

# Population Health Colloquium

## Pre Conference Session



### *The ACA and the Triple Aim*

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# How the Marketplace Works

- One process to determine eligibility for
  - Qualified Health Plans through the Marketplace
  - New tax credits to lower premiums
  - Cost-sharing
  - Medicaid
  - Children's Health Insurance Program (CHIP)
- Offers choice of plans and levels of coverage
- Insurance companies compete for business

# Essential Health Benefits

**Qualified Health Plans cover Essential Health Benefits which include at least these 10 categories**

Ambulatory patient services

Prescription drugs

Emergency services

Rehabilitative and habilitative services and devices

Hospitalization

Laboratory services

Maternity and newborn care

Preventive and wellness services and chronic disease management

Mental health and substance use disorder services, including behavioral health treatment

Pediatric services, including oral\* and vision care

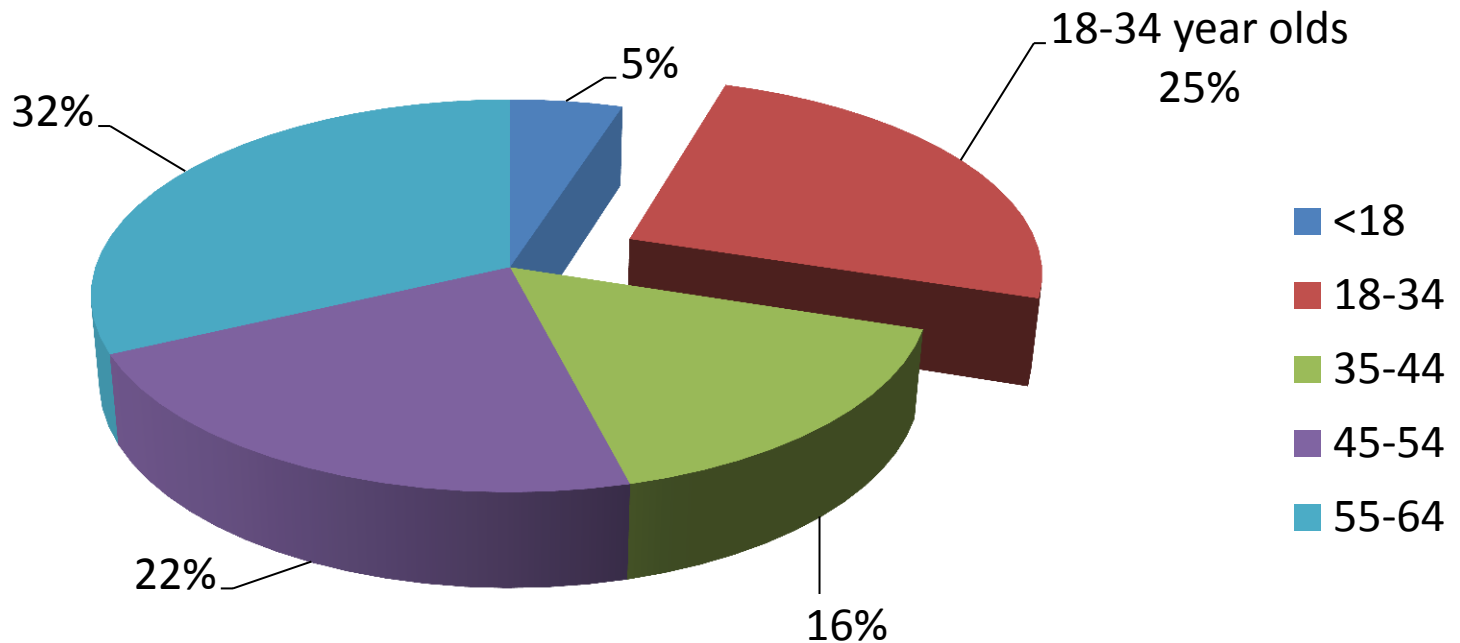
*Not required in benefits plan if stand-alone dental plan is in the Marketplace in which the plan operates*

# Status Update—Enrollment

- Enrollment is growing and 4 million people have enrolled in qualified health plans to date.
- As of February 1, 2014:
  - 1.1 million enrollees during the month of January
  - 53% increase from previous 3 months of enrollment
- Growing population of young, healthy Americans who are signing up in greater proportions.

