

Advanced Health, LLC

**2021 CCO 2.0 VBP Interview Questionnaire
Response**

By

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May 2021

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CCO 2.0 VBP INTERVIEW QUESTIONNAIRE RESPONSE

1 Describe how your CCO engages stakeholders, including providers, in developing, monitoring, or evaluating VBP models. If your approach has involved formal organizational structures such as committees or advisory groups, please describe them here.

From 2020 response:

Advanced Health's process for developing and evaluating value-based payments (VBP) begins informally with conversations between CCO staff and Providers we wish to establish VBP contracts with. A review of the Health Care Payment Learning & Action Network (HCPLAN) APM Framework and the Oregon Health Authority's (OHA) guidance documents usually leaves CCO staff with an understanding of the Provider's initial wishes and tolerance for risk.

The information is then discussed among an internal team consisting of CCO leadership, finance, and quality staff. Through selection of a payment mechanism and quality component(s), the internal team designs a VBP concept it believes will control costs, increase quality, and mitigate any unintended consequences or perverse incentives that may negatively impact Members, Providers, or other stakeholders.

A proposal is produced and presented to Advanced Health's Clinical Advisory Panel. The Clinical Advisory Panel was chosen as a forum for developing and evaluating VBP contracts to obtain perspectives more attuned to patient care and provider practices. The panel considers whether the proposed VBP contract is in the best interest of Members and Providers. The panel can recommend approval, changes, or dismissal of a VBP concept.

Advanced Health and Providers holding VBP contracts monitor VBP contracts using a suite of Tableau dashboards. In 2020, Advanced Health built an external-facing Tableau server through which Providers can monitor performance against

Advanced Health 2021 CCO 2.0 VBP Interview Questionnaire Response

any per-member-per-month (PMPM) spending or quality targets. The dashboards also show Providers any estimated bonus/penalty for quality or spending performance and member risk stratification and member attribution, where applicable.

Advanced Health benefits from a long history of alternative payment model adoption. Prior to CCO 2.0, approximately half of Advanced Health's member services expenses were paid via HCPLAN category 4N contracts. The process of transitioning these contracts to HCPLAN 4A contracts can be as simple as tying payment to quality measure performance. Although the payment mechanisms for contracts like these were largely developed prior to CCO 2.0, they undergo the same evaluation and monitoring process.

New in 2021:

As Advanced Health continues expanding VBP arrangements in the behavioral health and other care delivery areas, it is critical stakeholders with close ties to each care delivery area have a say in early VBP design. When additional input is needed, Advanced Health enlists a care delivery area expert to assist in transitioning each care delivery area to VBP. Advanced Health's 2021 VBPs include its two largest behavioral health providers. Advanced Health enlisted its Behavioral Health Director to work directly with the behavioral health providers to design the capitated structure and quality component.

2 Has your CCO taken steps to modify existing VBP contracts in response to the COVID-19 public health emergency (PHE)? [Select one]

CCO modified VBP contracts due to the COVID-19 PHE. [Proceed to question 3]

CCO did not modify any existing VBP contracts in response to the COVID-19 PHE. [Skip to question 4].

Advanced Health made minimal changes to existing VBP contracts in response to COVID-19.

From 2020 response:

Advanced Health's heavily capitated provider contracts were effective in partially insulating the majority of our providers from the financial impact of the COVID-19 outbreak. Approximately half of Advanced Health's member service expenses are paid via HCPLAN Category 4A or 4N contracts. We believe the COVID-19 outbreak strengthens the case for HCPLAN Category 4 contracts.

