

# Community HealthChoices

## MLTSS SUBCOMMITTEE PRESENTATION

### QUALITY IMPROVEMENTS OLTL AND THE MCOs

JUNE 1, 2022

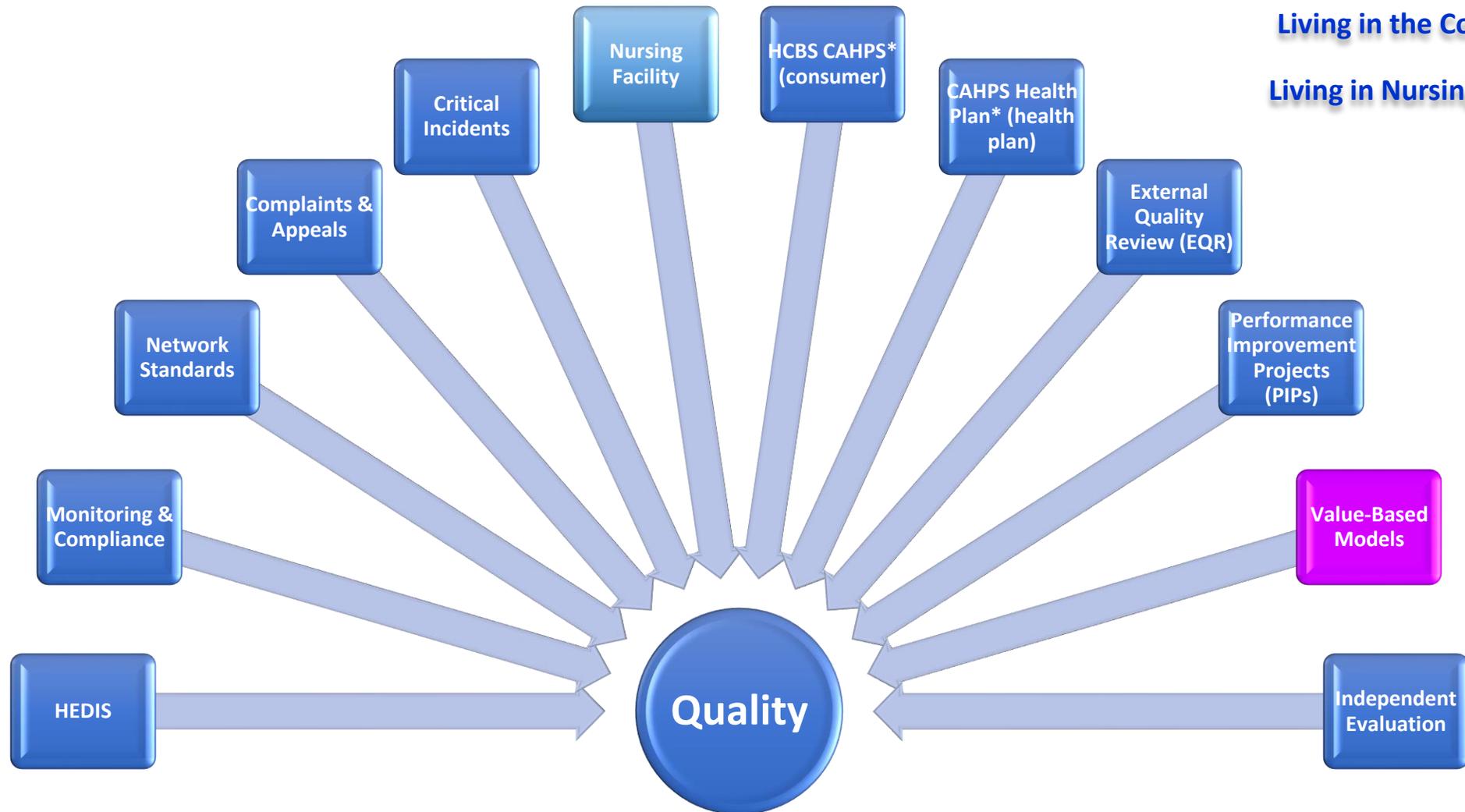


pennsylvania

DEPARTMENT OF HUMAN SERVICES

OFFICE OF LONG-TERM LIVING

# CHC QUALITY INFRASTRUCTURE



## IMPACTING PARTICIPANTS

Living in the Community

Living in Nursing Facilities

# VBP IN CHC

- Shifting care from just services to one based on *quality* and *value*
- Collaboration between MCOs and Providers to Continuously Improve Delivery of Care
- Payment arrangements between MCOs and Providers to incentivize delivery of high-quality care
- Impact on how VBP Arrangements Can Supports **Quality of Care** and **Quality of Life** for CHC-Participants

# VALUE-BASED PURCHASING (VBP) IN PA

**VBP** is the Department's initiative to transition providers to being paid for the value of the services provided, rather than simply the volume of services.

