

Implementing Automated Bundled Payment Programs



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Director, EOC Pilot
Programs

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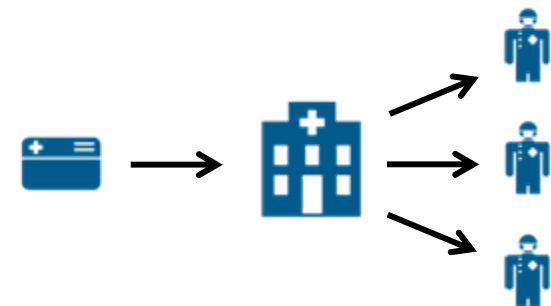


**BUSINESS
 CARE
 CONNECTIVITY**

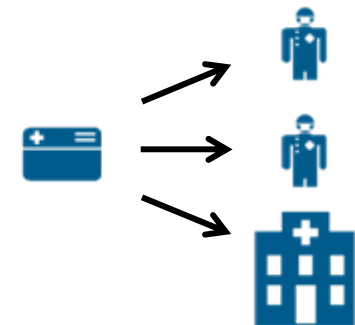
Episode Management

Supports multiple payment and disbursement models

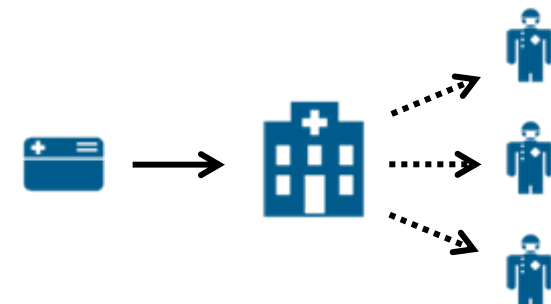
- Single prospective payment to administrative provider
 - Administrative provider contracts with local providers to form a center of excellence
 - A lump sum payment is made to the administrative provider who then disburses payment to other providers



- Prospective payment to multiple providers
 - Health plans contract with multiple providers to form a narrow network
 - Each provider's portion of a bundled payment is disbursed directly to providers



- Retrospective reconciliation
 - Providers paid FFS, after episode is complete analysis of performance relative to clinical and financial targets
 - Gainsharing or penalties to administrative provider recommended based on performance



Pricing and Disbursing Bundled Payments

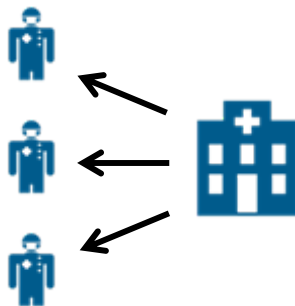
Single prospective payment to administrative provider – TKR

Episode Bundling – Identify adjustment code

Claim	Adj. Code	Action
Facility	adjtkrtrigfac	Paypercent
Orthopedist	adjtkrtrigprof	Deny
Anesthesiologist	adjroutinetkr	Deny
Physical therapy	adjrehabtkr	Deny

Episode Pricing – Identify fee schedule and allowed amount

Code	Name	Fee
adjtkrtrigfac	TKR bundled payment to admin provider	\$21,000
adjcabgtrigfac	CABG bundled payment to admin provider	\$35,000
adjcoltrigprof	Colonoscopy bundled payment to admin provider	\$2,000



Disbursement – Payment to administrative provider

Pricing and Disbursing Bundled Payments

Prospective payment to multiple providers – TKR

Episode Bundling –
Identify adjustment code

Claim	Adj. Code	Action
Facility	adjtkrtrigfac	Paypercent
Orthopedist	adjtkrtrigprof	Paypercent
Anesthesiologist	adjroutinetkr	Deny
Physical therapy	adjrehabtkr	Paypercent

Episode Pricing –
Identify fee schedule and
allowed amount

Code	Name	Fee
adjtkrtrigfac	TKR partial bundled payment to facility	\$15,000
adjtkrtrigprof	TKR partial bundled payment to surgeon	\$5,000
adjrehabtkr	TKR partial bundled payment to rehab	\$1,000



