



VALUE INCENTIVES & SYSTEMS INNOVATION COLLABORATIVE

March 1, 2016 Meeting Highlights

Meeting Goals:

- 1. Streamlining measurement. Discuss initiatives underway to consolidate and align measures, and explore paths for moving forward.
2. Understanding progress towards value-based care. Examine ongoing activities to advance payment and delivery models that reward value.
3. Strategic planning. Discuss prospective activities for the Collaborative.

Representative observations

- Among 25 states assessed by a recent Bailit analysis, 1,367 measures were identified across 48 measure sets, representing 509 distinct measures. Only 20% of all measures were used by more than one program. (HB)
• Recent survey showed that half of physicians feel quality measurement is having a negative impact; a minority feel that patient care is improving as a result of measurement. (MH)
• Given that 30% of all health spending is waste, and there are pervasive inconsistencies in care quality and cost, stakeholders are demanding more value in health care spending. (LS)
• 5% of patients drive over half of spending. The majority of these highest utilizers have functional limitation and multimorbidity, the most common chronic condition. (SN; PH)
• AtlantiCare's Special Care Center is one exemplar of delivering higher value care to high-need patients, who average 45 contacts per year, with 8 of those being physician visits (the rest are with health coaches and "extenders"). (SB)
• The MACRA is legislation that takes steps to tie more physician payments to performance, and passed the House of Representatives 392-37 and the Senate 92-8 - indicating broad support for improving value in health care. (BA)
• The transition to value-based care is accelerating.
o HHS has already reached its goal of tying 30% of Medicare payments to alternative payment models by 2016, and aims to increase to 50% by 2018. (SN; LK)
o At UnitedHealthcare, in 2015, \$45B was spent on value-based contracts, and this is expected to grow to \$65B by 2018. (LS)
• There are several distinct, but complementary, initiatives to facilitate the migration to value-based care.
o Health Care Payment Learning and Action Network, launched by HHS and comprising 3,266 organizations representing payers, providers, employers, states, and consumers, aims to drive broad adoption of alternative payment models (APMs), i.e., the move from Category 1 (fee for service) to Category 4 (population payment). (SN)
o Accountable Care Learning Collaborative, a membership organization comprising physician groups, health systems, payers, regulators, industry groups, academic organizations, associations and service contractors, aims to elucidate the path to APMs for providers by identifying and defining essential competencies necessary for making the transition from volume to value. (LK)
o Health Care Transformation Task Force convenes members across the four "p's" - patients, purchasers, payers, and providers - to develop policy and program recommendations, new delivery and payment models, and best practice tools. Members are committed to shifting 75% of their respective business activity to be under value-based contracts by 2020. (JM)
o Smarter Health Care Coalition comprises payers, industry groups, employers, providers, associations, academic organizations, foundations, and consumers, and focuses on better aligning benefit design with changes in payment and delivery of care (e.g., Medicare Advantage VBID demonstration; to begin in 2017). (GB)

Collaborative activities for consideration

The development of NAM discussion papers and/or exploratory meetings on the following topics:

- Incentives. How can initiatives supporting the shift to value-based care incorporate a better balance of financial as well as non-financial incentives? How does the impact of incentives change for individuals versus teams? How can findings from recent research on behavioral economics and the differential impact of extrinsic versus intrinsic motivation be better applied to care delivery and payment reform?
• Measures and accountability. What are key elements of a framework linking measures and accountability? Who is accountable for a streamlined measure set that prioritizes population health (e.g., Vital Signs) and how is this accountability system implemented? What is the role of an external accountability system versus health care organizations in overseeing performance and managing measurement?
• Mental model of measurement. What are the components of an outcome? What level of measurement is needed for delivery systems? What measurements are appropriate in which settings and who are the responsible parties for managing measurement? What does streamlining mean - fewer measures or better measures, or both?
• Roadmap to "3,4". What are successful elements in the transition from categories 1 and 2 -> 3 and 4? What does progression look like from 1 to 4 (i.e., is there a shortcut to 4)? What are the care models in each category? What outcomes would categories 3 and 4 generate? What are consequences of transitioning to 3 and 4?
• Precision health management. Similar to the notion of precision medicine, how should we explore a model for advancing the precision with which health improvement is tailored and managed?
• Predictive analytics and risk stratification. What do these techniques entail (e.g., how is risk defined), how can they be used, and what is their utility for delivery systems? How can the field of predictive analytics and risk stratification be developed to make precision health management possible?

