Values Incentive & System Innovation Collaborative

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Premier’s PHM Collaborative Performance (PY2015)

Higher % of ACOs achieving shared savings

% of PHMC Members who achieved shared savings % vs. nation

- PHMC members: 50%
- All Medicare ACOs: 31%

Higher rate of shared savings

PHMC members as % of all Medicare ACOs

- 94%

PHMC member savings as % of total savings

- $89.2 million
- 12%

Higher average quality scores

Medicare ACO average quality scores

- PHMC members: 94.0%
- All Medicare ACOs: 91.48%
Integrating value based care redesign and new VBP models

Value Based Care Redesign

• Patient Centered Medical Home
• Clinical Integration
• Care Management
• Post-Acute Care
• Electronic Health Record
• Data analytics

Care redesign must not outpace changes in payment

New Value Based Payment Arrangements

• Care Transformation Costs
• Care Management Payment
• Shared Savings
• Episodes of Care Payment
• Global Payment

Population Health Transformation
**Current major market trends**

1. MACRA impact
2. Regional consolidation/affiliations
3. CIN formation/statewide and regional Super CINs
4. Managing post-acute services/costs
5. Implementing care management programs across the continuum
6. Growth in employed physicians and physician networks
7. Preparing and implementing commercial two sided risk arrangements/2nd generation Value Based Payment agreements
8. Improving financial performance of first generation Value Based Payment arrangements
9. Expanding episode of care/bundled payment arrangements
10. Analytics and performance improvement efforts
11. Searching for effective 2nd generation PHIT solutions
12. Growth in state Medicaid Reform
13. Addressing the challenge of growing pharmaceutical costs
About 13% of the Medicare Shared Savings plans are in two sided risk.

About 10% of the commercial arrangements are in two sided risk arrangements (excluding CA).

About 20% of the New York providers are in two sided Medicaid risk models.

Beginning to see growth of direct to employer shared savings arrangements.

Creating “2nd generation commercial VBP arrangements
  • Sharing claims
  • Realistic, equitable, and transparent target setting
  • Others
Commercial health plans view of the keys to VBP success

- Physician leadership (committed VBC and VBP)
- Accurate HCC documentation system
- Actionable timely data/information to physicians (cost and quality)
- Aligned compensation models
- Care management program for high risk patients
- Core capabilities to manage populations
Premier’s approach to Population Health Management

- **PHM Collaborative**
  - Core
  - Advanced including MSS analytics/benchmarking/PI

- **Bundled Payment Services**
  - Collaborative
  - Analytics
  - Performance Improvement advisory services

- **Advisory/consulting services**
  - Educate, assess, and build roadmaps
  - Implement core capabilities for Value Based Care
  - Design and implement Value Based Payment models

- **Health Innovation Collaborative** (health care suppliers)
  - Educate
  - Help develop new value based approach
“We need to creatively nudge our population towards health"

Source: "Nudge" by Richard Thaler
THANK YOU

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Appendix
Premier’s PHM team will be the leading consultancy in the U.S. in helping health care providers transform and be successful in implementation of value-based care and payment models, by:

- Providing advisory services and collaboratives;
- Providing services to measure and improve Triple Aim™ metrics;
- Assist with designing, building, and implementing new value-based delivery models and value and risk-based payment models.
Transforming of Healthcare to Value-Based delivery models

- Patient Centered/Engaged
- Leadership/Cultural Transformation
- Primary Care Based/Patient Centered Medical Home
- Physician Led Clinical Integration (CINs)

Care Management Program
- High Risk Populations
- Chronic Disease Management
- Transition of Care/Post-acute Care

Integrated Delivery System model

Evidence Based Care Models

Electronic Medical Record/Data Analytics

Triple Aim Analytics/Benchmarking/Improve Value
- Health of the Population
- Cost Per Capita
- Patient Quality/Satisfaction/Engagement
Lessons Learned

- Road map/pace is critical
- Effective physician leadership is key to care redesign
- Size and scale is important
- Approach to care redesign is critical
- Care management model across the continuum
- Patient Center Medical Home (include process redesign)
- Managing post-acute care is critical to success in both Medicare ACOs and bundled payment
- Effective claims analytics/benchmarking
- Market leader payers are slow to implement VBP
- Most hopeful that 2nd generation PHIT will improve care management
- Organizations want to build skills and capabilities first with one sided risk before moving to two sided risk