Primary Care Payment Reform

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Our Mission

Improving health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources
Discussion

• Lay of the land - the changing national framework of payment reform
• Colorado Specific Payment and Delivery System Reform
• Medicaid Primary Care Payment Reforms in Colorado
National Drive to Value-Based Purchasing and Integrate Care

• Health Care Payment Learning Action Network Framework
  ➢ How you pay matters, not just how much
  ➢ Public commitment from CMS and Colorado
• MACRA - Medicare primary care payment reform
• CPCi/CPC+/TCPi - multipayer primary and specialty care reforms
• State Innovation Model - large investment in integrated care nationally
Colorado Payment Reform

• Time of change for all providers
  ➢ The Accountable Care Collaborative
  ➢ Community Mental Health Center Reform
  ➢ Integrated Care - SIM
  ➢ CPCi/CPC+ and TCPi
  ➢ Managed Care Reforms
  ➢ Hospital Reforms - DSRIP
  ➢ LTSS/PACE
  ➢ Primary Care
Back to the Drawing Board - in a Good Way - a System Overview

- Leverage Points to Drive Real Change
- Cross System Alignment
- Cross Initiative Alignment

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<tr>
<th>Regional Accountable Entity</th>
<th>Primary Care - Physician</th>
<th>Primary Care - Clinics</th>
<th>Hospitals</th>
<th>Services</th>
<th>Population Based Supplemental Payments</th>
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<tr>
<td>Physical Health/Social Determinants of Health (Value Proposition)</td>
<td>PC APM (Value Proposition)</td>
<td>PC APM Track 2 (Risk and Value Proposition)</td>
<td>FQHC APM (Value Proposition)</td>
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<td>Quality Incentives</td>
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<td>Incentives</td>
<td>Behavioral Health</td>
<td>Higher Reimbursement Tied to Quality</td>
<td>Earned APM - Quality Incentives</td>
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<td>Supplemental Payments Tied to Quality/Coordination with Regional Accountable Entity (DSRIP)</td>
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<td>Full Risk Capitation</td>
<td>PMPM</td>
<td>PMPM Tied to Quality</td>
<td>FQHC Encounter Rate</td>
<td>Reduced FFS</td>
<td>Grouper Based Payments for Inpt/Outpt</td>
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<td>Volume-Based Supplemental Payments</td>
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Colorado Payment Reform and Financing 2-3 Year Strategy (ACC Phase II and Beyond)

- 5% Incentives
- Higher Reimbursement Tied to Quality
- PMPM Tied to Quality
- Earned APM - Quality Incentives
- Reduced FFS
- FQHC Encounter Rate
- PMPM
- Grouper Based Payments for Inpt/Outpt
- Volume-Based Supplemental Payments

Colorado Department of Health Care Policy & Financing
Colorado Primary Care Payment Reform

- Opportunity to give providers greater flexibility and to reward performance while maintaining transparency and accountability
- Opportunity to create alignment across the entire delivery system
- Opportunity to earn more Medicare funding by participating in Medicaid payment reforms
Primary Care Reform - FQHCs

- NASHP Technical Assistance Grant
  - Collaborative partnership between state, providers, and professional organization to change how FQHCs are paid
  - Goal: Implement primary care limited risk capitation for FQHCs by 7/1/2018
- Also exploring options to tie FQHC encounter rate to value/performance for those not under monthly cap by 7/1/2018
Primary Care Reform (non FQHC)

• Comprehensive Primary Care +
  ➢ Colorado was awarded participation and committed to offering new payment model options to qualified participants.

• A broader solution for the Health First Colorado program is needed to provide flexibility to providers and to reward performance.

• Building on the concepts in CPC+ and the current Accountable Care Collaborative - the Department intends to develop two payment models for primary care.

• Alignment with MACRA
The first payment model adds a performance bonus to all fee-for-service reimbursement.

Emphasis on rewarding:
- Access to care
- Cost containment
- Prevention and Early Detection
- Integrated Care

Other Key Points:
- Preliminary proposal has two levels
- Will align with MACRA, CPC+, and SIM to the extent possible
The second model balanced a guaranteed revenue stream with the need to provide services through fee-for-service.

Closely parallels Medicare’s Track 2 CPC+ model.

There would be some risk for performance.
Next Steps for Primary Care Reforms

• Stakeholder Engagement!
  ➢ PIAC and Subcommittees
  ➢ Primary Care Alliance
  ➢ Medical Advisory Committees

• Deep-dive sessions - workgroups focused on:
  ➢ Metrics and measurement
  ➢ Payment model development
  ➢ Attribution and panel management
Next Steps for Everything Else

• This presentation has the vision, but details matter
• **Feedback is Critical**
• Provide feedback on DSRIP
• Provide feedback on the draft RFP
• Continue to provide feedback through PIAC and other public stakeholder forums
• Participate in workgroups
Questions or Concerns?
Contact Information

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Thank You!