MINUTES OF THE CARE DELIVERY AND PAYMENT SYSTEM TRANSFORMATION COMMITTEE

Meeting of January 13, 2015

MASSACHUSETTS HEALTH POLICY COMMISSION

THE CARE DELIVERY AND PAYMENT SYSTEM TRANSFORMATION COMMITTEE OF THE MASSACHUSETTS HEALTH POLICY COMMISSION
Health Policy Commission
Conference Center, 50 Milk Street, 8th Floor
Boston, MA 02109

Docket: Tuesday, January 13, 2015, 9:30 AM – 11:00 AM

PROCEEDINGS

The Massachusetts Health Policy Commission's (HPC) Care Delivery and Payment System Transformation (CDPST) Committee held a meeting on Tuesday, January 13, 2015, in the Conference Center at the Health Policy Commission located at 50 Milk Street, 8th Floor, Boston, MA 02109.

Members present were Dr. Carole Allen (Chair); Dr. David Cutler; and Ms. Leslie Sturm-Darcy, designee for Ms. Marylou Sudders, Secretary of Health and Human Services.

Ms. Jean Yang arrived late.

Dr. Stuart Altman, Chair of the Board, was also present.

Dr. Allen called the meeting to order at 9:33 AM.

ITEM 1: Approval of minutes

Dr. Allen asked for any changes to the minutes from December 10, 2014. Seeing none, she called for a motion to approve the minutes, as presented. **Dr. Cutler** made the motion and **Dr. Allen** seconded. The minutes were unanimously approved by members present.

ITEM 2: Discussion of the HPC Certification Programs

Dr. Allen reviewed the day's agenda, highlighting the discussion on a contract with the National Committee on Quality Assurance (NCQA) to further the HPC's work on the patient-centered medical homes (PCMH) certification. While Dr. Allen added that the committee would not review every detail of the proposed NCQA criteria for PCMH certification, she invited committee members to ask specific questions. She noted that the bulk of the discussion would be around HPC modifications and additions to the NCQA PCMH standards that focus upon behavioral health, resource stewardship, population health, and patient experience.

ITEM 2a: PCMH Certification – Review of HPC Modifications for Resource Stewardship, Population Health, and Patient Engagement

Dr. Allen stated that the HPC has elected to enhance resource stewardship standards that require practices seeking PCMH certification to measure, assess, and improve utilization measures. She noted that 2014 NCQA standards require improvement on only one utilization measure. The proposed HPC modification would enhance this requirement to two or four measures for 'Qualified PCMHs' and 'Best Practice' PCMHs, respectively.

Dr. Altman asked whether there was a proven cost-effective value-add to requiring practices to go above and beyond NCQA standards. Ms. Ipek Demirsoy, Policy Director for Accountable Care, stated that certification cost for the additional requirements would not be more than the existing NCQA application fee. Dr. Altman clarified that he was asking if the additional criteria would increase overall operation costs for practices. Ms. Demirsoy responded that her research, including discussions with stakeholders and an extensive literature review, demonstrated that these additional requirements are necessary for a successful PCMH certification program.

At this point, Ms. Yang arrived at the meeting.

Dr. Allen stated that the existing "Choosing Wisely" Campaign helped inform many of the additional criteria.

Dr. Altman stated that he has no evidence to contradict this research. He added that his only concern is for the HPC to be conscious of additional pressures added to providers. He stated that independent evaluation should be included in order to ensure program success.

Mr. David Seltz, Executive Director, stated that the HPC has focused on reducing administration cost and burden throughout this process. He added that staff is only proposing additional standards where there has been significant evidence of an added value. He clarified that the HPC has made existing 2014 NCQA criteria a basic requirement for HPC certification, which means that many practices are already eligible or HPC PCMH certification. The HPC will also add additional criteria in key areas of concern, such as behavioral health. He added that stakeholders will be continuously engaged before the HPC releases proposed certification standards.

Dr. Allen stated that the HPC should produce a preliminary set of standards to release for public comment. Ms. Demirsoy responded that the HPC hopes to release the PCMH standards for public comment in late February.

