CMS Innovation and Health Care Delivery System Reform

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Center for Medicare and Medicaid

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So we will continue to work across sectors and across the aisle for the goals we share: better care, smarter spending, and healthier people.
Delivery System Reform and Our Goals

CMS and Oral Health
Delivery System Reform requires focusing on the way we pay providers, deliver care, and distribute information. Improving the way providers are incentivized, the way care is delivered, and the way information is distributed will help provide better care at lower cost across the health care system.

FOCUS AREAS

Pay Providers

Deliver Care

Distribute Information

Source: Burwell SM. Setting Value-Based Payment Goals – HHS Efforts to Improve U.S. Health Care. NEJM 2015 Jan 26; published online first.
During January 2015, HHS announced goals for value-based payments within the Medicare FFS system.

**Medicare Fee-for-Service**

**GOAL 1:** 30%
Medicare payments are tied to quality or value through alternative payment models (categories 3-4) by the end of 2016, and 50% by the end of 2018.

**GOAL 2:** 85%
Medicare fee-for-service payments are tied to quality or value (categories 2-4) by the end of 2016, and 90% by the end of 2018.

**STAKEHOLDERS:**
- Consumers
- Businesses
- Payers
- Providers
- State Partners

**NEXT STEPS:**
- Testing of new models and expansion of existing models will be critical to reaching incentive goals.
- Creation of a Health Care Payment Learning and Action Network to align incentives for payers.
CMS has adopted a framework that categorizes payment to providers:

<table>
<thead>
<tr>
<th>Description</th>
<th>Category 1: Fee for Service – No Link to Value</th>
<th>Category 2: Fee for Service – Link to Value</th>
<th>Category 3: Alternative Payment Models Built on Fee-for-Service Architecture</th>
<th>Category 4: Population-based Payment</th>
</tr>
</thead>
</table>
| ▪ Payments are based on volume of services and not linked to quality or efficiency | ▪ At least a portion of payments vary based on the quality and/or efficiency of health care delivery | ▪ Some payment is linked to the effective management of a population or an episode of care  
▪ Payments still triggered by delivery of services, but opportunities for shared savings or 2-sided risk | ▪ Payment is not directly triggered by service delivery so volume is not linked to payment  
▪ Clinicians and organizations are paid and responsible for the care of a beneficiary for a long period (e.g., ≥1 year) |

**Medicare examples**:

- Limited in Medicare fee-for-service
- Majority of Medicare payments now are linked to quality
- Hospital value-based purchasing
- Physician Value-Based Modifier
- Readmissions / Hospital Acquired Conditions Reduction Program
- Accountable care organization
- Medical homes
- Bundled payments
- Comprehensive primary Care initiative
- Comprehensive ESRD
- Medicare-Medicaid Financial Alignment Initiative Fee-For-Service Model
- Eligible Pioneer accountable care organizations in years 3-5
- Maryland hospitals

Target percentage of payments in ‘FFS linked to quality’ and ‘alternative payment models’ by 2016 and 2018

- **Alternative payment models (Categories 3-4)**
- **FFS linked to quality (Categories 2-4)**
- **All Medicare FFS (Categories 1-4)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Historical Performance</th>
<th>Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>0%</td>
<td>~70%</td>
</tr>
<tr>
<td>2014</td>
<td>~20%</td>
<td>&gt;80%</td>
</tr>
<tr>
<td>2016</td>
<td>30%</td>
<td>85%</td>
</tr>
<tr>
<td>2018</td>
<td>50%</td>
<td>90%</td>
</tr>
</tbody>
</table>
Accountable Care Organizations: Participation in Medicare ACOs growing rapidly

- **424 ACOs** have been established in the MSSP and Pioneer ACO programs
- **7.8 million** assigned beneficiaries
- This includes **89 new ACOs** covering **1.6 million beneficiaries** assigned to the shared saving program in 2015
- *As of May 4, 2015, the CMS Actuary certified that expansion of the ACO model would reduce net Medicare spending.*

**ACO-Assigned Beneficiaries by County**

*Source: JAMA. Published online May 04, 2015. doi:10.1001/jama.2015.4930; D. Nyweide, L. Woolton, T. Cuerdon, H. Pham; M. Cox; R. Rajkumar; P. Cgnway; Association of Pioneer Accountable Care Organizations vs Traditional Medicare Fee for Service With Spending, Utilization, and Patient Experience*
Pioneer ACOs provided higher quality and lower cost care to Medicare beneficiaries in their first two performance years

