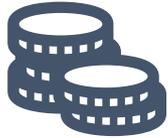


# Vermont All-Payer Accountable Care Organization Model and ACO Regulation

## Status Update

March 20, 2019

# The Vermont All-Payer Accountable Care Organization Model (APM)



## Test Payment Changes

Population-Based Payments Tied to Quality and Outcomes  
Increased Investment in Primary Care and Prevention

## Transform Care Delivery

Invest in Care Coordination  
Incorporation of Social Determinants of Health  
Improve Quality

## Improve Outcomes

Improved access to primary care  
Fewer deaths due to suicide and drug overdose  
Reduced prevalence and morbidity of chronic disease

# What is the State responsible for under the Agreement?

## Cost Growth and Population Health/Quality

- Limit spending growth on certain services
  - Separate targets for Medicare and “all-payer” beneficiaries (most Vermonters)
- Meet targets for 20 quality measures, including three population health goals
  - Improving access to primary care
  - Reducing deaths due to suicide and drug overdose
  - Reducing the prevalence and morbidity of chronic disease
  - 90% of Vermont Medicare Beneficiaries

## Alignment and Scale

- Ensure payer-ACO programs align in key areas, including
  - attribution methodologies
  - services
  - quality measures
  - payment mechanisms
  - risk arrangements
- Steadily increase scale (the number of people in the model) over the five years of the Agreement

# What is the GMCB responsible for under the Agreement?

## Development of Vermont Medicare ACO Initiative

- **Medicare Benchmarking:** GMCB sets financial targets for ACOs participating in the program offered by Medicare through the Agreement, subject to CMS approval.
  - Board's discretion limited by parameters in the Agreement
  - GMCB work closely with CMS (PY 1 and PY 2 targets approved)
- **Medicare ACO Program Design:** GMCB can customize the ACO program offered by Medicare through the Agreement, subject to CMS approval.
  - In 2019, CMS approved changes to 1) the Medicare program's ACO governance requirements to align with GMCB regulations and 2) the Medicare beneficiary letter to increase readability.
  - In 2019, CMS approved a quality measure set developed by the GMCB and other stakeholders, reducing the number of Medicare measures from 23 to 13 and increasing alignment across payers.

# What is the GMCB responsible for under the Agreement?

**Data Collection, Analytics, and Reporting:** GMCB regularly reports to CMS on model performance.

- Quarterly Reporting on Total Cost of Care
  - *Development of Total Cost of Care Specification*
  - *VHCURES Readiness*
- Annual Reporting on Scale and Program Alignment
  - *Development of Scale Specifications*
  - *Analysis of Payer Contracts*
- Annual Reporting on Statewide Health Outcomes and Quality of Care
  - *Measure Refinement*
  - *Analysis of Data Needs*
- Annual Reporting on Payer Differential
  - *Development of Specifications*
- Collaborate with AHS on additional reports in later years: Plan to Integrated Medicaid Mental Health, Substance Use Disorder Treatment, and Home- and Community-Based Services within All-Payer Financial Target Services; Health System Accountability Framework

# Example: Preliminary Scale Performance for PY1 and PY2

Final Performance Year 1 scale performance = reported June 2019

Final Performance Year 2 scale performance = reported June 2020

	PY1 (2018)	PY2 (2019)
Medicare Scale Target	60%	75%
Medicare Scale Performance	35%	51%
All-Payer Scale Target	36%	50%
All-Payer Scale Performance	20%	30%-40%*

\*PY2 Commercial Self-Funded numbers are preliminary; contracts with four self-funded commercial plans are still in negotiation. Ranges represent approximate totals across these potential contracts and potential impact on All-Payer Scale.

	PY1 (2018)	PY2 (2019)	PY3 (2020)	PY4 (2021)	PY5 (2022)
Medicare Scale Target	60%	75%	79%	83%	90%
All-Payer Scale Target	36%	50%	58%	62%	70%

# Regional ACO Participation Y0-Y2

PY0: 2017

PY1: 2018

PY2: 2019



■ Not Participating    ■ Participating



# 2019 OneCare Vermont ACO Network

Multiple Payer Programs (Medicare, Medicaid, Commercial)										Medicaid Only			
HSA	Bennington	Berlin	Brattleboro	Burlington	Lebanon	Middlebury	St. Albans	Springfield	Windsor	Newport	Randolph	Rutland	St. Johnsbury
Hospital	Southwestern VT Medical Center	Central Vermont Medical Center	Brattleboro Memorial Hospital	UVM Medical Center	DHMC	Porter Medical Center	Northwestern Medical Center	Springfield Hospital	Mt. Ascutney Hospital	North Country Hospital	Gifford Medical Center	Rutland Regional	Northeastern Regional
FQHC				CHCB			NOTCH	SMCS			Gifford Health Care	CHCRR	Northern Counties Health Care
Indep. Primary Care	5 Organizations		1 Organization	11 Organizations	1 Organization (WRFP***)	2 Organizations	2 Organizations		1 Organization (WRFP***)		1 Organization		
Indep. Specialist	4 Organizations	3 Organizations		10 Organizations	1 Organization	3 Organizations	3 Organizations			1 Organization			
Home Health	VNA & Hospice of the Southwest Region**; Bayada*	Central VT Home Health & Hospice	VNA of VT and NH; Bayada*	VNA Chittenden/ Grand Isle; Bayada*	VNA of VT and NH	Addison County Home Health & Hospice	Franklin County Home Health Agency	VNA of VT and NH	VNA of VT and NH	VNA of VT and NH	VNA of VT and NH	VNA and Hospice of the Southwest Region**	Lamoille Home Health Agency
SNFs	2 SNFs	3 SNFs	3 SNFs	3 SNFs		1 SNF	3 SNFs	1 SNF	1 SNF	2 SNFs		3 SNFs	1 SNF
DAs	United Counseling Service of Bennington County	Washington County Mental Health	Health Care and Rehabilitation Services of Southeastern Vermont	Howard Center	Health Care and Rehabilitation Services of Southeastern Vermont	Counseling Service of Addison County	Northwestern Counseling & Support Services	Health Care and Rehabilitation Services of Southeastern Vermont	Health Care and Rehabilitation Services of Southeastern Vermont	Northeast Kingdom Human Services	Clara Martin Center	Rutland Mental Health Services	Northeast Kingdom Human Services
Other	1 Spec. Svc. Agency	1 Naturopath 1 Spec. Svc. Agency	1 Other (Brattleboro Retreat)	3 Naturopath 1 Spec. Svc. Agencies	1 Other (DH Clinic)	1 Naturopath		1 Spec. Svc. Agency				1 Naturopath	

