ABSTRACT: 2017 ELAM Institutional Action Project Symposium

Project Title: The Path to Value: Preparing USF Health for Payment Reform

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Background, Significance of project: Between 2015 and 2025 healthcare spending in the United States is projected to grow at a rate of 5.8% per year. This rate of growth is 1.3 percentage points faster than the growth of the gross domestic product. The rising and unsustainable cost of healthcare with highly variable and often subpar quality outcomes has resulted in employers, private health insurers and government payers pressuring healthcare providers to shift from fee for service to value based payment models. Under value based payment, performance is measured, and payments distributed based on cost, care quality and patient outcomes, not the volume of services provided. The Medicare Access and CHIP Reauthorization Act (MACRA) puts 4% of Medicare physician payments at risk in 2019 increasing to 9% in 2022. Florida Medicaid Managed Care Plans began providing enhanced reimbursements based on quality performance. Providers and care systems must develop an organizational strategy to thrive during the volume-to-value transition.

Purpose/Objectives: The purpose of this Institutional Action Project is to develop an organizational infrastructure and action plan to guide the success of USF Health in public and private value based payment programs.

Methods/Approach: An inter-professional team is utilizing internal and external resources to evaluate the MACRA final rule as well as private payer contracts to determine the impact of current and future value based payment programs on our organization. Key drivers of success under payment reform including: patient access, care management, care process design and quality measurement infrastructure and performance transparency are being evaluated and change strategies are being planned and implemented.

Outcomes and Evaluation Strategy: Process measures being evaluated include group performance on MACRA Quality and Advancing Care Information measures as well as HEDIS measure capture and performance. Outcome measures to be evaluated include 2016 PQRS performance, 2017 Merit-based Incentive Payment System and percent of incentive payments earned from private payers and Medicaid managed care contracts

Conclusion with Statement of impact/potential impact: The establishment of an organizational structure and plan for success under value based payment is essential for USF Faculty Practice Plan success and could result in over \$1.5 million dollars in incentive payments based on 2017 performance.



The Path to Value: Preparing USF Health for Payment Reform

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Background/Significance

- US healthcare spending from 2015-2025 is projected to grow at 5.8% per year exceeding the gross domestic product
- Shift from fee-for-service \rightarrow value-based payment models due to:
 - Healthcare's rising & unsustainable costs
 - Often subpar quality outcomes
- Value-based payment allows performance & payments to be distributed based on cost, care quality, & patient outcomes rather than the volume of services provided.

	-		evelop an org ume-to-value		Engagement Quality Improvement Plan Triad Model	Process ImprovementPerformanceQuality Improvement WorkgroupsOrganizational Quality Dashboard		
USF MACRA PAYMENT ADJUSTMENT PROJECTION					Implementation	Workgroups	Population Health	
Performance Year	Payment Year	Base Adjustment	Total Payments CY 2015	Potential Payment Adjustment	Quality Retreat Departmental Triad	National Quality Improvement Collaboratives	Management Tools Transparent Clinical	
2017	2019	+4%*	\$26,975,709	\$1,079,028	Meetings		Team Performance	
2018	2020	<u>+</u> 5%	\$26,975,709	\$1,348,785	Advisory Board	Care Management Team Training Process Improvement Training	Feedback	
2019	2021	<u>+</u> 7%	\$26,975,709	\$1,888,300	MACRA Intensive			
2020 Estimate is based	2022 d on 2015 data	<u>+</u> 9%	\$26,975,709	\$2,427,814				

Medicaid Managed Care Program Bonus Potential

Performance Metrics								
TOP 5 MEASURES BY HIGHEST NUM	POTENTIAL BONUS							
Non-Compliant Compliant			Qualified	Score	Bonus Earned	Max Bonus		
COUNSELING ON PHYSICAL ACTIVITY - TOTAL	321	321	0.0%	\$45,000 \$40,000				
COUNSELING ON NUTRITION - TOTAL	310	11	321	3.4%	\$35,000 \$30,000 \$25,000			
BMI PERCENTILE DOCUMENTATION - TOTAL	302 <mark>1</mark> 9		321	5.9%	\$20,000 \$15,000			
ADOLESCENT WELL-CARE VISITS	174 39		213	18.3%	\$10,000 \$5,000			
WELL-CHILD VISITS - 3-6 YR	120 108		228	47.4%	\$0	Q2		

Purpose

This Institutional Action Project will develop an organizational infrastructure & action plan to guide the success of USF Health in public & private value-based payment programs.

Approach

- **Determine impact of current & future value-based payment** programs on USF using an inter-professional team that is utilizing internal & external resources to evaluate MACRA & private payer programs
- **Key drivers** of success under payment reform are being evaluated including: patient access, care management, care process design, quality measurement infrastructure and performance transparency
- **Change strategies** are being planned & implemented.

Organizational

MDInsight Organizational Dashboard





Outcomes and Evaluation Strategy

	Group performance on:				
Process	 MACRA Quality measures 				
measures	 Advancing Care Information measures 				
	 HEDIS measure capture & performance 				
	2016 PQRS performance				
Outcome	 2017 Merit-based Incentive Payment System 				
measures	 % of incentive payments earned from private 				
	payers & Medicaid managed care contracts				

USF Physicians Quality Reporting System Performance



tter plot shows performance among a representative sample of all Composite Scores reflecting standard deviations from the mean for each Composite Score.

MACRA Performance Target



Conclusions

Establishment of an organizational structure & plan for success under value-based payment is essential for the USF Health.

Potential financial benefits from incentive payments may be over \$1.5 million dollars (based on 2017) performance).

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