- Pioneer ACOS were designed for organizations with experience in coordinated care and ACO-like contracts

- Pioneer ACOs showed improved quality outcomes
  - Quality outperformed published benchmarks in 15/15 clinical quality measures and 4/4 patient experience measures in year 1 and improved in year 2
  - Mean quality score of 85.2% in 2013 compared to 71.8% in 2012
  - Average performance score improved in 28 of 33 (85%) quality measures

- Pioneer ACOs generated savings for 2nd year in a row
  - $384M in program savings combined for two years†
  - Average savings per ACO increased from $2.7 million in PY1 to $4.2 million in PY2‡

- 19 ACOs operating in 12 states (AZ, CA, IA, IL, MA, ME, MI, MN, NH, NY, VT, WI) reaching over 600,000 Medicare fee-for-service beneficiaries

- Duration of model test: January 2012 – December 2014; 19 ACOs extended for 2 additional years

† Results from regression based analysis
‡ Results from actuarial analysis
Comprehensive Primary Care (CPC) is showing early positive results

- CMS convenes Medicaid and commercial payers to support primary care practice transformation through enhanced, non-visit-based payments, data feedback, and learning systems.

- Across all 7 regions, CPC reduced Medicare Part A and B expenditures per beneficiary by $14 or 2%*
  
  ➢ Reductions appear to be driven by initiative-wide impacts on hospitalizations, ED visits, and unplanned 30-day readmissions.

- 7 regions (AR, OR, NJ, CO, OK, OH/KY, NY) encompassing 31 payers, nearly 500 practices, and approximately 2.5 million multi-payer patients.


* Reductions relative to a matched comparison group and do not include the care management fees (~$20 pbpm)
Spotlight: Comprehensive Primary Care, SAMA Healthcare

SAMA Healthcare Services is an independent four-physician family practice located in El Dorado, a town in rural southeast Arkansas.

Services made possible by CPC investment

- **Care management**
  - Each Care Team consists of a doctor, a nurse practitioner, a care coordinator, and three nurses
  - Teams drive proactive preventive care for approximately 19,000 patients
  - Teams use Allscripts’ Clinical Decision Support feature to alert the team to missing screenings and lab work

- **Risk stratification**
  - The practice implemented the AAFP six-level risk stratification tool
  - Nurses mark records before the visit and physicians confirm stratification during the patient encounter

-Practice Administrator

“A lot of the things we’re doing now are things we wanted to do in the past… We needed the front-end investment of start-up money to develop our teams and our processes”
CMS is aligning with private sector and states to drive delivery system reform

CMS Strategies for Aligning with Private Sector and states

- Convening Stakeholders
- Incentivizing Providers
- Partnering with States
HHS has launched the Health Care Payment Learning and Action Network to help advance the work being done across sectors to increase the adoption of value-based payments and alternative payment models.

- Medicaid-CHIP State Dental Association participates

If you would like your organization added or removed from this list, please send an e-mail to paymentnetwork@cms.hhs.gov.
Overview

Delivery System Reform and Our Goals

CMS and Oral Health
Dental care is important to the overall patient-centered, quality care

- Medical and dental care providers will still be able to practice high quality care for their patients utilizing alternative payment models.

- While CMS didn’t specifically carve dentist in or out of new service models, dentists still play an important role in today’s changing health systems.

- Dental care is important to quality of life for all beneficiaries.
CMS Support for States in Achieving their Oral Health Initiative Goals

Goal #1 – Increase by **10 percentage points** the proportion of Medicaid and CHIP children ages 1 to 20 (enrolled for at least 90 days) who receive a **preventive dental service**.

Goal #2 – Increase by **10 percentage points** the proportion of Medicaid and CHIP children ages 6 to 9 (enrolled for at least 90 days) who receive a **sealant on a permanent molar** tooth.

The CMS Oral Health Initiative formally ends in September, but CMS will continue to work with states on improving access.
CMS offers a variety of supports to states to help them achieve their Oral Health Initiative goals.

- The *CMS Learning Lab: Improving Oral Health Through Access* is a series of technical assistance webinars focusing on improving the delivery of oral health services to children enrolled in Medicaid and CHIP.

- Recordings and transcripts can be accessed on Medicaid.gov: [http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Benefits/Dental-Care.html](http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Benefits/Dental-Care.html).