**VBP Payment Strategies** and **VBP Models** are Critical for Improving Quality of Care, Efficiency of Services, Reducing Cost, and Addressing Social Determinants of Health.

# VBP APPROVED PAYMENT STRATEGIES

## Three-Levels of Risks

### Low

- Performance Based Contracting

### Medium

- Shared Savings
- Shared Risk
- Bundled Payments

### High

- Global Payment

# VBP PAYMENT STRATEGIES (LOW RISK)

## Performance based contracting

FFS contracts in which incentives payments and/or penalties are linked to Network Provider performance. The MCO must measure Network Providers against quality benchmarks or incremental improvement benchmarks and must include in the contract incentives or penalties or both based upon meeting these benchmarks.

# VBP PAYMENT STRATEGIES (MEDIUM RISK)

## **Shared Savings (medium-risk strategy)**

Supplemental payments to Network Providers if they can reduce health care spending relative to an annual cost benchmark, either for a defined Participant sub-population or the total Participant population served by a Network Provider. The cost benchmark should be developed prospectively, based at least in part on CHC Agreement January 1, 2022–142 historical claims, and be risk adjusted if needed. The supplemental payment is a percentage of the net savings generated by the Network Provider.

## **Shared Risk (medium-risk strategy)**

Supplemental payments to Network Providers if they are able to reduce health care spending relative to a cost benchmark, either for a defined Participant sub-population or the total Participant population served by a Network Provider. The cost benchmark should be developed prospectively, based at least in part on historical claims, and risk adjusted if needed. The payment is a percentage of the net savings generated by the Network Provider. These arrangements also include shared losses with Network Providers if costs are higher relative to a benchmark.

# VBP PAYMENT STRATEGIES (MEDIUM RISK)

## **Bundled payments (medium-risk strategy)**

Bundled payments include all payments for services rendered to treat a Participant for an identified condition during a specific time period. The payments may either be made in bulk or be paid over regular predetermined intervals. DHS may specify certain services that must be paid through bundled payments.

# VBP PAYMENT STRATEGIES (HIGH RISK)

## **Global payment (high-risk strategy)**

Population-based payments that cover all services rendered by a Network Provider, hospital, or health system by the participating MCO.

# STARTING IN CY 2022

- MCOs are required to have **15%** of the medical portion of the capitation and must be expended through VBP. The 15% may be from any combination of strategies, and 7.5% of LTSS payments through a VBP arrangement
- Department will measure compliance through required reports that have been developed
- Each Arrangement Must Include Quality Benchmarks, Financial Incentives, Penalties or Both



# **MCO Presentations on Value-Based Purchasing (VBP)**

# VBP—MCO PRESENTATIONS

- What are the MCOs planning for Pennsylvania with their VBP Models?
- MCO Leveraged Experiences in VBP Models to Enhance the Pennsylvania experience.
- Perspectives on Developing Payment Arrangements between Providers to Incentivize Delivery of High-Quality Care.



