

Green Mountain Care Board: Update to the Health Care Oversight Committee

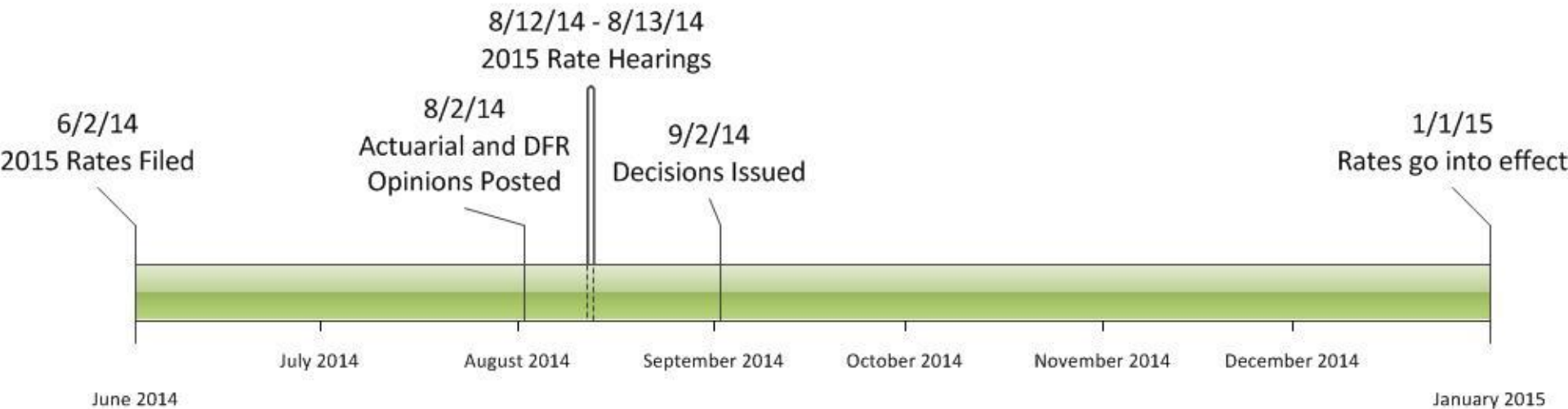
Al Gobeille, Chair, GMCB

June 12, 2014

Agenda

- Rate Review
- Hospital Budgets
- Payment Reform

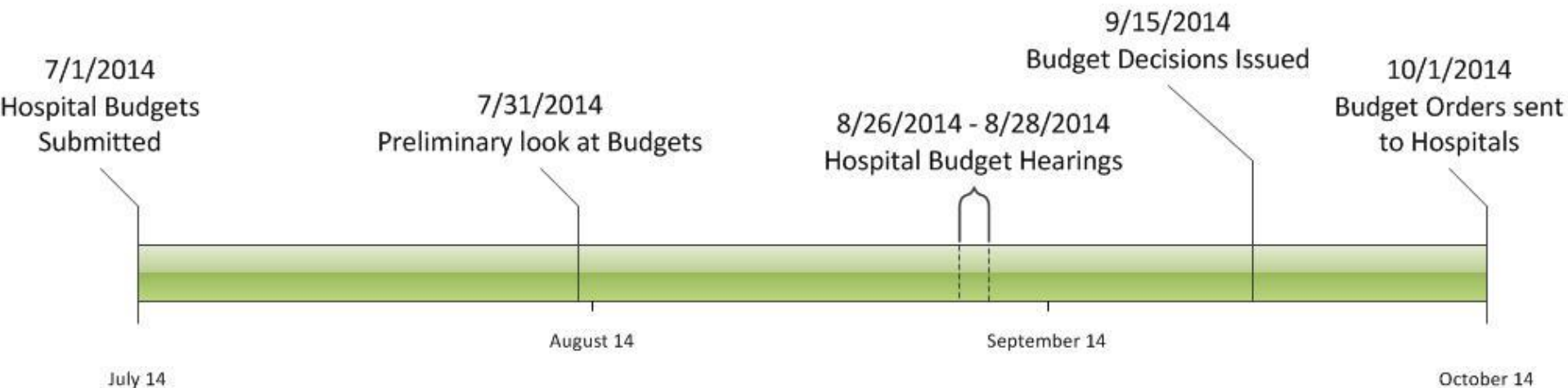
2014 VHC Rate Review Process



Rate Review Process: Decision

- The Board makes a rate decision based on the following:
 - Is the rate affordable?
 - Does the rate promote quality care?
 - Is the rate adequate to protect the insurer's solvency?
 - Is the rate unjust, unfair, inequitable, misleading, or contrary to law?
 - Is the rate excessive, inadequate or unfairly discriminatory?

2014 Hospital Budget Process



Update on ACO Shared Savings

Attributed Lives by ACO by Respective Payer to date

| | Medicare | Medicaid | Blue Cross Blue Shield VT | MVP | Total |
|--|---------------|---------------|---------------------------|------------|----------------|
| OneCare Vermont | 52,265 | 29,000 | 18,400 | N/A | 99,665 |
| Community Health Accountable Care (CHAC) | 5,980 | 21,000 | 8,900 | | 35,880 |
| Vermont Collaborative Physicians/Accountable Care Coalition of the Green Mountains (VCP/ACCGM) | 7,446 | | 7,200 | | 14,646 |
| Total | 65,691 | 50,000 | 34,500 | N/A | 150,191 |

Note: Cells shaded gray indicate that those ACO and Payer decided not to enter into a Shared Savings Program Agreement.

| | | Payment and Regulatory Reform Timeline | | | | | | | | | | | | | | | | | | | | | | | |
|------------|---|--|----|----|----|---|----|----|----|--|----|----|----|--|----|----|----|------|----|----|----|------|----|----|----|
| | | 2013 | | | | 2014 | | | | 2015 | | | | 2016 | | | | 2017 | | | | 2018 | | | |
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| ACO models | Medicare Shared Savings ACO -- OneCare, CHAC and ACCGM (Health First) | Shared savings, upside risk only | | | | | | | | Shared savings, two-sided risk | | | | | | | | | | | | | | | |
| | Medicare Pioneer ACO -- D-H only | Shared savings, two-sided risk | | | | | | | | Model changes under development by CMS | | | | | | | | | | | | | | | |
| | Medicaid Shared Savings ACO -- OneCare and CHAC | | | | | Shared savings, upside risk only, expansion of total costs of care over three years to include services beyond initial "core" set | | | | | | | | Model TBD | | | | | | | | | | | |
| | Commercial Shared Savings ACO -- OneCare, CHAC and HealthFirst | | | | | Shared savings, upside risk only in years 1 and 2, two-sided risk in year 3 | | | | | | | | Shared savings, two-sided risk (model details TBD) | | | | | | | | | | | |

Payment Reform

- Prior Authorization Project
- Vermont Oncology Project
- Congestive Heart Failure Bundled Payment Pilot Project
- National Surgical Quality Improvement Program
- Under VHCIP: Episodes of Care and Pay for Performance