

AMAZING
THINGS
ARE
HAPPENING
HERE

Value Based Payment – 101

NewYork-Presbyterian & NewYork-Presbyterian Queens

PPS Network Education – Community Based Organizations

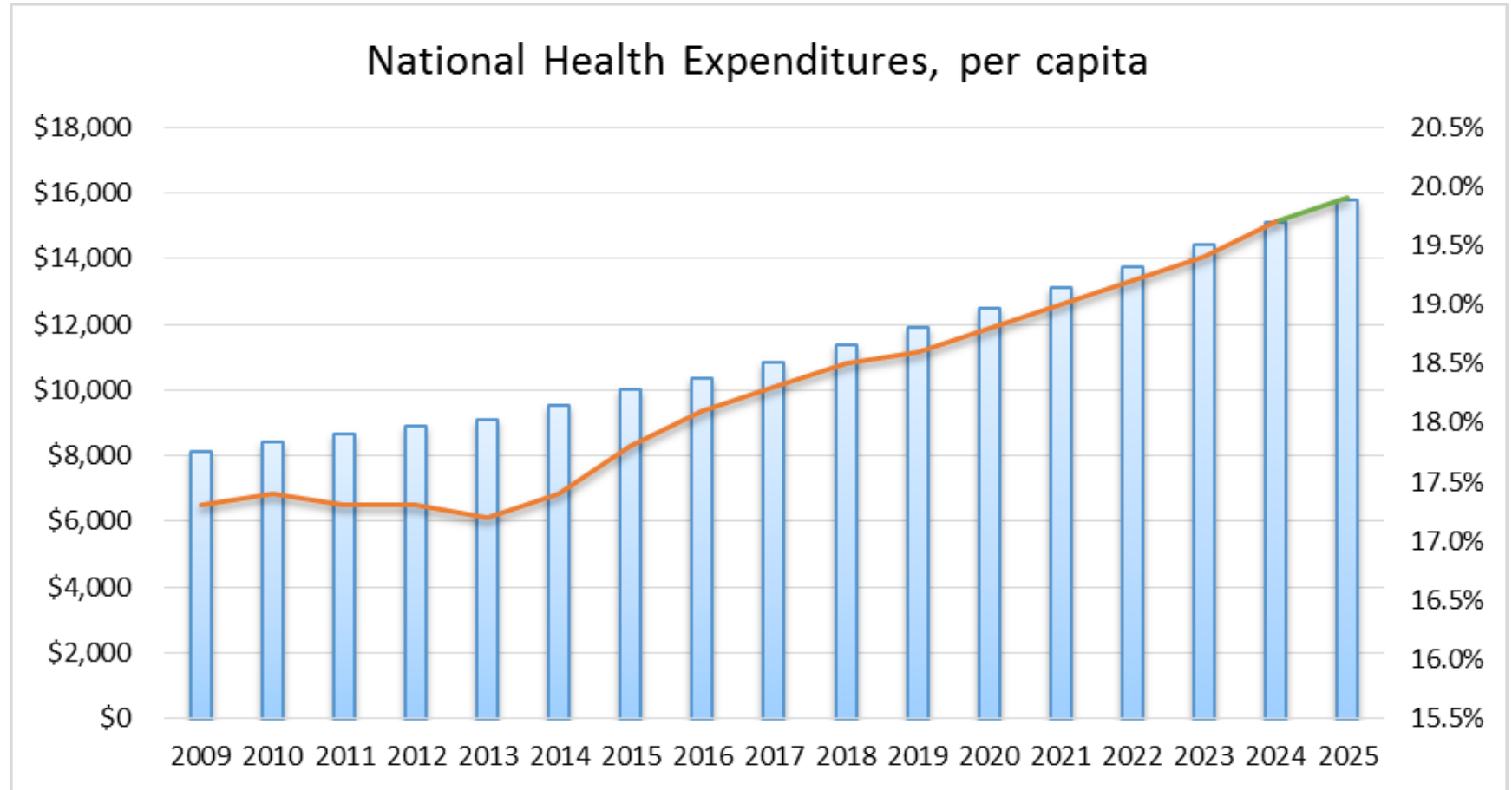
02.13.2018

Outline – Value Based Payment (VBP)

1. Introductions & Welcome
2. National – Burning Platform
3. NY State – Burning Platform
4. What is Value Based Payment (VBP)?
5. What are VBP Options?
6. Who is Affected by VBP
7. How do I bring value & engage in VBP as a CBO?
8. What are my PPS Resources & Educational Opportunities
9. What's Next?

