



OneCare Vermont

August 25, 2020

Health First
c/o Susan Ridzon, Executive Director
P.O. Box 2124
South Burlington, Vermont 05407-2124

Via Email

Dear Health First,

On behalf of the OneCare Vermont Board of Managers, thank you for your letter expressing concerns about the change to the population health management (PHM) supplemental payment. We appreciate the opportunity to share the intent of this payment and the reasons for the OneCare Board's decision to recommend adjustments for the upcoming year.

I want to first acknowledge what a difficult time this has been for all of us in health care. Delivering care in an aging and rural part of the country is already a daunting task. The addition of COVID-19 earlier this year has added a level of complexity and financial strain none of us could reasonably anticipate, and has been especially difficult for independent primary care practices. We should all be proud of the work we have done together to slow the spread of infection here in Vermont. Our collaborative and direct approach is truly the envy of the nation.

Before going into further detail regarding the concerns raised in your letter surrounding the PMH supplemental payment program changes for 2021, it may be helpful to remind you of the comprehensive payment reform (CPR) program, which OneCare developed with the unique challenges of independent primary care practices in mind. For independent primary care practices that are ready to make the conversion from fee for service (FFS) to fixed value based care payments, the CPR program provides for the PHM supplemental incentive payments on top of fixed predictable payments, regardless of billable claims. It also includes additional embedded financial incentives to make the necessary delivery system changes. Our recent report to the Green Mountain Care Board shows that practices that participate in the CPR program do better financially than those that do not participate. By example, we have forecasted that in 2020, the independent primary care practices in our CPR program will receive \$850,000 more than if they would have under FFS during the pandemic. This program is available to the majority of independent primary care practices and provides the stability and predictability of fixed payments.

With regard to the PHM supplemental payment, this was intended to build capacity and serve as an onramp into the All Payer ACO Model (APM) when we began this work several years ago. A key aspect of the APM is to shift accountability to providers in a way that requires all of us to work much more closely together to improve quality and patient outcomes. The adjustment in the PHM supplemental payment is an important step in that direction. This was a carefully considered program evolution for 2021 in order to broaden accountability and provide shared savings opportunity to more participants in the Model.

It is important to note the PHM supplemental payment is one of many supplemental financial incentives for primary care for participation in OneCare. The PHM supplemental payment will continue this year and evolve to a variable payment in 2021 for all risk based contracts. The plan still includes a guaranteed per member per month (PMPM) payment of \$1.75 and the potential to earn up to \$4.75 PMPM. Shared savings only contracts will be maintained at the \$3.25 PMPM. As with all aspects of our transition to value-based care through the All-Payer ACO Model, providers are supported through changes with data and tools to help them be successful. This work includes reports that will provide insights into your Health Service Area's performance as well as new reporting specific to your practice highlighting strengths and opportunities to improve patient care in alignment with OneCare's clinical priority areas and quality measures as well as variation within and across practices. We welcome your input to refine these reports to best meet your needs. Our commitment is to have these data tools in place before the end of this year so that providers have the ability to view their current performance.

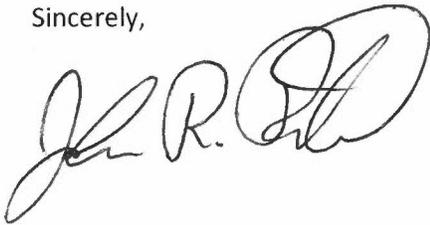
Another important milestone for all participants in OneCare in 2021 is our evolution to measure our program performance on an ACO-wide level, meaning all of us collectively, instead of by community specific benchmarks. A lookback over the past two years shows that participating practices like many of yours would have netted more than the previous \$3.25 PMPM capacity payment if they were participating in all risk based programs. This is an indication that we are working better together as a system and we have the potential to achieve economic stability under this payment structure.

Looking toward the future, OneCare can help support independent primary care practices and we can begin to look at the relationship with commercial insurers. While OneCare is not a party to rate negotiations between any providers and commercial insurers, we have heard from you that the negotiations of independent primary care practices are particularly challenging. OneCare's contracts with commercial payers include Data Use Agreements that generally prohibit the sharing of reimbursement rates for particular providers, these contractual limitations preclude OneCare's involvement in those reimbursement discussions. Instead, OneCare's work takes the FFS reimbursement as a base from which the ACO Programs are developed. In working together, we can transition to value based care and create a payment structure that provides more flexibility in care delivery and reduces the concern about billable codes and reimbursement rates.

Finally, we are always open to additional input from a broad range of clinical primary care physicians and know that open dialogue and communication about how programs impact subsets of the provider community ultimately lead to better programs. OneCare has governance and care committees that are representative of the continuum of care and work to inform programmatic changes. OneCare is open to new members for this important work. OneCare also is in the process of convening a Primary Care Workgroup to assess the current state of primary care programs and administrative requirements with the goal of identifying potential improvements or modifications that we can influence directly and advocate for on a State and Federal level.

We know well the role primary care plays in prevention and chronic condition management. The ACO model is based on a system of care where we are working together as a team to improve not only the experience of our patients but of our providers as well. Our transition to value-based care will not come without its growing pains. Each and every participant is assuming more risk than ever before. We are doing it not only because we have to, but because we know it is the right thing for our patients, practices and communities. These are very challenging times, but I know that if we continue to work together, we can meet the demands of COVID-19 and advance our vision for health care reform. I sincerely hope you will reconsider your participation in OneCare. You are a valued and appreciated partner.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Brumsted". The signature is fluid and cursive, with the first name "John" being the most prominent.

John R. Brumsted, M.D.
Chair, on behalf of the OneCare Vermont Board of Managers

CC: Kevin Mullin, Chair, Green Mountain Care Board
Vicki Loner, CEO, OneCare Vermont