



**Department
of Health**

Medicaid
Redesign Team

Health Home Biweekly Webinar: Strategies for Success in Value Based Payment

November 29, 2017

Agenda

I. Overview of Value Based Payment

- Types of VBP Arrangements
- Levels of VBP Arrangements
- VBP Attribution

II. Lessons from VBP Pilots/ Examples of Contracting Options

III. Role of Health Homes beyond driving attribution in VBP

- How to Develop a Value Proposition

Logistics

- All participants have been muted upon entry
- Please submit all questions via the chat box
- Q&A and slide deck will be forwarded to participants as well as posted to the Health Home website



Overview of Value Based Payment

Value Based Payment is the Future



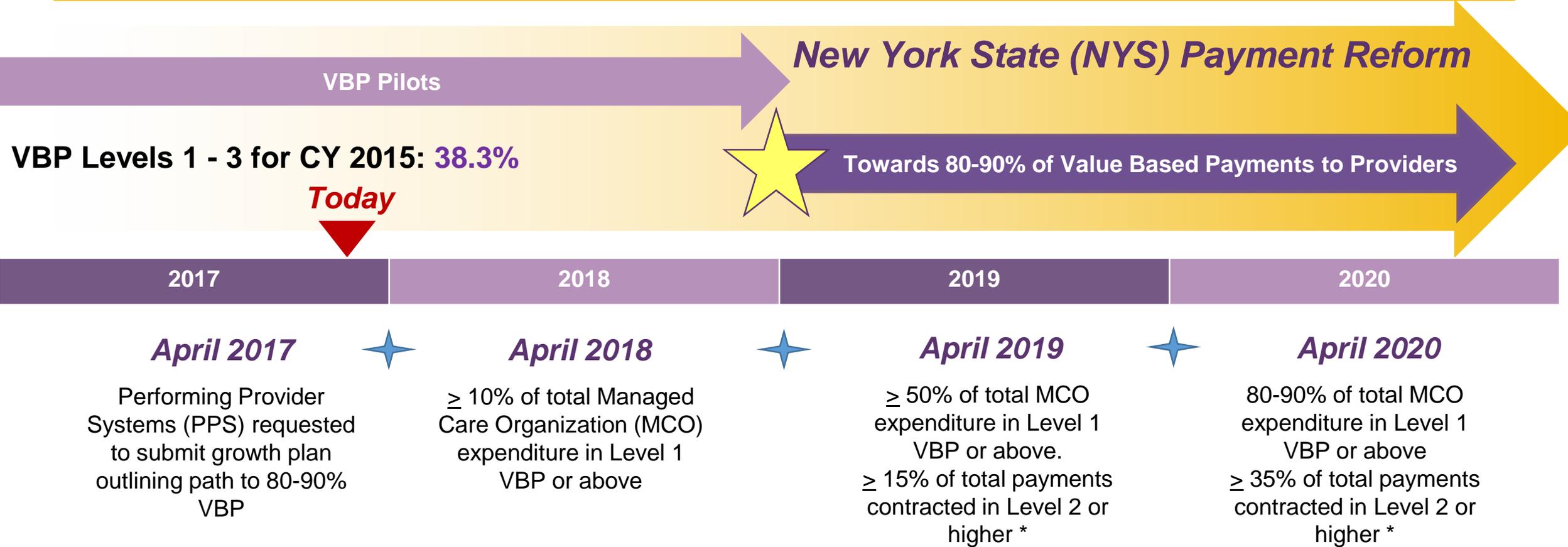
By DSRIP Year 5 (2020), all MCOs must employ VBP systems that reward value over volume for at least 80 % of their provider payments.

Key principals of NYS VBP program

- **Improve the overall quality of care**
- **Focus on the root causes of poor health**
- **Evaluate appropriate levels of care**
- **Improve the patient experience**
- **Create a mechanism to reinvest in our health care system**
- **Reduce cost and increase efficiency**
- **Enable and encourage innovation**

VBP Transformation: Overall Goals and Timeline

Goal: To improve population and individual health outcomes by creating a sustainable system through integrated care coordination and rewarding high value care delivery.

