

# Webinar Series

## Session 5:

### Maximizing the “Value” of Value-Based Payment Arrangements

# HMA - HealthEC Collaboration

## Opportunity

Workgroups comprised of subject matter experts from HMA and HealthEC met over several months in 2019 to discuss ways in which **healthcare consulting and advisory services** such as those offered by HMA and **population health management (PHM) and analytics applications** such as those offered by HealthEC could be leveraged more effectively by government agencies, healthcare providers, and payers to address critical needs in select



## Focus Areas

1. Health Equity
2. Communicable Disease Management
3. MCO Performance Management
4. Supports to Small/Midsize Health Plans
5. VBP Contract Supports
6. Opioids
7. HHS Service and Data Integration



## Outputs

### *Health Performance Accelerator*

Tailored consulting and advisory services that can be coupled with tailored PHM and analytics platform deployments

# Today's Speakers

**Sanjay Seth, MD, MPH**

EVP & CMIO - HealthEC



**Greg Vachon, MD, MPH**

Principal- HMA





# The Reality

- The US health system was designed to measure and to pay for **events**: visits, admission, procedures, tests
- Most agree **outcomes** should be measured and paid for



- But progress is being made and is driving long terms trends

# Payment Trends

- Long terms shift in payments by payers

- CMS/Medicare:

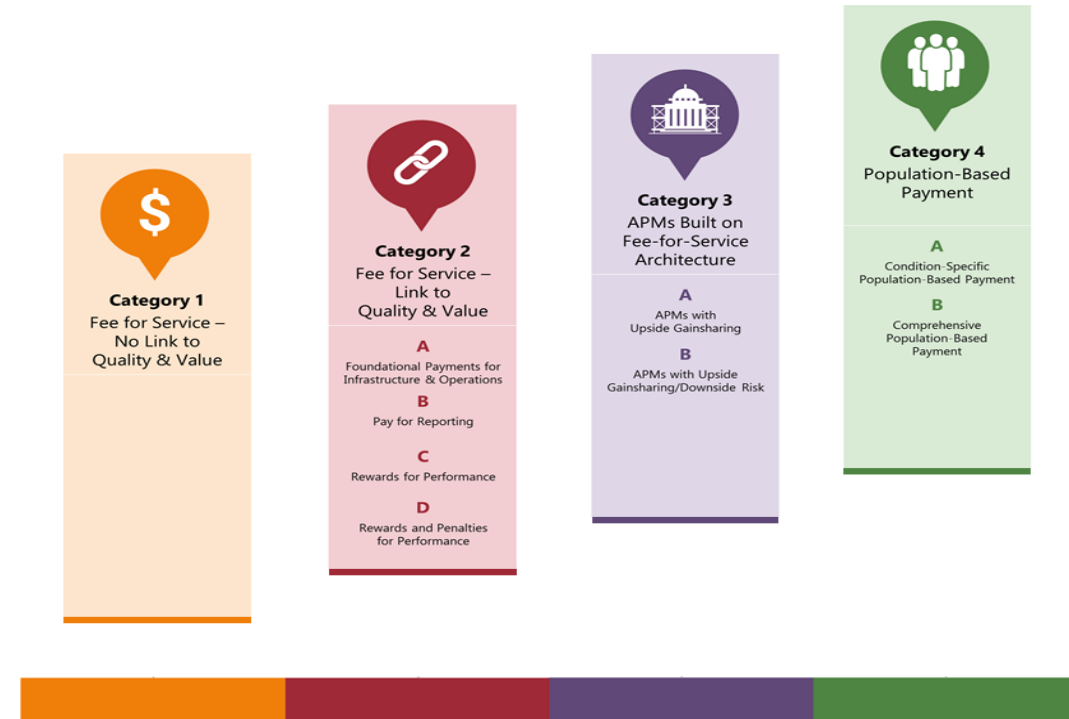
- MIPS
    - ACOs
    - Medicare Advantage VBID

- Medicaid/states:

- Continued shift to managed care with contracts requiring VBPs

- Commercial/employers:

- Employers joining forces to pressure providers for better value



- All forces aligned to measure, report and pay for value

# Provider Trends

- Organizational Aggregation
  - CINs, IPAs, ACOs
  - Acquisitions of practices by health systems
  - Consolidation of health systems through partnerships, closures, and acquisitions
- **Contracts** with payers to deliver better outcomes for more people with controlled costs
- Ever increasing EMR use and data exchange expectations



# Provider Challenges

- Modeling a value proposition to bring to the table when negotiating VBCs
- Modeling revenue distribution
- Aggregating data from multiple EMRs and data sources, particularly when newly bringing together provider partners
- Impactful, simple tools to track and **manage performance**

# VBC Support: Optimal Capabilities to Manage Performance

- Leverage existing data sources to the fullest
- Automated data inputs, validations and visualizations
- Rule-based alerts and flags for providers
- Dynamic scorecards showing current VBC measures and measures for potential future contracts



# HMA's Experts and Experience

Services	Goals
✓ Formation and operational support for IPAs including physician groups, behavioral health organizations and groups that include FQHCs	<ul style="list-style-type: none"><li>▪ Form legal entity with legal and financial advisors</li><li>▪ Establish membership and governance processes</li><li>▪ Design and negotiate achievable VBP contracts</li></ul>
✓ Accountable care organization supports, including Medicaid Comprehensive Accountable Entities (CAEs)	<ul style="list-style-type: none"><li>▪ Assess contract methodologies including risk adjustment, attribution, baseline calculations, and performance calculations</li><li>▪ Define and implement process improvements</li></ul>
✓ Assessment and optimization of medical homes including behavioral health and Risk-Ready Primary Care (RRPC)	<ul style="list-style-type: none"><li>▪ Assess gaps in primary care delivery</li><li>▪ Orientate primary care practices towards population health management and success in VBP contracts</li></ul>
✓ Strategic planning	<ul style="list-style-type: none"><li>▪ Assess physician alignment with organization</li><li>▪ Consider various organizational options such as clinically integrated networks to achieve clinical and financial goals</li></ul>

