommendations based on the EOC data.

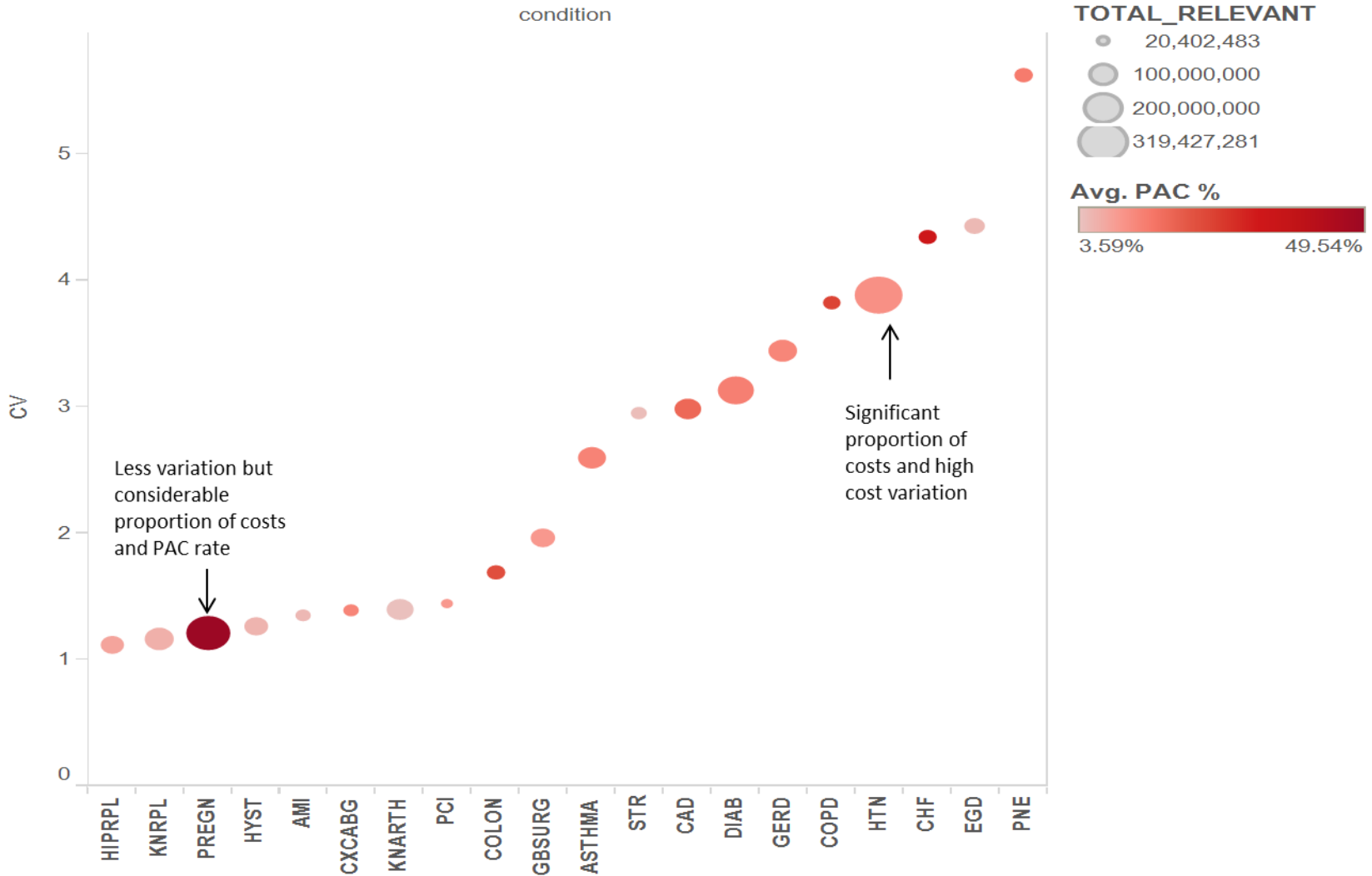
What will we do with the data on EOCs being presented in July?

- Make recommendations to the care models/care management (CMCM) work group based on review of data on episodes of care (EOC)
 - Priority EOCs
 - Candidates for Learning Collaboratives and/or Quality Improvement (QI) Initiatives
 - Request Development of Interventions/Deliverables based on EOCs
- Make recommendations to the quality and performance (Q&PM) work group based on review of data on episodes of care (EOC)
 - Priority EOCs for Development and Inclusion in State-wide Quality and Performance Monitoring
 - Request Development of an EOC Measures Set
- Inform future recommendations on the design of payment models and/or incentive programs based on EOCs
 - Opportunity for EOC program to support care delivery transformation

