

# HEALTHCARE TRANSFORMATION THROUGH PUBLIC & PRIVATE COLLABORATION

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# TODAY'S FOCUS

- Public & Private Collaboration
- The Initiatives:
  - Patient-Centered Medical Homes
  - Comprehensive Primary Care Initiative, CPC+
  - Episodes of Care
  - State Innovation Model
- Provider Support:
  - Communication, Data, Technology
- Shaping the Future — Next Steps in Value Transformation



# MAJOR HEALTHCARE CHALLENGES IN ARKANSAS

- The healthcare system is hard to navigate
- Healthcare spending is growing at an unsustainable rate
- Health status in Arkansas is poor

**Working together, public and private sectors have begun to transform the healthcare system in Arkansas.**



# ARKANSAS PAYMENT IMPROVEMENT INITIATIVE (APII)

Patient-Centered  
Medical Home  
Pilot (2010)

Episodes of Care  
(2012)

State Innovation  
Model (2013)

Comprehensive  
Primary Care  
Initiative (2012)

Patient-Centered  
Medical Home  
(2014)

Comprehensive  
Primary Care +  
(2017)



# APII. ONE VOICE. GREATER IMPACT.

## MEDICAL

### PUBLIC & PRIVATE PAYERS

ARMedicaid

QualChoice®

Arkansas BlueCross BlueShield

CMS  
CENTERS FOR MEDICARE & MEDICAID SERVICES

Healthscope

arkansas health & wellness.

Arkansas Superior Select, Inc.

### MAJOR EMPLOYER GROUP "PAYERS"

Walmart

Baptist Health  
all our best

BlueCross BlueShield  
Federal Employee Program.

ARBenefits  
For Arkansas State and Public School Plan Members

MANY OTHER LARGE  
SELF-FUNDED GROUPS

<sup>1</sup> Center for Medicare and Medicaid Services

<sup>2</sup> Arkansas Health Care Payment Improvement Initiative

Arkansas Medicaid, CMS<sup>1</sup>, and private insurers (collectively known as payers) are working together to address the challenges (AHCPII<sup>2</sup>)



# PATIENT-CENTERED MEDICAL HOME

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# ARKANSAS BLUE CROSS AND BLUE SHIELD PILOT

- **Two-year pilot – 2010-2012**
- **Practice transformation goals: PCMH**
  - Develop concept of primary care teams
  - Improve patient experience
  - Lower total cost of care for patients
  - Improve primary care capacity

# PATIENT-CENTERED MEDICAL HOME PILOT

**The PCMH Pilot Project showed very positive results:**

-  Readmission rates
-  ER visits and ER-related costs
-  Appropriate ER utilization
-  Generic drug prescribing rates

# PATIENT-CENTERED MEDICAL HOME PILOT

## Lessons Learned

- Payer Alignment
- Provider Leadership
- Electronic Medical Record (EMR) Challenges
- Patient Attribution
- Training / Resources

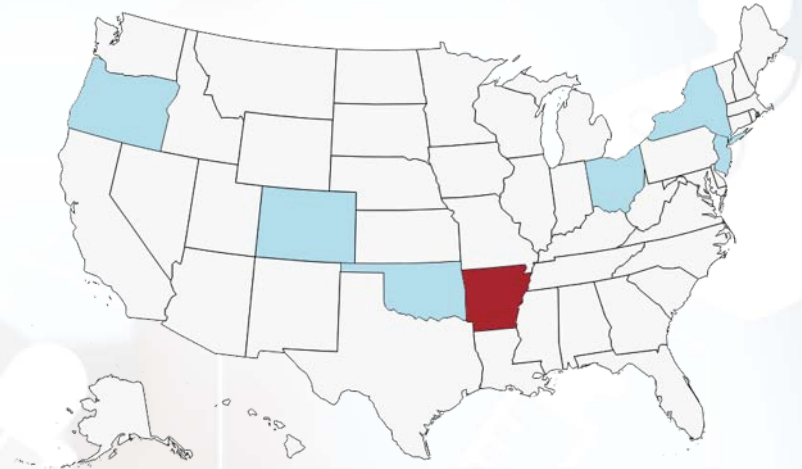


# COMPREHENSIVE PRIMARY CARE CLASSIC & PLUS

# PRIMARY CARE: CPC “CLASSIC”

## Federal initiative: CMS

October 2012 – December 2016



### Statewide

- **Arkansas**
- Colorado
- New Jersey
- Oregon

### Regional

- New York: Capital District – Hudson Valley
- Ohio: Cincinnati – Dayton
- Oklahoma: Greater Tulsa

