



Navigating through Shared Risk Contracting



February 22, 2022
2 PM

Agenda.....



1. Housekeeping and Introductions
2. Presenters:
 1. Shawn Bassett, Vice President for the North Region of Collaborative Health Systems
 2. Jim Piccillo, VP of Business Development form Collaborative Health Systems
3. Audience Q&A and follow-up

Housekeeping.....

1. Speakers will present for around 45 minutes
2. Q&A will take the remainder of the time
 - You can submit written questions using the Questions tab on your dashboard to the right of your screen at any time during the webinar
 - During the Q&A session, you can use the “raise hand” feature on your dashboard to ask a live question.
3. Webinar is being recorded
 - Slides and recording will be available on the NAACOS website within the next few days.

Speakers



Shawn Bassett

Shawn Bassett is Vice President for the North Region of Collaborative Health Systems. In his role, he is responsible for strategic planning and operational and financial performance for MSSP, Direct Contracting, IPA/MSO, and Maryland PCP programs. Shawn leads the North Region teams working with provider offices to improve quality, increase efficiency, and to shift to value-based and risk-sharing partnerships. Initially when he joined CHS in 2016, he was to lead the New Jersey and New York MSSP ACO's, working with them to achieve shared savings. His role has since expanded beyond ACO to multiple Medicare and commercial programs. Shawn has been instrumental in the growth and development of CHS, working directly with business development to launch value-based care initiatives in Connecticut, Illinois, and Colorado, including new efforts in Rural Health Transformation in Value Based Care and Medicare Advantage development. He is an active member of NAACOS and a member of American Physicians Group.

Shawn has over 20 years of experience in the healthcare industry holding leadership positions in clinical roles, provider contracting, operations, and practice management. A frequent and active contributor to conferences, he has developed educational programs and presented on numerous occasions around strategic planning and program development. Shawn holds a master's degree in Health Care Management.

Speakers



Jim Piccillo

VP of Business Development form Collaborative Health Systems

Jim Piccillo (pronounced Pa-chill-o) is a 10-year veteran of ACOs, having created the JSA Pioneer in Central Florida in 2011/2012. After his time as a Pioneer ACO executive director, he was the COO/CFO of a clinically integrated network and the CEO of a behavioral health IPA. Jim left his hometown of Buffalo, NY in 1996 to join the military medical system, with his last duty station being in Honolulu, Hawaii. Having successfully completed his military tour, Jim returned to Buffalo from Hawaii to complete his MBA, which is why he now lives with his family and dogs in Tampa, Florida. Currently, Jim is the national vice president of business development for Collaborative Health Systems; CHS



