VHCIP Project Status Reports
Payment Model Design and Implementation Focus Area
March 2016

Focus Area: Payment Model Design and Implementation

Focus Area: Payment Model Design and Implementation
Project: ACO Shared Savings Programs (SSPs)

Project Summary: Modeled closely after the Medicare Shared Savings Program, this alternative payment model for commercial and Medicaid beneficiaries in Vermont was launched in 2014 as a three-year program. Beneficiaries are attributed to one of three accountable care organizations (ACOs) in the State. ACOs must meet quality targets to be eligible to share in any savings.

Project Timeline and Key Facts:

- January 2014 – Medicaid and commercial SSPs launched.
- July 2014 – ACOs and DVHA started sharing attribution files and claims data.
- August 2014 – ACOs and DVHA began meeting monthly to collaborate around clinical/quality improvement.
- March 2015 – Performance measures, quality benchmarks, and Gate and Ladder methodology reviewed and modified for Year 2.
- August 2015 – DVHA elected not to include additional categories of service in TCOC for Year 3.
- September 2015 – Shared savings/quality performance calculations and results made available for Performance Year 1 of program.
- October 2015 – Results of the SSP Year 1 were presented to the GMCB and VHCIP stakeholders.
- December 2015-January 2016 – VHCIP staff prepared for Year 3 Medicaid SSP SPA negotiations.
- March 2016 – Year 3 Medicaid SSP SPA to be submitted to CMS.

Status Update/Progress Toward Milestones and Goals:

- Medicaid SSP Year 2 contract negotiations between DVHA and Medicaid SSP ACOs are almost complete.
- Expansion of Total Cost of Care for Year 3 of the Medicaid SSP was considered in 2015. DVHA reviewed all potential services to include in Year 3 before determining not to include them. DVHA notified the ACOs that it would not include additional services on September 1, 2015.
- The Green Mountain Care Board published the Year 1 (CY2014) quality, cost, and utilization performance results for each of the ACOs in the commercial SSP in Fall 2015.
- In Performance Period 2, the project focus is on continued program implementation and evolution of program standards based on cost and quality results from the first performance period of both the Medicaid and commercial SSPs.
- During Performance Period 3, the SSPs will target additional beneficiaries and focus on expanding the number of Vermonters served in this alternative payment model.
- The commercial SSP will not offer downside risk as originally proposed in Year 3.

Milestones:

Performance Period 1:

1. Implement Medicaid and Commercial ACO SSPs by 1/1/14.
2. Develop ACO model standards: Approved ACO model standards.
3. Produce quarterly and year-end reports for ACO program participants and payers: Evaluation plan developed.
4. Execute Medicaid ACO contracts: Number ACO contracts executed (goal = 2).
5. Execute commercial ACO contracts: Number of commercial ACO contracts executed (goal = 2).

Performance Period 1 Carryover: Continue implementation activities in support of the 2014 SSP performance year.

1. Continue implementation activities in support of the initial SSP performance period according to the SSP project plan.
2. Modify program standards by 6/30/15 in preparation for subsequent performance periods. Finalize contract amendments for subsequent performance periods.
3. Complete final cost and quality calculations for initial SSP performance period by 9/15/15.
4. Maintain 2 contracts with ACOs Year 1 Medicaid ACO-SSP.
5. Maintain 3 contracts with ACOs Year 1 commercial ACO-SSP.
6. Modify initial quality measures, targets, and benchmarks for Y2 program periods by 6/30/15 (based on stakeholder input and national measure guidelines).
7. Medicaid/commercial program provider participation target: 700
   Medicaid/commercial program beneficiary attribution target: 110,000

Performance Period 2: Expand the number of people in the Shared Savings Programs in Performance Period 2 by 6/30/16:

Medicaid/commercial program provider participation target: 950.

Medicaid/commercial program beneficiary attribution target: 130,000.

Performance Period 3: Expand the number of people in the Shared Savings Programs in Performance Period 3 by 12/31/16:

Medicaid/commercial program provider participation target: 960.

Medicaid/commercial program beneficiary attribution target: 140,000.

Metrics:

CORE_Beneficiaries impacted_[VT]_VTEmployees
CORE_Beneficiaries impacted_[VT]_[ACO]_Commercial
CORE_Beneficiaries impacted_[VT]_[ACO]_Medicaid
CORE_Beneficiaries impacted_[VT]_[ACO]_Medicare
CORE_Participating Provider_[VT]_[ACO]_Commercial
CORE_Participating Provider_[VT]_[ACO]_Medicaid
CORE_Participating Provider_[VT]_[ACO]_Medicare
CORE_Provider Organizations_[VT]_[ACO]_Commercial
CORE_Provider Organizations_[VT]_[ACO]_Medicaid
CORE_Provider Organizations_[VT]_[ACO]_Medicare
CORE_Payer Participation_[VT]
CORE_BMI_[VT]
CORE_Diabetes Care_[VT] CORE_ED Visits_[VT]
CORE_Readmissions_[VT]
CORE_Tobacco Screening and Cessation_[VT]
CAHPS Clinical & Group Surveys

Additional Goals:

 # Lives Impacted: 179,076 (as of December 2015)

 # Participating Providers: 940 (as of December 2015)

Key Documents:

- Shared Savings Program webpage

State of Vermont Lead(s): Amy Coonradt, Richard Slusky

Contractors Supporting: Bailit Health Purchasing; Bi-State Primary Care Association/Community Health Accountable Care; Burns and Associates; Deborah Lisi-Baker; Healthfirst; Policy Integrity; The Lewin Group; UVM Medical Center/OneCare Vermont; Vermont Medical Society Foundation; Wakely Actuarial.
To view executed contracts, please visit the **VHCIP Contracts** page.

