Implementing Primary Care Value-Based Payment through Medicaid Managed Care

May 20, 2021, 2:00-3:00 pm ET

Part of CHCS’ Strengthening Primary Care through Medicaid Managed Care learning series.

Made possible through support from The Commonwealth Fund.
Questions?

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A nonprofit policy center dedicated to improving the health of low-income Americans
This webinar is part of our *Strengthening Primary Care through Medicaid Managed Care* webinar series, made possible by The Commonwealth Fund.

The series examines the tools and levers that states can use to advance comprehensive primary care strategies.

For information on future webinars and resources in this series, as well as the resource *Advancing Primary Care Innovation in Medicaid Managed Care: A Toolkit for States*, please visit [www.chcs.org/primary-care-innovation](http://www.chcs.org/primary-care-innovation).
Core Features of Advanced Primary Care and Levers to Drive Uptake and Spread

- Enhance Team-Based Care
- Use Technology to Improve Access
- Integrate Behavioral Health Care
- Identify and Address Social Needs
- Engage Communities and Achieve Health Equity
- Promote Accountability for MCOs
- Move to Value-Based Payment in Primary Care
- Monitor Primary Care Spending and Investment
Today’s Learning Objectives

✓ Learn how states, payers, and providers can leverage value-based payment to support delivery system transformation goals

✓ Understand how value-based payment models can incentivize and support health equity

✓ Understand how prospective payment models can support high-quality primary care
Agenda

- Introductions
- State Approaches for Supporting Value-Based Payment in Primary Care
- Leveraging VBP Models to Reduce Health Disparities
- Implementing Prospective Payment Models to Advance Primary Care
- Moderated Q&A
- Wrap Up and Next Steps
Introductions
Today’s Presenters

Rob Houston, MBA, MPP  
Director, Delivery System and Payment Reform  
Center for Health Care Strategies

Len Nichols, PhD  
Emeritus Professor of Health Policy at George Mason University and a non-resident Fellow at the Urban Institute Health Policy Center

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Owner and President  
Lansingburg Family Practice

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Senior Program Officer  
Center for Health Care Strategies

Anthony Marinello, MD, PhD  
Chief Medical Officer  
CDPHP
State Approaches and Opportunities for Supporting Value-Based Payment in Primary Care
What is Value-Based Payment and Why Do We Need It?

- **Value-Based Payment (VBP)** - Broad set of performance-based payment strategies that link financial incentives to providers’ performance on a set of defined measures of quality and/or cost or resource use.

- **VBP Goals**
  - Improve quality and outcomes
  - Lower total cost of care
  - Improve patient experience
  - Advance health equity
State Strategies to Promote Primary Care VBP in Medicaid Managed Care

**Targets for Medicaid Managed Care Organizations**
As of 2019 more than half of MCO states (21 states) identified a VBP target in their MCO contracts.

**Targets with Flexible Primary Care VBP Model Guidelines**
New York provides a menu of priority VBP arrangements, one of which is an integrated primary care model.

**Primary care VBP Model with Standardized Design Elements**
Tennessee requires MCOs to support implementation of the TennCare Patient-Centered Medical Home program, which includes VBP and care delivery requirements for primary care practices.
How Can VBP Support Improved Primary Care Delivery?

<table>
<thead>
<tr>
<th>VBP Levers</th>
<th>Primary Care Attributes</th>
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<tbody>
<tr>
<td>▪ Linking payment to improved quality and patient experience</td>
<td>▪ Patient-centered</td>
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<tr>
<td>▪ More financial stability for practices</td>
<td>▪ Comprehensive and coordinated</td>
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<tr>
<td>▪ Payment that allows more flexibility for providers to invest in innovative care models</td>
<td>▪ Accessible</td>
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<tr>
<td>▪ Increased investment in primary care, potentially combined with incentives for reduced total cost of care</td>
<td>▪ Equitable</td>
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<td>▪ Focused on quality improvement</td>
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VBP is one lever to support state health equity goals

- Can provide direct financial resources and rewards to successfully address disparities
- Avoids unintentionally increasing disparities, when developed with an intentional equity lens
- Can support investments in data to identify disparities
- Aligns equity with existing high-priority activities related to payment reform

