eHEALTH INITIATIVE

Real Solutions. Better Health.

Slides are available for download at www.ehidc.org under 'New Resources'

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The ACO Journey: What are we learning from the new model of care delivery?

Follow us: @ehealthdc, join the discussion: #ehipolicy

Reminders

1) At any time, you can submit a question via the chat box

2) This call is being recorded

3) Slides are available for download at www.ehidc.org under 'New Resources'

The audio recording will be posted within 24 hours.

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Agenda

2:00 – 2:05 PM Welcome and Introductions

- Moderator: Chantal Worzala, Director of Policy, American Hospital Association (AHA)

2:05 – 2:30 PM Presentations

- Dr. Alan Lazaroff, Medicare ACO Physician Champion, Physician Health Partners
- Megan Cox, Senior Advisor, CMS Innovation Center

2:30 – 2:45 PM Panel Discussion

2:45 – 2:55 PM Q&A

2:55 – 3:00 PM Updates and announcements of eHI future events.

3:00 PM Adjourn

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Panelists

Dr. Alan Lazaroff
Physician Health Partners

Megan Cox
Center for Medicare and Medicaid Innovation

Compared to What?

The ACO as Business

2012-2014

Alan Lazaroff, M.D.

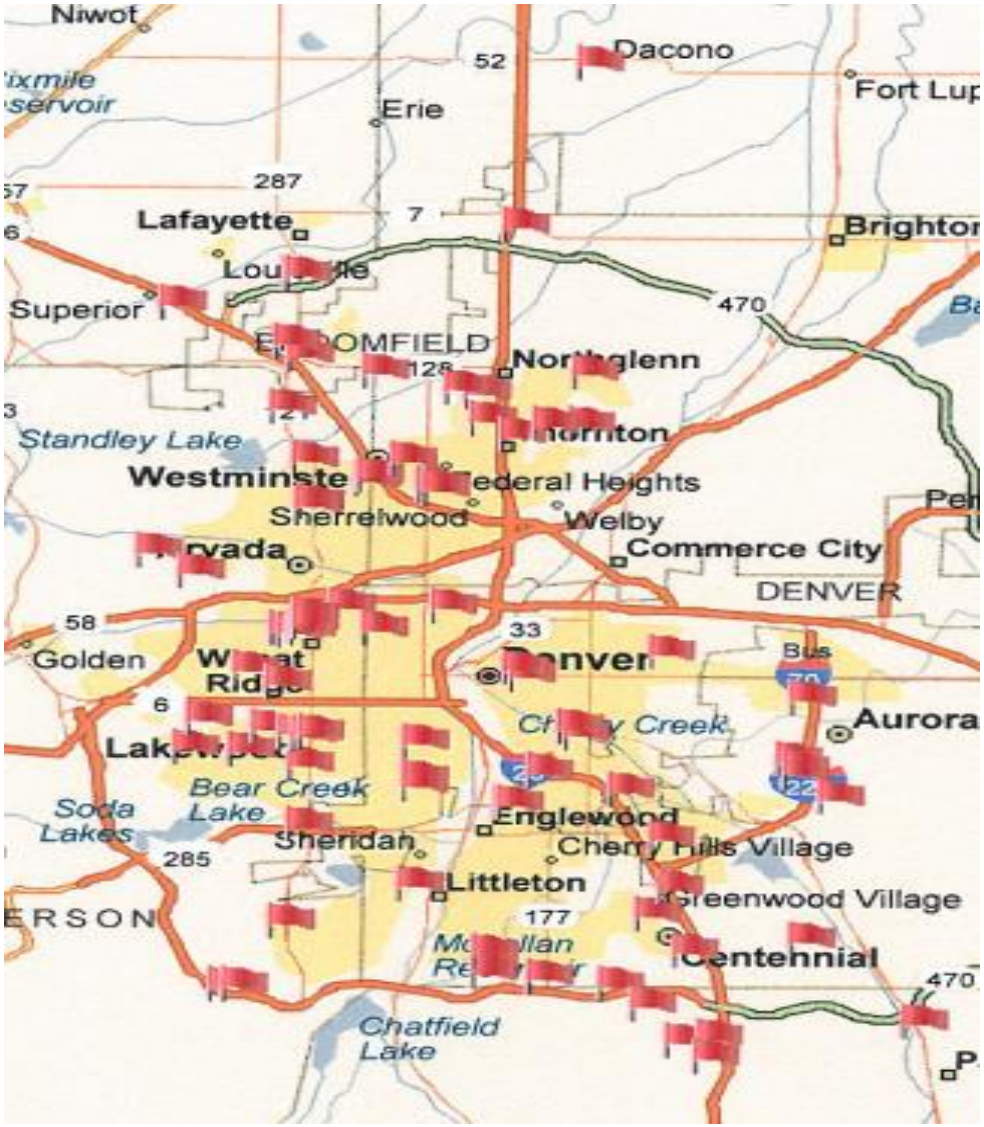
Physician Health Partners

- Alan Lazaroff has no relevant financial disclosures or conflicts

Physician Health Partners ACO

- 2 IPAs that encompass the Denver Metro area
  - Primary Physician Partners (PPP)
  - South Metro Primary Care (SMPC)
- Over 250 primary care providers participating in the ACO (pediatricians obviously are not part)
- 27,000 Medicare beneficiaries aligned with the ACO
- Along with the Medicare Advantage contract, over 50,000 total Medicare beneficiaries are cared for by our providers