Anticipated Risks and Mitigation Strategy:

- Plans for SSP evolution in 2016 could be inconsistent with activities proposed for the All-Payer Model in 2017.
    - Vermont will include key SSP operational staff in APM planning conversations to ensure alignment across related initiatives.

Focus Area: Payment Model Design and Implementation
Project: Episodes of Care (EOCs)

Project Summary: Vermont is in the process of developing an episode-based payment model for the Medicaid population. The payment model will include one episodes of care (EOCs), and will be implemented to best complement other payment models that are presently in operation in the state.

Project Timeline and Key Facts:

- June-December 2014 – HCi3/Brandeis engaged to conduct preliminary analyses of EOCs in Vermont.
- January 2015 – Public-private stakeholder EOC sub-group of the VHCIP Payment Models Work Group launched to discuss the potential for development of episode-based payment models and analytics to support delivery system transformation.
- May 2015 – DVHA staff began Medicaid-specific analysis of potential EOCs, taking into consideration service volume, cost, and overall variation.
- August 2015 – Three EOCs tentatively selected for implementation in July 2016.
- September 2015 – Vendor selected to design Medicaid's episode-based payment model for 2016 launch.
- November 2015 – Pilot episodes brought before the Payment Model Design and Implementation Work Group.
- January 2016 – Following discussions with CMMI, Vermont developed new EOC milestones, below, which limit the number to one EOC.

Status Update/Progress Toward Milestones and Goals:

- In January 2016, following internal discussion and discussion with CMMI, the Core Team modified the EOC milestone, reducing it from three Episodes to one and ensuring alignment with other reforms. The new milestone focuses Vermont's EOC work on the Integrating Family Services program, currently piloted in two Vermont communities.
- As of March 2016, the IFS program is being used to help inform the Medicaid VBP work stream regarding flexibility of funding and its impact on care delivery. The State is engaged in analysis to compare IFS pilot sites to communities without IFS pilots, and financial modeling is also underway.

Milestones:

Performance Period 1: At least 3 episodes launched by 10/2014.
Performance Period 1 Carryover: EOC feasibility analyses:

1. Analyze 20 episodes for potential inclusion in Medicaid EOC program by 7/31/15.
2. Develop implementation plan for EOC program by 7/31/15.
3. Convene stakeholder sub-group at least 6 times by 6/30/15.

Performance Period 2: Research, design, and draft implementation plan for one EOC based off of the IFS program by 6/30/16.
Performance Period 3: Implement EOC Payment Model impacting IFS Program's Service by 7/1/17.

Metrics:

CORE_Beneficiaries impacted_[VT]_[EOC]_Commercial
CORE_Beneficiaries impacted_[VT]_[EOC]_Medicaid
CORE_Beneficiaries impacted_[VT]_[EOC]_Medicare
CORE_Participating Provider_[VT]_[EOC]
CORE_Participating Organizations_[VT]_[EOC]
CORE_Payer Participation_[VT]

Additional Goals:

 # Lives Impacted: 0 (as of December 2015)
 # Participating Providers: 0 (as of December 2015)

Key Documents: Episodes of Care Sub-Group Webpage

State of Vermont Lead(s): Amanda Ciecior

Contractors Supporting: Bailit Health Purchasing; Burns and Associates; Pacific Health Policy Group.
To view executed contracts, please visit the **VHCIP Contracts** page.

Anticipated Risks and Mitigation Strategy:

- Program will launch without sufficient time to implement or evaluate its potential prior to the end of SIM.
    - VHCIP leadership directed program staff to align timelines now that there is a new milestone.

Focus Area: Payment Model Design and Implementation
Project: Pay-for-Performance (Blueprint for Health)

Project Summary: The Blueprint for Health provides performance payments to advanced primary care practices recognized as patient centered medical homes (PCMHs), as well as providing multi-disciplinary support services in the form of community health teams (CHTs), a network of self-management support programs, comparative reporting from state-wide data systems, and activities focused on continuous improvement. The Blueprint aims to better integrate a system of health care for patients, improving the health of the overall population, and improving control over health care cost by promoting health maintenance, prevention, and care coordination and management. This Status Report is updated quarterly to align with the Blueprint's quarterly reports to CMMI.

Project Timeline and Key Facts:

- 2008 – Pilot programs in two Vermont communities.
- 2010 – Vermont selected to participate in CMS' Multi-Payer Advanced Primary Care Practice (MAPCP) Demonstration, through which Medicare becomes a participating insurer with the Blueprint, joining commercial insurers and Medicaid in providing financial support for the advanced primary care practices.
- 2011 – The Blueprint expanded and Community Health Teams implemented across the State.
- 2012 – The Blueprint reported that lower health care expenditures for participants offset the payments that insurers made for medical homes and community health teams.
- 2015 – Legislature approved funding to support Blueprint payment changes.
- October 2015 – The Blueprint reported 126 PCMH qualified practices in Vermont.