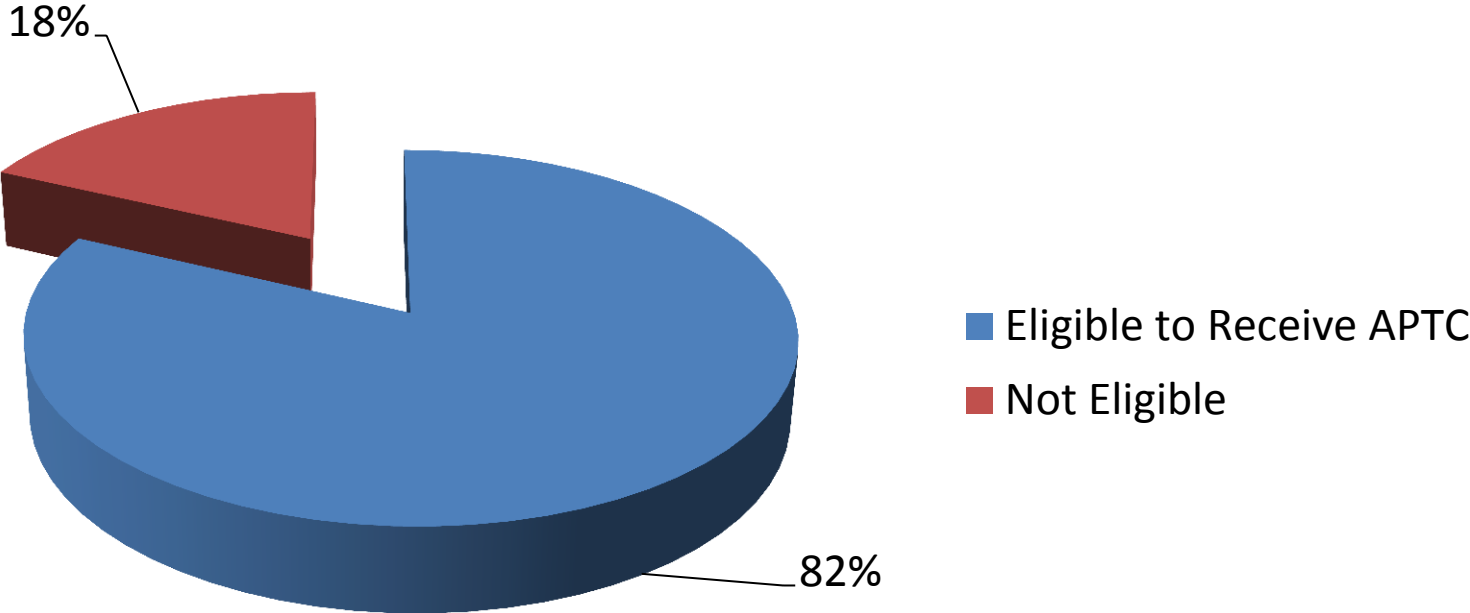
# Marketplace Plan Selection by Age Oct-Jan