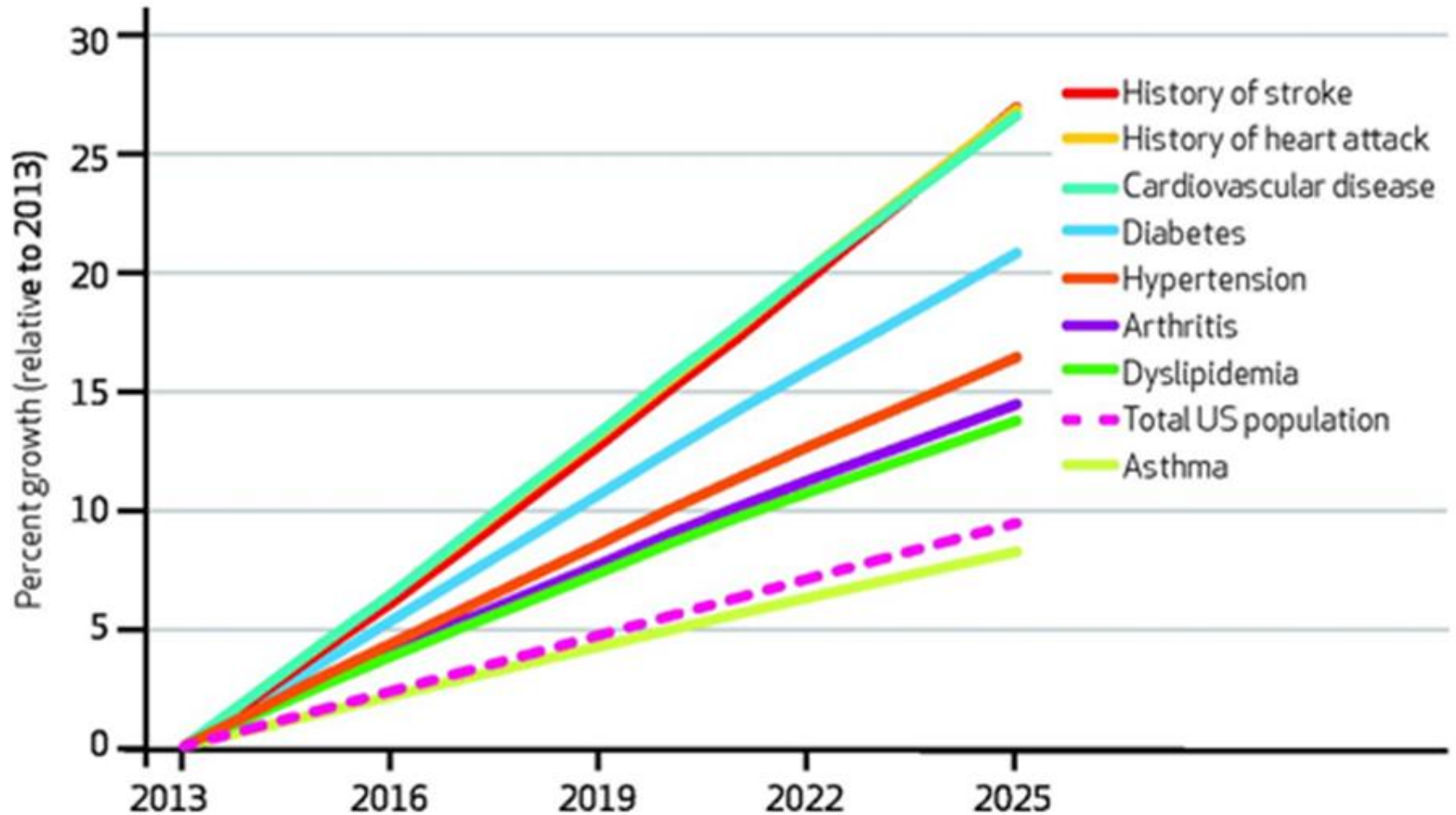
Value Based Payment / Alternative Payment Method

