

# Value-based purchasing survey results

Washington providers and health plans  
report 2017 VBP experiences

# Background

HCA's roles and our value-based roadmap

# HCA: purchaser, convener, innovator

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## Medicaid (Apple Health)

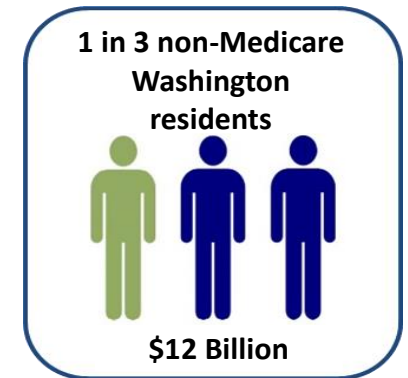
- ▶ 2.2 million covered lives
- ▶ 5 MCOs: Amerigroup, Community Health Plan of Washington, Coordinated Care, Molina, United Healthcare

## Public Employee Benefits Board (PEBB) & School Employee Benefits Board (SEBB)

- ▶ PEBB: 370,000 covered lives, statewide, and internationally
- ▶ SEBB: 144,000 (est.) covered lives beginning January 1, 2020

## Innovation

- ▶ Medicaid Transformation
- ▶ State Innovation Model
- ▶ Centers of Excellence for Total Joint Replacement and Spinal Fusion



# HCA purchasing goals

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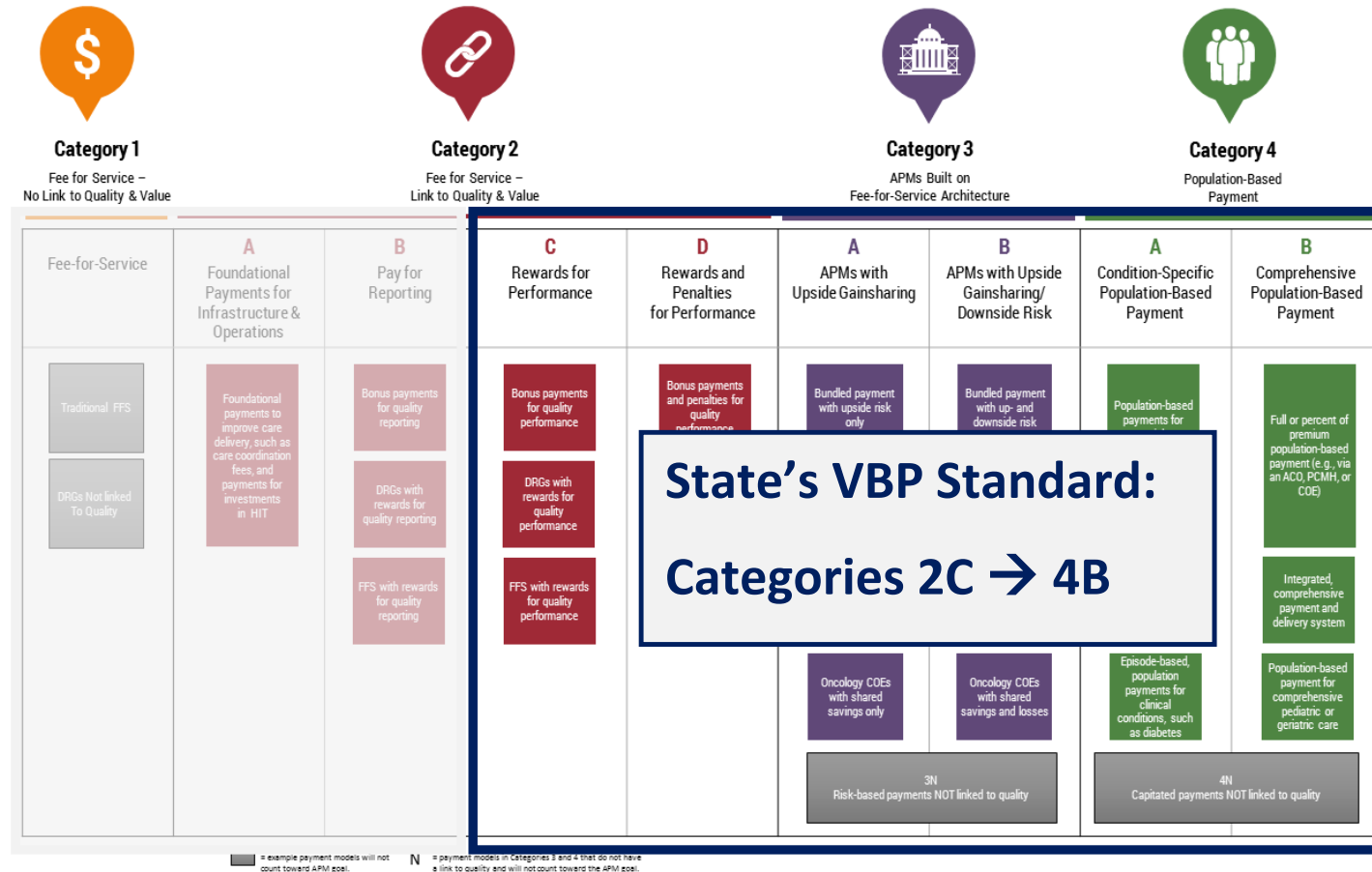
## ▶ By 2021:

- ▶ 90 percent of state-financed health care and 50 percent of commercial health care will be in value-based payment arrangements (measured at the provider/practice level).
- ▶ Washington's annual health care cost growth will be below the national health expenditure trend.

### **Tools to accelerate VBP and health care transformation:**

- 2014 legislation directing HCA to implement VBP strategies
- SIM round 2 grant, 2015-2019
- Healthier Washington Medicaid Transformation 2017-2021

# Alignment with CMS Alternative Payment Models (APM) framework

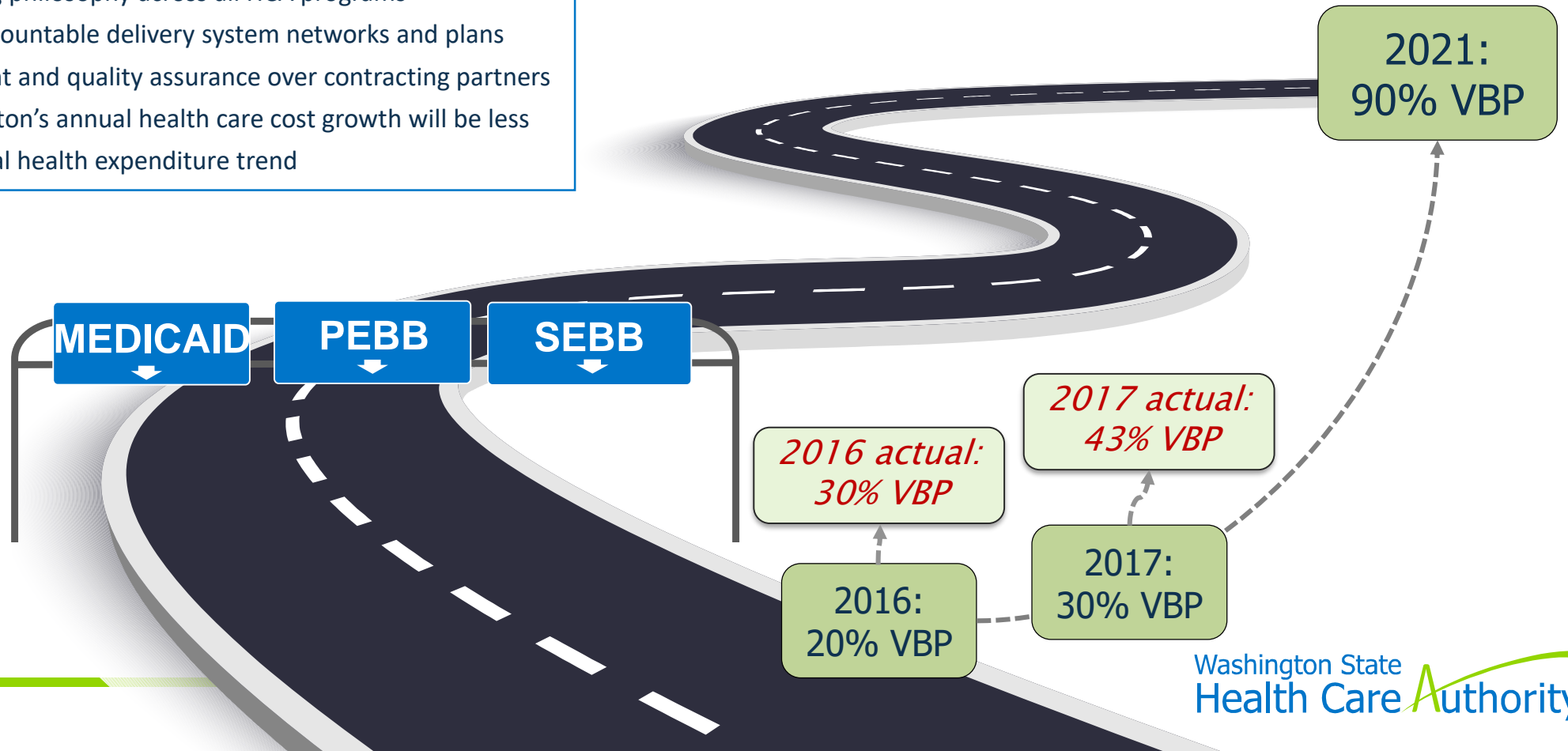


# Value-based purchasing roadmap

*Using incentives to drive change*

## Value-based purchasing goals:

- Align purchasing philosophy across all HCA programs
- Partner with accountable delivery system networks and plans
- Provide oversight and quality assurance over contracting partners
- Ensure Washington's annual health care cost growth will be less than the national health expenditure trend



# Goal & vision statement

**HCA's ultimate goal is to achieve a healthier Washington** – consistent with the quadruple aim – by containing cost growth while improving outcomes and both consumer and provider experience.

**HCA's vision for 2021** is to drive toward a healthier Washington by using the State's authority and purchasing power to advance VBP.

- ▶ All HCA programs implement VBP according to an **aligned purchasing philosophy**.
- ▶ **Plan partners and accountable delivery system networks** comprise most of HCA's purchasing business.
- ▶ HCA exercises **significant oversight and quality assurance** over its contracting partners, implementing corrective action as necessary.
- ▶ Washington's **annual health care cost growth will be less than the national health expenditure trend**.

# Guiding Principles

**The VBP Roadmap and our aligned purchasing philosophy is centered on a set of “guiding principles”:**

- 1) Continually strive for the quadruple aim of lower costs, better outcomes, and better consumer and provider experience;
- 2) Reward the delivery of person and family-centered, high value care;
- 3) Reward improved performance of HCA's Medicaid, PEBB, and SEBB health plans and their contracted health systems;
- 4) Align payment and delivery reform approaches with other purchasers and payers, where feasible, for greatest impact and to simplify implementation for providers;
- 5) Drive standardization and care transformation based on evidence; and
- 6) Increase the long-term financial sustainability of state health programs.