# HealthEC's Platform for IDN's and CIN's



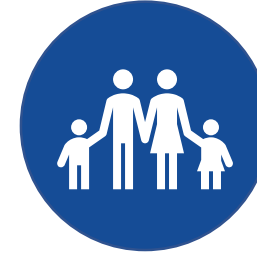
## Data Aggregation and Universal Data Warehouse

- Create or Integrate with a Data Warehouse
- Claims Lab and Pharmacy data aggregation with EMR and Hospital Discharge
- Enable Decision Support at Practice, Specialty Level
- Monitoring utilization and costs and reimbursement by Major Diagnostic Categories
- Tracking HCC or Other risk scores



## VBC Support and Performance Monitoring

- Monitoring of Practice and Provider performance on key contract metrics
- Monitoring In-Patient / ER / Network Utilization by Disease, Practice or Provider
- Track performance against capitation and monitoring expenditures against MLR at Practice and Provider Level
- HEDIS and Star Ratings by Contract, Practice & Provider
- Analytics to support accurate coding for HCC



## Provider Engagement

- Provide access to analytics and Care Coordination tools
- Enable real time Gaps in Care monitoring
- Care Coordination Documentation and Workflow Integration
- Provide Access to community-based providers and other stake holders
- Built In patient assessments (Behavioral, SDoH) and CCM and TCM tracking

# Creating Operational Value



## Quality Reporting

- Over 500 industry-certified quality measures
- Aggregated clinical and claims data for all measures
- Benchmarked dashboard for the Organization, practice, and provider
- HEDIS and Star measure monitoring by practice and provider
- UDS metrics tracking, monitoring for FQHC's



## Utilization and Financial Performance Monitoring

- Monitoring of practice and provider performance on key contract metrics
- Admissions and re-admissions trends and details
- Utilization of services and specialty in and out of defined networks
- ER use for non emergent conditions by practice
- Monitoring all inpatient and ancillary services utilization
- Identify HCC opportunities via claims, EMR, Lab data



## Care Management

- Risk Stratify all patients by diagnosis, co-morbidities, need for care coordination, frailty flags and presence of chronic illnesses
- Identify by Practice and Provider; high risk, high cost patients, patients with poor adherence rates to medication and dependency on opioids
- Automated creation and monitoring of referrals based on assessments for chronic diseases, behavioral & SDoH



## Care Coordination

- Provider-facing tools for monitoring performance on follow up after ER and Inpatient Discharges
- Track all admissions and readmissions by diagnosis
- Mobile and portal enabled patient engagement and alerts
- Provider and care manager workflow integration
- Monitor impact of coordination and referral programs on cost and quality

# Data Exchange and Aggregation

- Integrating the Healthcare Enterprise (IHE) Technical Framework (TF)
- IHE Web services (SOAP)
- Batch mode using SFTP
- HL7 via MLLP
- SAML-based SSO
- Consolidated Clinical Document Architecture (CCDA) exchange
- Custom RESTful services
- Direct data extraction from a vendor's EMR system via proprietary methods



## Data from ANY SYSTEM

- ✓ EHRs (200+ adapters live)
- ✓ Patient scheduling
- ✓ Laboratory
- ✓ Pharmacy benefits manager
- ✓ Claims and remittance
- ✓ Payer adjudication, MMIS
- ✓ Data warehouses
- ✓ Registries
- ✓ Local and regional HIEs
- ✓ ANY system, guaranteed!



## Data from ANY CARE SETTING

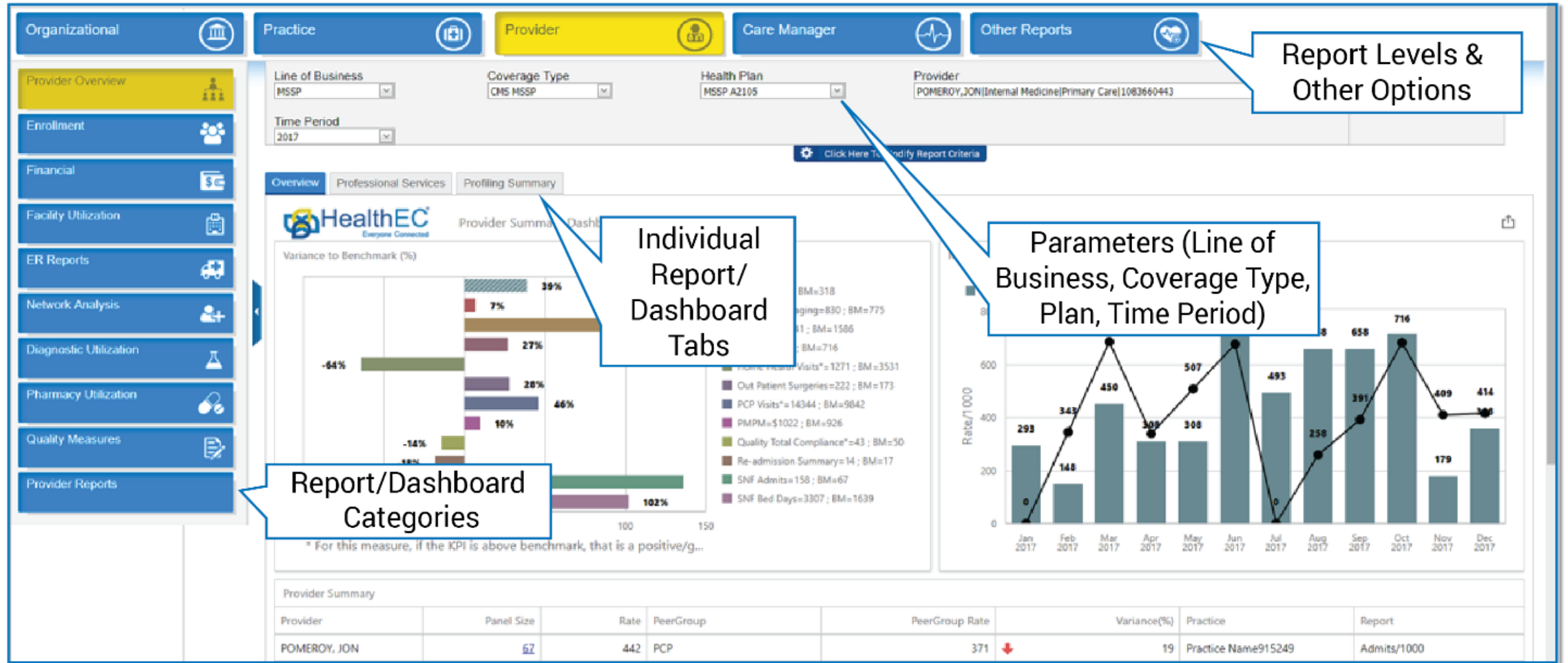
- ✓ Hospital (IP, OP, ER)
- ✓ Ambulatory
- ✓ Post-acute care (rehab, SNF)
- ✓ Behavioral health
- ✓ Home health
- ✓ Case management/care coordination
- ✓ County and state clinics
- ✓ Pharmacies
- ✓ Reference labs
- ✓ ANY setting, guaranteed!



