

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.

Background/Significance

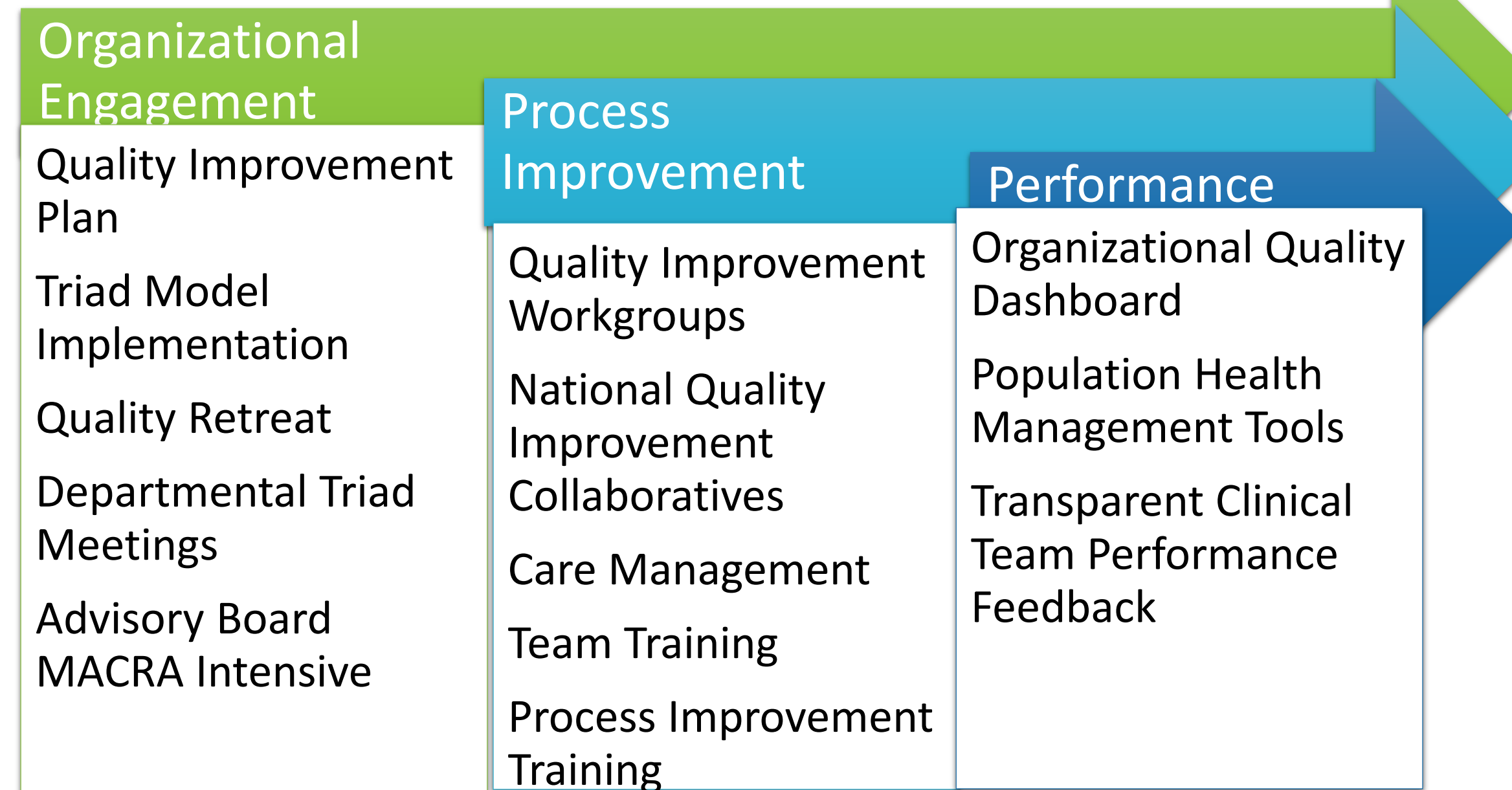
- US healthcare spending from 2015-2025 is projected to grow at 5.8% per year exceeding the gross domestic product
 - Shift from fee-for-service → value-based payment models due to:
 - Healthcare's rising & unsustainable costs
 - Often subpar quality outcomes
 - Value-based payment allows performance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

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.