**Amerihealth Caritas /  
Keystone First**

# Value-Based Purchasing

Frank Santoro, Director of Plan Operations



**CARE IS THE HEART  
OF OUR WORK<sup>SM</sup>**

Delivering the Next  
**Generation**  
of Health Care

# Plan Community HealthChoices (CHC) Enrollment

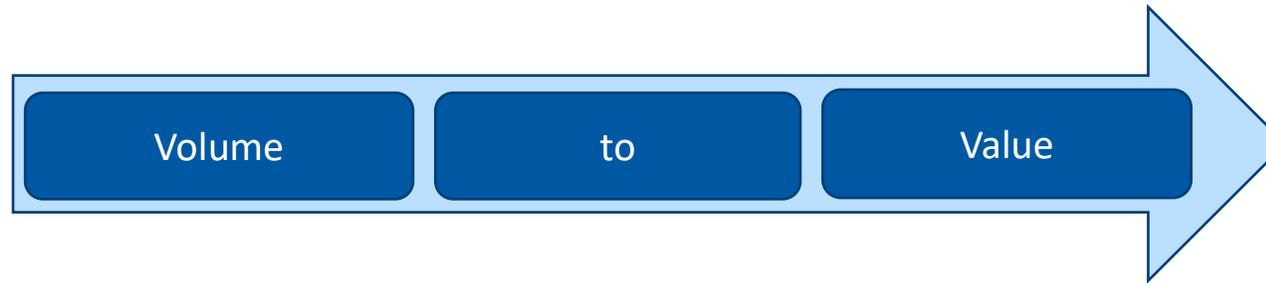


**AmeriHealth Caritas Pennsylvania (PA) Community HealthChoices (CHC) serves Participants in the Southwest, Northwest, Northeast and Lehigh/Capital zones and Keystone First CHC serves Participants in the Southeast zone.**

Zone	Number of CHC Participants
Lehigh/Capital	33,500
Northeast	24,000
Northwest	6,500
Southwest	16,500
Total	80,500
Total Southeast	91,500

- According to the Pennsylvania Department of Human Services (DHS) 2022-2023 data brief, 396,371 Participants were enrolled in the CHC program in March 2022.
- This equates to 1 of every 22 Pennsylvanians 21 years of age or older.
- If CHC Participants form their own city, it would be the 2<sup>nd</sup> largest city in Pennsylvania, exceeding the population of Pittsburgh by 32%.

# Cost Efficiency + Quality Outcomes = Value



- Value-Based Purchasing (VBP) moves away from a Fee-for-Service model, where Providers are paid separately on a per-service basis, regardless of the quality of that service.
- VBP transitions from purchasing services to purchasing care, where cost efficient, quality care and improved outcomes are earned and rewarded.
- VBP drives Provider performance, can prevent hospitalization or re-hospitalization, be structured so that participants get the right care at the right time.

## Cost Efficiency + Quality Outcomes = Value (cont.)

### ***Who benefits in a VBP arrangement:***

- Participants – increased satisfaction with their care experience and quality of life.
- Effective Providers – through financial incentives, operational / administrative efficiencies, identifying and incorporating best practices, higher skill set staff retention, patient census stability.
- MCOs – enhanced relationships and collaboration with the Provider community, reduce or positively affect the growth of total cost of care, increased satisfaction of participants and caregivers.
- State – enhances the long term sustainability of the CHC program through reduction of cost, better population health outcomes, increased program efficiency.

### ***Who should think about engaging in a VBP arrangement:***

- Nursing Facilities | Personal Assistance Services | Nursing Home Transition | Meal Services | Adult Daycare Services | Residential Rehabilitation | Employment Services | Personal Emergency Response System (PERS).
  - Engage each other, engage State organizations, engage National organizations.