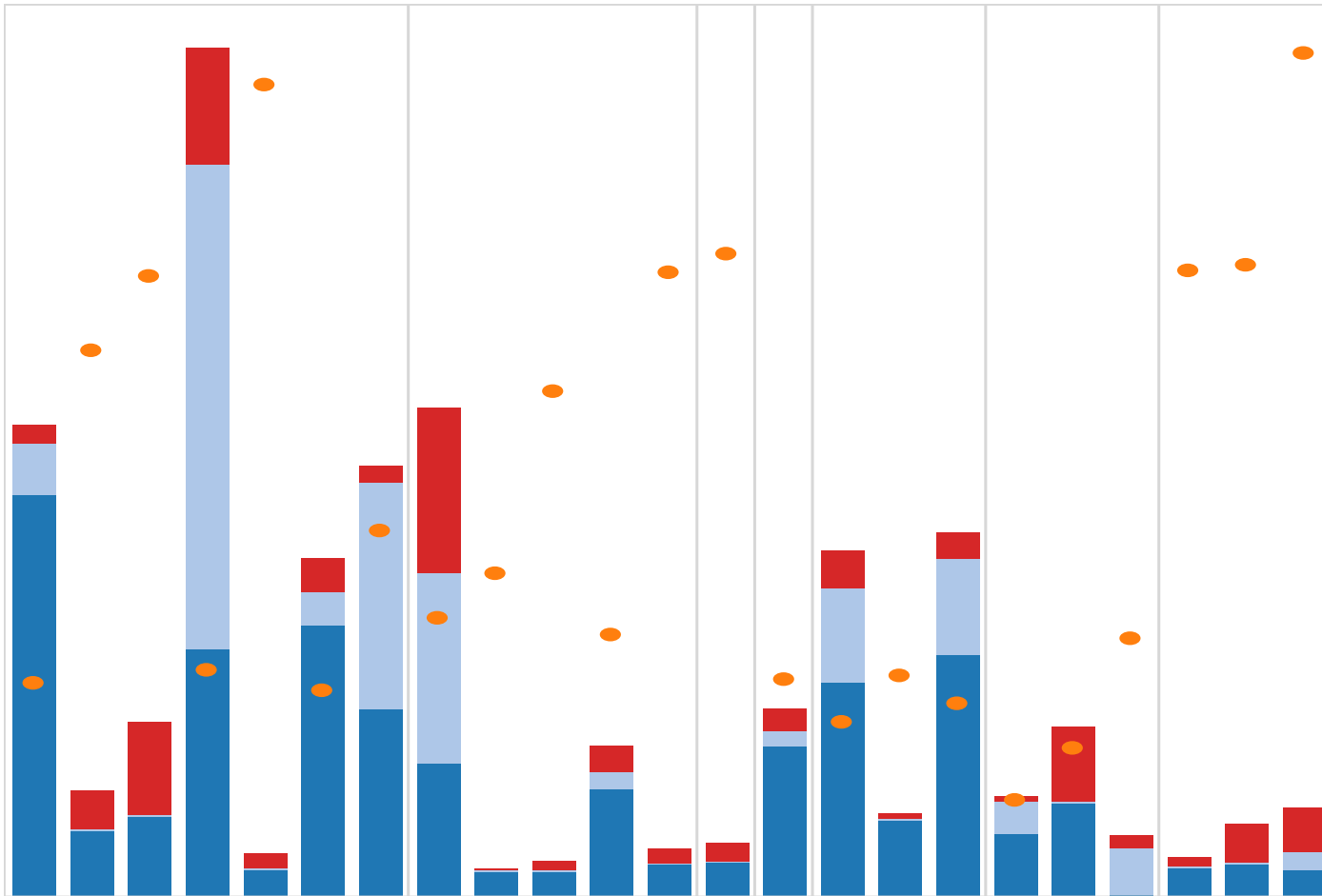
Remind me what episodes and data we'll be reviewing?

Episode of Care	Abbreviation
Coronary artery disease	CAD
Congestive heart failure	CHF
Acute myocardial infarction	AMI
Pneumonia	PNE
Chronic obstructive pulmonary disease	COPD
Asthma	ASTHMA
Complex Coronary Artery Bypass Graft	CxCABG
Percutaneous Coronary Intervention (Angioplasty)	PCI
Diabetes	DIAB
Knee Replacement & Knee Revision	KNRPL
Knee Arthroscopy	KNARTH
Hip Replacement & Hip Revision	HIPRPL
Gastro-Esophageal Reflux Disease	GERD
Esophagogastroduodenoscopy Upper GI (Endocscopy)	EGD
Colon Resection	COLON
Colonoscopy	COLOS
Gall Bladder Surgery	GBSURG
Hysterectomy	HYST
Vaginal Delivery	VAGDEL
Cesarean Section	CSECT
Hypertension	HTN
Stroke	STR
Low Risk and High Risk Pregnancy	PREGN

Remind me what episodes and data we'll be reviewing?