Status Update/Progress Toward Milestones and Goals:

- The Blueprint for Health engaged with its Executive Committee, DVHA and AHS leadership, and VHCIP stakeholders to discuss potential modifications to both the Community Health Team (CHT) and Patient-Centered Medical Home (PCMH) payment models. Such modifications include shifting payers' CHT payments to reflect current market share (7/1/2015), increasing the base payments to PCMH practices (5/1/2015 for Medicaid, 1/1/2016 for commercial insurers), and adding an incentive payment for regional performance on a composite of select quality measures (1/1/2016).
- The legislature appropriated $2.4 million for Medicaid Blueprint payments (both CHT and PCMH) in State Fiscal Year 2016.
- A number of quality measures have been selected as the basis for the performance incentive payment that will be incorporated in 2016; these measures are aligned with those being used for the Medicaid and commercial SSPs. A stakeholder group with payer, ACO, and provider representation finalized the new payment model to go into effect January 1, 2016, which established appropriate performance targets and benchmarks linking practice performance to incentive payment eligibility.
- The Blueprint has approached a saturation point where the program has recruited most of the primary care practices in the state, and the rate of onboarding of new practices has slowed. It is anticipated that 6 new practices will join by the end of 2016, and that the currently enrolled practice will maintain participation.
- In 2015, the Blueprint has been working on a model for integrating efforts with the ACOs. In early 2016 further decision will be made regarding the program's trajectory within finance models that are proposed for 2017.

Milestones:

Performance Period 1: Develop Medicaid value-based purchasing plan addressing pay-for-performance initiatives: Medicaid value-based purchasing plan developed.

Performance Period 1 Carryover:

1. Design modifications to the Blueprint for Health P4P program – dependent on additional appropriation in state budget.
   Modification design completed by 7/1/15 based on Legislative appropriation.
2. Medicaid value-based purchasing case study developed with Integrating Family Services program completed by 6/30/15.

Performance Period 2: Roll-out of new P4P investments for Blueprint Community Health Teams (CHTs) by 7/1/15 and enhanced direct payments to Blueprint practices by 1/1/16, according to approved P4P plan (using new funds that were appropriated by the legislature).

Performance Period 3:

1. Expand the number of providers and beneficiaries participating in the Blueprint for Health by 6/30/17:

Medicaid/ commercial/ Medicare providers participating in P4P program target: 715.
Medicaid/ commercial/ Medicare beneficiaries participating in P4P program target: 310,000.

2. P4P incorporated into Sustainability Plan by 6/30/17.

Metrics:

CORE_Beneficiaries impacted_[VT]_[APMH/P4P]_Commercial
CORE_Beneficiaries impacted_[VT]_[APMH/P4P]_Medicaid
CORE_Beneficiaries impacted_[VT]_[APMH/P4P]_Medicare
CORE_Participating Providers_[VT]_[APMH]
CORE_Provider Organizations_[VT]_[APMH]
CORE_Payer Participation_[VT]

Additional Goals:

 # Lives Impacted: 309,713 (as of December 2015)
 # Participating Providers: 706 (as of December 2015)

Key Documents:

- Blueprint for Health Webpage

State of Vermont Lead(s): Craig Jones

Contractors Supporting: Non-SIM supported.

Anticipated Risks and Mitigation Strategy: None at this time.

Focus Area: Payment Model Design and Implementation
Project: Health Home (Hub & Spoke)

Project Summary: The Hub and Spoke initiative is a Health Home initiative created under Section 2703 of the Affordable Care Act for Vermont Medicaid beneficiaries with the chronic condition of opioid addiction. The Health Home integrates addictions care into general medical settings and links these settings to specialty addictions treatment programs in a unifying clinical framework. Two payments are used: bundled monthly rate for Hubs and a capacity-based payment for Spokes. This Status Report is updated quarterly to align with the Hub & Spoke program's quarterly reports to CMS.

Project Timeline and Key Facts:

- January 2013 – Implementation across Vermont began.
- July 2013 – Start date of first State Plan Amendment for Health Home.
- January 2014 – Start date of second State Plan Amendment for Health Home.

Status Update/Progress Toward Milestones and Goals:

- Vermont is currently assessing and expanding state capacity to collect and report on performance metrics.
- Vermont is working with CMS to develop their quality reporting strategy for the 2014 performance year.
- Access to treatment has steadily expanded, from 2,867 Medicaid beneficiaries receiving treatment in January 2013 to 5,165 in September 2015.
- Program implementation and reporting are ongoing.

Milestones:

Performance Period 1: Health Homes.

Performance Period 1 Carryover: State-wide program implementation.

1. Implement Health Home according to Health Home State Plan Amendment and federal plan for 2015.
2. Report on program participation to CMMI.

Performance Period 2: Reporting on program's transition and progress: Quarterly reporting of program progress to CMMI, VHCIP stakeholders.

