

Maryland Behavioral Health Solutions (MBHS) and Value-Based Care

CBH Annual Conference

May 16, 2019

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Background

- Why Value-Based Care/ Value-Based Payments (VBP)?
- VBP Defined
- Is this is a Positive Development?
- What Should You Do?

Today's Plan of Attack

- General Overview
- Detail
- Examples
- Summary/ Q&A

National Trends

- Managed Care to ALL MA Recipients
- Movement away from Any Willing Provider
- Movement (again) to:
 - Independent Provider/ Practice Associations (IPA)
 - Accountable Care Organizations (ACO)
 - Provider Sponsored Networks (PSN)
- VBP as a Contractual Standard- via CMS
- Critical Time for Providers

Agency Needs

- Need to Educate...
- Provider Leadership
- Provider Staff
- And... to Develop Infrastructure to Change

VBP Defined

- What is it?
 - Alternative Reimbursement Structure to traditional FFS
 - Per Diem
 - Case Rates
 - PMPM
 - Capitation
 - Partial to Full Financial Risk
 - Coupled with Pay for Performance, Performance Measures, Quality Incentives, Outcomes

Why is it Happening?

- Movement to Focus on Quality
- Realization that FFS does not have aligned incentives with Quality- provider is paid for the unit not the outcome
- MCOs understanding that Quality leads to Savings
- Win-Win-Win
- Aligning incentives: Provider and Payer on same side of Equation
- Patient/ Consumer Wins: While Largely invisible, Focus is on Quality and Outcomes

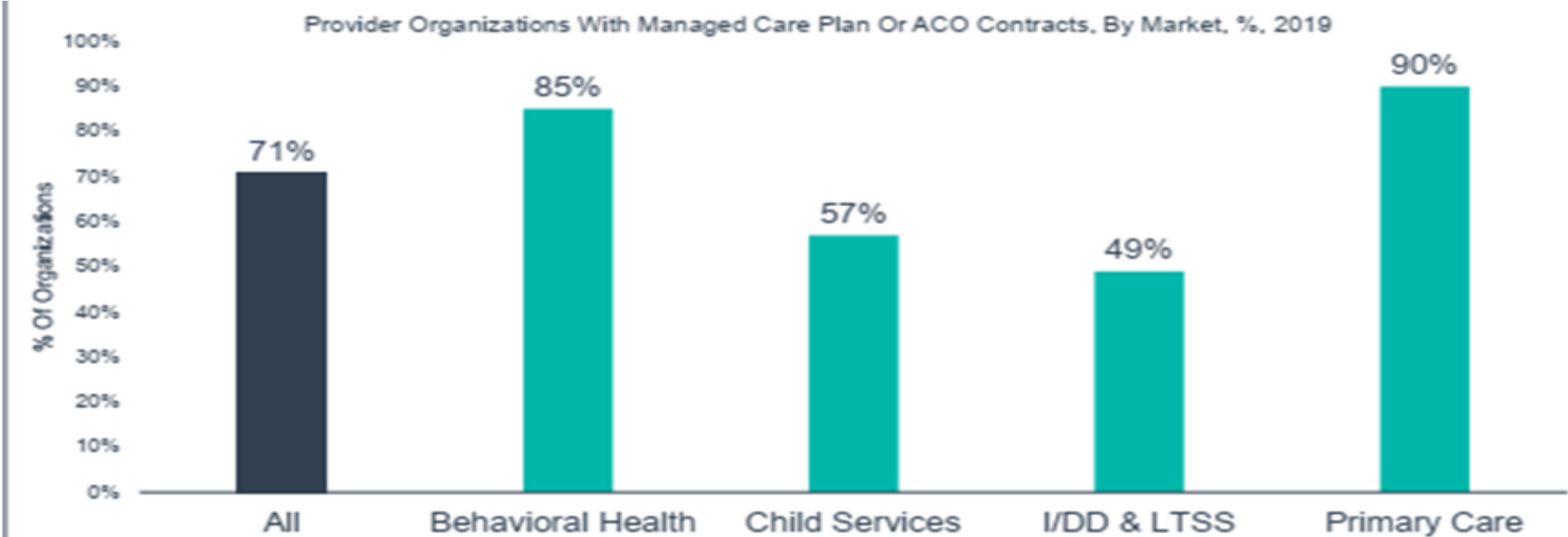
Is This New?