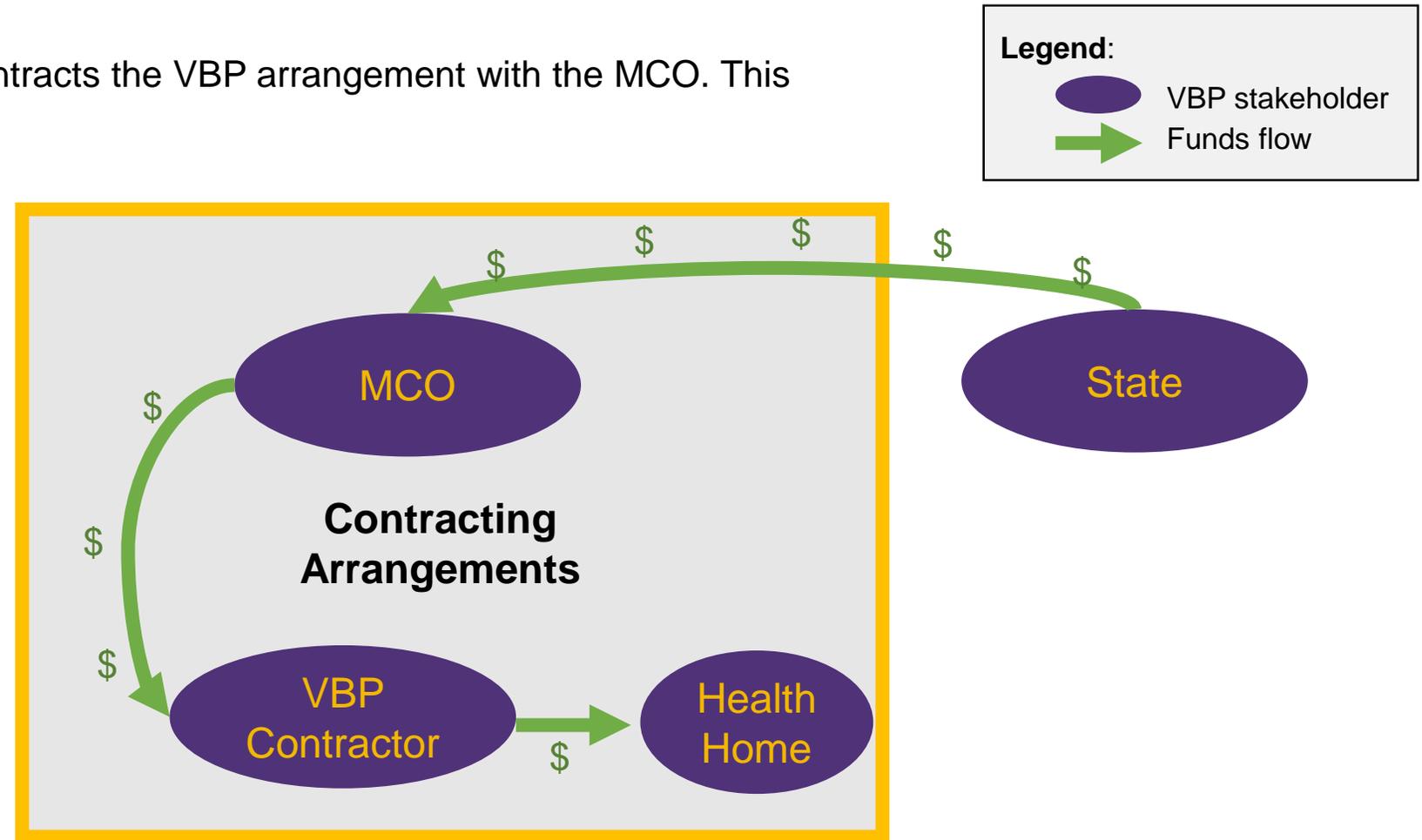


* For goals relating to VBP level 2 and higher, calculation excludes partial capitation plans such as MLTC from this minimum target.

Providers will contract with MCOs to implement value based payment arrangements

A **VBP Contractor** is the entity that contracts the VBP arrangement with the MCO. This can be a(n):

- **Accountable Care Organization (ACO)**
- **Independent Physician Association (IPA)**
- **Individual provider*** (either assuming all responsibility and upside/downside risk or subcontracting with other providers)
- **Individual providers brought together by an MCO** to create a VBP arrangement through individual contracts with these providers.
- **Health Homes** most likely will not be a lead VBP contractor but will subcontract



Note: A PPS is not a legal entity and therefore cannot be a VBP Contractor. However, a Performing Provider System (PPS) can form one of the entities above to be considered a VBP Contractor.