National – Burning Platform



Value Based Payment / Alternative Payment Method

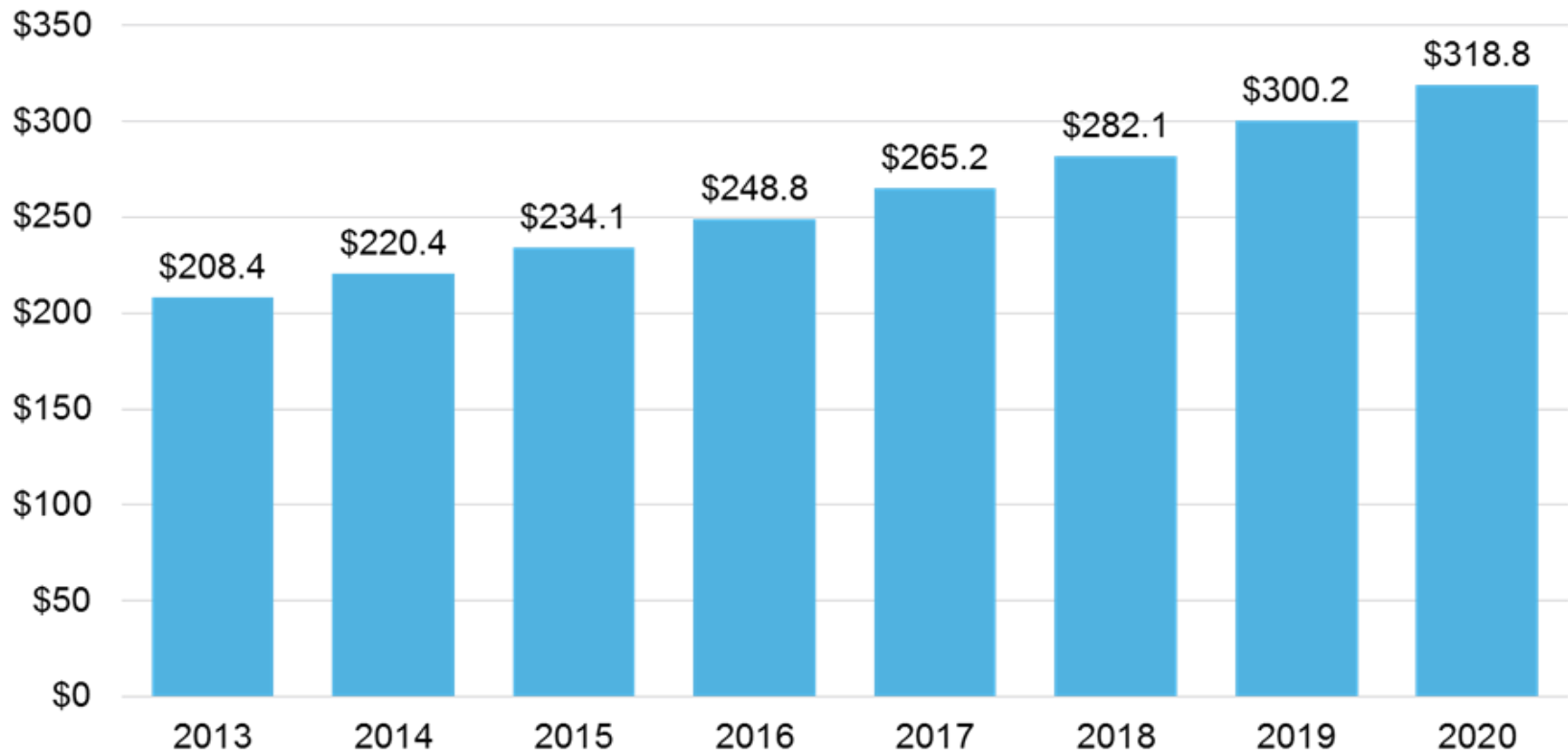
National – Burning Platform



Value Based Payment / Alternative Payment Method

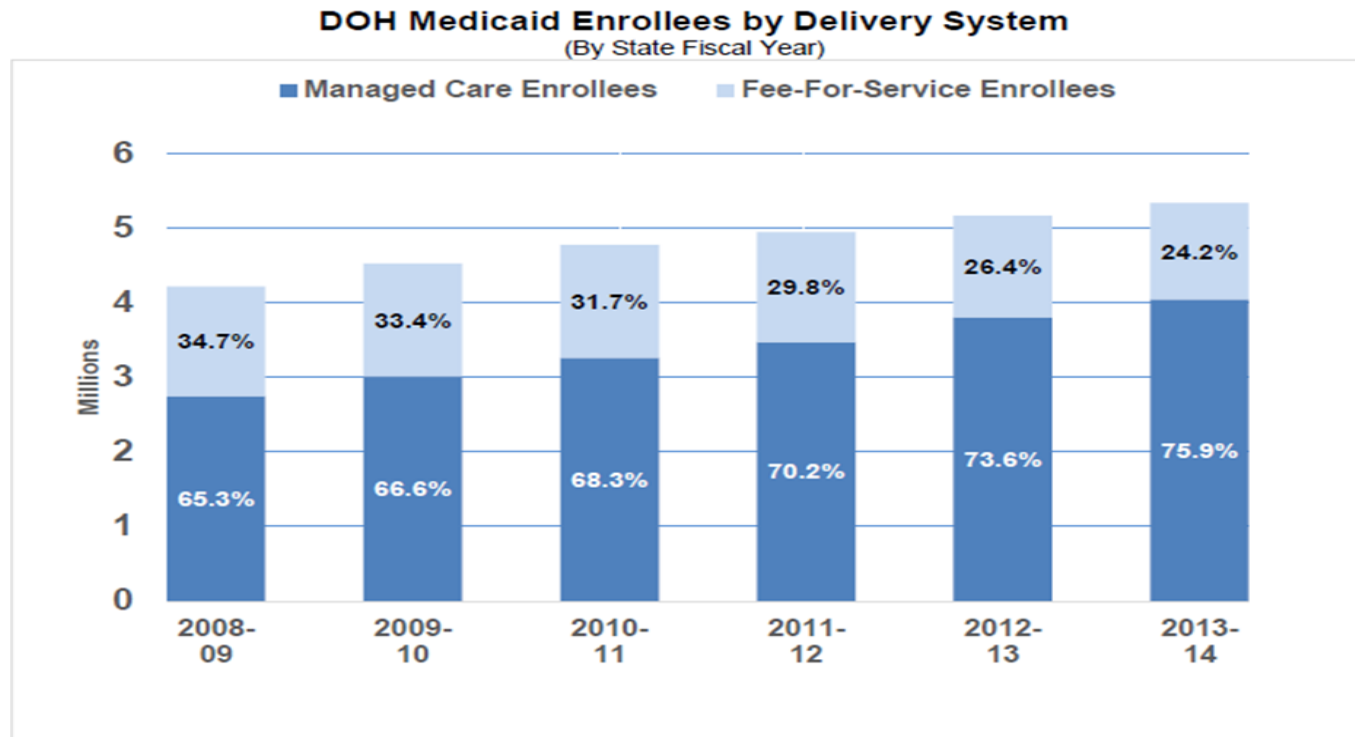
NY State – Burning Platform

Projected New York spending (in billions), 2013-2020



Value Based Payment / Alternative Payment Method

NY State – Burning Platform

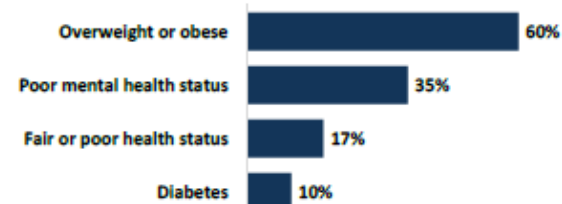


31% of NY's population is low-income



Low-income: <200% FPL or \$40,320 for a family of 3 in 2016

Adults in NY reporting:



Value Based Payment / Alternative Payment Method

National and State Sustainability Plan

- Decrease cost of total patient care
- Improve patient quality outcomes
- Increase access to preventative medicine to limit chronic conditions
- Improve access of care
- Increase patient engagement and accountability of health outcomes
- Increase provider engagement, communication, and accountability
- Overall decrease local & federal spend on healthcare while improving health of community

What is Value Based Payment (VBP)?

