

AMAZING
THINGS
ARE
HAPPENING
HERE

Value Based Payment – 101

NewYork Presbyterian & NewYork-Presbyterian Queens

PPS Network Education

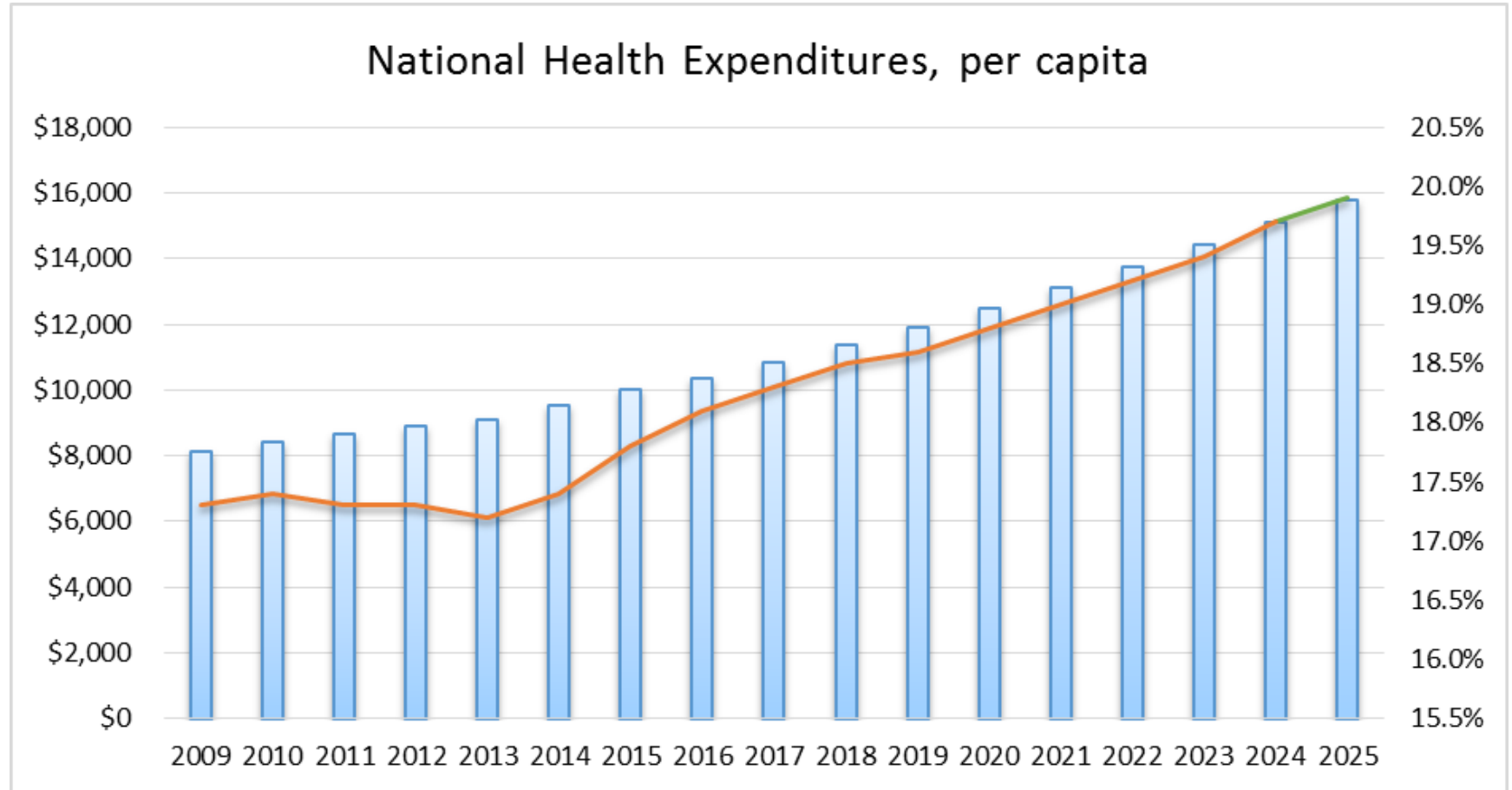
01.17.2018

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. When am I ready for VBP (VBP Readiness Assessment & Planning)
8. What are my PPS Resources & Educational Opportunities
9. What's Next?