Understanding the Value in Risk Based Value-Based Care



Participation in Value-Based Care Models

the power to enhance physician independence & control



Introduction



Value Based Care Overview

Understanding the Value in VBC



CMS/CMMI Programs

Direct Contracting Overview



Are You Ready for Risk

How to Prepare for Risk

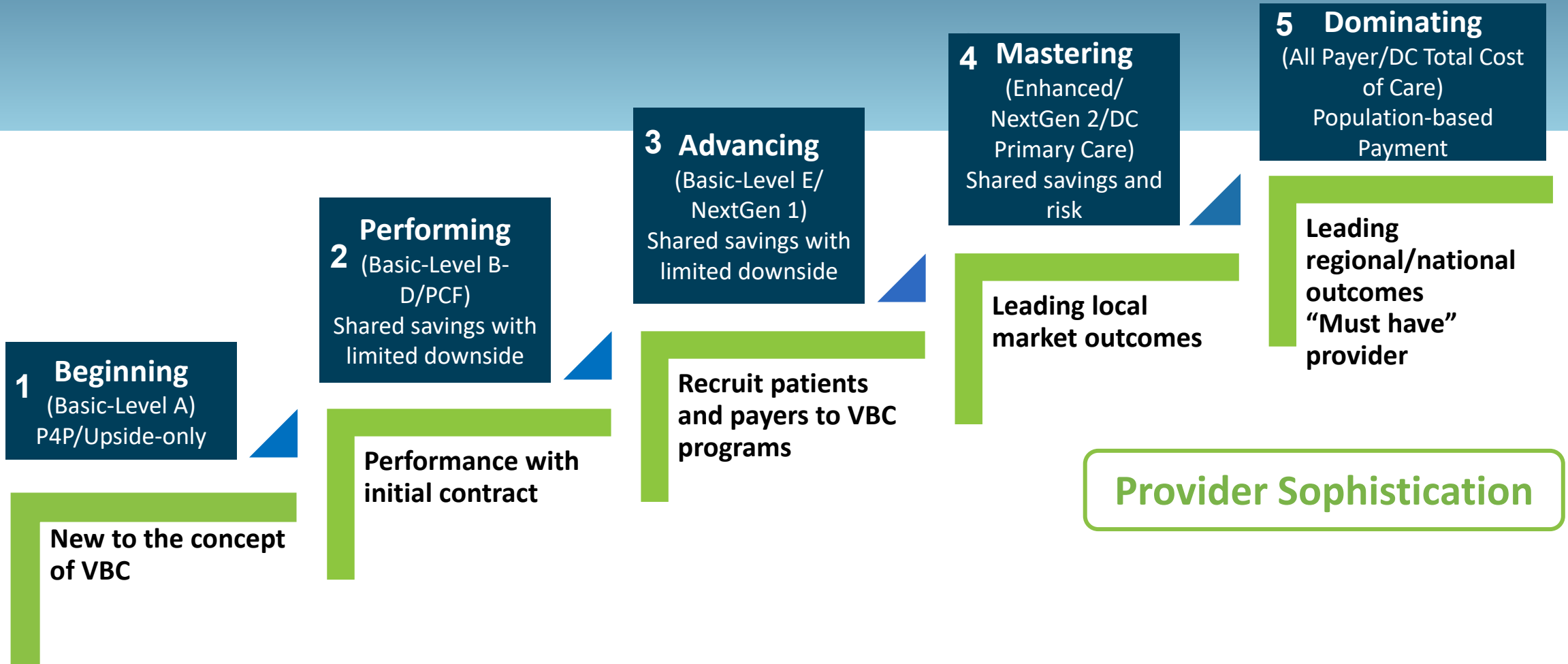


How to Partner in Risk

Different Models Different Value

Goal: Move Through the Value-based Care Evolution

Valued-Based Provider Evolution




Physicians Under Pressure


42%
reported
burnout




58%
bureaucratic tasks


28%
lack of control /
autonomy


14%
government
regulations


32%
Insufficient
compensation /
reimbursement

Physicians Know What They Need



fewer

bureaucratic tasks



more

control / autonomy



less

government
regulations



greater

compensation /
reimbursement



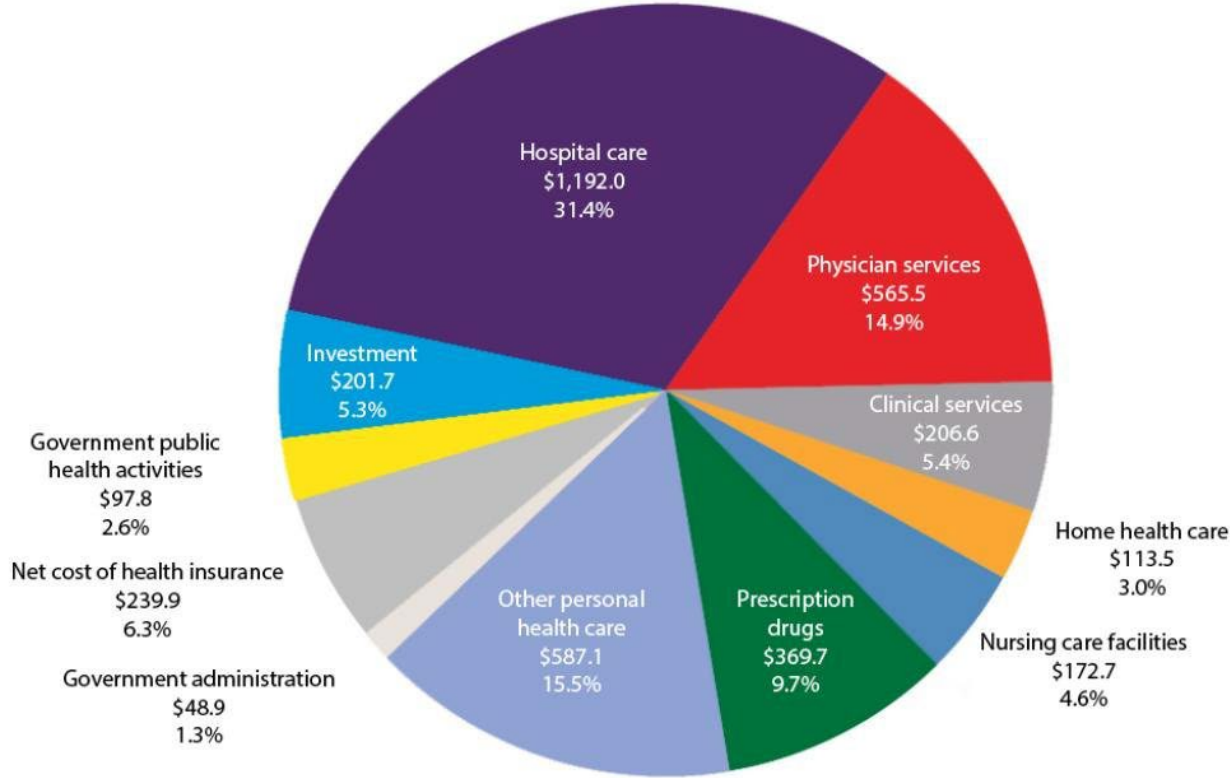
What is Value Based Care

“The Essence of Strategy is Choosing What NOT to Do” – Michael E Porter

- **Value Based Arrangement:** An arrangement for the provision of at least one Value-Based activity for a target population
- **Value-Based Enterprise:** Two or more Value-Based providers/groups collaborating to achieve at least one Value-Based purpose that has an accountable body for financial and operational oversight and includes a governing body
- **Value Based Participant:** An individual of entity that engages in at least one Value-Based activity
- **Value-Based Purpose:** Coordinating care, improving quality, improving cost (Triple Aim)
- **Value Based Activity:** Any activity designed to achieve at least one Value-Based Purpose

Where Does the Money Go?