Selection by Age in FFM

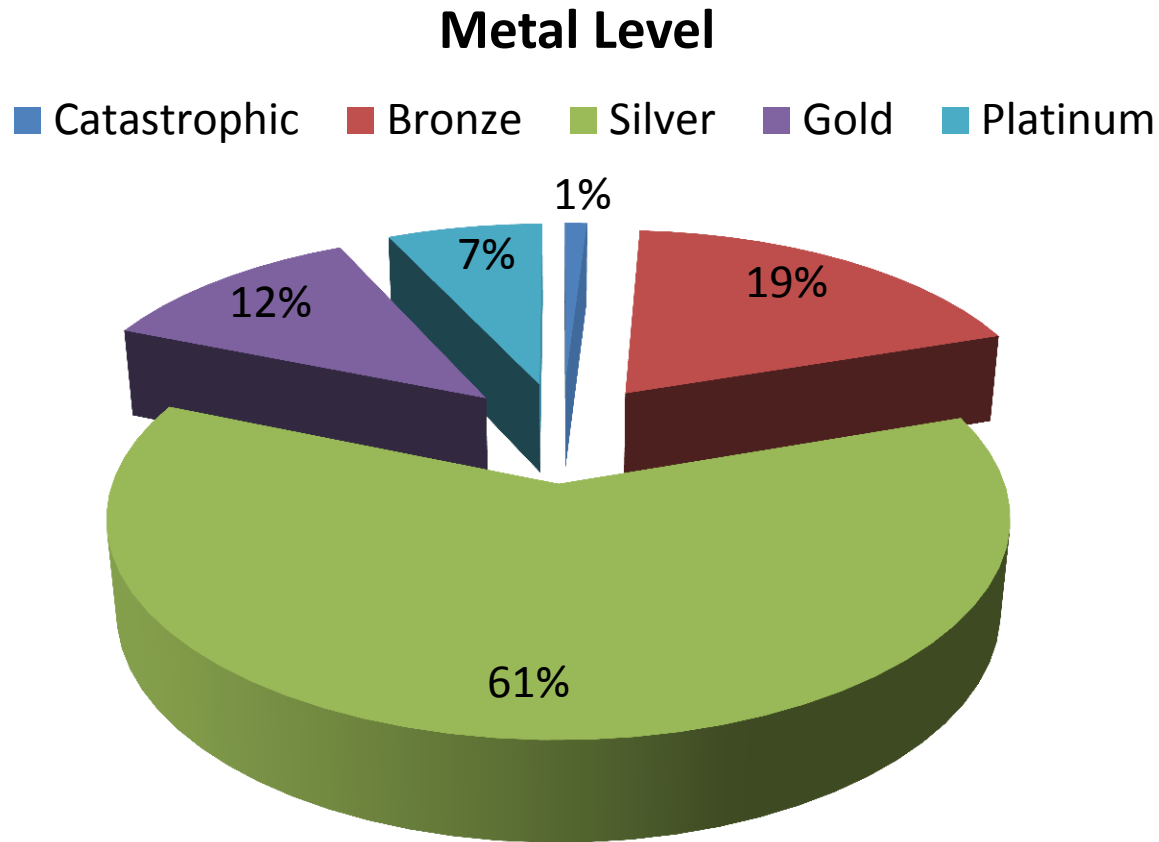


# Percentage of the people who have selected a Marketplace plan through the SBMs and FFM are eligible to receive APTC

## Percentage Receiving Financial Assistance



# Enrollment by Metal Level

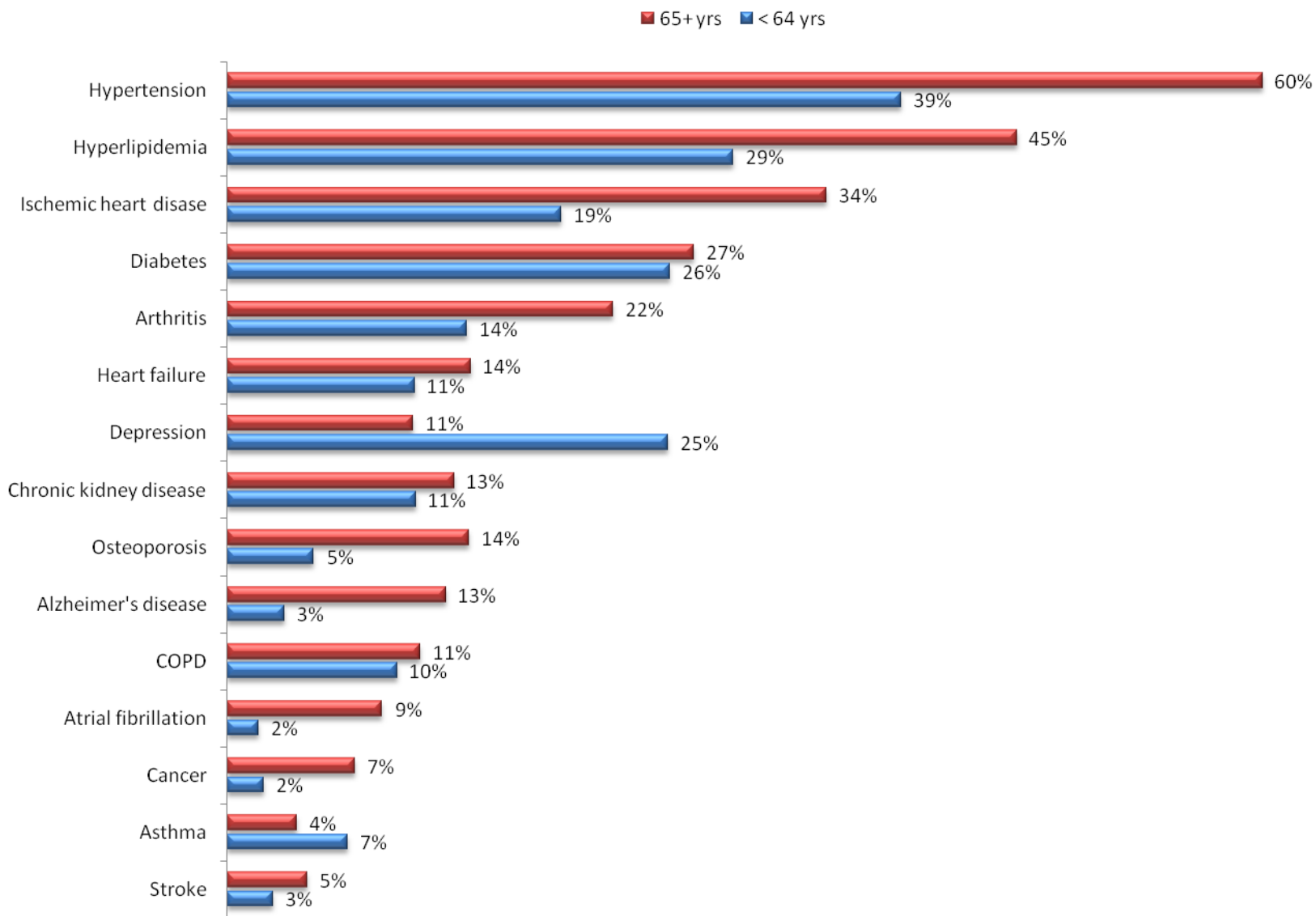


# Looking Forward

- Essential community providers “ECP”
- Provider directory
- Non-discrimination
- Third party payment of premiums

