Care Delivery and Payment System Reform Committee

Health Policy Commission

November 13, 2013

Agenda

- Approval of minutes from September 9, 2013 meeting
- Presentation by Dr. Richard Antonelli, MD, MS, Children's Hospital Boston Integrated Care Organization
- Update on HPC Accountable Care Certification Model
- Update on the registration of provider organizations (RPO) program
- Schedule of next committee meeting

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Vote: Approving minutes

Motion: That the Care Delivery and Payment System Reform Committee hereby approves the minutes of the Committee meeting held on September 9, 2013, as presented.

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Richard Antonelli, MD, MS

Medical Director for Integrated Care
Boston Children's Hospital

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HPC Care Delivery Programs

PCMH Certification

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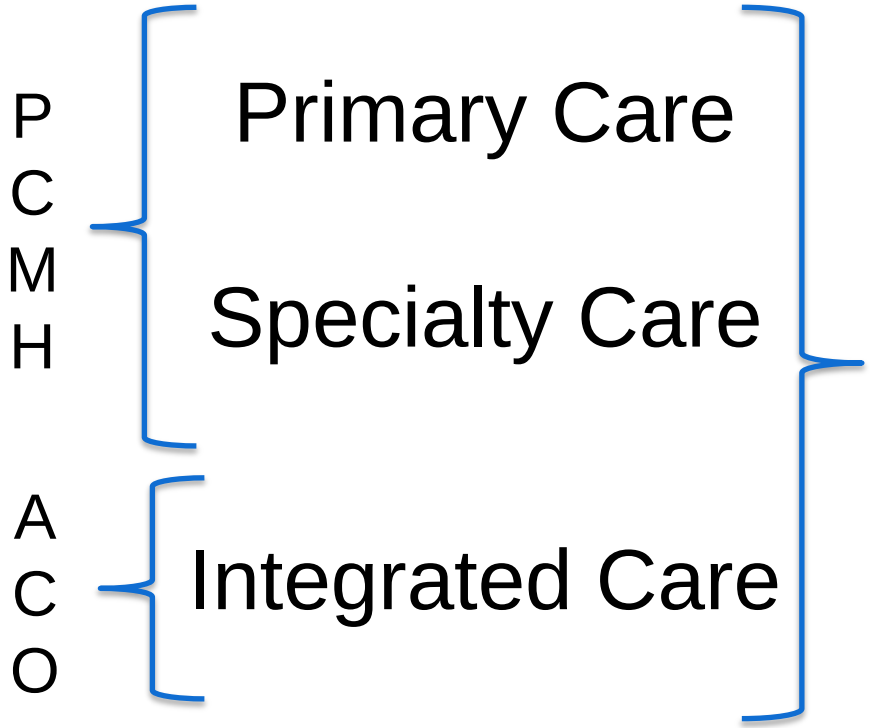
ACO Certification

Accountable Care Certification

A unified framework for promoting, validating and monitoring the adoption and impact of accountable care in the Commonwealth