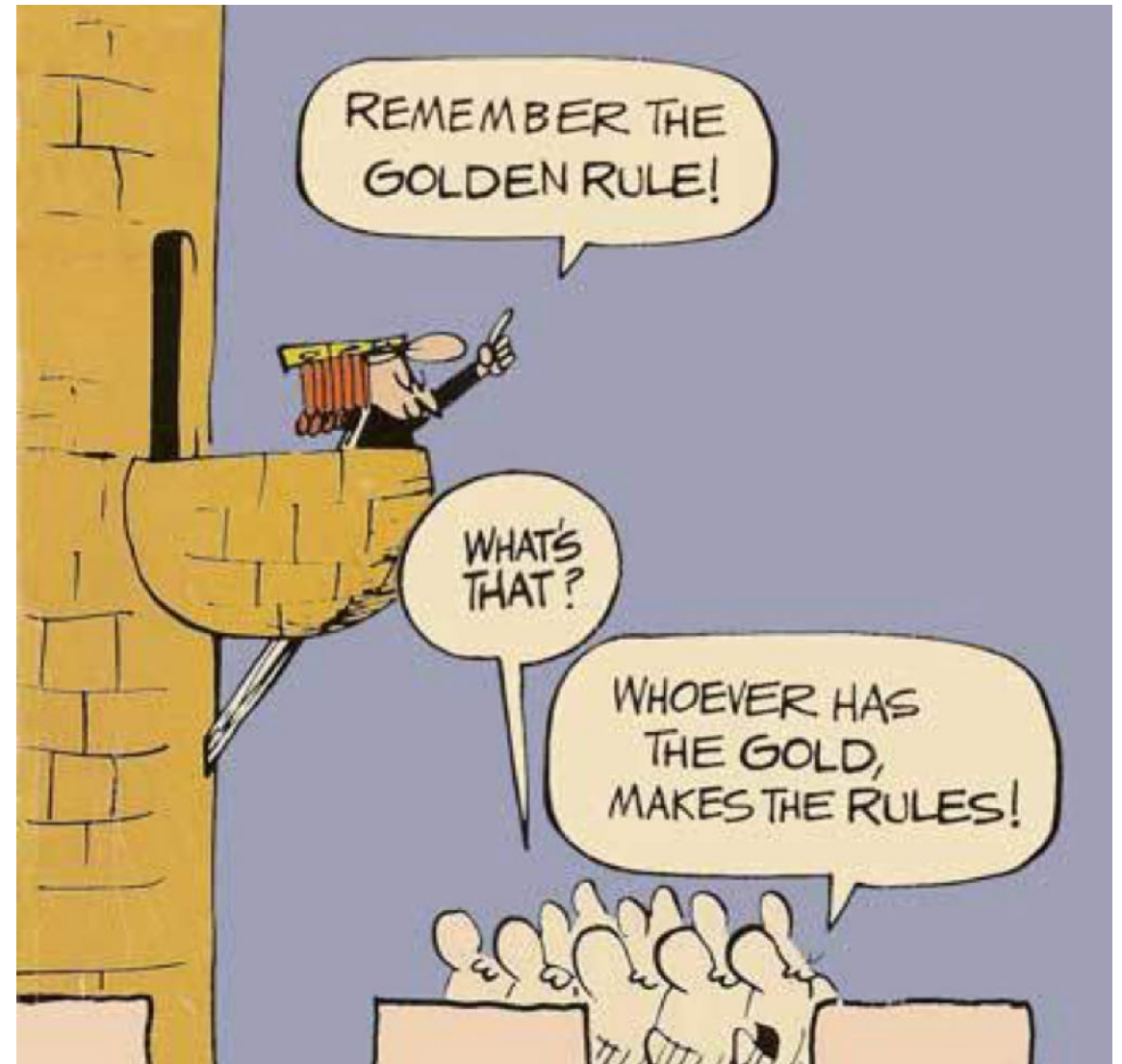
The U.S. spent \$3,795.4 billion on health care in 2019—
where did it go?



Source: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical.html>. Tables 6, 7, 9, 10, and 16 in NHE Tables [ZIP].

Risk's Role in Value Based Care

- Risk-Based Contracts place more responsibility on the Enterprise or Participant in a way that provides improved care at a lower cost
- Moving to a quality vs quantity model allows providers to give the right care, at the right time, in the right place without the need to perform non-essential tasks for billing
 - Pros
 - More control
 - Increased Flexibility
 - Increased Financial Benefits
 - Cons
 - Potential Financial Loss



Evaluating Financial Exposure – Downside Risk

Fitting the ACO into the mix

- Leading or following the “at risk” plow across the field
- Payers – following or leading?