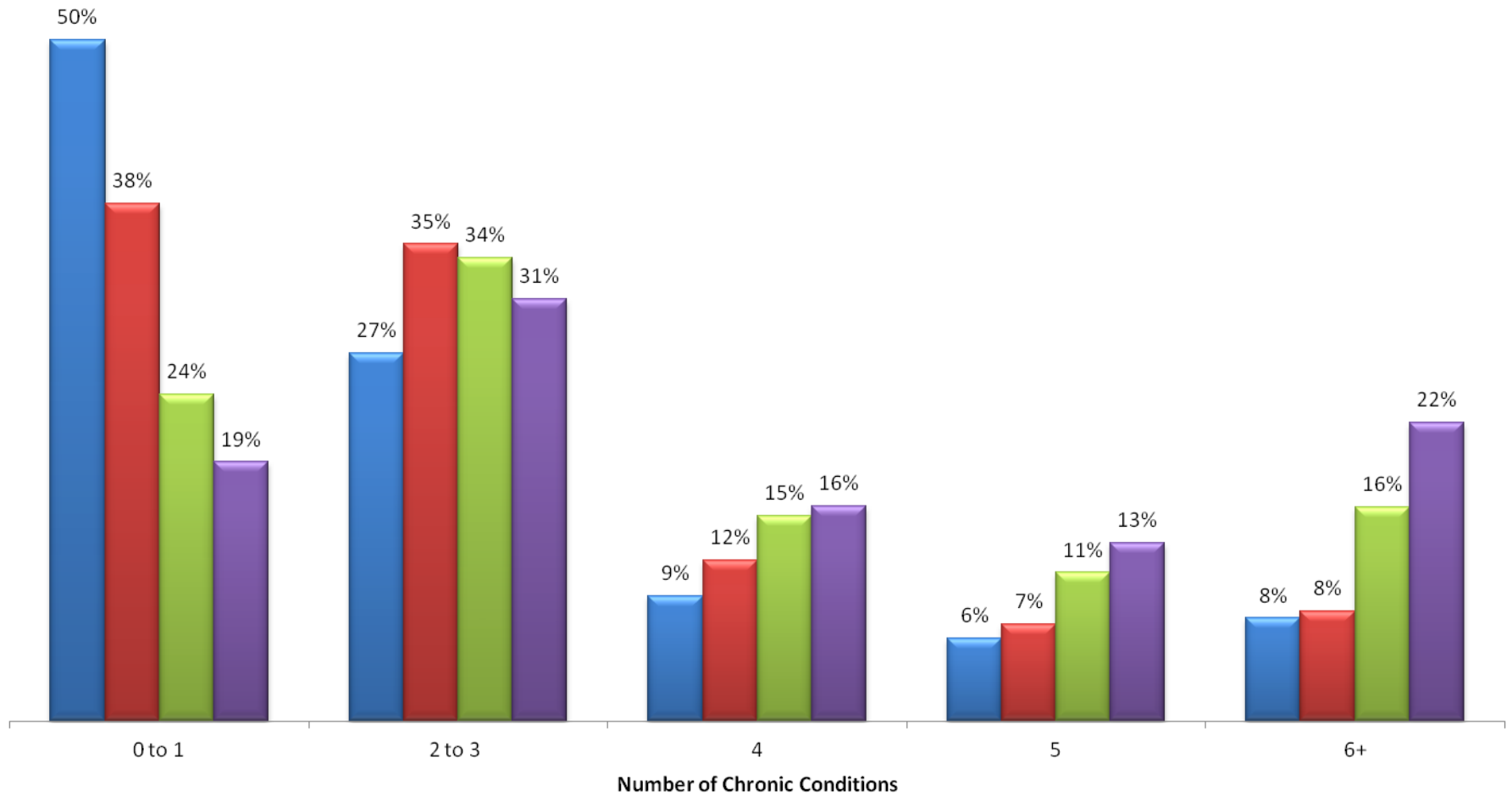


## Percentage of Medicare FFS Beneficiaries with the 15 Selected Chronic Conditions by Age: 2008

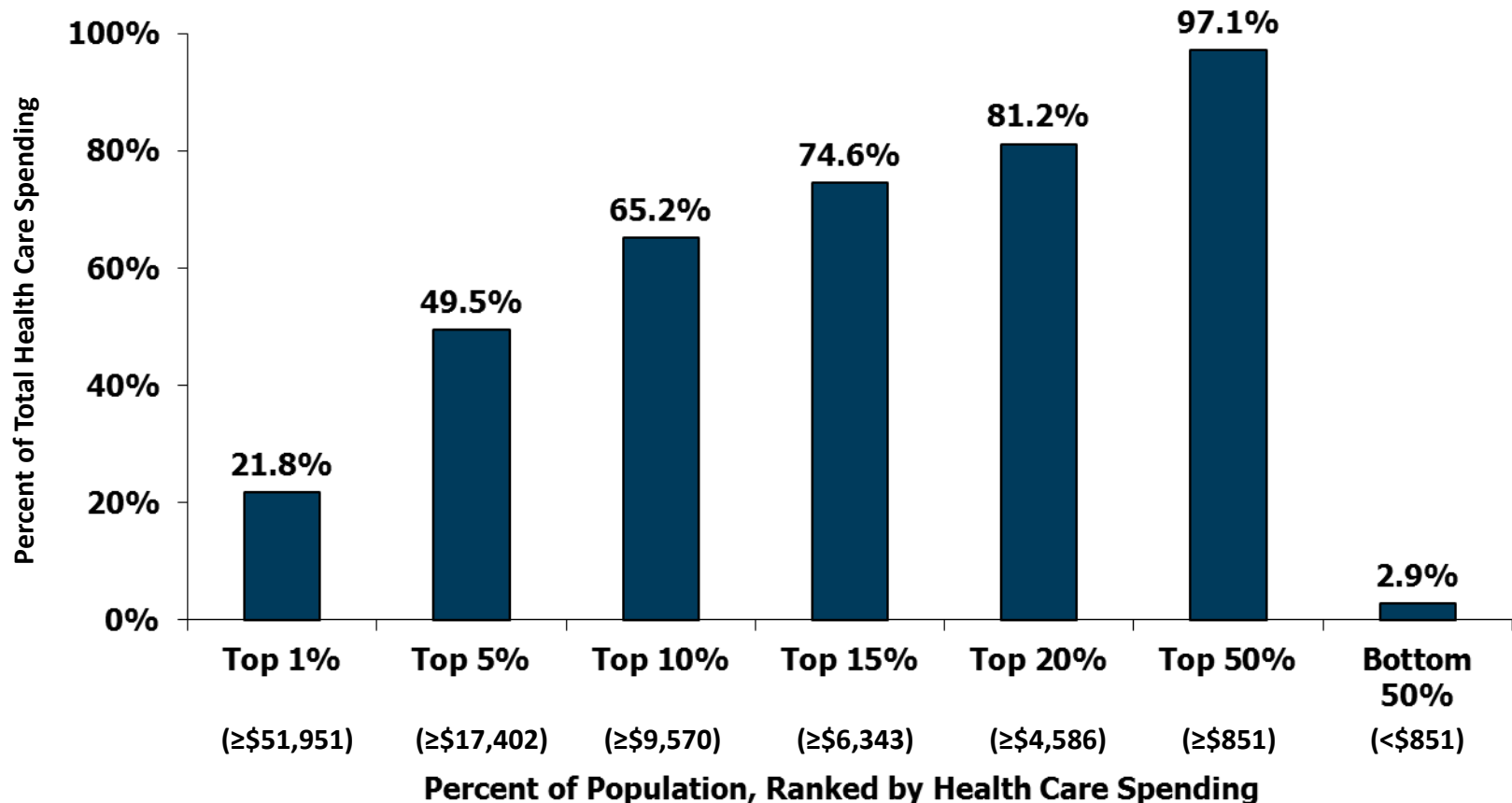


## Percentage of Medicare FFS Beneficiaries by Number of Chronic Conditions and Age: 2008

■ Less than 65 years ■ 65 to 74 years ■ 75 to 84 years ■ 85+ years



# Concentration of Health Care Spending in the U.S. Population, 2009



Note: Dollar amounts in parentheses are the annual expenses per person in each percentile. Population is the civilian noninstitutionalized population, including those without any health care spending. Health care spending is total payments from all sources (including direct payments from individuals and families, private insurance, Medicare, Medicaid, and miscellaneous other sources) to hospitals, physicians, other providers (including dental care), and pharmacies; health insurance premiums are not included.

