Total Cost of Care (TCOC) Workgroup

February 27, 2019

HSCRC
Health Services Cost Review Commission

Agenda

- Introductions & Updates on initiatives with CMS
- Y1 MPA (PY18)
  - Data Update and Implementation Timing
- Y2 MPA (PY19)
  - MPA Operations
- Y3 MPA (PY20)
  - Outcomes-based Credits Overview
  - MPA Quality Adjustment

Updates

- CMS Data Update
- New Model Programs and State Flexibility Update
- CCIP Update
- Attainment Approach Data Release

Y1 MPA (PY18)

- MPA Implementation Timing

Y1 MPA Implementation Timing (Eric)

- The HSCRC is waiting for 2018 claims to run-out and for CMS data quality to improve before implementing the Y1 MPA

Steps Moving Forward:

- HSCRC expects Medicare data quality to improve by April
- To implement the MPA, HSCRC calculates the MPA and tells CMS what percentage adjustment to make to hospitals' Medicare payments
  - *Due to data concerns, the MPA may be delayed and pro-rated over 9 months*
- CMS implements adjustment with the Medicare Administrative Contractor (MAC)
- The MPA does not go into rates, does not affect hospitals' GBR, and is not reflected in rate orders

Y2 MPA (PY19)

- MPA Operations
  - Y2 Timing Overview
  - Review Period

MPA Information Submission and Review Timeline

Estimated Timing	Action
December 2018	• *Required for ACOs:* Hospitals provide HSCRC with ACO Participant List for Performance Year 2019 (also used for Base Year 2018) • *Voluntary*: Hospitals participating in multi-hospital ACOs designate which ACO providers should be linked with which ACO hospital. • *Voluntary:* Hospitals provide HSCRC with a list of full-time, fully employed providers
January 2019	• Performance year begins • HSCRC combines hospital lists and identifies potential overlaps • HSCRC runs attribution algorithm for Base Year 2018 and Performance Year 2019, and provides hospitals with preliminary provider-attribution lists
Updated: March 2019	• Official review period for hospitals of 2 weeks following preliminary provider-attribution lists. • HSCRC reruns attribution algorithm for implementation • *Voluntary:* Hospitals wanting to be treated as a combination under the MPA submit a joint request to HSCRC

Review Period and Unique Situations

1. Review Period to resolve issues for attribution to work as intended
   - For example, if a provider is inadvertently attributed to two hospitals
   - Not for fundamental changes to the attribution methodology
2. Review Period for unique situations that may merit alternative approach
   - For example, if two hospitals agree to share responsibility for certain physicians and their beneficiaries
   - Not for fundamental changes to the attribution methodology

- Any changes based on submissions during Review Period would require HSCRC approval

Y3 MPA (PY20)

- Outcomes Based Credits
- Quality Adjustment

Diabetes BIG/Outcomes Based Credit

Bold **I**mprovement **G**oals (BIGs)

- Total Cost of Care Model requires a focus on population health improvement for all Marylanders
- Bold Improvement Goals (BIGs) are intended to align community health, provider systems, and other facets of the State's health ecosystem to improve population health and achieve success under the TCOC Model
- Likely 3-5 core BIGs
- Development Partners:
  - Interagency Workgroups
  - State Staff
    - Workgroups – as they are implemented into a specific program/policy
    - Commissioners, Leadership, Advisory Boards
  - Subject Matter Experts
  - Other Stakeholders

Bold **I**mprovement **G**oals (BIGs) – Diabetes example

- Initiatives under BIGs include activities such as:
  - Improved management for Marylanders with established conditions
  - Early intervention to ensure Marylanders do not progress to disease
  - Prevention to keep Marylanders healthy

BIG	Example targets	Hospital incentives
Reduce the Burden of Type II Diabetes in Maryland	•Reduce diabetes-related hospitalizations	•GBR model •HSCRC Quality policies
	•Increase diabetes screenings, referrals, and management	•MDPCP Quality measures •GBR model
	•Reduce incidence of diabetes	•Outcomes-based credits

