



# Accountable Systems of Care Breakout Session

Michigan State Innovation Model Kick-Off Summit

August 10-11, 2016

Kellogg Hotel Conference Center

# Accountable System of Care Session Objectives

- Review Background and Modifications of Payment Reform Strategy
- Review and Discuss the Accountable System of Care (ASC) Role

State Innovation Model (SIM)  
Efforts to Align with *Michigan's  
Blueprint for Health Innovation*

# Michigan Blueprint for Health Innovation: Payment Reform Vision

## Goals

- Multi-payer alignment around payment methods
- Reward improved health outcomes and lower health care costs
- Move away from fee-for-service payment
- Invest in care delivery change and technology adoption
- Move towards overall population health improvement in a community

# Michigan Blueprint for Health Innovation: Payment Reform Vision

## The *Blueprint's* Conceptual Payment Framework:

Model Element	Payment Options
Patient Centered Medical Home	<ul style="list-style-type: none"><li>• Care management payments (risk-adjusted)</li><li>• Practice transformation payments</li><li>• Pay-for-performance incentives</li></ul>
Accountable Systems of Care	<ul style="list-style-type: none"><li>• Same as above</li><li>• Shared savings upside only</li><li>• Shared savings upside/downside</li><li>• Partial capitation for defined services</li><li>• Global payment for high cost conditions</li></ul>

# Health Care Payment Learning & Action Network Framework



**Category 1**  
Fee for Service –  
No Link to  
Quality & Value



**Category 2**  
Fee for Service –  
Link to  
Quality & Value



**Category 3**  
APMs Built on  
Fee-for-Service  
Architecture



**Category 4**  
Population-Based  
Payment

**A**

Foundational Payments for  
Infrastructure & Operations

**B**

Pay for Reporting

**C**

Rewards for Performance

**D**

Rewards and Penalties  
for Performance

**A**

APMs with  
Upside Gainsharing

**B**

APMs with Upside  
Gainsharing/Downside Risk

**A**

Condition-Specific  
Population-Based Payment

**B**

Comprehensive  
Population-Based  
Payment

## Principles

- Leverage 3-year SIM opportunity to pursue the vision in the *Blueprint*
- Alignment with Medicare; include more patient population in transformative efforts
- Collaboration with Medicaid; leading through the Medicaid program
- Collaboration with other payers; attending to their implementation realities
- Collaboration with provider groups; recognizing their operational constraints
- Collaboration with existing multi-payer efforts; learning from their experience and building upon existing payment models

## Original Strategic Approach to SIM Payment Reform: February 2015 to April 2016

- Developed and administered a Statewide, self-report capacity assessment to determine potential entities capable of implementing the payment methods described.
- Began developing draft proposals for payment methodologies that would provide more detail to the conceptual frameworks outlined in the *Blueprint*.
- MDHHS stakeholder engagement for SIM was put on hold due to the procurement of the MDHHS Medicaid managed care program contract (negotiated no-cost extension of SIM year 1 to end July 31, 2016).

## Original Strategic Approach to SIM Payment Reform: February 2015 to April 2016

- Began processing draft proposals for payment methodologies within MDHHS to ensure alignment with existing efforts, and feasibility and resource needs for implementation.
- Held 40+ one-on-one conversations with organizations potentially capable of supporting implementation of payment models.
- Intensified engagement with existing multi-payer efforts, payers, and other provider groups around draft proposals for payment methodologies.

- Strong MDHHS commitment to sustain and expand PCMH, including support for practice-based care managers.
- Recognition of the State's role in encouraging and supporting market-based innovation in payment and clinical integration.
  - Prescriptive payment reform could stifle innovations
  - Unique blend of contractual authority and collaboration needed
- Strong MDHHS commitment to begin defining and encouraging the development and adoption of payment that moves away from fee-for-service.

- ASC would be resource-intensive to develop and regulate responsibly on behalf of our health plan partners managing financial risk.
- Payer / provider marketplace already developing innovative approaches to forming integrated clinical networks and moving away from fee-for-service.
- Prescriptive pilot approach not conducive to supporting and broadening the market-driven payment and delivery innovations already underway.

# Health Care Payment Learning & Action Network Framework



# Impact of CMS Announcements on SIM Payment Reform Strategy

Federal actions triggered meaningful consideration and an opportunity to update SIM payment reform strategy

- Comprehensive Primary Care Plus (CPC+)
- State Innovation Model (SIM) Multi-Payer Alignment Guidance
- Medicare and CHIP Reauthorization Act (MACRA)
- Medicaid Managed Care Rules

# State Innovation Model (SIM) Vision for Payment Reform

# SIM Vision for Advanced Payment Model (APM) Adoption

- Collaboratively develop and implement broad-based pursuit of advanced alternative payment models (APMs) that align with provider-facing Medicare incentives, while allowing for market-based innovation between payers and providers.
- We will provide leadership in the widespread adoption of APMs including setting directional goals for the percentages of healthcare payment made through APMs over the course of the next several years

# Modified SIM Payment Approach to broad-based APM Adoption

# Broad Advanced Alternative Payment Model (APM) Approach

- Accountable Systems of Care as payment model → Broader Adoption of APMs

Accountable Systems of Care Pilots	Broader Adoption of APMs
<ul style="list-style-type: none"><li>Regulated construct</li><li>Resource intensive</li><li>Limited scale</li><li>Prescriptive approach</li><li>Not an APM; Limits provider ability to receive Medicare incentives</li></ul>	<ul style="list-style-type: none"><li>Market-driven approach to broader scale</li><li>Leverages existing and future clinical integration</li><li>State plays a policy and strategy role</li><li>Maximizes provider opportunity for participating in Medicare incentives</li></ul>