Source: Kaiser Family Foundation calculations using data from U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey (MEPS), Household Component, 2009.

# The Six Goals of the National Quality Strategy

- 1 Make care safer by reducing harm caused in the delivery of care
- 2 Strengthen person and family engagement as partners in their care
- 3 Promote effective communication and coordination of care
- 4 Promote effective prevention and treatment of chronic disease
- 5 Work with communities to promote healthy living
- 6 Make care affordable

# ACA Provisions Related to Safe Care in Hospitals

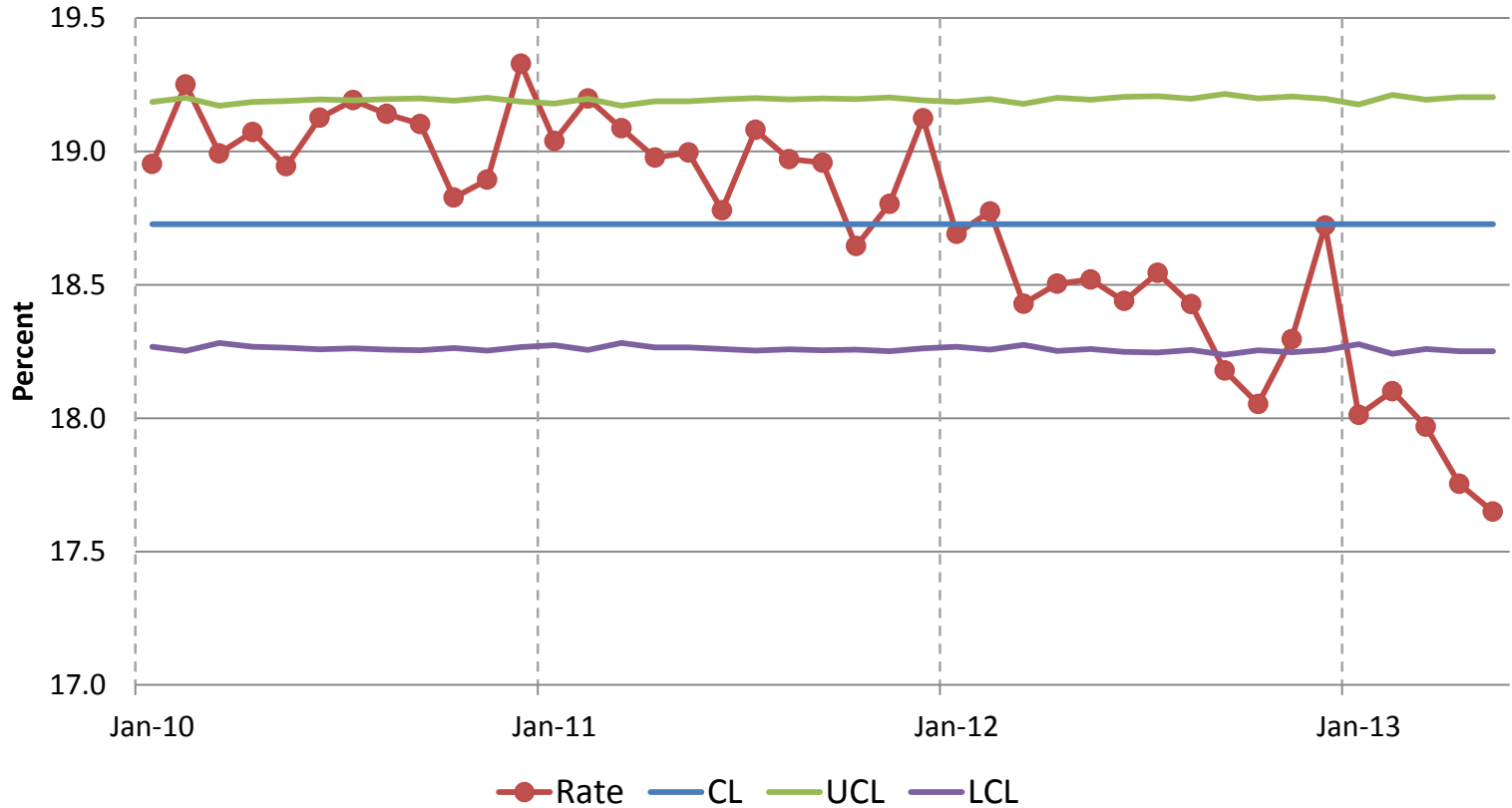
- Sec. 2702. Payment Adjustment for Health Care-Acquired Conditions.
- Sec. 3008. Payment adjustment for conditions acquired in hospitals.
- Sec. 3025. Hospital readmissions reduction program.

