MINUTES OF THE CARE DELIVERY AND PAYMENT SYSTEM TRANSFORMATION COMMITTEE

Meeting of April 1, 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: Wednesday, April 1, 2015, 11:00 AM – 12:30 PM

PROCEEDINGS

The Massachusetts Health Policy Commission's (HPC) Care Delivery and Payment System Transformation (CDPST) Committee held a meeting on Wednesday, April 1, 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. Alice Moore, designee for Ms. Marylou Sudders, Secretary of Health and Human Services.

Dr. Allen called the meeting to order at 11:12 AM.

ITEM 1: Approval of minutes

Dr. Allen asked for any changes to the minutes from March 4, 2015. Seeing none, she called for a motion to approve the minutes, as presented. **Dr. Allen** made the motion and **Ms. Moore** seconded. The minutes were unanimously approved by members present.

Dr. Allen briefly reviewed the day's agenda.

ITEM 2: Discussion of Registration of Provider Organizations Data Submission Manual for Initial Registration: Part 2

Ms. Kara Vidal, Program Manager for Registration of Provider Organizations (RPO), presented on the Data Submission Manual (DSM) for Initial Registration: Part 2 of the program.

Ms. Vidal reviewed the value of the RPO program. She stated that the program structure provides value in four ways. First, the data are self-reported by provider organizations, which minimizes the possibility of error and ensures that the program is receiving the most up-to-date information. Second, the data will be uniform across all organizations. Third, the database will be linkable with other data sets through required data elements such as tax identification numbers and license numbers. Fourth, the data are public, which furthers the RPO program's goal of transparency, and will allow policy makers, researchers, and other interested parties to use the data in their own work.

Ms. Vidal next provided an overview of the purpose of the RPO program. She stated that RPO provides a foundation of information necessary to support health care system monitoring and

improvement. She emphasized that the Commonwealth will find value in the content added to the public dialogue through the program. She also noted the importance of having this regularly reported data. Ms. Vidal stated that the high-level information gathered from Initial Registration: Part 1 has already been useful for other HPC policy work.

Ms. Vidal reviewed a list of applications received to date. She noted that the numbers will continue to change as staff reviews applications. She stated that the HPC received 62 applications by the November 14, 2014 deadline and 16 additional applications from November 14, 2014 to April 1, 2015. She stated that she anticipates four more applications in May, for a total of 82 applications. Ms. Vidal noted that not all 82 provider organizations will move onto Part 2 of the program. For example, 15 of the 82 are corporate affiliates of registrants that are not required to register separately.

Ms. Vidal provided a summary of Part 1 applicants. She stated that 51% of applicants were from integrated systems, 38% from physician groups, 8% from behavioral health organizations, and 3% other. Ms. Vidal noted that the behavioral health number is low because many of the behavioral health organizations have a large Medicaid or Medicare population and, as such, did not meet the requirements for reporting.

Dr. Cutler asked what percentage of the Commonwealth's physicians are captured through the RPO Program. Ms. Vidal stated that this data will be collected in Part 2 of the program.

Ms. Vidal reviewed the corporate affiliations of provider organizations. She noted that, of the 59 applications reviewed, 20 organizations had zero to one corporate affiliation and 14 reported more than 10 corporate affiliations. Ms. Vidal stated that 56% of registrants applied for a Risk Certificate or Risk Certification Waiver from the Division of Insurance, meaning that more than 50% of registrants are taking on downside risk. She further stated that 37% of registrants applied to file an abbreviated application in Part 2. She noted that these organizations were largely physician groups because they often contract through large integrated systems.

Ms. Vidal summarized that the HPC had completed an initial review of 100% of the applications received in Part 1 and was 70% complete with the more intensive review. She noted that the next step for Part 1 is to upload data into CHIA's online portal to prepare for Part 2 registration.

Ms. Vidal provided the Committee with an overview of the anticipated process for Initial Registration: Part 2. She stated that the staff anticipates releasing the Part 2 DSM for public comment in April 2015, with the goal of the 60-day registration period beginning in August 2015. Ms. Vidal stated that the majority of Part 2 registration will occur through CHIA's online portal, but that the HPC will release Excel templates in June for those questions that lend themselves to such reporting.

Ms. Vidal reviewed the major categories of the Part 2 registration requirements. She stated that Provider Organizations will be asked to provide additional identifying information about each of their corporate affiliates in Part 2, including zip code, tax status, and level of ownership.

Ms. Vidal stated that the Part 2 information on Contracting Relationships will include a list of on whose behalf the Provider Organization establishes contracts, and details about the types of contracts and services offered to the Provider Organization's contracting affiliates.

Ms. Vidal summarized information requests on facilities and physicians. She stated that the RPO statute directs the HPC to collect information on Full Time Equivalency counts for Health Care Professionals. Applicants, however, responded that they did not have this data, so the HPC will ask for a physician roster in Year 1 of the Program to fulfill this statutory requirement. Applicants will also be asked to submit a list of the licensed facilities that they own.

Dr. Cutler asked what this excludes. Ms. Vidal responded that the list of licensed facilities will likely exclude physician offices that are not licensed as clinics or hospital satellites.

Ms. Vidal reviewed the information that the statute requires the HPC to gather on Clinical Affiliations. She noted that the RPO program aims to reduce administrative burden and, as such, the HPC removed many questions from Part 2 to eliminate duplicative reporting.