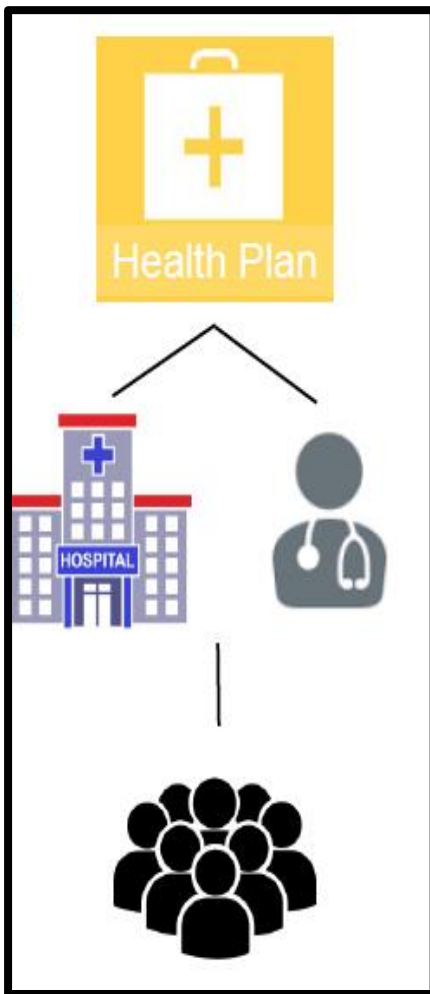
VBP Basics – What is a VBP?



“VBP” – Value Based Payment

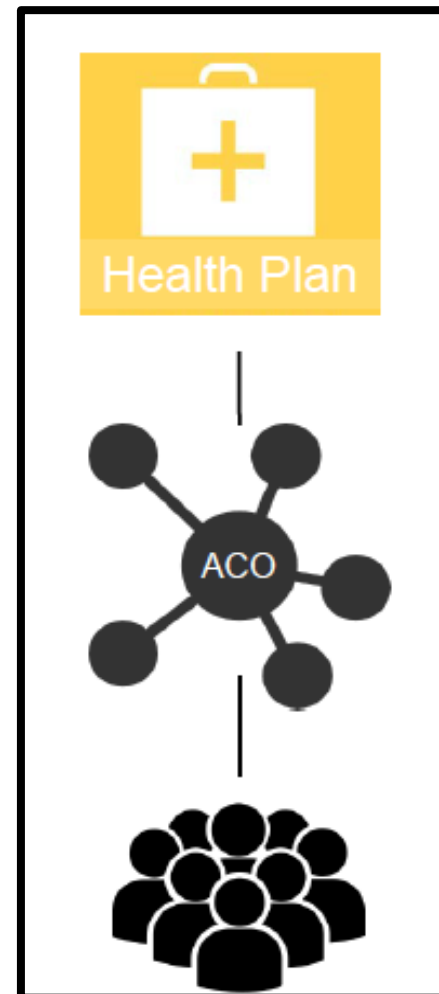
- Payment reform moving providers from quantity to quality
- Move from Fee-for-Service to risk based methods of payment
- Intended to decrease healthcare cost & align incentives of providers
- Shared risk models shift risk from managed care organizations to provider groups
- Multiple options for levels of VBP
- Multiple payers moving to VBP including Medicare, Medicaid, and Managed Care
- Encourages provider collaboration and accountability for patient activity
- Encompasses the full continuum of care for patient activity

Fee-for-Service



- Incentivizes Quantity vs. Quality
- No Reimbursement for Care Coordination
- Patient & Provider Accountability Lacking
- Lack of Focus to Health Disparities
- No Involvement of Community Based Organizations

Value Based Payment



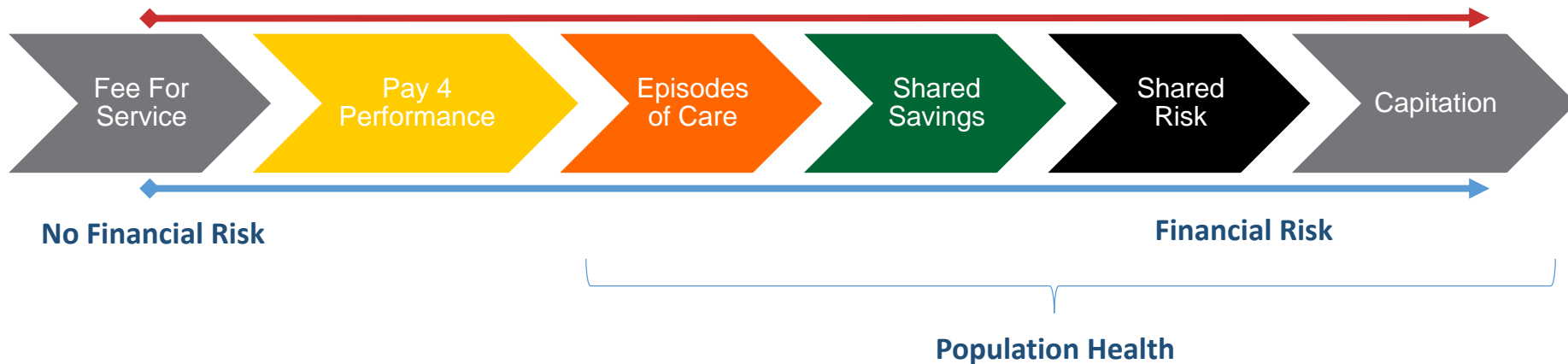
- Incentivizes Quality Outcomes
- Aligns right care with right setting
- Integrated delivery networks with community
- Provider & Patient engagement
- Encourages Health Information Exchange
- Varying Levels of Risk models
- Ability to align with multi-payers