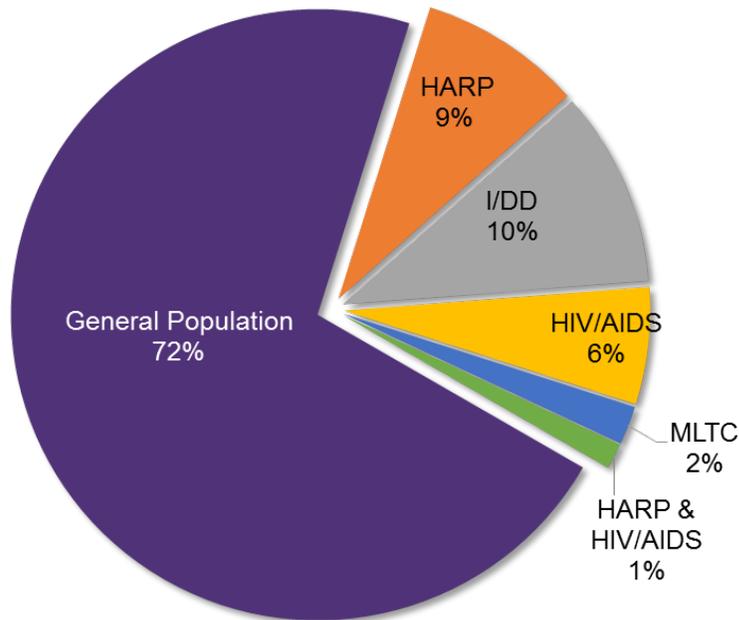
Different Types of VBP Arrangements

	Population-based VBP Arrangements		Episode-based VBP Arrangements	
Types	Total Care for General Population (TCGP)	Special Need Populations	Care Bundles	Integrated Primary Care (IPC)
Definition	Party(ies) contracted with the MCO assumes responsibility for the total care of the attributed population	Total Care for the Total Sub-population <ul style="list-style-type: none"> • HIV/AIDS • MLTC • HARP • I/DD 	Episodes in which all costs related to the episode across the care continuum are measured <ul style="list-style-type: none"> • Maternity Bundle 	Patient Centered Medical Home or Advanced Primary Care, includes: <ul style="list-style-type: none"> • Care management • Practice transformation • Savings from downstream costs • Chronic Bundle (includes 14 chronic conditions related to physical and behavioral health related)
Contracting Parties	IPA/ACO, Large Health Systems, FQHCs, and Physician Groups	IPA/ACO, FQHCs and Physician Groups	IPA/ACO, FQHCs, Physician Groups and Hospitals	IPA/ACO, Large Health Systems, FQHCs, and Physician Groups

Population-based VBP Arrangements

In population-based arrangements (total care and special needs sub-populations) the VBP Contractor assumes responsibility for the care of the general population (TCGP) and/or a specific subpopulation.

Total Population including Subpopulations



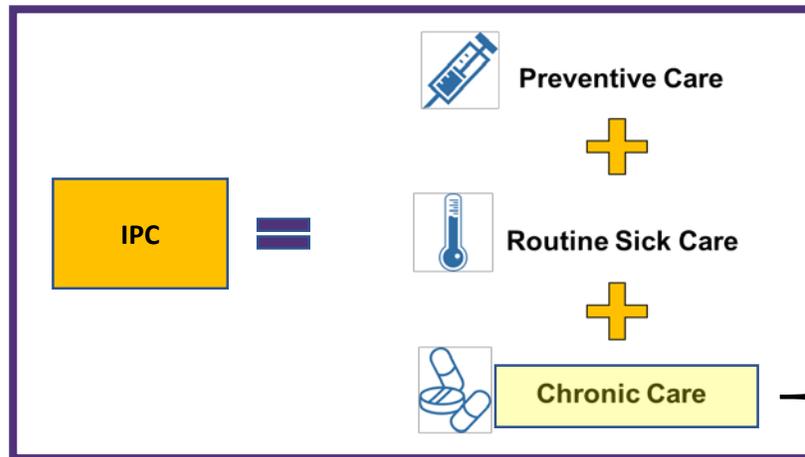
Arrangement	What is contracted?	For which population?
Total Care for General Population (TCGP)	Party(ies) contracted with the MCO assumes responsibility for the total care of the population attributed to the arrangement	General Population (Mainstream Medicaid)
HIV/AIDS		Special needs sub-population: HIV/AIDSs +
Health And Recovery Plan (HARP)		Special needs sub-population: HARP eligible
Managed Long Term Care (MLTC)		Special needs sub-population: MLTC
Intellectually/ Developmentally Disabled (I/DD)		Special needs sub-population: I/DD

VBP Contractors and MCOs are free to add one or more subpopulations to their TCGP contracts. MCOs and Contractors may negotiate for specific, specialized carve-outs.

The data presented in this deck should not be considered final as the analysis environment continues to mature and validation of data input and analytical output continues.

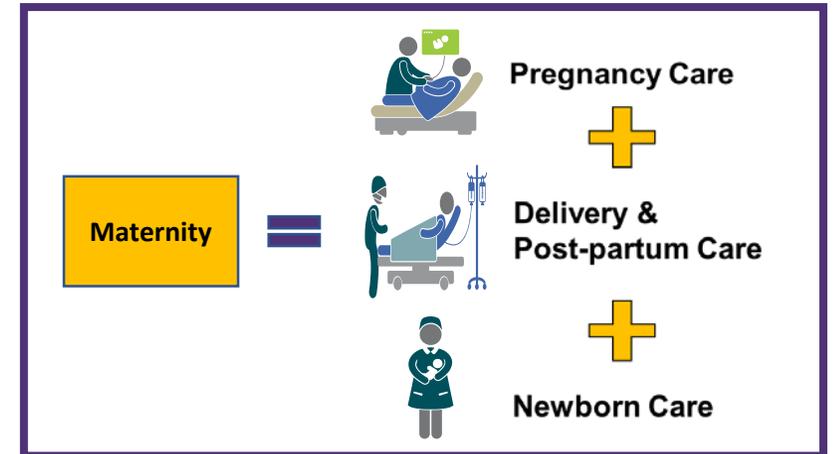
Episode-based VBP Arrangements (IPC, Maternity Care)

In episodic arrangements the VBP Contractor assumes responsibility for the care for the *conditions* of its attributed members.