Pioneer ACO Practice Sites

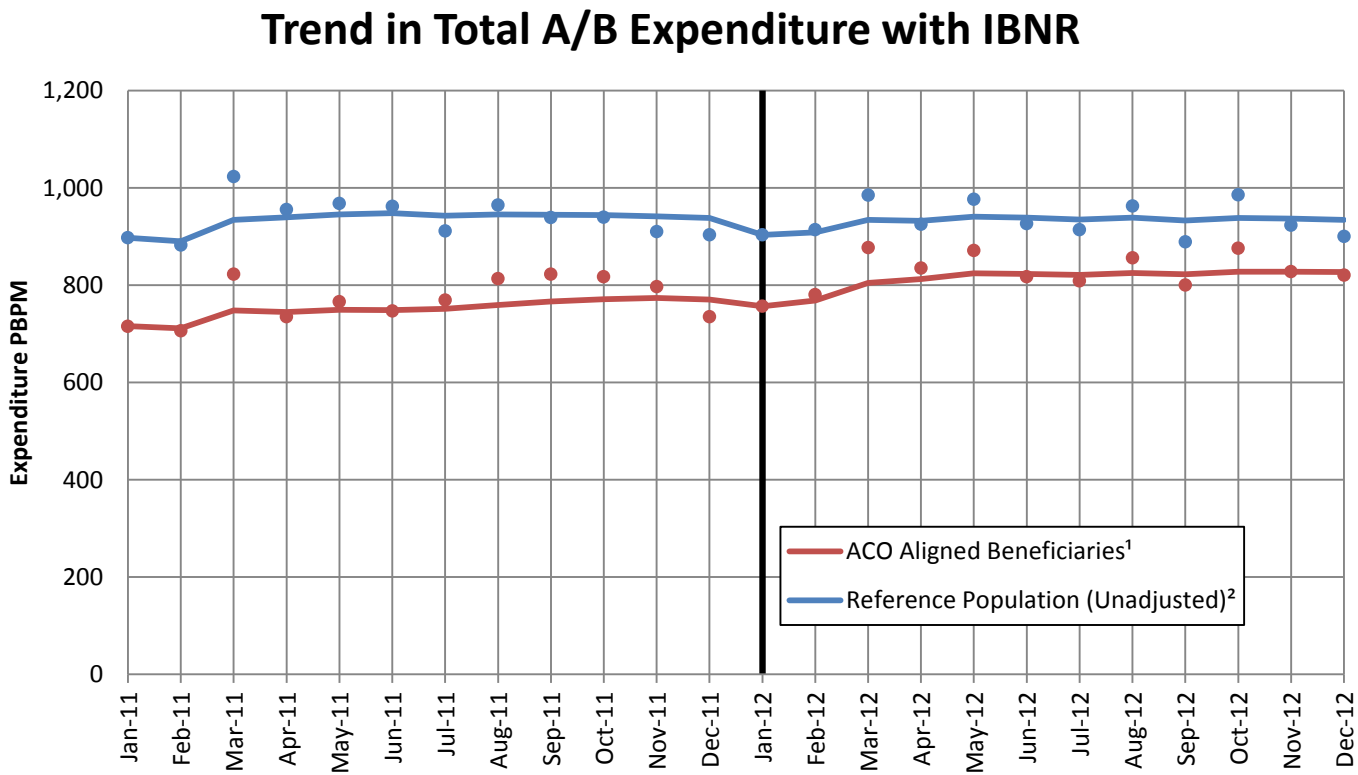


Cost Savings Defined

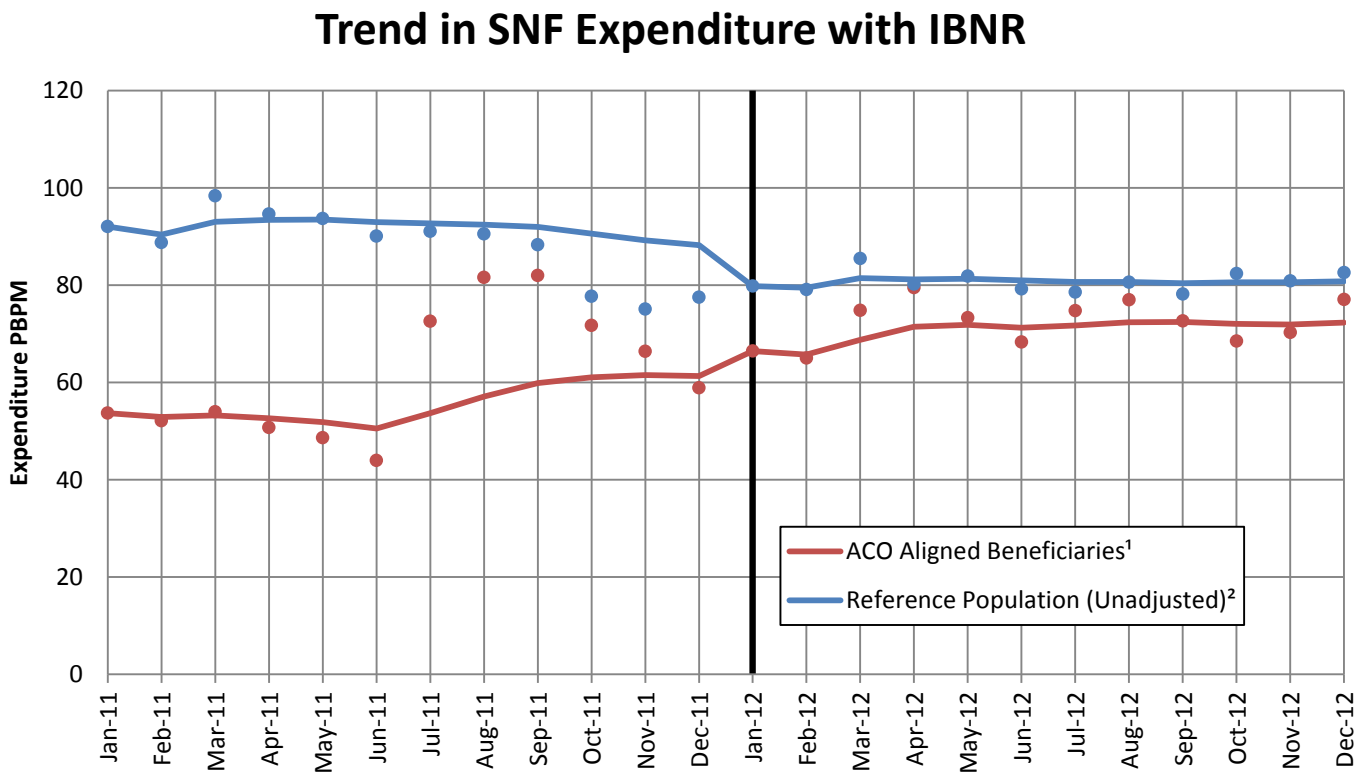
- MA: Actual costs are lower than risk-adjusted projected costs for an assigned population in the geographic area
- PACO: rate of cost growth in a prospectively-aligned population is lower than rate of cost growth of national comparison group. Cost baseline calculated for each PACO from that site's historical cost experience.

