Navigate Your Practice:
Future of Accountable Care, ACOs & Payment Reform

Follow Justin Barnes @HITAdvisor
Ask Questions & Follow Today's
Conversation #askHIT

Justin T. Barnes

VP, Greenway Medical Technologies
Co-Chair, Accountable Care Community of Practice

State of Healthcare

- **Healthcare Reform/ Transformation**
  - 25% Medicare rate cut averted for 2011 but 27.4% cut pending for 2012
    - 2011 “fix” cost $18B but 2012/ 2013 “fix” could cost $54B
    - MedPAC recommendations to realign fee-schedule to support primary care and ACOs, bundled payments, capitated models & shared savings programs
    - MedPAC SGR recommendation slides ~ http://tiny.cc/u58gy
  - Health Reform Legislation
    - Leverages health IT to improve patient safety, use of the best clinical practices, evidence based medicine as well as wellness and health promotion activities
- **Focus on Product and Process Breakthroughs**
  - Mother Teresa’s/ Dr. Shetty’s Pediatric Surgery Center
    - Open Heart Surgery $2K vs. $20K-$100K in U.S.
- **Beginning the Shift to Paying for Reporting & Quality**
  - Accountable Care Organizations (ACOs) & PCMHs
  - Preventive medicine & wellness
  - Significant shift by 2013