2021 comments:

Advanced Health's Provider network remained solvent in 2020 even without Advanced Health paying provider stabilization payments. The largest factors

contributing to the Advanced Health network's resilience were the capitated payments made by Advanced Health to its sub-capitated entities and those made by the sub-capitated entities to downstream Providers. Due to the prevalence of HCPLAN Category 3B or higher contracts, Advanced Health's Provider payments looked very similar to those of prior years. Additionally, the early release of 2019 quality pool funds, the suspended 2020 quality withhold, and the increase in telehealth helped to support those Providers paid all or in part through fee-for-service contracts.

b) If the CCO modified behavioral health care VBP arrangements due to the COVID-19 PHE, which if any changes were made? (select all that apply)

- Waived performance targets
- Modified performance targets
- Waived cost targets
- Modified cost targets
- Waived reporting requirements
- Modified reporting requirements
- Modified the payment mode (e.g. from FFS to capitation)
- Modified the payment level or amount (e.g. increasing a PMPM)

4 Did your CCO expand the availability or the provision of telehealth to members as a result of COVID-19? If so, describe how telehealth has or has not been incorporated into VBPs in 2021.

Enabled by CMS's 1135 waiver and updated HERC guidelines, Advanced Health expanded the use of telehealth through technical assistance to Providers and grant funding to support telehealth access. Advanced Health's efforts were focused on increasing the availability of telehealth services as quickly as possible to minimize the interruption of Member care and to ensure the solvency of network Providers.

Advanced Health offered technical assistance to Providers following the change in telemedicine guidelines. This included Provider assistance with telemedicine workflow design and Provider training on billing practices consistent with the updated guidelines.

In May of 2020, the Advanced Health Board of Directors authorized a Telehealth Access Fund. All local in-network Providers were invited to apply for funds to quickly increase the availability of and improve access to telehealth services to meet the needs of Advanced Health members. Project proposals were reviewed by the

Clinical Advisory Panel for final funding determination. Funds were awarded to 10 different provider organizations within the Advanced Health network. Funding awards were split between counties with approximately 10% of funds going to providers in Curry County and 90% to providers in Coos County. Advanced Health recruited applicants from the behavioral health network and was pleased to be able to award approximately 41% of the funds to behavioral health and substance use treatment providers. Another 51% of the funds were awarded to PCPCH recognized clinics with integrated behavioral health available to patients. The remaining 8% of funds were awarded to physical health only providers and organizations.

Telehealth has not been explicitly incorporated into VBPs through, e.g., telehealth specific PMPM payments or quality bonuses. However, nearly all Advanced Health's in-network Providers offering telehealth services are paid under an alternative payment model contract predating the change in guidelines. As such, telehealth services for these Providers are subject to any quality bonuses, withholds, and/or spending targets consistent with each Provider's contracts.

The work to promote telehealth services resulted in an eight-fold increase in telehealth service utilization between March and April of 2020, followed by continued elevated utilization. See Figure 1 to view Advanced Health's tool for tracking telehealth utilization.

5 Has your CCO's strategy to measure quality changed at all as a result of COVID-19? Please explain.

COVID-19 and the associated shift in service utilization has made measuring quality improvement challenging. Most of Advanced Health's VBPs predating COVID-19 tied quality measure performance to an improvement target based on the Provider's prior year performance. Provider 2020 quality performance is usually not a viable baseline for 2021 because of swings in utilization. Provider contracts have been modified to use 2019 performance as a baseline for measurement year 2021.

6 Describe in detail any processes for mitigating adverse effects VBPs may have on health inequities or any adverse health-related outcomes for any specific population (including racial, ethnic and culturally based communities; lesbian, gay, bisexual, transgender and queer [LGBTQ] people; persons with disabilities; people with limited English proficiency; immigrants or refugees; members with complex health care needs; and populations at the intersections of these groups). Please focus on activities that have developed or occurred since September 2020.

Advanced Health's processes for mitigating potential adverse effects of VBPs is similar to the process used in 2020 with a focus on countering any perverse incentives created by VBPs using countering incentives.