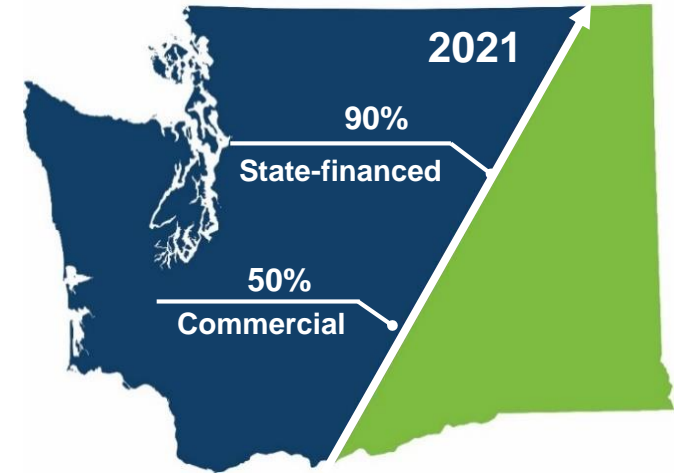
# HCA's value-based purchasing survey

Tracking progress in calendar year 2017  
Informing current and future strategy

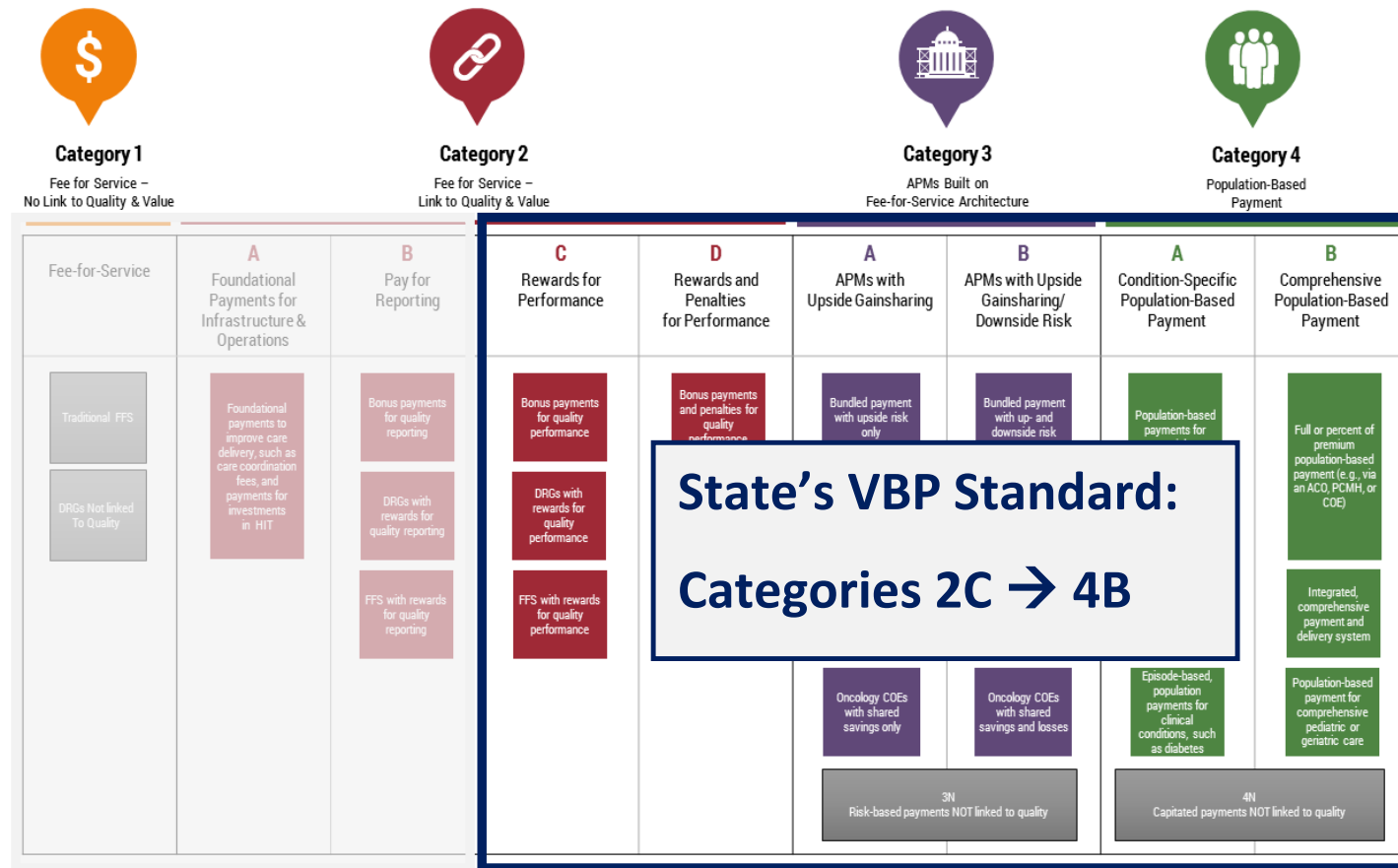
# Overview

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- ▶ Three surveys: MCO, commercial health plan, provider
- ▶ Purpose: track progress towards VBP goals
- ▶ Issued to all Washington State health plans (including five MCOs) and to provider organizations
- ▶ MCO and provider surveys add regional information and context
- ▶ Intended to be completed by administrators



# Refresher: CMS APM framework



**State's VBP Standard:  
Categories 2C → 4B**

N = example payment models will not count toward APM goal. N = payment models in Categories 3 and 4 that do not have a link to quality and will not count toward the APM goal.

# Survey templates – health plans

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## ▶ Quantitative section

- ▶ Statewide payments to providers by APM category
  - (MCOs reported by ACH region)
- ▶ Statewide covered lives by APM category
  - (MCOs reported by ACH region)

## ▶ Qualitative section (non-MCO survey only)

- ▶ Rank top five barriers & enablers
- ▶ Quality measurement
- ▶ Shifting traditional organizational functions

# Survey templates – MCOs

Medicaid Total Assessed Payments by APM Category														
Category			Region: Accountable Communities of Health											
APM Category	APM Sub-category	Strategy	Better Health Together	Cascade	Greater Columbia	King	North Central	North Sound	Olympic	Pierce	SW Washington			
1 FFS - No Link to Quality	1	Fee-for-Service												
2 FFS - Link to Quality	2A	Foundational Payments for Infrastructure & Operations	Medicaid Total Statewide Covered Lives by APM Category											
	2B	Pay for Reporting	Region: Accountable Communities of Health											
	2C	Rewards for Performance	APM Category	APM Sub-category	Strategy	Better Health Together	Cascade	Greater Columbia	King	North Central	North Sound	Olympic	Pierce	SW Washington
	2D	Rewards and Penalties for Performance												
3 APMs built on FFS Architecture	3A	APMs with Upside Gainsharing	1 FFS - No Link to Quality	1	Fee-for-Service									
	3B	APMs with Upside Gainsharing and Downside Risk	2 FFS - Link to Quality	2A	Foundational Payments for Infrastructure & Operations									
4 Population-Based Payment	4A	Condition-Specific Population-Based Payment		2C	Rewards for Performance									
	4B	Comprehensive Population-Based Payment	2D	Rewards and Penalties for Performance										
Total Annual Payment			3 APMs built on FFS Architecture	3A	APMs with Upside Gainsharing									
				3B	APMs with Upside Gainsharing and Downside Risk									
			4 Population-Based Payment	4A	Condition-Specific Population-Based Payment									
				4B	Comprehensive Population-Based Payment									

# Survey templates – health plans

Table 1: Total Annual Statewide Payments by APM Category (2017)

APM Category	APM Subcategory	Strategy	Sector			
			Medicare	Individual Market	Small Group	Large Group
1 FFS - No Link to Quality	1	Fee-for-Service	\$ -	\$ -	\$ -	\$ -
2 FFS - Link to Quality	2A	Foundational Payments for Infrastructure & Operations	\$ -	\$ -	\$ -	\$ -
	2B	Pay for Reporting	\$ -	\$ -	\$ -	\$ -
	2C	Rewards for Performance	\$ -	\$ -	\$ -	\$ -
	2D	Rewards and Penalties for Performance	\$ -	\$ -	\$ -	\$ -
3 APMs built on FFS Architecture	3A	APMs with Upside Gainsharing	\$ -	\$ -	\$ -	\$ -
	3B	APMs with Upside Gainsharing and Downside Risk	\$ -	\$ -	\$ -	\$ -
4 Population-Based Payment	4A	Condition-Specific Population-Based Payment	\$ -	\$ -	\$ -	\$ -
	4B	Comprehensive Population-Based Payment	\$ -	\$ -	\$ -	\$ -
Total Annual Payments			\$ -	\$ -	\$ -	\$ -

For additional details on APM Categories, see HCP-LAN Alternative Payment Models (APM) Framework

Population-Based Payment	4B	Comprehensive Population-Based Payment	-	-	-	-
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For additional details on APM Categories, see HCP-LAN Alternative Payment Models (APM) Framework

<b>Barriers and Enablers to VBP Adoption</b>	
I.	From the lists below, rank your perceived TOP FIVE barriers and TOP FIVE enablers to the adoption of VBPs by using the numbers 1 through 5 in column B (with "5" corresponding with the most significant barrier/enabler).
A)	<b>Barriers:</b> In your organization's experience, what are the TOP FIVE BARRIERS to the adoption of VBP arrangements?
	Lack of interoperable data systems
	Lack of cost transparency
<b>II. Quality Measurement</b>	
A)	<b>Alignment of Quality Measures Used to Assess Provider Performance in Current VBP Contracts</b> (Select most appropriate response in drop down and provide any additional information in area to right)
	1. Contracts. Does your organization use the same set(s) of quality measures (e.g., HEDIS measures, Statewide Common Measure Set, organization-specific measures) across provider contracts? If so, please provide information on the extent of alignment across contracts and what types of measures are used, if applicable.
	2. State. Has your organization made any effort to align quality measures used in VBP contracts with those used by the State (Health Care Authority)? If so, please provide information on the extent of alignment.
	3. Other Entities. Has your organization made any effort to align quality measures used in VBP contracts with those used by any other entities or payment initiatives (e.g., other payers, specific projects or initiatives)? If so, please provide information on the extent and nature of alignment.
B)	<b>Addressing health disparities is critical to improving health equity. Does your organization collect the following data on your members?</b>
	Race
	Ethnicity
	Language
C)	<b>Does your organization disaggregate health plan and/or provider performance (e.g. HEDIS/CAHPS) by the following data elements to inform care quality?</b>
	Race
	Ethnicity
	Language
	Has your organization implemented any programs to address health disparities by race, ethnicity, and/or language? If yes, please describe
<b>III. Traditional organization Functions</b>	
A)	<b>Under certain VBP arrangements, organizations may shift traditionally organization-based functions onto contracted providers. Which of the following roles are your providers with VBP contracts performing, in all or in part? (Note: This refers to shared functionality rather than formal delegation.)</b> (Select "X" for each that applies and provide any additional information in area to right, if applicable)
	Care coordination
	Utilization management
	Provider network management
	Provider payments
	Quality management
	Other:

# Survey templates – providers

## ▶ Provider info

- ▶ Name
- ▶ Type
- ▶ Size
- ▶ Service location

## ▶ Quantitative and qualitative

- ▶ Revenue (total and %VBP by APM Category)
- ▶ Rated experience w/VBP
- ▶ Enablers/barriers
- ▶ Projected future participation in VBP

I. Provider Information							
A) Organization Name (Include provider name if independent practice)							
Enter text here							
B) Which type(s) of provider organization		II. Participation in Value-Based Payment (VBP)					
A)		For each payer (Medicaid, Medicare, commercial), please provide the following:	Medicaid	Medicare	Other Government	Commercial	Self Pay
Not-for-profit		(i) Total Revenue for CY 2017 (Enter revenue, as defined in Definitions tab, in space to the right)	\$ -	\$ -	\$ -	\$ -	\$ -
For-profit		(ii) Did you receive <i>any</i> of this CY 2017 revenue through VBP, defined as payments made through arrangements described in Categories 2C through 4B, below? (Categories are listed below and defined in Definitions tab; select "Yes" or "No" to right)					
Single-provider practice		(iii) For each payer, what is the approximate percentage of revenue for each payment category listed below? (Enter approximate percentage to the right of each payment category, as defined in Definitions tab)	Medicaid	Medicare	Other Government	Commercial	Self Pay
Independent, multi-provider single-specialty							
Multi-specialty practice							
Rural Health Clinic							
Federally Qualified Health Center							
Hospital							
Critical Access Hospital							
Inpatient clinic/facility, including evaluation							
Outpatient clinic/facility							
Behavioral health provider (e.g., mental health)							
Tribal health care provider							
Other		If other, please describe: Enter text here					
1 - FFS, No Link to Quality		1 Fee-for-Service	0%	0%	0%	0%	0%
2 - FFS, Link to Quality		2A Foundational Payments for Infrastructure & Operations	0%	0%	0%	0%	0%
		2B Pay for Reporting	0%	0%	0%	0%	0%
		2C Rewards for Performance	0%	0%	0%	0%	0%
		2D Rewards and Penalties for Performance	0%	0%	0%	0%	0%
3 - Alternative Payment Models Built on FFS		3A APMs with Upside Gainsharing	0%	0%	0%	0%	0%
		3B APMs with Upside Gainsharing and Downside Risk	0%	0%	0%	0%	0%
4 - Population-Based Payment		4A Condition-Specific Population-Based Payment	0%	0%	0%	0%	0%
		4B Comprehensive Population-Based Payment	0%	0%	0%	0%	0%
Total (should add to 100% for each payer type)			0%	0%	0%	0%	0%

# Survey distribution

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## ▶ Health plan surveys:

- ▶ Direct outreach from HCA leadership
- ▶ MCO Medicaid data submitted as a contract requirement (note: required of PEB and SEB plans beginning in 2020)
- ▶ Healthier Washington Feedback Network (an email distribution list, currently numbering approximately 3,400 recipients)

## ▶ Provider survey:

- ▶ Direct outreach from HCA leadership
- ▶ Direct outreach from MVP Action Team and ACH executive directors
- ▶ Healthier Washington Feedback Network



# Timelines

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## ▶ Medicaid MCO data

- ▶ Submitted to HCA as part of MCO contract requirements
- ▶ Data submissions due from all MCOs by August 1, 2018

## ▶ Medicare and commercial health plan survey

- ▶ Released July 2, closed August 31

## ▶ Provider survey

- ▶ Released July 2, closed August 31

# Health plan VBP survey

# Health plan VBP survey respondents

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## ▶ MCOs (n=5):

- ▶ Amerigroup
- ▶ Community Health Plan of Washington
- ▶ Coordinated Care
- ▶ Molina
- ▶ United

## ▶ Medicare & commercial health plans (n=7):

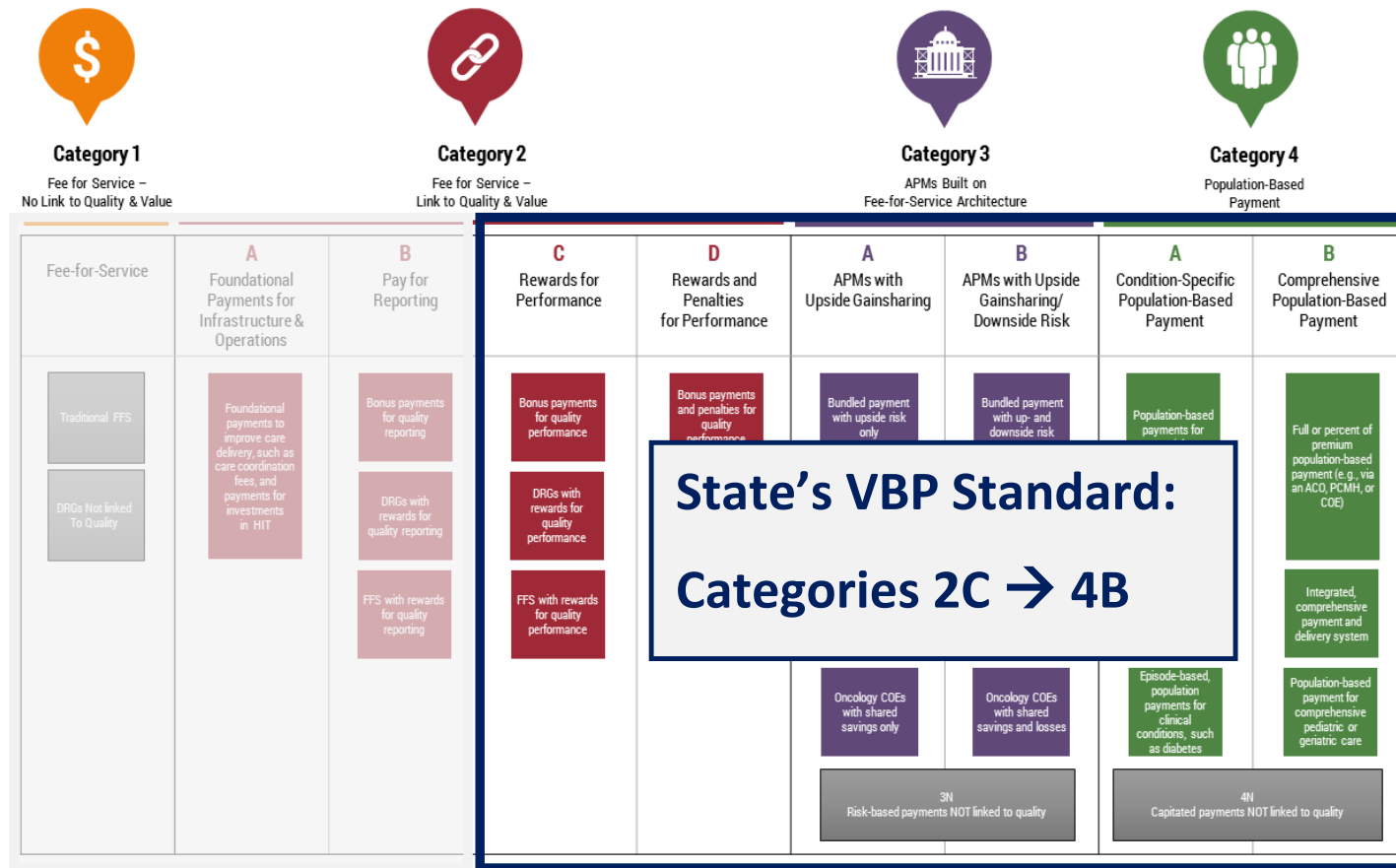
- ▶ Aetna
- ▶ Amerigroup\*
- ▶ Community Health Plan of Washington\*
- ▶ Coordinated Care\*
- ▶ Kaiser Permanente\*
- ▶ Premera\*
- ▶ Regence\*

*\*Current HCA contractor*

# Quantitative data results

Health plan VBP survey

# Refresher: CMS APM framework

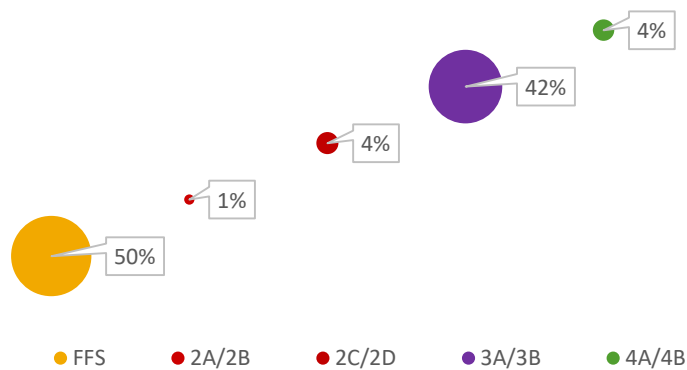


N = example payment models will not count toward APM goal. N = payment models in Categories 3 and 4 that do not have a link to quality and will not count toward the APM goal.