Performance Period 3:

1. Expand the number of providers and beneficiaries participating in the Health Home program by 6/30/17:
   Number of providers participating in Health Home program target: 75 MDs prescribing to >= 10 patients.
   Number of beneficiaries participating in Health Home program target: 2,900 Hub + 2,300 Spoke = 5,200 total patients.
2. Health Home program incorporated into Sustainability Plan by 6/30/17.

Metrics:

CORE_Provider Organizations_[VT]_[HH]
CORE_Participating Providers_[VT]_[HH]
CORE_Provider Organizations_[VT]_[HH]

Additional Goals:

 # Lives Impacted: 5,179 (as of December 2015)
 # Participating Providers: 72 (as of December 2015)

Key Documents:

State of Vermont Lead(s): Beth Tanzman

Contractors Supporting: Non-SIM supported.

Anticipated Risks and Mitigation Strategy: None at this time.

Focus Area: Payment Model Design and Implementation
Project: Accountable Communities for Health

Project Summary: This effort will seek to align programs and strategies related to integrated care and services for individuals and community-wide prevention efforts to improve health outcomes within a geographic community. The first phase of this work focused on research to further define the Accountable Communities for Health (ACH) model and identify core elements. The second phase of Vermont's Accountable Communities for Health work will bring together multi-disciplinary teams from communities across the state to further explore how this model might be implemented and develop community capacity; this effort will be known as the ACH Peer Learning Lab. The ACH Peer Learning Lab seeks to support participating communities in increasing their capacity and readiness across the nine core elements of the ACH model through a curriculum that utilizes in-person and distance learning methods to support peer learning, as well as community facilitation to support each community's development; the project will result in a report that documents findings and lessons learned, and includes recommendations to inform future State decision-making, focusing on what infrastructure and resources are needed at the community/regional level and the State level.

Project Timeline and Key Facts:

- Fall 2014 – Population Health Work Group expressed interest in establishing an ACH in Vermont.
- December 2014 – Prevention Institute selected as vendor to begin research.
- June 2015 – Prevention Institute provided their findings to VHCIP.
- July 2015 – Accountable Health Communities working group began meeting on a monthly basis.
- September 2015 – Recommended next steps discussed by Population Health Work Group.
- October 2015 – Core Team approved next steps and budget for ACH Phase II.
- November and December 2015 – Continued work to develop ACH Phase II, called the ACH Peer Learning Lab, including an RFP for contractor support.
- January 2016 – Recruitment materials released; informational webinar for interested communities.
- February 2016 – An RFP was released seeking curriculum design and facilitation support for this project. A bidder was selected and contract negotiations kicked off. The State received twelve applications to participate in the ACH Peer Learning Lab from interested communities; 10 communities from around Vermont will participate.
- March 2016 – Contract negotiations with the apparent awardee continue, as does planning for Peer Learning Lab events.
- May 2016 – Estimated date of first in-person peer-to-peer learning session.

Status Update/Progress Toward Milestones and Goals:

- Contractor selected to engage in national research for phase one of this work; contract executed. Findings delivered to VHCIP in June 2015.
- Recommendations for next steps, developed to build upon the innovations being tested at the regional level in Vermont, were approved by the Core Team in October 2015.
- Planning for an ACH Peer Learning Lab for interested communities are ongoing. The Peer Learning Lab launched in January with the release of recruitment materials and an informational webinar. Ten communities were selected to participate in February 2015. Through an RFP process, the State has identified an apparently successful awardee to provide curriculum design and facilitation services to support participating communities and document lessons learned for the State; contract negotiations are ongoing as of March 2015.
- Work to identify opportunities to enhance new health delivery system models, such as the Blueprint for Health and Accountable Care Organizations (ACOs), to improve population health by better integration of clinical services, public health programs and community based services at both the practice and the community levels is ongoing.

Milestones:

Performance Period 1: N/A

Performance Period 1 Carryover: Feasibility assessment – research ACH design.

1. Convene stakeholders to discuss ACH concepts at least 3 times to inform report.
2. Produce Accountable Community for Health report by 7/31/15.

Performance Period 2: Feasibility assessment – data analytics:

1. Discussion and planning of investments related to ACH feasibility based on research/report by 11/1/15.
2. Design/creation of ACH learning system for all 14 Vermont Health Service Areas by 1/31/16.

3. Start roll out ACH learning system to at least 3 health service areas by 2/1/16.
4. Research for implementation of a pilot incorporating a payment change (data analysis, financial analysis, stakeholder participation analysis) for at least 1 Vermont region by 2/1/16.

Performance Period 3: ACH Implementation Plan incorporated into Sustainability Plan by 6/30/17.

Metrics:

CORE_Provider Organizations_[VT]_[ACO]_Commercial
CORE_Provider Organizations_[VT]_[ACO]_Medicaid
CORE_Provider Organizations_[VT]_[ACO]_Medicare
CORE Participating Providers_[VT]_[ACO]_Commercial
CORE Participating Providers_[VT]_[ACO]_Medicaid
CORE Participating Providers_[VT]_[ACO]_Medicare
CORE_Payer Participation_[VT]

Additional Goals:

 # Lives Impacted: TBD
 # Participating Providers: TBD

Key Documents:

- Integrating Population Health in VHCIP
- ACO/TACO/ACH
- Accountable Communities for Health, Opportunities and Recommendations
- Proposed Next Steps for Accountable Communities for Health

State of Vermont Lead(s): Heidi Klein

Contractors Supporting: Bailit Health Purchasing; Burns and Associates; Prevention Institute; Public Health Institute. To view executed contracts, please visit the **VHCIP Contracts** page.