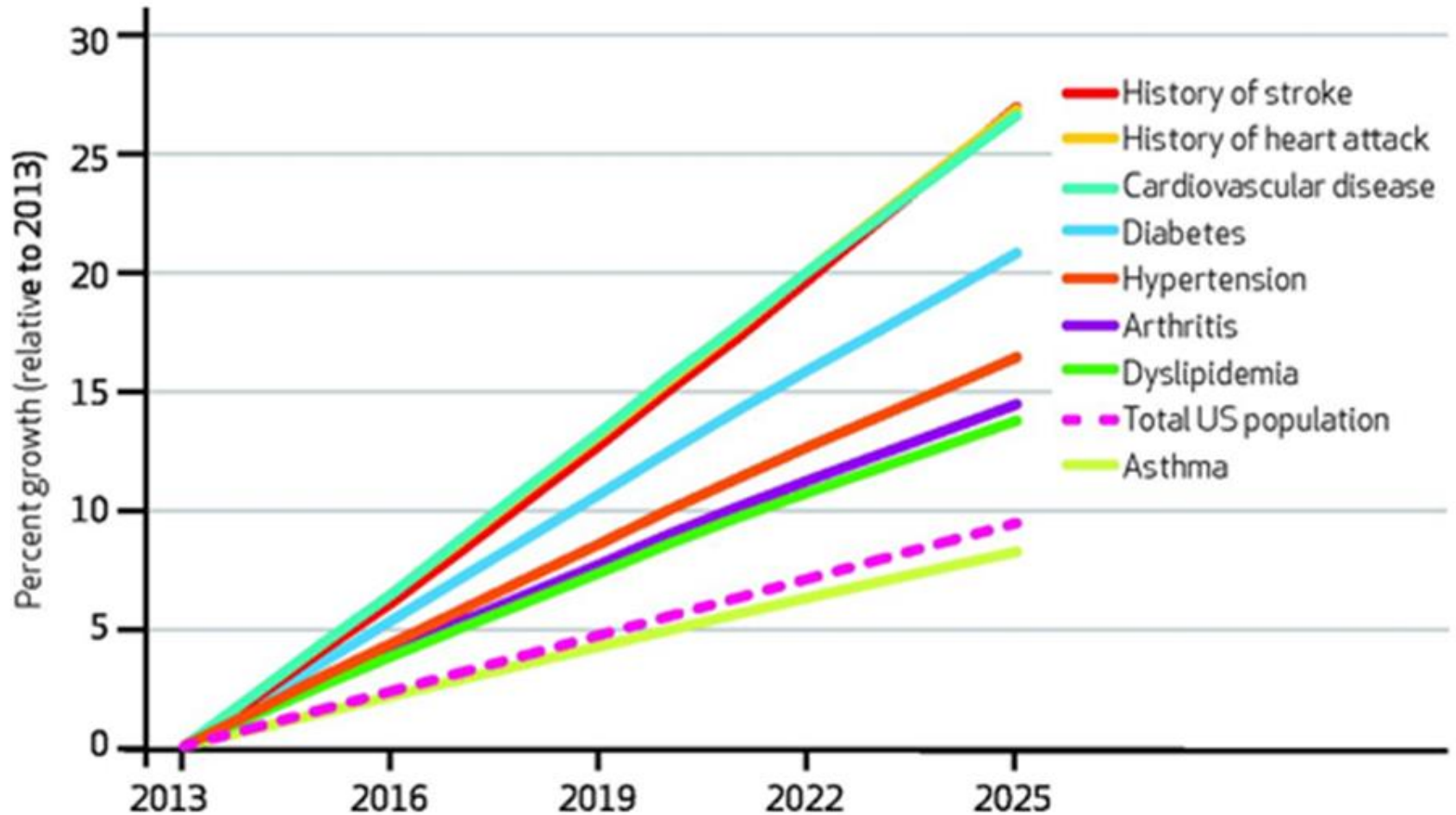
Value Based Payment / Alternative Payment Method