14 Chronic Care Conditions

- Arrhythmia/ Heart Block/ Conduction Disorders Episode
- Asthma Episode
- Bipolar Disorder Episode
- Chronic Obstructive Pulmonary Disease Episode
- Coronary Artery Disease Episode
- Depression & Anxiety Episode
- Diabetes Episode
- Gastroesophageal Reflux Disease Episode
- Heart Failure Episode
- Hypertension Episode
- Low Back Pain Episode
- Osteoarthritis Episode
- Substance Use Disorder Episode
- Trauma & Stressors Disorder Episode



Arrangement	Definition
Integrated Primary Care (IPC)	<ul style="list-style-type: none"> • Preventive care • Routine sick care • Chronic Bundle (includes 14 chronic conditions related to physical and behavioral health)

Arrangement	Definition
Maternity Bundle (care bundle)	Arrangement in which all costs related to the episode across the care continuum are measured

MCOs and Contractors can Choose Different Risk Levels of VBP Arrangements

There are different levels of risk that the providers and MCOs may choose to take on in their contracts:

Level 0 VBP*	Level 1 VBP	Level 2 VBP	Level 3 VBP (feasible after experience with Level 2; requires mature contractors)
FFS with bonus and/or withhold based on quality scores	FFS with upside-only shared savings available when outcome scores are sufficient (For PCMH/IPC, FFS may be complemented with PMPM subsidy)	FFS with risk sharing (upside available when outcome scores are sufficient)	Prospective capitation PMPM or Bundle (with outcome-based component)
FFS Payments	FFS Payments	FFS Payments	Prospective total budget payments
No Risk Sharing	↑ Upside Risk Only	↑↓ Upside & Downside Risk	↑↓ Upside & Downside Risk

*Level 0 is not considered to be a sufficient move away from traditional fee-for-service incentives to be counted as value based payment in the terms of the NYS VBP Roadmap.

Quality plays an important role in VBP arrangements

1. MCOs and VBP Contractors select arrangements.

Total Care for the General Population (TCGP)
Total Care for the HARP Subpopulation
Total Care for the HIV/AIDS Subpopulation
Total Care for the MLTC Subpopulation
Total Care for the I/DD Subpopulation
Integrated Primary Care (IPC)
Maternity Care

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IPC – Category 1 Measures

The Category 1 IPC measure set table includes measure title, measure steward, the NQF number and/or other measure identifier (where applicable), and State determined classification for measure use.

Measure	Measure Steward	Measure Identifier
Adherence to Medication for Individuals with Diabetes Mellitus		
Adherence to Standardized Diabetes Mellitus Medication		
Antidepressant Medication Effective Acute Follow-up		
Effective Continuation of Breast Cancer Screening		

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IPC – Category 2 Measures

The Category 2 IPC measure set table includes measure title, measure steward, and the NQF number and/or other measure identifier (where applicable).

Measure	Measure Steward	Measure Identifier
Continuing Engagement in Treatment (CET) Alcohol and other Drug Dependence	Washington Circle Group	-
Lung Function/Spirometry Evaluation (asthma)	The American Academy of Allergy, Asthma & Immunology (AAAAI)	-
Topical Fluoride for Children at Elevated Caries Risk, Dental Services	American Dental Association (ADA)	NQF 2528
Utilization of Medication-Assisted Treatment (MAT) for Alcohol Dependence	NYSDOH OASAS	-
Utilization of Medication-Assisted Treatment (MAT) for Opioid dependence	NYSDOH OASAS	-

2. Per the NYS VBP Roadmap, MCOs and VBP Contractors must report on quality measures associated with their selected arrangement(s).

(June 2016 NYS VBP Roadmap, p. 12)



3. The quality measure results are intended to be used to determine the amount of shared savings for which VBP contractors are eligible. Adjustments to the target budget are based on quality measure performance.



Attribution - Methodology

The State considers VBP member attribution in a majority of arrangements to be based on provider assignment and not utilization of services

Arrangement	Attribution Driving Provider
Total Care for General Population (TCGP)	MCO-Assigned PCP
⚠ Integrated Primary Care (IPC)	MCO-Assigned PCP and minimum amount of primary care-related services
HIV/AIDS	MCO-Assigned PCP
⚠ Maternity	1°: Obstetrician/Midwife that delivered the majority of pregnancy care 2°: If no obstetrician or midwife is found, then the obstetrician or midwife performing the delivery
HARP	1°: MCO-assigned Health Home 2°: If no MCO-assigned Health Home, then MCO-Assigned PCP
MLTC	<i>The State is assessing the role of a home care provider or nursing home (depending on the residential status of the member) as the attribution driving provider(s) for the MLTC subpopulation.</i>

Contractors may deviate from guidelines and agree on a different type of provider to drive the attribution on the condition that the State is adequately notified.

Example: HARP Arrangement Component

Component	Level 1	Level 2	Level 3
Scope of Services	All Medicaid covered services for all members eligible for HARP (excluding duals)		
Attribution	Member attributed to <ol style="list-style-type: none"> 1. MCO-assigned Health Home based on most recent one-month Health Home assignment 2. If no Health Home assignment, Managed Care PCP based on assignment at least three continuous months of assignment 		
Quality Measures	Reporting of all HARP Category 1 Measures		
Contracts must include Target Budget, Shared Savings / Losses, and all other requirements appropriate for the VBP level.			