VBP Basics –

What is a VBP?

No Quality Expectations

Quality Expectations



Medicaid APM Levels

Level 0 –
Fee for
Service

Level 1 – Fee
for Service with
Upside Risk
Only

Level 2 –
Fee for Service with Risk Sharing Upside &
Downside Risks

Level 3 –
Capitation

What are the VBP options?

VBP Options

What are our options?

Medicaid VBP Levels

Level 0 VBP	Level 1 VBP	Level 2 VBP	Level 3 VBP (only feasible after experience with Level 2; requires mature VBP contractor)
FFS with bonus and/or withhold based on quality scores	FFS with upside-only shared savings when quality scores are sufficient	FFS with risk sharing (upside available when outcome scores are sufficient; downside is reduced or eliminated when quality scores are high)	Global capitation (with quality-based component)
Not Considered VBP	Upside Only VBP	Risk Bearing VBP	

VBP Options

What are our options?

Total Care for General Populations (TCGP) –

- Total care for all attributed lives
- Default is PCP assigned member attribution
- Subpopulation exclusions:
 - Transplants
 - High cost specialty medications
 - Sub-populations of HIV
 - Health & Recovery Plan (HARP)
 - Managed Long-Term Care (MLTC)
 - Intellectual and/or Developmental Disabilities (I/DD)

VBP Options

What are our options?

Integrated Primary Care Bundle (IPC)

- Patient Centered Medical Homes (PCHM) or other Primary Care Providers
- Preventative, sick, and chronic condition management
- Attributed lives assigned by PCP assignment
- Subpopulation exclusions:
 - Transplants
 - High cost specialty medications
 - HIV, Health & Recovery Plan (HARP), Managed Long-Term Care (MLTC), Intellectual and/or Developmental Disabilities (I/DD)
- Episodes include:

Preventative Care	Routine Sick Care	Hypertension
Coronary Artery Disease	Congestive Heart Failure	Asthma
Chronic Obstructive Pulmonary Disease	Bipolar Disorder	Depression & Anxiety
Trauma & Stressor	Substance Use Disorder	Diabetes
Gastro-esophageal Reflux Disease	Osteoarthritis	Lower Back Pain

VBP Options

What are our options?

Maternity Bundle

- Care of pregnancy, delivery, post-delivery, and first month of newborn care
- Stop-loss protection for high risk & NICU activity
- Member attribution based on OB care provider
- Subpopulation exclusions:
 - Transplants
 - High cost specialty medications
 - Sub-populations of HIV
 - Health & Recovery Plan (HARP)
 - Managed Long-Term Care (MLTC)
 - Intellectual and/or Developmental Disabilities (I/DD)

VBP Options

What are our options?

Total Care for Special Needs Population

- Aligned with NYS dedicated managed care arrangements
- Subpopulations include:
 - Sub-populations of HIV/AIDS
 - Health & Recovery Plan (HARP)
 - Managed Long-Term Care (MLTC)
 - Intellectual and/or Developmental Disabilities (I/DD)
- Members cannot be assigned to multiple sub-populations – MCO to designate
- Can combine VBP arrangements of subpopulations
- Member Attribution:
 - HIV/AIDS – PCP assigned
 - HARP – Assigned Health Home
 - MLTC – Facility and/or PCP
 - I/DD- PCP or Assigned BH provider

Who is affected by VBP?

VBP Basics –

Who is affected by VBP?