# How we approach VBP Arrangements and Provider Collaboration



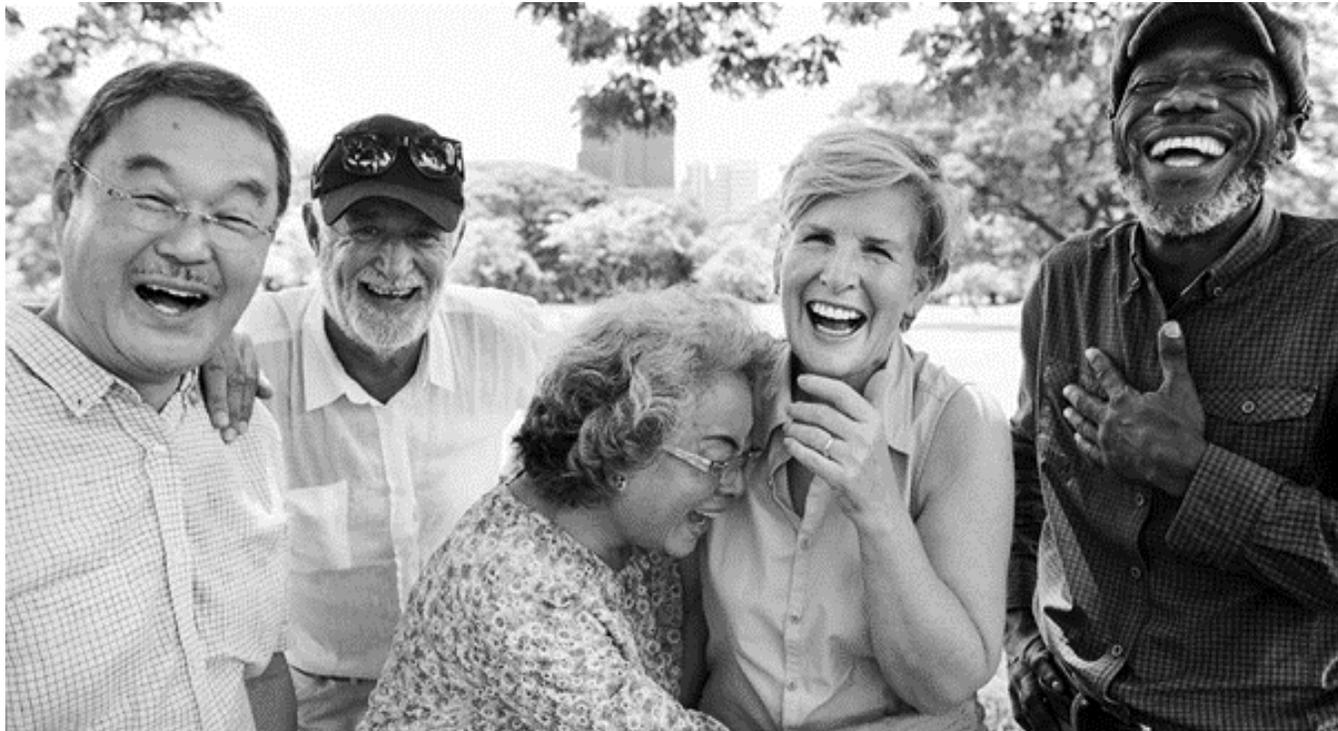
- **Measure Selection** – identifying measures that are meaningful, impactful, and realistic, which will drive quality and outcomes. One approach is through Potentially Avoidable Hospitalizations (PAH). To identify and implement programs / educational opportunities / skills training that will decrease hospitalizations.
- **Performance** - what are the appropriate improvement targets? Are Providers and outcomes measured against themselves, against each other, against a range, or set target?
  - Can MCOs and Providers control or influence outcomes and thus be held accountable for them?
- **Data Collection** – data collection and reporting can be a challenge for organizations. What is feasible to collect. What are the complete, accurate, and timely data points needed to construct measures?
- **Financial Models** - what is the appropriate level of financial reward and risk for a diverse Provider population?
- **Innovation** – what does a VBP model look like when we collaborate with various LTSS Providers types?

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**35 YEARS**  
of making  
**care the heart**  
of our **work.**





# PA Health and Wellness



Community  
**HealthChoices**

 pa health  
& wellness.

# Value Based Purchasing (VBP) Program at PHW

Presenter: Anna Keith  
VP, Long Term Services & Supports

## What PHW is planning for Pennsylvania with our VBP Model

PHW has seven (7) OLTL approved VBP Programs

Priority of each Performance Based program includes:

- Quality
- Improved Delivery of Care
- Performance Based Provider Incentives
- Improved Quality of Life
- Incentivize Value over Volume of service

## PHW VBP Programs

### **Nursing Home Transition**

Partnership with Community Based Organizations to support timely and successful transitions back to their permanent home.

The Value Based Initiative is designed to support a payment structure that incentivizes timeliness of service, activities that support successful return to the community and completion of Social Determinants of Health (SDOH) and health care metrics.

### **Service Coordination**

Partnership with National Committee for Quality Assurance (NCQA) Certified Service Coordination providers to drive quality metrics while delivering contracted assessment, monitoring, and coordination of care.

Program incentivizes contracted partners to exceed 2022 state outcomes for service coordination. This program is designed to capture improved delivery of care and quality metrics supporting NCQA requirements and OLTL Contract definitions that impact care for PHW participants.

## PHW VBP Programs

### **Point of Care**

This program partners with health care providers, Registered Nurses, and physicians, to improve quality of care for our Dual Special Needs Plan (D-SNP) and Medicaid-only participants who are identified as having high risk physical health conditions and gaps in their SDOH.