**State Examples: Minnesota**

Minnesota’s Integrated Health Partnerships are required to create a program addressing a critical social need. The program must include a set of “health equity measures” that intend to reduce health disparities and will assess the impact of their program.
States are exploring prospective payment models to support flexible and stable payment to primary care providers

Examples of prospective payment models may include:

- Supplemental per-member per-month payments in addition to FFS
- Capitated primary care payments (partially or fully replacing FFS)

Can be leveraged to support high-quality, equitable primary care

State Example: Washington State

Washington State is working to implement a multi-payer primary care VBP model that shifts towards use of a prospective Comprehensive Primary Care Payment to cover a comprehensive set of services. This payment will be supplemented by a Transformation of Care Fee which will transition over time into a performance-based payment.
Key Takeaways

✓ VBP is a key lever for supporting a wide range of primary care goals.

✓ States are increasingly implementing primary care VBP in Medicaid managed care.

✓ Prospective payment and applying a health equity lens to VBP are two areas of opportunity for state innovation.
Reducing Ethnic Disparities in Health Outcomes Among Uninsured Patients Through Payment Reform

Len M. Nichols, Ph.D.
Non-Resident Fellow, Urban Institute Health Policy Center
Overview

• Partners, Goals and Background on CHCN System
• Research Question and Implementation Design
• Statistical models
  • of eCQM Performance and of Patient Survey responses
• Root Cause Analysis and Patient Focus Group Results
• Future prospects
Partners and Long Term Goals

• October 2014 Robert Wood Johnson Foundation Finding Answers Program awarded 3-year grant to George Mason University, with Fairfax County and Molina Healthcare partners, to test if clinician payment incentives might be used to reduce ethnic disparities in health outcomes

• Molina Virginia and Fairfax County CNCN were perfect partners for this work

• Inova assumed operational responsibility for CHCN July 1, 2016, and agreed to continue and prioritize this research project and implement an identical or similar incentive structure

• In addition to research findings, we hoped to help establish techniques that will serve the County, Inova, and the patient population of the CHCN well in the future
Community Health Care Network

North County

Merrifield/Bailey’s Crossroads

South County

18,000 Enrolled

30-50k visits per year

10-15k undup. Patients

2/3 speak Spanish

1/3 speak 55 other languages

County spends $7-9m
Logic Diagram of Intervention

Disparities DATA! → Team Payment Incentive + Reminders during huddles + meetings → Better CQM performance => Lower Disparities
Incentive Formula Recap

- Current Salary + (Bonus*productivity*quality)
- 4.0 or more RVU/hr will be entered as “1” in the above equation
- 1.5 or more “target” RVU/hr will entered as “1” in the above equation
- The incentive formula would be: current salary + (3% x 1 x 1)
  - Target RVUs come from CCS, diabetic or BP education
- Bonus goes to entire Clinic team, not just to MDs
Challenges

• County moved largest health center 4 miles west in Nov 2015
• Inova took over as operator of CHCN in July 2016
• EHR management and staffing transitions considerable
• RWJF pilot embedded in Inova-specific bonus system, calculations, and delivery modalities
Summary of eCQM Model Results

• Controlling for center-specific differences and time trends..., the payment incentive changes are associated with:
  • REDUCTION in Disparities in blood pressure control in all 3 centers, due to non-Hispanic performance improvement
  • Less statistically reliable impact on HgbA1c and CCS
Inova CHCN Patient Satisfaction Results

• Patient Satisfaction in General Very High (98%) and consistent across 8 categories (avg. 4.6 out of 5)

• We added two questions:
  • Do you have one of our target conditions
  • Has treatment of that changed in last three years

• Marginal Effects from Probit on Yes = f(ONE, or MTO):
  • ME for ONE = 0.431*** (0.097)
  • ME for MTO = 0.741*** (0.143)
Constructing the Fishbone Diagram for CHCN Merrifield

Patient behavior
- Patients fear D, don’t want to talk or think about it
- Switch from oral to injection is BIG deal
- Refill is new idea

Patient behavior
- Insulin seen only at end stage, associated w/ death
- Education about D essential