## Data from ANY FORMAT

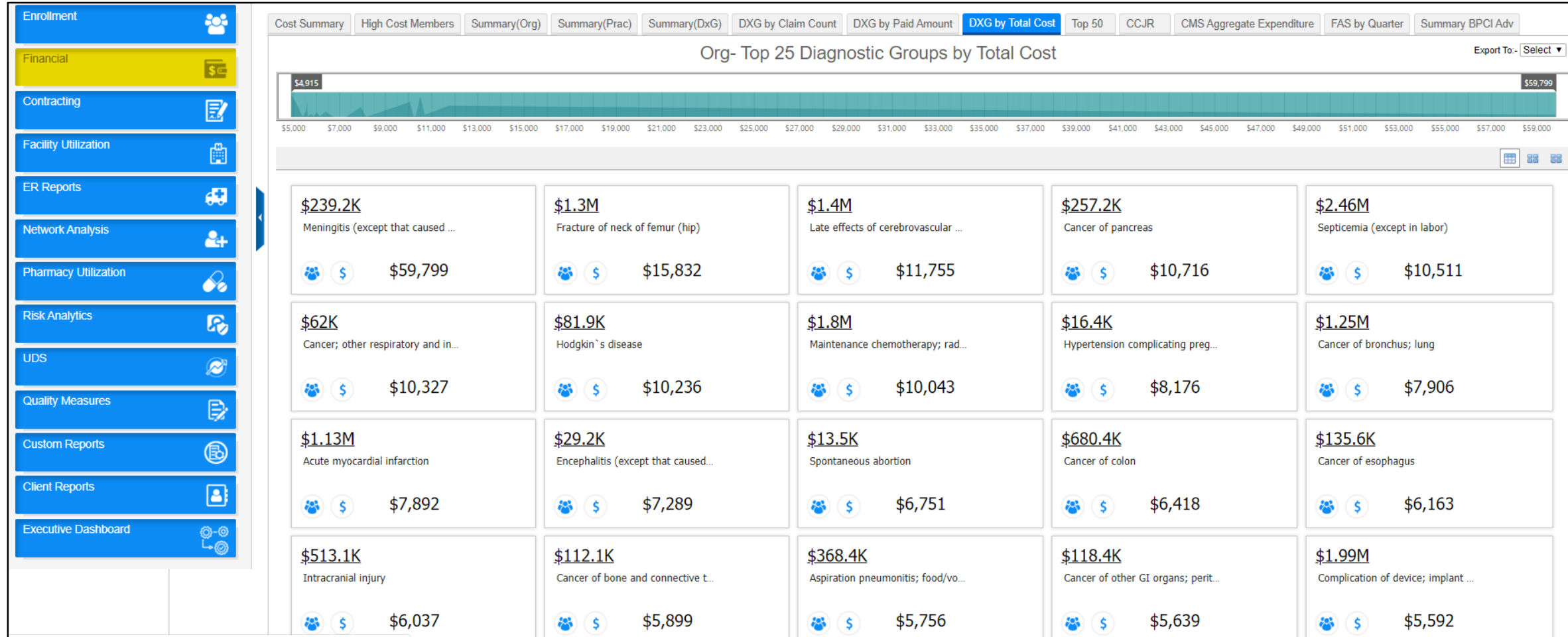
- ✓ CCD/A, CCR
- ✓ EDI 837, 835
- ✓ HL7 ADT, ORU
- ✓ FHIR
- ✓ Proprietary files
- ✓ CCLF
- ✓ NCPDP
- ✓ SQL statements
- ✓ Any protocol: Web service, batch, API, etc.
- ✓ ANY format, guaranteed!