What might VBP arrangements look like for Health Homes

Initial VBP Implementation Efforts - Pilots

- The State is providing additional financial incentives and support for early adoption of Value Based Payment through the VBP Pilot Program.
- Pilots: 2 HARP, 1 Integrated Primary Care and 9 Total Care for the General Population

Pilot participants are required to:

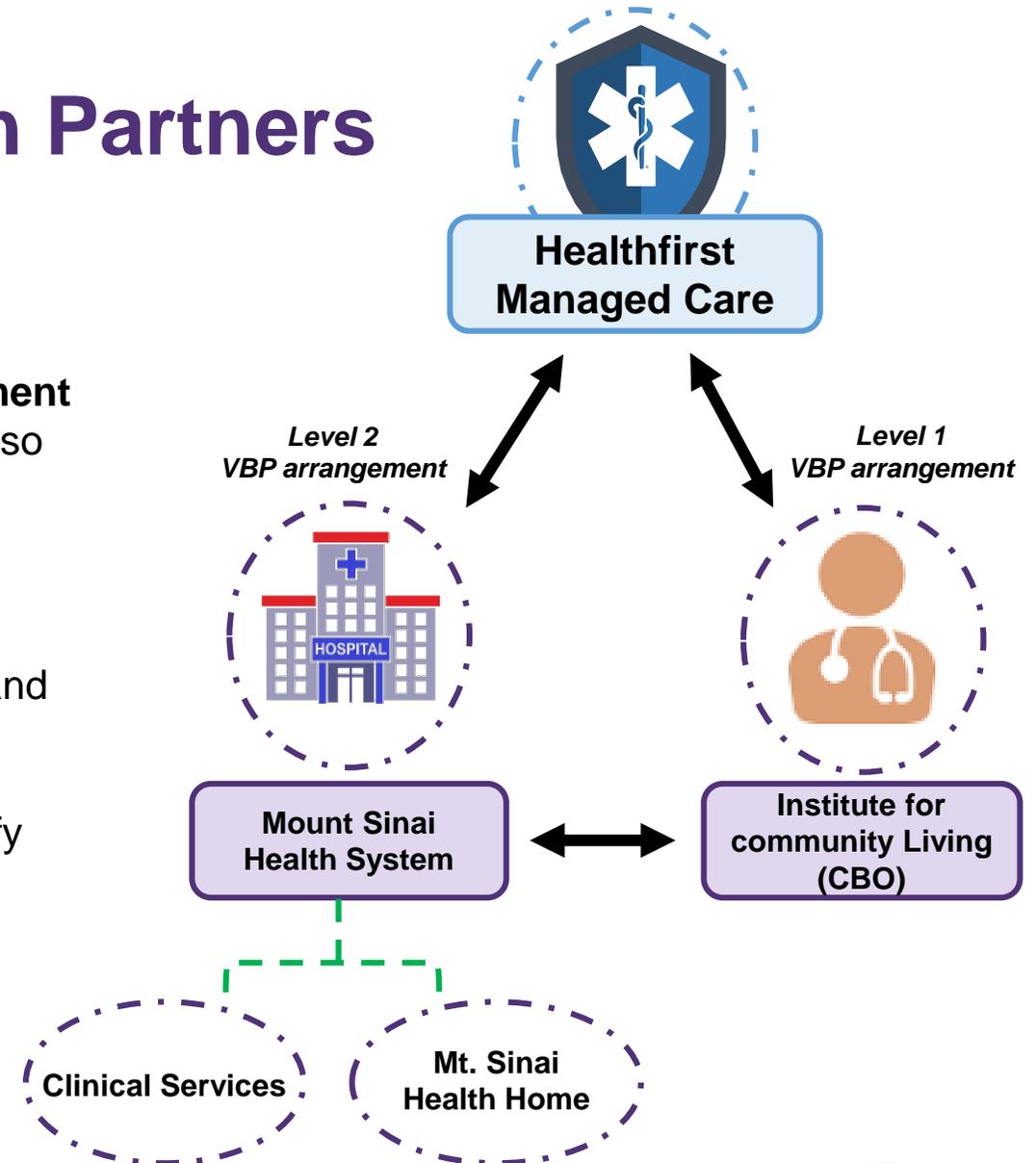
- Adopt on-menu VBP arrangements, per NYS VBP Roadmap guidelines.
- Submit a VBP contract (or contract addendum)
- Report all Category 1 measures and a minimum of two (2) distinct Category 2 measures for each arrangement being contracted, or have a State and Plan approved alternative.
- Move to Level 2 VBP arrangements in Year 2 of the Pilot Program. Pilots that are unable to move to Level 2 in Year 2 (April 2018) will be disqualified from the Program.

VBP Pilot Program

The goal of the Pilots is to help the State and its participating organizations learn how VBP transformation will work in practice, as well as to incentivize early adoption of VBP. This is a voluntary, 2- year program.