Information barriers
- Asymptomatic, why treat?
- D education classes too long
- Patients penalized for missing class, yet hard to get to for 2-3
- Not aware of co-pay waiver for class completion

Language barriers
- Education about D essential

HgbA1c control

Finding Answers
Disparities Research for Change
Limitations and Future Work

• pre-post, did not have a pure control group

• Sustained implementation and feedback loops among clinical staff a “black box” to evaluators

• Still, results show promise of payment reform reducing disparities

• Would like to develop tests with FQHCs and privately owned clinics

• Footnote: Fairfax County turned operation of clinics over to Neighborhood Health, very high functioning FQHC based in Alexandria, in 2019
Strengthening Primary Care through Medicaid Managed Care

Anthony Marinello, MD, PhD
Chief Medical Officer
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Owner and President
Lansingburg Family Practice
CDPHP Background Info

Physician-founded
Not-for-profit
Mission-driven
Network model

29 COUNTIES in Upstate NY
400,000 MEMBERS across all lines of business
825,000+ PROVIDERS throughout the country
CDPHP Enhanced Primary Care

A nationally-recognized patient-centered medical home (PCMH) model that…

Gives patients more time with their doctor

Expands practice office hours

HIGHER QUALITY OF CARE

= LOWER COST OF CARE

Enhances the patient-doctor relationship

Improves electronic communications
Paying Doctors for Better, Not More Care

Cornerstones of the Model:
• Practice transformation
• Payment reform
• Interoperability

40% EPC practices reimbursed above fee-for-service, including Medicaid Managed Care.

20% Bonus opportunity available to EPC providers based on Triple Aim goals.
Quality-Aligned Incentive Payments

Depression Screening Trends

- 2019: 51,000
- 2020: 90,000

76% increase
When COVID-19 Hit…

Top Priority to Protect Independent Practices:

- Immediately reached out to providers – how can we help?
- Created advanced payment program with zero interest loans
- Waived cost-share for all COVID19 testing and treatment
- Expanded access to new, no-cost telehealth and mental telehealth
- Implemented payment parity for telehealth

95% Percentage primary care practices on global payments pre-COVID19.

Not impacted by a reduction in in-person visits.
One Such Practice…

Lansingburgh Family Medicine, Troy, NY

- Solo practitioner with five (5) employees
- Certified PCMH since 2013
- Serving low-income community
- Nearly 3,000 patients / primarily Medicaid
- Ranking among top providers in areas of…
  - Quality
  - Efficiency
  - Patient satisfaction
Dr. Adetutu Adetonna
Owner
Lansingburgh Family Medicine
The Journey to Successful Value-Based Care

The 3 P’s…

PHASE 1
Introduction to VBP world

PHASE 2
Shared savings

PHASE 3
Total risk
Improving Health & Lowering Costs

The 3 P’s...

P1 PATIENTS

P2 PROVIDERS

P3 PAYERS
Patients

- Cannot be successful without patient buy-in/participation
- Must overcome barriers to care
- Must address social determinants of health
Providers

✔ The process is continuous, ever-evolving
✔ Focusing on one patient at a time, mind/body approach to medicine
✔ Patient relationship is KEY
✔ Addressing social determinants of health
✔ Being mindful of cost implications – labs, referrals, high-cost meds
✔ Accessibility drives down hospital utilization
Payers

✓ A true partnership
✓ Providing timely analytics
✓ Providing on-site resources, including case management
✓ Rewarded for better, not more care
Lessons Learned

- It’s a marathon, not a sprint
- Must address barriers to care
- Must provide services at point of care
What Does the Future Hold?

- Providers assuming full risk
- Full integration, including primary care and behavioral health
- Much like children, needs constant nurturing
Question & Answer
Questions?

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Wrap Up and Next Steps
Wrap Up and Next Steps

- Visit CHCS.org to access:
  - The value-based payment module in our *Advancing Primary Care Innovation in Medicaid Managed Care* toolkit

- Look for upcoming webinars in the series:
  - Next topic: Promoting Health Equity through Primary Care Innovation and Medicaid Managed Care
    - Registration details forthcoming

- Please complete the evaluation at the conclusion of this webinar
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