



Value Based Payment on the HIPAA Standard Transactions and Operating Rules

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Presentation Points

- Dialog on Lessons Learned.
- Areas of Opportunities Identified by CAQH CORE.

What Lessons from Today Can We Apply to Tomorrow?

- What interoperability challenges has the industry experienced in executing Fee-for-Service and what lessons learned can be applied to the Value-based Payment environment?
- What aspects of Value-based Payment models may benefit from proprietary approaches and where is collaboration essential?
- What administrative data and/or transactions have you found are essential to operate in the Fee-for-Service environment? Do you believe the same or different transactions are needed to execute Value-based Payment models?
- What metrics and benchmarks does the industry need to track the success of Value-based Payment models?

CAQH CORE's Focus is Driven by Value & Need

Spheres of Work

**Voluntary/
Industry
Driven**

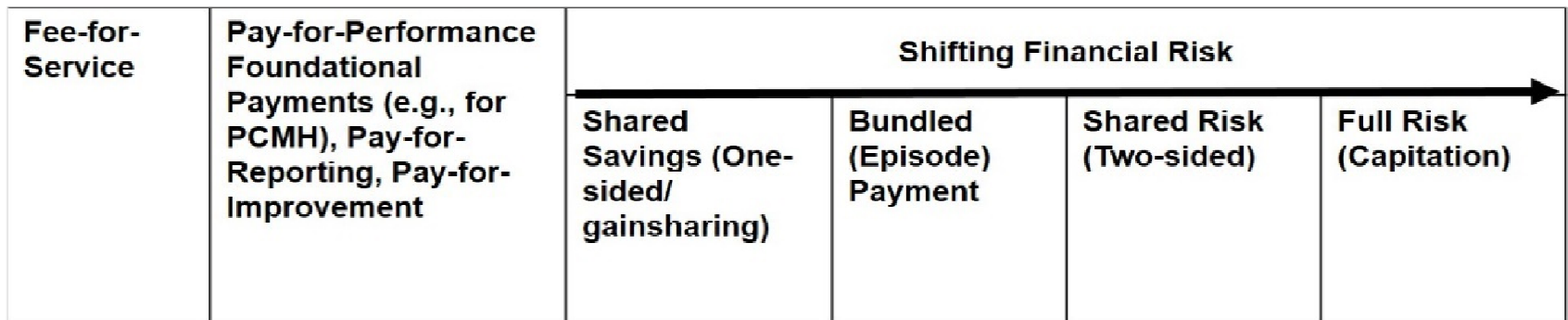
**CAQH
CORE**

**HHS
Designated
Author**

**ROI/Value/
Industry Need**

The Shift to Value-Based Will Be a Journey

Covered populations, types of available services, patient-specific data, provider settings, data ownership, security and types of providers delivering care will all be changing in the U.S. healthcare system as this journey moves forward.