National – Burning Platform



Value Based Payment / Alternative Payment Method

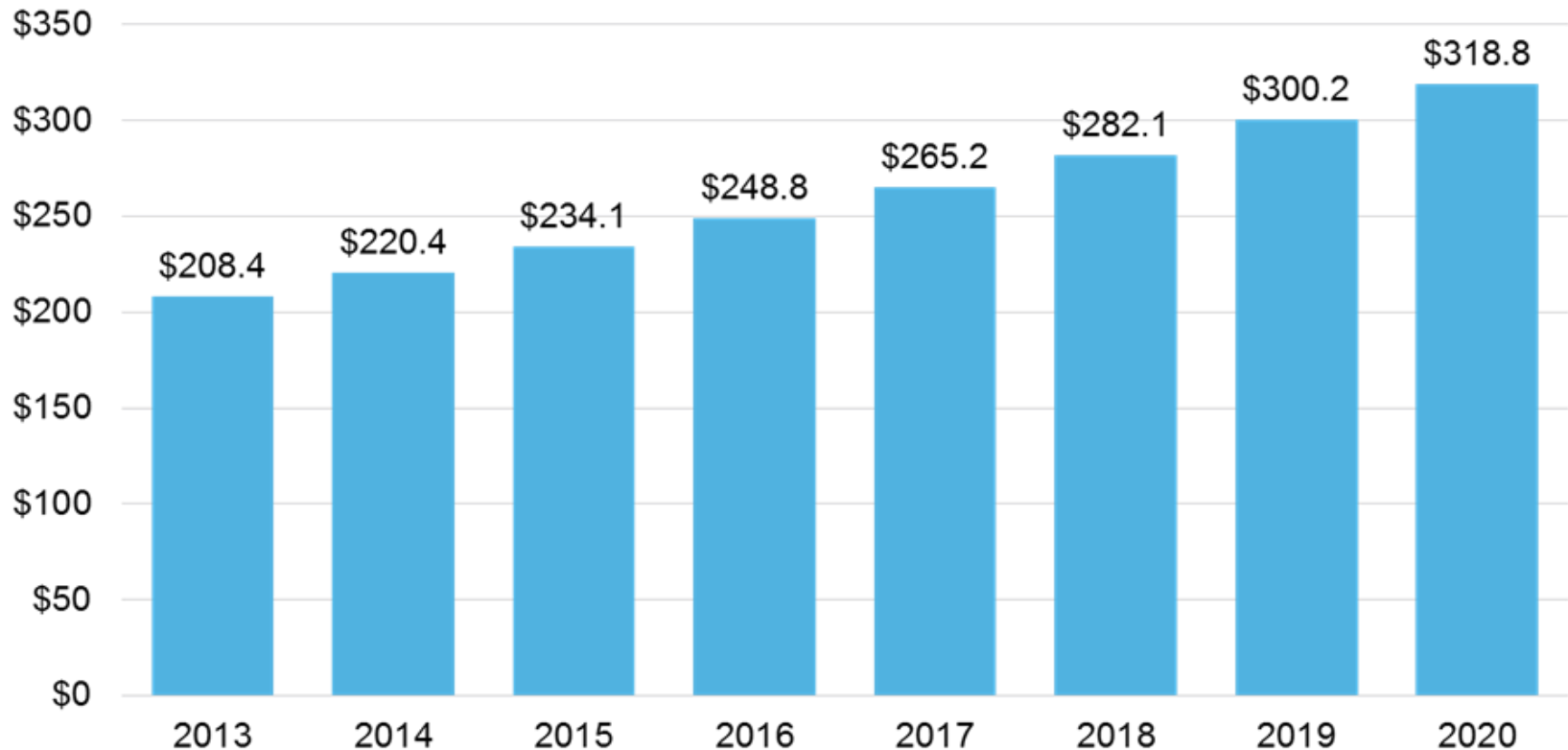
National – Burning Platform



Value Based Payment / Alternative Payment Method

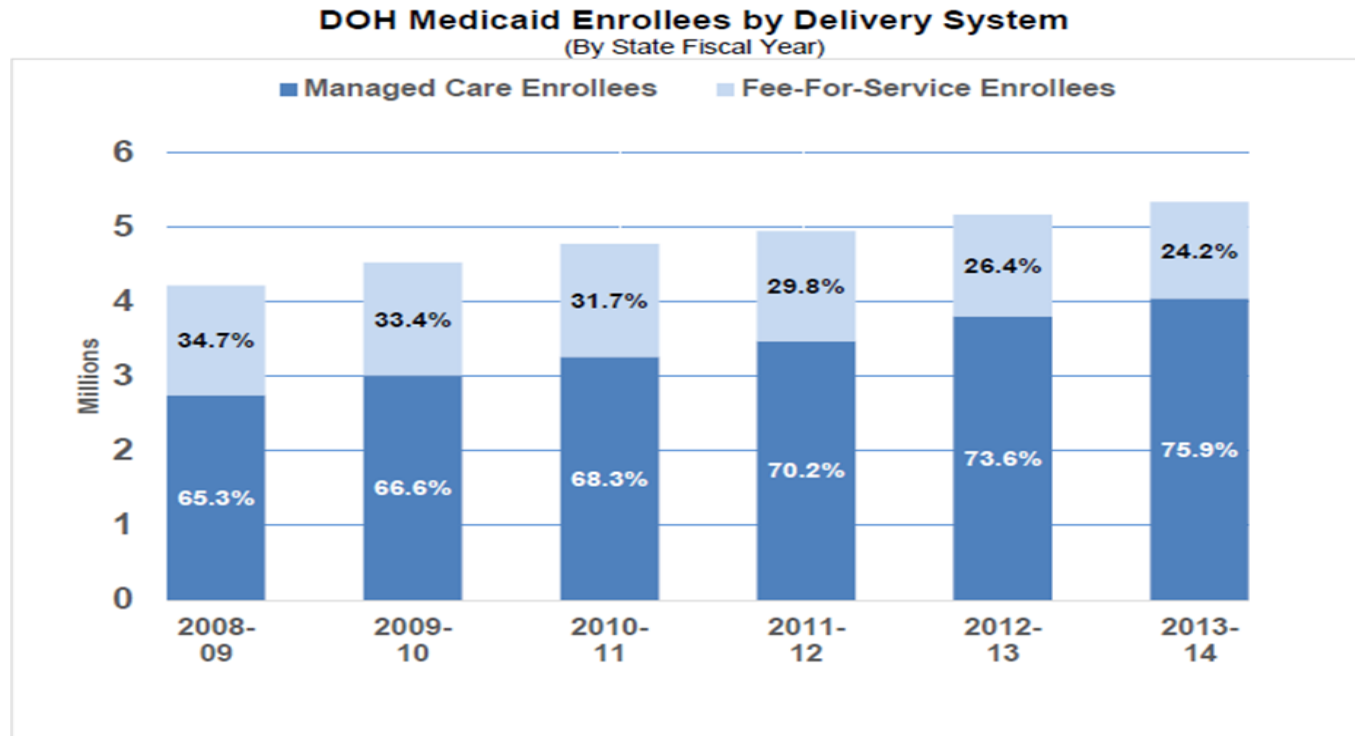
NY State – Burning Platform

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



Value Based Payment / Alternative Payment Method

NY State – Burning Platform



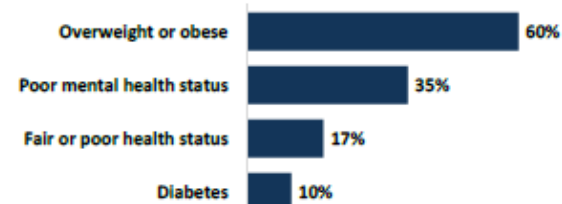
19.7 million
people live
in NY

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)?