# Health plan VBP surveys (cont.)

## ▶ Payments by APM category

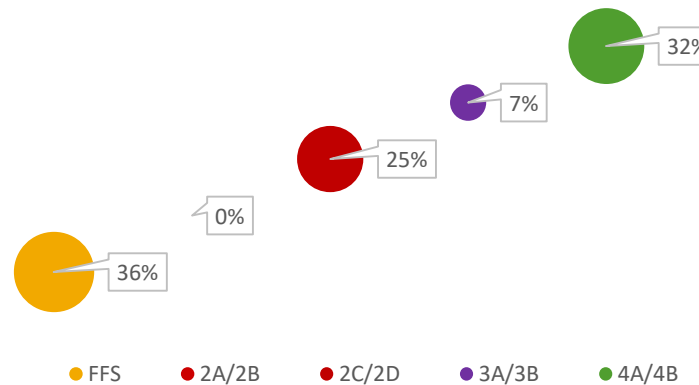
**Medicaid** Payments by APM Category



n=5

Total payments = \$4.62B  
VBP = \$2.30B (49.7%)

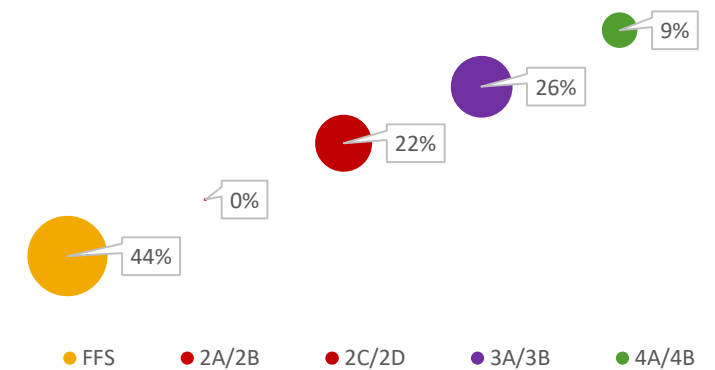
**Medicare** Payments by APM Category



n=6

Total payments = \$1.61B  
VBP = \$1.03B (64.1%)

**Commercial** Payments by APM Category



n=5

Total payments = \$10.72B  
VBP = \$6.04B (56.4%)

**Statewide VBP = \$9.37B (55%)**

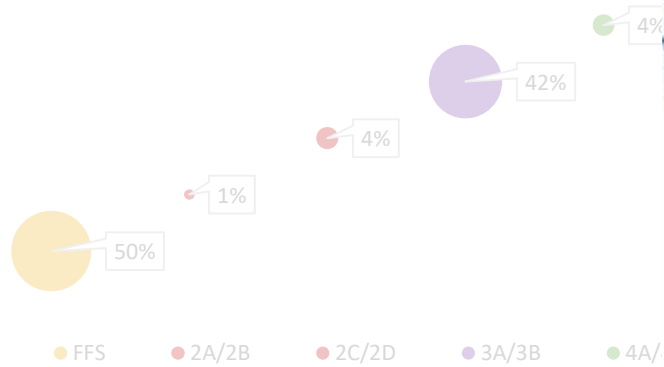
*2017 survey results = 37%*

*2016 survey results = 30%*

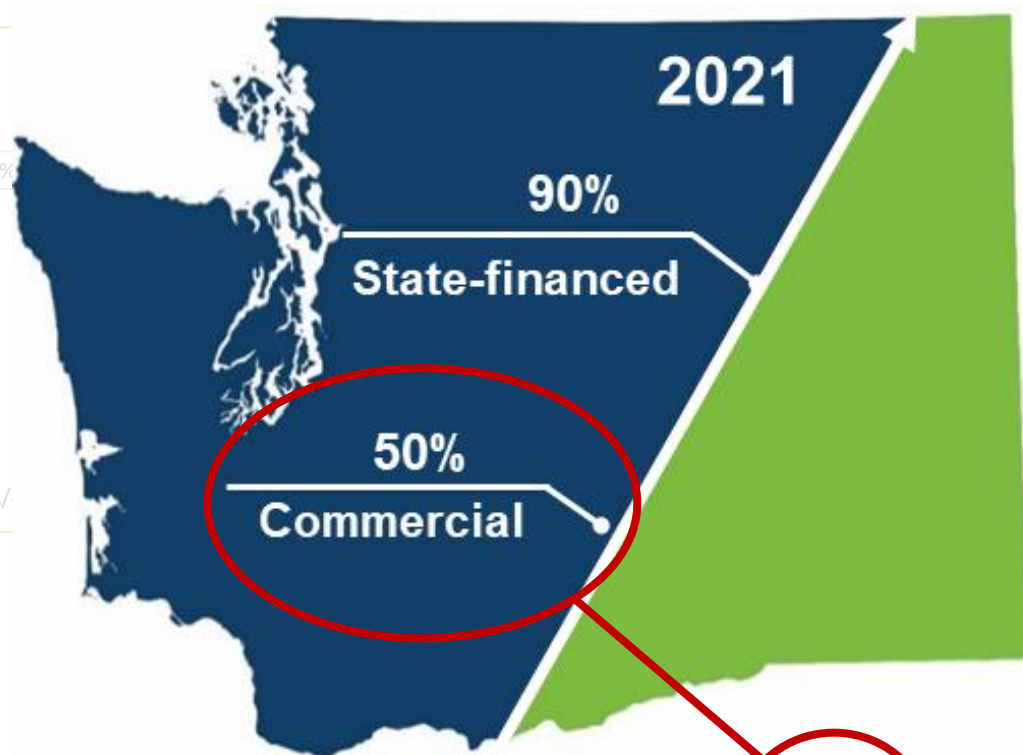
# Health Plan VBP surveys (cont.)

## ▶ Payments by APM Category

Medicaid Payments by APM Category



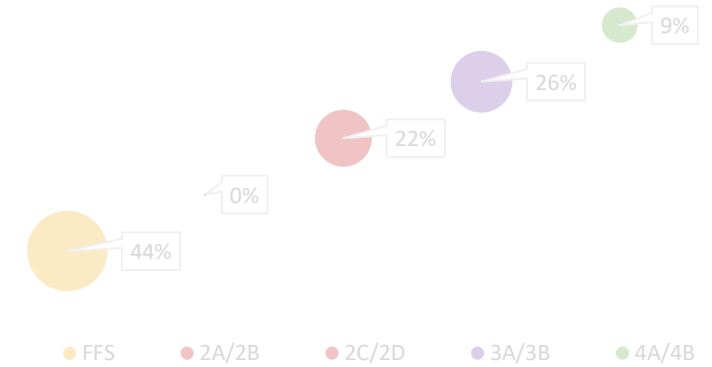
n=5  
 Total payments = \$4.62B  
 VBP = \$2.30B (49.7%)



Statewide VBP = \$9.37B (55%)

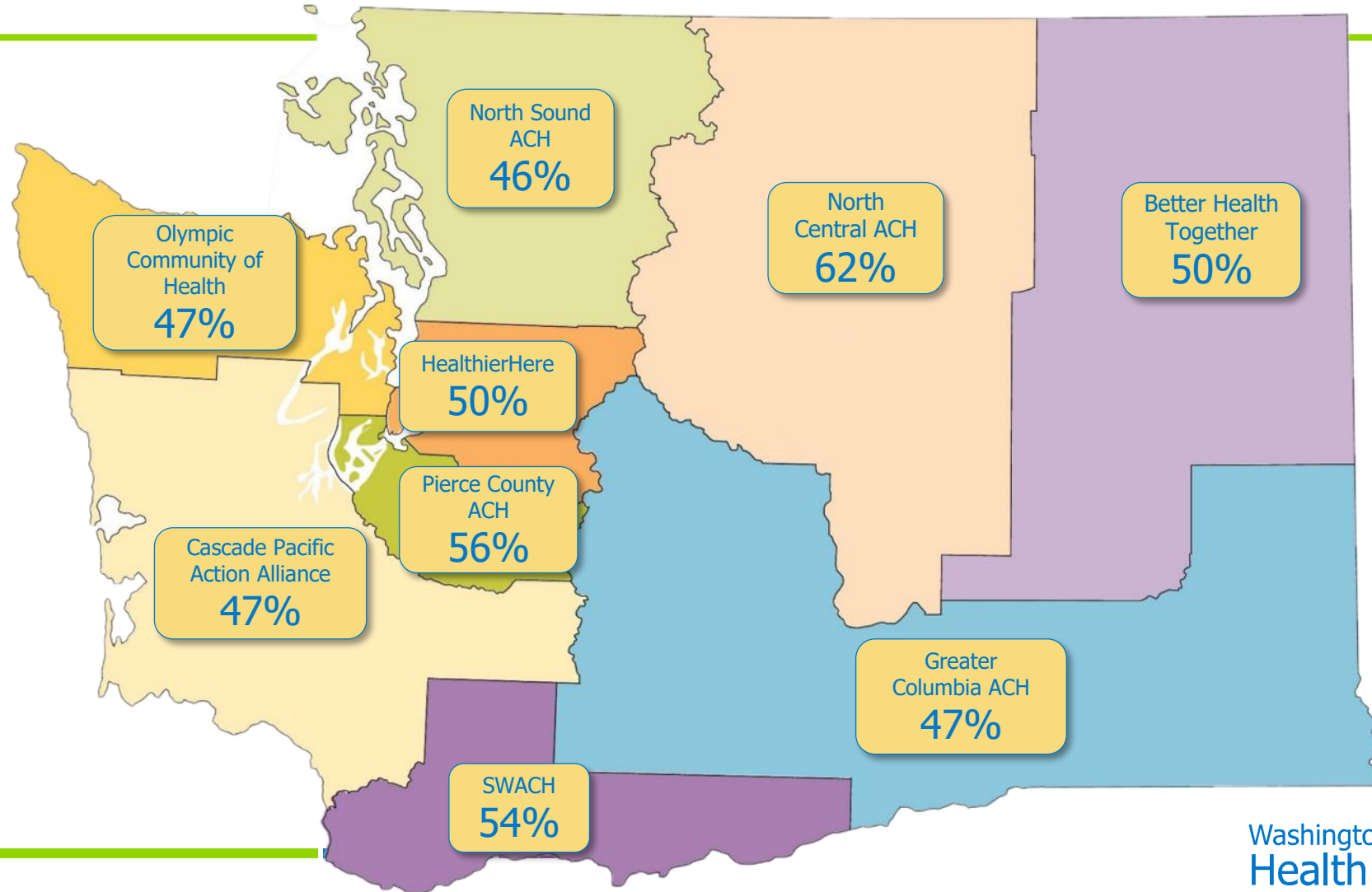
2017 survey results = 37%  
 2016 survey results = 30%

Commercial Payments by APM Category



n=5  
 Total payments = \$10.72B  
 VBP = \$6.04B (56.4%)

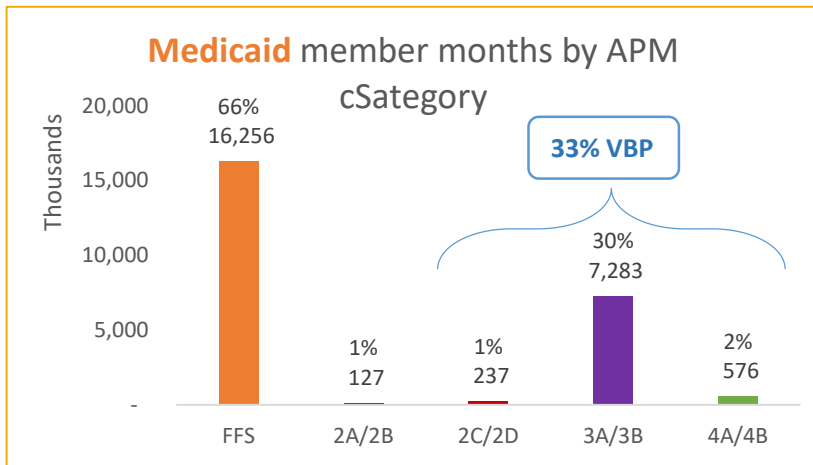
# MCO VBP by Accountable Community of Health



