

Alternative Payment Methodologies in Oregon

The State of Reform

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Oregon Health & Science University

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PRESENTATION OVERVIEW

- Project background
- Methodology
- Key findings
- Best practices

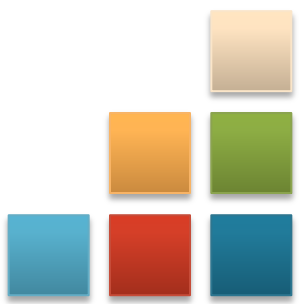


Alternative payment methodologies (APMs) are intended to reward providers for the **value** of care, rather than for volume



CONTEXT

- 2013 multi-payer agreement on Patient Centered Primary Care Home (PCPCH)
- [The Oregon Health Authority](#) contracted the [Center for Evidence-based Policy](#) to:
 - Facilitate meetings of public & private payers, to find agreement on:
 - A common definition of PCPCH & levels of coordination
 - A common set of core metrics for measuring progress



PROJECT BACKGROUND

- CCOs are required by statute to implement at least one APM
- [The Oregon Health Authority](#) contracted the [Center for Evidence-based Policy](#) to:
 - Review evidence for effectiveness of APMs
 - Investigate the status of APM development in Oregon
 - Recommend tools, strategies & best practices for APM implementation in Oregon



METHODOLOGY



Literature Review

- Policy sources
- Evidence sources



Interviews

- 18 Oregon thought leaders



Facilitated Discussions

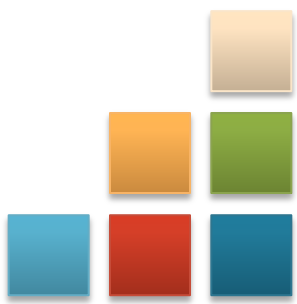
- 7 stakeholder groups



Implementation Interviews

- 12 CCO representatives





APM MODELS

EPISODES OF
CARE

**BUNDLED
PAYMENTS**

SHARED
SAVINGS

SHARED SAVINGS WITH
SHARED RISK

**PAY-FOR-
PERFORMANCE**

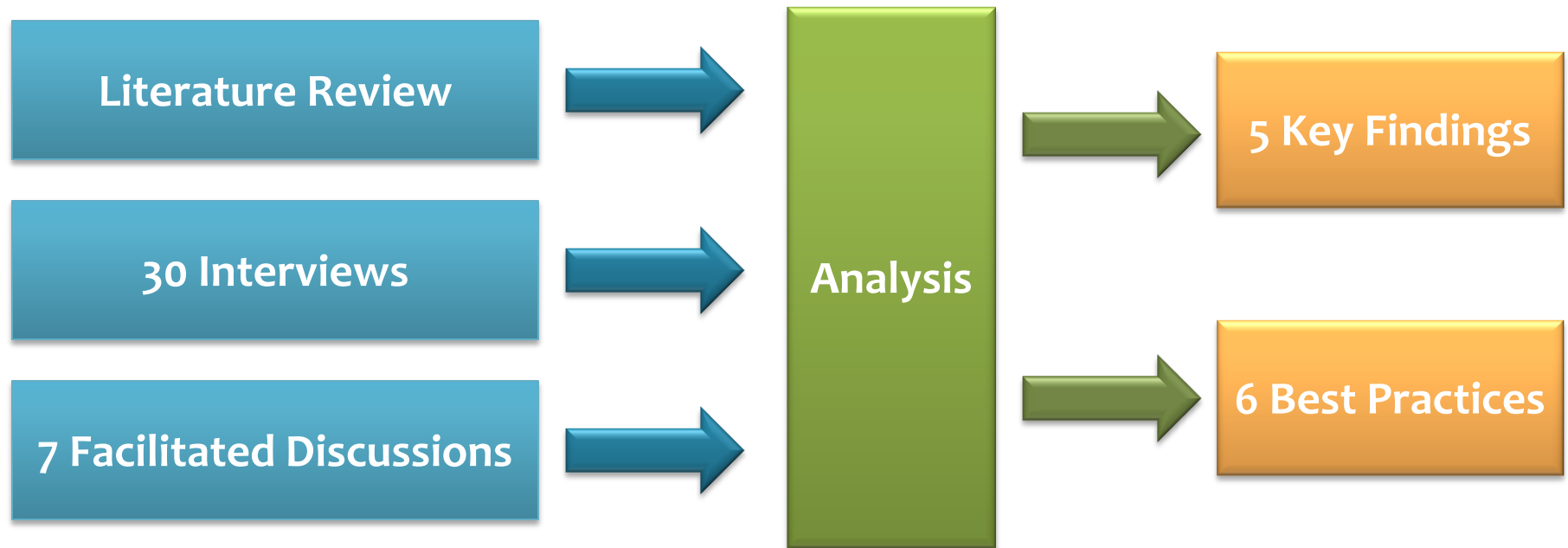
**PAYMENT
PENALTIES**

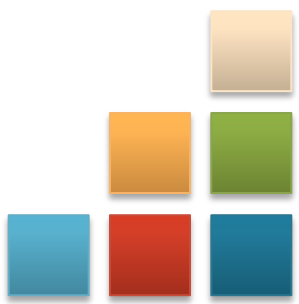
CAPITATION





ANALYSIS





KEY FINDINGS

5 APMs *can* be effective in reducing utilization & costs while improving quality of care

4 Thought leaders understand APM models, support their development & implementation



*“It’s not whether we do
APMs in Oregon, it’s
how.”*

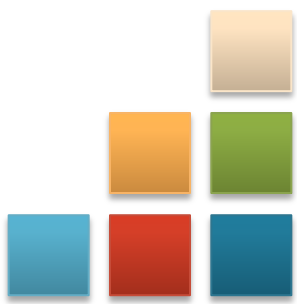


KEY FINDINGS

- 3 There is no “one-size-fits-all” model for APMs.
- 2 Reform decisions need to be made at the local level & involve all stakeholders



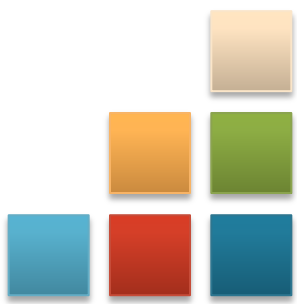
1 It's all about
relationships



RELATIONSHIPS

- Defined by trust & communication
- Require time & effort
 - Particularly if relationships were non-existent or negative





BEST PRACTICES IN APM DEVELOPMENT



**Invest in
relationships**



**Acquire
useable data**



**Establish
strong
leadership**



**Value
simplicity**



**Prioritize a
“win-win”
agreement**



Persevere

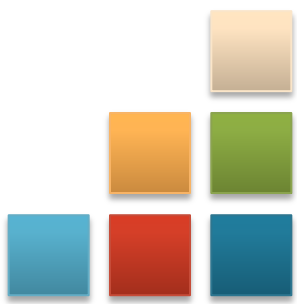




IMPLEMENTATION PRESENTATIONS

- AllCare CCO
Cynthia Ackerman, AllCare Health Plan
Michelle Vest, Consultant, AllCare Health Plan
- Central Oregon CCO
MaryClair Jorgensen, St. Charles Health System
John Ryan, Central Oregon IPA
- Eastern Oregon CCO
Sean Jessup, Moda Health





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