Anticipated Risks and Mitigation Strategy:

- Delayed contract execution could delay full Peer Learning Lab launch.
    - Community recruitment has continued as planned, with a "soft launch" webinar to orient communities and ensure momentum is maintained while contractor procurement is finalized.

Focus Area: Payment Model Design and Implementation
Project: Choices for Care

Project Summary: The current Choices for Care delivery system encourages some coordination of care among providers and pays providers according to a fee-for-service schedule. In its current state, this program has opportunities for improvement. These include improving the quality and experience of care, increasing flexibility of providers and enhancing existing community supports and services. Recognizing an opportunity to improve care coordination among home- and community-based services (HCBS) providers, Vermont is working to enhance the current Choices for Care delivery system combined with specific payment reform strategies. The changes aim to improve the quality of care individuals receive in Choices for Care and the performance of the system overall. Work to explore value-based payment models to achieve these improvements, and to develop corresponding quality measures, is ongoing.

Project Timeline and Key Facts:

- July 2015-December 2015—meetings with sub-group to research implementation of a pilot program.
- January 2016 – Proposed project plan presented to VHCIP leadership and stakeholders.
- February-March 2016 – Continued research and feasibility analyses for a potential pilot that would incorporate a payment change (data analysis, financial analysis, stakeholder participation analysis).

Status Update/Progress Toward Milestones and Goals:

- Consultants and Staff will continue to refine project plan.
- Research for one Vermont region, St. Johnsbury, completed in March 2016.

Milestones: This work is part of the Accountable Communities for Health (ACH) work stream. The relevant piece of that initiative's milestones is included below.
Performance Period 1: N/A
Performance Period 1 Carryover: N/A
Performance Period 2: Research for implementation of a pilot incorporating a payment change (data analysis, financial analysis, stakeholder participation analysis) for at least 1 Vermont region by 2/1/16.
Performance Period 3: ACH Implementation Plan incorporated into Sustainability Plan by 6/30/17.

Metrics:
CORE_Provider Organizations_[VT]_[ACO]_Commercial
CORE_Provider Organizations_[VT]_[ACO]_Medicaid
CORE_Provider Organizations_[VT]_[ACO]_Medicare
CORE Participating Providers_[VT]_[ACO]_Commercial
CORE Participating Providers_[VT]_[ACO]_Medicaid
CORE Participating Providers_[VT]_[ACO]_Medicare
CORE_Payer Participation_[VT]

Additional Goals:
 # Lives Impacted: N/A
 # Participating Providers: N/A

Key Documents:

State of Vermont Lead(s): Bard Hill; Julie Wasserman

Contractors Supporting: Bailit Health Purchasing and PHPG

Anticipated Risks and Mitigation Strategy:

- Changes to the CFC system may require legislative approval.

Focus Area: Payment Model Design and Implementation
Project: Prospective Payment System – Home Health

Project Summary: As a result of stakeholder support in the state, legislation was passed in Vermont requiring that DVHA, in collaboration with the State's home health agencies, develop a prospective payment system (PPS) for home health payments made by DVHA under traditional Medicaid (exclusive of waivers) to be put in place by July 1, 2016.

Project Timeline and Key Facts:

- May 2015 – Enabling legislation passed in Vermont's legislature.
- June 2015 – Planning for Home Health PPS began.

Status Update/Progress Toward Milestones and Goals:

- As a result of ongoing collaboration between DVHA and Vermont's home health agencies, there is presently consensus that the PPS will be comprised of episode-based payments (most likely 60 days in length, similar to Medicare) that will be adjusted for case acuity.
- DVHA has developed five acuity groupings and presented them to the provider association for feedback. Based on that feedback, acuity adjustment factors were finalized and a fiscal impact was developed for each provider.
- DVHA and providers met to review the potential fiscal impact of the model change. Based on results of these analyses, it was agreed that more time was needed to develop an incremental approach to the implementation of the prospective payment system.

Milestones*:*

Performance Period 1: N/A

Performance Period 1 Carryover: N/A

Performance Period 2:

1. Creation of a project plan and begin Phase 1 activities as required by project plan for PPS-HH by 12/31/15.
2. Design PPS program for home health for launch 7/1/16.

Performance Period 3:

1. Implement, monitor and evaluate Medicaid PPS program for home health. Implementation by 7/1/16.
2. Monitoring and evaluation occur monthly through 6/30/17.