Focus on *patient-centered* accountable care



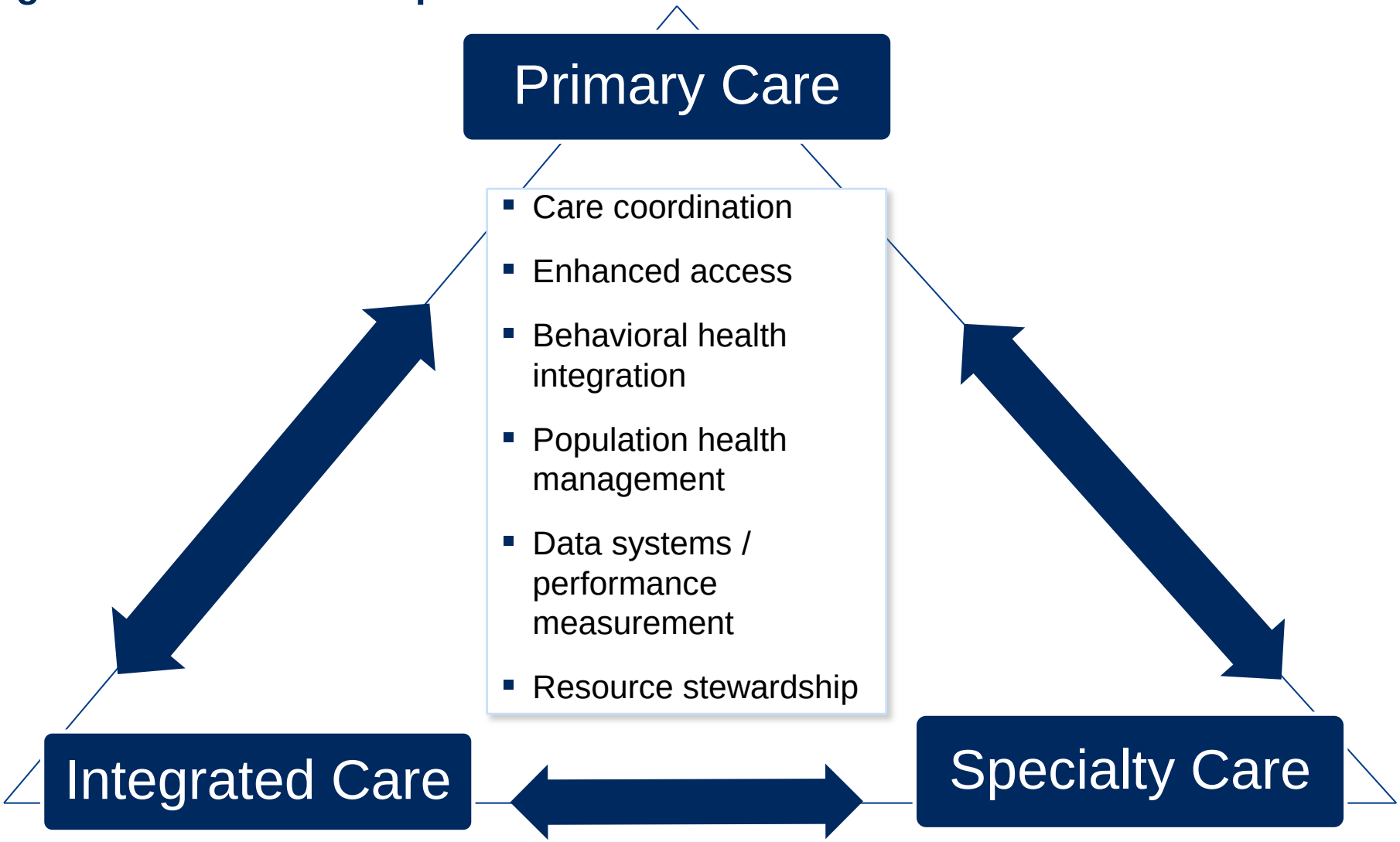
Defining accountable care

Value-based, data-driven, patient-centered care that rewards quality over quantity

Principles:

- Control costs through appropriate access to care and utilization of services
- Improve the health of a population of patients
- Focus on proactive and preventive care
- Monitor structures, outcomes & systems of accountable care
- Leverage the value of primary care

High value elements of patient-centered accountable care



High value: demonstrated impact on quality, cost and patient experience

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  - **Stakeholder engagement to date & next steps**
- Update on the registration of provider organizations (RPO) program
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Response from stakeholders to date

- Positive response on HPC framework and focus on high-value elements of accountable care
- General consensus on certification pathway and proposed elements, pending additional refinement to criteria
- Accrediting bodies open to review and support alignment of high-value elements with national standards
- Opportunities for continued engagement with payers, purchasers, and providers

Key deliverables for HPC certification programs

Q3-Q4 2013	Q1-Q2 2014	Q3-Q4 2014
▪ PCMH standards & criteria ▪ Payer engagement ▪ Payment model design ▪ Reporting and monitoring methods ▪ PCMH pilot & evaluation design	▪ Practice engagement ▪ Training & technical assistance resources ▪ PCMH pilot launch	▪ ACO standards & measures ▪ ACO program design ▪ Implement PCMH pilot ▪ PCMH Pilot evaluation (Phase I)

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Registered Provider Organizations – Three key aims

1. RPO **enhances transparency** of the health care marketplace in the Commonwealth by gathering information on the **composition, structure and relationships** among and within Massachusetts health care providers.