VBP Pilot: Mount Sinai Health Partners

- Consists of multiple partnerships.
- Mount Sinai Health System is in a **Level 2 VBP arrangement** with Healthfirst Managed Care Organization. Healthfirst also has Level 1 VBP arrangement with ICL.
- Mount Sinai also has a **Health Home**.
- Mount Sinai identified issue in enrolling HARP members and then identified the primary goals of the pilot.
- Healthfirst and Mount Sinai worked with partners to identify and implement an intervention.



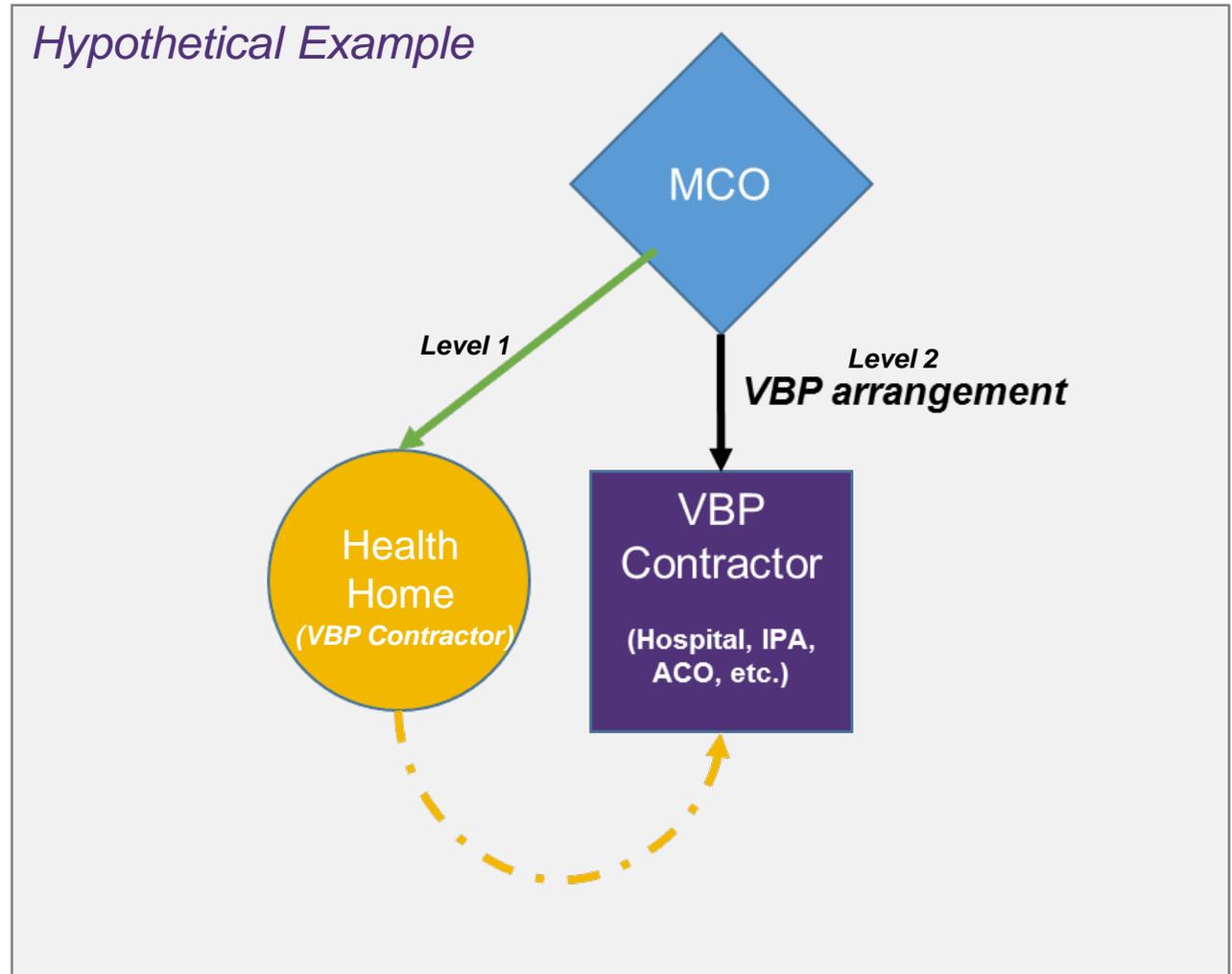
Pilot Key takeaways

- **Engage Early and often, things may take longer than anticipated**
- **Know who your contacts are (MCO, Lead VBP Contractors etc.)**
- **Keep things simple and straight forward**
- **Make sure to layout everyone's role upfront in the arrangement**
- **Keep in mind that VBP can be a benefit to the health homes – increased coordination with a quality focus = increased referrals**
- **Rate on investment (ROI) – Should be able to demonstrate measurable success and cost savings**

