## THE VERMONT CARE ORGANIZATION



Health Accountable Care LLC K K K K K Transitioning Our Communities for Better Health

OneCareVermont

### Accountable Care Organizations '101' From Multi-ACOs to a Single Organization

Presentation to House Health Care Committee January 12, 2017

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# What we will Cover

- What is an ACO
- Who are Vermont's ACOs
- How Did We Get Here
- What are the Different ACO Models
- How are ACOs Impacting Patients in Vermont
- How are ACOs Impacting Providers in Vermont
- How are ACOs Impacting Health Systems in Vermont

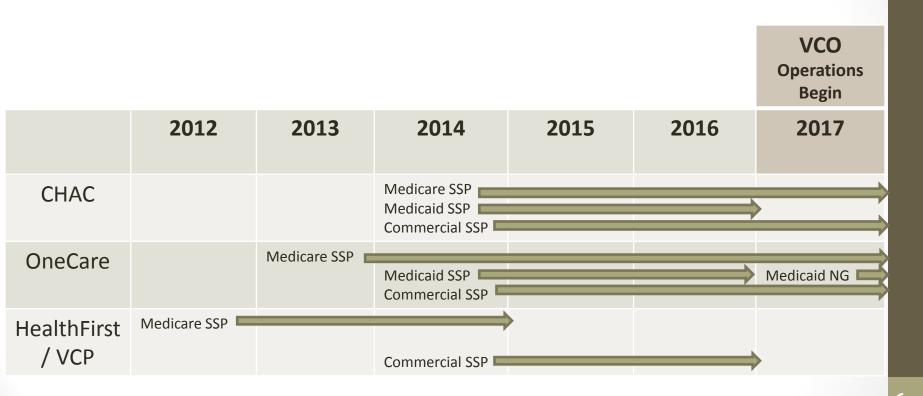
# What is an ACO?

- Accountable Care Organizations (ACOs) are groups of doctors, hospitals, and other health care providers, who come together voluntarily to give coordinated high quality care to their patients.
- The goal of coordinated care is to ensure that patients, especially the chronically ill, get the right care at the right time, while avoiding unnecessary duplication of services and preventing medical errors.
- When an ACO succeeds both in delivering high-quality care and spending health care dollars more wisely, providers, patients and the health care system all benefit.

# Who are Vermont's ACOs

- **Community Health Accountable Care (CHAC)** was originally formed as an ACO by Vermont's Federally Qualified Health Centers in order to participate in the Medicare, Medicaid, and Commercial Shared Savings Programs (SSP). CHAC began ACO operations in 2014. Its participants also include community mental health, home health, and community hospitals.
- OneCare Vermont (OCV) was originally formed to participate in Medicare, Medicaid and Commercial SSP. ACO operations began in 2013. OneCare grew to include most VT hospitals, home health, SNF, independent physician practices and community mental health.
- HealthFirst is Vermont's Independent Practice Association, made up of independent physician practices throughout Vermont. Healthfirst's ACO, Vermont Collaborative Physicians (VCP), operated a Commercial SSP through 2016. Its Medicare SSP ended in 2014.

# How Did We Get Here



## What are the Different VT ACO Program Models

	Shared Savings Programs	Next Generation Programs
Risk Type	Upside Risk (in VT)	Upside and Downside Risk
Reward	= 50% of savings</th <th>80% - 100% of savings generated (compared to benchmark)</th>	80% - 100% of savings generated (compared to benchmark)
Quality	Quality target must be met to earn savings (gate/ladder)	Quality performance is included in benchmark
Network	Attributed patients can see any provider, no incentive to patient to stay in network	Attributed patients can see any provider, however CMS pays Medicare beneficiaries for staying in the ACO's network for care
Provider Rates	Payer reimburses provider network at current FFS rates; ACO does not negotiate provider rates.	ACO set reimbursement methodology for network. Methodology may include additional pmpm for care management and quality initiatives.
Attribution	Retroactive – providers don't know complete list of attributed patients until reconciliation at year end	Prospective – providers know who they are financially responsible for at the beginning of the year
Target	CMS does not increase the financial target if population's risk status rises	CMS may increase target by up to 3% if the population's risk status rises

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## How are ACOs impacting patients in Vermont One statewide example:

#### Hospice Utilization Rates in Vermont | Activities & Improvements

44th

In 2012 the "Dartmouth Atlas of Health" placed Vermont 44<sup>th</sup> among states with Medicare Beneficiaries who took advantage of the Medicare hospice benefits available to them.



