



**Value Based Purchasing Webinar
November 17th ,2016**



Agenda

Roll Call

Heather Beal

Introductions

Yvonne Kyle

**HHSC Quality and Value Based
Purchasing**

Matt Ferrara

Questions and Answers

All





HHSC Quality and Value Based Purchasing

November 17, 2016
RHP 10 Learning Collaborative

Purpose

- Engage the DSRIP RHPs on Value Based Purchasing (VBP) and Potential DSRIP Sustainability Strategies
- High Level Overview of HHSC Value Based Purchasing and other Quality Efforts
- Discussion of Opportunities and Barriers related to VBP
- Q and A

General Concepts Related to Quality

- Quality is an ongoing process
- Maintaining open communications and transparency in processes/methods is critical
- Continuous engagement of stakeholders
- Use of effective measures to advance quality and efficiency
 - Focus on highest value measures
 - Must also be clearly understood
- Balance of properly scaled incentives and disincentives
- Need for a coordinated approach, harmonize where possible
- Must be cognizant of administrative burdens and overtaxing system-maintain simplicity

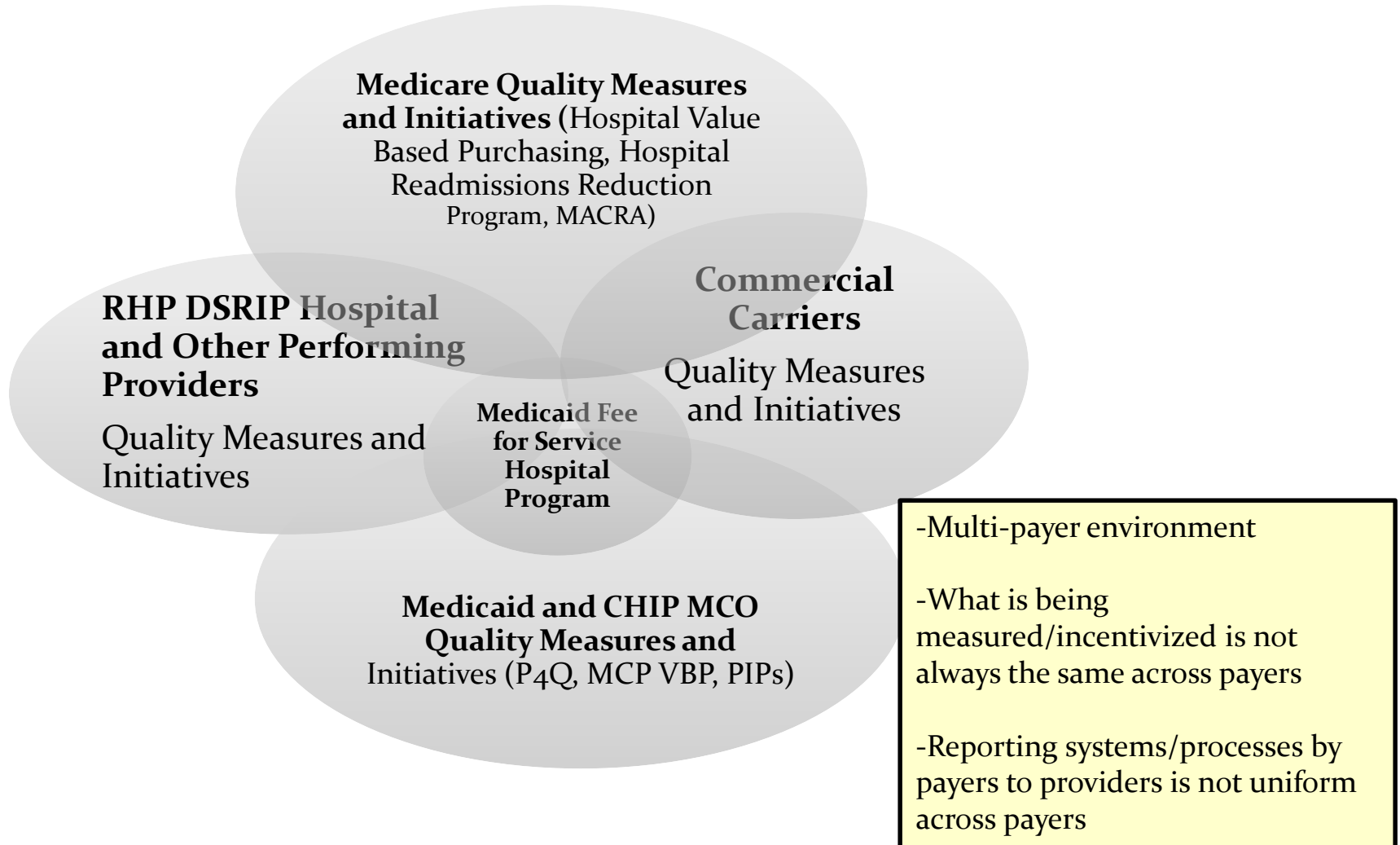
Value Based Purchasing Overview

- *Value Based Contracting, Value Based Purchasing, Quality Based Payments, Alternative Payment Models, Payment Reform*-all basically mean the same thing..... **moving away from volume-based payment models with no linkage to quality or value and toward payment models that link increasing portions of healthcare payments to quality or value**
- HHSC oversees numerous VBP initiatives at different levels
- It is a complex and long term endeavor, and occurs in a dynamic environment
- It is inevitable
- Maintaining administrative simplification is critical
- Coordination, communication and to the extent possible harmonization, is extremely important

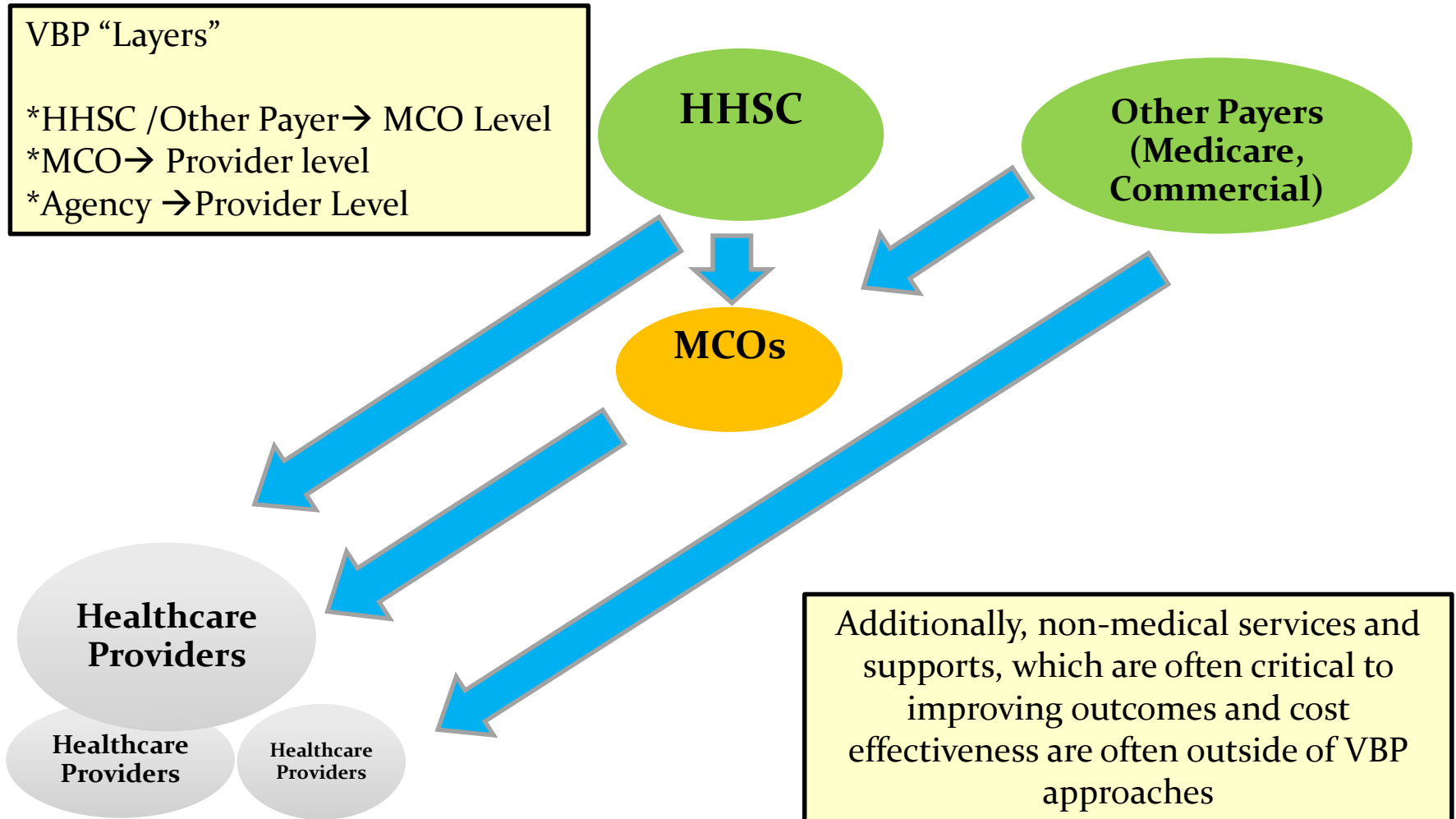
Why Value Based Purchasing ?