Dr. Allen reviewed proposed HPC criteria around population health management standards. She stated that the HPC will include a systematic process to identify high-risk patients that can benefit from care management. Finally, she noted that the HPC would include requirements to obtain feedback from patients and families regarding their experience with practices.

Dr. Cutler asked what specific modifications the HPC made to the NCQA criteria. Ms. Demirsoy referred to Appendix B in the presentation to review overall HPC modifications to NCQA PCMH standards for behavioral health, resources stewardship, population health management, and patient experience.

Dr. Cutler asked whether NCQA already has a requirement for mental health screening. Ms. Demirsoy responded that depression screening is the only current requirement. Dr. Allen stated that it was appropriate for the HPC to also include a substance abuse screening requirement given the opioid epidemic in Massachusetts.

Dr. Cutler asked if these criteria are aligned with the approach sought by Secretary Sudders. Dr. Allen stated that Secretary Sudders was present at the last committee meeting and indicated her support for this process. Ms. Demirsoy stated that the HPC had received input from the Department of Mental Health on these additional requirements and would follow up with them for further feedback.

Ms. Demirsoy noted that there were concerns about how to measure patient experience in Massachusetts. She stated that Massachusetts Health Quality Partners (MHQP) conducts a patient experience survey that is already employed by some practices. She asked whether the committee believed there would be value in standardizing patient experience measurement.

Dr. Allen responded that her major concern with MHQP data is the lack of inclusion of public payers. Ms. Demirsoy stated that MHQP would begin collecting data on public payers after 2016.

Ms. Yang asked if there is adequate patient experience data available for public payers. Ms. Demirsoy responded that the data exists, but MHQP is unable to collect it because of funding limitations. She added that, if the HPC believes there is value-added from inclusion of patient experience data, then additional funding models should be considered.

Dr. Cutler asked if payers and providers believe there is value-added in this additional data. Ms. Demirsoy stated that those conversations are ongoing. Dr. Cutler stated that if payers and providers believe there is value in this, then it should be done.

Dr. Altman stated that the HPC needs to understand that patient satisfaction is an important and controversial topic, as it steers the conversation away from technical quality. He added that the HPC should distinguish between criteria that are based on the practice and those that are not. He stated that individual providers should be able to tailor this measure to their needs.

Dr. Allen stated her agreement with Dr. Altman. She added that if different groups used different tools, narrowing baseline requirements for a tool may be more work overall. Ms. Demirsoy stated that the HPC is adopting the standards in a broad form to allow for flexibility. She added that the requirements could be made more specific in the future as data and experience is available.

Seeing no further comment, Dr. Allen moved to the next agenda item.

ITEM 2b: PCMH Certification – Discussion of NCQA Contract (VOTE)

Ms. Demirsoy stated that the HPC significantly researched a wide variety of vendors to potentially contract with and that NCQA most closely aligned with HPC priorities. She added that there was significant financial value in contracting with NCQA through the provision of specific elements at no additional cost, a 20% government discount, and customized technical assistance as needed.

Ms. Demirsoy reviewed initial contract estimates provided by NCQA. She stated that NCQA would provide overall content development, program implementation, and training and technical support. She noted that the total cost to the HPC would be roughly $185,000 for the first year and roughly $100,000 for each subsequent year. She stated that, had the HPC elected to implement the PCMH certification program without the assistance of a vendor, the cost would have been significantly higher.

Dr. Allen stated that the HPC considered whether practices would incur additional costs through this contract. She stated that they would not.

Dr. Altman added that the proposed NCQA contract should include language that protects providers from incurring unnecessary additional costs.

Dr. Cutler asked if the NCQA certification requirements would help align the Commonwealth's provider organizations with ideal payment models. Ms. Demirsoy stated that the HPC is taking stock of the payment landscape and speaking with various states in order to assess how PCMH payment systems are implemented. She added that this research would be combined with public comment on the PCMH standards to inform model PCMH payment requirements.