- 1995
- Quality Redefined (Value)
- Quality = Clinical + Cost- Effectiveness

Provider Readiness

Putting it in Perspective....

Behavioral Health Managed Care Penetration

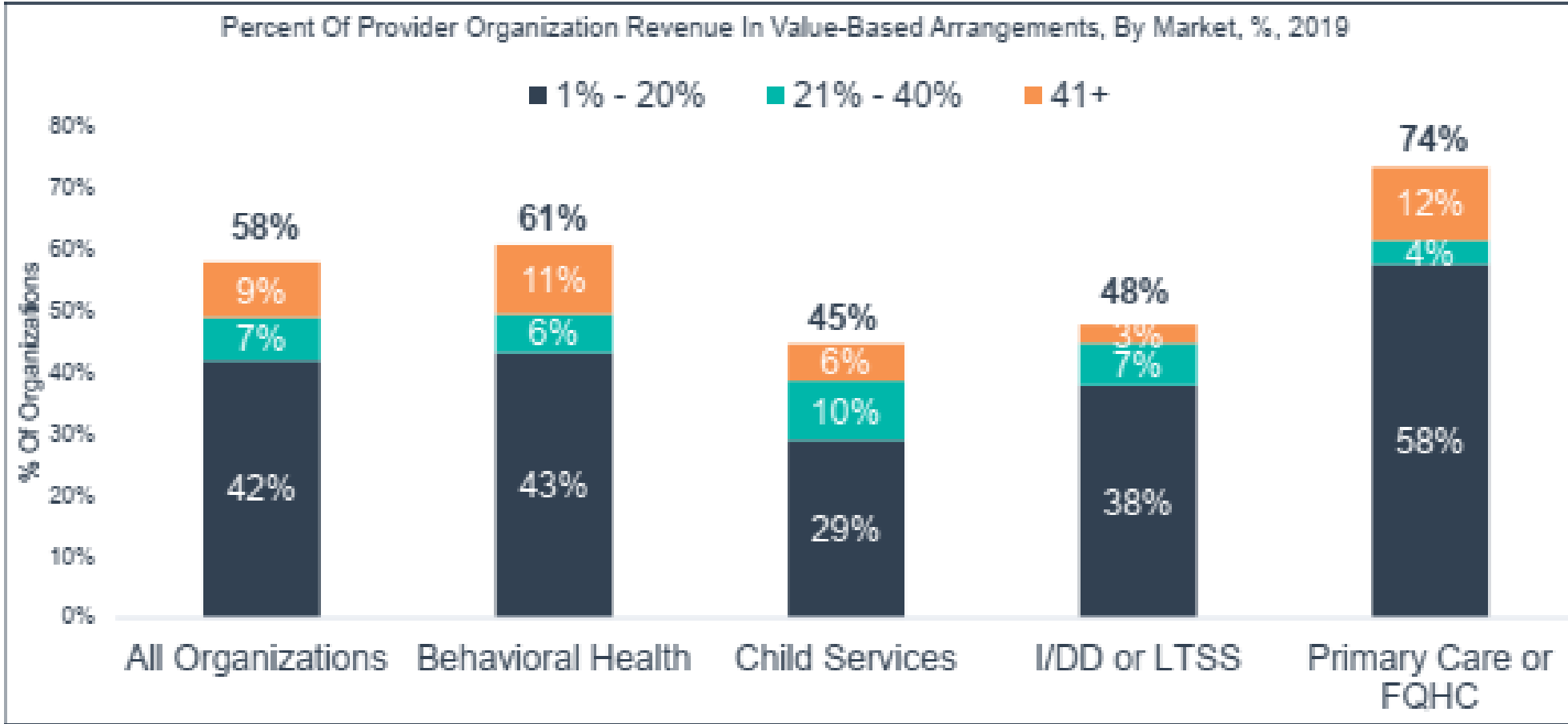


Source: Where are we on the road to Value – Open Minds 2019 Executive Survey

Participation In VBR Arrangements, By Market, %, 2019

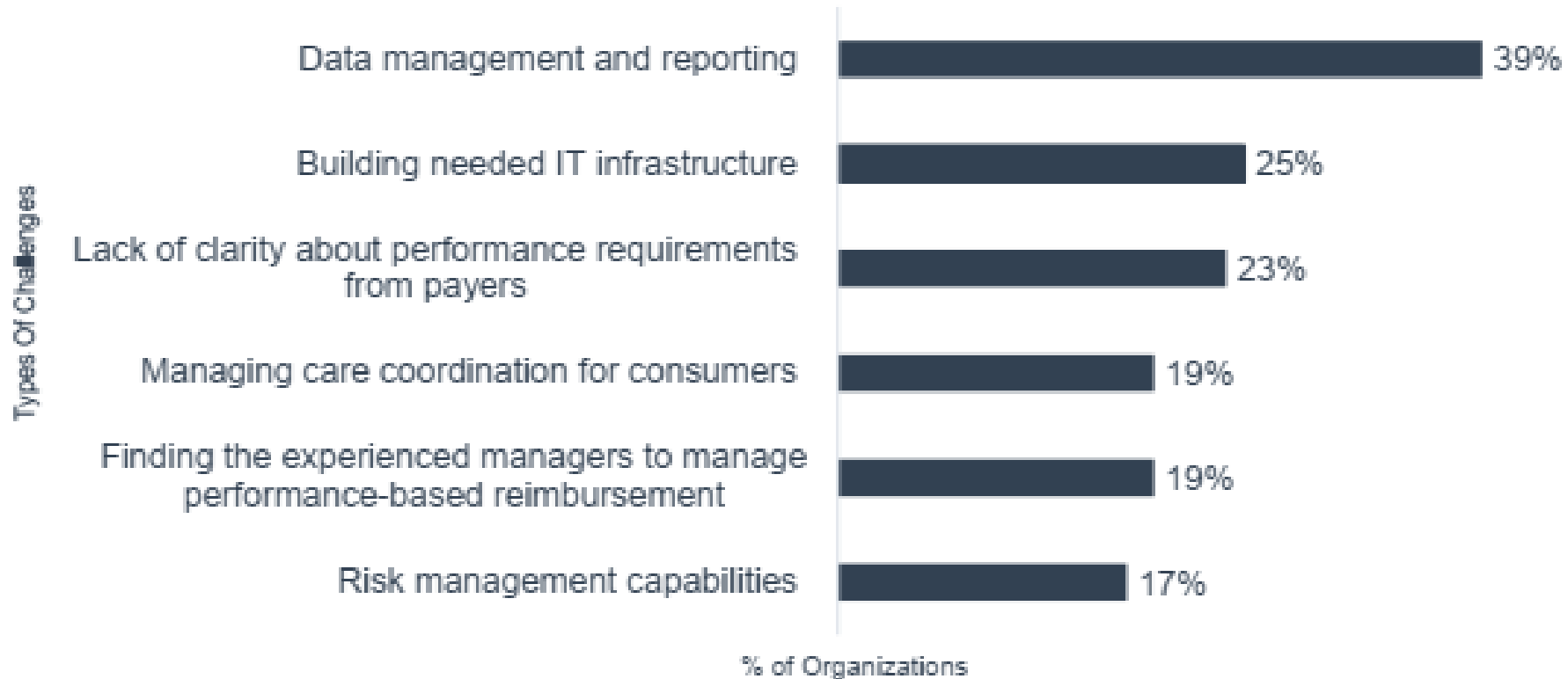
	Participation In Any VBR Arrangement	P4P FFS	Capitation For Specific Services	Capitation For Care Coordination	Case Rate Or Bundled Rate
Behavioral Health	72%	46%	32%	20%	24%

Source: Where are we on the road to Value – Open Minds 2019 Executive Survey



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**Top Five Challenges To Managing Value, %, 2019
Specialty Provider Organization Executive Teams**



Source: Where are we on the road to Value – Open Minds 2019 Executive Survey

What Makes Value Based Payment Work



Leadership and Leverage
Willingness to take Risk



The Ability to Negotiate with Payers
Depends On:

- Know Your Payers
- Know Your Organization's Value Proposition
- Know Your Strengths
- Know Your Costs

Is This New (Part Two)?

➤ 1995

➤ “If You are Reimbursed at a Rate that is Below Your Cost to Provide the Service, You Will Go Out Of Business”

Performance Standards Desired By the Payer

- Achievement of Process Measures – e.g. Time for Completing Activity / Frequency of Reporting
- Consistency in Providing Services – Length of Time in Waiting Room / Shifts Filled
- Quality of Communications

Indicators of Efficiency

- Utilization vs Authorization Rates
- Staff Turnover ratio
- Accuracy of Billing

Pay For Performance

Pay For Outcomes

Results Focused – Payment Based on Payer Objectives

Usually structured as withhold / bonus payout

Involves a level of Risk

Outcomes have to be very specific and controllable!