- Has the potential to more appropriately direct clinical services in the most appropriate manner
- All parties better "internalize" right care in right amount
- Linking greater percentages of healthcare payments to value should result in improved outcomes and greater efficiencies over time

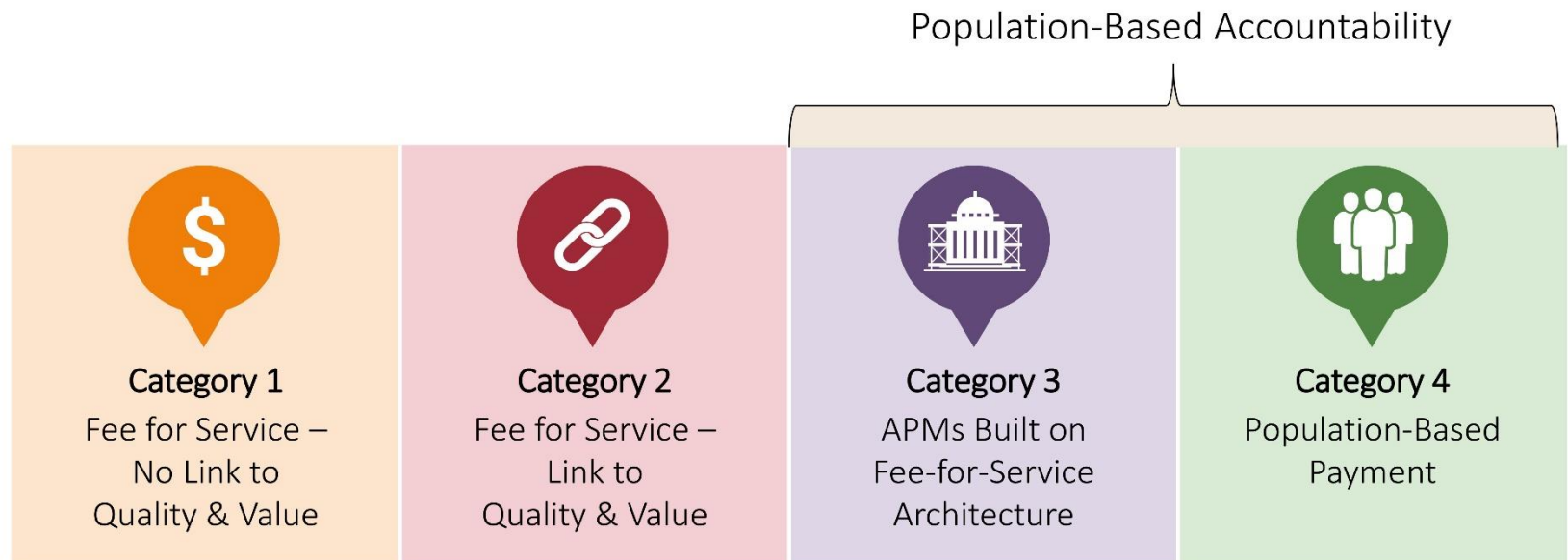
Challenge: Multiple Payers/Systems are Shaping Value Based Payment Approaches



Challenge: Value Based Payment Efforts in Medicaid/CHIP Are Occurring at Multiple Levels