Disbursement – Payment
directly to multiple providers

http://ndhdap16.mckesson.com/TPPUI/

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Token 1 Enter Pin: ☒ AutoFill Code

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Claim **CCC10344E01841**

Reports ☒ **CCC10344E01841** IC **CURRENT** 2082 ☒ CCC383781

Episode 2082
Status: ACTIVE

TYPE	DATES	MEMBER
Type <input type="text" value="Total Knee Replacement"/>	Trigger Event Date <input type="text" value="11/16/2012"/>	Member Name <input type="text"/>
Sub-type <input type="text" value="All"/>	Episode Begin Date <input type="text" value="10/17/2012"/>	Member ID <input type="text" value="CCC383781"/>
	Episode End Date <input type="text" value="2/14/2013"/>	Date of Birth <input type="text" value="12/1/1960"/> State <input type="text"/> Sex <input type="text" value="F"/>

EPISODE PRICE CASES (2)

RULE ACRONYM	CLAIM ID	PRICED AMT.	REASON
BP_TRIGGER_TKR_5_1	CCC10330E07402	\$9000.00	RMBMODEL(EPISODE TEST FACILITY):PROGRAMNODE(HMO):SERVICEGROUPNODE(INPATIENT SERVICES-EPISODES):SERVICEGROUPNODE(EPISODES):EPISODEFEESCHEDULE([ACRONYM:BP_TRIGGER_TKR_5_1]-[TYPE:TRIG_FAC_TKR]-[ADJUSTMENT:ADJTRIGFAC]):C
BP_TRIGGER_TKR_5_1	CCC10344E01841	\$6000.00	RMBMODEL(EPISODE TEST PROF):PROGRAMNODE(HMO):SERVICEGROUPNODE(PROFESSIONAL SERVICES-EPISODES):SERVICEGROUPNODE(EPISODES):EPISODEFEESCHEDULE([ACRONYM:BP_TRIGGER_TKR_5_1]-[TYPE:TRIG_PROF_TKR]-[ADJUSTMENT:ADJTRIGPROF]):C

This Episode consists of 66 case lines in 17 distinct claims

Episode records per page Displaying Episode 0

Type	Trigger	Part. Prov	Claim ID	Billing Prov. ID	Diag1	Diag2	Diag3	Diag4	ICD Proc 1 (Date)	ICD Proc 2 (Date)	Bill Type	PPS Code	Adm. Diag.
	Y	Y	CCC10344E01841	VINCCC383781	V43.65	715.16							
	Y	Y	CCC10330E07402	VINCCC383781	715.36	V85.43	285.1	278.01	81.54 (11/16/2012)	93.39 (11/17/2012) ...	111	470	715.36
	N	Y	CCC11042E06715	VINCCC383781	V54.81	781.2	V43.65	715.96			339		
	N	Y	CCC11029E13653	VINCCC383781	715.96								
	N	Y	CCC11014E07236	VINCCC383781	V54.81	781.2	V43.65	715.96			339		
	N	Y	CCC10352E20617	VINCCC383781	V57.89	682.6	719.7	V43.65 ...	88.77 (11/20/2012)	93.05 (11/23/2012) ...	111	945	V57.89
	N	Y	CCC10352E04755	VINCCC383781	715.96	719.7	V43.65						

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Token 1 Enter Pin: ☒ AutoFill Code

Favorites Total Payment Solution

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APOLLO (APOLLO) / PROD

Claim **CCC10344E01841**

CCC10344E01841 IC CURRENT 2082 CCC383781

Episode 2082
Status: ACTIVE

TYPE	DATES	MEMBER
Type Total Knee Replacement	Trigger Event Date 11/16/2012	Member Name
Sub-type All	Episode Begin Date 10/17/2012	Member ID CCC383781
	Episode End Date 2/14/2013	Date of Birth 12/1/1960 State Sex F