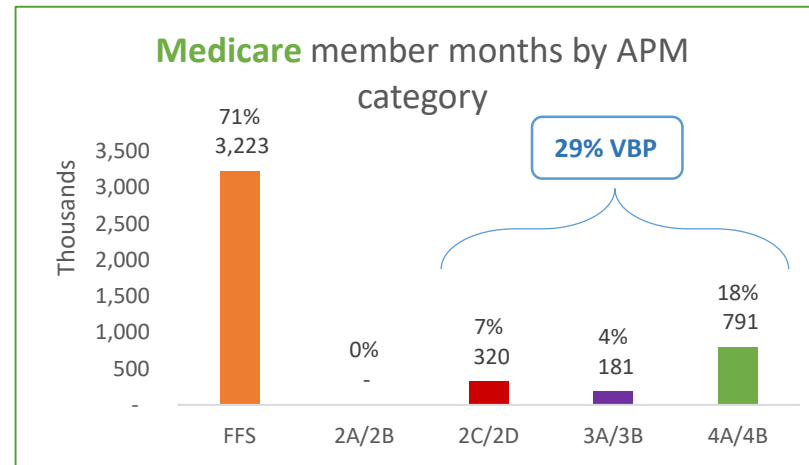


# Health plan VBP surveys (cont.)

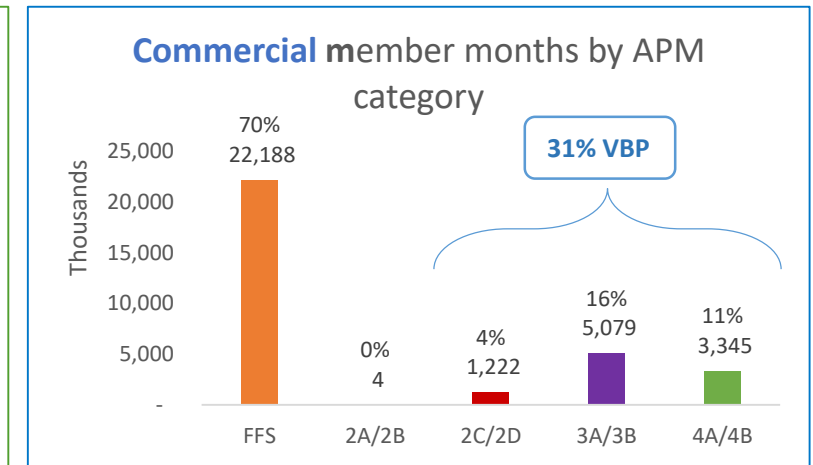
▶ Covered Lives by APM category – as reported by member months\*



n=5



n=6



n=5

\*Note: individuals may receive care from multiple providers who may be reimbursed under different payment models, resulting in duplicative attribution to more than one APM.

Statewide VBP by member months = 31%

# Qualitative data results

Non-MCO health plan VBP survey ONLY

# Health plan VBP surveys (cont.)

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▶ *Top five enablers & barriers (from highest impact to lowest)*

## All payers: Enablers

Aligned quality measures/definitions
Aligned incentives/contract requirements
Trusted partnerships and collaboration
Consumer engagement
State-based initiatives (e.g. Healthier Washington; State Innovation Model grant; Medicaid Transformation)

n=7

## All payers: Barriers

Lack of interoperable data systems
Disparate quality measures/definitions
Attribution
Regulatory changes
Disparate incentives/contract requirements

n=7

# Health plan VBP surveys (cont.)

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## ▶ *Quality measurement*

<b>Aligning quality measures</b>	<b># of health plans responding "Yes"</b>
Using the same set(s) of quality measures across provider contracts	6/7
Made efforts to align quality measures used in HCA VBP contracts	7/7
Made efforts to align quality measures with other entities	6/7

# Health plan VBP surveys (cont.)

## ▶ Health equity

	# of health plans responding “Yes” to collecting the following data	# of health plans responding “Yes” to disaggregating performance by the following data
Race	6/7	3/7
Ethnicity	5/7	3/7
Language	5/7	2/7

Has your organization implemented any programs to address health disparities by race, ethnicity, or language?	# of health plans responding “Yes”
	4/7

# Health plan VBP surveys (cont.)

Under certain VBP arrangements, health plans may shift traditionally payer-based functions onto contracted providers. Which of the following roles are your providers with VBP contracts currently performing—in all or in part?

*(Note: This refers to shared functionality rather than formal delegation.)*

Functionality	# of health plans responding "Yes"
Care coordination	6/7
Quality management	6/7
Utilization management	3/7
Provider network management	2/7
Provider payments	2/7

# Provider VBP survey

# Provider VBP survey

## ▶ Respondent organization type

▶ (multiple selections per respondent possible)



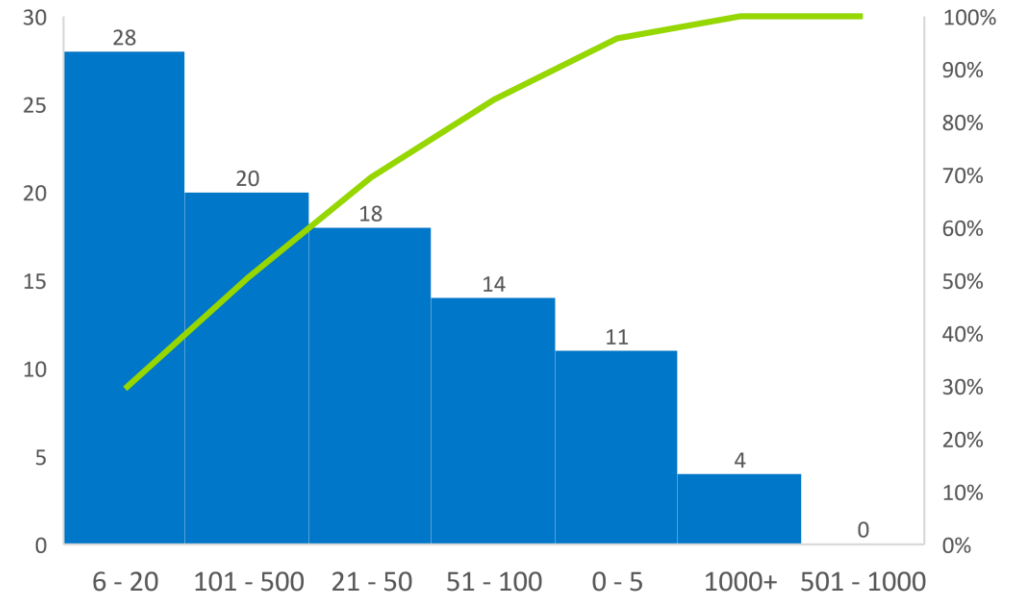
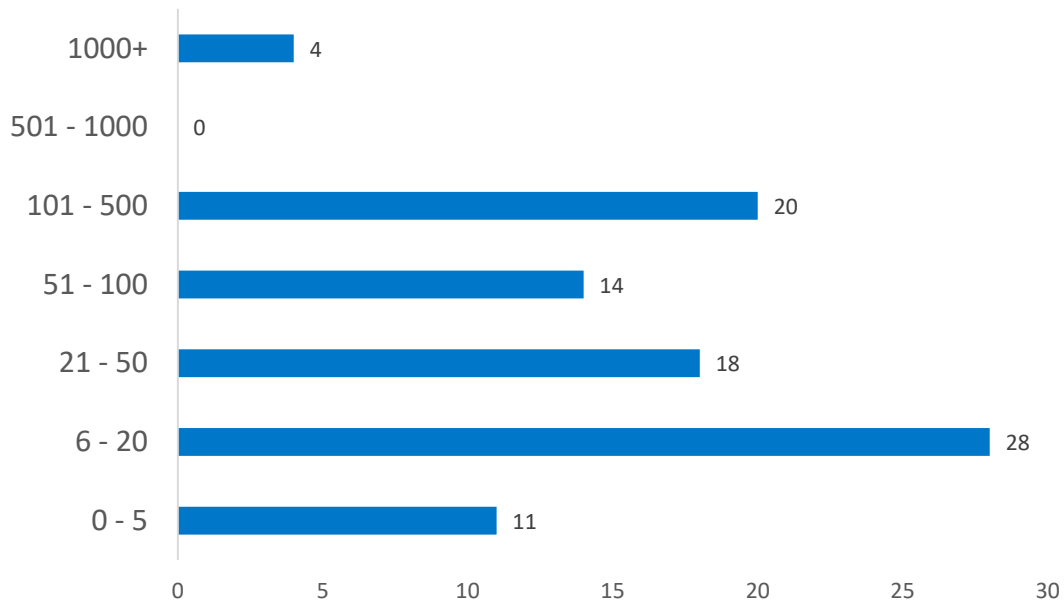
n=95\*

*\*note: for the following slides, 'n' values may vary as not all respondents answered all the questions*