# 3D Analytics Interface

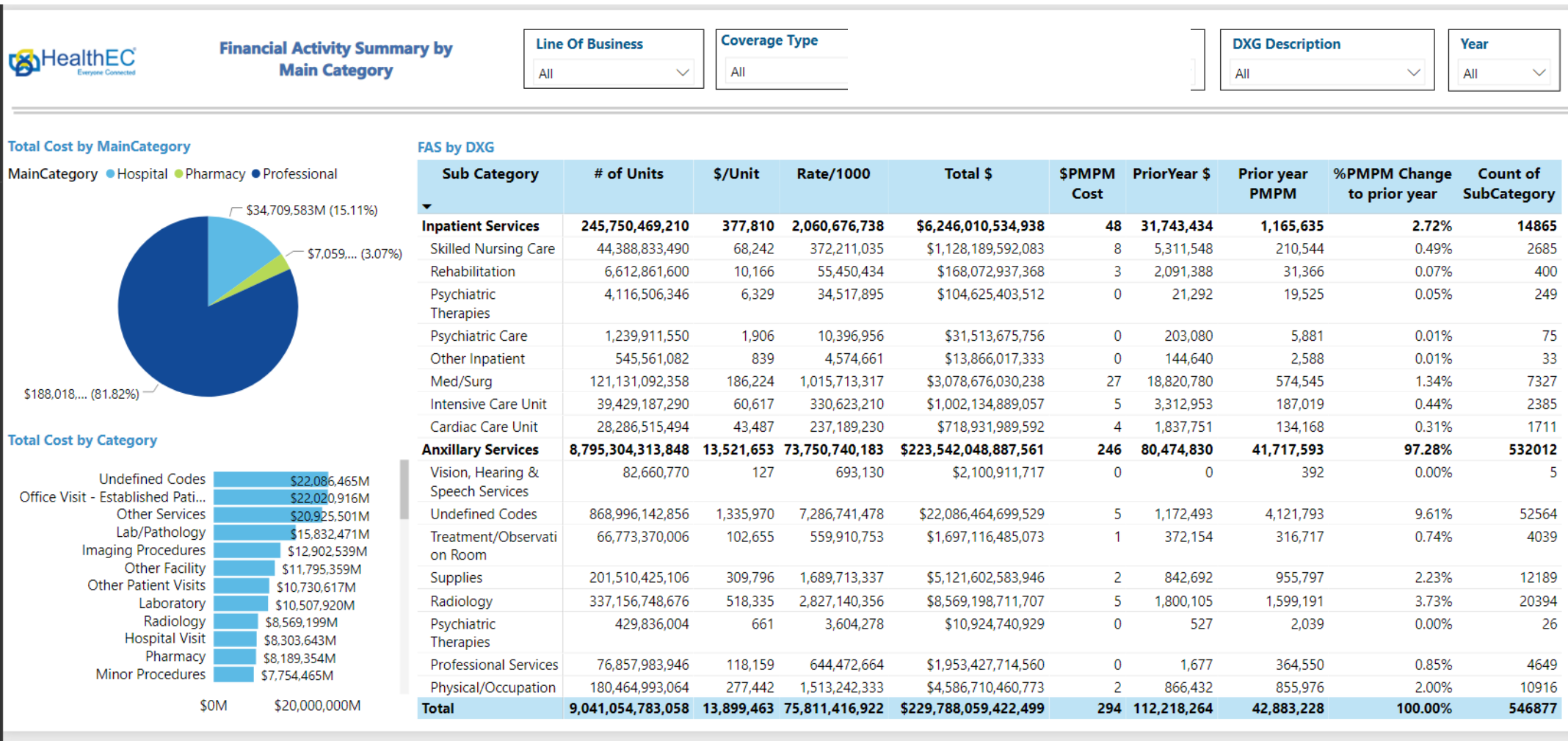




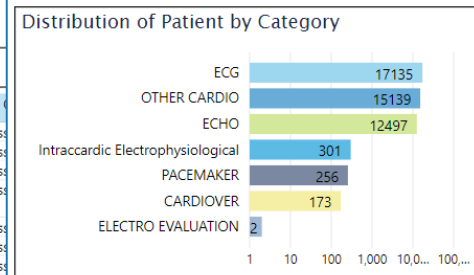
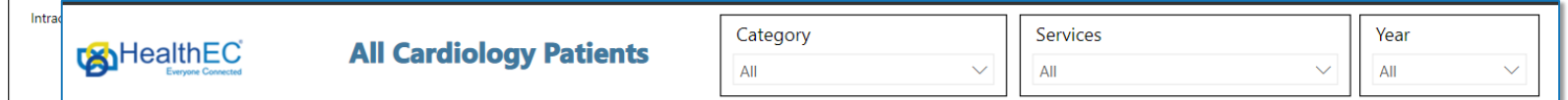
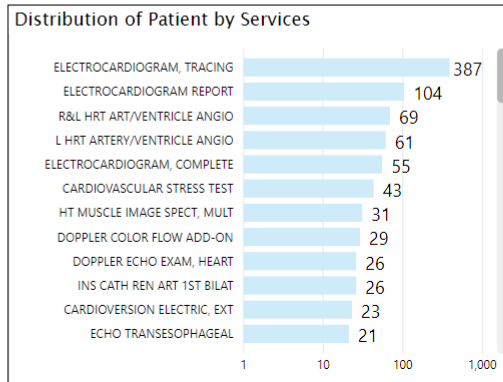
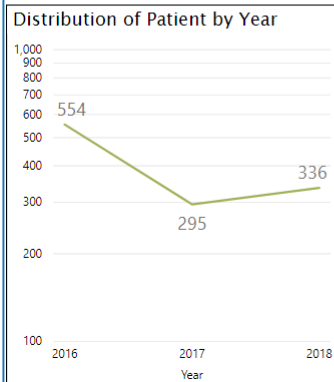
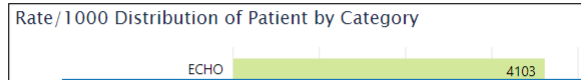
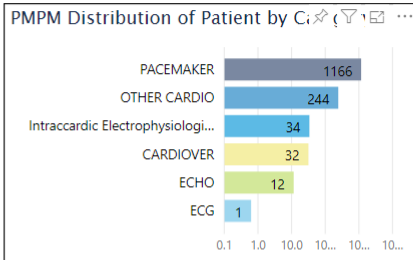
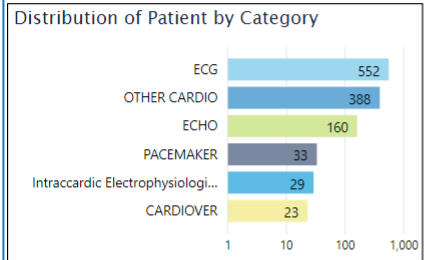
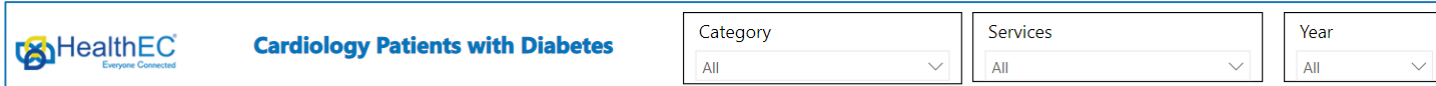
# Tracking Patients and Expenditures by MDC