2. RPO **maps the provider delivery system**, including clinical affiliations, capacity, and market share, and monitors changes over time.

3. RPO creates a **centralized resource** for the Commonwealth and other stakeholders by compiling information about the provider market. RPO supports such functions as health resource planning, determinations of need, cost and market impact reviews, evaluation of health care cost trends, health system investments, and certification programs.

Statutory requirements of HPC and CHIA

HPC - Section 11 of Chapter 6D

The commission shall require that all provider organizations report the following information for registration and renewal: (i) organizational charts showing the ownership, governance and operational structure of the provider organization, including any clinical affiliations, parent entities, corporate affiliates, and community advisory boards; (ii) the number of affiliated health care professional full-time equivalents and the number of professionals affiliated with or employed by the organization; (iii) the name and address of licensed facilities; and (iv) such other information as the commission considers appropriate.

CHIA - Section 9 of Chapter 12C

(4) a comprehensive financial statement, including information on parent entities and corporate affiliates as applicable, and including details regarding annual costs, annual receipts, realized capital gains and losses, accumulated surplus and accumulated reserves; (5) information on stop-loss insurance and any non-fee-for-service payment arrangements; (6) information on clinical quality, care coordination and patient referral practices; (7) information regarding expenditures and funding sources for payroll, teaching, research, advertising, taxes or payments-in-lieu-of-taxes and other non-clinical functions; (8) information regarding charitable care and community benefit programs; (9) for any risk-bearing provider organization, certificate from the division of insurance under chapter 176U; (10) such other information as the center considers appropriate

i. Organizational charts, governance info
ii. Number of FTEs, both affiliated and employed
iii. Name and addressed of licensed facilities
iv. Commission prerogative

4. Financial Statements
5. Info on stop-loss insurance and non-FFS payment arrangements
6. Info on quality, care coordination, patient referral practice
7. Funding and expenditure sources for payroll, teaching, research, advertising, taxes, and other non-clinical functions
8. Info on charitable care and community benefit programs
9. Risk certificate for RBPOs
10. Center prerogative

Provider organization – a new reflection of the health care market

"Provider Organization" is any corporation, partnership, business trust, association or organized group of persons, which is in the **business of health care delivery or management**, whether incorporated or not that **represents 1 or more health care providers** in contracting with carriers for the payments of heath care services

A Provider Organization includes but is not limited to the following types of common health care organizations:

physician organizations
physician-hospital organizations
independent practice associations
provider networks
accountable care organizations
any other organization that contracts with carriers for payment for health care services