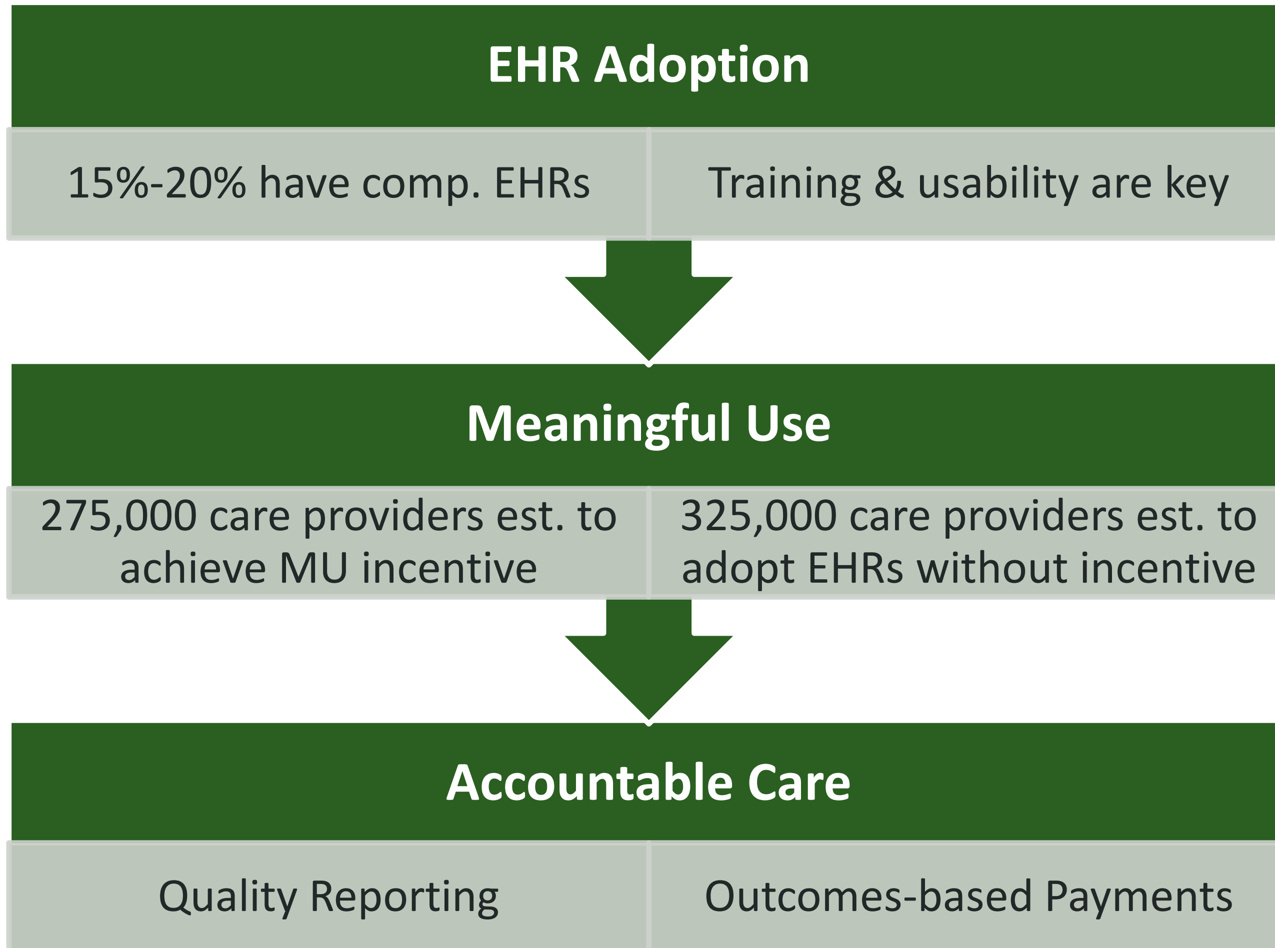
GREENWAY®

State of ARRA & HITECH Act

- **EHR Meaningful Use**
  - Over $27B available with no cap. Protected in Medicare Trust Fund
  - Criteria well within expectations ~ 14/15 Core Measures & 5/10 Menu
  - Incentives are front-loaded so begin as soon as you can
  - As of October, over 114,000 care providers registered for Meaningful Use
  - Over $870 Million in incentives paid to eligible providers & hospitals already!
    - Over $20 Million just to Nurses & PA's under Medicaid
- **EHR Certification**
  - 6 ONC-ATCB Certifying Entities
  - CCHIT remains industry gold standard
- **Regional Extension Centers**
  - Operations underway at various levels of execution
- **Health Information Exchanges**
  - Operations underway at various levels of operation

GREENWAY®

The Evolution



…essential building blocks for a sustainable healthcare system

GREENWAY®

Evolution of Care Coordination

Table 2. Stages of Care Coordination

	Phase 1: Basic	Phase 2: Early Coordination	Phase 3: Strong Coordination
Organizational Structure	▪ Single hospital ▪ Independent physician office	▪ Hospital system ▪ Physician group ▪ Integrated delivery network (IDN)	▪ RHIO/HIN ▪ Group model HMO ▪ ACO in the U.S. ▪ National Health System
Financing	▪ Fee for service ▪ Salary	▪ Discounted fee for service ▪ Episodic payment ▪ Risk pools	▪ Capitation ▪ Bundled payment ▪ Transaction fees
Functions	▪ Scheduling ▪ Billing	▪ Patient billing ▪ Claims payment ▪ Business process automation ▪ Case management ▪ Post-acute care	▪ Disease management ▪ Care coordination ▪ Community-based care ▪ Complexity management ▪ Outcomes tracking
Technologies and Solutions	▪ Paper-based ▪ Stand-alone billing and scheduling	▪ Financial systems ▪ EHR ▪ ePrescribing ▪ Mobile point of care ▪ Imaging	▪ Health information exchange (HIE) ▪ Longitudinal health record ▪ Service oriented architecture (SOA) ▪ Telehealth ▪ Secure cloud

Accountable Care

- **Accountable for what?**
  - Electronification / Health IT & EHR Utilization
  - Interoperability
  - Coordinating Care (with Care Team)
  - Best Practices
  - Quality Improvement/ Outcomes Improvement
  - Patient Education
  - Patient Satisfaction
  - Cost Containment
  - Cost Reduction (to increase Shared Savings)

GREENWAY®

Purpose and Goals: Healthcare vs Sick Care

- To harness growing healthcare costs annually approaching $2.5 trillion
- Targets America's approx. 50 million Medicare patients to advance EHR-driven preventive medicine, care coordination and wellness focusing on each patient's care continuum as a Patient-Centered Medical Home (PCMH) concept
  - Currently 1 in 5 Medicare patients are readmitted within 30 days
  - The majority of Medicare patients suffer from multiple chronic ailments
  - Recent study ~ 1/3 of patients admitted are harmed by our healthcare system