# Tracking Utilization & Costs by Category and MDC

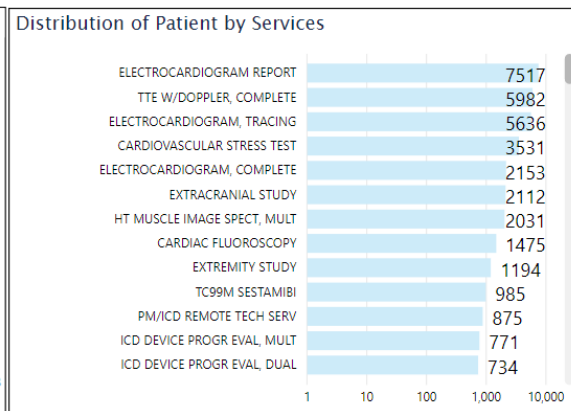
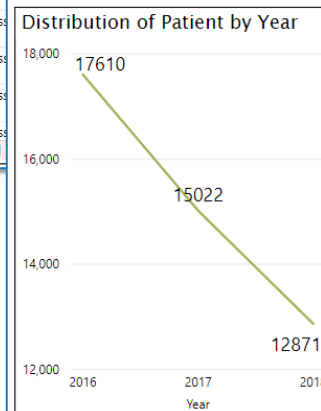
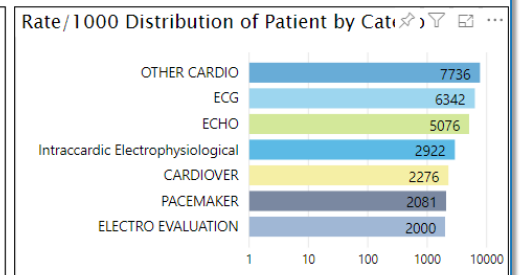


# Monitoring Variations in Clinical Management



**Category and CPT codes**

Category	Service
CARDIOVER	CARDIOVERSION ELECTRIC, EXT
ECG	ECG MONITOR/RECORD, 24 HRS
ECHO	CARDIOVASCULAR STRESS TEST
ELECTRO EVALUATION	ELECTROPHYSIOLOGY EVALUATION
Intracardiac Electrophysiology	ABLATE HEART DYSRHYTHM FOC
OTHER CARDIO	ABLATE ARRHYTHMIA ADD ON
PACEMAKER	ELTRD/INSERT PACE-DEFIB



**Main Category Category Services Amount Paid**

Professional	CARDIOVER	CARDIOVERSION ELECTRIC, EXT	\$28,964
Professional	CARDIOVER	CARDIOVERSION, ELECTRIC, INT	\$183
Professional	ECG	ECG MONITOR/RECORD, 24 HRS	\$6,865
Professional	ECG	ECG MONITOR/REPORT, 24 HRS	\$16,415
Professional	ECG	ECG MONITOR/REVIEW, 24 HRS	\$9,232
Professional	ECG	ECG RECORDING	\$346
Professional	ECG	ECG/REVIEW, INTERPRET ONLY	\$1,040
Professional	ECG	ELECTROCARDIOGRAM REPORT	\$43,977
Professional	ECG	ELECTROCARDIOGRAM, COMPLETE	\$22,720
Professional	ECG	ELECTROCARDIOGRAM	\$27,726
<b>Total</b>			<b>\$4,240,140</b>