Challenge: Continued movement thru the VBP “Continuum”



Notes:

Source: Alternative Payment Model (APM) Framework and Progress Tracking Work Group <https://hcp-lan.org/>

More detailed white paper: <https://hcp-lan.org/workproducts/apm-whitepaper.pdf>

VBP at HHSC-MCO Level: MCO/DMO Pay for Quality

- Percentage of MCO capitation is placed at-risk, contingent on performance on targeted measures---risk/reward
- Program has evolved over time:
 - Percentage of capitation at-risk
 - Selection of measures
 - Overarching structure of program
- Ideally, MCO value-based contracting/payment models with providers and Performance Improvement Projects (PIPs) goals should align with P4Q metrics
- Program challenges:
 - Design and risk/reward scaled to the measures of focus
 - Expansions of managed care
 - Measures selection
 - Data sources/data collection
 - Knowledge transfer
- Program is being re-tooled for 2018

VBP at HHSC-MCO/Provider Level: Hospital Pay-for-Quality

- Potentially Preventable Re-admissions (PPR)
- Potentially Preventable Complications (PPC)
- FFS reimbursement adjustments (reductions) to hospitals based on PPR and PPC rates in excess of established threshold
 - PPR: 1% to 2 % reduction of inpatient claims (based on high rates)
 - PPC: 2% to 2.5 % reduction of inpatient claims (based on high rates)
 - Re-calculated annually
- Hospital adjustments are also made in each MCO's experience data and adjustments are then made to MCO capitation rates
- Introducing an incentive component this fiscal year (leveraging PPR and PPC metrics)
- Technical assistance and “customer service” function at HHSC
- Challenges:
 - Data lags vs Real time
 - Knowledge transfer

VBP at MCO-Provider Level: MCO Value-Based Contracting with Providers

- Operates under the premise (supported by literature) that FFS payment models tend to reward based on volume and not necessarily quality
- Recent provision in the MCO/DMO contract has strengthened the requirements for MCO/DMO-provider payment structures to focus on quality, not volume
- Requires MCOs/DMOs to submit to HHSC their plans for alternative payment structures (value-based purchasing) with providers
 - Describes types of models, metrics used, volume (approximate dollar amount and enrollees impacted), and process for evaluation
 - Regular Quality Improvement meetings with MCOs to discuss progress and barriers
 - Data collection tools and interaction with MCOs/DMOs will enable HHSC to better assess MCO/DMO progress in this area

VBP at MCO-Provider Level: MCO Value-Based Contracting with Providers (cont.)

Challenges:

- Medicaid is not the only book of business for providers
- The science and methods behind this are not fully evolved
- Measurement of progress is challenging
- Complexity and readiness at State, MCO and provider levels
- MCO and provider willingness (although many now see this process as inevitable)
- Need to maintain administrative simplification in Medicaid while undertaking this endeavor
- Wide range of sophistication and administrative infrastructure among provider types
- VBP tends to work more effectively with providers with large patient panels-Texas has many providers with small patient panels

VBP at MCO-Provider Level: MCO Value-Based Contracting with Providers (cont.)

Challenges:

- Texas has a large number of MCOs, and has separated managed care into different programs. This shrinks the plan enrollment sizes making VBP more difficult
- Appropriately crediting MCOs for "medical expense" (although HHSC efforts in this area are progressing)
- MCO rate setting methods may need to become less linked to FFS fee schedules
- Ensuring encounter data integrity and completeness
- Investment may be needed
- It is a challenge to develop effective VBP models when multiple providers are involved in a patient's care.
- Continual movement through the VBP continuum (toward more risk based models) is essential, difficult and slow

Delivery System Reform Incentive Payment Program (DSRIP)

- Key Question: How do we sustain these efforts and continue the forward progress on high impact progress?
- HHSC is actively working toward aligning MCO quality efforts with DSRIP projects by exploring ways that projects with a high impact to Medicaid can become integrated into managed care
- A thoughtful, coordinated and sustained effort is needed
 - Challenges:
 - Getting the MCO's attention-what would help them?
 - Packaging a proposal /Quantifying ROI
 - Having a sufficient number of patients
 - Adapting to an MCO payment structure