GREENWAY®

Purpose and Goals: Healthcare vs Sick Care

- The ability to collect and analyze clinical, claims and payer data to enable quality monitoring and reporting
  - ACOs and CMS enter data-sharing agreements
  - Proposal requires that data be available to providers
- Promotes remote monitoring and telehealth also to develop the Patient Centered Medical Home objective
  - Proposal advances the communication of care plans to patients
- Stresses the need for development of Health Information Exchanges (HIEs)
  - Proposal continues the trend of standard data exchange protocols and language

GREENWAY®

CMS Shared Savings Final Rule: Broadens Participation

- Flexible start dates – April 1, 2012; July 1, 2012
- Maintains 5,000 patient minimum; 3-year commitment
- Expands participation by Specialists, Nurse Practitioners, FQHCs, RHCs & CHCs
- Allows providers to participate in more than one ACO (if the provider bills through more than one hospital)
- CMS to provide Parts A,B,D & claims data to ACOs to create baseline benchmarking

GREENWAY®

CMS Shared Savings Final Rule: Relaxed Financial Risk

- **Eliminates 25% withholding of Shared Savings toward shortfall**
- **ACOs share in first dollar savings, both tracks once MSR achieved**
- **Maintains choice of Track One or Track Two funding option**
- **Track One (MSR 50%):**
  - Eliminates loss risk in year three
  - Removes two-sided risk
- **Track Two (MSR 60%):**
  - ACO eligible for higher percentage of funds
  - ACO Responsible for shared losses all 3 years

GREENWAY®

CMS Shared Savings Final Rule: Quality Measure Requirements

- **33 quality measures reduced from 65 (in proposed rule)**
- **Four reporting domains (70% required within each):**
  - Care Coordination/Patient Safety
  - Preventive Health
  - At Risk Population
  - Patient/Caregiver Experience
- **EHR adoption measure is double-weighted in Care Coordination**
- **CMS to administer and fund initial Patient Satisfaction survey in first two years of organization**

GREENWAY®

CMS Shared Savings Final Rule: Quality Measure Reporting

- **Maturation process for quality measures – within both tracks**
- **Year one:**
  - All 33 measures only pay for reporting
- **Year two:**
  - 25 measures are pay for performance
  - Remaining eight are pay for reporting
- **Years three and four:**
  - 32 measures become pay for performance
  - One measure remains pay for reporting

GREENWAY®

Quality Measure Point System

Total Points for Each Domain within the Quality Performance Standard				
Domain	**Total Indivdual Measures**	**Total Measures for Scoring Purposes**	**Total Potential Points Per Domain**	**Domain Weight**
Patient Caregiver Experience	7	1 measure with 6 survey modules measures combines, plus 1 individual measure	4	25%
Care Coordination and Patient Safety	6	6 measures, plus the EHR measure double-weighted (4 points)	14	25%
Preventative Health	8	8 measures to achieve	16	25%
At Risk Population	12	7 measures, including 5 component diabetes composite measure and 2 component CAD composite measures	14	25%
Total	**33**	**23**	**48**	**100%**

GREENWAY®

CMS Shared Savings Final Rule: PQRS Alignment

- CMS allows annual receipt of both PQRS and Shared Savings funds
- PQRS reporting requires submission of data through the ACO entity
- Calendar year reporting period (January – December)
- Much of the quality measure alignment is within the at-risk population criteria

GREENWAY®

New Updates and Opportunities
Center for Medicare & Medicaid Innovation

- **Pioneer ACO Model**, for existing care coordinating entities across care settings
  - Allows rapid movement from Shared Saving to population-based payment model
  - Allows greater coordination with private payers
  - Offers heightened risk/reward and more flexible payment methods
  - 70 will be selected, deadline to apply has passed
- **Advance Payment**
  - Initiative to gauge the enrollment gains of pre-payment
  - Based on per-beneficiary model
  - Funds received used to increase care coordination abilities
- **Accelerated Development Learning Program**
  - Executive Leadership Sessions
  - Four free seminars in 2011, found at https://acoregister.rti.org/

All programs found at http://innovations.cms.gov/

GREENWAY®

Commercial, private ACO Models are underway

- Advocate Physician Partners and Blue Cross Blue Shield of Illinois
- 5 national pilots through the Engelberg Center for Health Care Reform at Brookings and The Dartmouth Institute for Health Policy and Clinical Practice
  - Norton Healthcare, Louisville, KY
  - Carilion Clinic, Roanoke, VA
  - Tucson Medical Center, Tucson, AZ
  - HealthCare Partners Medical Group, Torrance, CA
  - Monarch HealthCare, Irvine, CA
  - Citizens Health Initiative, Concord, NH
  - Aria Health (18 Healthcare Organizations), Philadelphia, PA