# Provider VBP survey (cont.)

## ▶ Respondents' number of clinicians



n=95

# Quantitative data results

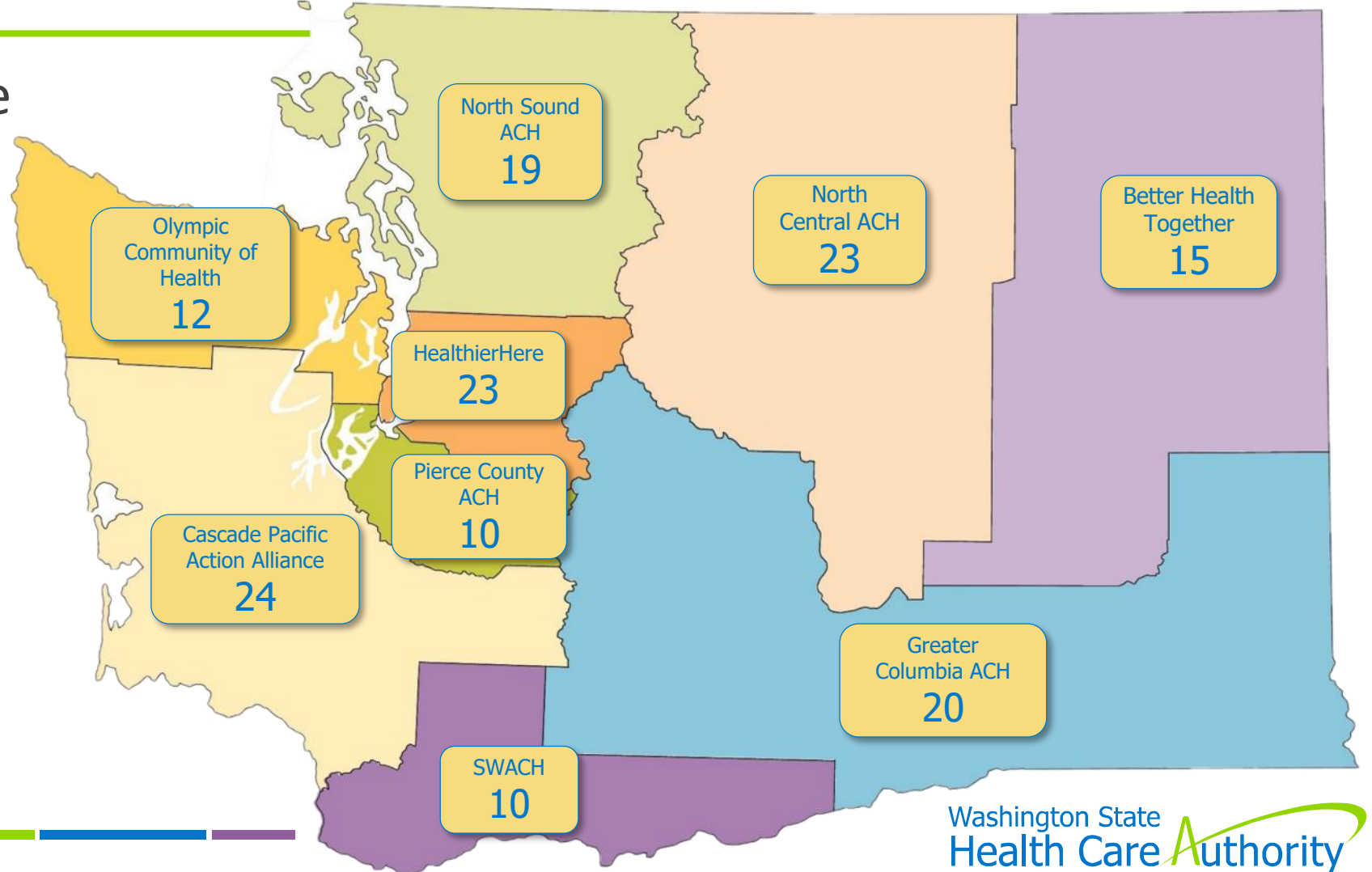
Provider VBP survey

# Provider VBP survey (cont.)

## ▶ Respondent service area by ACH

- ▶ *(multiple regions per respondent possible)*

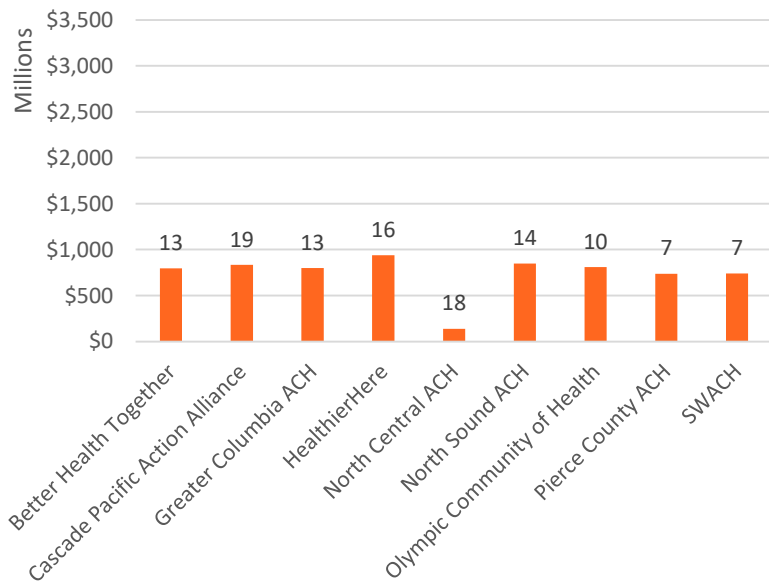
n=95



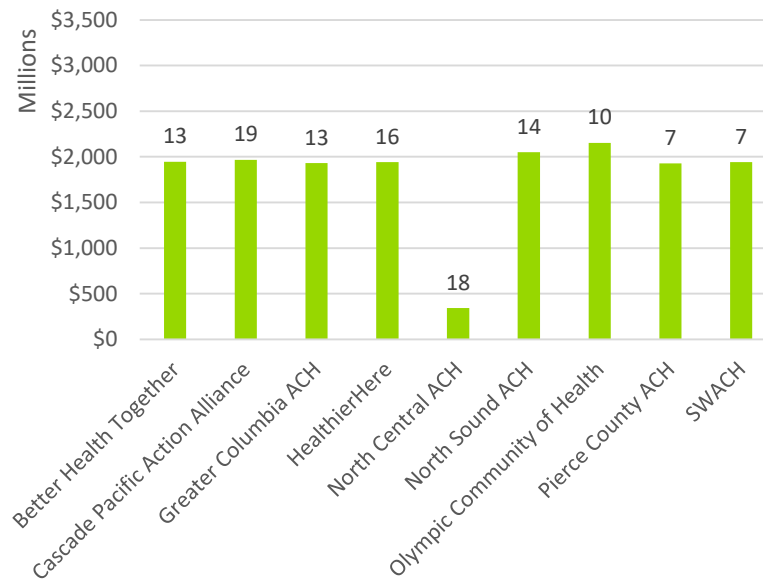
# Provider VBP survey (cont.)