VBP – Impacted Providers

- NYS Medicaid goal is to move Medicaid reimbursement to VBP arrangements with the following timeline:
 - End of DY 3 (April 1st, 2018), at least 10% dollars of total MCO expenditure are captured in Level 1 or above
 - End of DY 4 (**April 1st, 2019**), at least 50% of total MCO expenditure will be contracted through Level 1 VBPs or above. At least 15% of total payments contracted through Level 2 VBPs or higher (full capitation plans only)
 - End of DY 5 (**April 1st, 2020**), 80-90% of total MCO expenditure (in terms of total dollars) will have to be captured in at least Level 1 VBPs. At least 35% of total payments contracted through Level 2 VBPs or higher for fully capitated plans and 15% contracted in Level 2 or higher for not fully capitated plans

VBP Basics –

Who is affected by VBP?

VBP – Impacted Providers: Direct Contracting & Quality Impact

- VBP “Contractors” could be:
 - Entity who contracts with Managed Care Organizations (MCO)
 - Accountable Care Organizations (ACO)
 - Independent Practice Association (IPA)
 - Individual Provider
- Impact will depend on the VBP arrangement and/or patient population
- Providers serving patients in Medicare, Medicaid, Managed Medicaid, or Managed Care plans following national trends of reimbursing for quality outcomes
 - Primary Care
 - Specialty Care
 - Behavioral Health
 - Facilities such as hospitals, long term care providers, etc.

VBP Basics –

Who is affected by VBP?

VBP – Impacted Providers: Indirect Contracting but Direct Quality Impact

- Community Based Organizations:
 - Tier 1 – Non-profit, non-Medicaid billing, community based social and human service organizations
 - Tier 2 – Non-profit, Medicaid-billing, non-clinical service provider
 - Tier 3 – Non-profit, Medicaid-billing, clinical support service provider
- VBP Contractors must include at least one Tier 1 CBO in all Level 2 & 3 arrangements effective January 2018. - Payer or VBP Entity

VBP Basics –

Who is affected by VBP?

Excluded Providers

- Financially Challenged Providers –
 - DOH determined by outlined criteria
 - Less than 15 days cash & equivalents
 - No assets other than vital operations assets
 - Provider has exhausted all efforts to obtain resources from corporate parents and/or affiliated entities
 - Providers should be in planning process with DOH to:
 - Be absorbed under the umbrella of another health system
 - Be transitioned to another licensure / service line
 - Discontinue operations
- Cannot enter into VBP arrangements Level 2 or higher

How do I bring value & engage in VBP as a CBO?

What's Next – Community Based Organizations

NYS DOH VBP University Document

VBP Implementation: Community Based Organization (CBO)

For more information please visit:
https://www.health.ny.gov/health_care/medicaid/redesign/dsrip/vbp_reform.htm

As a CBO, what should I be doing right now to support my transition to VBP?



Governance

It is important that a CBO understands if it meets the Tier 1, 2, or 3 definition. (VBP contractors are required to contract with at least one Tier 1 CBO).

Tier 1 – Non-profit, non-Medicaid billing, community based social and human service organizations

Tier 2 – Non-profit, Medicaid-billing, non-clinical service provider

Tier 3 – Non-profit, Medicaid-billing, clinical support service provider



Business Strategy

- Select the **VBP arrangement(s)** aligned with your organization's business strategy—the type of care/support you provide.
 - E.g. A CBO providing prenatal support services, education around infant/maternal care, and lactation consulting may elect to support the Maternity Care arrangement instead of the IPC arrangement
 - E.g. A CBO providing supportive housing with air conditioning for asthmatics during summer months may elect to support the Integrated Primary Care (IPC) arrangement since asthma is a chronic condition included in IPC.
- Understand your value proposition:
 - Understand the standards of the NYS VBP Roadmap, and how they support your inclusion in VBP. **VBP Contractors must include at least one Tier 1 CBO in all level 2 & 3 arrangements** (starting January 2018). Tier 1 CBOs may either contract with a payer or subcontract with a VBP Contractor in order to satisfy the Tier 1 CBO inclusion standard for level 2 & 3 arrangements.
 - Understand the key drivers of poor health and cost in your area and identify how you can help combat those key drivers. This is part of your value proposition to VBP contractors, seeking to improve population health.



Stakeholder Engagement

- Engage large provider groups and systems to explore opportunities for CBO inclusion in VBP arrangements.
- Engage payers that may have knowledge of lead VBP contractors seeking CBOs.
- Engage your Performing Provider System (PPS): Work with your PPS as centers for collaboration to identify interested contracting parties.



