# Delivery System and Payment Alignment Work group Meeting Notes

| Date:                 | May 6, 2015   | Location:               | Public Utilities Commission 1150 E.<br>Williams Street, Hearing Room B, Carson<br>City, NV |
|-----------------------|---|-------------------------|--|
| Time:<br>Facilitator: | 1:00 – 3:00pm (PDT)<br>Catherine Snider   | Call-In #:<br>PIN Code: | 1-888-363-4735<br>1329143  |
| Purpose:              | Meeting to identify areas of focused improvement in the Nevada health care delivery and payment system. |                         |  |

Catherine provided an overview through the presentation slides of SIM and the structure of the SIM teams. A summary of potential items for alignment was discussed including Patient Centered Medical Homes, a model to integrate physical and behavioral health programs and opportunities for pay for performance.

The following summarizes the discussion of the participants:

### Managed Care Organizations (MCOs) -

- 2 MCOS in Nevada: Amerigroup and Health Plan of Nevada (HPN).
- Amerigroup has been in place for approximately 7 years in Nevada serving approximately 170 190K lives in Washoe and Clark Counties.
- Expansion has added new enrollees. Prior to expansion MCOs were serving low-income families, children and pregnant women. The average expansion population patient is approximately 37 years old, male and childless.
  - The newly enrolled is a large population that has never had health insurance coverage and familiar with receiving their healthcare through the ED versus through a primary care physician. Large numbers of members in need of behavioral health treatment.
  - Mailing doesn't work well with this population. Using non-clinical case managers to train this new population on health care and health literacy. There is a transitional care vendor operating in the hospital making face to face contact with patients.
- Concerns noted by MCO participants included lack of providers, particularly specialty care (behavioral health, cardiology, etc.). It was mentioned that although MCOs have been good to work with, from the provider perspective is it is not integrated care.
- Recommendations included payment alignment across payers, measure alignment for pay for performance and integrating behavioral health and physical health services. Expand Community Health Workers to facilitate the learning and coordination processes.
- Incentive programs are operational in the state.
  - Patient incentive programs: "Mommy and Me program." If Mom attends all of her visits; including prenatal and postpartum visit, she will receive an incentive. Diabetes program, if they attend first; will receive gas card or bus pass.
  - Provider incentive programs: are in place to incentivize member retainment, improvement of HEDIS measures, including improving well-child visits and alignment with behavioral health.

## Patient Centered Medical Home (PCMH)/ Accountable Care Organizations (ACOs) -

- To conduct a PCMH it was noted that it requires payment alignment, paying for the components that do not fit to direct care, referral tracking, patient education, and population health analytics.
- It was noted the state may have 65 recognized sites up to possibly 100. It was noted that
  it can take up to 5 years to become accredited. PCMH is a multi-pronged process, that
  requires careful attention to staffing, flow charts, improving access to direct care, expanding
  hours, more staff, front and back establishing the patient engagement component.
  Embedded care coordinators are important, as well as patient support, medication therapy,
  and counseling. It is important that providers record properly in the electronic medical
  record (EMR).
- A Renown representative noted that care coordination could be, and will be for their organization, centralized with analytics, remote monitoring, focused on outreach separate from the providers' office.
- ACO was described as a payer that is aggregating patients, and then aggregating delivery
  networks through contracts. The ACO in Nevada started with Medicare FFS and they are in
  their second year. The ACO was piloted through Home Town Health commercial book of
  business for a year, and then changed to a self-funded pilot for one year formally
  contracted with Renown in a shared savings model.
  - A difference is that an ACO is treated as an independent, legal entity, with separate agreement, empaneling patients, attributing to a provider.
  - The experience to date with the ACOs identified that there are good outcomes with utilization, improvements in hospital bed days per 1000, ER, admissions and readmissions based on the 9,000 beneficiaries attributed in their ACO population. They have seen double digit reductions. However, pharmacy spend has been a significant challenge. It was also mentioned that there are trying to expand to include more specialist, independent, skilled, hospice,

#### • General discussion:

- It was noted that it is becoming more important for providers to have access to claims data in order to participate in alternative programs with payers.
- It was mentioned that even within a predominantly closed system with the majority of information available through the same EMR, there still can be up to 40% of care occurring at independent providers and institutions and is unaccounted for.
- It is important to be a part of a health care neighborhood; partnering with providers.
- In regards to P4P measures, it was noted that there should be a reconciliation mechanism.
- It was also noted that Medicare is aggressively consolidating measures, many of the measures are adult oriented, but there is still a need for some pediatric measures. The implementation of P4P measures for value-based purchasing was phased in over time, which was recommended. Year 1 of your ACO it is expected that you can demonstrate that you can report on all the quality measures. In Year 2, report on all, and then demonstrate improvement on half. In Year 3 demonstrate improvement on all. It was noted that this was a thorough implementation, knowing you wouldn't go from volume to value immediately.

### Administrative -

 It was noted that it would be more convenient for participants if the meeting was held in Reno and possibly alternate locations.