Dr. Cutler asked for a clarification on the timeline. Ms. Demirsoy stated that the first discussion of payment models would take place during the next committee meeting.

Mr. Seltz stated that the HPC has continuously engaged payers and reviewed ideal payment models for PCMHs. He clarified that a vote to move forward with the intent to contract with NCQA is only a preliminary step and that a full proposal to include these comments will be submitted at a later date.

Dr. Cutler asked that the final discussion of the NCQA contract occur in conjunction with a discussion on a proposed final payment model approach for PCMHs.

Ms. Yang noted that the proposed NCQA contract appears to be very cost-effective. She added that NCQA would benefit greatly from a contract with HPC. Ms. Demirsoy stated that the contract is structured in such a way that shows mutual cooperation between the HPC and NCQA.

Ms. Yang stated that the HPC may want to evaluate a short-term contract with NCQA to ensure an appropriate level of technical assistance is provided in exchange for payment. Mr. Seltz stated that the HPC has stressed this point to NCQA and that this contract reflects a shared partnership towards advancing overall quality standards.

Dr. Allen stated that there has been significant consideration of cost-offsetting.

Ms. Demirsoy stated that the subsequent years of cost estimated in the contract are based upon the level of technical assistance deemed necessary by the HPC.

Dr. Cutler asked how the HPC would define success for the PCMH certification program. Ms. Demirsoy responded that a successful PCMH certification program would include additional program elements such as wraparound technical assistance, data collecting support, consumer education, and overall incentives. Mr. Seltz added that these additional program elements were gleaned from best practices found from research and consultation with other states.

Dr. Cutler asked staff to prepare an outline of requirements needed to fulfill these additional program elements. Ms. Demirsoy stated this would be discussed at the next committee meeting.

Dr. Altman stated that payers have been reluctant to adapt to PCMH payment models due to a lack of consumer and payer confidence. He added that the HPC has designed its program with this in mind and should remain engaged with these two communities in order to ensure value-added results.

Seeing no further comment, Dr. Allen called for a motion to advance the intent to contract with NCQA for consideration at the next meeting of the full commission. **Ms. Yang** made the motion and **Dr. Cutler** seconded. The motion was unanimously approved by the members present.

ITEM 2c: ACO Certification – Discussion of Program Goals and Certification Standards

Ms. Demirsoy stated that the day's discussion will review various aspects of the ACO program including the statutory mandate, overall goals, high-level approaches to certification, framework of functional domains, and approaches from other state and commercial programs. Commissioners will also be asked to deliberate points of emphasis for overall ACO certification.

Dr. Allen stated that the process for ACO certification should be consistent with PCMH certification to increase value and reduce burden. She stated that many incentives for ACO certification already exist and that the HPC is determining the added value of its certification program.

Dr. Altman stated that the ACO certification program requires practices to meet specific requirements before receiving payments. He stated that the HPC should have a "wish list" for best practices while remaining mindful of commercial and federal requirements for existing ACOs. He noted that the HPC's proposed approach includes this consideration and aims to add value to existing requirements.

Dr. Cutler stated that MassHealth has indicated it will certify its ACO program by January 2016 and that will add a level of complexity to overall certification standards.

Ms. Demirsoy reviewed proposed goals for the ACO certification program, including fostering a value-based market, promoting an efficient and high-quality care delivery system, advancing aligned financial incentives and accountability, enhancing transparency, and enhancing patient protection and engagement.

Dr. Allen stated that while the HPC should be sure to align its ACO standards with that of MassHealth, it should also consider the state of the rest of the marketplace.

Ms. Yang stated that the HPC could add value by identifying deficiencies in current ACO standards and use those to tailor the HPC ACO certification. She stated that both the ACO and PCMH certification programs go beyond primary care.

Dr. Altman stated that the nature of these certification programs is highly experimental. He stated that the HPC should move slowly in accordance with this realization to allow for maximum value and minimum burden.

Ms. Demirsoy stated that the HPC conducted a review of required functions and capabilities in various states and categorized them into five domains, each of which is tightly linked to identified goals. She added that the HPC then categorized these functional domains as most comprehensive, moderately comprehensive, and not comprehensive. She noted that this is an area where the committee could offer important feedback.