# Hospital Acquired Condition (HAC) Rates Show Improvement

- **2010 – 2012 - Preliminary data show a 9% reduction in HACs across all measures**
- **Many areas of harm dropping dramatically (2010 to 2013 for these leading indicators)**

Ventilator-Associated Pneumonia (VAP)	Early Elective Delivery (EED)	Obstetric Trauma Rate (OB)	Venous thromboembolic complications (VTE)	Falls and Trauma	Pressure Ulcers
55.3% ↓	52.3% ↓	12.3% ↓	12.0% ↓	11.2% ↓	11.2% ↓

# Medicare All Cause, 30 Day Hospital Readmission Rate



Source: Office of Information Products and Data Analytics, CMS

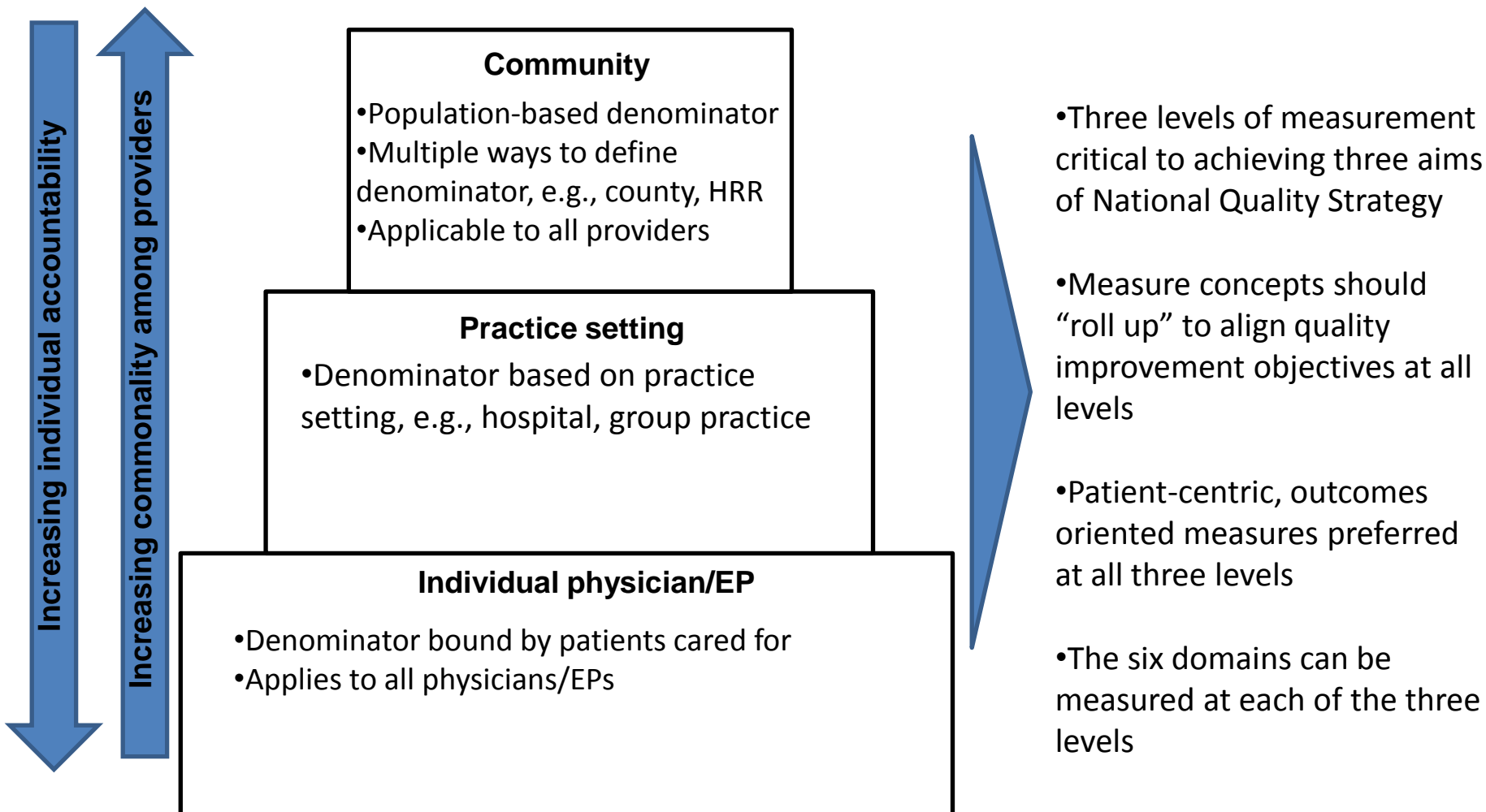
# Transformation of Health Care at the Front Line