# What is the GMCB responsible for?

**Goal #1:** Vermont will reduce the rate of growth in health care expenditures

**Goal #2:** Vermont will ensure and improve quality of and access to care

## *GMCB Regulatory Levers*

Medicare ACO Program Design and Rate Setting (APM Agreement)

ACO Budget Review (Act 113 of 2016)

ACO Certification (Act 113 of 2016)

Hospital Budget Review

Health Insurance Rate Review

Certificate of Need

# ACO Certification and Budget Review

Act 113 of 2016

## Certification (Annual Review of ACO Policies)

- Composition of Governing Body
- Leadership and Management
- Solvency and Financial Stability
- Provider Network
- Population Health Management and Care Coordination
- Performance Evaluation and Improvement
- Patient Protections and Support
- Provider Payment
- Health Information Technology

## Budget Review (Annual Review of ACO Plan)

- ACO Provider Network
- Payer Programs
- Budget and Financial Plan
- Risk Mitigation Plan
- ACO Quality, Model of Care and Community Integration Initiatives
- Compliance with All-Payer Model
- Measurement of Primary Care Spending

# 2019 ACO Payer Programs

## Medicare

- Vermont Medicare ACO Initiative (2019 = Year 2\*)

## Medicaid

- Medicaid Next Generation Program (2019 = Year 3)

## Commercial

- Blue Cross Blue Shield QHP Next Generation (2019 = Year 2)
- UVMHC Self-Funded Program (2019 = Year 2)
- Potential New TPA-level Self-Funded Program (2019 = Year 1)

\* In Year 1, Medicare participated in the APM through the Vermont Modified Next Generation Program (the standard Medicare Next Generation program except the GACB sets the trend rates, subject to CMS approval) to the Vermont Medicare ACO Initiative (the GACB still sets the trend rates, subject to CMS approval, but can seek other modifications).

# ACO Programs Supported by Hospital and Payer Investments

PHM/Payment Reform Programs	2019 Submitted
Basic OCV PMPM	\$5,935,530
Complex Care Coordination Program	\$9,181,362
Value-Based Incentive Fund	\$7,537,231
Comprehensive Payment Reform Program	\$2,250,000
Primary Prevention	\$910,720
Specialist Program Pilot	\$2,000,000
Innovation Fund	\$1,000,000
RCRs ( <i>in 2018 was included in Primary Prevention line item; \$300,000</i> )	\$375,000
PCMH Legacy Payments	\$1,830,264
CHT Block Payment	\$2,411,679
SASH	\$3,815,532
<b>Total</b>	<b>\$37,247,319</b>

Hospitals and payers are financially supporting ACO Payment Reform Programs and Population Health Investments

# Ongoing Population Health Program Investments

Financial Initiative	Brief Description of Program
<b>Basic OCV PMPM</b>	PMPM payment for primary care practices.
<b>Complex Care Coordination Program</b>	PMPM payment and initiation payments for care coordination of high and very high risk individuals by primary care, designated agencies, home health or Area Agencies on Aging.
<b>Comprehensive Payment Reform Pilot</b>	Capitated monthly PMPM for independent primary care practices participating in all core payer programs.
<b>RiseVT</b>	Statewide initiative to increase access to programming that promotes healthy lifestyle initiatives.
<b>Regional Clinical Representatives</b>	Contracts for a clinical lead in each community.
<b>Value-Based Incentive Fund</b>	Withhold to be distributed to support quality improvement initiatives.
<b>Community Health Teams, SASH, and PCMH Legacy Payments</b>	Continuing support for Blueprint for Health programs.

# New Population Health Program Investments

Financial Initiative	Brief Description of Program
<b>Comprehensive Payment Reform Program Expansion</b>	Capitated monthly PMPM for independent primary care practices participating in all core payer programs.
<b>Payment Reform Pilot(s) for Specialists</b>	Program(s) designed to align with OCV's population health approach, to increase timelier access to care and stronger connection between primary and specialty care.
<b>Expansion of RiseVT</b>	Statewide initiative to increase access to programming that promotes healthy lifestyle initiatives.
<b>Developmental Understanding and Legal Collaboration for Everyone (DULCE)</b>	Provides education and support for healthy development of infants (ages 0-6 mo.) while also providing educational and legal support to their parents.
<b>Community-Based Innovation Funds</b>	Financial support for innovative evidenced-based (or informed) programs that could be tested and spread to other communities.