

The Importance of Developing a Guiding Vision for Payment Reform and Practice Transformation

Delta Center Convening
October 15, 2018



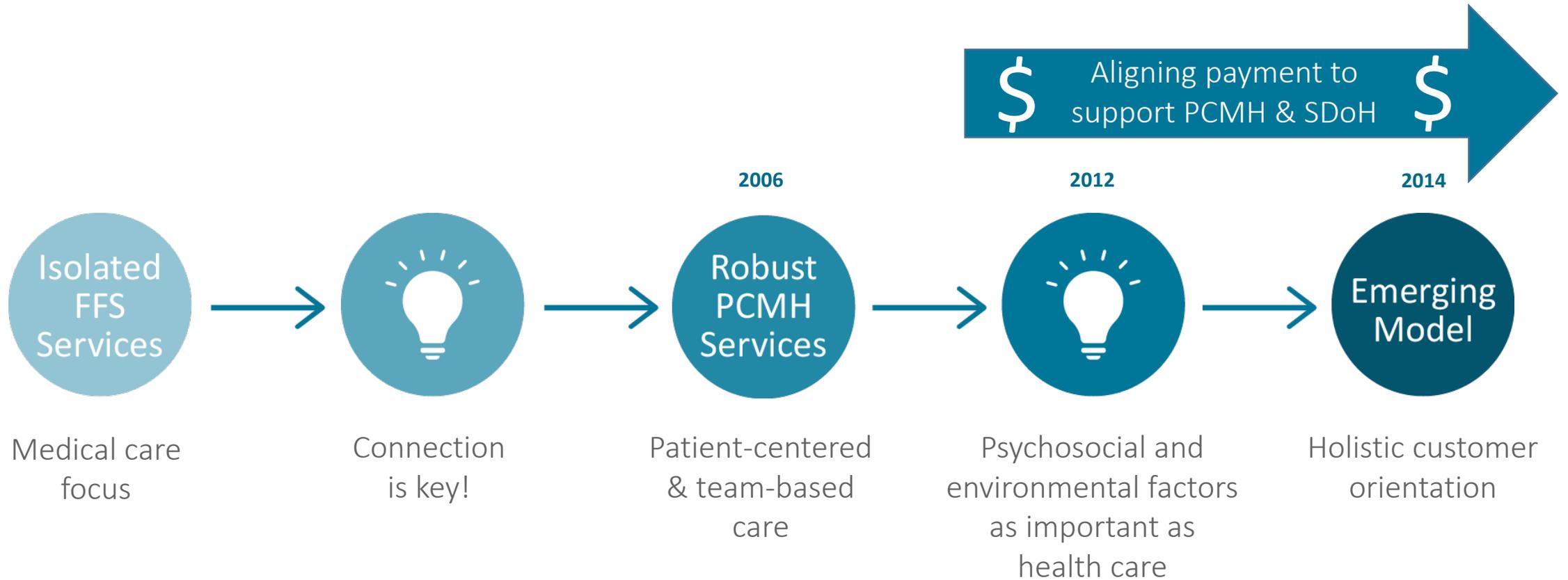
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Objectives

- Present how Oregon developed its guiding vision or North Star for payment reform and practice transformation
- Compare to other states pursuing payment reform and practice transformation under a similar payment methodology
- Discuss lessons learned
- Identify steps for getting started on a guiding vision
- Consider how to get started on a guiding vision for behavioral health and primary care

Developing a Guiding Vision for Payment and Practice Transformation in Oregon

EVOLUTION OF APPROACH



Oregon Context

- Establishing the primary care association (PCA) as a leader for providing technical assistance took work
- The PCA didn't start with a positive relationship with Medicaid
- Oregon was innovative
 - Established coordinated care organizations
 - Invested more \$\$ in primary care while trying to control health care inflation
 - Valued SDoH investments from Medicaid \$\$

Why Take the Risk?