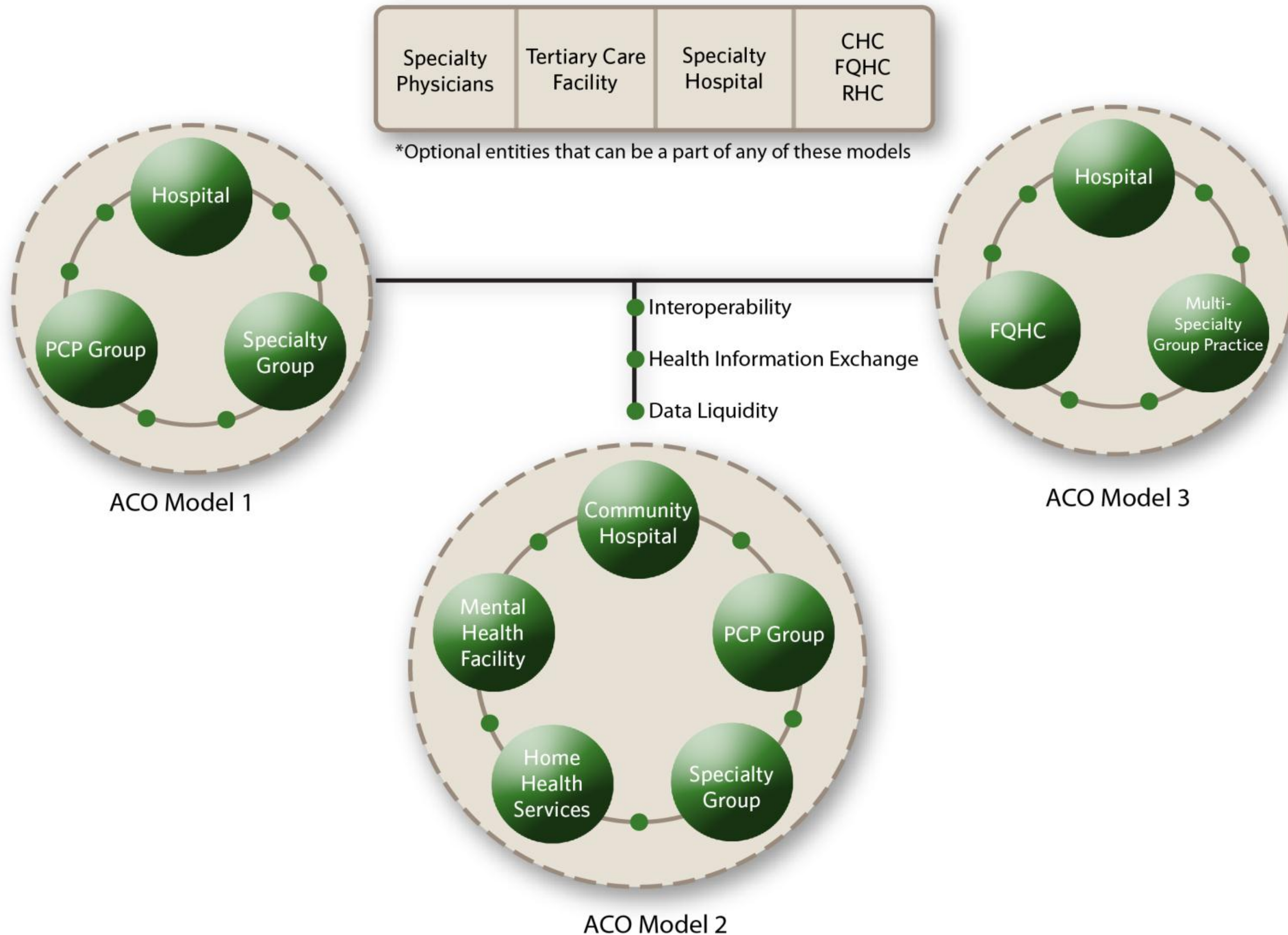
GREENWAY®

Eligible ACO Membership

- Primary care physicians, specialists, nurse practitioners and clinical nurse specialists in group practice arrangement
- Networks of individual practices of ACO professionals
- Partnership of joint venture arrangements between hospitals and ACO providers
- Hospitals employing ACO providers
- FQHC, CHC RHC facilities, eligible Critical Access Hospitals, and home health networks