Metrics:

CORE_Provider Organizations_[VT]_[ACO]_Commercial
CORE_Provider Organizations_[VT]_[ACO]_Medicaid
CORE_Provider Organizations_[VT]_[ACO]_Medicare
CORE Participating Providers_[VT]_[ACO]_Commercial
CORE Participating Providers_[VT]_[ACO]_Medicaid
CORE Participating Providers_[VT]_[ACO]_Medicare
CORE_Payer Participation_[VT]

Additional Goals:

 # Lives Impacted: N/A
 # Participating Providers: N/A

Key Documents:

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State of Vermont Lead(s): Aaron French

Contractors Supporting: N/A

Anticipated Risks and Mitigation Strategy:

- Financial impact analyses result in the need to modify implementation timeline.
    - Project leadership will work with stakeholders, and the Legislature, to extend the implementation timeline.

Focus Area: Payment Model Design and Implementation
Project: Medicaid Value-Based Purchasing – Mental Health and Substance Use[1]

Project Summary: This new work stream initiates a feasibility assessment of current mental health and substance abuse spending within the Agency of Human Services and focuses primarily on the Designated Agency system of care. Future design considerations will be intended to and must work to support Medicaid alignment with the All-Payer Model.

Project Timeline and Key Facts:

- Fall 2015 – Leveraged existing contracts to start feasibility study.
- December 2016 – Implementation plan for presentation and approval by AHS leadership.
- January-March 2016 – Stakeholder group convened and identification of key project tasks completed. Built on prior work related to IFS.
- March-June 2016 – Development of new payment model and implementation plan.
- July-December 2016 – Operational planning for new payment model.

Status Update/Progress Toward Milestones and Goals:

- Developing a work plan for contractors.
- Parsing mental health and substance abuse funding to support more detailed analyses.
- Ongoing meetings with leadership from the Agency of Human Services and members of the provider community.
- Contractors continue to work with State to develop finalized project plan to implement new payment and delivery system by 1/1/17.
- Work group members and consultants have started to narrow in on the scope of services this work stream will target for payment and delivery reform.

Milestones:

Performance Period 1: N/A
Performance Period 1 Carryover: N/A
Performance Period 2: N/A
Performance Period 3:

1. Based on research and feasibility analysis, design an alternative to fee-for-service, for Medicaid mental health and substance use services by 12/31/16.
2. Develop implementation timeline based on payment model design and operational readiness by 12/31/16.

Metrics:

CORE_Beneficiaries impacted_[VT]_[ACO]_Medicaid
CORE_Participating Provider_[VT]_[ACO]_Medicaid
CORE_Provider Organizations_[VT]_[ACO]_Medicaid

Additional Goals:

 # Lives Impacted: N/A
 # Participating Providers: N/A

Key Documents:

State of Vermont Lead(s): Amanda Ciecior, Selina Hickman

Contractors Supporting: Bailit Health Purchasing, Burns and Associates, Pacific Health Policy Group.

Anticipated Risks and Mitigation Strategy: None at this time.

[1] This work stream replaces a previous Performance Period 2 milestone in the Payment Model Design and Implementation area: Prospective Payment System – Designated Mental Health Agencies. Work in this area, and more significant updates to this Status Report, will ramp up in Performance Period 3.

Focus Area: Payment Model Design and Implementation
Project: All-Payer Model

Project Summary: Vermont continues to explore an All-Payer Model. An All-Payer Model will build on existing all-payer payment alternatives to better support and promote a more integrated system of care and a sustainable rate of overall health care cost growth. Value-based payments that shift risk on to health care providers and that are aligned across all payers encourages collaboration across the care continuum and can result in better health outcomes for Vermonters. Through the legal authority of the Green Mountain Care Board (GMCB), the state can facilitate the alignment of commercial payers, Medicaid, and Medicare through a Medicare waiver. Over time, a Medicare waiver may also allow the GMCB to govern rates, on an all-payer basis, for those providers who elect not to participate in an ACO. To move away from FFS, the state will apply the Next Generation ACO payment model across all payers. The focus on the ACO and existing CMS ACO programming, along with Vermont's strong stakeholder network, SIM investments, and the current SSP program, is a timely and realistic evolution of Vermont's multi-payer reform. Eventually, an integrated ACO in Vermont could attract and involve the vast majority of people, payers, and providers.

Project Timeline and Key Facts: Vermont staff is engaged in ongoing discussions with CMMI staff. Key high level milestones are listed below:

- 2015 – Aligned on term sheet with CMMI that contains key elements of the APM, including high level models for rate setting, financial targets, waivers, ACO, and quality and performance measurement.
- Current through February 29, 2016 – Engaged in stakeholder outreach and public process to vet term sheet and potential model design.
- November 2015-March 2016 – Further work on all phases of project, including ACO, rate-setting, and quality measurement methodologies. Begin implementation of functionality required to ensure operational readiness.
- March 15, 2016-January 1, 2017 – Continue implementation of APM.
- April 15, 2016 – Reach consensus with CMMI on major elements requiring clearance.
- April-August 2016 – Continue to refine elements necessary for inclusion in an APM agreement.
- January 1, 2017 – Launch model.

