# Multi-stakeholder Payment Reform and System Redesign: It Can Be Done

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# Maine Health Management Coalition www.mhmc.info



The MHMC is an <u>purchaser-led</u> partnership among multiple stakeholders working collaboratively to <u>maximize improvement in the value of healthcare services</u> delivered to MHMC members' employees and dependents.

The Maine Health Management Coalition Foundation is a public charity whose mission is to bring the purchaser, consumer and provider communities together in a partnership to measure and report to the people of Maine on the value of healthcare services and to educate the public to use information on cost and quality to make informed decisions.



## MHMC Value Equation

quality / outcomes +
Value = change in health status +
 employee satisfaction
 cost

- Best <u>quality</u> health care
- Best <u>outcomes and quality of life</u>
- Most <u>satisfaction</u>
- For the most affordable cost
- For all Maine citizens



# Public Reporting as a Catalyst





## Current Multistakeholder Pilots

- State Employee Health Commission
  - MaineGeneral Health
  - Eastern Maine Health Systems
  - PenBay Healthcare
- Maine Education Association
  - Eastern Maine Health System
- University of Maine System
  - Eastern Maine Health System
- Bath Iron Works (and Bowdoin College)
  - MidCoast Health System
- Delhaize America/Hannaford
  - Maine Health www.mehmc.org





## Goal: Give MDs the Capacity to Deliver "Accountable Care"

Data and analytics to measure and monitor utilization and quality Coordinated relationships with other specialists and hospitals **Physician** Inpatient Capability for tracking patient care and ensuring followup (e.g., registry) Practice **Episodes Patient** Method for targeting high-risk patients (e.g., predictive modeling) **Partners** Unneeded Resources for patient educ. & self-Testing ACO mgt support (e.g., RN care mgr) MD w/ time for diagnosis, treatment planning, and followup



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## MHMC Joint Principles for System Redesign and Payment Reform

- Transparency
- Primary Care Based
- Value-based Purchasing
- Benchmarked to Best Practices/Evidence-based Care
- Shared Decision Making
- Collaborative Learning Experience
- Shared Risk
- Meaningful Patient Engagement
- Shared Accountability: Patients, Providers, Purchasers
- Reduced costs of care



# MHMC System Redesign and Payment Reform Process

- Willing Provider Groups/Purchaser Partner(s)
- Create Multistakeholder Leadership Teams
- Data Analysis to Identify Improvement Opportunities
- Joint Priority Setting with Targets
- Develop Pilot Balanced Scorecard
- Share Cost and Quality Data
- Design Clinical/System Interventions\*
- Identify Needed Payment Changes
- Identify Needed Benefit Design Changes
- Employee/Patient Engagement
- Measurement and Evaluation



### Data: The Essential Foundation

- MHMC maintains proprietary database of 250k+ covered lives
- RFP for new data partner issued Feb 2010
- Services Requested
  - Claims aggregation and analysis
  - Flexible purchaser reporting, ability to generate ad hoc reports
  - Interactive access for drill-down to actionable data
  - ACO development support for purchaser and providers
  - Payment reform and design, plan benefit design
  - Clinical data analysis
- HDMS (Health Data & Management Solutions) selected
- MHMC will assume new responsibilities for some data and analytic capacity



### Data: The Essential Foundation

- MHMC Database will serve as the common database for all payment reform pilots
- New data partner (HDMS) will greatly enhance access:
   'Democratization of Data'
- Ability to track in a timely way medical claims utilization data and perform aggregate or detail-level analysis across members
- Easy drill-down features, which quickly identify issues, trends and variations from benchmarks
- Identification of cost and utilization, allowing management of health and benefit plans to meet specific needs
- Pathway for determining priority focus areas for population health and disease management
- Ability to incorporate various data types: account structure, Rx, Lab, biometrics, dental, disease management, HRA, workman's comp, LTD, STD, and EMR.
   Www.mhmc.info & www.mehmc.org

# Domains of Accountability

- Access
- Patient Engagement
- Patient Experience
- Care Coordination
- Clinical Quality
- Utilization
- Financial