Other Key HHSC Activities in the Area of Quality

- Better leveraging of extant data sources, for internal and external purposes (e.g. birth records sharing)
- Collaborative relationships to explore opportunities for quality and efficiency improvement (e.g. researchers and academia)
- Targeted projects and initiatives focused on high cost populations (super-utilizers, NICU study, behavioral health)
- Dedicated quality website and increased public reporting:
<https://hhs.texas.gov/about-hhs/process-improvement/medicaid-and-chip-quality-and-efficiency-improvement>
- Keeping abreast of research and best practices
- Embracing a quality improvement role and partnership (e.g. MCO and Hospital interfaces regarding quality)

Helpful Web-links

HHSC Main Quality Webpage (data on different HHSC initiatives) :

<https://hhs.texas.gov/about-hhs/process-improvement/medicaid-and-chip-quality-and-efficiency-improvement>

Value Based Purchasing subpage (summary information on MCO VBP with providers):

<https://hhs.texas.gov/about-hhs/process-improvement/medicaid-and-chip-quality-and-efficiency-improvement/value-based-payments>

Potentially Preventable Events Page (data and reports related to hospital level PPR and PPC)

<https://hhs.texas.gov/about-hhs/process-improvement/medicaid-and-chip-quality-and-efficiency-improvement/potentially-preventable-events>

Data and Reports subpage (MCO/regional HEDIS and PPE measures over multiple time periods):

<https://hhs.texas.gov/about-hhs/process-improvement/medicaid-and-chip-quality-and-efficiency-improvement/data-and-reports>

- HHSC and DSHS have numerous initiatives focused on value, quality and efficiency within Medicaid/CHIP programs designed to:
 - Better care for individuals
 - Better health for populations
 - Lower cost
- Many are underway, some are in development
- The science is evolving
- Coordination, and communication and harmonization is extremely important



HHSC Quality Website (includes links to DSHS sites):

<https://hhs.texas.gov/about-hhs/process-improvement/medicaid-and-chip-quality-and-efficiency-improvement>

Quality email box: HCPC_Quality@hhsc.state.tx.us

Region 10 Learning Collaborative:
Value Based Purchasing Webinar

November 17th, 2016

Provider	Participant
MCA	Kathleen Sweeney
Cook Children's	-
TCPH	-
MHMRTC	Mahie Ghoraishi, Melanie Navarro, Megan Wilcox, Shree Abro, Shantelle Collins, Camille Patterson, Shelly Adkins, CJ Meyers, Ron Parent, Brian Villegas, Stacey Durr, Kirk Broome,
NHH	Kathleen Sweeney
PMC	Kathleen Sweeney
Huguley	Jamie Judd
THFW	Jamie Judd
THSW	Jamie Judd
THS	Jamie Judd
Ennis Regional	Edwina Henry, Jareka Anderson
Lakes Regional	Debbie Goggans
JPS Hospital	Yvonne Kyle, Carol Johnson, Lori Muhr, Chris Wall, Brenda Gomez, Bonnie McCamey, Shelly Corporon, Heather Beal, Constance Jackson, Eve Asuelime, Lynette Hallett, Jorge Sanchez
UT Southwestern Moncrief Cancer Institute	Kelly Robinson, Kellee Shearer
THAZ	Jamie Judd
Helen Farabee	-
Wise Regional	Paul Aslin, Leah Throckmorton
THAM	Jamie Judd, Kevin Blackburn
Pecan Valley	Anthony Mason
THC	Jamie Judd
Baylor	Jennifer Anderson
THHEB	Jamie Judd, Clint White
Dallas Children's	Carol Daulton, Adriana Vega, Jamie Marsh Wheeler, Sue Schell, Jason Isham
UNTHSC	Shelby Bedwell, Andrew Harman
JPS PG	Eve Asuelime
Methodist Mansfield	-

Region 10 Learning Collaborative:
Value Based Purchasing Webinar
November 17th, 2016

Wise PG	Paul Aslin, Leah Throckmorton
Glen Rose	-
Texas Health Alliance	Jamie Judd

Other Stakeholders

Provider	Participant
Girling Health Care	Rose Dunaway
HHSC	Matt Ferrara
Cope Health Solutions	Mallory Johnson Cole
RHP 12	Sandy James
Navarro Regional Hospital	Adrian Larson
	Meaghan Pedersen