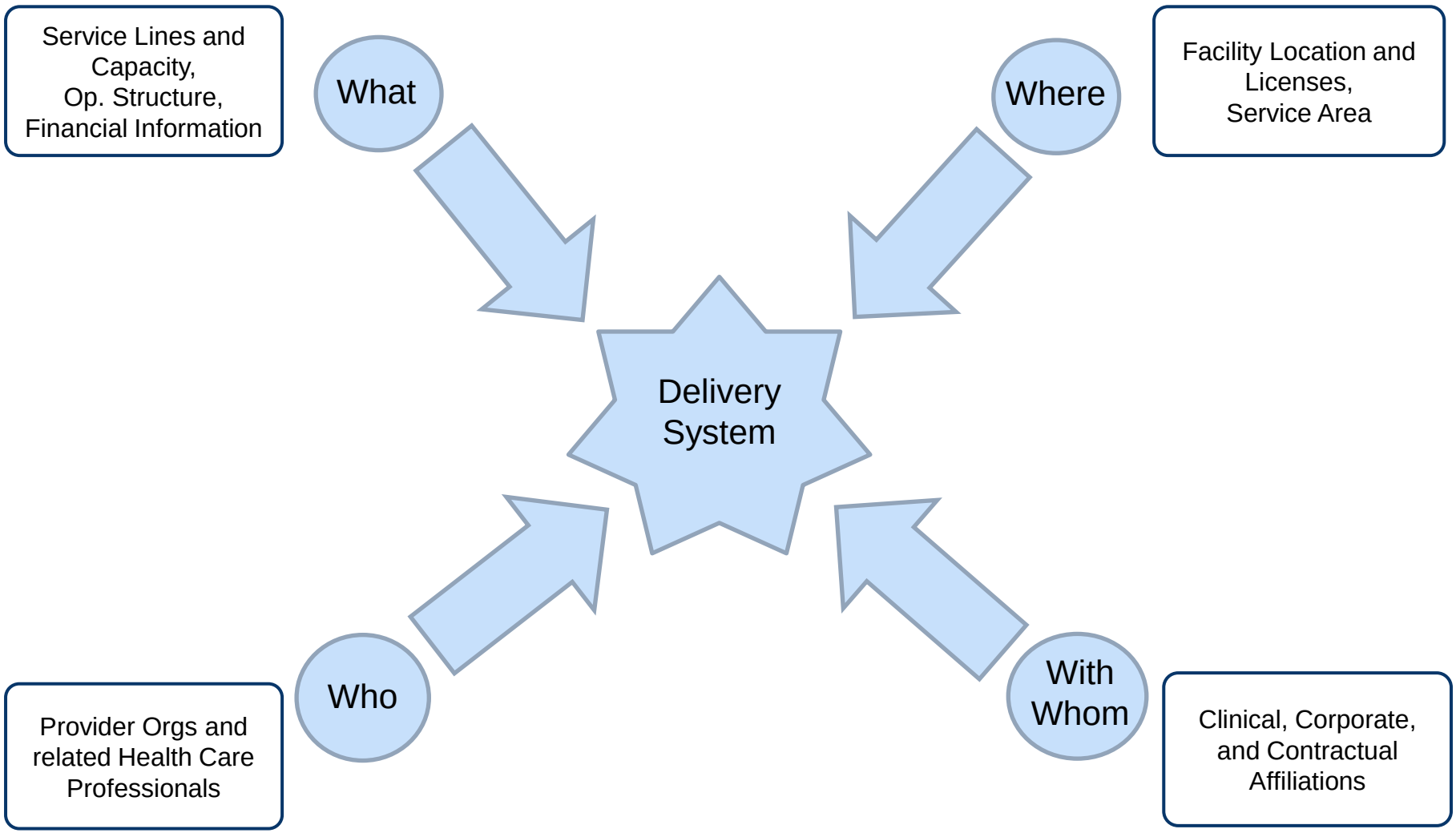
Who must register?

- Any Provider[1] or Provider Organization that is a **Risk-Bearing Provider Organization** (as defined by DOI), and

- Any Provider or Provider Organization
  - with a patient panel greater than **15,000** and
  - which represents providers who collectively receive **$25,000,000** or more in annual net patient service revenue from carriers or third-party administrators

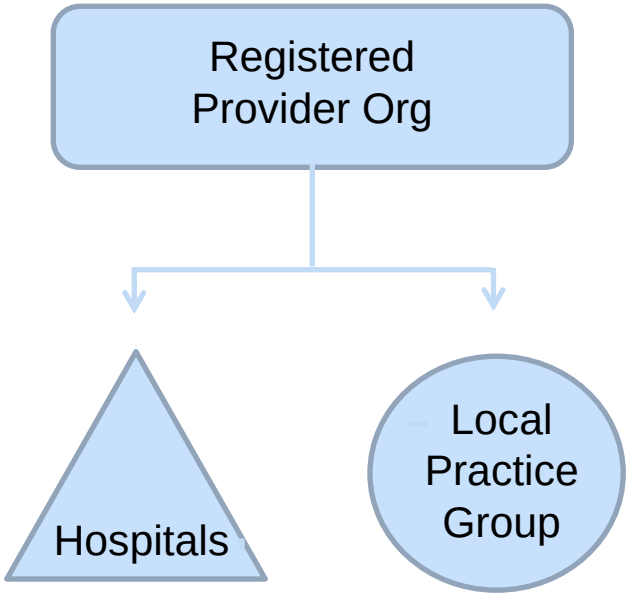
1 "Provider" is any person, corporation, partnership, governmental unit, state institution or any other entity qualified under the laws of the commonwealth to perform or provide health care services

RPO data


Service Lines and Capacity, Op. Structure, Financial Information
What
Where
Facility Location and Licenses, Service Area
Delivery System
Who
With Whom
Provider Orgs and related Health Care Professionals
Clinical, Corporate, and Contractual Affiliations