VBP Contracting – Scenario A

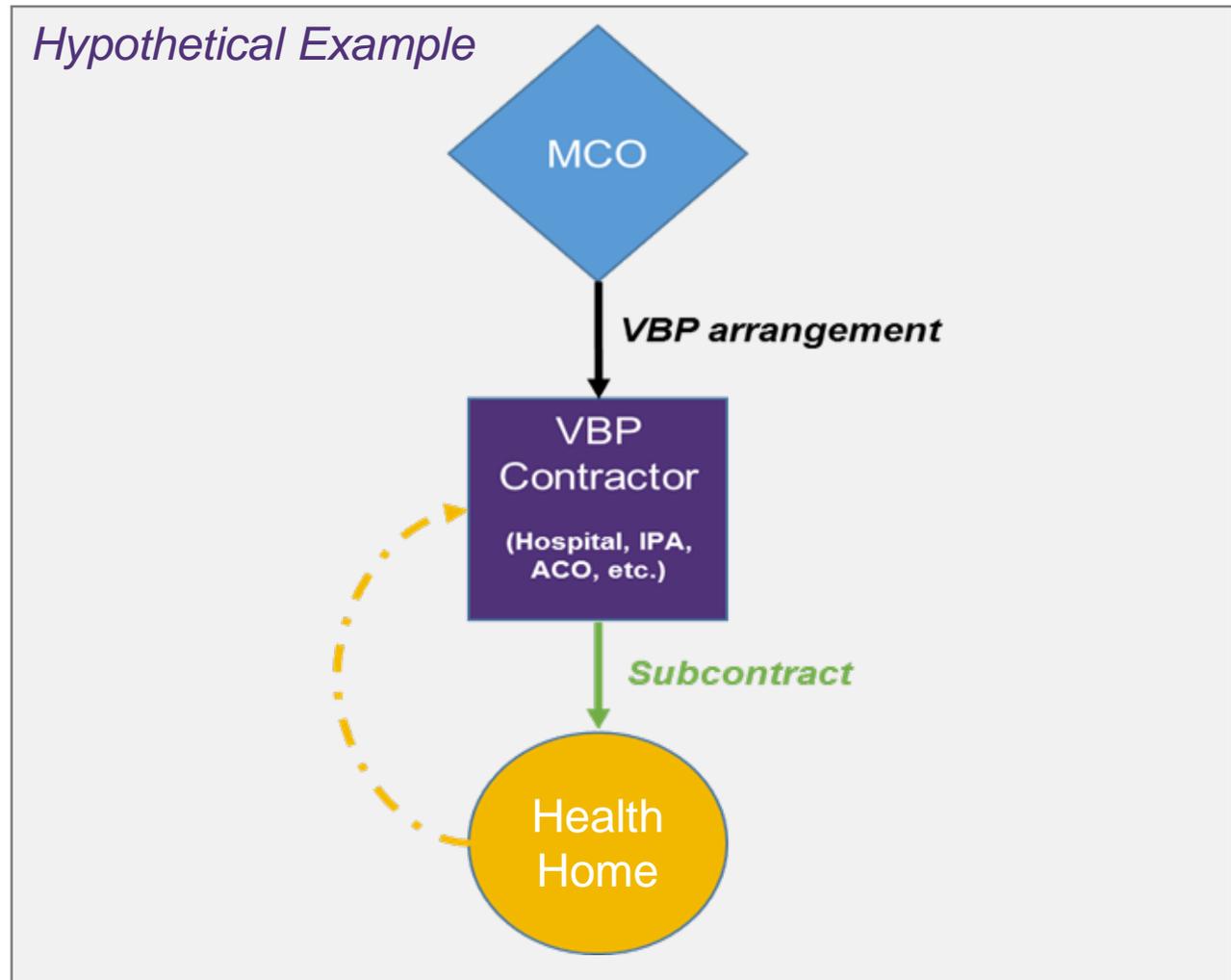
- Health Homes may support a VBP arrangement by:

A Contracting directly with an MCO to support a VBP arrangement.