Defining Risk:

- Product vs. Entity vs. Strategy Risk

Financial Boundaries

- Time Period, Full vs. Variable (direct) Costs
- Profit vs. Contribution Margins

Relative to?

- Confluence of Payers and Providers
- Local market competition

Operating vs. Risk Capital Profiles

- RBC (Risk Based Capital)
- Asymmetrical Consequences



Indicators that an ACO is risk-ready?



Finance

RBC plan
Incorporated fixed vs. variable in strategies
Anticipate moves in care transaction volumes



Local Market

Well defined/executing population stability infrastructure
Risk adjusted cost of care advantage
Monitor competitor performance metrics



Clinical Agenda

Skilled in root cause analysis – new infrastructure or highly experienced
Patient centered care improvement programs
Physician/provider selection & performance credentialing



Admin Infrastructure

Leadership engagement and alignment
Analytics
Change management skills




Where are you at as an organization?

Do you have solutions in these areas?

- Current
- Future
- Services
- Support

Your Relationship




- Positions
- Responsibility
- Understanding

Your People




- Integrations
- Accessibility
- Buy In

Your Tech



- Community resources
- Beyond organization

Your Network




- Processes
- Flexibility

Your Infrastructure



- Communication
- Training
- Tracking

Your Tools



Focused Areas in Value-Based Care

CARE COORDINATION AND PATIENT ENGAGEMENT

- **Roles:** Care Coordinator, Nurse Navigators, Patient Outreach/Education Team
- **Resources:** Secure Patient Information Exchange/TeleHealth, Network Alignment

POPULATION MANAGEMENT-CLINICAL INSIGHTS

- **Roles:** Pop Health Analytics Manager, Risk Coder/Audit
- **Resources:** Data Management, PopHealth Tech, Data Resources Access, Risk Stratification Tools, Connectivity

CARE MANAGEMENT- CLINICAL AND BEHAVIORAL

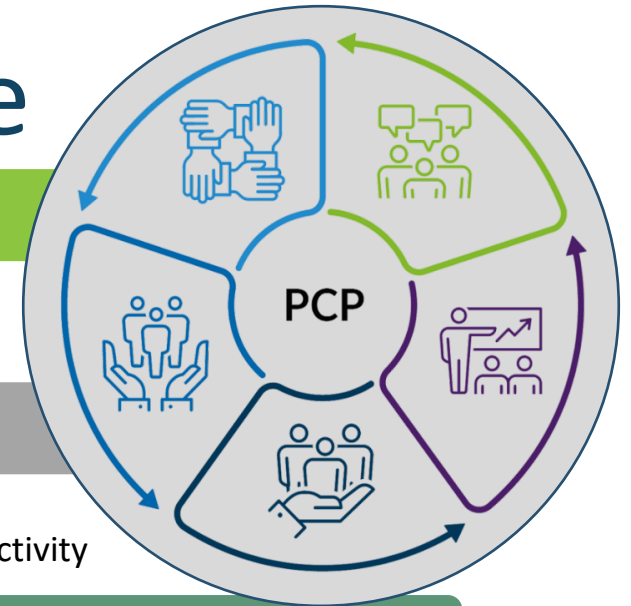
- **Roles:** Care Manager RN, Care Manager SW, Quality Program Manager, Medical Director
- **Resources:** Care Management/Tracking Software, Secure Communications, Discharge Alerts, TeleHealth, *Clinical Solutions*

PRACTICE IMPROVEMENT

- **Roles:** Transition Coaches, Network Development, Risk Coder/Audit
- **Resources:** Provider Enabled Analytics, Improvement Tracking Tools