Vision • Research • Evidence • Effectiveness • Trials • IT Platform • Data Quality & Use • Health Costs • Value • Complexity • Best Care • Patients • Systems • Measures • Leadership



THE LEARNING HEALTH SYSTEM SERIES

**Meeting Participants**

Susan DeVore, co-chair (Premier, Inc.); Jim Madara, co-chair (AMA); Christina Akerman (ICHOM); Brent Asplin (Mercy Health); Gary Bacher (Healthspieren); Peter Basch (MedStar Health); Steven Blumberg (AtlantiCare-Geisinger); John Bulger (Geisinger); Helen Burstin (NQF); Gary Claxton (Kaiser Family Foundation); Patrick Conway (CMS); Janet Corrigan (Gordon and Betty Moore Foundation); Maureen Dailey (ANA); Michael Dineen (Dept. of Defense); Robert Dittus (Vanderbilt); Victor Dzau (NAM); Jesse Ehrenfeld (Vanderbilt); David Glass (MedPAC); Michael Harrison (AHRQ); Hilary Heishman (RWJF); Aparna Higgins (AHIP); Peter Hollmann (University Medicine Foundation); Emma Hoo (PBGH); Mark Hudak (AAP); Mimi Huizinga (Premier, Inc.); Frederick Isasi (NGA); Craig Jones (Vermont Blueprint for Health); Emily Jones (ASPE); Ira Klein (J&J); Larry Kocot (KPMG); Joy Lewis (Kaiser); Michael McGinnis (NAM); Jeffrey Micklos (Health Care Transformation Task Force); Nancy Miller (NIH); Sam Nussbaum (Anthem); Peggy O’Kane (NCQA); Sally Okun (PatientsLikeMe); Matthew Press (CMMI); Rahul Rajkumar (CMMI); Lew Sandy (UnitedHealth Group); Zach Stickel (Epic); Evelyn Whitlock (PCORI); Sandra Wilkness (NGA); Daniel Wolfson (ABIM)

**VALUE INCENTIVES AND SYSTEMS INNOVATION COLLABORATIVE**

*Organizations Participating*

Aetna, Inc.	Healthcare Leadership Council	National Patient Safety Foundation	<b>Federal agencies:</b>
American Academy of Pediatrics	HCA, Inc.	National Quality Forum	NSF
American Medical Association	IBM	Partners HealthCare	U.S. DHHS
Blue Cross Blue Shield	Johnson & Johnson	PCORI	– Office of the Secretary
Brigham and Women’s Hospital	Kaiser Permanente	Peter G. Peterson Foundation	– ONC
Cigna, Inc.	Mayo Clinic	Premier, Inc.	– AHRQ
Commonwealth Fund	MedStar Health	President’s Council of Advisors on Science & Tech.	– CDC
Consumer Reports	Medtronic	Robert Wood Johnson Foundation	– CMS
Epic Systems	Microsoft	The Brookings Institution	– FDA
Geisinger Health System	National Business Group on Health	The Leapfrog Group	– NIH
General Electric Company	National Partnership for Women & Families		U.S. DOD
Group Health Cooperative			U.S. DVA

**THE LEADERSHIP CONSORTIUM FOR VALUE & SCIENCE-DRIVEN HEALTH CARE**

<b>Chair</b>			
Mark McClellan Duke University	James Heywood PatientsLikeMe	Jonathan B. Perlin HCA, Inc.	Debra B. Whitman AARP
<b>Members</b>			<b>Ex-Officio</b>
Raymond J. Baxter Kaiser Permanente	Paul Hudson AstraZeneca, U.S.	Richard Platt Harvard Medical School	AHRQ Richard Kronick
Paul Bleicher Optum Labs	Brent C. James Intermountain Healthcare	Richard J. Pollack AHA	CDC Thomas Frieden Chesley Richards
David Blumenthal The Commonwealth Fund	Craig A. Jones Vermont Blueprint for Health	Michael Rosenblatt Merek & Company	CMS Andy Slavitt Patrick Conway
Bruce G. Bodaken Blue Shield of California	Gary Kaplan Virginia Mason Health System	John W. Rowe Columbia University	DoD Jonathan Woodson
Paul Chew Sanofi US	Darrell G. Kirch AAMC	Leonard D. Schaeffer USC	DHHS Karen DeSalvo
Susan DeVore Premier, Inc.	Richard E. Kuntz Medtronic	Joe Selby PCORI	VA David Shulkin Carolyn M. Clancy
Judith Faulkner Epic Systems	Richard C. Larson MIT	Mark D. Smith Founding CA HealthCare Foundation	FDA Stephen Ostroff Peter Lurie
David Feinberg Geisinger Health System	Peter Long Blue Shield of CA Foundation	Harrison Spencer ASPPH	HRSA James Macrae
Joseph J. Fifer Healthcare Financial Mngmt Assn	James L. Madara AMA	Jennifer Taubert Johnson & Johnson	NIH Francis Collins Kathy Hudson
Patricia A. Gabow Former Denver Health	Mary D. Naylor University of Pennsylvania	Marta Tellado Consumers Union	
Atul Gawande Brigham and Women’s Hospital	William D. Novelli Georgetown University	David Torchiana Partners HealthCare System	
Paul Grundy IBM	Harold Paz Aetna	Reed V. Tuckson Tuckson Health	

Vision • Research • Evidence • Effectiveness • Trials • IT Platform • Data Quality & Use • Health Costs • Value • Complexity • Best Care • Patients • Systems • Measures • Leadership



**THE LEARNING HEALTH SYSTEM SERIES**