EPISODE PRICE CASES (2)

RULE ACRONYM	CLAIM ID	PRICED AMT.	REASON
BP_TRIGGER_TKR_5_1	CCC10330E07402	\$9000.00	RMBMODEL(EPISODE TEST FACILITY):PROGRAMNODE(HMO):SERVICEGROUPNODE(INPATIENT SERVICES-EPISODES):SERVICEGROUPNODE(EPISODES):EPISODEFEESCHEDULE([ACRONYM:BP_TRIGGER_TKR_5_1]-[TYPE:TRIG_FAC_TKR]-[ADJUSTMENT:ADJTRIGFAC]):C
BP_TRIGGER_TKR_5_1	CCC10344E01841	\$6000.00	RMBMODEL(EPISODE TEST PROF):PROGRAMNODE(HMO):SERVICEGROUPNODE(PROFESSIONAL SERVICES-EPISODES):SERVICEGROUPNODE(EPISODES):EPISODEFEESCHEDULE([ACRONYM:BP_TRIGGER_TKR_5_1]-[TYPE:TRIG_PROF_TKR]-[ADJUSTMENT:ADJTRIGPROF]):C

This Episode consists of 66 case lines in 17 distinct claims

Episode records per page 15

Displaying Episode 0

Type	Trigger	Part. Prov	Claim ID	Billing Prov. ID	Diag1	Diag2	Diag3	Diag4	ICD Proc 1 (Date)	ICD Proc 2 (Date)	Bill Type	PPS Code	Adm. Diag.
Y	Y		CCC10330E07402	VINCCC383781	715.36	V85.43	285.1	278.01	81.54 (11/16/2012)	93.39 (11/17/2012)	111	470	715.36
N	Y		CCC11042E06715	VINCCC383781	V54.81	781.2	V43.65	715.96			339		

No.	Act	Result	Rule Type	Rend. Prov. ID	Rend. Prov. Spec. 1	DOS From	DOS To	Proc.	Modifier 1	Diag 1	Rev. Code	Billed Amt.	Qty.	Unit
1	BP_INCLUDED_SVC_TKR_5_1	BP_TYPICAL_TKR	CCC333	HHC	12/02/2012	12/02/2012	1AGK1				0023	0	1	0
2	BP_INCLUDED_SVC_TKR_5_1	BP_REHAB_TKR	CCC333	HHC	12/02/2012	12/02/2012	S9131				0421	250	1	0
3	BP_INCLUDED_SVC_TKR_5_1	BP_TYPICAL_TKR	CCC333	HHC	12/02/2012	12/02/2012	S9123				0551	250	1	0
4	BP_INCLUDED_SVC_TKR_5_1	BP_TYPICAL_TKR	CCC333	HHC	12/03/2012	12/03/2012	S9123				0551	250	1	0

Displaying Episode 0

EM Dashboard - TIBCO Spotfire Web Player - Windows Internet Explorer

http://10.100.80.37/SpotfireWeb/ViewAnalysis.aspx?file=Episode%20Management/EM%20Dashboard&waid=ab9c7c7369034e45824bb-ed69

File Edit View Favorites Tools Help

Favorites ReM Training Suggested Sites McKesson Remote Access P... Library - TIBCO Spotfire We... WageWorks Reporting for Total Paymen... MHSOnline2 Atlassian OnDemand _DEFAULT RULES WORKIN... Bundled Payments Shared D...

EM Dashboard - TIBCO Spotfire Web Player

Spotfire Web Player

Cover Episode Analysis Episode Analysis by Provider Leakage Analysis Definitions

Info Box

Step 1: Select the episode status:

☒ ACTIVE

Step 2: Select date range of interest:

9/20/2009 5/10/2011

Step 3: Select the episode types:

☒ Episode Type
☒ Total Hip Replacement
☐ Total Knee Replacement

Step 4: Select the provider types:

☒ Provider Type
☒ Rendering
☒ Affiliated

Step 5: Enter minimum sample size: 5

Step 6: Select the providers of interest

Step 7: Select the episode metric of interest:

PAC Rate

Step 8: Select Provider-Episode hierarchy for Episode Comparison chart:

Provider->Episode

Ready. Unread messages (2) ...