## ▶ Total revenue by sector by Accountable Community of Health

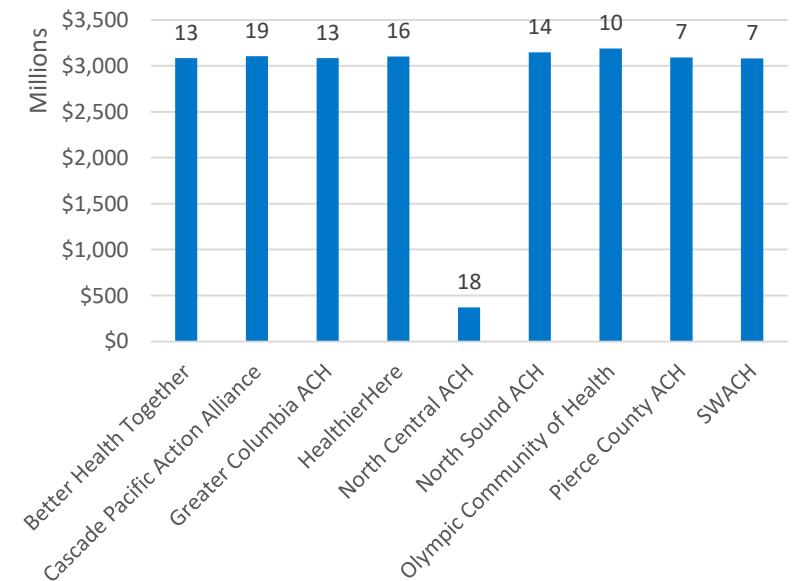
Total Medicaid revenue



Total Medicare revenue



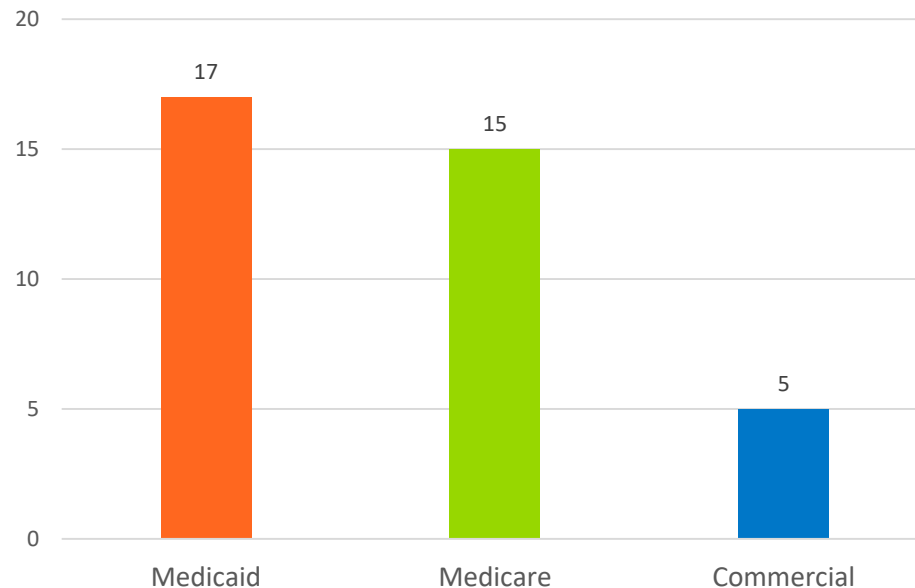
Total Commercial revenue



n=78

# Provider VBP survey (cont.)

▶ Respondents with any revenue in VBP categories 2C-4B by sector



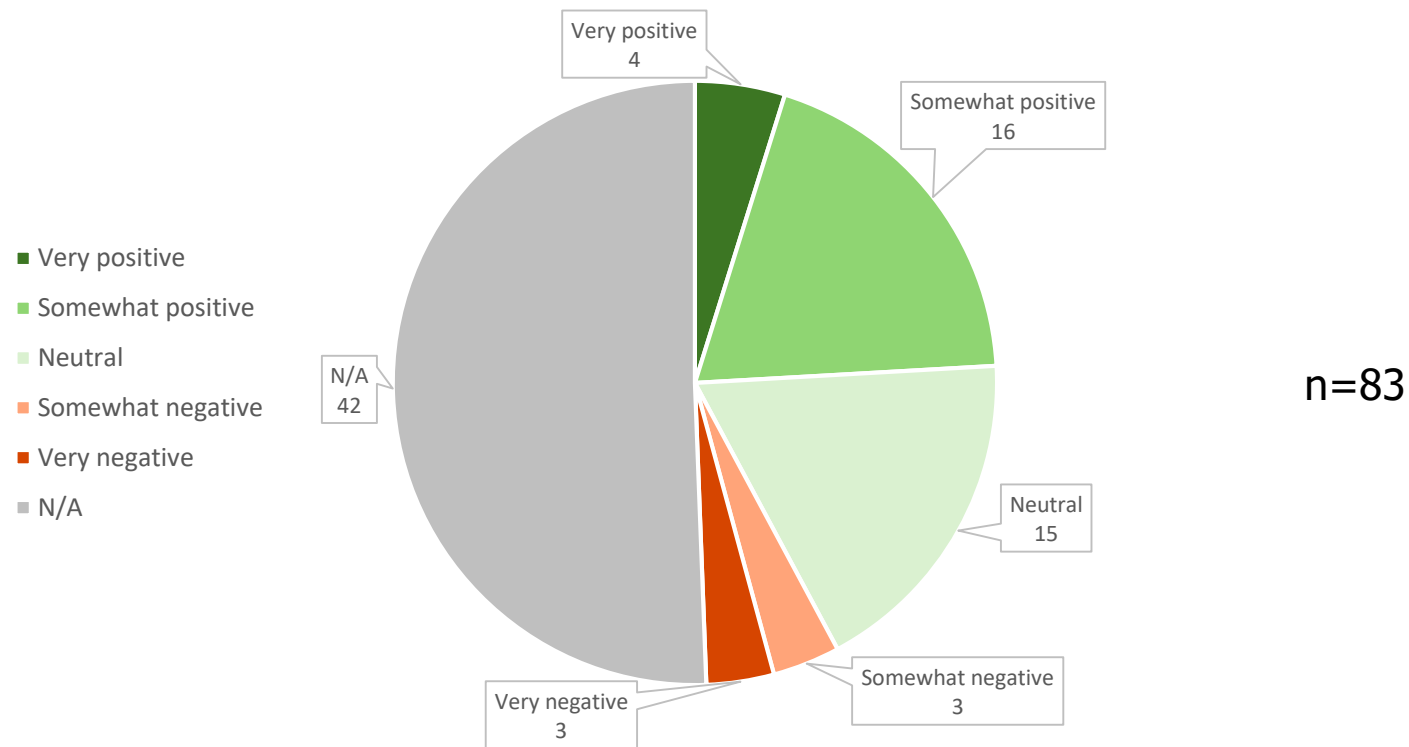
n=76

# Qualitative data results

Provider VBP survey

# Provider VBP survey (cont.)

## ▶ Respondents' experience with VBP



# Provider VBP survey (cont.)

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▶ *Respondents' top perceived enablers to adopting VBP (from most often cited to least)*



Aligned quality measurements and definitions (26)
Development of medical home culture with engaged providers (23)
Ability to understand and analyze payment modes (21)
Trusted partnerships and collaboration with payers (20)
Aligned incentives and/or contract requirements (19)
Common clinical protocols and/or guidelines associated with training for providers (19)

n=78



# Provider VBP survey (cont.)

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▶ *Respondents' top perceived barriers to adopting VBP (from most often sited to least)*

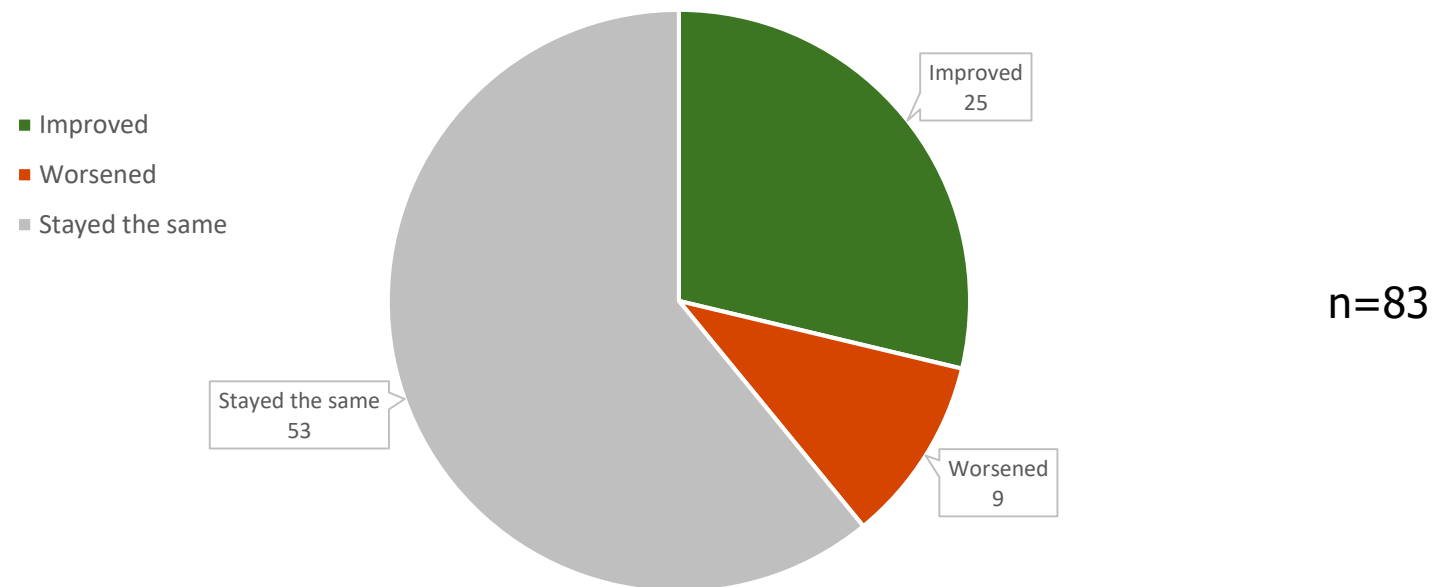


Lack of interoperable data systems (61)
Lack of timely cost data to assist with financial management (53)
Lack of access to comprehensive data on patient populations (48)
Insufficient patient volume by payer to take on clinical risk (37)
Lack of consumer engagement (35)
Misaligned incentives and/or contract requirements (35)

n=90

# Provider VBP survey (cont.)

▶ Respondents' experience over the last year relative to barriers



# Provider VBP survey (cont.)

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- ▶ *Summary: top three enablers and barriers to VBP adoption (from most often cited to least)*

## Enablers

Aligned quality measurements and definitions (26)
Development of medical home culture with engaged providers (23)
Ability to understand and analyze payment modes (21)

n=78

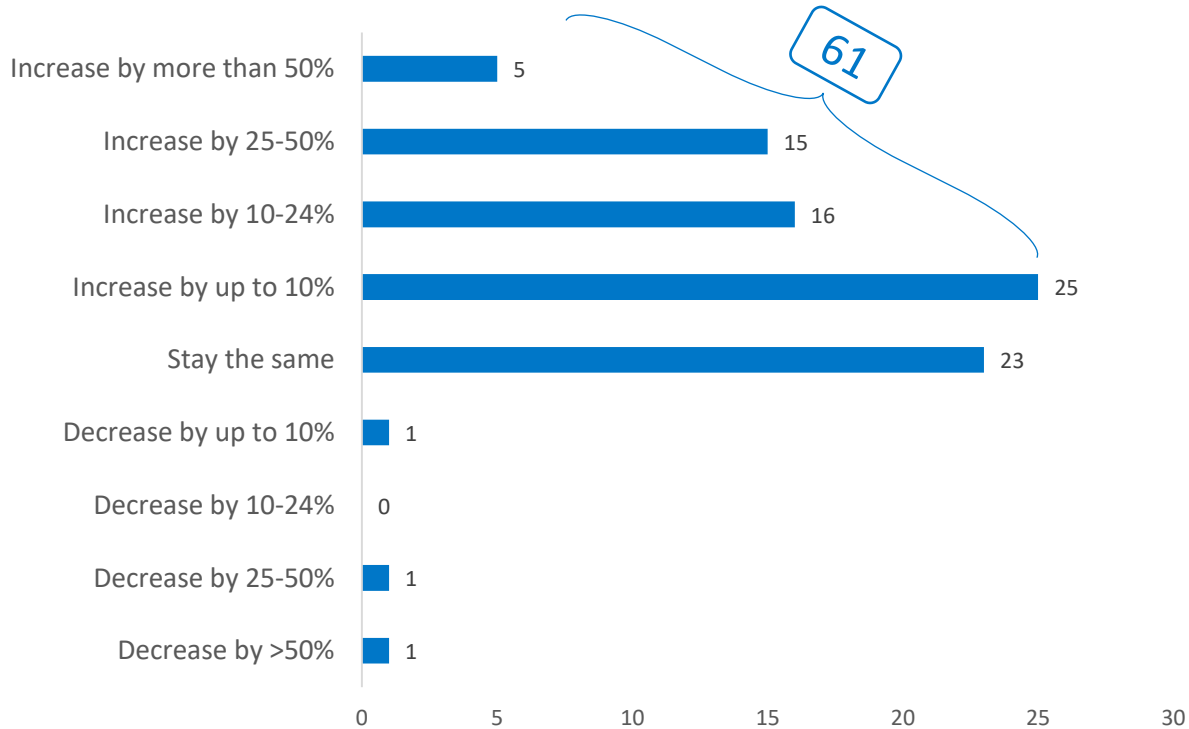
## Barriers

Lack of interoperable data systems (61)
Lack of timely cost data to assist with financial management (53)
Lack of access to comprehensive data on patient populations (48)

90

# Provider VBP survey (cont.)

## ▶ Respondents' future plans for VBP



n=87

# Provider VBP surveys (cont.)

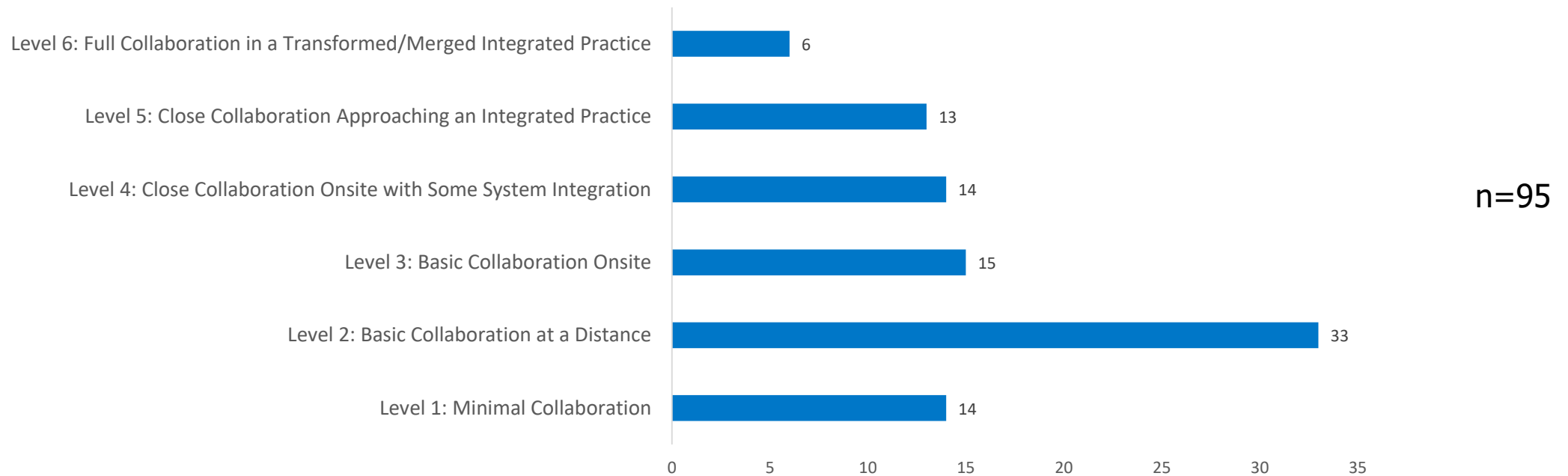
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## ▶ *Health equity*