- ❑ Our stakeholders wanted something better
 - Patients
 - Payers
 - Providers & support staff
- ❑ Recruitment getting harder
- ❑ Increased pressure
 - ❑ Transparency and accountability increasing
 - ❑ Payment moving from volume to value



OPCA's GOAL

FOR ALTERNATIVE PAYMENT ADVANCED CARE MODEL (APCM)

Lead the development of and align payment with an efficient, effective, and emerging care model that achieves the Quadruple Aim in Oregon CHCs

A background image of a starry night sky. A single, bright star is visible in the upper left quadrant, with a faint trail or comet-like streak extending from it towards the center. The rest of the sky is filled with numerous smaller, distant stars of varying brightness.

Know your North Star

**Lead the transformation of
primary care to achieve
health equity for all**

THE CALCULATION

APM RATE =

Applicable wraparound + Reconciliation revenue

Health center member months

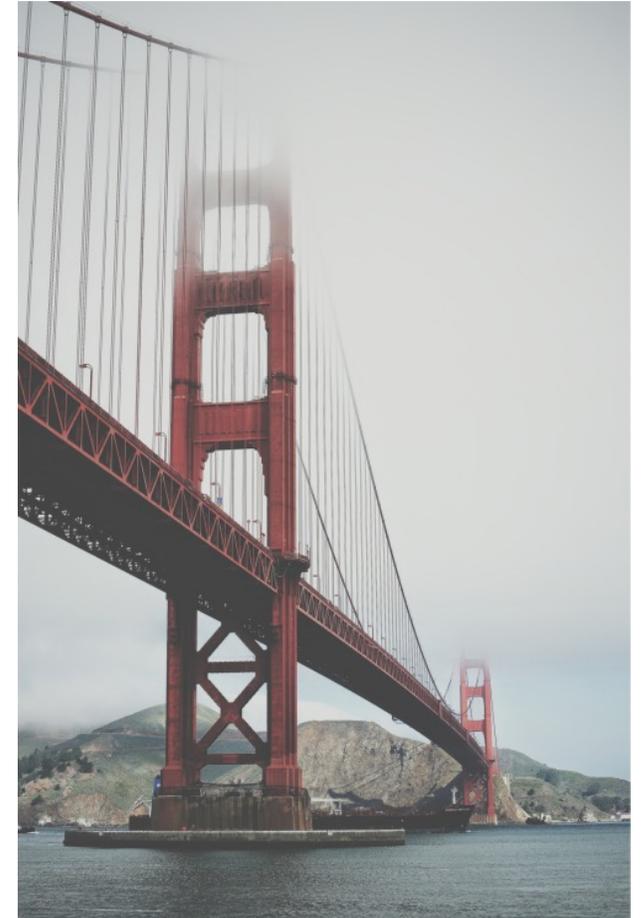
- Applicable wrap and reconciliation revenue
 - » (Total PPS payments – Managed Care payments) – PPS payments for OB, Dental, and MH
 - » Carved out services defined by procedure or diagnosis codes
 - » Member month calculation tracks active patients and their movement to other providers

HOW FQHCs DEVELOPED AN INTEREST

- Patient centered, team based care is hard to implement if payment isn't aligned
- Provider burnout is related to visit production
- SDoH barriers have a large impact on health outcomes, but there's no time or incentive to test interventions
- PCMH looks different for vulnerable populations

Benefit for State Medicaid

- Moves away from volume based pay
- State gets all kinds of data: billable and non-billable access, cost, quality metrics, innovation work
- Predictable cash flow
- A bridge to VBP under 330 rules and regulations



WORKING WITH MCOs/CCOs

- In alignment with state's APM requirement
- Supports Oregon's SDoH interest/direction
- Amount FQHCs get paid for F2F visits vs. CCO quality payments
- FQHCs are serving 25-30% of Medicaid patients
- >80% of FQHC payment will be off the visit