Remind me what episodes and data we'll be reviewing?



Objectives of Break Out

Develop criteria to help understand EOC data and make recommendations.

Break Out Instructions

Each group will have a facilitator assigned

1. Assign a “note taker”, someone who will fill out provided forms
2. Assign a “reporter”, someone who will report back to larger group
3. Review purpose of the exercise and draft criteria
4. Discuss and make recommended changes, additions and/or deleted to proposed criteria on forms provided
5. Re-convene and summarize discussion from break outs to group
6. Agree to review compiled list, offering final suggestions before next month’s WG

Draft Criteria

Operational Feasibility

- Widely-accepted, existing publically available tool or specifications to support episode creation

Potential to Drive Successful Interventions and Foster Care Delivery Transformation

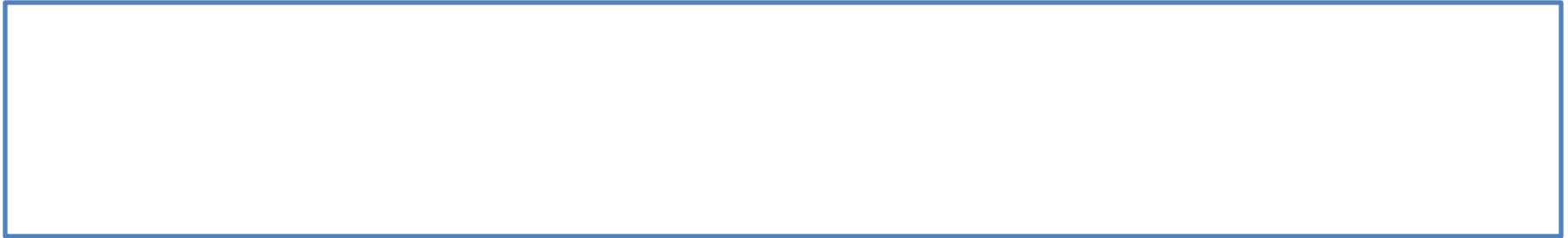
- Variation in utilization and resource use across state, providers and payers
- High proportion of potentially avoidable complications (PACs)
- Opportunities to bridge gaps among traditionally disparate provider settings and health professionals
- Complementary to other reform efforts
 - Examples: ACO Clinical Advisory Boards, Medicaid Clinical Utilization Review Board (CURB), Commercial Programs and Advisory Boards, State-wide efforts (Health Vermonters 2020), Other VHCIP Work Group Initiatives
- Evidence of EOC-based intervention success in other pilots or around the state

Potential for State-wide Impact

- Prevalence of disease
- System-wide expenditures

Draft Criteria

Operational Feasibility



Potential to Drive Successful Interventions and Foster Care Delivery Transformation

