

## Quantifying Care Transformation Efforts under the MPA Efficiency Component Policy

The HSCRC is developing a process to quantify hospital care transformation efforts around the State to make incentive payments to hospitals through the Medicare Performance Adjustment (MPA). Currently, hospitals may receive incentive payments for the Episode Care Improvement Program (ECIP), which focuses on reducing post-acute care costs for 23 clinical episodes. The HSCRC will add incentive payments for hospital efforts, outside of ECIP, that reduce the Medicare Total Cost of Care (TCOC) growth rate.

There are four fields which are required for hospital submission and an additional two which HSCRC staff will use in their review and approval of these care transformation efforts.

### Palliative Care Program

<b>Required from Hospital: Background Components</b>	
Submitting Hospital	MedStar
<b>Overview</b> <ul style="list-style-type: none"> <li>Description of current or upcoming program/initiative which hospitals may be implementing to impact patient outcomes, population health and total cost of care performance under Global Budget Revenues (GBR).</li> </ul>	Team-based care to provide extra layer of support throughout the trajectory of serious illness. Early referral at inpatient consultation helps patients change the goals of their care which decreases readmission.
<b>Defined Care Interventions</b> <ul style="list-style-type: none"> <li>Briefly describe a standardized intervention pathway to address unmet clinical or social needs.</li> <li>Identify care partners at the hospital, or in the community, who will implement the intervention.</li> </ul>	<b>Interventions</b> <ul style="list-style-type: none"> <li>Early referrals</li> <li>PC consultation</li> <li>Palliative Telehealth Connecting Hospital to Home (PATCH)</li> </ul> <b>Care partners:</b> Not stipulated
<b>Required from Hospital: Analytic Components</b>	
<b>Identifiable Intervention Population</b> <ul style="list-style-type: none"> <li>Medicare FFS beneficiaries only, until further payer data available</li> <li>Must be identifiable in Medicare claims based on clinical condition, patient history and/or other criteria; cannot be identified with an HER or clinical data point,</li> </ul>	<ul style="list-style-type: none"> <li>Patients with severity of illness and risk of mortality of 3 or 4 (major/extreme) with LOS greater than or equal to 4 days</li> </ul>
<b>Episode Trigger</b> <ul style="list-style-type: none"> <li>A “trigger” event, or combination of factors, to</li> </ul>	<ul style="list-style-type: none"> <li>All patients discharged from each site</li> </ul>

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<p>identify when a beneficiary is enrolled in the intervention</p> <ul style="list-style-type: none"><li>• Must be identifiable in Medicare claims; cannot be triggered with an HER or clinical data point,</li></ul>	
<b>For HSCRC Analysis and Consideration:</b>	
<p>TCOC Impact and Duration of Episode</p> <ul style="list-style-type: none"><li>• From the information above, HSCRC will estimate the TCOC savings related to the intervention by calculating the difference in costs for the intervention population before and after the intervention went into effect. E.g. HSCRC will calculate the PBPM cost for all beneficiaries who qualify under the Palliative Care Algorithm and are discharged from a MedStar hospital in 2018 and the PBPM cost for all beneficiaries who qualify under the Palliative Care Algorithm and are discharged from a MedStar hospital in 2019. The TCOC will be equal to the difference in PBPM costs times the number of beneficiaries.</li></ul>	
<p>Reconciliation Payments</p> <ul style="list-style-type: none"><li>• HSCRC staff will calculate the reconciliation payment that will be made to the hospital for the savings that they produce as part of a care transformation effort.</li><li>• The reconciliation payments will be included when the State calculates the TCOC run rate and the required savings for the TCOC Model. The costs may be offset through the MPA-EC in order to ensure any reconciliation payments will remain cost neutral and reward hospitals that meaningfully engage in care transformation efforts.</li></ul>	