The goal of the Point of Care program is to decrease physical health risks and increase access to resources that reduce SDOH gaps in care. We use predictive modeling tools, assessments, and utilization data to measure improved health care metrics in multiple areas.

### **Electronic Visit Verification (EVV)**

This program is designed to encourage use of EVV while monitoring and ensuring that authorized services are provided to HCBS participants.

This initiative was developed to incentivize Personal Assistance Services providers to use EVV and to ensure that they are diligently working to cover authorized units of care.

## PHW VBP Programs

### **Care Gap Closure**

This program partners with home care providers to improve quality of care of all participants receiving PAS services.

The goal of the program is to improve health care metrics as defined by the NCQA established Healthcare Effectiveness Data and Information Set (HEDIS) measures.

### **Transportation**

This program is our only cost sharing VBP. It is designed to encourage efficiencies in the delivery of transportation benefits while ensuring that all scheduled rides are provided, and participant satisfaction is maintained.

### **Primary Care Program**

This program partners with Primary Care providers to improve health care metrics as defined by the NCQA established HEDIS measures.

## Leveraged Experiences in VBP Models to Enhance the Pennsylvania Experience

Sample VBP programs throughout our Enterprise

- Remote Monitoring to close Care Gaps
- Nursing Facility transitions of care
- Personal Care performance incentives
- Nursing Facility Gold Card Program
- Home Modification Programs
- Skilled Nursing Facility Quality Incentive Program
- Quality incentive metrics for home care providers
- NF 5-Star Quality Program
- Quality Incentive Payment Program serves as a resource to help nursing facilities achieve transformation.

## Perspectives on Developing Payment Arrangements between Providers to Incentivize Delivery of High-Quality Care

- Pay-For-Performance
- Shared Savings
- Rate Enhancements
- Bonus Payments
- Tier 1 Provider Status