# MLR Performance by Provider by Disease



## Dashboard

YEAR

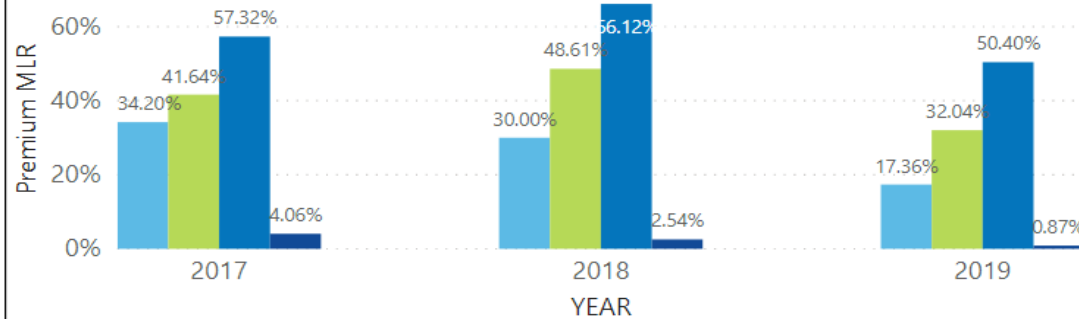
All

Month

All

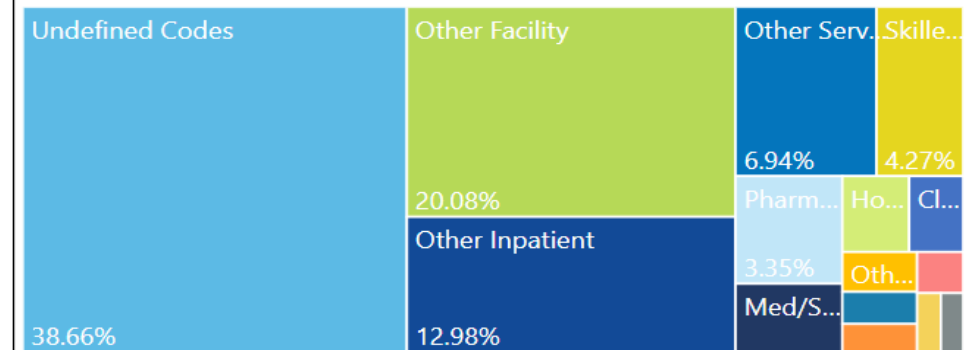
Premium MLR by YEAR and Category

Category ● Core ● Excluded ● Optional ● Retail Pharmacy



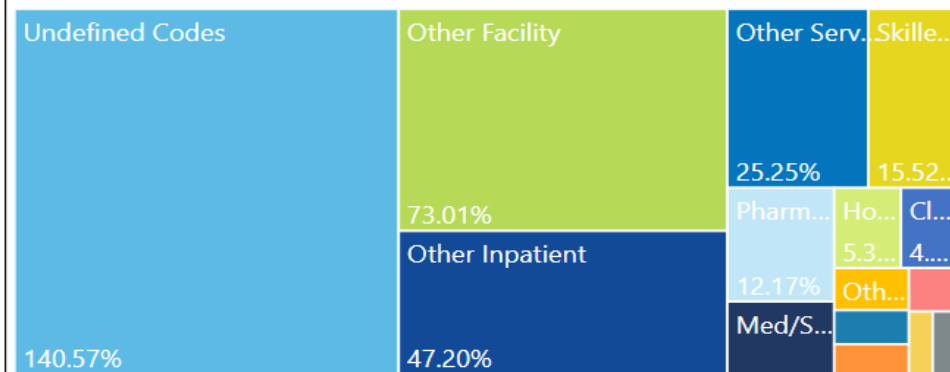
Premium MLR by Category

Category ● Undefined... ● Other Facility ● Other In... ● Other Ser... ● Skilled ... ● Pharmacy



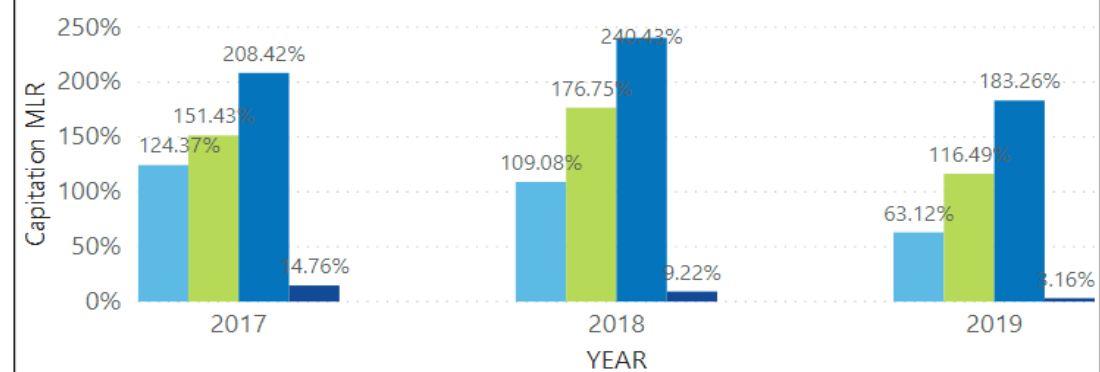
Capitation MLR by Category

Category ● Undefined... ● Other Facility ● Other In... ● Other Ser... ● Skilled ... ● Pharmacy



Capitation MLR by YEAR and Category

Category ● Core ● Excluded ● Optional ● Retail Pharmacy



# Tracking HCC Scores

- Contracting
- Facility Utilization
- ER Reports
- Network Analysis
- Pharmacy Utilization
- Risk Analytics**
- UDS
- Quality Measures
- Custom Reports
- Client Reports
- Executive Dashboard

## Members Missing HCC

Members

2,962

HCC Codes

5,488

## Missing HCC Counts & RAF YOY Refresh Rate by Provider

NPI	Provider Name	Missing HCC Count	Current Year HCC Count	Prior Year HCC Count	Refresh Rate (%)
1972683001	HealthCare4,Provider4		971	1,491	65.1
1780792051	LASTNAME915571,FIRSTNAME464392		1,140	1,615	70.5
1265449326	HealthCare7,Provider7		499	843	59.1
1518961986	LASTNAME480150,FIRSTNAME945117		458	675	67.8
1750314803	HealthCare8,Provider8		415	631	65.7
1437296548	LASTNAME774368,FIRSTNAME175315		465	650	71.5

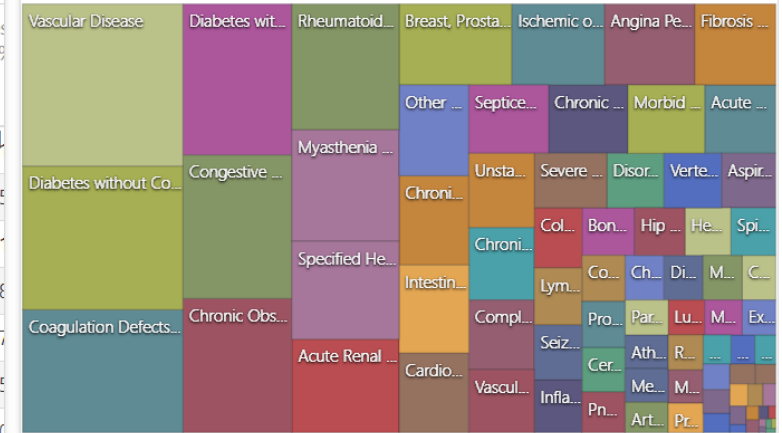
## RAF YOY Refresh Rate by Members

Member Name	Current Year HCC Count	Prior Year HCC Count	Refresh Rate (%)
LASTNAME114683, FIRSTNAME114683	1	2	50.00
LASTNAME107784, FIRSTNAME107784	2	3	66.67