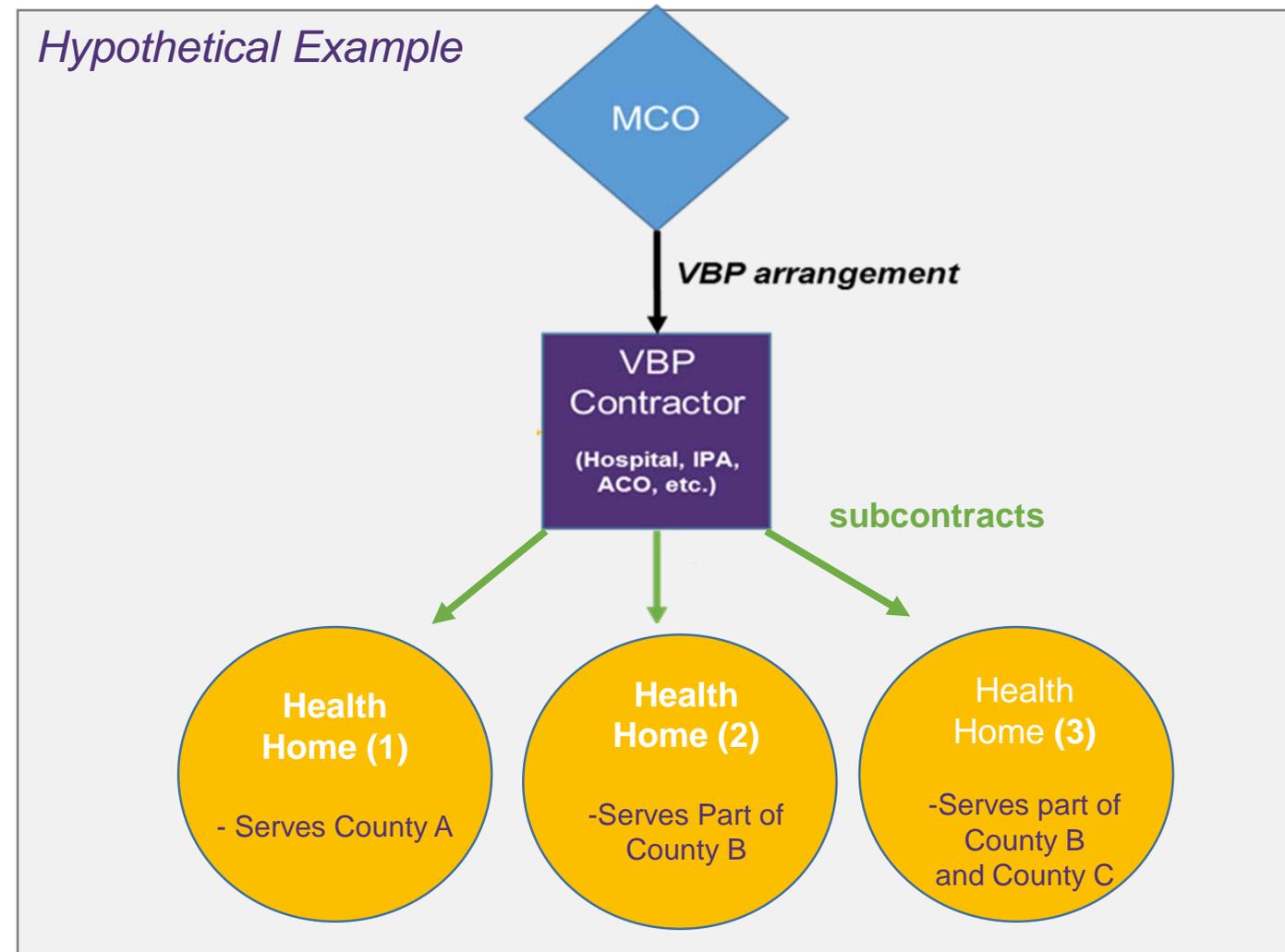
VBP Contracting – Scenario B

- **Health Homes may support a VBP arrangements by:**
 - Contracting directly with an MCO to support a VBP arrangement.
 - Contracting directly with an Lead VBP contractor to support a VBP arrangement



VBP Contracting – Scenario C

- **Health Homes may support a VBP arrangements by:**
 - Contracting directly with an MCO to support a VBP arrangement.
 - Contracting directly with an Lead VBP contractor to support a VBP arrangement
 - **Multiple Health Homes contracting directly with a Lead VBP contractor to support one arrangement.**
 - **Example: The MCO member population attribution spans over 3 Counties (A,B,C) and may need multiple health homes to support the VBP arrangement.**





Role of Health Homes beyond driving attribution in VBP

Developing a Value Proposition

Definition

- A value proposition is a promise of value to be delivered. It's the primary reason a prospect VBP contractor or MCO will want to work with your Health Home. Your proposition must explain how your services will align and add to the success of the VBP arrangement (relevancy).

Strategize Implementation and Formulate your Value Proposition

- Know your population
- Educate yourself around VBP
- Know the arrangements in your region / within your organization
- Determine what VBP approach(es) make sense for your Health Home
- Develop strategic marketing and communication plan
- Demonstrate your value



Value Proposition: Health Home Considerations in VBP

Health Home core services makes Health Homes a valuable partner in VBP

- **Emphasize care coordination**
- **Highlight positive impact on quality (HARP, IPC, TCGP)**
- **Address behavioral health issues**
- **Includes a comprehensive care network**
- **Highlight value driven care**

Key Takeaways: 5 Steps for Beginners

1

Assess your readiness for VBP; keep in mind Level 1 is an upside-only arrangement

2

Be Prepared to negotiate

3

Keep in mind the types of services that you provide, and consider your attributed population. Remember outcome measures will impact the potential for shared savings.

4

Build partnerships –Choose the partners that will help you succeed and that are appropriate for the contracts you choose

5

Familiarize yourself with and utilize available resources (data from the State, technical assistance from potential partnering contractors, dashboards etc.)

VBP Resources

[Value Based Payment Reform \(VBP\) Home Page](#)

[Value Based Payment \(VBP\) Bootcamp Information](#)

[Value Based Payment \(VBP\) Resource Library](#)

[VBP University](#)

Questions?

Please send any questions to the [Health Home BML](#)
Select Email Subject: Performance Measurement