# UPMC for YOU



# Value-Based Programs

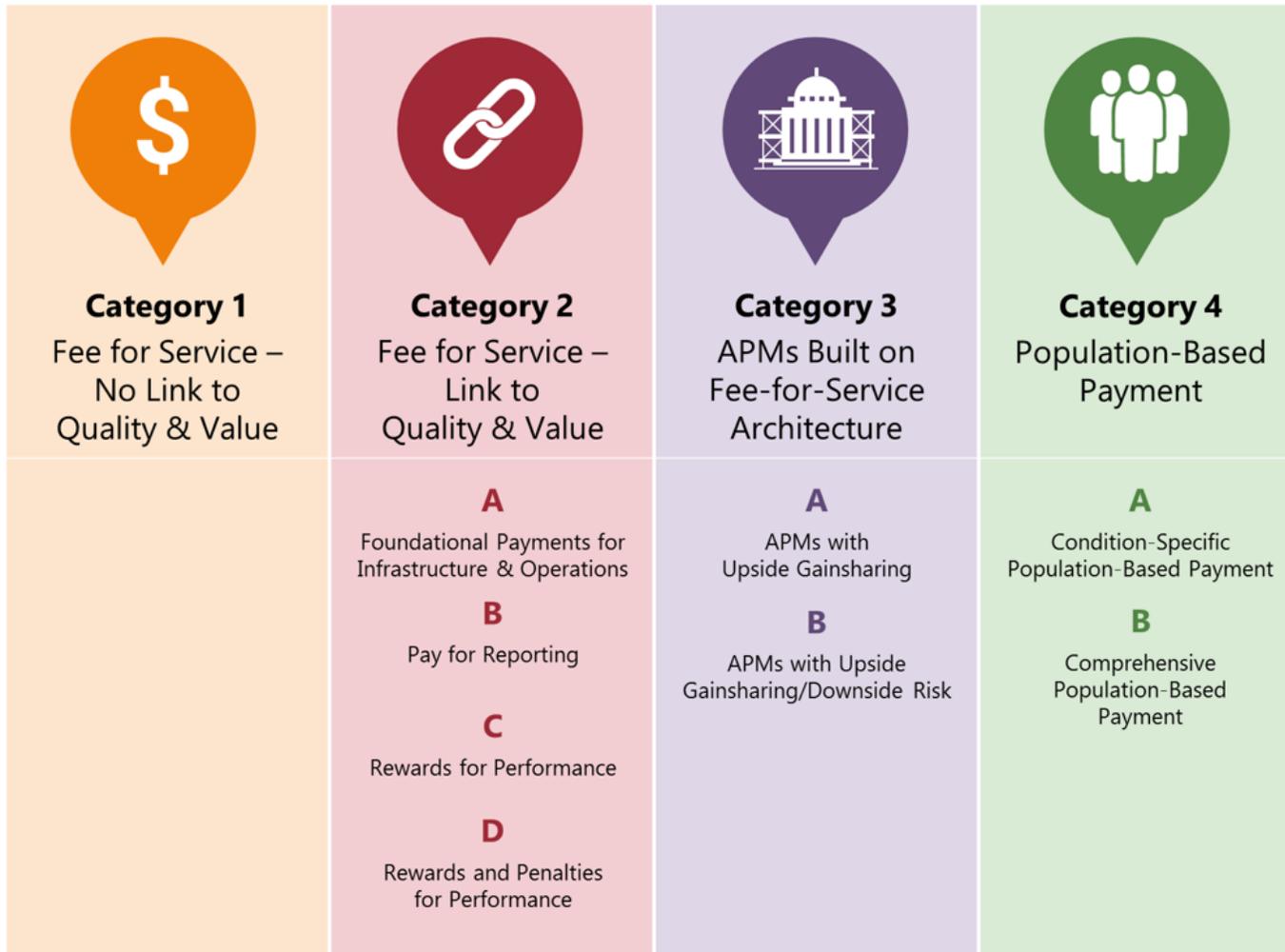
June 1, 2022

# Volume to Value Initiatives



- CMS and DHS are moving to more Value-Based Payment (VBP) reimbursement models.
- UPMC has successfully adopted multiple VBP reimbursement structures with hospitals, primary care, skilled nursing and specialty care.
- UPMC's strategic vision is to continue to expand the VBP concept to a greater percentage of our providers, aligning to the goals of DHS and CMS of providing better quality care to our members.
- By becoming an early adopter, we are preparing our providers for the eventual mandatory use of these types of arrangements.

# VBP Framework/Models



- Movement between the categories, requires buy in and understanding by providers.
- Moving LTSS Providers to VBP frameworks has proven to be a significant challenge nationally.
- The COVID-19 Pandemic has strained provider networks' resources to be able to functionally move to more value-based approaches.

# Challenges with LTSS VBP Arrangements

## Challenges

- Few VBP arrangements in PA include LTSS
- Challenges with adoption of VBP models for LTSS services include:
  - Provider capacity
  - Provider advocacy efforts
  - Limited quality measurement and data collection and LTSS claims include limited information.
  - Limited opportunity to quantify or see a return on the impact for the unaligned dual eligible population.
  - Limited HCBS Quality measures nationally.

## Alignment of payment models with policy goals

- How to develop a model and incentive payment amounts that will effectively change HCBS provider behavior?
- The type of VBP model needs to be feasible in the current environment, particularly related to:
  - Existing VBP models operating in the state
  - Level of sophistication and ability to accept financial risk
  - Long term sustainability of the financial model
  - Appropriateness of alternative, “non-financial” incentives

# UPMC VBP Goals and Providers

## Goals are to:

- Better support participants and improve their experience.
- More strategically align with our provider network and reward the delivery of high value care.
- Increase quality, transparency and efficiency.
- Create accountability to reduce unnecessary care.



## Providers Eligible for VBPs Include:

- Personal Assistance Service (PAS)
- Nursing Home Transition
- High Touch Pharmacy
- Hospitals

# NEXT STEPS

- Pennsylvania is already underway with a VBP arrangement between the MCOs and NFs (Quality Incentive Program, supplemented by the Learning Network)
- MCOs are expected to continue to work in VBP arrangements with Providers and OLTL will continue to monitor progress

# RESOURCES

**Community HealthChoices Program:** [CHC-Main \(pa.gov\)](#)

**CHC Evaluation Plan:** [CHC-Evaluation Plan \(pa.gov\)](#)

**DHS Managed Care Quality Strategy:** [2020 Medical Assistance Quality Assistance Strategy for Pennsylvania \(pa.gov\)](#)

**Community HealthChoices Managed Care Organizations (MCOs):** [CHC-MCOs \(pa.gov\)](#)



# QUESTIONS