INTERNAL OPERATIONS AND SUPPORT

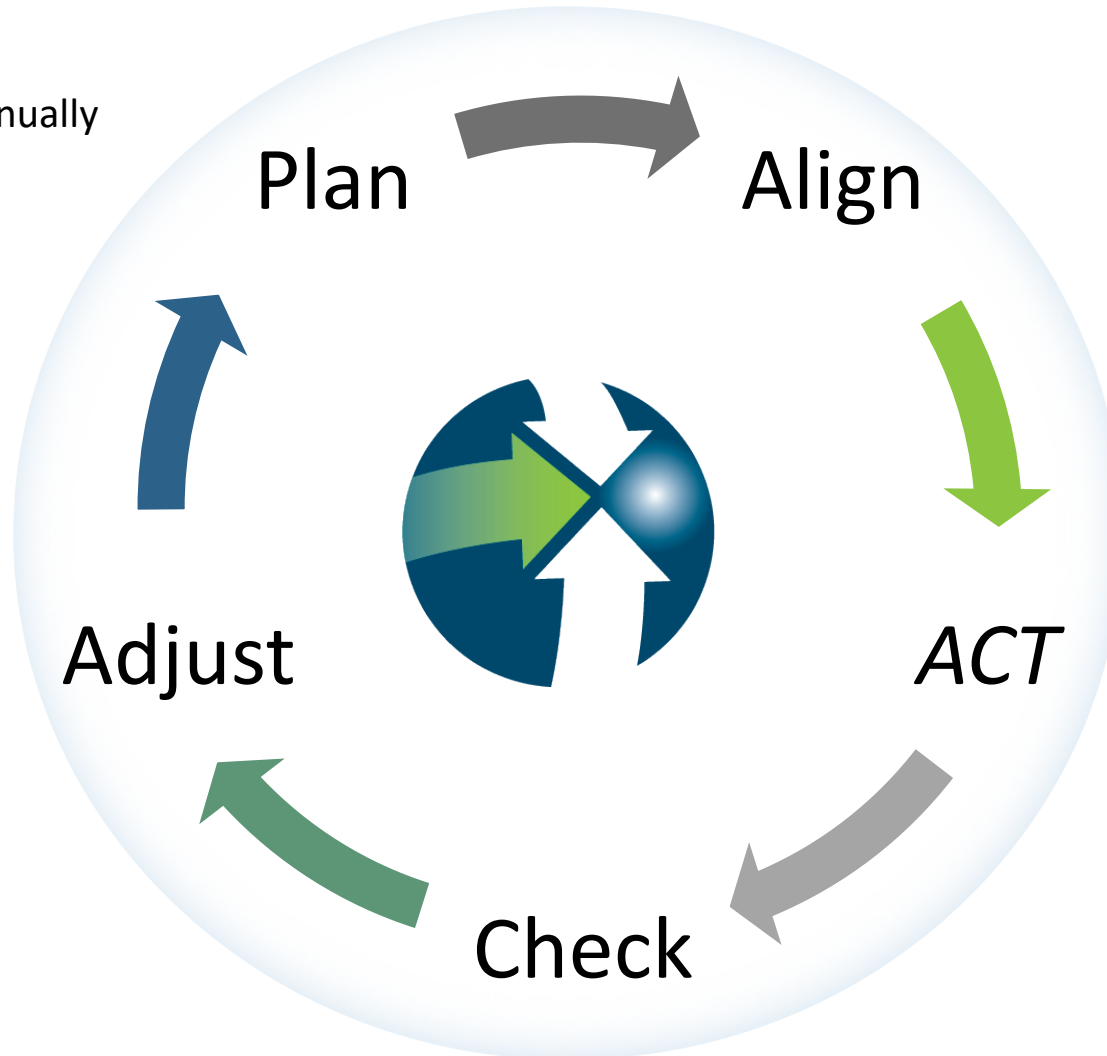
- **Roles:** Internal Admin, Contract Management, IT, Marketing
- **Resources:** Typical Business Support Tools



From Design to Implementation.

- ✓ Revisit and resubmit annually
- ✓ Build an audit trail
- ✓ Build P&P's

- ✓ Get CMS buy-in for real time adjustment
- ✓ Little Changes at a time



- ✓ Build relationships & define responsibilities
- ✓ Resource allocation
- ✓ CMS approval of plan
- ✓ Provider Buy-In