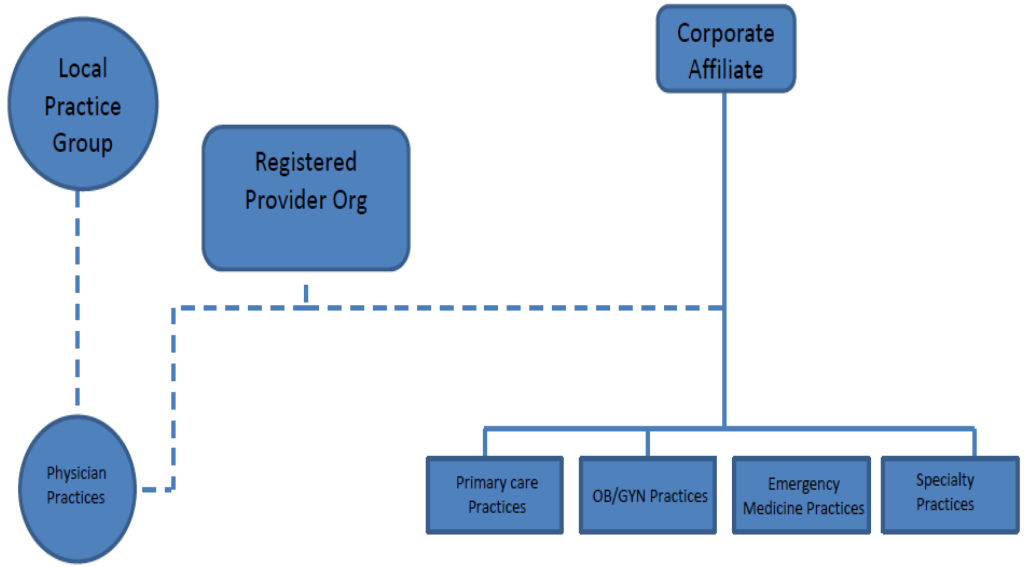
Case 1: Understanding variation in provider organization models

Model A



RPO's organizational structure is clearly defined with one consolidated owner.

Model B



RPO negotiates on behalf of otherwise unaligned provider organizations.

Reporting requirements

Statutory mandates (HPC)

- Organizational charts showing the ownership, governance and operational structure of the provider organization, including any clinical affiliations, parent entities, corporate affiliates, and community advisory boards
- Number of affiliated health care professional full-time equivalents and the number of professionals affiliated with or employed by the organization
- Name and address of licensed facilities
- Such other information as HPC considers appropriate

Statutory mandates (CHIA)

- Comprehensive financial statement
- Information on stop-loss insurance and any non-fee-for-service payment arrangements
- Information on clinical quality, care coordination and patient referral practices
- Information regarding expenditures and funding sources for payroll, teaching, research, advertising, taxes or payments-in-lieu-of-taxes and other non-clinical functions
- Information regarding charitable care and community benefit programs
- For risk-bearing provider organizations, a certificate from the division of insurance under chapter 176U
- Such other information as CHIA considers appropriate

Statutory mandates (DOI)

- Information related to the bearing of “significant downside risk” by provider organizations