- To be added to the invitation list for the CMS Learning Lab webinars, send an email to [MACQualityTA@cms.hhs.gov](mailto:MACQualityTA@cms.hhs.gov).
CMS offers a variety of supports to states to help them achieve their Oral Health Initiative goals.

- This guide features four overarching approaches and more than a dozen strategies with concrete state examples to demonstrate how improvement can be achieved.

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• CMS hosts monthly calls for the Medicaid and CHIP Oral Health Technical Advisory Group (OTAG) which provide an opportunity for states to advise CMS on oral health policy questions, to hear about updates from CMS, to discuss emerging issues with their peers in other states, and to learn about new developments in oral health policy and financing generally.

CMS offers a variety of supports to states to help them achieve their Oral Health Initiative goals -5


- CMS is participating in the Medicaid/CHIP Oral Health Learning Collaborative hosted by the Center for Health Care Strategies (CHCS) in which seven states are designing and executing approaches intended to achieve the state’s CMS Oral Health Initiative goals. More information can be found on the CHCS website: http://www.chcs.org/info-url_nocat3961/info-url_nocat_show.htm?doc_id=1261481
Percentage of children, age 1-20, enrolled in Medicaid for at least 90 days who received oral health services by a non-dentist provider, FFY 2013 (12f)

Source: FFY 2013 CMS-416 reports, Line 1b, 12f
Note: Data reflects updates as of 10/22/14.
CMS and Oral Health

• The Health Care Innovation Awards (HCIA) Rounds One and Two are funding four projects carrying out innovative approaches to dental care.

• These awards are furthering our delivery system reform goals of **better care, smarter spending, and healthier people**. They are:
  – Improving population health by providing person-centered, accessible care
    • Engaging high-risk patients in community – in homes and schools – and hiring community health workers (CHWs) to promote oral health
  – Emphasizing preventive care
    • By preventing dental disease in children, reducing need for high-cost surgical care and improving lifelong health
HCIA Round One

- **HCIA Round One: July 2012 – June 2015**
- **Delta Dental Plan of South Dakota - $3,364,528**
  - Focuses on American Indian population in North and South Dakota
    - In particular: mothers, children, and people with diabetes
    - Provides preventive dental care in community settings
    - Preliminary results are encouraging with average Medicaid dental costs (per child per year) falling by over 15% since start of project
    - Formal evaluation provided through a contract with MSDA

- **University of Miami - $4,097,198**
  - Focuses on school-aged children and adolescents in 9 school-based health clinics across 4 communities in the Miami-Dade County area
  - Provides primary care as well as **dental** and mental health services in school-based health clinics. Students receive dental sealants and varnishes to promote long-term dental health.
GOAL: Test new innovative service delivery and payment models that will deliver better care and lower costs for Medicare, Medicaid, and Children’s Health Insurance Program (CHIP) enrollees.

- Test models in four priority categories:
  1. Reduce Medicare, Medicaid and/or CHIP expenditures in outpatient and/or post-acute settings
  2. Improve care for populations with specialized needs
     - Including high-cost pediatric populations, children in foster care, and children at high risk for dental disease, adolescents in crisis, and pediatric providers who provide services to children with complex medical issues.
  3. Transform the financial and clinical models for specific types of providers and suppliers
  4. Improve the health of populations
HCIA Round Two

• HCIA Round Two: September 2014 – June 2017
• **Columbia University** - $3,870,446
  – Focuses on children with early childhood caries (ECC)
  – CHW meets regularly with parents to promote positive oral health behaviors
  – Mobile tablet-based technology used to support these behaviors

• **Altarum Institute** - $9,383,762
  – Focuses on children enrolled in Medicaid or CHIP
  – Using health information exchanges to link children at high risk of dental disease to appropriate care providers
  – Training primary care providers and dentists in best practices for preventive care, developing statewide dental quality monitoring system
What can you do to help our system achieve the goals of Better Care, Smarter Spending, and Healthier People?

- **Eliminate** patient harm
- **Focus** on better care, smarter spending, and healthier people within the population you serve
- **Engage** in accountable care and other alternative payment contracts that move away from fee-for-service to model based on achieving better outcomes at lower cost
- **Invest** in the quality infrastructure necessary to improve
- **Focus** on data and performance transparency
- **Test** new innovations and scale successes rapidly
- **Integrate** oral health into the overall health system
- **Relentlessly pursue** improved oral health outcomes
Thanks

• Thanks to Lynn Mouden, Chief Dental Officer for CMS, for his work and support with these slides
• Thanks to all of you for your work on behalf of patients and better oral health system
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