- ✓ Many DCE submit BEI/Bes but don't implement
- ✓ Build communication/training



Starting off in Risk Using the Direct Contracting Model

Checking your readiness

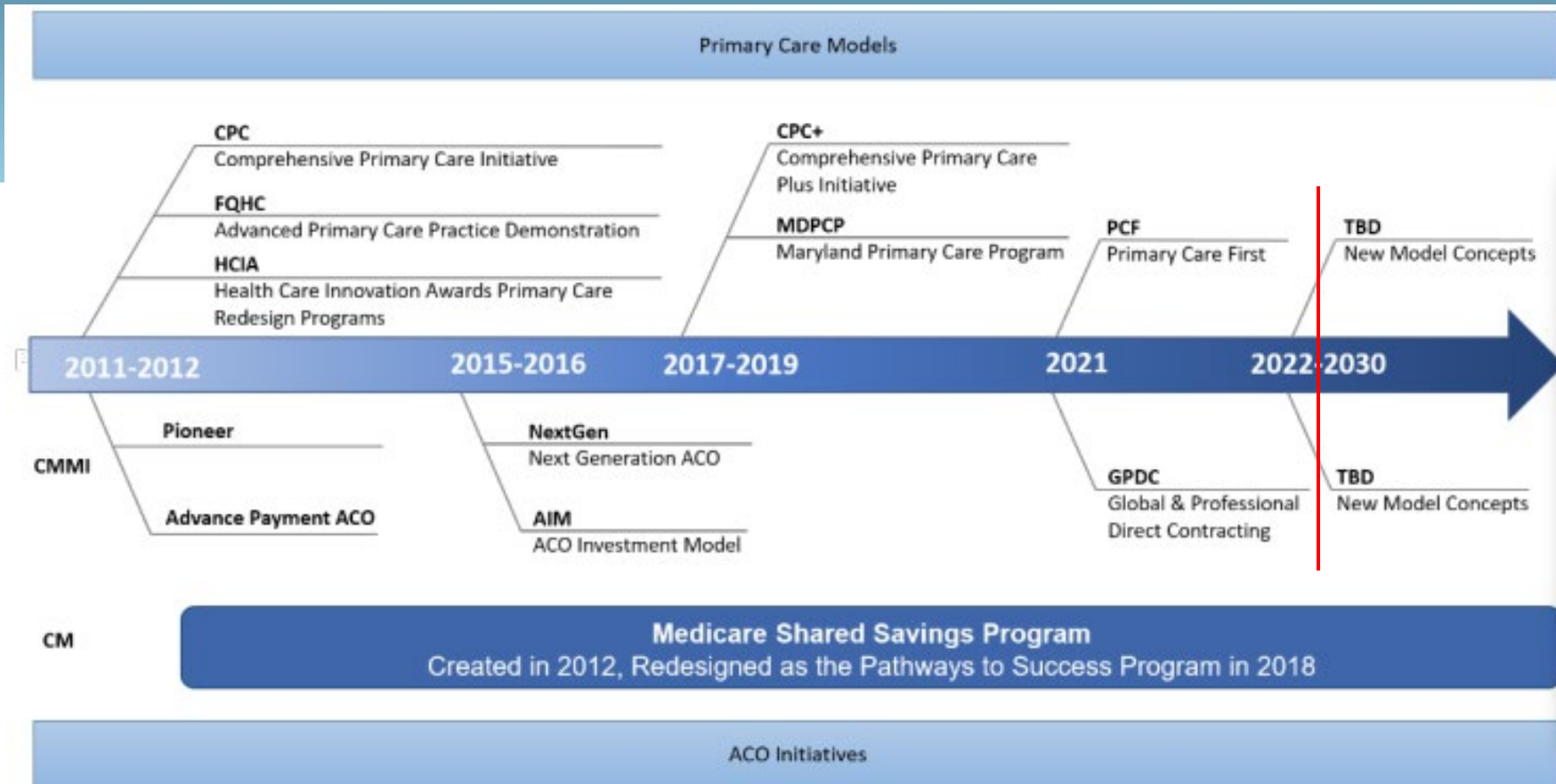
CMS Innovation Center Strategy Refresh



Late 2021

Figure 1. CMS Innovation Center Vision and 5 **Strategic Objectives** for Advancing System Transformation.

CMS Innovation Center PC and ACO Models



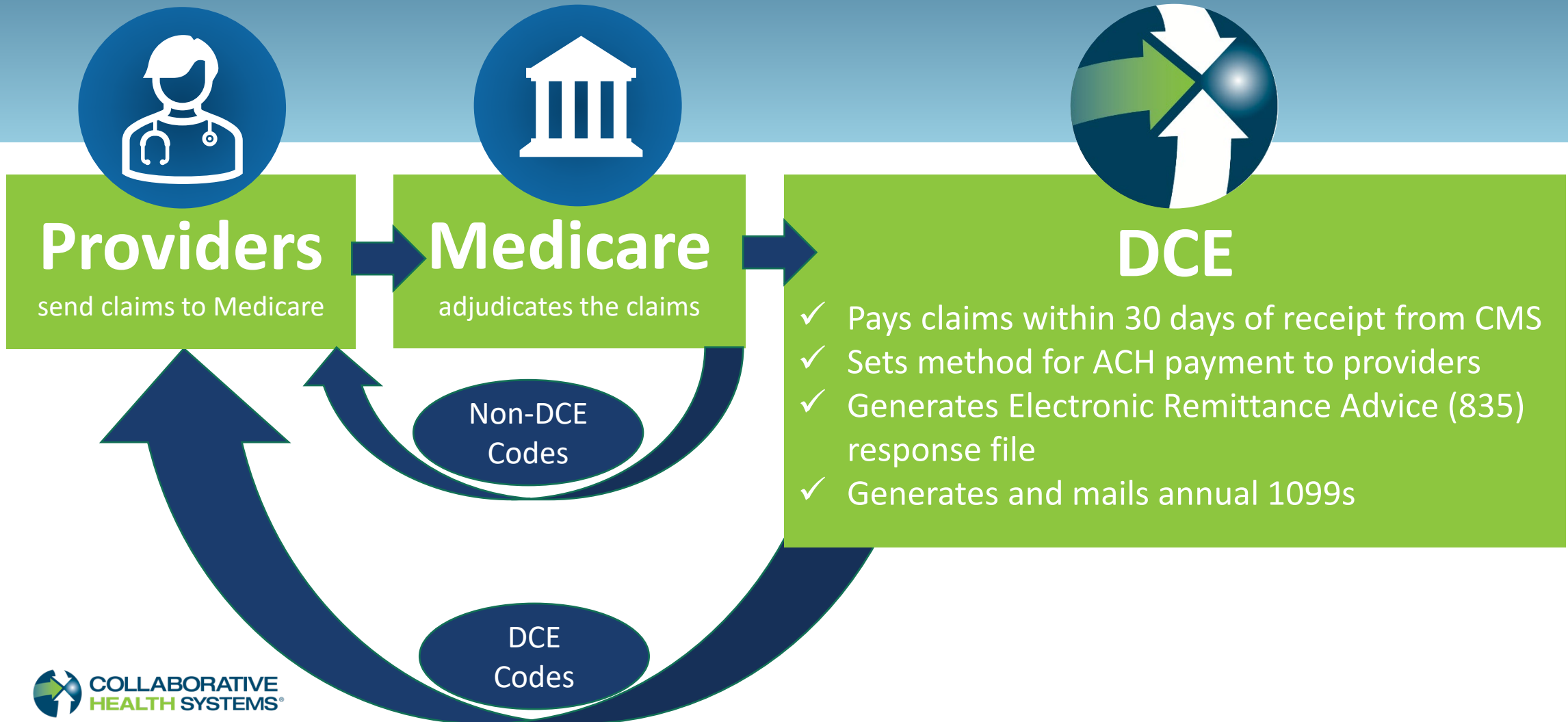
CMMI Stated Goal:
All Medicare beneficiaries with Parts A and B will be in a care relationship with accountability for quality and total cost of care by 2030.