- 68 practices selected
- 268 providers
- 5 payers

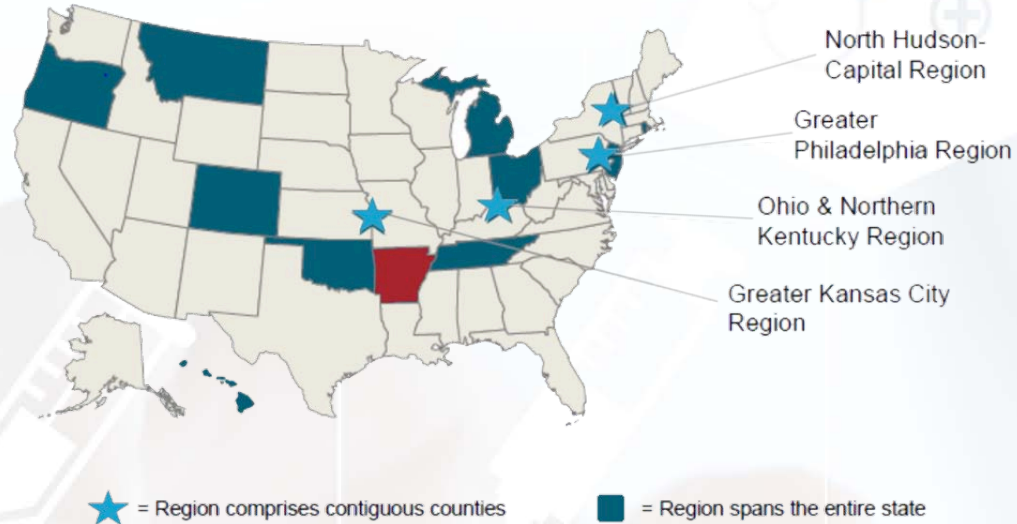
# COMPREHENSIVE PRIMARY CARE PLUS ROUND 1

## Federal initiative: CMS

Effective date January 1, 2017  
(5 years)

## Arkansas – statewide market

- 182 practices selected
- ~689 providers
- 7 payers





# EPISODES OF CARE

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**An Episode of Care (EOC) is the bundle of healthcare services provided to treat a patient with a particular condition.**

## **Principal Accountable Provider (PAP)**

- Holds the main responsibility for ensuring that care is delivered at appropriate cost and quality, based upon observed patterns of care
- Identified for each EOC through claims data

# APII EPISODES OF CARE – INVENTORY FOR 2017

Appendectomy

Asthma

Attention Deficit Hyperactivity Disorder

Cholecystectomy

Chronic Obstructive Pulmonary Disease

Colonoscopy

Comorbidity

Oppositional Defiant Disorder

Coronary Artery Bypass Grafting

Heart Failure

Hysterectomy

Lumbar Spinal Fusion

Percutaneous Coronary Intervention

Perinatal

Pneumonia

Tonsillectomy

Trauma (e.g., Hip or Knee)