Status Update/Progress Toward Milestones and Goals:

- Negotiations between CMMI and SOV continue.
- SOV proposed a term sheet to CMMI on January 25, 2016. The term sheet sets out the basic outline for a potential all-payer model agreement, including the legal authority of the state to enter into such an agreement, the performance period for the agreement, waivers necessary to facilitate payment change and additional covered services, data sharing, and an evaluation of the demonstration.
- The stakeholder outreach and public process to vet the term sheet and potential model design began almost immediately, as the GMCB held two days of public meetings to discuss the proposed term sheet on January 28 and 29, 2016. The hearings were well attended by stakeholders. Concurrently, SOV staff has been testifying before relevant legislative committees to explain the term sheet and prospective model to Vermont's policy makers.
- SOV staff held an all-day work session at CMMI in Baltimore on March 22nd. Progress was made on the major elements of the project. The goal is to reach consensus on all major elements of the demonstration by April 15th so that CMMI can begin the federal clearance process.
- Vermont's three major ACOs voted to form a single corporate entity in anticipation of an all payer model.
- The State of Vermont would participate in the all payer model as a payer via Medicaid. State staff has spent considerable effort preparing Medicaid for an al payer model. The three major tasks are (1) preparing Vermont to contract with a risk bearing ACO that utilizes a Next Generation payment model, (2) preparing Medicaid to be able to make all-inclusive population based payments modeled on Next Generation payment model 4, and (3) aligning these changes with Vermont's 1115 waiver. Vermont is on track in all three tasks. Final State approval was given on March 30 for Medicaid to release a RFP for a Next Generation ACO program featuring an all-inclusive population based payment. The RFP is scheduled to be published the week of April 4th. The State of Vermont and HP are on track for the required MMIS changes. Vermont's SIM Core Team approved funding for the MMIS work during its March meeting. SOV staff held an all-day meeting at CMCS on March 23rd to discuss renewal of Vermont's 1115 waiver and its alignment with an all payer model.
- APM Staff worked with the legislature as it drafted H.812, *An act relating to implementing an all-payer model and oversight of accountable care organizations*. The Administration does not need legislative approval for an all

payer model; however, the bill is a positive step that shows support for reform. Also, the bill enhances state regulation of accountable care organizations. This was seen as important given their prominence in a proposed all payer model and CMS's commitment to ACOs as a vehicle for reform. The bill passed the Vermont House of Representatives on March 17th.

- State APM staff and Medicaid staff have been making joint presentations on the all-payer model and Medicaid Pathway. The Medicaid Pathway is a companion project, supported by SIM, that accelerates payment and delivery system reform for providers and services not initially subject to the proposed financial caps of the all-payer model. Presentations were made to the Department of Disabilities, Aging, and Independent Living (DAIL) Advisory Board on March 9th and the SIM Payment Model Design and Implementation Work Group meeting on March 21st.
- APM staff provided an all payer model update presentation to the Blueprint for Health field team monthly meeting on March 14th.

Milestones – All-Payer Model:

Performance Period 1: N/A

Performance Period 1 Carryover: N/A

Performance Period 2:

1. Research feasibility, develop analytics, and obtain information to inform decision-making with CMMI.
2. Work with CMMI on mutually-agreed upon timeline for 2016 decision-making by 12/31/15.

Performance Period 3:

1. If negotiations are successful, assist with implementation as provided for in APM agreement through end of SIM grant.
2. Contribute to analytics related to all-payer model implementation design through end of SIM grant.
3. All-Payer Model incorporated into Sustainability Plan by 6/30/17.

Milestones – State Activities to Support Model Design and Implementation – GMCB:

Performance Period 1: N/A

Performance Period 1 Carryover: Identify quality measurement alignment opportunities. (in another section previously – the quality section):

1. Review new Blueprint (P4P) measures related to new investments by 7/1/15.

Performance Period 2:

1. Research and planning to identify the components necessary for APM regulatory activities by 6/30/16.
2. Specific regulatory activities and timeline are dependent on discussions with CMMI.

Performance Period 3: N/A (milestones in this category integrated into All-Payer Model for Performance Period 3)

Metrics:

CORE_Provider Organizations_[VT]_[ACO]_Commercial
CORE_Provider Organizations_[VT]_[ACO]_Medicaid
CORE_Provider Organizations_[VT]_[ACO]_Medicare
CORE Participating Providers_[VT]_[ACO]_Commercial
CORE Participating Providers_[VT]_[ACO]_Medicaid
CORE Participating Providers_[VT]_[ACO]_Medicare
CORE_Payer Participation_[VT]

Additional Goals:

The goal is for the APM to include the maximum, prudent amount of services, providers, and spending. Generally, the APM is based on covered services. The State is discussing inclusion of all Medicare Part A and Part B spending, and their commercial and Medicaid equivalents, in the model. This is the majority of state health care spending. The project aims for maximum provider participation. Currently, the three Vermont based ACOs are formally discussing merger. Given current ACO participation, there is a significant opportunity to include all hospitals in Vermont along with Dartmouth-Hitchcock Medical Center in New Hampshire. Hospitals employ approximately 2/3 of physicians in Vermont. Additionally, ACO rosters include many independent doctors and the State's FQHCs.

Key Documents:

State of Vermont Lead(s): Michael Costa, Ena Backus

Contractors Supporting: Bailit Health Purchasing; Burns and Associates; Health Management Associates.

To view executed contracts, please visit the **VHCIP Contracts** page.