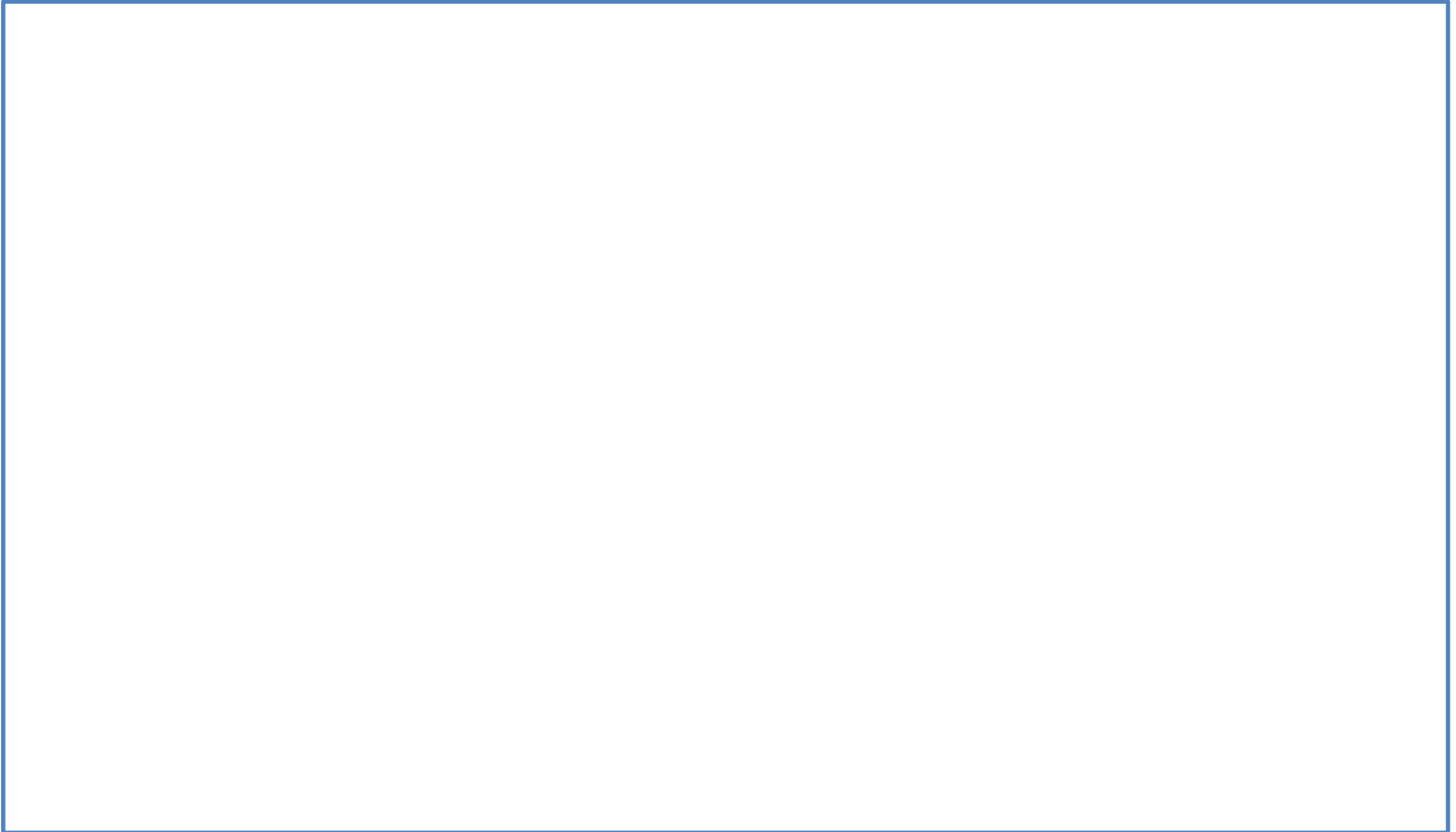


Potential for State-wide Impact



Draft Criteria

Other



Attachment 4 - Draft Payment Models

WG Agenda Mtg 6-2-14

**VT Health Care Innovation Project
 Payment Models Work Group Meeting Agenda
 Monday June 2, 2014 2:00 PM – 4:30 PM.
 312 Hurricane Lane, Large Conference Room, Williston
 Call in option: 1-877-273-4202
 Conference Room: 2252454**

Item #	Time Frame	Topic	Presenter	Relevant Attachments
1	2:00 – 2:05	Welcome and Introductions Approve meeting minutes	Don George and Steve Rauh	Attachment 1: Meeting Minutes
2	2:05 – 2:10	Update on ACO/SSP	Richard Slusky & Kara Suter	
3	2:10– 2:15	Update on Other Work Groups	Georgia Maheras	
4	2:15 – 2:35	Final Review of Criteria and Score Card	Kara Suter	Attachment 2: Final Criteria
5	2:35 – 3:00	Review of RFI	Facilitators	Attachment 3: Draft RFI
6	3:00 – 4:15	Presentation on Business Applications and/or Care Delivery Transformation using Episodes of Care Framework	Francois de Brantes, hci3 <i>(invited)</i>	Attachment 4: EOC Presentation Attachment 5: Background Reading Materials
7	4:15 –4:25	Public Comment	Don George and Steve Rauh	
8	4:25 – 4:30	Next Steps and Action Items	Don George and Steve Rauh	Attachment 6-8: Future Draft Agendas Next Meeting: Monday, July 7, 2014 2PM – 4:30PM EXE – 4 th Floor Conf Room, Pavillion, Montpelier

Attachment 5 - Draft Payment Models

WG Agenda Mtg 7-7-14

**VT Health Care Innovation Project
 Payment Models Work Group Meeting Agenda
 Monday July 7, 2014 2:00 PM – 4:30 PM.
 EXE – 4th Floor Conf Room, Pavillion, Montpelier
 Call in option: 1-877-273-4202
 Conference Room: 2252454**

Item #	Time Frame	Topic	Presenter	Relevant Attachments
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3	2:10– 2:15	Update on Other Work Groups	Georgia Maheras	
4	2:15 - 2:20	Update on RFI	Staff	Attachment 2: Final RFI
5	2:20 – 3:15	Presentation of Findings from Data Analysis	Kara Suter	Attachment 2: Data Analysis Presentation and Data Book
6	3:15 – 4:15	Break Outs to Complete Score Cards	Facilitators	Attachment 3: Break Out and Score Cards
7	4:15 – 4:25	Public Comment	Don George and Steve Rauh	
8	4:25 – 4:30	Next Steps and Action Items	Don George and Steve Rauh	Attachment 4-6: Future Draft Agendas Next Meeting: Monday, August 4, 2014 2PM–4:30PM 312 Hurricane Lane, Large Conf Room, Williston