Uncomplicated Pediatric Pneumonia

Upper Respiratory Infection – Non-specific

Upper Respiratory Infection – Sinusitis

Upper Respiratory Infection – Pharyngitis

Urinary Tract Infection

**22 EPISODES OF CARE**

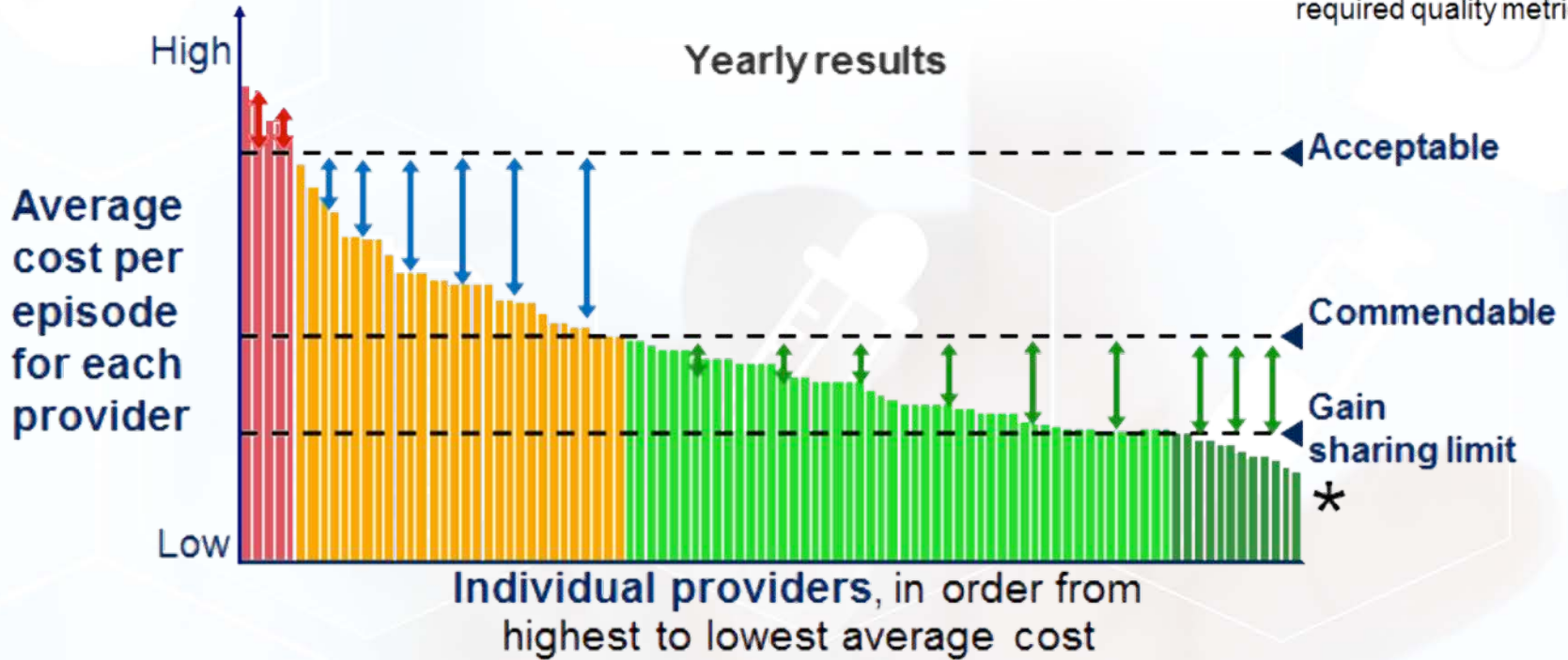
# APII EPISODES OF CARE - TARGETS

↓ Shared Savings

↑ Shared Cost

↕ Savings/Cost Neutral

\* Quality of care protected by limits on gain sharing and required quality metrics



# APII EPISODES OF CARE EXAMPLES - RESULTS



## PERINATAL

- Quality **up** across all metrics
- Cost **down** 0.3% from 2013 to 2016
- C-section rate **reduced** 8%



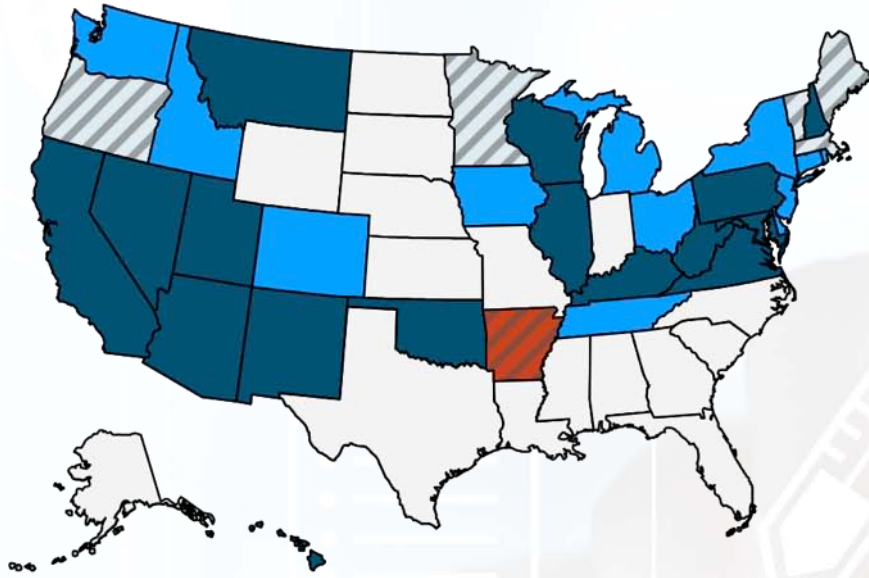
## TOTAL KNEE/HIP REPLACEMENT

- Quality **improved** across all metrics
- Cost **down** 2.8% from 2012 to 2016



# STATE INNOVATION MODEL

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## PRIMARY OBJECTIVES:

- Improving the **quality of care** delivered
- Improving **population health**
- Increasing **cost efficiency** and expanding **value-based payment**

▨ 6 round 1 model test states

■ 11 round 2 model test states

■ 21 round 2 model design states



# SUPPORT FOR PROVIDERS

# COMMUNICATION

- Weekly multi-payer meetings
- Monthly strategic advisory group calls
- Monthly stakeholder meetings including Arkansas Hospital Association and Arkansas Medical Society
- Monthly practice support team meetings
- Quarterly learning sessions for practices
- Quarterly community stakeholder meetings

# ADVANCED HEALTH INFORMATION NETWORK

- Claims / Eligibility – 99% practices in Arkansas
- Personal Health Record
- Multi-Payer Episodes of Care reports
- Care Management Portal
- Patient-Centered Medical Home Portal
  - Arkansas Blue Cross
  - Arkansas Medicaid



# SUPPORTING PROVIDERS IN PAYMENT TRANSFORMATION

## Summary - Perinatal



Dashboard displays data that tracks with episode of care targets so providers can track performance.

This is one sample of the provider reports available through this tool.



## *Value-Based Compensation Initiative*

Patient-  
Centered  
Medical Home

Comprehensive  
Primary Care  
Initiative  
Classic

Comprehensive  
Primary Care  
Initiative  
Plus

Episodes  
of Care

Collaborative  
Health  
Initiatives



# THANK YOU