	(PBPY[5])		Loss (PBPY)	%
16	$17,882	$16,765	$1,117	6.2%
25	$12,349	$11,637	$712	5.8%
15	$13,326	$12,619	$707	5.3%
1	$11,681	$11,248	$433	3.7%
23	$10,358	$9,993	$366	3.5%
24	$8,499	$8,243	$257	3.0%
12	$13,010	$12,626	$384	3.0%
32	$11,191	$10,916	$275	2.5%
3	$11,909	$11,705	$204	1.7%
30	$10,872	$10,710	$162	1.5%
18	$11,956	$11,913	$43	0.4%
28	$9,377	$9,345	$32	0.3%
22	$10,087	$10,118	-$30	-0.3%
26	$10,007	$10,054	-$46	-0.5%
9	$13,584	$13,668	-$84	-0.6%
2	$9,635	$9,716	-$81	-0.8%
20	$12,065	$12,168	-$103	-0.9%
6	$14,300	$14,436	-$136	-1.0%
27	$12,540	$12,673	-$133	-1.1%
31	$12,970	$13,115	-$144	-1.1%
17	$9,377	$9,482	-$105	-1.1%
21	$8,667	$8,771	-$104	-1.2%
4	$12,944	$13,164	-$219	-1.7%
10	$9,555	$9,719	-$164	-1.7%
13	$11,741	$12,051	-$309	-2.6%
14	$17,880	$18,366	-$486	-2.7%
19	$9,627	$9,995	-$368	-3.8%
7	$11,610	$12,133	-$522	-4.5%
11	$10,754	$11,239	-$486	-4.5%
5	$12,362	$12,928	-$566	-4.6%
29	$8,278	$8,787	-$509	-6.2%
8	$11,124	$11,857	-$733	-6.6%

Total Costs


Trend in Total A/B Expenditure with IBNR
Expenditure PBPM
1,200
1,000
800
600
400
200
0
Jan-11
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
Jan-12
Feb-12
Mar-12
Apr-12
May-12
Jun-12
Jul-12
Aug-12
Sep-12
Oct-12
Nov-12
Dec-12
ACO Aligned Beneficiaries¹
Reference Population (Unadjusted)²

SNF Costs


Trend in SNF Expenditure with IBNR
Expenditure PBPM
120
100
80
60
40
20
0
Jan-11
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
Jan-12
Feb-12
Mar-12
Apr-12
May-12
Jun-12
Jul-12
Aug-12
Sep-12
Oct-12
Nov-12
Dec-12
ACO Aligned Beneficiaries¹
Reference Population (Unadjusted)²

PACO Methods and Choices

- Expenditure Cap
- Decedent Adjustment
- Alignment: prospective vs. retrospective
- National vs. local comparison
- Performance vs. improvement

PY2 Alignment

- 24,210 beneficiaries aligned 2013
- 6,000 newly aligned
- 9,291 Lost from PY1 to PY2

