OneCareVermont

Comprehensive Payment Reform Pilot
Status Report to Green Mountain Care Board
December 2018

Program Description

OneCare Vermont designed and implemented a program to transition independent primary care practices away from fee-for-service (FFS) reimbursement to a payer-blended per member per month (PMPM) payment model for all attributed lives. The purpose of this initiative, known as the Comprehensive Payment Reform (CPR) pilot, is to implement payment reform that results in a simpler and more predictable revenue stream, enhanced financial resources, and a reimbursement model that allows for clinical flexibility and innovation. Three primary care organizations, representing 8 practice sites agreed to participate in the 2018 pilot year and work collaboratively with OneCare on the initial design and continued enhancement of the program.

Financial Model

The CPR Pilot model replaces traditional fee for service revenue with fixed monthly payments. As detailed in the June 2018 CPR status report to the Green Mountain Care Board, the target PMPM was risk adjusted to account for variation in the patient panel of each organization and includes fee for service replacement funding, OneCare supplemental population health management funding, and CPR added resources.

Practices have successfully transitioned to fixed payments over the course of the year and early results have shown pilot practices receiving increased financial resources over the standard model. Early financial results are encouraging, but there are a number of nuances to take into account including the seasonality of the payer-paid components and timing to allow for claims run-out. Final financial results for the 2018 performance year are anticipated in the second quarter of 2019.

Clinical Model

All OneCare primary care practices are expected to meet the requirements of the network-wide ACO clinical model. In addition, OneCare's CPR payment reform model was designed to enable practices to invest a portion of their additional PMPM to practice improvement efforts of their choosing. Specifically, CPR participating organizations were required to implement at least one quality improvement or service delivery improvement project during 2019. Organizations were tasked with defining their chosen project, identifying resources, developing key measures for success and reporting progress to the CPR Steering Committee.

Quality Improvement and Service Delivery project results are being finalized. Based on available results to date, below are two examples of outcomes.

> Thomas Chittenden Health Center (TCHC)'s primary project was *Embedded Mental Health*. The project goal was to improve access to mental health services by embedding a mental health practitioner in the primary care setting rather than relying on specialty referrals or visits to sites outside the primary care setting. With the additional funding from the CPR program, TCHC was able to invest in hiring a psychiatric nurse practitioner two days per week and provide psychiatric services to patients lacking health insurance coverage. This project began in March, 2018 and for the period of June-September, TCHC was able to

increase access to a mental health professional by 80%. In addition, TCHC was able to use CPR funding to hire additional care coordination staff to support their practice.

Primary Care Health Partners' (PCHP) primary project was the creation of a *Diabetic Group*. The project goal was to define a curriculum for diabetes group visits for the St. Albans practice that could be replicated to their other practices. A team spent 16-20 hours designing the curriculum and invests approximately 4 hours per month in ongoing preparation, running the diabetes patient group, and conducting real time patient follow-up. The diabetes group consists of 6-7 patients and is supported by a physician, two nurses and a dietician. The practice was able to better meet patient needs and has achieved significant improvement in diabetes (e.g. HgA1c) and hypertension (e.g. blood pressure control) outcomes among the group members, who had been struggling to reach these goals for many years through the traditional office visit model. The CPR funding allowed PCHP the financial flexibility to initiate a Diabetic Group that would otherwise have been difficult to support in a Fee-for-Service model.

As part of the quality improvement process, PCHP identified an opportunity to create a second Diabetes Group in St. Albans with an improved staffing model. To address the challenge of group members staying on track between monthly group visits, PCHP leveraged OneCare's affiliation with Rise Vermont to identify an improved model with additional focus on lifestyle health coaching. With funding in 2019, PCHP plans to start a second group that will include individual lifestyle coaching sessions in addition to the group visits.

2019 Program Evolution

The 2018 pilot year saw the successful conversion of three independent primary care organizations from fee-for-service to a payer-blended fixed payment model. The organizations were able to build the necessary infrastructure to make the conversion and realize the value of the predictable revenue stream and positive impact to the delivery of care. For the 2019 performance year, OneCare has expanded the CPR program to include new payment options for both full capitation (the 2018 pilot model described above) and a partial capitation model, an extension of the VMNG prior authorization waiver to CPR practices, and additional participation in the CPR program.

Partial Capitation Model

Through ongoing dialogue with independent practitioners, OneCare recognized that some independent primary care practices need additional time to build an infrastructure to fully convert to fixed payments. Therefore, OneCare has developed a partial capitation model to introduce the concept of fixed payments in a more gradual method. Similar to the Full Capitation model, the Partial Capitation model offers the same infusion of additional CPR resources to allow for clinical flexibility and innovation among the practices. The key difference between the two payment models is that Fee for Service revenue continues to flow for the Partial Capitation practices, while all the supplemental funding is bundled into one fixed monthly payment.

Expansion of VMNG Prior Authorization waiver to CPR practices

With the current VMNG prior authorization (PA) waiver, PA is waived for attributed VMNG patients and the waiver follows the patient to any provider, whether or not the provider participates in the OneCare ACO network. The CPR practices find the current bifurcated

process burdensome (one waiver process for attributed patients and another regular PA process for non-attributed Medicaid patients). In order reduce administrative burden and test a wider scope of the change to the system, OneCare and DVHA will work together in 2019 to test an expansion of the PA waiver to apply to all Medicaid patients (attributed and non-attributed) at the CPR practices. Anticipated implementation of the expanded waiver is summer/fall 2019.

2019 CPR Participants

In 2018, three independent primary care organizations participated in the CPR Pilot (Thomas Chittenden Health Center, Primary Care Health Partners and Cold Hollow Family Practice). For the 2019 performance year, OneCare has contracted six additional organizations for a total of nine independent primary care organizations participating in the CPR program. Four organizations will participate in the full capitation model and five will participate in the partial capitation model.

#	HSA	Organization	CPR Program	New Entrant?
1	St. Albans	Cold Hollow Family Practice	Full Capitation	Returning
2	Burlington	Primary Care Health Partners	Full Capitation	Returning
3	Burlington	Thomas Chittenden Health Center	Full Capitation	Returning
4	Burlington	Richmond Family Medicine	Full Capitation	New Entrant
5	Bennington	Avery Wood	Partial Capitation	New Entrant
6	Bennington	Eric S. Seyferth	Partial Capitation	New Entrant
7	Burlington	Christopher J. Hebert	Partial Capitation	New Entrant
8	Burlington	Gene Moore	Partial Capitation	New Entrant
9	Burlington	Green Mountain Internal Medicine	Partial Capitation	New Entrant

Evaluation and Monitoring

Financial performance is evaluated on a quarterly basis and the final performance results will be provided after the claims run-out period is complete. Final performance reports are anticipated by April-May 2019. The metrics will demonstrate financial performance of CPR practices compared to non-CPR practices. Quality Improvement and Service Delivery projects were initiated in the summer of 2018. Final project results will be shared in April-May 2019 to allow sufficient time to operationalize and evaluate the projects. For participants in the 2019 CPR program, both the financial performance and the quality improvement/service delivery projects will be evaluated on a quarterly basis with a final report in a similar timeframe in 2020.