Developing Guiding Visions in Other States

CHC Capitated Alternative Payment Methodologies

Reasons for Implementing

- Remove the incentive to produce billable visits
- Provide flexibility to implement robust team-based care, including SDoH interventions
- Align with state payment reform efforts
- Predictable cash flow – state, CHCs
- Increase focus on care coordination
- Integration of services
- Improve health equity

Guiding Vision for State APCMs

- Has to be broad enough so stakeholders see their interest captured.
- Common areas of focus
 - Practice transformation (e.g., holistic customer orientation)
 - Payment (e.g., reducing costs, shifting from volume to value)
 - Patient focused (e.g., better care, improve health equity)

Organizational Mission and Vision Statements

Can Give You Insight About What's Important to Stakeholders

- MCO
 - Healthy communities for all individuals, regardless of income or social circumstances
 - Improving the availability, reliability and quality of health care for our members
- State Medicaid/Health Authority
 - Helping people and communities achieve optimal physical, mental and social well-being
 - To improve health outcomes by providing access to comprehensive, cost-effective and quality healthcare services for residents
- Clinic
 - Providing access to quality care for those that need it most
 - To increase access to comprehensive primary and preventive care in order to improve the health status of our community, particularly underserved individuals

Keys to Getting Stakeholder Buy-In

- Meet them where they're at
- Speak in their language – learn what matters to them
- Have their input shape the guiding vision
- Stakeholders should see how the guiding vision can support their own interests for payment reform and practice transformation

Examples of Guiding Visions

- Provide accessible, high quality and cost-effective services
- Align payment reform to support practice transformation that achieves the Triple Aim
- Support the medical, behavioral health and social services needs of underserved populations to improve their health status

Lessons Learned and Key Takeaways

WHAT WE LEARNED

- The health care system is very stable and does not change quickly or easily.
- Changing payment does not change the front lines of care delivery.
- Payment is a barrier to delivering care that improves outcomes and retains staff.
- To change care, you must have a clear vision that reflects the evidence regarding the causes of health and wellbeing in patients and staff.
- There is never a good time, competing demands will always be there.
- Keep learning (co-design is messy)
- Partnerships require constant refinement and troubleshooting

WORKING WITH STATE PARTNERS

- Our missions are aligned
- Payment reform has potential to make primary care more effective
- Value-based pay makes sense
- Must account for behavioral and socioeconomic barriers
- Let's work together on a bridge to improve health equity

What Worked Well

- Developing a North Star and sticking to it
- Identifying our key stakeholders early
- Meeting stakeholders where they're at
- Keeping the patient first
- Getting ahead of the discussion helped us shape payment
- Involving the state in our learning community built trust

Getting Started

Do You Start With a Large or Small Group?

- State associations that are ahead of their membership tend to start small
 - For example, a small group of members that is innovative and considered leaders amongst their peers
- When to take it to a larger group of members varies based on how decisions are made in the association
- Should the initial group include external stakeholders (e.g., Medicaid, other providers, MCOs)?

Narrowing Your Focus

- Aligning payment reform and practice transformation is not a small or narrow task
- What specifically do you want to focus on? What would success look like?
- How does it connect to what motivates your organization?
- How could practice transformation improve if you change payment? Could you accomplish the same thing if you didn't change payment?

Developing a Guiding Vision

- Work with stakeholders to develop a guiding vision for payment reform and practice transformation
- Make sure stakeholders can connect the vision to their interests
- Develop a vision that is succinct, easy to memorize, and inspirational
- Create your own guiding vision – copying from another state doesn't take the local culture into account. Stakeholders also won't connect with the vision if they don't help create it.

Developing a Guiding Vision for Behavioral Health and Primary Care

- For the state behavioral health associations
 - Are there any similarities from the process that was described that resonate with your experience as a behavioral health association?
 - Are there key differences worth noting?
- Are there specific goals you want to see accomplished in practice transformation?
- What would you like to accomplish with payment reform?

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