Note 1: ACO and DC models (Pioneer, NGACO, GPDC) are also designed on a primary care foundation with accountability for populations.
Note 2: In 2021, CMMI put CHART ACO Transformation Track on hold as it is exploring AIM expansion.

MSSP vs. DCE

Features	MSSP	Direct-Contracting – Global
Attribution	Based primarily on evaluation and management (E&M) claims from primary care providers (PCPs)	Priority is still given to E&M claims provided by PCPs, but the requirement is less stringent. Paper based Voluntary Alignment Opportunities.
Financial Benchmark		
Baseline Period	3 years prior to contract	2017–2019
Trend	Retrospective	
Regional Adjustment	Retrospective, blended at 35% to 50% if ACO is more efficient, 15% to 50% if the ACO is less efficient	Prospective from adjusted Medicare Advantage (MA) rate book. Weight given to regional benchmark varies by year from 35% to 50% in the claims-based benchmark,
Risk Adjustment	Capped at 3%	Capped at 3%
Benchmarking for Voluntarily Aligned Pop.	N/A	Risk-adjusted regional expenditures
Discount	N/A	2% to 5% (increasing by PY)
Quality Withhold	N/A	5% (may be earned back)
Quality Measures	23 required measures (New option for eCQM decreased measures)	13 required measures (9 CAHPS, 4 Claims Based)
Financial Settlement		
Shared Savings Rate	Up to 40%-75%	100% (varies by risk corridor)
Shared Loss Rate	Risk varies by level	100% (varies by risk corridor)

Provider Payment Services



Direct Contracting Provider Types

	Beneficiary Alignment	Benefit Enhancements	Shared Savings	Advanced Alternative Payment Model	Payment from DCE
PARTICIPANT PROVIDER	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
PREFERRED PROVIDER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Negotiable	<input type="checkbox"/>	Optional

Preferred Providers & Advanced Payment Option



- Specialty care providers
- Ancillary services
- Diagnostic services
- Hospitals
- Ambulatory Surgery Centers
- Post Acute Facilities (SNFs, LTACs, IRFs, etc.)
- Home Health Providers



POPULATION-BASED PAYMENT TYPE

Can elect to accept payment from DCE through a negotiated payment arrangement in which they accept less than 100% of Medicare fee schedule

ADVANCED PAYMENT OPTION

Difference between 100% Medicare fee schedule and negotiated payment flows to DCE in advance

GPDC Model Quality Measure



CLAIMS-BASED

Risk-Standardized All Condition Readmission (ACR)

All-Cause Unplanned Admissions for Patients with Multiple Chronic Conditions (UAMCC)

Timely Follow-Up After Acute Exacerbations of Chronic Conditions (Timely Follow-Up)



PATIENT EXPERIENCE

Consumer Assessment of Healthcare Providers and Services (CAHPS) Survey

Benefit Enhancements

3-Day SNF
Rule Waiver



Telehealth
Expansion



Post
Discharge
Home Visits



Care
Management
Home Visits



Cost Sharing
Support for
Part B
Services



Patient Alignment



CLAIMS-BASED

CMS aligns patient based on where patient beneficiary receives the plurality of their primary care services, as evidenced in claims data



