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BY ELECTRONIC MAIL

February 8, 2019

David Seltz Executive Director Health Policy Commission 50 Milk Street 8th Floor Boston, MA 02109

Re: Proposed 2019 Accountable Care Organization (ACO) Certification Standards

Dear Mr. Seltz:

On behalf of Atrius Health, I am writing to provide input to the Health Policy Commission (HPC) on the proposed 2019 Accountable Care Organization (ACO) Certification Standards released on December 18, 2018.

Atrius Health is an HPC-certified ACO and an innovative nonprofit healthcare leader delivering a system of effective connected care to more than 720,000 adult and pediatric patients in eastern Massachusetts at 32 clinical locations, with more than 50 specialties and 825 physicians working together with home health and hospice services using its VNA Care subsidiary, and in close collaboration with hospital partners, community specialists and skilled nursing facilities. Our vision is to transform care to improve lives. Atrius Health provides high-quality, patient-centered, coordinated, cost effective care to every patient we serve. By establishing a solid foundation of knowledge, understanding and trust with each of its patients, Atrius Health enriches their health and enhances their lives. Learn more about Atrius Health at <u>www.atriushealth.org</u>.

We appreciate the willingness of the HPC staff to take into consideration the viewpoints of providers subject to reporting as part of the Accountable Care Organization Certification Standards for 2019 and offer the following feedback:

General Feedback:

We support the HPC in its important work in reducing health care costs, improving quality, and providing data and analysis to state policymakers to facilitate informed decision-making. However as you are aware, every request for more or different data from providers requires us to commit and/or divert already limited resources that might otherwise be used to provide or improve the care we deliver to our patients. With that in mind, we encourage HPC to limit its requests for information to those that are absolutely necessary for the HPC to perform its responsibilities and to information that is not already available in another format or through another agency.

Specific Feedback on Questions Posed by the HPC:

With respect to specific questions posed by the HPC on the proposed 2019 ACO Certification program we offer the following feedback for your consideration:

1. Do the proposed 2019 Assessment Criteria reflect reasonable expectations for ACO capabilities in important operational areas? If not, how should they be modified?

We agree with the majority of the criteria outlined by the HPC. The proposed criteria rightly assess patient-centered care, population health management, and quality improvement. However, there is limited focus in the proposed criteria on total medical expense (TME). Managing TME while improving quality is a central function of an ACO and a key focus for HPC, and as such, we strongly believe this should be included by the HPC in its assessment criteria.

2. Do the proposed 2019 Supplemental Questions in each category ("Adding to the Evidence Base" and "Emerging Topics") reflect the topics of greatest importance? If not, how should they be modified? Which of the proposed questions are the most important in each category?

Central to the goals of Chapter 224 and to the purpose of the HPC's ACO Certification program is cost containment, and therefore managing TME should be central to the ACO Certification program as noted above and should be most important to any supplemental question. In addition to this general feedback, we have comments regarding administrative burden and particular comments on several questions.

We cannot emphasize enough that the administrative burden of the numerous certifications, registrations and other filings that we must now complete is real and carries costs which are ultimately borne by consumers and the Commonwealth. Requiring responses to additional queries adds to that burden, and in this instance, without clear added benefit to our patients or the Commonwealth.

"Market Functioning" – The question of price variation and referrals as it relates to the ACO certification process is one that does not seem to directly relate to the certification of ACOs. We recommend that the HPC explore whether it can either obtain the data it needs through the RBO or RBPO processes and/or reduce the amount of information being requested in this particular template that is required for ACO certification.

"Providing High-value Care" – In our opinion the proposed question is overly broad. While the goal of high-value care is central to ACOs and should be a central goal of the ACO Certification program, HPC likely would receive more meaningful responses from applicants if the questions are more targeted and specific. We further recommend HPC consider modifying the word "redirect" to "direct" as the language as proposed implies that patients were initially directed to one setting and later warranted redirection to an alternative location. The question as written seems to exclude structural strategies and initiatives that will drive long term movement to lower acuity settings, thereby lowering TME. It is our experience that these programs, rather than occasional redirecting of those patients (i.e. rework), are what drive down the cost of care and also improve patient experience.

"Coding" – We recommend the HPC remove this topic from the list of supplemental questions. The purpose of risk coding is to ensure patient acuity is captured accurately, and is unrelated to whether or not the ACO is providing high-value care. While risk coding may be of policy interest to the HPC, it is our opinion that this is not within relevant to or within the purview of ACO certification.