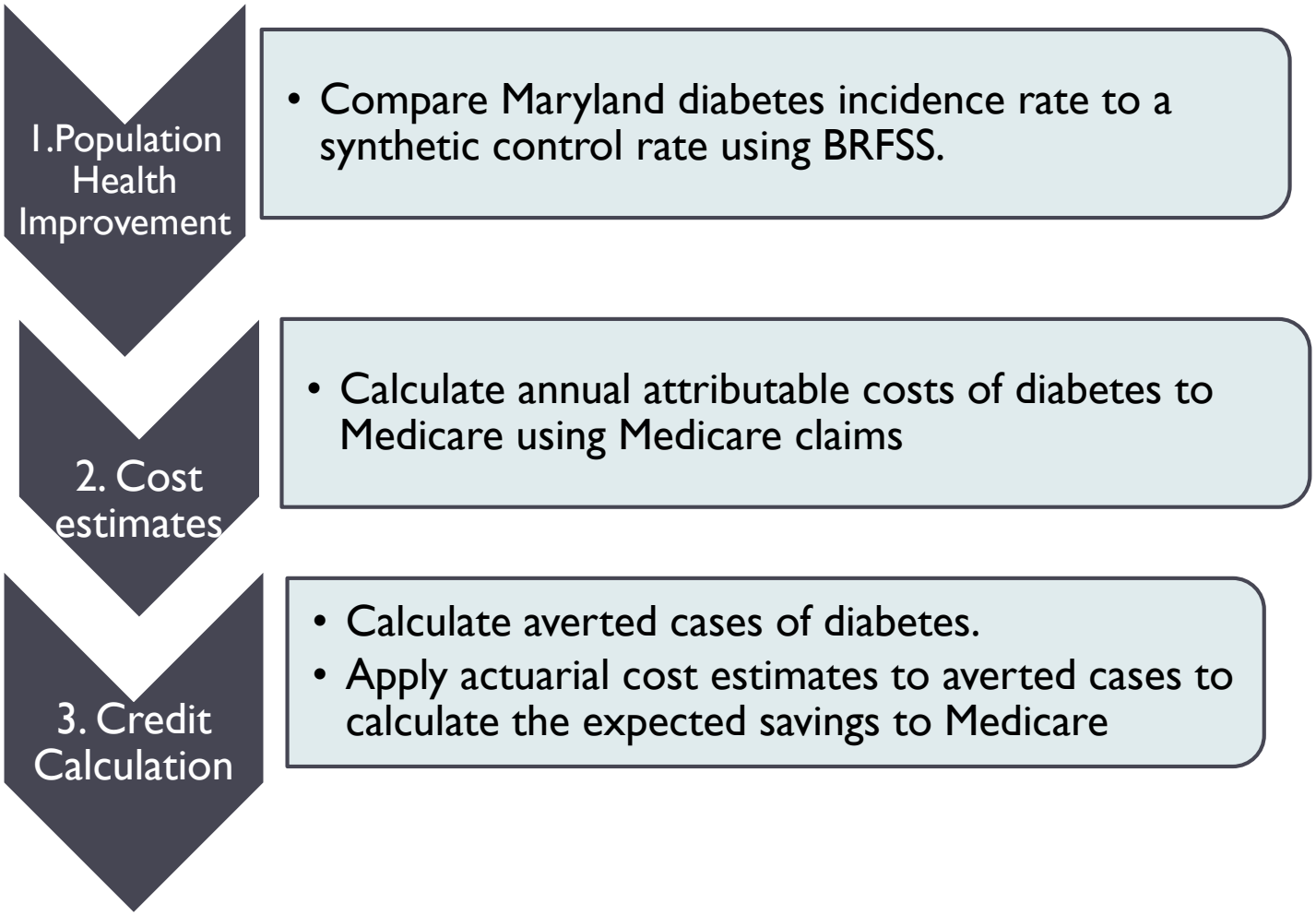
Outcomes-Based Credits- Unique Population Health Opportunity

- Opportunity to receive outcomes-based "credits" for preventing or delaying disease onset
  - Maryland may invest in programs that do not immediately reduce cost, but do help prevent/delay disease onset and save Medicare money in the future
- Improvements in all-payer, statewide population health may be able to offset some federal TCOC investments in Maryland, resulting in less aggressive savings targets
  - No additional upfront investment

Outcomes-Based Credits

☑ First in the nation opportunity
☑ May offset federal TCOC investments
☑ Potential for annual development
☑ All-payer population-wide measures

Diabetes Outcomes Based Credit Methodology Components



Interventions

- State will need a multi-faceted implementation strategy to prevent or delay onset of diabetes. We can capitalize on this opportunity by implementing a variety of programs, for example:
  - Outreach and education of residents
    - Focus on diabetes risk factor prevention and statewide education campaign
    - State and local support of farmers markets, healthy food banks, and walking promotion plans
  - Outcomes-based credit provides incentives to significantly increase number of Marylanders with access to Diabetes Prevention Program through focus on:

Engagement	All Payer Population	Statewide access
		
Close partnerships between prevention program providers, hospitals, and community organizations	Broad penetration of diabetes prevention programs (DPP) for all payer populations	Rapid scaling up of prevention programs in every Maryland community

MPA Year 3 Quality Adjustment

MPA Quality Adjustment

- Rationale
  - Payments under an Advanced APM model must have at least some portion at risk for quality
  - Because the MPA connects the hospital model to the physicians for MACRA purposes, the MPA must include a quality adjustment
- Other requirements
  - Must be aligned with measures in the Merit-Based Incentive Payment System (MIPS) to the extent possible
- Required to include, at minimum:
  - Adjustments from Readmission Reduction Incentive Program (RRIP) and Maryland Hospital-Acquired Conditions (MHAC)
- Considering additional measures for Y3 MPA policy, consistent with TCOC goals

Year 3 MPA Quality Adjustment

- Opportunity to utilize Medicare claims data and other data sources to capture quality of care not possible in case-mix data
- As always, use validated measures whenever possible

- Should be designed to align with BIGs, but at what level?
  - See **examples** below:
    - Prevention of diabetes incidence? (aligns with outcomes-based credit)
      - Referrals to Diabetes Prevention Program, obesity counseling, etc.
    - Management of Marylanders with diabetes? (aligns with GBR and MDPCP)
      - HbA1c control, eye exams, foot exams, etc.
      - Utilization outcomes – ER visits, Prevention Quality Indicators, etc.
  - As additional BIGs are developed, may want to add related measures to MPA quality

- Depending on TCOC Work Group interest, plan on beginning to explore measures and feasibility over the next few months

Future meetings

- TCOC Work Group meetings
  - March 27
  - April 24
  - May 29
  - June 26
- HSCRC Commission meetings
  - March 13
  - April 10

Next meeting:
March 27, 2019