Finance

- Per the VBP Roadmap, **CBOs participating in VBP arrangements will be incentivized** by payers for addressing SDH (VBP Roadmap, p. 42).
- **CBOs should understand the potential financial impact of entering into a VBP arrangement**, based on the population served. CBOs may consider:
 - How participating with a VBP contractor as part of its network could mutually benefit both organizations.
 - How your services may address potentially avoidable complications.
- **Understand if your organization is capable of taking on risk.** If so, consider including risk sharing in your value proposition. Tier 1 CBOs are not required to enter into a risk sharing agreement to satisfy the Tier 1 CBO contracting requirements in Level 2 & 3 arrangements.
- **Leverage data sources** to support your business strategy and value proposition.



Data

- CBOs may support **Lead VBP Contractors** in collecting and reporting metrics related to one (or multiple) SDH intervention(s).
- The State has made available best-practice guidelines to support successful SDH interventions:
 - [Social Determinants of Health Intervention Menu](#)
 - [SDH and CBO Subcommittees Recommendation Reports](#)
- Engage Lead VBP Contractors, PPS and Payers to support access to data.

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Value Based Payment

VBP Readiness & Assessment Planning

When are you ready for VBP?

Payment Reform Should Never Outpace Care Redesign

Engagement of VBP arrangements is dependent on a number of variables and should be completely analyzed prior to contract discussions to fully understand the implications of such agreements. The following are a few criteria should be assessed:

- ☐ Value Proposition – Toughest Challenge
 - ☐ As a Tier X CBO – where do I bring value to quality outcomes?
 - ☐ What is our leadership's risk tolerance & are we able to take on risk?
 - ☐ Financially where do we offer feasibility for patients & providers?
 - ☐ How can we show our value of support services without direct data elements tied to quality metrics? (National Best Practices, Evidence Based Medicine, etc.)
 - ☐ What provider groups do we benefit & how?
 - ☐ Is our value aligned with the payer or provider community?
 - ☐ What other national reform efforts include CBO's in VBP & how successful have they been?

VBP Readiness & Assessment Planning

When are you ready for VBP?

☐ Network Analysis

- ☐ What patients & chronic diseases or conditions make up our organization?
 - ☐ Disease profiles / Zip Code analysis / Utilization / etc.
- ☐ Who are our top clinical providers for inbound & outbound referrals?
- ☐ What other CBO's do we work with to bring value & where are they with VBP efforts?
- ☐ How can we better engage in PPS networks for visibility & awareness?

☐ Information Technology capabilities

- ☐ What systems can we use to share data with VBP contracted entities to bring value to clinical quality?
- ☐ Where are our gaps as a CBO organization in data exchange or tracking?
- ☐ Could we be considered a support role for VBP entities for non-clinical or clinical data collection?

What are my resources as a PPS network provider?

PPS Resources & Educational Opportunities

Who & what are my PPS resources for VBP?

NYS DSRIP Performing Provider Systems (PPS) vary throughout the state and will provide resources based on the unique need of the network as well as the governing structure. The NYP & NYP/Q PPS models are not formal entities, such as an ACO, but are collaborative models that only allow for education & collaborative efforts. Local and federal regulations will limit the ability of the network to provide contracting advice or strategies for network partners but will include:

- Educational Opportunities
- NYS DOH VBP Boot Camps
- Data Compilation & Analytics (Medicaid Only)
- PPS Staff Subject Matter Experts

Upcoming Educational Opportunities

What else should I learn?

VBP – Options

NYS VBP University

https://www.health.ny.gov/health_care/medicaid/redesign/dsrip/vbp_reform.htm

NYPQ PPS

<http://www.nyhq.org/dsrippps>

NYP PPS

<http://www.nyp.org/pps>

What's Next? – Community Based Organizations

What's Next – Community Based Organizations

- Ensure complete understanding of VBP & NYS Plan
- Attend PPS educational webinars & meetings
- Attend NYS VBP Bootcamps
- Identify and align VBP strategies for your patient community
- Assess readiness for VBP & define timeline and/or plan
- Engage in conversations with network partners
- Identify your VBP value & communicate it!
- Do NOT enter into agreements too quickly
 - Know your value
 - Analyze your VBP options
 - Be sure payer or provider entities value CBO's & ensure engagement

Questions?

Contact Us

NYPQ PPS

<http://www.nyhq.org/dsrippps>

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