However, as part of Advanced Health's Health Equity Plan, we will begin collecting and coalescing data from disparate data sources to enhance our ability to identify health inequities. Although Advanced Health's existing suite of analytical tools enables staff to identify apparent inequities in quality measure performance, the primary source of demographics data used is eligibility data found in 834 files. These files lack information on Member sexual orientation and the demographic data that does exist is sometimes incomplete (e.g., undisclosed race, undisclosed ethnicity). This, along with Advanced Health's small population, makes credibly identifying inequities difficult. Through collecting this information from Reliance eHealth Collaborative (health information exchange), health risk assessments, care coordination intake screenings, and other sources we hope to expand our ability obtain credible results. Credible results will enable Advanced Health to tie Provider payments to health equity through the incorporation of disparity measures into VBP contracts.

7 Have your CCO's processes changed from what you previously reported? If so, how?

N/A

8 Is your CCO planning to incorporate risk adjustment in the design of new VBP models, or in the refinement of existing VBP models?

Advanced Health currently employs risk adjustment in most capitated primary care contracts to better match Provider payment to Member risk. We plan to use risk adjusted quality measures in primary care VBPs in the future. See prior year questionnaire.

9 Describe the process your CCO has used to address the requirement to implement PMPM payments to practices recognized as PCPCHs (for example, region or risk scores), including any key activities, timelines and stakeholder engagement. Please focus on new developments, changes or activities that have occurred since September 2020.

The process Advanced Health used to address the requirement to implement PMPM payments to PCPCH practices predates September 2020. The framework described in the 2020 questionnaire response is still in effect today. The most significant change in PCPCH PMPM payments since September 2020 has been the incorporation of integrated and outpatient behavioral health into some contracts.

10 Please describe your CCO's model for providing tiered infrastructure payments to PCPCHs that reward clinics for higher levels of PCPCH recognition and that increase over time. If your CCO has made changes in your model to address this requirement since September 2020, please describe any changes or new activities.

Advanced Health's model for providing tiered infrastructure payments to PCPCH practices has not changed since September 2020. PCPCH practices are paid a base, risk adjusted, capitated primary care payment. A PMPM infrastructure add-on is then applied. The add-on varies by tier between PCPCH tier two and five (Advanced Health has no tier one PCPCHs in its service area). The infrastructure PMPM payment rates increase by ten percent each year.

11 Describe your CCO's plans for developing VBP arrangements specifically for behavioral health care payments. What steps have you taken to develop VBP models for this care delivery area by 2022? What attributes do you intend to incorporate into this payment model (e.g., a focus on specific provider types, certain quality measures, or a specific LAN tier).

Advanced Health has already developed several VBP arrangements for behavioral health Providers. As of 2021, Advanced Health's three largest behavioral health Providers operate under HCPLAN Category 4A contracts. These Providers include both county mental health organizations and the largest substance use treatment Provider in Advanced Health's service area. The quality measure chosen for both county mental health organizations is emergency department utilization for attributed Members. This quality component attempts to address behavioral health-related emergency department utilization by incentivizing increased access and behavioral health treatment. The quality measure chosen for the substance use treatment Provider is initiation and engagement of substance use treatment.

12 Describe your CCO's plans for developing VBP arrangements specifically for maternity care payments. What steps have you taken to develop VBP models for this care delivery area by 2022? What attributes do you intend to incorporate into this payment model (e.g., a focus on specific provider types, certain quality measures, or a specific LAN tier).

Advanced Health is currently reviewing two options for 2022 maternity care VBPs:

We are reviewing establishing episode-based payment for professional OB services. This would require the purchase or development of an episode grouper or confirmation from the OHA that existing bundled maternity payment CPT codes qualify as episode-based payments. The HEDIS Postpartum Care measure would be incorporated as a quality component.

We will likely start with HCPLAN Category 2C contracts for OB Providers. They will continue to be paid fee-for-service for OB services, but the HEDIS Postpartum Care measure will be incorporated as a quality component. Advanced Health has drafted a method for attributing deliveries to OB Providers. Through its regular work on incentive measures, Advanced Health already has the reporting available for this measure.