## RAF YOY by Provider

	Grand Total	
	Current Year RiskScore	Prior Year RiskScore
HealthCare Practice 1	1.43	1.50
HealthCare Practice 2	1.23	1.06

## Provider by Missing HCC Category



## Missing HCC - Member Details

Member Name	Missing HCC Description
BAKER, THOMAS	Diabetes with Chronic Complications
LASTNAME1004, FIRSTNAME1004	Diabetes without Complication
LASTNAME1004, FIRSTNAME1004	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease



# Executing a Successful VBC Strategy




- Predictive risk, predictive cost, resources utilization
- High- or rising-cost patient
- High-cost diagnosis or cost per patient
- High-ER users and non-emergent use of ER
- Frequently admitted patients or admissions for low acuity
- Re-admissions by facility, diagnosis
- Focus on chronic care or annual wellness
- HCC risk adjustment factor maximization strategy
- Medication adherence rates
- Quality score improvement

# Performing against Peers

Calculation of Savings Reduced HOPD Testing				Calculation of Savings Avoiding Low Acuity Admissions				Calculation of Savings - Lower ER Visits							
	Current	MSSP Avg	Interim Target		Current	MSSP Avg	Interim Target		Current	MSSP Avg	Interim Target				
HOPD Spend per patient	\$ 1,985	\$ 800	\$ 662	IP Cost /Patient	\$ 4,330	\$ 3,210	\$ 3,681	ER spend per Pt.	\$ 1,059	\$ 626	\$ 751				
Beneficiaries	5486	5486	5486	Beneficiaries	5486	5486	5486	Beneficiaries	5486	5486	5487				
Total cost of HOPD	\$ 10,889,710	\$3,266,913	\$ 3,629,903	Total Cost of IP Care	\$ 23,754,380	\$ 17,828,556	\$ 20,191,223	Cost of ER Care	\$ 5,807,567	\$ 3,432,176	\$ 4,122,141				
Total Tests	6050	4,084	4,537	Total Admissions	2551	1,915	2,168	ER Visits - Admits	4467	2288	2746				
Vists per 100 patients	35	1920	3840	IP/1000	465	349	395	ER Visits/1000	871	436	523				
Per test Costs	\$ 1,800	\$ 800	\$ 800	Avg Cost/Adm	\$ 9,312	\$ 9,312	\$ 9,312	Avg Cost/Visit	\$ 1,300	\$ 1,500	\$ 1,501				
Interim Savings	\$ 7,259,807			Interim Savings	\$ 3,563,157			Reduced ER visit by # of ER visits that are admitted							
Max Savings	\$ 7,622,797			Max Savings	\$ 5,925,824			Interim Savings	\$ 1,685,426						
								Max Savings	\$ 2,375,391						
ACO - Interim Targets for Savings															
Physicians	Patients	Admissions		Re-Admits		ER Visits		CT Scans		Hospital Out Patient Testing		Specialists Referrals		Savings Share	
		Current	Target	Current	Target	Current	Target	Current	Target	Current	Target	Current	Target	Panel Based	Rank
	Volume	465	349	189	144	871	703	856	675	6050	4,084	5846	4645		
	75th % ile		45				145						2500		
Comparative Comm BenchMark															
Practice 1	621	289	217	55	42	541	437	532	419	685	462	3630	2885	\$ 347,648	1
Practice 2	522	243	182	46	35	455	367	447	352	576	389	3052	2425	\$ 292,226	2
Practice 3	496	231	173	44	33	432	349	425	335	547	369	2900	2304	\$ 277,671	3
Practice 4	486	226	170	43	33	423	342	416	328	536	362	2841	2257	\$ 272,073	4
Practice 5	396	184	138	35	27	345	278	339	267	437	295	2315	1839	\$ 221,689	5
Practice 6	376	175	131	33	25	327	264	322	254	415	280	2198	1747	\$ 210,492	6
Practice 7	354	165	124	31	24	308	249	303	239	390	264	2069	1644	\$ 198,176	7
Practice 8	270	126	94	24	18	235	190	231	182	298	201	1578	1254	\$ 151,151	8
Practice 9	246	114	86	22	16	214	173	211	166	271	183	1438	1143	\$ 137,716	9
Practice 10	222	103	77	20	15	193	156	190	150	245	165	1298	1031	\$ 124,280	10