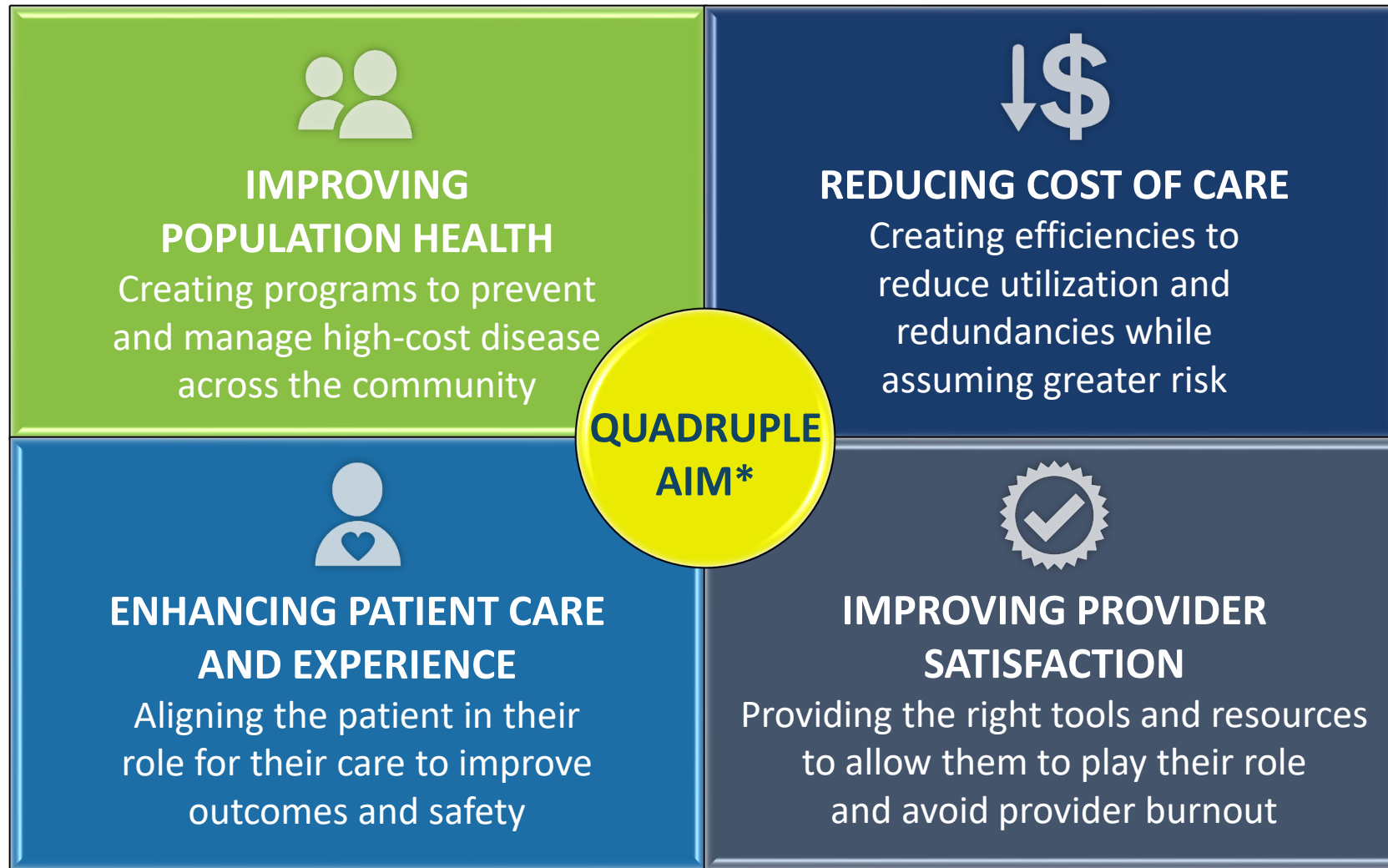
VOLUNTARY ALIGNMENT*

Patients choose to align to a DCE by designating a Participant Provider as their primary clinician or main source of care. This can be completed two ways:

1. Electronic: patient selects a “primary clinician” on Medicare.gov.
2. Paper-based: patient identifies a “primary clinician” by completing form, CMS dictates patient letter template

*Voluntary alignment takes precedence over claims-based alignment

Beyond the Triple Aim – The whole picture





Value of a Partner for Risk

Why De-Couple ACO Participation From Ownership?

Who are your competitors?

- Converging Payer/providers –
- Disintermediation of traditional layers

How are they structured?

- What are their plans 1, 3, 5 years?

Risk Capital vs. Working capital

- What is RBC
- All capital is limited
- Playing by the new rules






Benefits of a Partner

INCREASED ADMINSTRATIVE SUPPORT

-  Eliminate Waste
-  Quality Reporting
-  Pop Health Technology & Tools

EXPERTISE

-  Core Care Model
-  Policy & Regulation
-  VBC Infrastructure

ENHANCED INDEPENDENCE

-  Provider satisfaction
-  Partnership not acquisition
-  Practice Advocate

IMPROVED FINANCIALS

-  Shared Savings
-  Risk Management
-  Move to Value

Partnership Removes Pressure

Increased
PROVIDER
SATISFACTION

Practice Transformation Experts & Resources

- Management Team
- Medical Director Services
- Care Coordinators
- Community Health Workers
- Quality Practice Advisors

Provider & Staff Education

- Quality Measures Reporting & Documentation
- Risk Adjustment & Coding
- Medicare Policy Updates

Technology & Tools

- Population Health Management Platform
- Customized Data & Analytics Reports
- Utilization Management
- EMR Integration
- HIPAA Compliant Telehealth Platform

Management of Operations

- Governance & Compliance Requirements
- Public Reporting & Notifications
- Quality Reporting Submission
- Recruiting & Contracting Providers
- Risk Management

Industry & Policy Impact

- Assessment of policy and regulatory changes
- Engagement with CMS and CMS Liaisons
- Collaboration with health care organizations

Questions?



For general questions & to determine if you qualify to participate, call **877-808-5643** Or [visit our website](#) to schedule a time for a representative to call you

For contract or model specific questions, reach out to our team:

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