Dr. Cutler asked what functions and capabilities would be most important to the MassHealth population. Ms. Demirsoy responded that requirements about management and representation would be extremely important. She added that other states included governance structures that incorporated consumers and providers. She stated that a cross-continuum network, which would include additional resources to address the socioeconomic conditions of health and significant behavioral health integration, would also be of great importance.

Dr. Cutler asked how other states structure governance for providers who specialize in serving low-income populations. Ms. Demirsoy stated that some structures are based with the primary care provider with connections to community-based services, but that most states require governance structures to be led by providers instead of managed care organizations (MCOs).

Dr. Allen stated that, based on her experience, community health centers (CHCs) are best positioned to care for Medicaid populations.

Dr. Cutler stated that CHCs and Federally-Qualified Health Centers (FQHCs) are well-structured in Massachusetts to give excellent care to vulnerable populations, but that they can only absorb so much risk. He asked if there is any data to show where the MassHealth members receive the majority of their care.

Ms. Yang stated that MassHealth is comprised of 1.4 million members. These members cannot be equally parsed out to private practices, CHCs, or FQHCs. She stated that less than half of Commonwealth Care members receive care in CHCs. She added that MassHealth has one of the largest networks in Massachusetts and, subsequently, almost every provider is under a contract with them, making data collection difficult.

Dr. Altman stated that he has been significantly involved in the federal development of ACO certification standards for Medicare. He stated that ACO certification differs from PCMH certification because it focuses heavily upon payment and operating margins.

Ms. Yang stated that it is important to consider that MassHealth is the lowest payer in the market.

Dr. Cutler asked if it is possible to see a side-by-side comparison of Massachusetts, national, and federal standards for ACOs. Ms. Demirsoy stated that this is cited in Appendix A in the public presentation.

Dr. Cutler asked for a summary of the biggest differences between Massachusetts, national, and federal standards for ACOs. Ms. Demirsoy stated that the diagrams in the public presentation labeled those standards which, in a majority of states, are comprehensive, moderately comprehensive, and not comprehensive. She noted, for example, that many states require an exact dollar amount for incentive alignment when applying for ACO certification, while others do not specify. She added that legal structure and management are also extremely diverse across the examined spectrum. Finally, she noted that there are typically no requirements regarding patient experience and engagement, risk sharing, and inclusion of Alternative Payment Methodologies (APMs).

Ms. Yang asked whether programs are not prescriptive in these areas because flexibility is considered a best practice or because there is not a more comprehensive approach. Ms. Demirsoy responded that it is likely a combination of both due to a lack of data and experience in this area.

Ms. Yang stated that the HPC will need to know where to be flexible and where to be prescriptive.

Ms. Demirsoy stated that risk-sharing is an extremely diverse area and that it would be the hardest to discuss.

Dr. Altman stated that risk-sharing requirement vary and are inherently not flexible. Ms. Demirsoy stated that the variety represents of a lack of knowledge around best practices.

Dr. Altman stated that payment is a very firm requirement and that it differs only in the individual agreements between the states and federal government.

Dr. Cutler asked staff to present on all ACO certification programs in Massachusetts and how they align with national standards. He added that staff should examine the domains listed as moderately comprehensive or not comprehensive. Mr. Seltz responded that the staff would try to gather as much information as possible about commercial payers in Massachusetts. He added that there is tremendous variation within contracts.

Ms. Yang stated that the HPC should be very careful in the role that it plays within this conversation. She added that the HPC should play a strong role in disseminating best practices in order to assist the market overall.

Dr. Allen stated that the HPC has strongly considered its role as a facilitator and coordinator of these best practices.

Seeing no further comment, Dr. Allen moved to the next agenda item.

ITEM 4: Schedule of Next Committee Meeting (March 4, 2015)

Dr. Allen announced the next meeting of the Care Delivery and Payment System Transformation Committee (March 4, 2015) and adjourned the meeting at 11:04 AM.