## **Balanced Scorecards**

		FY10 BALANCED SCORECARD			Benchmark(s)			
		INDICATOR	Practice	Goal		Jul-10	Aug-10	Sep-
ce		Open Providers	MGMC	4				
Infrastructure Investment & Patient Experience		Open Providers	Residency	3				
net ber	SS	Open Providers	FQHC	4				
str. Ex	Access	Open Providers	Private	4				
fra ve		# of Practices with Open Access	Primary	7				
atie in in		Third Next Available appointment	Primary Care	3				
		Net New Primary Care Providers	MGH service area	4				
ŧ	Patient Engagement	Shared Decision Making	Specialty Areas	2				
Patient Engagement		HRA completion percentage	SOM insureds at MGMC	40%				
പ്പുള		State of Maine Insureds on Practice	The 5 PCMH					
ū		Patient Advisory Councils	practices	5				
Patient Experience	Patient Experience	Patient Experience	Patient Experience metric as determined by PTE					
Pa Expe			group					
		Metrics and Specialty areas to be						
if to	Standardization	determined by Frank Johnson and SEHC	1 1					
Care Coordination/ Clinical Quality		after reviewing their data with	1 [					
E G		OnPoint.	1					
Sos								
2 ≒			1 1					
S			<del>                                     </del>					
_		Number of Practices who have adopted	26 MGH Primary Care					
<b>£</b>	ø	PCMH concepts	Practices					
.E	, E			5				
Care Coordination	2		27 MGH Primary Care					
Š	Primary Care	Number of Practices who have engaged	Practices					
9		and developed workflow changes based on	1					
ర్		practice data reports	1	12				
	Clinical	Preventative Screening	tbd by SEHC					
₹		HAI1 (will share data with Steering Cmte	CLABSI for ICU					
- E		to help with choice of metric)	patients	0.0				
Clinical Quality				0.0				
ca		Other Chronic Disease?	1				-	
≟		PTE Core Measures*	<del>                                     </del>	6				
O		PQRI-Perioperative antibiotic use	Surgery		-			
		Non-Urgent ER Visits	SOM insureds at	90%			7	
	Utilization		MGMC	-3%				
Efficiency		Hospital Readmissions within 30 days	SOM insureds at MGMC	-5%				
. <u></u>	Financial	PMPM (will review history to determine	State Insureds in Pilot					
告		metric)	Population					
		? More targeted initiative	may fall out of Care Co	oordination s	ection			
		? Benefit redesign	tbd by SEHC					

## A Five Year Plan

	Year 1	Year 2	Years 3, 4, 5
Key Considerations:	<ul> <li>Steering Committee</li> <li>Contracting</li> <li>MGH expanded support of primary care and development of evidence based referrals</li> <li>Baseline data</li> </ul>	<ul> <li>Multi-year workplan set</li> <li>Expansion of medical homes, evidence-based specialty referrals and decision support</li> <li>Aligned benefit structure</li> <li>First year of expanded data sets</li> </ul>	<ul> <li>Expansion of Medical Home/ACO model</li> <li>Expanded data sets with trends</li> <li>Aligned benefit structure</li> </ul>
Shared Risk	<ul> <li>MGH will put significant dollars at risk if it fails to fulfill its first year obligations</li> </ul>	• Model gainsharing	<ul> <li>Practice gainsharing and consider moving to global payments in later years</li> </ul>



# Evolving Payment Structure

Year 1	Year 2	Year 3	Year 4
FFS with P4P and limited provider risk for select performance targets	FFS, P4P and Shared Savings for reduced PMPM costs (aligned with baseline)	Partial Capitation and Shared Savings	Global Payment with Quality Incentives
Overall PMPM Cost Reduction Targets Set			



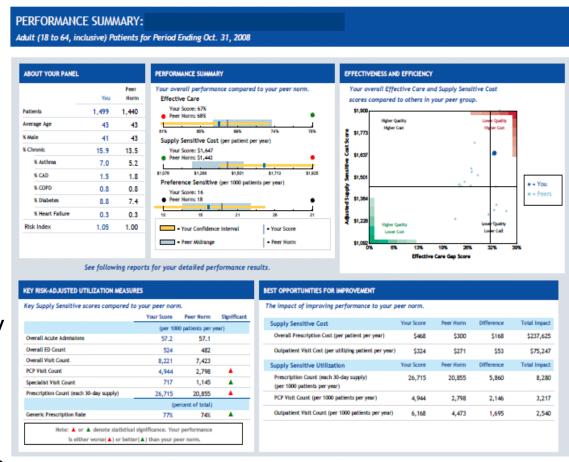
# PCMH Public Reporting

Quality: Office Systems	Quality: Clinical Outcomes	Patient Experience	Cost of Care	Coordinate d Care/ Informed Referrals	Medical Home Core Function
Level 1 or Higher on NCQA PPC- PCMH or Level 2 on other	Level 2 on two or more Outcome Measures	Currently measuring patient experience using validated instrument and rigorous process	Signed MOA with MHMC to participate in Cost of Care Initiative	Signed 'Service Agreements' with 1 or more specialties	Administers PHQ-9 with >75% of high risk populations