Anticipated Risks and Mitigation Strategy:

- Consensus on major elements and clearance process may not be concluded in time to provide sufficient information to allow for operational implementation by 1/1/17.
  - Risk mitigation is consistent with discussions with CMMI and ongoing communications with entities that would need to implement change by 1/1/17. Additionally, SIM staff and all-payer model leads are collaborating to draft an all-payer model communication plan that ensures no gaps in messaging about goals and expectations once term sheet is agreed upon.

Focus Area: Payment Model Design and Implementation

Project: State Activities to Support Model Design and Implementation – Medicaid

Project Summary: For all Medicaid payment models that are designed and implemented as part of Vermont's State Innovation Model grant activity, there are a number of Medicaid-specific state activities that must occur. These activities ensure that Vermont Medicaid is in compliance with its Medicaid State Plan and its Global Commitment for Health (1115) waiver, and that newly established programs will be monitored for their impact on Medicaid beneficiaries.

Project Timeline and Key Facts:

- February 2014 – Vermont submitted State Plan Amendment to CMS for Year 1 SSP.
- July 2014 – Established call center for Medicaid beneficiaries with queries or concerns specifically about the SSP.
- July 2014 – Established permissions and protocols to begin monthly data-sharing between Medicaid and ACOs participating in SSP; establish process for tracking ACO and Medicaid compliance with monthly contractual obligations.
- June 2015 – Vermont received State Plan Amendment approval from CMS for Year 1 SSP.
- August 2015 – Vermont submitted State Plan Amendment to CMS for Year 2 SSP.
- September 2015 – Vermont received State Plan Amendment approval from CMS for Year 2 SSP.
- March 2016 – Vermont submitted State Plan Amendment to CMS for Year 3 SSP.

Status Update/Progress Toward Milestones and Goals:

- Both Year 1 and 2 SSP State Plan Amendments were approved in 2015.
- Beneficiary call-center is operational and will continue through program duration.
- ACO data sharing is ongoing.
- Year 3 SSP State Plan Amendment submitted to CMS.
- Coordinating stakeholders to begin planning for expansion of Integrating Family Services program.

Milestones:

Performance Period 1: N/A

Performance Period 1 Carryover: Pursue state plan amendments and other federal approvals as appropriate for each payment model (SSP SPA); ensure monitoring and compliance activities are performed. Ensure beneficiaries have access to call-center as appropriate.

1. Obtain SSP Year 1 State Plan Amendment by 7/31/15.
2. Procure contractor for SSP monitoring and compliance activities by 4/15/15.
3. Procure contractor for data analytics related to value-based purchasing in Medicaid by 9/30/15.
4. Ensure call center services are operational for Medicaid SSP for SSP Year 2.

Performance Period 2: Pursue state plan amendments and other federal approvals as appropriate for each payment model (SSP SPA, EOC SPA); ensure monitoring and compliance activities are performed. Ensure beneficiaries have access to call-center as appropriate:

1. Ensure appropriate customer service supports are in place for Medicaid SSP program for 2016 by 11/1/15.
2. Obtain SPA for Year 2 of the Medicaid Shared Savings Program by 3/31/15.
3. Create draft SPA documents for Year 1 of the EOC program by 4/1/16.
4. Execute Year 1 and Year 2 commercial and Medicaid monitoring and compliance plans throughout Performance Period 2 according to the predetermined plan.
5. Develop monitoring and compliance plan for Year 1 EOCs by 6/30/16.
6. Design modifications to existing Integrated Family Services (IFS) Program so it can expand to at least one additional community on 7/1/16.
7. Research and design related to Frail Elders (timeline dependent upon federal contract approval) – final recommendations by 6/30/16.

Performance Period 3: Pursue state plan amendments and other federal approvals as appropriate for each payment model; ensure monitoring and compliance activities are performed:

1. Obtain SPA for Year 3 of the Medicaid Shared Savings Program by 12/31/16.
2. Execute Year 3 commercial and Medicaid monitoring and compliance plans according to the predetermined plan through 6/30/17.
3. Execute Year 1 monitoring and compliance plan for EOC work stream by 6/30/17.

Metrics:

CORE_Beneficiaries impacted_[VT]_VTEmployees CORE_Beneficiaries impacted_[VT]_[ACO]_Commercial CORE_Beneficiaries impacted_[VT]_[ACO]_Medicaid CORE_Beneficiaries impacted_[VT]_[ACO]_Medicare CORE_Participating Provider_[VT]_[ACO]_Commercial CORE_Participating Provider_[VT]_[ACO]_Medicaid CORE_Participating Provider_[VT]_[ACO]_Medicare CORE_Provider Organizations_[VT]_[ACO]_Commercial CORE_Provider Organizations_[VT]_[ACO]_Medicaid CORE_Provider Organizations_[VT]_[ACO]_Medicare
Additional Goals: *# Lives Impacted: N/A* *# Participating Providers: N/A*
Key Documents:
State of Vermont Lead(s): Alicia Cooper
Contractors Supporting: Bailit Health Purchasing; Burns and Associates; Wakely Actuarial. To view executed contracts, please visit the **VHCIP Contracts** page.
Anticipated Risks and Mitigation Strategy: None at this time.