3. Does the proposed Background Information section include appropriate questions for understanding the type, size, experience, patient population, and other key organizational characteristics of the ACO? If not, how should they be modified?

The Appendix "Risk Contract Information Proposed Template," duplicates at least some of the data elements that are currently required for both the RBPO and RPO filings. In addition, it is not clear why the HPC needs to collect this information at this level of detail given the administrative burden already placed on providers.

4. Do you have any questions or concerns about using MA-RPO data to identify hospitals and primary care practices participating in the ACO?

No.

5. On the whole, are the certification criteria appropriate for ACOs of varying types, sizes, levels of experience, etc., and all ACO patient populations? If not, why, and how should they be modified?

Atrius Health strongly believes that TME and efforts to control the rate of increase in TME should be a factor in ACO certification. HPC should require that ACOs regularly assess TME and have improvement strategies to control and reduce TME. Further, we believe that ACOs with lower TME than their counterparts should be rewarded and/or recognized for the work this area which is the hallmark of Chapter 224. Otherwise, Atrius Health believes that the criteria are appropriate for experienced, physician-based ACOs.

6. Does the proposed 2019 HPC ACO Certification program appropriately balance the need for a rigorous certification program with the provider administrative burden that may be associated with certification?

As noted earlier, the administrative burden on providers of numerous state reporting requirements, including ACO Certification, is significant. The proposed 2019 Supplemental Questions, in particular, create administrative burden. In particular, we request that the HPC eliminate standard templates for reporting on quality performance, allowing us to leverage our existing reports. Should such standardization be necessary for

the HPC's analysis of these certification responses, we respectfully request that HPC staff undertake this administrative work, rather than shifting it to ACOs.

7. Do you support the HPC's proposal to offer a Distinction program for certified ACOs that recognizes performance improvement in health outcomes, care, cost, and health equity? Why or why not?

While Atrius Health had supported provisions contained within Chapter 224 to create a "Model ACO" program and potentially incentivize providers to seek this higher ACO category, we do not support the distinction program as proposed by the HPC. Atrius Health would not apply for such a program without further refinements to the proposed criteria.

Atrius Health believes that basing "distinction" on **improvement** rather than on a high level of achievement in areas that are central to the goals of the HPC and of Chapter 224 (such as lowering TME and providing exceptional patient care) is flawed and misleading. According to Merriam Webster Dictionary, "Distinction" means "the quality or state of being excellent or superior: the quality or state of being distinguished or worthy." The proposed "distinction program" as outlined appears to only reward those who have **improved** rather than those ACOs that have been largely ahead of other Massachusetts providers in meeting the triple aim. It is high performance that is meaningful to patients, employers and policymakers, rather than improvement. We would not object to calling this an "Improvement program" should that be desirable for other reasons.

There does not appear to be any clear benefit to obtaining "distinction" status (for example, less frequent or limited filings with the HPC or preferred provider networks in GIC product design. We respectfully suggest that given the limitations of this particular program as proposed, the HPC should postpone implementation of the distinction program and convene a group of stakeholders over the coming year for consideration in 2020.

8. What is the most appropriate duration of time for ACO Distinction - two years? Three years?

No comment.

9. For the Distinction program, what are the most appropriate measures for cost, quality and access? Is it feasible for ACOs to report the TME or TCoC at the Applicant level, across all risk contracts or risk contract categories?

No comment.

10. For the Distinction program, how should the HPC evaluate improvements in health equity? What should Applicants be required to demonstrate with regard to health equity in order to achieve Distinction?

No comment.

11. For seeking Distinction in 2020, what are the most recent two years of internal data that ACOs will have on cost, quality, access and equity?

No comment.

12. What standards should the HPC use to evaluate strategic plans submitted by Applicants for Distinction? Should the HPC select metrics for Applicants' strategic plans, or should Applicants select their own metrics for strategic plans?

No comment.

In closing, we fully support the program's goals to create high value patient centered care that incorporates a patient's medical, behavioral and health related social needs and appreciate the opportunity to provide comments on the proposed draft. If you have any questions regarding this testimony or require further information, please contact me at (617) 559-8323 or Kathy Keough, Director of Government Relations at (617) 559-8561.

Sincerely,

Mari Suraire

Marci Sindell Chief Strategy Officer and Senior Vice President, External Affairs