# Performance Summary

## Performance summary includes:

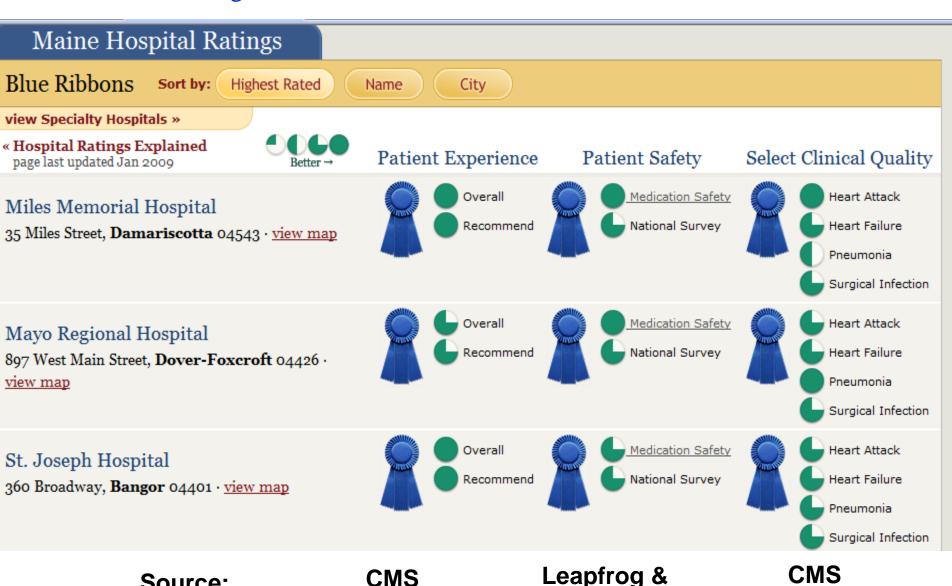
- Demographics about practice's panel
- Overall practice performance compared to peers in 3 areas of unwarranted variation
- Evaluation of overall effectiveness and efficiency
- Practice's score on 6 key utilization measures
- Best opportunities for improvement in the practice





## Maine Hospitals

PTE Steering Committee Determines Pie and Blue Ribbon Cut Points.



**MHMC** 

Source:

### **Compare Hospitals**

**Hospital Ratings Explained** 

Pine Cove

128 Bay Drive 3654 N. Main St West Harbor, 04511 Centerville, 04976 Mountain

City

Central

963 Health Circle Ridgetown, 04979

View

### **Effective: Uses treatments proven to work**

	Heart Attack Care	BEST	below	better
2	Heart Failure Care	below	BEST	better
	Chronic Lung Disease	BEST	better	better
	Diabetes	below	better	below
	Pneumonia	average	below	BEST
	Chest Pain	BEST	better	average

Close

Close

### **Safe: Protects patients from medical errors**

**Overall Patient Safety Rating** 

average





Patient-focused: Responds to patients needs and preferences

Close Patient Survey Results Too few patients



average

# PTE System Performance Reporting

#### EMPLOYER/PURCHASER

Thomas Hopkins, Director Compensation & Benefits – USM

Wayne Gregersen, Sr. Manager of Benefits/Compensation – HRIS

Frank Johnson, Executive Director, Employee Health & Benefits – State of Maine

Chris McCarthy, Manager – BIW

Christine Burke, Executive Director - MEABT

Alan Cardinal, Vice President – Delhaize America

### **PLAN**

Bob Downs, VP - Aetna

#### **PROVIDER**

Barbara Crowley, MD/Executive V.P. – Maine General

David Howes, MD, President and CEO

– Martins Point

Donald Krause, MD/Director of Quality Improvement – St. Joseph's Hospital

Jim Raczek, CMO – EMMC

Jim Kane, Executive Director – CWM PHO

Jeff Aalberg, MD, Senior Medical Director, MMCPHO

### **CONSUMERS**

David White SEHC Representative