	<b># of Providers responding “Yes” to <i>collecting</i> the following data</b>	<b># of Providers responding “Yes” to <i>assessing performance</i> by the following data</b>
Race	86	13
Ethnicity	81	13
Language	80	11

# Provider VBP survey (cont.)

## ▶ Integration: respondents' reported level of SAMHSA's "Six Levels of Collaboration/Integration"

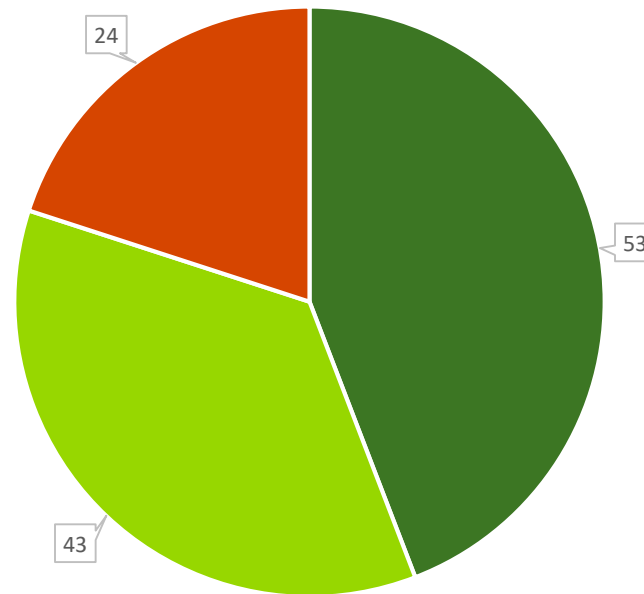


▶ 70 providers intend to move to a higher level in the next year

# Provider VBP survey (cont.)

## ▶ Workforce: respondents' participation in activities to prepare for team-based care and population management

- Yes -- participating in Practice Transformation Support Hub, AIMS Center programs or other TCPI activities
- Yes - participating in transformation and training opportunities through consulting or organizational resources
- No - not participating in formal program. May be participating in conferences, webinars or other self-learning programs or interested in learning how to access training or support.

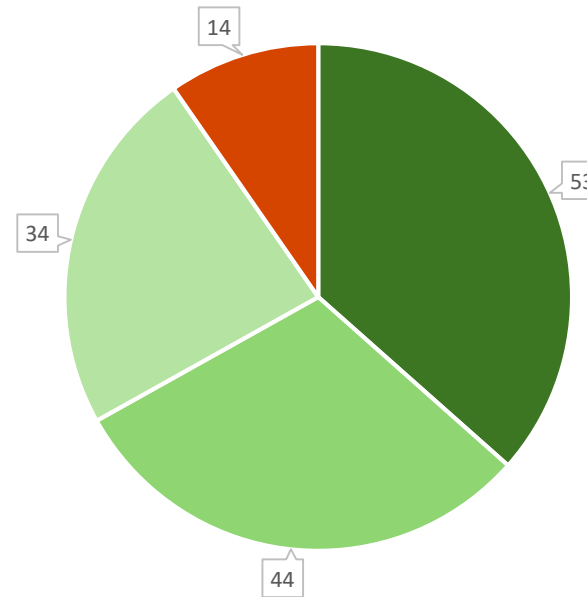


n=92

# Provider VBP survey (cont.)

## ▶ Workforce: respondents' participation in activities to support clinical training and skill/competency building for integrated physical and behavioral health

- Yes - participating in training opportunities or conferences as part of Practice Transformation activities or AIMS Center resources
- Yes - participating in activities through professional organization, CME or informal learning
- Yes - participating in training programs through organizational resources
- No - have not participated in formal training. May be interested in learning more about how to access skills/competency based training.

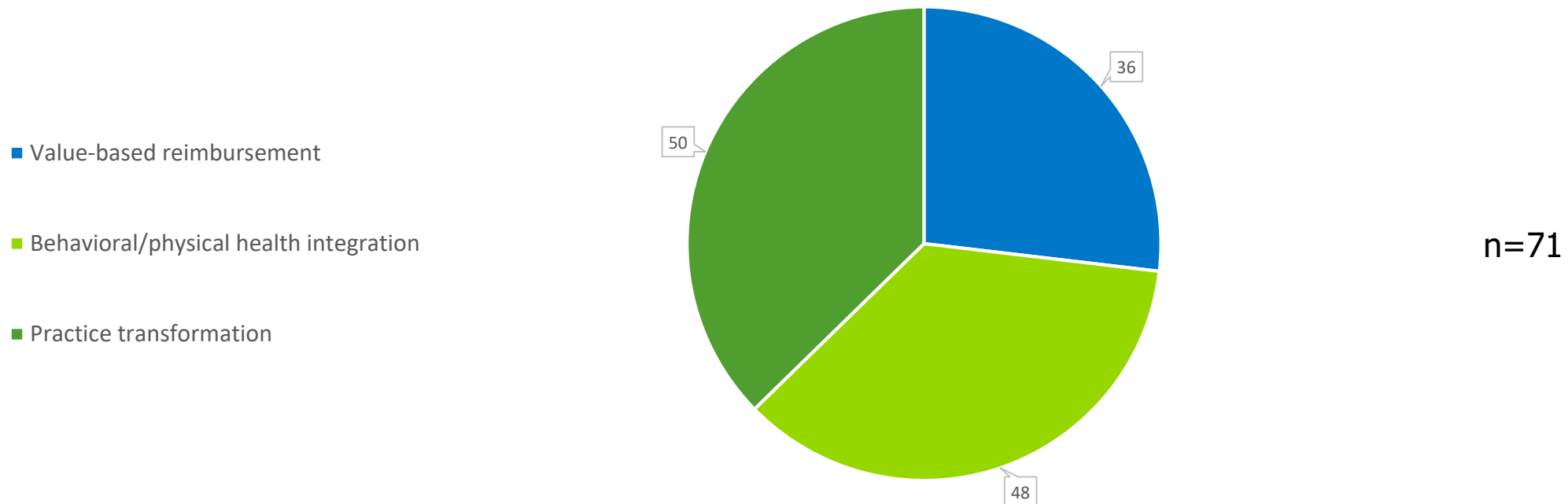


n=83



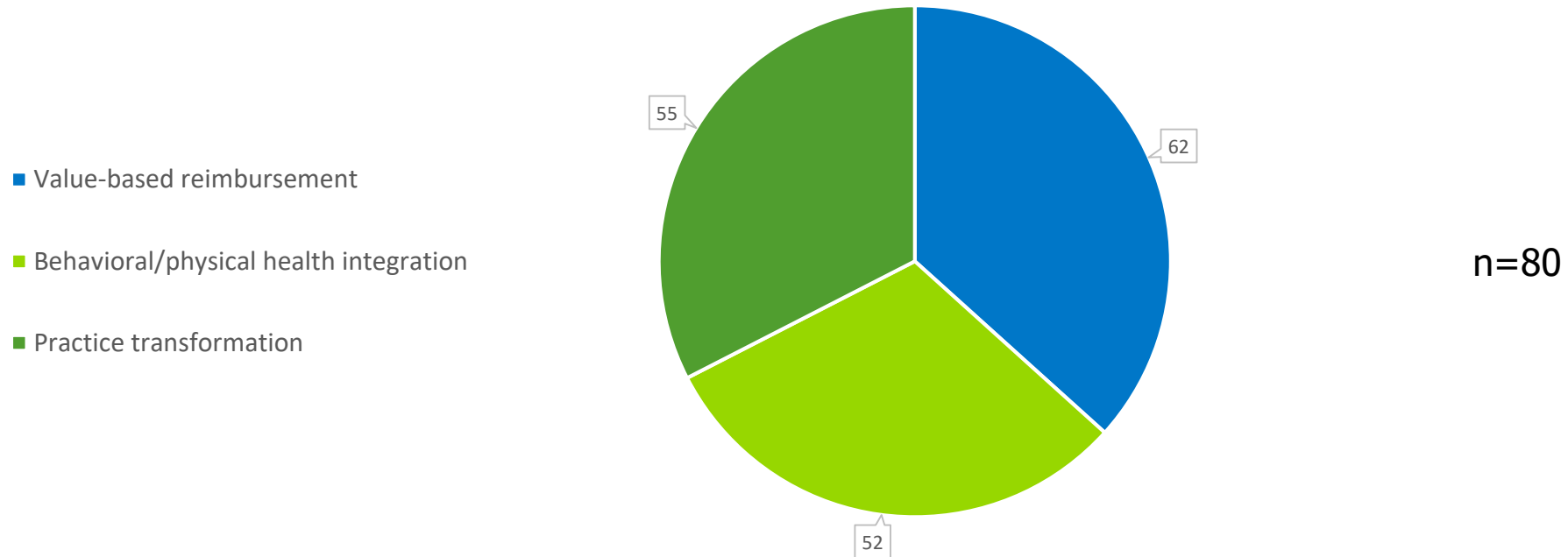
# Provider VBP survey (cont.)

## ▶ Technical support: types of technical support received



# Provider VBP survey (cont.)

- ▶ Technical support: type of technical support that would be the most helpful moving forward



# Summary findings

Provider and health plan VBP surveys

# Summary: top enablers

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## Providers

Aligned quality measurements and definitions (26)
Development of medical home culture with engaged providers (23)
Ability to understand and analyze payment modes (21)

n=78

## Health plans

Aligned quality measures/definitions
Aligned incentives/contract requirements
Trusted partnerships and collaboration

n=7

# Summary: top barriers

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## Providers

Lack of interoperable data systems (61)
Lack of timely cost data to assist with financial management (53)
Lack of access to comprehensive data on patient populations (48)

n=90

## Health plans

Lack of interoperable data systems
Disparate quality measures/definitions
Attribution

n=7

# Summary findings – VBP is accelerating

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- ▶ Health plans' VBP adoption increased from previous year, outpacing targets.
- ▶ Providers' experience with VBP has been generally positive.
- ▶ Providers generally plan to increase VBP participation and desire technical support.
- ▶ Responding providers generally report lower levels of VBP adoption than health plans.
- ▶ To facilitate the acceleration:
  - ▶ Improve timeliness and comprehensiveness of data shared to providers (multi-payer)
  - ▶ Align quality measures and incentives
  - ▶ Foster collaborative and trusting relationships
  - ▶ Invest in inter-operability
  - ▶ Support small to medium sized providers and invest in improving provider experience

# How you can get involved

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- ▶ Visit our website, [www.hca.gov/hw](http://www.hca.gov/hw):
  - ▶ Participate in a webinar or submit public comment.
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