- **At least six components**
  - **Quality measurement**
  - **Aligned payment incentives**
  - **Comparative effectiveness and evidence available**
  - **Health information technology**
  - **Quality improvement collaboratives and learning networks**
  - **Training of clinicians and multi-disciplinary teams**

Source: P.H. Conway and Clancy C. Transformation of Health Care at the Front Line. JAMA 2009 Feb 18; 301(7): 763-5



# Quality can be measured and improved at multiple levels



# CMS has a variety of quality reporting and performance programs

Hospital Quality	Physician Quality Reporting	PAC and Other Setting Quality Reporting	Payment Model Reporting	"Population" Quality Reporting
<ul style="list-style-type: none"> <li>• Medicare and Medicaid EHR Incentive Program</li> <li>• PPS-Exempt Cancer Hospitals</li> <li>• Inpatient Psychiatric Facilities</li> <li>• Inpatient Quality Reporting</li> <li>• HAC payment reduction program</li> <li>• Readmission reduction program</li> <li>• Outpatient Quality Reporting</li> <li>• Ambulatory Surgical Centers</li> </ul>	<ul style="list-style-type: none"> <li>• Medicare and Medicaid EHR Incentive Program</li> <li>• PQRS</li> <li>• eRx quality reporting</li> <li>• Value Based Modifier</li> <li>• Physician Compare</li> </ul>	<ul style="list-style-type: none"> <li>• Inpatient Rehabilitation Facility</li> <li>• Nursing Home Compare Measures</li> <li>• LTCH Quality Reporting</li> <li>• Hospice Quality Reporting</li> <li>• Home Health Quality Reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Medicare Shared Savings Program</li> <li>• Hospital Value-based Purchasing</li> <li>• Physician Feedback/Value-based Modifier*</li> <li>• ESRD QIP</li> </ul>	<ul style="list-style-type: none"> <li>• Medicaid Adult Quality Reporting*</li> <li>• CHIPRA Quality Reporting*</li> <li>• Health Insurance Exchange Quality Reporting*</li> <li>• Medicare Part C*</li> <li>• Medicare Part D*</li> </ul>

\* Denotes that the program did not meet the statutory inclusion criteria for pre-rulemaking, but was included to foster alignment of program measures.

# The CMS Innovation Center

## Identify, Test, Evaluate, Scale

The purpose of the [Center] is to test innovative payment and service delivery models to reduce program expenditures...while preserving or enhancing the quality of care furnished to individuals under such titles.

– *The Patient Protection and Affordable Care Act*

# Population Health at CMMI

## Measure

- Develop robust set of measures for tracking changes in population health

## Test New Models of Payment and Service

- Strengthen population health focus in all models
- Identify and support innovations which integrate clinical care with community based focus on determinants of health

## Build Collaborations

- State
- Private payers
- Federal Partners (e.g., CDC, AOA, HRSA, DOD)
- Public health: e.g. ASTHO, NACCHO
- Public/private coalitions

## Promote and Teach

- Catalyst , exemplary case studies, IAP, relentless drum beat

# CMS Innovations Portfolio:

## Testing New Models to Improve Quality

### **Accountable Care Organizations (ACOs)**

- Medicare Shared Savings Program (Center for Medicare)
- Pioneer ACO Model
- Advance Payment ACO Model
- Comprehensive ERSD Care Initiative

### **Primary Care Transformation**

- Comprehensive Primary Care Initiative (CPC)
- Multi-Payer Advanced Primary Care Practice (MAPCP) Demonstration
- Federally Qualified Health Center (FQHC) Advanced Primary Care Practice Demonstration
- Independence at Home Demonstration
- Graduate Nurse Education Demonstration

### **Bundled Payment for Care Improvement**

- Model 1: Retrospective Acute Care
- Model 2: Retrospective Acute Care Episode & Post Acute
- Model 3: Retrospective Post Acute Care
- Model 4: Prospective Acute Care