13 Describe your CCO's plans for developing VBP arrangements specifically for hospital care payments. What steps have you taken to develop VBP models for this care delivery area by 2022? What attributes do you intend to incorporate into this payment model (e.g., a focus on specific provider types, certain quality measures, or a specific LAN tier).

Advanced Health has already developed several VBP arrangements for hospital care payments. As of 2021, the first, second, and fourth largest hospitals in Advanced Health's service area operate under VBP contracts. The largest hospital is paid under a HCPLAN Category 4A contract with readmission rate quality component. The second largest hospital operates under a HCPLAN Category 3B contract with emergency department utilization quality component. The fourth largest hospital operates under a HCPLAN Category 2C contract with emergency department utilization quality component.

14 Have you taken steps since September 2020 to develop any new VBP models in areas other than behavioral health, maternity care or hospital care? If so, please describe.

Advanced Health developed a VBP model for dental care. Prior to 2021, Advanced Health's dental Provider was paid under a HCPLAN Category 4N contract. The new model transitions the contract to HCPLAN Category 4A through the incorporation of the oral health for adults with diabetes and the preventive dental or oral health services for children quality measures.

15 Beyond those that touch on models described in questions 11-13, describe the care delivery area(s) or provider type(s) that your new value-based payment models are designed to address.

a) Describe the LAN category, payment model characteristics and anticipated implementation year of new payment models you have developed (or are developing) this year. If you have developed multiple new value-based payment models this year, please provide details for each one.

Advanced Health is transitioning primary care providers to HCPLAN Category 4A contracts. The transition will span 2021 and 2022. The capitation payments cover a defined set of primary care procedure codes. The quality measure employed may vary by Provider, but Advanced Health is pressing emergency department utilization. We feel performance on existing primary care measures is sufficiently incentivized through per-service quality payments. We believe a financial incentive tied to emergency department utilization will increase Provider utilization of existing tools for tracking and reducing assigned Member emergency department visits.

Advanced Health is continuing discussions with its pharmacy benefit manager regarding the inclusion of a quality component. We expect this contract transition will be completed in 2023 or 2024.

b) If you previously described these plans in September 2020, describe whether your approach to developing these payment models is similar to, or different from, what you reported in September 2020; if different, please describe how and why your approach has shifted (for example, please note if elements of your approach changed due to COVID-19 and how you have adapted your approach).

N/A

16 What TA can OHA provide that would support your CCO's achievement of CCO 2.0 VBP requirements?

Can we discuss the rationale for pharmacy expenses to be included in the denominator of the VBP spending target metric? I think part of the push-back from our PBM comes from not feeling in control of Member outcomes.

17 Aside from TA, what else could support your achievement of CCO 2.0 VBP requirements?

I would like to bring this topic back to the group this year. From last year's response:

“Advanced Health pays for primary care services on a capitated basis. Although the Providers are paid for their work on quality incentive measures, I believe the contracts still fall into HCPLAN Category 4N.

Advanced Health pays quality bonus payments to primary care Providers on a per-service basis. We feel this is the most effective way to incentivize providers to maximize their performance and improve patient quality of care. No matter how they are performing in terms of rate—whether they have far surpassed any benchmark or improvement target, or if they would have no chance of meeting an improvement target—they have a positive incentive to perform more quality services. However, the OHA's Value-Based Payment Technical Guide¹ states “for the provider to qualify for the incentive under a payment arrangement, a process must be in place for the CCO to review the provider's performance against a pre-selected set of quality or performance measures and targets.” (p. 11) Can our primary care arrangement be considered a Category 4A contract or must there be some improvement target-based quality component?”

18 Are there specific topics related to your CCO's VBP efforts that you would like to cover during the interview? If so, what topics?

N/A

19 Do you have any suggestions for improving the collection of this information in subsequent years? If so, what changes would you recommend?

N/A

Advanced Health 2021 CCO 2.0 VBP Interview Questionnaire Response

Figure 1: Telehealth Claims Dashboard