GREENWAY®

Accountable Care Models



GREENWAY®

Shared Savings Differs from former HMO models

- Providers, not payers, responsible for quality of care and accountability
- ACOs structured to contract with provider organizations, not health plans
- Flexible system of care models, including allowing health plans as entity within an ACO
- Based on Health IT utilization

**Tracking concerns of shifting cost to Consumer, Private Payers*

GREENWAY®

Managing the Patient…

- **Patient Engagement, Empowerment & Management Strategies**
  - Produce analytics on patient/ consumer population
- **Sample Functionality…**
  - Phone & "text" reminders
  - eMail calendar invites
  - Customized (automatic) patient education materials that incorporate video and "smart" self-help tools
- **Robust Patient "CRM"-type Strategies and Functionality**
  - Analytics comparing and contrasting outcomes & quality reports
  - eMail marketing tools & "smart" patient education materials

GREENWAY®

What are your Goals?

- **Do you have a 3-5 year Operating or Growth Plan?**
- **If you are approached by a local Accountable Care Plan or ACO…**
  - Financial incentives to join ACO?
  - Strategic incentives to join ACO?
  - Will you have access to bi-directional data/ interoperability?
  - What data requirements are they asking of you?
  - Binding? Non-binding?

GREENWAY®

Position Your Practice

- Assess EHR, interoperability & overall technology infrastructure
- Assess Medicare beneficiary patient volume; patients can opt in/out voluntarily
- Engage peers, associations, payers, employers & health systems in your community
- Identify CMS, private payer or combined care coordination opportunities
- Don’t wait; ACOs are forming today around the country

GREENWAY®

Payment Reform

- Healthcare financing mechanisms today do not align with the goals of disease prevention, improved health outcomes, and reduced costs.
- Perversions of the concepts of insurance and information technology contribute to the payment misalignment
- Due to the lack of accountability in the current system, lack of available information on which to make responsible care decisions and disengaged stakeholders, we must create a competitive functioning market

Payment Reform

Six Recommendations to Fix the System

- Require and pay for predictive care paths and other evidence based medicine
- Change the basis for paying primary care physicians and expand the role for other professionals
- Increase consumer engagement and personal responsibility, reducing the abuse of the system by consumers
- Stimulate private insurance competition and provide consumers with greater product options
- Accelerate government’s role as ‘enabler’ not ‘architect’ of new industry business models
- Reduce fraud and abuse in the system

GREENWAY®

Capitol Hill Engagement

Be part of the conversation

In Congress today….
22 Physicians| **300+** Attorneys

Your Congressperson & Senators want to hear from you

- Educate them on the life of a care provider & small business
- Offer to host a site visit on one of their “district days”
- They should be able to assist with HHS relationships
- They may even ask you to be on a Panel or in a Hearing
- Let us know how we can help

GREENWAY

Additional Resources

Greenway's Government Affairs Updates

- EHR Meaningful Use Microsite (www.meaningfuluse-emr.com)
- EHR MU Navigation (http://tiny.cc/vxfd1)
- Gov't Affairs www.greenwaymedical.com/learn-more/govt-industry-affairs

Important Government & HHS Sites

- CMS Meaningful Use Page (http://www.cms.gov/EHRIncentivePrograms)
- HHS Breach Notification Rule (http://tiny.cc/xytg5)
- HHS Privacy Rule (www.hhs.gov/healthprivacy/)

Agency ACO Sites

- Medicare ACO Final Rule (http://tiny.cc/z9o75)
- CMS Educational Events Page (http://tiny.cc/aszkn)
- CMS ACO/ Shared Savings Page (http://www.cms.gov/sharedsavingsprogram)

GREENWAY®

QUESTIONS OR COMMENTS?

Justin T. Barnes

justinbarnes@greenwaymedical.com

(678) 839-4316

@HITAdvisor