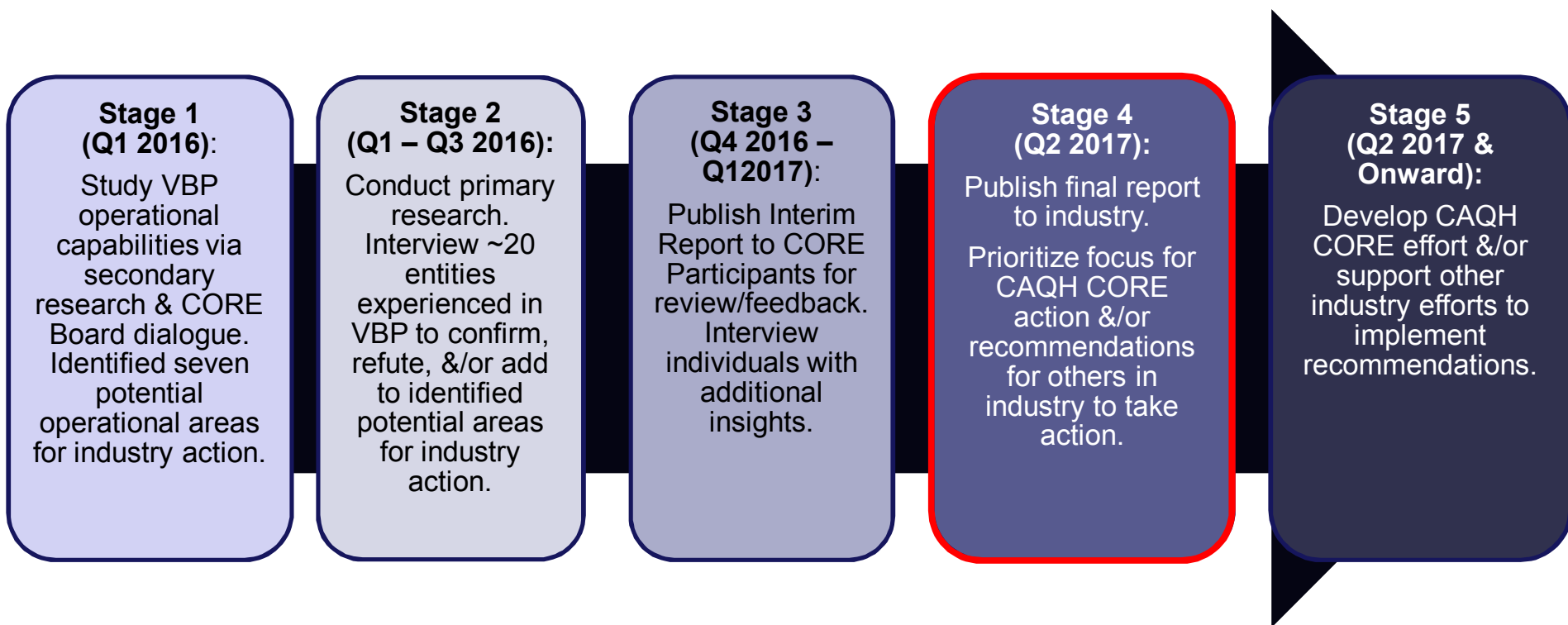


Operationalizing Value-based Payments (VBP) in such an environment calls for system-wide collaboration. Many health plans and HHS have established aggressive timelines to shift a percentage of their covered lives from Fee-for-Service to some form of VBP. The administrative complexity of operationalizing VBP is a growing industry challenge, especially from the providers' perspective when conducting data exchange with multiple health plans.

Value-based Payments

Approach to Identify Potential Scope of Work

While CAQH CORE continues its focus on driving down unnecessary costs from fee-for-service (FFS) data exchange, future focus has been placed on defining collaborative operational activities that can support data exchange needed for Value-based Payment (VBP) models.



CAQH CORE Research on Value-based Payment

Over the last 18 months, CAQH CORE constructed a multi-phase project to study the *operational* areas for action that would provide the most return on investment for implementing VBP. Last phase of the project is issuance of a final report in Q2 2017 that outlines where/how CAQH CORE could take action to design and implement solutions.

First phase focused on VBP SWOT analysis; research identified **seven potential areas for industry action** to achieve success with VBP:

1. Common data sets (e.g., numerators and denominators for defining patient, population, etc.).
2. Other data sets to improve analytics.
3. Definitions or standardization of specific terms.
4. Infrastructure rules.
5. Library of strategies for patient risk stratification.
6. Directory of VBP best practices.
7. Catalog for VBP quality and/or business measures.

Second phase focused on **interviews with 20+ entities and a survey to CORE Participants** to substantiate potential areas for action and prioritize interest in the areas.

- Mix of organizations that are/are not part of ACO, Clinically Integrated Network (CIN), Patient Centered Medical Home (PCMH) and contacts at Federal and State agencies.
- Mix of duration of VBP experience, proportion of patients/beneficiaries included in VBP, market types (e.g., competitive/not competitive) and level of success.
- Geographical diversity and affiliation with/without HIEs.

System-Wide Operational Needs

CAQH CORE Findings to Date

These priorities assume industry also needs to place more emphasis on existing challenges that would persist and grow in importance with move to VBP.



CORE Participant Survey

VBP Transactions Experience

Survey Question

Is your organization currently experiencing or anticipating either: New/different uses for the HIPAA transactions (standards, operating rules, and other) arising out of VBP OR need for new transactions?

- Half of respondents reported experiencing either new/different uses for the HIPAA transactions or anticipating the need for new transactions due to VBP; providers were most concerned.
- Key themes included:
 - Critical need for attachment standards; a few respondents suggested industry move to adopt standards for clinical data exchange, e.g., FHIR.
 - Several respondents felt some VBP use cases require a broader set of transactions; use cases identified were consistent and included:
 - Support for provider-to-provider data exchange and EHR interoperability.
 - Need for data aggregation and normalization standards to support population health management, risk stratification, and advanced analytics.
 - Provider-specific information such as how to support distribution of funds for providers in agreements such as bundles.

Provider Data

VBP Opportunity Areas Identified by CORE

Within a collaborative ecosystem, each issue area can be addressed by two types of capability needs: Workflow (e.g., matching strategies) and Data (e.g., standard definitions, quality/accuracy).

Issue Area	Description of Problem Space
Network Management	<ul style="list-style-type: none">• Narrow networks increasingly used in VBP models to ensure value.• Provider data is essential for narrow network development.• For VBP referral management, essential to know what providers are in which networks/arrangements.
Contract Management	<ul style="list-style-type: none">• Currently, health plans contract with providers at TIN level; single practice location may have multiple TINs and providers can practice at multiple locations through a single TIN.• VBP models require ability to link provider and location - need to be able to direct members to providers practicing at facilities with high quality metrics.
Member Attribution to Provider	<ul style="list-style-type: none">• Attribution formulas are determined by health plans as part of VBP contracts.• Most payers attribute members to PCPs using certain patient activities and by identifying provider that delivers “most” services.• Member attribution challenged by lack of guidance to determine who is a PCP.• Attribution becomes more complicated for members who see a specialist as a PCP, change PCPs often, or haven’t seen a PCP in a long time.
Provider Directories	<ul style="list-style-type: none">• Accurate provider directories are critical tools for executing VBP models.• Directories contain information required for several aspects of VBP programs (e.g., member attribution, network management, and referral management).

Lessons on Ongoing Barriers

- Transparency/Preserving competition while standardizing
- Interoperability (EHRs): Role of the Vendor Community
- Patient privacy
- Proof of concept
- Learning and resource coordination

Thank You



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The CAQH CORE Mission

Drive the creation and adoption of healthcare operating rules that support standards, accelerate interoperability, and align administrative and clinical activities among providers, payers and consumers.