Outcomes and Evaluation Strategy

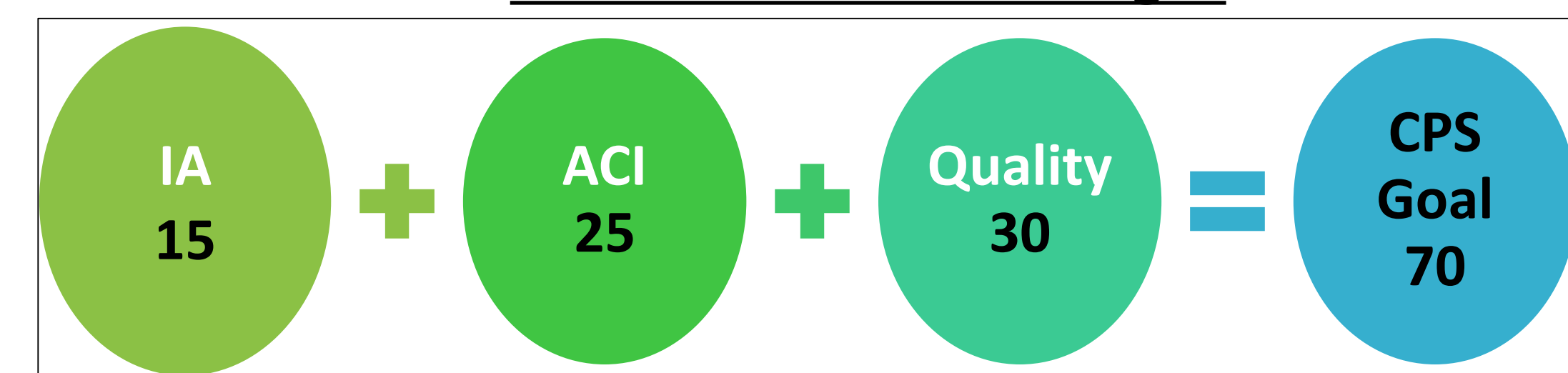
Process measures	Group performance on: <ul style="list-style-type: none"> MACRA Quality measures Advancing Care Information measures HEDIS measure capture & performance
Outcome measures	<ul style="list-style-type: none"> 2016 PQRS performance 2017 Merit-based Incentive Payment System % of incentive payments earned from private payers & Medicaid managed care contracts



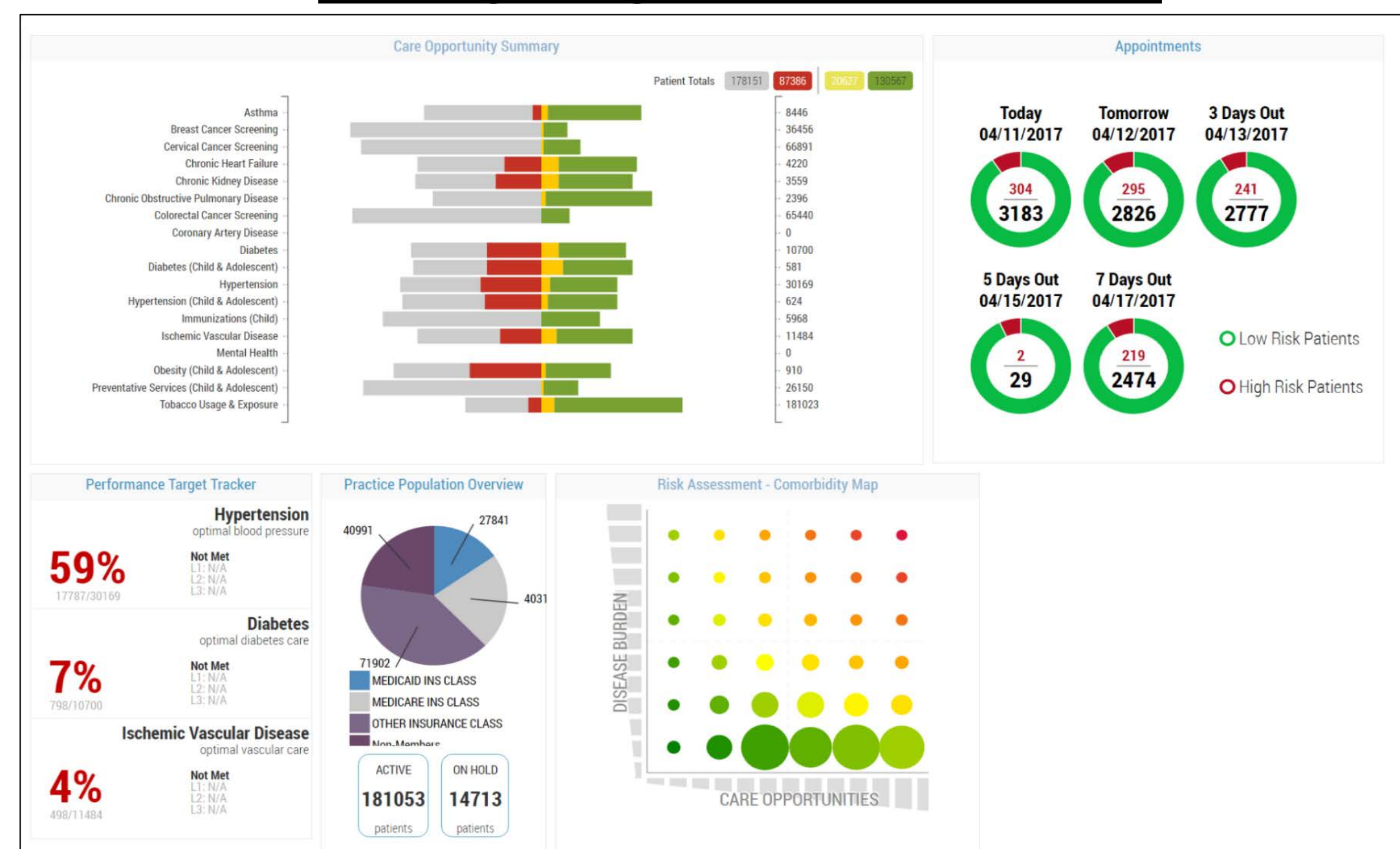
USF Physicians Quality Reporting System Performance