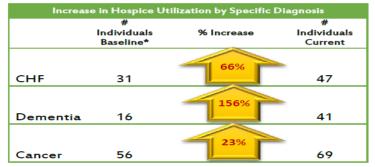
The 2013 OneCare Vermont data revealed a rate of **28.4%** compared to United States average of **50.6%**.

#### The Chittenden Community Collaborative Hospice Subcommittee

Aim: Improve Rates of Hospice Utilization in Chittenden County (VNA, Bayada, SASH, CHI, CVAA)

#### ACTIONS

- Implemented inpatient flag on patients with CHF to cue provider to refer to hospice if appropriate
- Trained 48 outpatient PCPs on hospice referral
- Focused discussion with providers on referral for patients with end stage dementia
- Conducted an educational session with role play on end-of-life conversation
- Reviewed charts to understand more about barriers to referral and acceptance of hospice services
- Produced easy to use referral card for providers to reinforce how to refer to hospice services



\* Baseline: 2/15-9/15; current 10/15-9/16.

Numbers represent individuals without overlap in time period and without overlap in diagnosis



🖌 Both consumers and providers lack clear information about the differences between palliative care and hospice services.

Communication regarding end-of-life care is a learned skill.

Focusing on a few discrete diagnoses allowed for clearer opportunities to start the improvement activities.

## How are ACOs Impacting Providers

- "The [ACO] clinical consultant role is helpful in providing a liaison between our team and other hospitals around the state. We are currently planning the next step in a COPD initiative at our hospital. Our clinical consultant was aware of a similar project being conducted at another hospital in VT and was able to share information on their project with us. It is great to have someone on the ground in our community as a resource for quality improvement projects." – Catherine Schneider, MD, Mt. Ascutney Hospital
- "The ACO has offered a valuable service to us in the quality collection process. The take-away for us was seeing what our offices were not documenting with regard to the quality measures. This has caused our team to look at and develop workflows that will capture this data going forward. It is all about the meaningful way in which we do our jobs." *Northwestern Vermont Medical Center*

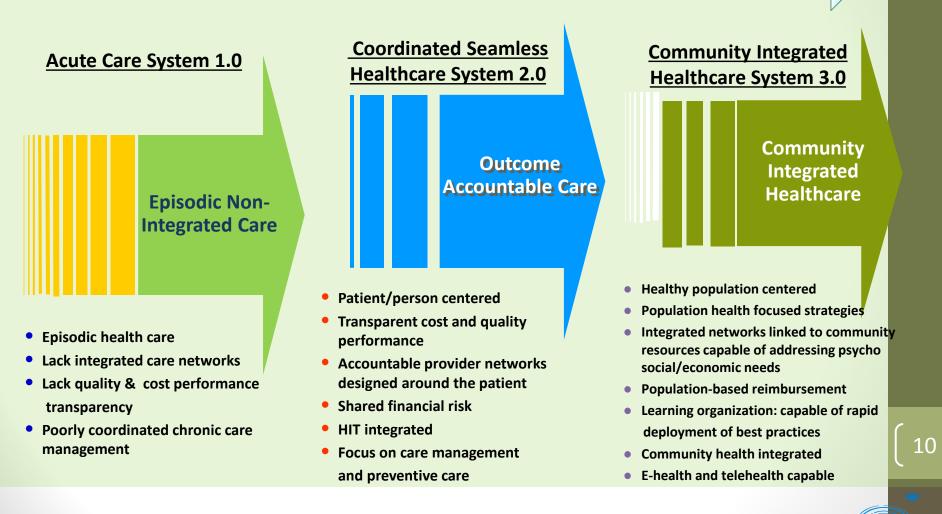
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# How are ACOs Impacting Local Health Care Systems

- "This extent of collaboration between the hospital system and area agencies is new and we believe has the potential to impact our community in a big way" – *Berlin HSA Participant*
- "Building a facile group of multi-disciplinary providers who can work together on small tests of change that could be scalable to broader populations is foundational to improved health, quality and patient experience in our communities" – *Brattleboro HSA*
- "Integration between Blueprint Medical Home teams and ACO was a natural progression in the population health strategy" – Bennington HSA
- "Creating, identifying and adopting better ways to keep individuals and communities well is a goal everyone can agree on" – Burlington HSA