### **Capacity to Spread Innovation**

- Partnership for Patients
- Community-Based Care Transitions
- Million Hearts

### **Health Care Innovation Awards**

### **State Innovation Models Initiative**

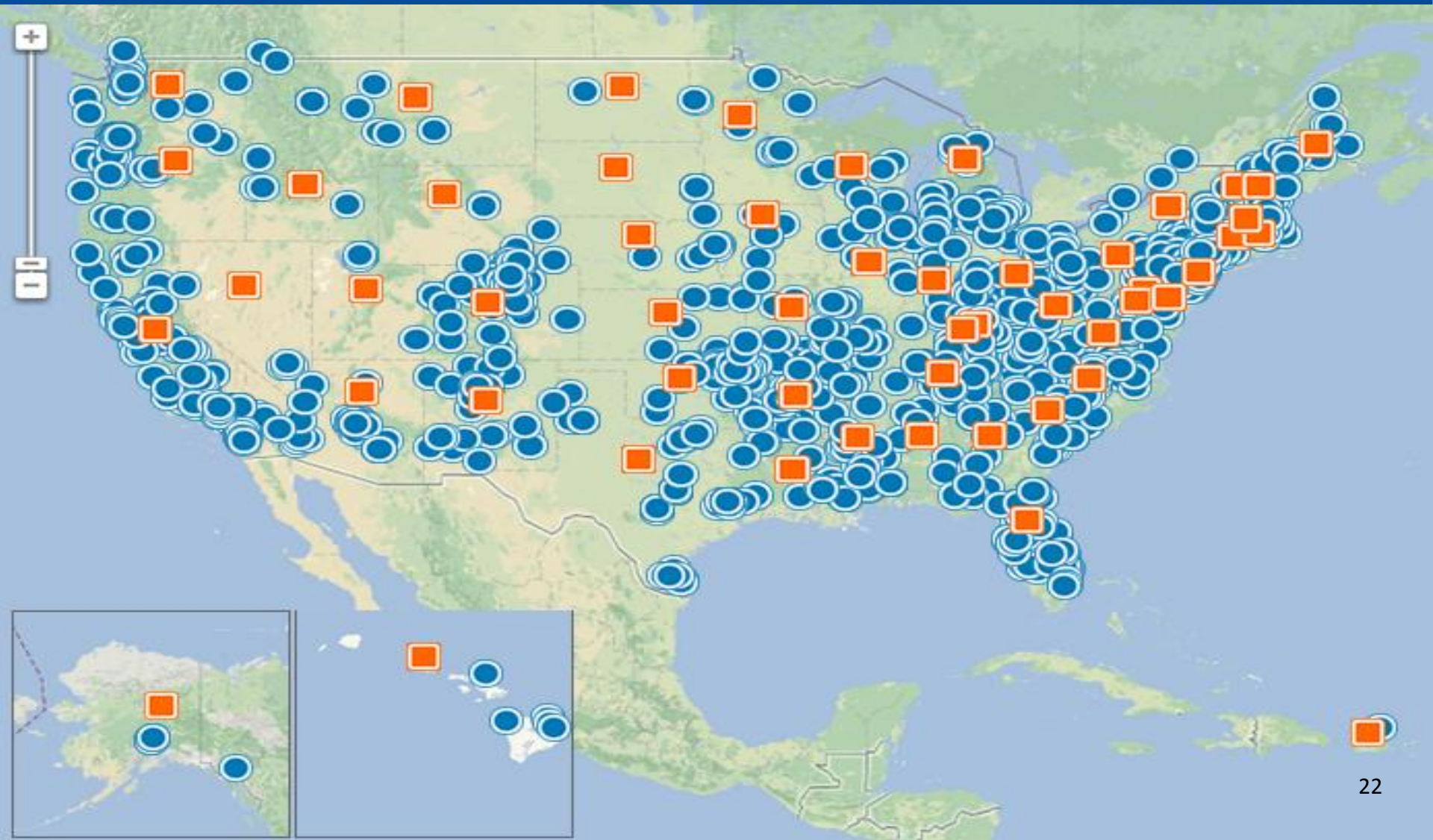
### **Initiatives Focused on the Medicaid Population**

- Medicaid Emergency Psychiatric Demonstration
- Medicaid Incentives for Prevention of Chronic Diseases
- Strong Start Initiative

### **Medicare-Medicaid Enrollees**

- Financial Alignment Initiative
- Initiative to Reduce Avoidable Hospitalizations of Nursing Facility Residents

# Innovation is happening broadly across the country



# Accountable Care Organizations (ACOs)

- An ACO promotes coordinated care and population management
- Over 350 ACOs serving over 5 million Medicare beneficiaries
- Over \$380 million of savings combined year 1 of MSSP and Pioneers
- Pioneer model with early promising results
  - Generated shared savings and low cost growth (0.3%)
  - Outperformed published benchmarks on 15/15 clinical quality measures and 4/4 patient experience measures

# Health Care Innovation Awards Round Two

**GOAL:** Test new innovative service delivery and payment models that will deliver better care and lower costs for Medicare, Medicaid, and Children's Health Insurance Program (CHIP) enrollees.

Test models in four categories:

1. Reduce Medicare, Medicaid and/or CHIP expenditures in ***outpatient and/or post-acute settings***
2. Improve care for ***populations with specialized needs***
3. Transform the ***financial and clinical models for specific types of providers and suppliers***
4. Improve the ***health of populations***



# Possible Model Concepts

- Outpatient specialty models
- Practice Transformation Support
- Health Plan Innovation
- Consumer Incentives
- ACOs version 2.0
- Home Health
- SNF
- More.....

# Opportunities and Challenges of a Lifelong Health System

- **Goal of system to optimize health outcomes and lower costs over much longer time horizons**
- **Payers, including Medicare and Medicaid, increasingly responsible for care for longer periods of time**
- **Health trajectories modifiable and compounded over time**
- **Importance of early years of life**

**Source: Halfon N, Conway PH. The Opportunities and Challenges of a Lifelong Health System. NEJM 2013 Apr 25; 368, 17: 1569-1571**

# **Financial Instruments and models that might incentivize lifelong health management**

- **Horizontally integrated health, education, and social services that promote health in all policies, places, and daily activities**
- **Consumer incentives (value-based insurance design)**
- **“Warranties” on specific services**
- **Bundled payment for suite of services over longer period**
- **Measuring health outcomes and rewarding plans for improvement in health over time**
- **Community health investments**
- **ACOs could evolve toward community accountable health systems that have a greater stake in long-term population health outcomes**

# What can you do?

- **Eliminate patient harm**
- **Focus on better health, better care, and lower costs for the patient population you serve**
- **Engage in accountable care and other alternative contracts that move away from fee-for-service to model based on achieving better outcomes at lower cost**
- **Invest in the quality infrastructure necessary to improve**
- **Test innovative models to better coordinate care for people with multiple chronic conditions**
- **Test new innovations and scale successes rapidly**
- **Relentless pursuit of improving health outcomes**