Cannot get credit for what you do not do or control!

Involves a Level of Risk that should be based on data!

Behavioral Health Measures

- 41% - Follow Up After Hospitalization
- 33% - Readmission Rates
- 27% - Access To Care Measures
- 26% - Patient / Consumer Satisfaction Measures
- 24% - Emergency Room Utilization

Source: Where are we on the road to Value – Open Minds 2019 Executive Survey

Shared Risk Models

Providers Share in the POTENTIAL SAVINGS!

- Payers WITHHOLD
- A PORTION OF PAYMENT
- with an UPSIDE
- Based on DELIVERY and COST!

Delayed Payments / Bonuses

Rigid Standards for Benefits

Detailed!

Roll Out Nationally and Locally

- Hear of Great National Models
- In PA, very slow and simplistic start
- Not really VBP- twists off of FFS

What Can Go Wrong?

- Withhold off of FFS
- Complicated Models; Unable to Track Alone
- Claims-Based Models alone- 9 month Wait for Claims Run-Out
- Taken together...

When is a Withhold Appropriate?

- If the Model Warrants it
- Alternative Reimbursement Structure
- Up-Front Prepaid (e.g., Capitation)
- Managed Care Hurdles Removed
 - Pre-Authorization
 - Claims Submission
 - Denials/ Appeals
 - Claims Payment Lags
- Shared Risk/ Reward Structure
- Withhold Builds Needed Capital
- NOT under Traditional FFS

Examples

- Commercial BH
- MA Brain Injury/ Community HealthChoices
- MA Behavioral Health/ BH HealthChoices

Commercial BH

- Provider Partnership with BC-NEPA
- 15 Agencies/ Hospital Systems
- Prepaid Capitation to Provider System (CBHNP)
- Contact Capitation Paid to Providers
- Outside Providers FFS- Traditional Managed Care
- Quality Indicators- Pay for Performance

Quality Indicators

- PCP Communication
- Referral to Depression Management
- Outpatient Follow-Up after Hospitalization

Partnership

- Monthly Partner Meetings
 - Review of Encounter Data
 - Fee-for-Service Data
 - Network Composition
 - Quality Indicators
- Quarterly Reconciliations
 - Between Providers
 - Between FFS and Capitation
 - Overall Program Performance (Risk/ Reward)
- Trust

Brain Injury

- CHC Explained
 - Managed Long-Term Services and Supports (MLTSS)
 - Phased Roll-Out beginning in SW PA 01/18; then SE 01/19, rest of PA 01/20
- BI Providers
 - ALL Post-Acute Care BI Providers in PA
 - Know Dx Codes
 - Know CPT Codes
 - Know the Cost
 - Know the Quality Indicators and Outcomes Measures
- Perfect Dynamic for VBP Payment Structure

Roadmap for VBP

- Full Risk Capitation Day One?
- Alternative Model: Phased-In Approach
 - Alternative Reimbursement Model →
 - Add QI/ Performance/ Outcomes Standards with Upside Bonus →
 - Create Risk/ Reward Share on Cost of Care and Cost-Offsets →
 - Movement to Capitation
- Timeframe?

Contracting Structure

- RCPSO (MBHS)
- Single Signature Authority
- Spreading Risk
- Managing Data

Barriers to Success

- Fear of Unknown
- Questions
- Aversion to Risk and Change
- Trust

Is This New (Part Three)?

➤ 1995

➤ “RISK IS GOOD”

MA Behavioral Health

- Contractual BH-MCO Requirement in PA for VBP- Increasing Annually
- Carve-In/ Carve-Out Debate- Need for Continued Innovation
- Makes Sense- Cost and Quality/ Aligned Incentives
- VBP and “IPA Model”
 - Cover Geography
 - Cover Levels of Care and Services
 - Cover Population
 - Spread and Share Risk
- RCPSO

National Trend: IPA Model and VBP

- CMS Push
- States Adopting Measures
- National Council
- Consultants
 - Mercer
 - Health Management Associates
 - Center for HealthCare Strategies

Summary

- Positive Provider (and Payer) Development in HealthCare
- It is Coming (It has already come!)
- Provider Readiness and Infrastructure
- Understand the Clinical/ Quality Changes and Financial/ Reimbursement Model Changes Ahead
- Willingness to Accept Risk and Change

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Questions