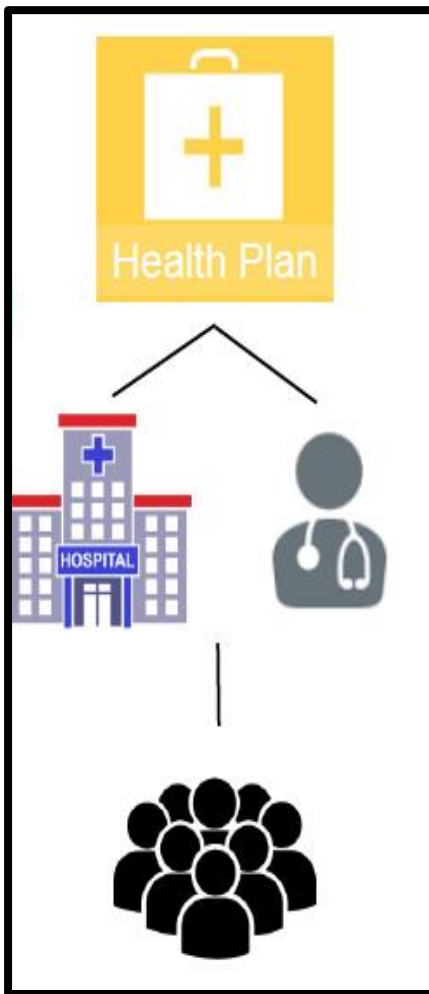
VBP Basics – What is a VBP?



“VBP” – Value Based Payment

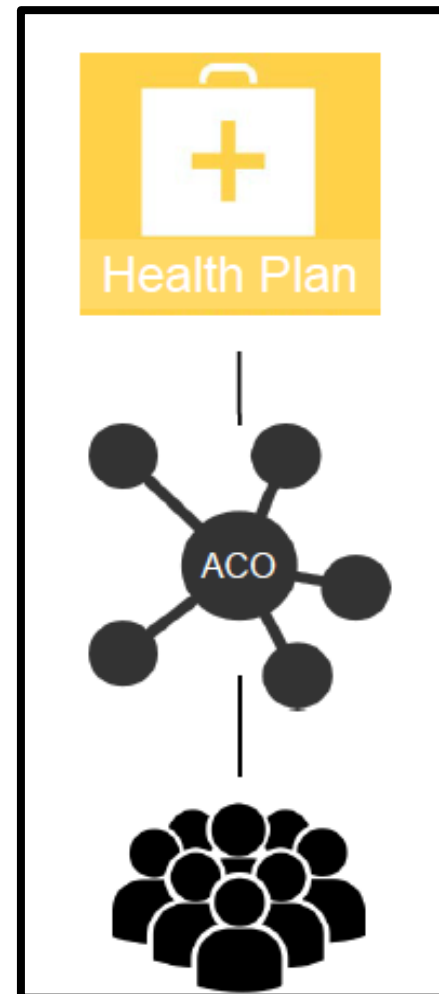
- Payment reform moving providers from quantity to quality
- Move from Fee-for-Service to risk based methods of payment
- Intended to decrease healthcare cost & align incentives of providers
- Shared risk models shift risk from managed care organizations to provider groups
- Multiple options for levels 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