Regulation development: Work to date

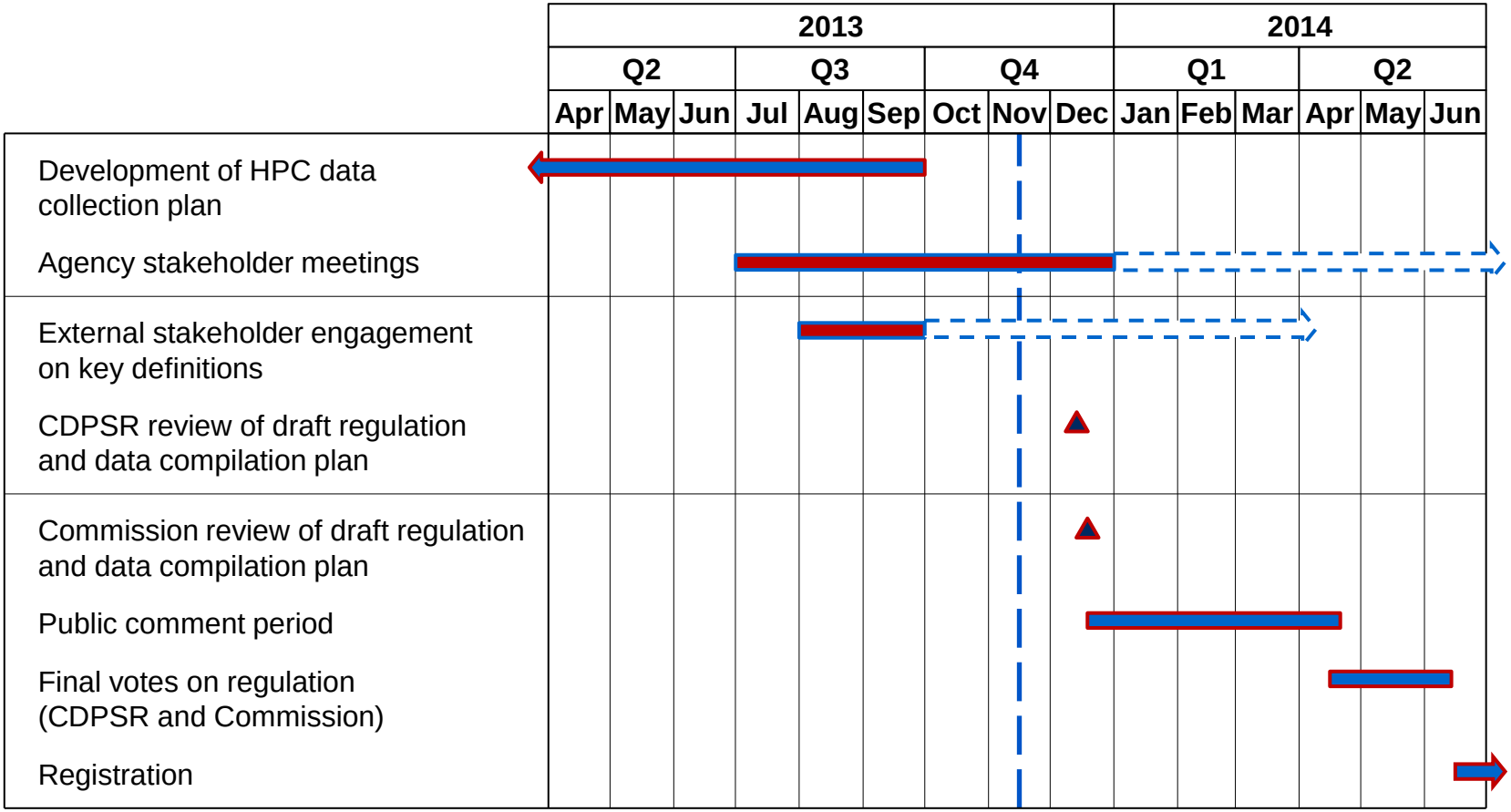
Principles

- Avoid duplication and promote administrative simplification through cross-agency collaboration and provider engagement while focusing on high-value reporting requirements
- Support DOI's Risk-bearing Provider Organization certification process
- Support cross-agency data needs, including e.g. health planning, material change notices, key research questions
- Coordinate with other agencies/entities
  - Center for Health Information and Analysis
  - Division of Insurance
  - Executive Office of Health and Human Services
  - Department of Public Health
  - MassHealth
  - Boards of Registration for health care providers
  - MeHI
  - Attorney General's Office

Work to date

- Joint DOI-HPC Listening Sessions & Feedback Received
  - Different types of provider organizational structures, relationships with affiliated physicians
  - Nature of information ordinarily developed in the course of business, or reported to other agencies or health plans
- Ongoing collaboration with DOI and CHIA
  - Developing streamlined reporting mechanisms and ensuring consistency in definitions
  - Developing single point of entry to CHIA and HPC for RPOs
- Developing approach to regulation and data specification that ensures deep provider engagement, and allows for flexibility in reporting while standardizing data to ensure analytic value

Draft RPO timeline



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Contact information

For more information about the Health Policy Commission:

- Visit us: http://www.mass.gov/hpc
- Follow us: @Mass_HPC
- E-mail us: HPC-Info@state.ma.us