Dr. Allen asked whether the program would capture which practices are members of an independent practice association. Ms. Vidal stated the physician roster would include this information and that staff was leveraging existing resources to obtain this data where possible. Dr. Cutler stated that the HPC knows physicians based on CHIA's data. He asked whether the HPC could examine what share of spending is completed by these physicians. Ms. Vidal responded in the affirmative.

Dr. Cutler asked for clarification on the 51% of applicants who are part of an integrated system. Ms. Vidal responded that systems that contained at least one acute hospital and affiliated physicians were included in this category.

Dr. Allen asked for any additional questions on the RPO Program. Seeing none, she moved to the next agenda item.

ITEM 3: Discussion of HPC Certification Programs

Ms. Ipek Demirsoy, Policy Director for Accountable Care, reviewed the day's certification agenda, including a presentation on the Accountable Care Organization (ACO) Certification Program and model payment for the Patient-Centered Medical Home (PCMH) Certification Program.

ITEM 3a: ACO Program: Overall program design framework

Ms. Demirsoy stated that one of the main goals as the HPC develops the ACO program is to minimize unnecessary administrative burden on providers. She noted that the HPC's ACO program will be compatible with existing Medicare ACO programs and aligned with the timeline of MassHealth's ACO program. She stated that the HPC would maintain flexibility and continue to be evidence-based as it frames its work.

Ms. Demirsoy reviewed three options for the construct of the ACO Certification Program. She noted that the HPC must decide on the fundamental goal of the program before beginning program development. The three options are: (1) a low bar data collection process, (2) a program with broad pass/fail participation that builds enhancements to existing ACOs through a "gold star" classification, and (3) a tiered program with narrower participation.

Ms. Demirsoy stated that, based off of extensive research and stakeholder conversations, the HPC should pursue Option 2.

Dr. Allen stated that the HPC needs to take a firm stance on the definition of an ACO and tell organizations whether they qualify as such.

Dr. Cutler stated that there is not enough information for the HPC to pursue Option 3. He stated that the decision to pursue Option 1 versus Option 2 is founded in how much the HPC wants to differentiate its program from CMS. He asked how the HPC could distinguish its program from other public ACO programs in a way that continues to add value.

Ms. Demirsoy noted that the HPC could enhance its program around alternative payment methodologies (APMs). She stated that CMS only looks at primary care providers. She asked Commissioners whether the HPC should look at specialists as well. Dr. Cutler asked for more information on proposed requirements around APMs. Ms. Demirsoy reviewed the sample requirements for APM adoption under Option 2.

Ms. Moore stated that the HPC should fall somewhere between Option 1 and Option 2. She asked for further examples to clarify the distinction between the options. Ms. Demirsoy stated that they would have different care delivery requirements and decisions. She further stated that Option 2 would examine patient satisfaction beyond access and quality.

Mr. Seltz stated that, in selecting one of the options, the HPC wants to be reflective of the Massachusetts market and review performance overtime.

Ms. Demirsoy reviewed the overall program structure. She stated that, under Option 2, the HPC would create an ACO Certification Program with mandatory requirements around legal structure, governance, patient protection, and market protection. Additionally, the HPC would, in time, create a Model ACO Designation which would be more heavily weighted towards outcome measures. Finally, the HPC, through the ACO program, will work to develop models for payment, contracts, and other methodologies to improve market efficiency.

Dr. Allen stated that the Model ACO will signal where the program is headed. She noted that measures may get better over time.

Dr. Cutler stated that the work to improve market efficiency is extremely important and should be started as soon as possible.

Ms. Demirsoy briefly reviewed the proposed capability domains for certification. She noted that the HPC developed these domains by examining other programs and talking with experts.

Ms. Demirsoy reviewed the proposed capability domains and requirements and how they align with CMS. Dr. Cutler noted his appreciation for the presentation of this information and asked about next steps. Ms. Demirsoy responded that the next step is to take the HPC's proposed enhancements to experts and stakeholders for review.

Ms. Demirsoy reviewed next steps for the ACO program. She noted that the HPC would continue to refine the ACO structure, criteria, and documentation in April. She stated that the HPC would obtain input on proposed program design from the board and stakeholders throughout the summer.

Dr. Cutler inquired on the timeline for the MassHealth ACO program.

ITEM 3b: PCMH Program: Model payment approaches

Ms. Demirsoy briefly reviewed the five key initiatives of the PCMH program. She stated that the remaining time at the day's meeting would be used to examine the timeline for a model payment framework.

Ms. Demirsoy stated that the HPC has been performing an assessment of the MA market landscape to identify gaps. Additionally staff have been researching payment models in other states to identify learnings on PCMH payment. The goal of this research is the development of a conceptual framework for a PCMH model payment.

Ms. Demirsoy stated that the staff is holding two focus groups in March to engage with stakeholders on the conceptual framework of the PCMH payment model. She noted that this engagement will continue through meetings and public comment with the goal of finalizing payment policy recommendations in Q3 2015.

ITEM 4: Schedule of Next Committee Meeting (May 5, 2015)

Noting the time, Dr. Allen announced the next meeting of the Care Delivery and Payment System Transformation Committee (May 5, 2015) and adjourned the meeting at 12:37 PM.