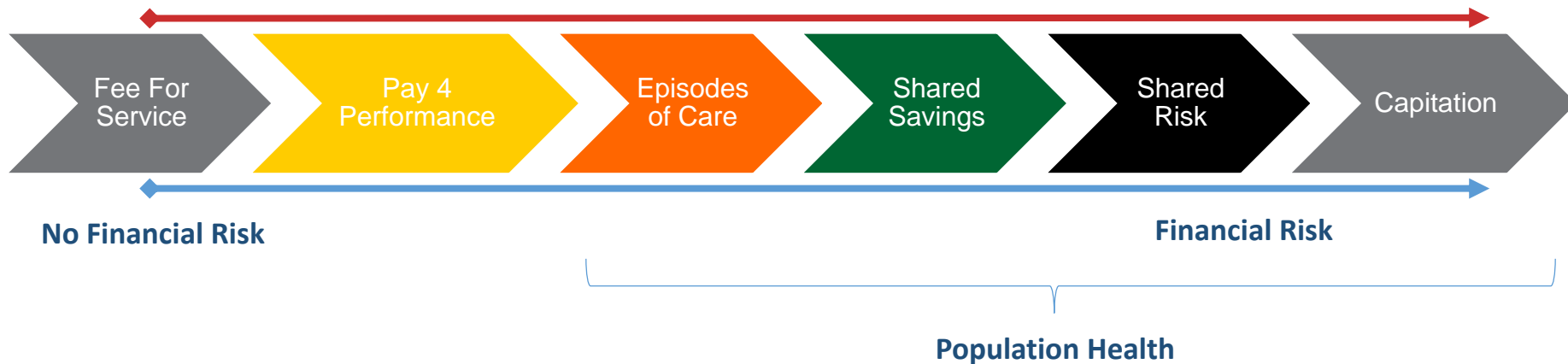
- Incentivizes Quality Outcomes
- Aligns right care with right setting
- Integrated delivery networks with community
- Provider & Patient engagement
- Encourages Health Information Exchange
- Varying Levels of Risk models
- Ability to align with multi-payers

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?

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)

Total Care for General Populations (TCGP) –

Options	Level 0 VBP	Level 1 VBP	Level 2 VBP	Level 3 VBP (only feasible after experience with Level 2; requires mature VBP contractor)
Total Care for General Population	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)

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

Integrated Primary Care Bundle (IPC)

Options	Level 0 VBP	Level 1 VBP	Level 2 VBP	Level 3 VBP (only feasible after experience with Level 2; requires mature VBP contractor)
Total Care for General Population	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)

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)

Maternity Bundle

Options	Level 0 VBP	Level 1 VBP	Level 2 VBP	Level 3 VBP (only feasible after experience with Level 2; requires mature VBP contractor)
Maternity Bundle	FFS with bonus and/or withhold based on quality scores	FFS with upside-only shared savings based on bundle of care (savings available when quality scores are sufficient)	FFS with risk sharing based on bundle of care (upside available when outcome scores are sufficient; downside is reduced or eliminated when quality scores are high)	Prospective bundled payment (with quality-based component)

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

Total Care for Special Needs Population

Options	Level 0 VBP	Level 1 VBP	Level 2 VBP	Level 3 VBP (only feasible after experience with Level 2; requires mature VBP contractor)
Total Care for Subpopulation	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)

Who is affected by VBP?

VBP Basics –

Who is affected by VBP?

VBP – Impacted Providers

- 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.

NY State VBP Sustainability Trends

Why 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

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

When am I ready for VBP?

VBP Readiness & Assessment Planning

When are you ready for VBP?

Provider 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:

- ☐ Practice Long Term Strategies
 - ☐ Multi-payer
 - ☐ Risk Assessment/Tolerance
 - ☐ Financial Feasibility
- ☐ Practice Trends
 - ☐ Top payers (all payers)
 - ☐ Top chronic conditions
 - ☐ Trends of patient utilization
 - ☐ Quality Metric Baseline Assessment

VBP Readiness & Assessment Planning

When are you ready for VBP?

