# ROADMAP FOR DRIVING HIGH PERFORMANCE IN ALTERNATIVE PAYMENT MODELS

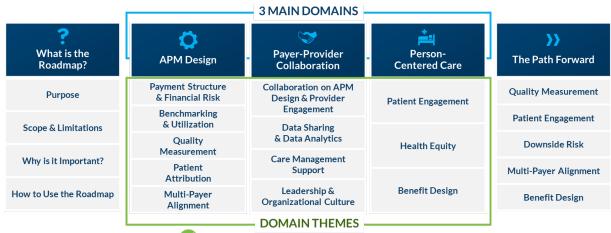
# Executive Summary



## INTRODUCTION AND OVERVIEW

Building on the Health Care Payment Learning and Action Network's (HCP-LAN) previous work, the purpose of the Roadmap for Driving High Performance in Alternative Payment Models (APM) (Roadmap) is to offer payers—as well as providers and other stakeholders—specific promising practices used in APMs that have achieved success improving quality and lowering costs. The Roadmap is a pilot study based on information gathered through 22 interviews with payers and providers participating in 10 APMs. Promising practices fall into The Roadmap highlights-three domains—APM Design, Payer-Provider Collaboration, and Person-Centered Care—each of which include several themes that contain related promising practices. The Roadmap also includes a "Path Forward" section with key areas where significant progress is needed to support payers and providers on their APM journey.

The HCP-LAN encourages using the online tool to further explore the many promising practices collected via the development of the Roadmap. The following high-level summary describes select practices for the three domains.





# PAYERS ARE DESIGNING APMS BY:

- Establishing a variety of payment structures (which include base payments, infrastructure investments, and incentive payments for quality) in population- and episode-based models for providers based on their readiness to implement. Payers are also designing strategies to support providers in moving gradually toward APMs and taking on cost accountability.
- Using both historical and regional benchmarking methodologies for population-based APMs, while sometimes using other utilization-based benchmarks to establish financial accountability without exposing providers to insurance risk.
- Predominantly using HEDIS measures in population-based models, while recognizing the need to use measures that better assess patient outcomes and reduce clinician burden. In episode-based models, payers use both core measure sets and episode-specific measures.
- Implementing prospective and retrospective patient attribution methodologies in population-based models and setting • attribution in episodes of care based on episode initiation criteria.
- Working with stakeholders to develop multi-payer models and driving alignment on priority model design aspects. Strong leadership from states and dominant stakeholders in a market can help accelerate multi-payer alignment.

### PAYERS ARE COLLABORATING WITH PROVIDERS USING THE FOLLOWING PRACTICES:

- Engaging providers in APM design (e.g., provider advisory councils), assessing provider capabilities for population health management (e.g., via joint operating committees), and implementing strategies for effective communication and collaborative learning across providers, including learning and diffusion systems.
- Sharing data and information (e.g., gaps in care, cost and utilization trends, and quality performance) with providers on timelines that are relevant and appropriate to how providers are using this information, and tailoring their level of analytic support to providers' capabilities.

#### **ROADMAP** FOR DRIVING HIGH PERFORMANCE IN ALTERNATIVE PAYMENT MODELS

- Establishing care management support strategies for providers along the spectrum of population health management capabilities, including types of centralized teams that perform core functions. They are also leveraging data analytics to identify process improvements for specific provider organizations.
- Assessing an organization's leadership capabilities and engaging with both clinical and executive leadership in provider organizations to promote success in APMs.

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#### PAYERS ARE FOCUSING ON PERSON-CENTERED PAYMENT MODELS BY:

- Promoting shared decision making and health literacy, executing alignment campaigns, and requiring providers to establish care compacts with patients outlining provider and patient roles.
- Offering global payments and care management fees for providers to engage patients.
- Using social workers to help providers establish linkages with community resources along with multidisciplinary teams to supplement providers' efforts to address social determinants of health.
- Starting to integrate benefit design in APMs to guide patients toward high-quality, low-cost providers.

### PROVIDER PERSPECTIVES

In addition to highlighting promising practices for payers, the *Roadmap* offers provider perspectives on current strategies to address changes in care delivery and to implement APMs successfully via APM Design, Payer-Provider Collaboration, and Person-Centered Care.

#### APM DESIGN

- **Downside Risk:** Strategies include demonstrating success in upside-only models and ensuring appropriate access to data.
- Quality Measurement: Strategies include redesigned workflows for seamlessly integrating quality data and engaging clinicians on quality performance.
- Multi-Payer Alignment: Providers note a lack of alignment on quality measurement and data sharing as a significant burden.

#### **PAYER-PROVIDER COLLABORATION**

- **Preparing for APMs:** Providers build data capabilities, redesign staffing models, and collaborate with external stakeholders when preparing for population health management.
- **Data Analytics:** Providers work with electronic health record vendors to integrate and aggregate payer data and use data to develop care coordination and engagement processes.
- *Care Coordination:* Strategies include foundational outreach, engagement, and education efforts, and using data to manage population health.
- Leadership and Culture: Providers note leadership is essential to success in APMs and describe financial and non-financial incentives (e.g., quality performance incentives and internal performance reports) to engage clinicians in APMs.

#### **PERSON-CENTERED CARE**

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- **Patient Engagement:** Providers implement various patient engagement strategies, including communication through patient portals and convening patient advisory councils.
- *Health Equity:* Providers described extensive efforts to address various socioeconomic needs.

# >> THE PATH FORWARD

The *Roadmap* acknowledges there are topics, such as quality measurement, patient engagement, downside risk, multi-payer alignment, and benefit design, where the challenges still outweigh the strategies and solutions, making it difficult to address specific barriers to wide adoption of APMs. Although the *Roadmap* does not offer consensus recommendations to solve current challenges in these five topics, it does identify key concerns and offers short- and long-term suggestions for how payers and providers can advance APM adoption in these areas.

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