Value Based Contracts and Population Health University of Colorado Medicine

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Local Background

- CU Medicine: practice that supports CU School of Medicine clinical practices
 - Rev cycle, single signature contracts
- Faculty practice: 95% practice at two on-campus affiliated hospitals which are independent of CU
 - University of Colorado Hospital (part of UCHealth System)
 - Children's Hospital Colorado (free standing children's hospital)
- UCHealth and Children's have separate Clinically Integrated Networks
 - CU Medicine participates in both and have board seats

State of VB and Pop Health

- Medicaid: no managed care in Colorado
 - Regional Accountable Care & Alternative Payment Model (ACO)
 - Pri Care attribution and Pri Care pay for performance measurement to M'caid fee schedule for service reimbursement <u>+</u>4%
- Colorado Commercial Market (Anthem, Cigna, United, Aetna)
 - Programs roughly similar all upside
 - PC attribution based
 - Total cost of care
 - Earned savings distributed on quality performance
- Medicare
 - MSSP Track 3 and commercial Medicare Advantage through UCHealth CIN



Value Based Contracts

- CU Medicine capitated for MD services under self-insured health plan for CU, UCHealth, and CU Medicine since 1999.
 Capitation discontinued 2018
- Medicare and Medicaid comprise 45% of payor mix
- 2012: Built quality performance reporting, practice transformation, embedded behavioral health and patient support infrastructure related to deliverables of Value Based Modifier and M'caid Regional Accountable Care Organization
- 2015: Commercial contracts pushed alignment with M'care quality measures (Anthem VB contract in 2015)
- 2017: Participated in MSSP Track 3 and accepted in M'care CPC+: 13k M'care lives

ACO's/Clinically Integrated Networks

- UCHealth Clinically Integrated Network
 - CU Medicine, UCHealth Employed Practices, Community Providers
 - Participated in MSSP Track 3, year 2 of participation (exiting)
 - CU Medicine does not participate in CIN commercial agreements
 - CU Medicine provides services to the CIN for quality performance monitoring, reporting, regulatory and Epic support
 - CU Medicine has two board seats
- Children's Hospital Colorado Pediatric Care Network
 - Limited commercial market demand
 - Commercial agreements with Anthem and Cigna
 - CU Medicine participates in Cigna
 - CU Medicine has two board seats



Value of CIN's to CU Practice

- Health system partners recognize the strategic importance of population based activities, specifically ambulatory care management and practice transformation
- Provide tertiary care services for expanded population base, most notable in adult health
- Still more opportunity to make meaningful investment in care management and population management
- Campus partnerships and citizenship

MACRA and other M'care Initiatives

- CU Medicine made strategic investment in pre-MACRA (VBM)
- 5% APM bonus (\$2.7M) for meeting APM Qualifying Provider (QP) status via MSSP Track 3 and CPC+ participation
- CPC+ beneficial for building pop health infrastructure in clinics
- Attribution model is important for success
 - CU Medicine did well with retro attribution under VBM
 - CIN struggled with prospective attribution with MSSP3
- We will pivot to MIPS for CY19 (with MSSP Track 3 exit)
- Evaluate future M'care strategy for FY20



Successes

Development of Office of Value Based Performance (OVBP)

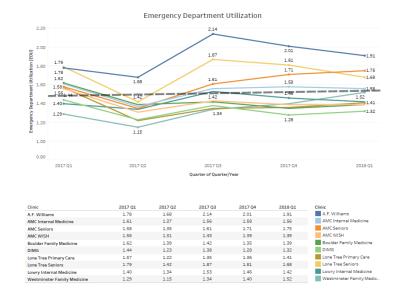
- CU Medicine Department organized to perform VBM, M'caid ACO, commercial agreements and Meaningful Use
- Team is comprised of Medical Director, Epic Analysts,
 Regulatory Lead, Clinical Pharmacists, Administrative Core
- Leverage EMR capabilities for reporting and pop health management
- CU Medicine achieved FPSC Quality Performance Top Tier FPSC among academic medicine cohort.
 - Cost performance slightly above median (HOPD costs pulled ranking down)
- Ongoing support to both CIN's

OVBP Performance Monitoring

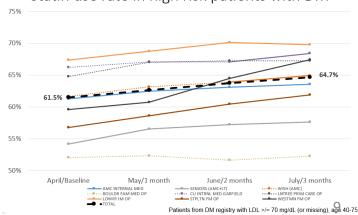
Medicare Shared Savings Program Quality Dashboard UCHealth Integrated Network University of Colorado Medicine January 1, 2018 through July 31, 2018

Numerator	Denominator	Performance	Network	Goal	2016 QRU Benchmai
573	618	93%	27%	N/A	TBD
8,825	9,155	96%	27%	82%	57%
462	1,574	29%	32%	N/A	33%
986	1,485	66%	33%	N/A	78%
3,741	5,395	69%	28%	70%	67%
1,118	1,320	85%	23%	90%	82%
87	771	11%	44%	N/A	TBD
1,711	3,017	57%	30%	N/A	55%
2,657	5,822	46%	30%	N/A	53%
5,454	9,679	56%	29%	70%	44%
7,933	9,155	87%	27%	80%	54%
10,058	10,419	97%	29%	90%	59%
10,405	10,454	100%	29%	86%	87%
324	642	50%	28%	86%	87%
10,084	10,451	96%	29%	86%	87%
6,069	8,027	76%	28%	80%	52%
4,079	5,365	76%	26%	N/A	TBD
	8,825 462 986 3,741 1,118 87 1,711 2,657 5,454 7,933 10,058 10,405 324 10,084 6,069	8,825 9,155 462 1,574 986 1,485 3,741 5,395 1,118 1,320 87 771 1,711 3,017 2,657 5,822 5,454 9,679 7,933 9,155 10,058 10,419 10,405 10,454 324 642 10,084 10,451 6,069 8,027	8,825 9,155 96% 462 1,574 29% 986 1,485 66% 3,741 5,395 69% 1,118 1,320 85% 87 771 11% 1,711 3,017 57% 2,657 5,822 46% 5,454 9,679 56% 7,933 9,155 87% 10,058 10,419 97% 10,405 10,454 100% 324 642 50% 10,084 10,451 96% 6,069 8,027 76%	8,825 9,155 96% 27% 462 1,574 29% 32% 986 1,485 66% 33% 3,741 5,395 69% 28% 1,118 1,320 85% 23% 87 771 11% 44% 1,711 3,017 57% 30% 2,657 5,822 46% 30% 5,454 9,679 56% 29% 10,058 10,419 97% 29% 10,405 10,454 100% 29% 324 642 50% 28% 10,084 10,451 96% 29% 6,069 8,027 76% 28%	8,825 9,155 96% 27% 82% 462 1,574 29% 32% N/A 986 1,485 66% 33% N/A 3,741 5,395 69% 28% 70% 1,118 1,320 85% 23% 90% 87 771 11% 44% N/A 1,711 3,017 57% 30% N/A 2,657 5,822 46% 30% N/A 5,454 9,679 56% 29% 70% 10,058 10,419 97% 29% 80% 10,405 10,454 100% 29% 86% 324 642 50% 28% 86% 10,084 10,451 96% 29% 86% 6,069 8,027 76% 28% 86%

Monitoring quality measure and cost/utilization performance for value-based contracts









Risks and Strategy Going Forward

- Medicare/Medicaid: practice revenue will be at risk based on VB performance
- Strategy to protect commercial rates on campus (as opposed to community practices) and be prepared for reimbursement shift when financing changes to value over volume
- CU Medicine practice commitment to value based performance has been organic rather than market reactive
 - That could change