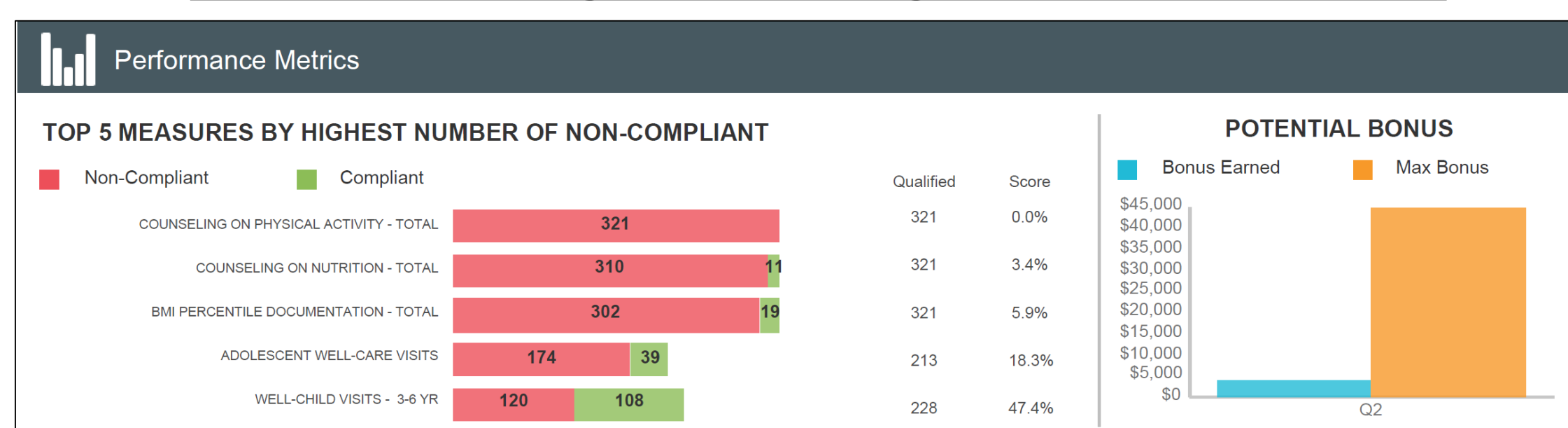
MACRA Performance Target



MDInsight Organizational Dashboard



Medicaid Managed Care Program Bonus Potential



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.

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).