# Distribution Model – Weighted Provider Profile



Physician Distribution

																Admits per 100	Advanced Imaging per 100	Bed Days per 1000	ER per 1000	Provider PMPM	Provider PMPY	Risk Adjusted PMPY	SNF Bed days per 1000
																302	775	1586	547	849	10,188	12,029	2,203
Provider Name	Specialty	Source	Current Panel Size	Panel Risk Score	Bed Days Per 1000	Admits Per 1000	1	ER Per 1000	2	Provider PMPM	Provider PMPY	Risk Adjusted PMPY	3	Advanced Imaging	SNF Bed Days Per 1000								
Provider 1	Internal Medicine	Attributed by CMS	268	1.07	<div></div> 3,846	<div></div> 476	1.6	<div></div> 575	1.1	<div></div> 1,345	<div></div> 16,137	<div></div> 15,081	1.3	<div></div> 701	<div></div> 10,256								
Provider 10	Internal Medicine	Attributed by CMS	360	0.84	<div></div> 1,375	<div></div> 226	0.7	<div></div> 246	0.5	<div></div> 643	<div></div> 7,711	<div></div> 9,179	0.8	<div></div> 387	<div></div> 1,401								
Provider 11	Internal Medicine	Attributed by CMS	208	0.98	<div></div> 1,632	<div></div> 289	1.0	<div></div> 328	0.6	<div></div> 818	<div></div> 9,815	<div></div> 10,016	0.8	<div></div> 524	<div></div> 2,117								
Provider 12	Internal Medicine	Attributed by CMS	135	1.02	<div></div> 2,005	<div></div> 386	1.3	<div></div> 431	0.8	<div></div> 933	<div></div> 11,194	<div></div> 10,974	0.9	<div></div> 598	<div></div> 2,383								
Provider 13	Internal Medicine	Attributed by CMS	188	0.71	<div></div> 2,443	<div></div> 345	1.1	<div></div> 340	0.6	<div></div> 841	<div></div> 10,096	<div></div> 14,219	1.2	<div></div> 356	<div></div> 1,036								
Provider 14	Internal Medicine	Attributed by CMS	295	0.87	<div></div> 2,373	<div></div> 370	1.2	<div></div> 452	0.8	<div></div> 850	<div></div> 10,205	<div></div> 11,730	1.0	<div></div> 493	<div></div> 2,338								
Provider 15	Internal Medicine	Attributed by CMS	128	0.99	<div></div> 1,980	<div></div> 333	1.1	<div></div> 293	0.5	<div></div> 957	<div></div> 11,484	<div></div> 11,600	1.0	<div></div> 459	<div></div> 3,430								
Provider 16	Internal Medicine	Attributed by CMS	299	0.99	<div></div> 2,373	<div></div> 284	0.9	<div></div> 1,215	2.2	<div></div> 652	<div></div> 7,826	<div></div> 7,905	0.7	<div></div> 629	<div></div> 1,618								
Provider 17	Internal Medicine	Attributed by CMS	144	0.89	<div></div> 3,232	<div></div> 346	1.1	<div></div> 779	1.4	<div></div> 654	<div></div> 7,845	<div></div> 8,815	0.7	<div></div> 456	<div></div> 1,691								



# Distribution Model on Profile Plus Quality

Provider Name	Specialty	Source	Current Panel Size	Panel Risk Score	Amount	Utilization and Financial Penalty	Gross Due	Net Due	Quality Penalty	Quality Score
Provider 1	Internal Medicine	Attributed by CMS	268	1.07	\$47,182.30	\$8,056.26	\$39,126.04	\$29,188.02	\$9,938.01	25%
Provider 10	Internal Medicine	Attributed by CMS	360	0.84	\$63,379.20	\$3,291.32	\$60,087.89	\$40,379.06	\$19,708.83	33%
Provider 11	Internal Medicine	Attributed by CMS	208	0.98	\$36,619.10	\$2,454.18	\$34,164.92	\$27,297.77	\$6,867.15	20%
Provider 12	Internal Medicine	Attributed by CMS	135	1.02	\$23,767.20	\$1,930.06	\$21,837.14	\$17,447.88	\$4,389.27	20%
Provider 13	Internal Medicine	Attributed by CMS	188	0.71	\$33,098.03	\$2,261.95	\$30,836.08	\$22,818.70	\$8,017.38	26%
Provider 14	Internal Medicine	Attributed by CMS	295	0.87	\$51,935.74	\$4,245.39	\$47,690.35	\$39,916.82	\$7,773.53	16%
Provider 15	Internal Medicine	Attributed by CMS	128	0.99	\$22,534.83	\$1,874.21	\$20,660.62	\$14,379.79	\$6,280.83	30%
Provider 16	Internal Medicine	Attributed by CMS	299	0.99	\$52,639.95	\$4,793.17	\$47,846.78	\$34,688.91	\$13,157.86	28%
Provider 17	Internal Medicine	Attributed by CMS	144	0.89	\$25,351.68	\$2,063.22	\$23,288.46	\$19,073.25	\$4,215.21	18%
Provider 18	Internal Medicine	Attributed by CMS	172	1.15	\$30,281.17	\$3,026.04	\$27,255.14	\$21,804.11	\$5,451.03	20%
Provider 19	Internal Medicine	Attributed by CMS	187	0.87	\$32,921.98	\$3,118.99	\$29,802.99	\$22,054.21	\$7,748.78	26%
Provider 2	Internal Medicine	Attributed by CMS	118	1.22	\$20,774.29	\$2,050.39	\$18,723.90	\$15,765.52	\$2,958.38	16%
Provider 20	Internal Medicine	Attributed by CMS	12	1.67	\$2,112.64	\$330.81	\$1,781.83	\$1,425.47	\$356.37	20%
Provider 21	Internal Medicine	Attributed by CMS	44	1.25	\$7,746.35	\$713.34	\$7,033.01	\$5,626.41	\$1,406.60	20%
Provider 22	Internal Medicine	Attributed by CMS	78	1.10	\$13,732.16	\$1,664.02	\$12,068.14	\$9,654.51	\$2,413.63	20%
Provider 23	Internal Medicine	Attributed by CMS	130	1.42	\$22,886.93	\$3,652.95	\$19,233.98	\$15,367.95	\$3,866.03	20%
Total			9,772	55.37	\$1,407,059.	\$147,610.44	\$1,259,449.	\$984,395.0	\$275,054.15	1092%

Total Share From CMS	\$	2,000,000
ACO Share	20%	\$ 400,000
ACO Expenses		
Administration	\$	75,000
Administration Cost 2	\$	22,000
Administration - Cost 3	\$	10,000
Care Coordination - A	\$	25,000
Technology Cost	\$	60,000
Payroll, Health WC, etc	\$	12,400
Total Cost	\$	604,400
Return to ACO - Utilization Penalty	\$	147,610
Return to ACO - Quality Penalty	\$	275,054
Net for Distribution	\$	1,395,600
For Distribution	\$	1,395,600
For Primary Care	70%	\$ 976,920
For Specialists	30%	\$ 418,680

# Questions?





# Upcoming Webinars



**Opioids Program Supports**

**Thursday 9/17**



**Health & Human Services  
(HHS) Service and Data  
Integration**

**Tuesday 9/22**



# Appendix