	PHP	All Pioneers
PY1 aligned beneficiaries	27,423	756,970
Not aligned in PY2	9,291	240,198
Died	1,041	34,838
Not eligible for reasons other than PY2/AY3 QEM	1,047	29,135
Eligible for alignment but no QEM at ACO participating provider in PY2/AY3	5,730	126,287
Eligible for alignment with QEM at ACO participating provider in PY2/AY3	39	5,237
Not eligible for alignment because no QEM in PY2/AY3 from any provider	1,434	44,701

Evaluation of CMMI Accountable Care Organization Initiatives

- Contract HHSM-500-2011-0009i/HHSM-500-T0002
- Effect of Pioneer ACOs on Medicare Spending in the First Year http://innovation.cms.gov/Files/reports/PioneerACOEvalReport1.pdf

Table 1: Pioneer ACOs with No Significant Differences in Spending Growth Relative to Their Local Markets, Per Beneficiary Per Month Differences, 2011-2012

Pioneer ACO	Difference Compared to Local Market	Difference Compared to Separate Market
I060	-$2.18 *(95% CI, -$23.73 to $18.89)*	-$5.81 *(95% CI, -$29.21 to $17.03)*
I001	-$0.05 *(-21.28 to 20.75)*	$16.46 *(-5.09 to 37.56)*
I037	$1.03 *(-30.09 to 31.36)*	$3.59 *(-29.73 to 35.99)*
I093	-$7.19 *(-37.89 to 22.76)*	$10.27 *(-23.01 to 42.65)*
I023	$3.40 *(-28.32 to 34.08)*	$27.44 *(-2.64 to 56.55)*
I064	-$20.22 *(-50.77 to 9.53)*	**-$100.98*** *(-154.00 to -50.19)*
I011	-$12.24 *(-37.04 to 12.04)*	**-$40.72*** *(-67.98 to -14.06)*
I033	-$26.38 *(-67.04 to 12.94)*	-$40.29 (-85.53 to 3.34)
I100	-$19.23 *(-41.58 to 2.60)*	-$22.10 *(-48.94 to 3.99)*
I059	$0.91 *(-26.35 to 27.37)*	$15.10 *(-11.82 to 41.24)*
I015	-$21.60 *(-52.36 to 8.39)*	**-$39.34*** *(-72.29 to -7.26)*
I012	-$9.09 *(-25.54 to 7.12)*	**-$27.67*** *(-52.08 to -3.77)*
I053	$6.92 *(-26.91 to 39.58)*	**-$76.85*** *(-118.21 to -37.09)*
I077	-$3.76 *(-40.56 to 31.52)*	-$16.78 *(-52.95 to 17.94)*

Source: Analysis of Medicare claims data from the Chronic Condition Warehouse Master Beneficiary Summary File
*Note: Spending is per beneficiary per month Medicare expenditures for Part A and Part B services. A negative number indicates lower spending growth for the Pioneer ACO relative to the comparison group, which may indicate savings resulting from Pioneer ACO activities. ***Bold** numbers indicate that the estimate is statistically significant. The 95 percent confidence interval (CI) is shown under the point estimate.*

Pioneer ACO's Spending Growth Relative to their Local Markets, per Beneficiary per Month Differences, 2011-2012

- 23/32 sites were not significantly different from their local markets. 8 had lower growth, 1 higher
- 5/8 sites with spending growth less than local market also were successful by baseline/ benchmark methodology
- 6/8 had higher baseline spending than local market
- Some markets are easier than others

MSSP

- One sided model, no down side
- Retrospective alignment
- HCC risk adjustment
- Allowable spending growth pegged to national rate in dollars, not percentages

ACO Challenges

Finding Zero

Leveling the Playing Field

Matching Alignment to Reality

Engaging Beneficiaries

PHP “ACO” Covered Lives

Medicare Advantage (25,000)

