Vermont All-Payer Accountable Care Organization Model Agreement: History and Context

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Many problems can be identified and prioritized in health care. It is important to ask, *what problem are we trying to solve* with each intervention or policy initiative. Health care reform does not seek to solve a single problem. Different types of health care reform tackle different problems.

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<tr>
<th>Problem</th>
<th>Strategy</th>
<th>Intervention</th>
<th>Result</th>
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<tbody>
<tr>
<td>Increase access to insurance for people who need it most.</td>
<td>Remove known barriers to access. Eliminate adverse selection, i.e. lack of coverage for pre-existing conditions.</td>
<td>Change state or federal law to prohibit adverse selection. ACA eliminated adverse selection across all states in 2010.</td>
<td>Adverse selection is not allowed. People with serious illnesses are not discriminated against in purchasing insurance. Access is improved if coverage is affordable.</td>
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<td>Reduce the rate of uninsured.</td>
<td>Require people to have health insurance or pay a tax.</td>
<td>Change state or federal law to require insurance. ACA created this mechanism, no longer enforced.</td>
<td>Reduced the rate of uninsured in tandem with other interventions.</td>
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The Problem

What problem is Vermont trying to solve with the Vermont All-Payer Accountable Care Organization Model Agreement?

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<td>The cost of health care is too high and unsustainable</td>
<td>Integrate care, move away from Fee for Service, and have providers take financial risk. Use model that ensures high quality service and focus on population health addressing cost.</td>
<td>Utilize a statewide ACO model with aligned programs across all major payers, Medicare, Medicaid, and commercial payers. Agreement signed in 2016.</td>
<td>Performance Year 1 of the agreement began 1/1/18. Aligned programs are running across all three payers with approximately 120,000 Vermonters.</td>
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What’s an Integrated Health Care System Anyway?

Robert Wood Johnson Foundation: Strengthening Integration of Health Services and Systems to Foster a Culture of Health

Integrated Health Care System

*Balancing clinical care with prevention-oriented public health and community-based social services to improve health outcomes while driving down costs*

Access to Care

- Access to Comprehensive Public Health Services
- Health Insurance Coverage
- Access to Alcohol, Substance Use, or Mental Health Treatment
- Routine Dental Care

Balance and Integration

- Electronic Medical Record Linkages
- Full Scope of Practice for Nurse Practitioners

Consumer Experience and Quality

- Consumer Experience with Care
- Population-Based Alternative Payment Models
How Did We Get Here?

01
2014-2016 Negotiations with Center for Medicare and Medicaid Innovation

02
2016
Legislature grants authority to enter into an APM agreement with the federal government consistent with the principles outlined in Act 48
Requires ACO certification and budget review

03
2016
Governor, Secretary of Agency of Human Services, Chair of Green Mountain Care Board sign All-Payer ACO Model Agreement
What Does the Agreement Provide for Vermont?:

- reasonable targets for limiting health care cost growth;
- meaningful measures and targets to support population health improvement;
- protection of Medicare beneficiaries;
- enhanced benefits for Medicare beneficiaries attributed to ACOs;
- preservation of successful Vermont reform programs;
- Vermont-specific local control;
- provider-led reform;
- a six-year phased-in approach to implementation;
- no financial penalties to the State or Providers should targets not be achieved;
- accountability of ACOs and oversight by the GMCB.
Vermont All-Payer ACO Model

Medicare
- VT modified Next Gen ACO /Vermont ACO Initiative

Medicaid
- VT Medicaid Next Gen ACO through 1115 waiver

Commercial
- Risk-Based ACO Contract

Vermont All-Payer ACO Model
(aligned ACO standards)

OneCare VT ACO

Provider Care Continuum
Platform for Reform: Accountable Care Organizations

How would I explain ACOs to my constituents?

Let the Kaiser Family Foundation help:

https://www.youtube.com/watch?v=oV5rxViCf9U
2019 OneCare Network

✅~172,000 Vermonters
  - Medicaid
  - Medicare
  - Commercial
  - Self-Insured

✅ 13 Hospitals
✅ 121 Primary Care Practices
✅ 263 Specialty Care Practices
✅ 6 FQHCs
✅ 23 Skilled Nursing Facilities
✅ 9 Home Health Agencies
✅ 10 Designated Agencies for Mental Health and Substance Use
✅ 5 Area Agencies on Aging

onecarevt.org