- ASCs in SIM Regions will be eligible for SIM grant funding as members of the **Community Health Innovation Region**
- Funding for ASCs will be focused on work related to the priorities and goals of the **Community Health Innovation Region**
- Developing clinical-community linkages will be a required activity

# Focusing on Addressing the Social Determinants of Health through Community Partnership

# Accountable System of Care Definition

- One of 9 healthcare delivery organizations in the 5 SIM regions
  - Submitted an initial self-report capacity assessment
  - Participated in follow-up interview
- Demonstrated existing capacity for care coordination
- Demonstrated existing or likely future participation in advanced payment models
- Accept SIM grant funds to support implementation of clinical-community linkage initiatives in partnership with community partners
- May accept additional SIM grant funds, at the approval of the CHIR governance, to support implementation of other activities that seek to align with and support identified community health priorities

# Clinical-Community Linkage Initiatives Framework

1. Define the target population(s), required: populations identified as high or super utilizers of the emergency departments.
2. Define a targeting and outreach strategy to identify, engage, and recruit the target population(s) into the clinical-community linkage initiative.
3. Develop a screening tool and/or process, to include social determinants of health, for referral-source entities to use with target population(s). Referral-source entities shall include, but may not be limited to, participating Accountable Systems of Care (ASCs). The tool should be standardized to the greatest extent possible.
4. Develop a common referral process to include processes prescribing referrals from the provider/practice setting (e.g., electronic health records, fax machine, call-in, etc.).
5. Develop a common assessment for additional social determinants of health evaluation, on an going basis, as part of the care/case management process.
6. Develop a referral tracking system, to include tracking and monitoring the initiation, follow-up, and outcomes of referrals to social service and other community agencies.
7. Design a report for providers and payers, including the intake date of a referral, assignment to accountable entity, needs identified in ongoing assessments, referrals made to community organizations, the status of those referrals, and the success or failure of those attempted connections to community organizations and resources.
8. Develop a plan for centralizing intake and data storage for report generation.
9. Develop communication protocols for sharing the reports with payers, providers, and other relevant parties.
10. Develop a plan for analyzing screening, assessment, referral, tracking, and outcome reports; including a plan for team-based review of the reports where healthcare providers and community organizations work together with patients, if applicable.
11. Develop a plan for incorporating analysis and reports into governance and decision-making processes.

# Accountable System of Care Role in CHIRs

- Support development of clinical-community linkage initiative, for example:
  - Refining target population(s)
  - Develop tools and processes
  - Develop reports and communication protocols
  - Provide input into centralized intake and data storage
- Support development of plan for analyzing clinical-community linkage information.
- Support development of plan for incorporating analysis into community decision-making.

# Accountable System of Care Role in Clinical-Community Linkage Initiatives

## **1. Define the target population(s), required: populations identified as high or super utilizers of the emergency departments.**

ASCs could support the refinement of an ED utilizer population relative to their patient population; and assist with defining local eligibility criteria for the clinical-community linkage initiative.

## **2. Define a targeting and outreach strategy to identify, engage, and recruit the target population(s) into the clinical-community linkage initiative.**

ASCs could support hiring staff and developing workflow processes to engage and recruit the identified target population(s).

## **3. Develop a screening tool and/or process, to include social determinants of health, for referral-source entities to use with target population(s). Referral-source entities shall include, but may not be limited to, participating Accountable Systems of Care (ASCs).**

ASCs could provide input into the development of the screening tool, and develop workflow processes specific to their providers that facilitate screening for the clinical-community linkage initiative eligibility.

## **4. Develop a common referral process to include processes prescribing referrals from the provider/practice setting (e.g., electronic health records, fax machine, call-in, etc.).**

ASCs could provide input into the development of the referral process, and develop workflow processes specific to their providers that facilitate referral to the clinical-community linkage initiative.

# Accountable System of Care Role in Clinical-Community Linkage Initiatives

## **5. Develop a common assessment for additional social determinants of health evaluation, on an ongoing basis, as part of the care/case management process.**

ASCs could provide input into the development of a common assessment tool, and develop workflow processes for supporting the ongoing assessment of social determinants of health if applicable.

## **6. Develop a referral tracking system, to include tracking and monitoring the initiation, follow-up, and outcomes of referrals to social service and other community agencies.**

ASCs could submit information related to referrals to community organizations into the tracking system.

## **7. Design a report for providers and payers, including the intake date of a referral, assignment to accountable entity, needs identified in ongoing assessments, referrals made to community organizations, the status of those referrals, and the success or failure of those attempted connections to community organizations and resources.**

ASCs could provide input into the development of the report; and develop workflow processes or team-based care models for disseminating and utilizing the reports.

## **8. Develop a plan for centralizing intake and data storage for report generation.**

ASCs could provide input into the development of the centralized intake process, and support the design and implementation of the centralized data storage.

# Accountable System of Care Role in Clinical-Community Linkage Initiatives

## **9. Develop communication protocols for sharing the reports with payers, providers, and other relevant parties.**

ASCs could provide input into the development of the communication protocols for sharing reports with their providers and other relevant staff. The protocols should define requirements such as who would receive the reports, how the reports would be transmitted, how often the reports would be sent,

## **10. Develop a plan for analyzing screening, assessment, referral, tracking, and outcome reports; including a plan for team-based review of the reports where healthcare providers and community organizations work together with patients, if applicable.**

ASCs could provide input into the plan for analyzing the data stored in the centralized clinical-community linkage initiative database. ASCs could add additional data for the analysis to incorporate both health and social information. ASCs could support the development of team-based care models based on the analysis.

## **11. Develop a plan for incorporating analysis and reports into governance and decision-making processes.**

ASCs could provide input into the development of the process for incorporating analysis and reports into overall CHIR governance processes.

# Community Health Innovation Region (CHIR) Diagram