- ☐ Information Technology capabilities
 - ☐ Population Health tools
 - ☐ Electronic Medical Record utilization
 - ☐ RHIO Connectivity (data exchange)
- ☐ Provider Value to Networks
 - ☐ Existing Quality Outcomes
 - ☐ Attributed Members by Payer (volume)
 - ☐ Practice Market Share
- ☐ Community Need Assessment
 - ☐ Demographics / Disease Profiles
 - ☐ Practice Potential Impact to Community
 - ☐ Engagement with Community Based Organizations
 - ☐ Existing ACO/IPA Networks

Payment Reform Should Never Outpace Care Redesign

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? – Behavioral Health Providers

What's Next – Behavioral Health Providers

- Ensure complete understanding of VBP & NYS Plan
- Attend PPS educational webinars & meetings
- Attend NYS VBP Bootcamps
- Identify and align VBP strategies for your practice
- Analyze patient conditions & improvement needs
- Assess readiness for VBP & define timeline and/or plan
- Engage in conversations with network partners
- Define clinical gaps and needs before entering into VBP agreements

What's Next – Behavioral Health Providers

VBP Implementation: Behavioral Health (BH) Provider

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

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

START

Governance

Determine how your organization will participate in VBP:

- Become a **Lead VBP Contractor** and contract directly with a payer
- Become a **Provider Partner** and partner with a Lead VBP Contractor

Business Strategy

It is important for **BH providers**, especially those seeking to partner with **Lead VBP Contractors** as a non-risk bearing or upside only partner, to strengthen and communicate their **value proposition**. Remember, **BH providers**:

- may drastically improve the quality of care and lower the cost of care**, especially in the Integrated Primary Care (IPC) and HARP arrangements.
 - The IPC arrangement includes BH-related chronic conditions. Understand how you may address the BH conditions in the IPC arrangement
 - The HARP arrangement is focused on adults with serious BH needs. Medicaid members with BH conditions drive a large proportion of spend in the Medicaid program.
- provide successful delivery of specialized and quality care for people with BH needs**, which facilitate decreases in avoidable emergency department visits and hospital utilization.
- help Lead VBP Contractors leverage existing BH services**, resulting in cost savings for the Lead VBP Contractor's network.

Stakeholder Engagement

- BH providers that are Lead VBP Contractors:** Identify payer(s) to contract a VBP arrangement; engage early and often. Consider existing relationships. Also, consider the arrangement you will contract and address gaps in coverage by including other providers, such as primary care doctors or hospitals.
- Outreach with Health Homes** will be critical, given the Health Home's linkage to patients with BH needs.
- BH providers that are Provider Partners:** Consider collaborating with other BH providers to create robust organizations. This creates a stronger value proposition to propose to Lead VBP Contractors.
- Regardless if you are a Lead VBP Contractor or Provider Partner:** Engage your Delivery System Reform Incentive Payment (DSRIP) Performing Provider Systems (PPS); coordinate and collaborate with them to identify parties that may be interested in contracting.

Finance

- BH providers that are Lead VBP Contractors:** Contemplate your organization's ability to take on risk; VBP Level 1 (upside only, no risk) may be the best initial step for BH providers.
- Develop a strategy to reward downstream **Provider Partners** that contract with you.
- BH Providers that are Provider Partners:** Consider your organization's potential for financial impact based on the population served
 - An advantage for BH provider participation is referrals and service volume. This is part of your value proposition!

Value Based Payment

Data

Determine the type of data your organization may obtain or develop, including:

- The cost of care per arrangement
- High-utilizing, high-cost Medicaid members—super utilizers
- Prevalence of potentially avoidable complications
- Rehab and recovery oriented data sets

Where to access the data?

- Lead VBP Contractors:** work with Payers and PPS; leverage preexisting, state provided data sets (e.g. PSYCKES)
- Provider Partners:** work with VBP Lead Contractors and PPS; leverage preexisting, state provided data sets (e.g. PSYCKES)

Contact Us

NYPQ PPS

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

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