MSSP (30,000)

Colorado Medicaid RCCO Program (>60,000)

Five Commercial ACO programs (>100,000)

Megan Cox

Centers for Medicare & Medicaid Innovation

- State of the Program
  - Pioneer ACOs
  - Medicare Shared Savings Program (MSSP)
- Responses to the CMS Request for Information on the future of ACO policy issued in December 2013.
  - http://innovation.cms.gov/Files/x/Pioneer-RFI.pdf
- Future of ACOs

Panel Discussion

Challenges and barriers for ACOs

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Panel Discussion

What are we learning from ACOs?

Panel Discussion

ACO's impact on Policy

Q&A

To ask a question or make a comment, submit via the chat feature.

Slides are available for download at www.ehidc.org under 'New Resources'

eHI's Capitol Hill Briefing, May 28

"An Update on Meaningful Use: Where are we in bringing digital health records to life?"

REGISTER NOW

Moderator:

- **Alex Ruoff**, Health IT Law & Industry Reporter, *Bloomberg BNA*

Panelists:

- **Jennifer King**, PhD, Acting Director, Office of Economic Analysis, Evaluation, & Modeling, *Office of the National Coordinator for Health IT (ONC)*
- **Mark Segal**, PhD, Vice President of Government & Industry Affairs, *GE Healthcare IT*
- **Elina Alterman**, MSW, MPH, Health IT Policy & Outreach Coordinator, *National Partnership for Women & Families (NPWF)*
- **Mari Savickis**, Assistant Director, Federal Affairs, *American Medical Association*
- **Meryl Bloomrosen**, Vice President, Thought Leadership, Practice Excellence, Public Policy, *Amercian Health Information Management Association (AHIMA) (Invited)*

When: Wednesday, May 28 from 10:00AM-11:00AM

Where: Rayburn House Building Room 2168 (Gold Room), Washington, D.C.

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May 21-22, 2014 | Washington, DC

REGISTER NOW

Meet & network with your fellow workgroup members!

Join hundreds of researchers, industry leaders, providers, payers and more focused on the use of analytics to improve clinical, financial and administrative decisions at critical points in the healthcare system.

FORUM INFO AVAILABLE AT:
http://ehidc.org/events-landing/daf-2014

NATIONAL FORUM ON DATA & ANALYTICS

MAY 21 - 22, 2014 WASHINGTON, DC

Director of Analytics at CMS to Keynote at eHI's *National Forum on Data & Analytics May 21!*

Niall Brennan, M.P.P.
Acting Director, Offices of Enterprise Management
Centers for Medicare and Medicaid Services (CMS)

Need A Reason To Attend The Forum?

How About a **FREE** Interactive Analytics Class on Day 1?

- Attend the hands-on interactive training lab and learn the value that analytic methods can bring to your organization.
- Review approaches to **clinical, financial, and operational analytics.**
- Discus **strategies, solutions and barriers** to developing actionable insights and business intelligence through analytics.

So…What Are You Waiting For?

Class is complimentary for registered Forum attendees ONLY.

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Next Policy Workgroup Webinar
Tuesday, June 17th
2:00 - 3:00 pm (ET)

If you want to hear more about a particular topic, please email your suggestions to Nadeen at nadeen.siddiqui@ehidc.org

About eHealth Initiative

- Since 2001, eHealth Initiative is the only national, non-partisan group that represents all the stakeholders in healthcare. Represent over 15 different stakeholder groups and 39 states across the nation.
- Mission to promote use of information and technology in healthcare to improve quality, safety and efficiency.
- Last year, over 4500 individuals attended our events and 500+ individuals participated in our national councils and workgroups
- eHealth Initiative focuses its *research*, *education* and *advocacy* efforts in four areas:
  - Data and Analytics
  - IT Infrastructure to Support Accountable Care
  - Technology for Patients with Chronic Disease
  - Data Exchange & Interoperability

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