

VBP contracting elements checklist

This checklist identifies key elements that should be incorporated into value-based contracts between a provider and a CCO. Not all elements apply to all forms of value-based payment arrangements.

Covered services

- Specific services, including CPT codes, included in and excluded from the payment
- Which type of providers may submit claims for the services included in the payment
- For episode-based payments, what triggers the payment and the time period covered by the payment

Data and reporting responsibilities

- CCO's responsibilities to furnish data and reports to help providers manage their clinical and financial risk
- Providers' responsibilities to submit quality and encounter data

Patient attribution

- Clear process for attributing patients, including:
 - Whether attribution will be prospective or retrospective
 - Whether attribution will be to a single provider or multiple providers
 - Clear algorithm for determining patient assignment

Payment terms

- Financial risk arrangement, such as the bonus payment or risk-sharing structure
- Whether payment will be prospective or retrospective
- Timetable for receiving bonuses or risk-shares, or in downside risk arrangements, payment of monies due
- Timeframe for reconciliation, if payment involves retrospective reconciliation
 - Method of reconciliation, if multiple provider entities are involved

Performance measures and benchmarks

- Measures selected (should consider shared goals, conditions and services included, and capacity to collect/share data)
- Performance benchmarks or thresholds
- How provider performance on the quality benchmarks will be calculated, including the relative weight or importance of specific measures

Performance period and phase-in

- Performance period (which may be distinct from the agreement term)
- If there is a ramp-up period prior to starting the performance period, it is clearly articulated
- If an episode-based arrangement, the performance period clearly defines "sub-periods" for specific episodes

Provider participation requirements

- Explicit requirements providers must meet to participate in the value-based payment arrangement
- For arrangements involving downside risk, requirements for risk mitigation (for example, obtaining reinsurance for high-cost patients)

Risk adjustment

- Components of the value-based payment arrangement that are subject to risk adjustment
- Methodology for adjusting risk when risk-adjustment is applied