Episode by Provider Summary

Provider Type	Provider	Episode Type									
		Complicated			Total Hip Replacement			Default			
		Episode Count	Member Count	Avg Cost	PAC Rate	Readmit Rate	Episode Count	Member Count	Avg Cost	PAC Rate	Readmit Rate
Rendering	III22225	5	5	\$364	80.0 %	100.0 %	5	5	\$364	80.0 %	100.0 %
	III29273	5	4	\$8,728	80.0 %	40.0 %	5	4	\$8,728	80.0 %	40.0 %
	III365	5	5	\$1,389	80.0 %	100.0 %	5	5	\$1,389	80.0 %	100.0 %
	III4671	7	7	\$320	71.4 %	100.0 %	7	7	\$320	71.4 %	100.0 %
	III6	11	11	\$17,845	45.5 %	54.5 %	11	11	\$17,845	45.5 %	54.5 %
	III716	26	26	\$8,744	57.7 %	88.5 %	26	26	\$8,744	57.7 %	88.5 %
Affiliated	III86	6	6	\$1,602	66.7 %	100.0 %	6	6	\$1,602	66.7 %	100.0 %
	III88	10	10	\$1,602	50.0 %	90.0 %	10	10	\$1,602	50.0 %	90.0 %
	III89	10	10	\$320	50.0 %	90.0 %	10	10	\$320	50.0 %	90.0 %
	III2355	6	6	\$129	0.0 %	0.0 %	6	6	\$129	0.0 %	0.0 %
	III26634	6	6	\$220	0.0 %	0.0 %	6	6	\$220	0.0 %	0.0 %

Episode and Measure Trend

Episode Count, PAC Rate

Episode Comparison

The box size represents the avg episode cost Red color indicates high PAC or readmission while green

(All) III22225									
27148	36204	27166	36222	26131	26152	27155	35187	35208	36211

Episode Details

IC Episode ID	Episode Type	Episode Sub Type	Status	Episode Trigger Date	Episode Begin Date	Episode End Date	Episode Trigger Flag	Episode Provider Flag	Date Created	Rule Type	Acronym	Short Description
36205	Total Hip Repla...	Complicated	ACTIVE	12/28/2010	11/28/2010	3/28/2011	T	Y	2/14/2013	TRIG_FAC_TKR	BP_TRIGGER_...	Bundled Paym...
36205	Total Hip Repla...	Complicated	ACTIVE	12/28/2010	11/28/2010	3/28/2011	T	Y	2/14/2013	TRIG_FAC_TKR	BP_TRIGGER_...	Bundled Paym...

4424 of 8879 rows 270 marked 108 columns EM Dashboard Data

Done

start Office Comm... 5 Microsoft ... MckNet Hom... Library - TIB... EM Dashboar... 2 Microsoft ... Buckeye Busi... Presentation1 Search Desktop 100% 12:36 PM

Episode Management 5.1 Release

Next step in supporting evolving bundled payment model

- Episode architecture and definitions focus of initial development – automated IHA, Prometheus and custom episodes
- Deployed based logic rules through health plan pilots to identify, categorize and recommend appropriate episode payment at the claim line level
- 5.1 release
 - Enhanced rule performance and visualization of episode details
 - Integration with Reimbursement Manager to price claim based on provider specific rate schedules
 - Additional standard reports to support implementation and management of episodes
 - Interactive dashboards to help identify high and low performing providers and areas for improvement in utilization, cost, leakage and complications
- Episode Management can be utilized to support bundled payment automation in pilots or full scale programs