Payment Models Work Group
Total Cost of Care Template Discussion

October 1, 2014

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Purpose of Total Cost of Care Reporting

- CMS Contract requires monitoring of Total Cost of Care:
  - Medicare per beneficiary total payments (guardrail)
  - All Payer Total Cost and Shifts to unregulated space
- The Medical Care Data Base (MCDB) is the likely resource for commercial claims data. However, there were initial concerns related to:
  - Timeliness of data
  - Potential gaps (coverage segments, carve outs)
- Data and Infrastructure Workgroup discussions and White Papers from a variety of stakeholders (CareFirst, MHA, JHHS) recommended collecting claims data, <u>voluntarily</u>, from major payers to monitor total cost of care and shifts to unregulated space

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Guiding Principles for Total Cost of Care Reporting

➢ Simple enough to minimize reporting burdens to payers

➢ Clear definitions to ensure consistency in reporting

➢ Build on existing, well-documented models and data definitions so findings can be correlated and validated by other data sources

➢ Sufficiently disaggregated and comprehensive to trend all payer total cost, understand shifts from regulated to non-regulated settings, and whether the underlying cause of shift is related to changes in coverage or health status.

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Progress in Developing Total Cost of Care Reporting

Voluntary Reporting from Payers:

➢ Medicare to provide data necessary for quarterly reporting

➢ Medicaid to provide annual report for MCO and FFS data

➢ Commercial insurers reluctant to supplement/duplicate MHCC reporting due to resources constraints
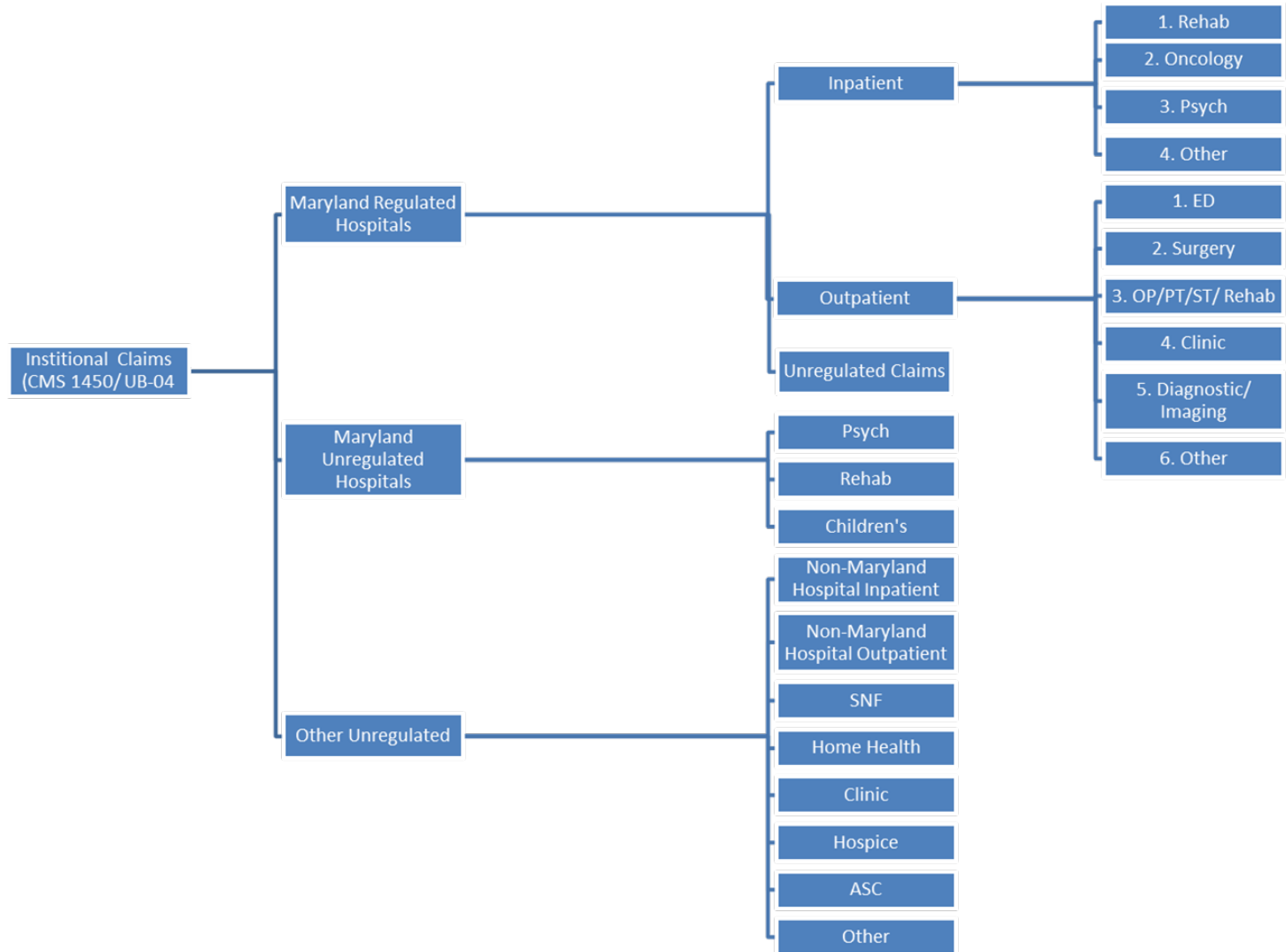
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Option for Greater Reliance on MCDB

➢ Timeliness of MCDB data is expected to improve

➢ Supplement data available through the MCDB with Medicare and Medicaid data to produce the Total Cost of Care Report

➢ Timeline:

▸ CY 2013 data currently available, with additional variables added by Dec 2014

▸ CY 2014

  ▸ Raw data available May 2015

  ▸ Raw data with 1 qtr of runout data available August 2015

  ▸ Reconciled data with 1 qtr of runout and additional variables available end of Sept 2015

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Overview of Proposed Reporting Template

▸ TCOC Report will collect aggregate claim count and expenses for specified categories of service

▸ Categories of Services

  ▸ Institutional Claims: Universal Billing Form (UB-04)

  ▸ Professional Claims: CMS 1500 Form

▸ Geographic Granularity

  ▸ Maryland resident claims determined by billing zip code

▸ Demographic Granularity

  ▸ Age breaks: 0-20, 21-44, 45-64, 65+

▸ Coverage Groups

  ▸ Small group, large group, FFS, HMO, Duals

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Proposed TCOC Aggregation: Institutional Claims

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Proposed TCOC Aggregation: Professional Claims