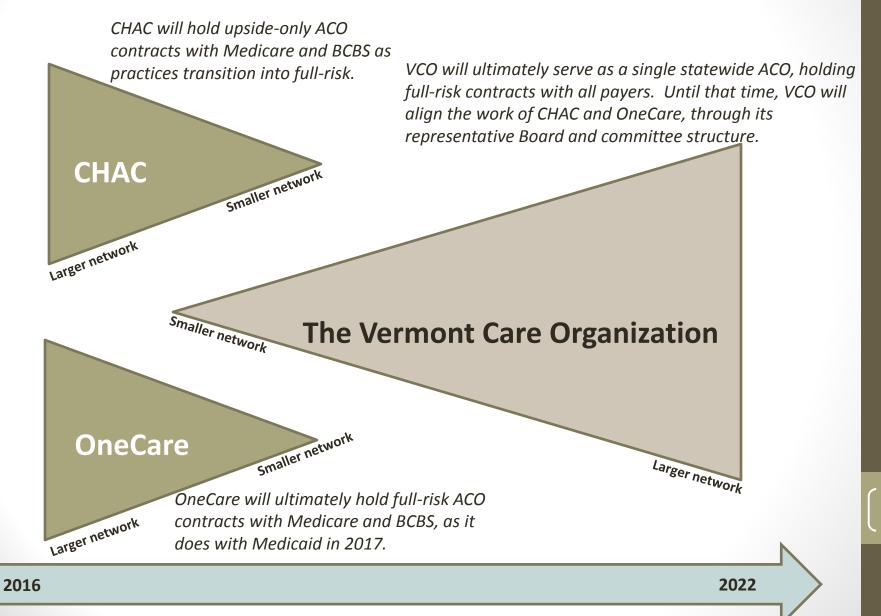
## **US Health Care Delivery System Evolution**

#### Health Delivery System Transformation Critical Path



Halfon N. et al, Health Affairs November 2014

# Migration to a Single Statewide ACO



# Vermont Care Organization Formation

- Formed through collaborative negotiations over 18 months with a governance structure that empowers consumers and providers to innovate to accomplish the triple aim of:
  - Improve the quality of care;
  - Improve the patient experience of their care;
  - By improving care, begin to address the cost of care.
- Negotiations included:
  - Diverse group of health care and community service providers meeting weekly and including Board officers and leadership representatives from all three of Vermont's ACOs
  - GMCB Facilitation and input from the Office of the Health Care Advocate until formation of the Vermont Care Organization
  - Significant independent monitoring and votes by the full Boards of OneCare Vermont, CHAC, and Healthfirst

# What & Who is Vermont Care Organization

VCO is an *independent, not-for-profit* network *created by and supporting* the work of Vermont's healthcare community.

- VCO's network includes doctors, nurses, primary care practices, Federally Qualified Health Centers, hospitals, home health, mental health, substance use treatment, community-based human service organizations and many more – who have *united voluntarily* from across the state of Vermont to work together to create a *new and better* state of health for Vermonters.
- The VCO governing board is comprised of people who represent a wide variety of providers and services, along with business leaders and consumers who have *united voluntarily* from across the state of Vermont to work together to create a *new and better* state of health for Vermonters.



# Vermont Care Organization's Approach

Our approach is two-fold and balanced:

- When people are sick or hurt, they will get the quality care and service they need in the most cost effective and accessible way.
- When they are healthy, they get the support and tools they need to stay healthy. We are creating a community-based, seamless continuum of care from primary care to specialized inpatient services to home care and wellness, with special attention to care for people with chronic illnesses.

# Vermont Care Organization

We use research and data to drive everything we do and are already tracking positive quality and patient satisfaction results that will support improved outcomes.

- We provide actionable data to our network members so they can coordinate care for patients.
- With best practice information and a team of clinicians experienced in quality improvement, we will enable our doctors, nurses and healthcare providers to focus even more of their energy on caring for their patients.

# Takeaways:

- Nearly everyone agrees that change is needed in healthcare delivery.
- At VCO, we believe health care can and should be better by:
  - Building stronger connections between doctors and patients and across different types of care;
  - Reducing variation and fragmentation;
  - more proactive efforts to keep people healthy.

Patients who have had to self-navigate through an often frustrating, and sometimes broken "non-system" will now start to see real change. Through the efforts of the providers who make up VCO, there will be more of an emphasis on personalized, primary care in the community setting with the goal of keeping Vermonters well.