Policy Number & Title:	04-15 Population Health Management Payments PY 2021
Responsible Department/s:	Finance
Author:	Tom Borys, Sr. Director ACO Finance and Payment Reform
Date Implemented:	01/01/2021
Date Revised:	10/20/2020
Next Review Date:	03/01/2021

I. Purpose: To outline the calculation and distribution of Population Health Management Payments to Eligible Participants.

II. Scope: This policy applies to Eligible Participants as defined below.

III. Definitions: Commonly used terms have the same definition as defined in OneCare's *Policy and Procedure Glossary.* For purposes of this policy, the terms below have the following meanings:

Attribution refers to the process by which the ACO becomes accountable for the cost and quality of care for a patient. Attribution methodology may vary by Payer and is primarily based on a member's primary care relationship with an ACO-participating provider.

Eligible Participant means a Participant that is, or whose TIN contains, a primary care practice(s) and has been assigned Attributed Lives by OneCare for an ACO Program.

Participant means an individual or group of Providers that is: (1) identified by a TIN; (2) included on any list of Participants submitted by ACO to Payers; (3) qualifies to attribute lives in ACO Programs; and (4) that has entered into a Risk Bearing Participant & Preferred Provider Agreement with ACO. Participant may be more particularly defined in each ACO Program.

Payer refers to any governmental or commercial entity contracted with OneCare to provide ACO Services to its beneficiaries or members as part of an ACO Program.

TIN means Federal Taxpayer Identification Number or employer identification number or social security number in the case of a provider who bills Payers under his/her social security number.

IV. Description/Policy:

OneCare will make a monthly Population Health Management Payment (sometimes "PHMP") to each Eligible Participant. While the PHMP is paid at the TIN level, it is calculated on the practice level and each practice, as reflected on the TIN's roster of providers, must individually meet the criteria described in the ACO's Program of Payments to receive any PHMP.

The annual base amount of the PHMP will be set prospectively at the beginning of the Performance Year, after OneCare has assigned Attributed Lives to Participants, and will not be adjusted for monthly attribution attrition. OneCare may adjust the base PHMP annually based on evolving factors. The annual PHMP will be calculated based on the January 1st attribution total, an attribution attrition factor, and for Performance Year 2021 a $3.25 PMPM.

For Payer Programs with Downside Risk/Losses Borne by Participants:
Each month the $3.25 Population Health Management Payment will be subject to a $1.50 PMPM withhold, also based on the January attribution total with an attribution attrition factor. This withhold will be accounted for by OneCare discretely by HSA to create an "HSA PHM Withhold Pool" (Withhold). The Withhold will be used to contribute to each HSAs Performance Year shared losses (if owed). Any amount of this Withhold not needed to pay the HSA shared losses in full will be refunded to Eligible Participants within the HSA proportionally up to the total initial annual Population Health Management Payment amount, or the full return of the PMPM withhold. If no shared losses are owed by the HSA, the PMPM withhold will be refunded in full to Eligible Participants within the HSA at the time of program settlement. If the HSA-specific withhold is not sufficient to pay the HSA-specific programmatic shared losses, the remaining shared losses will be owed by the HSA Risk Bearing Entity in accordance with the terms of the Program Settlement Policy. Each of these calculations shall be done separately for each qualifying ACO Program.

If an HSA earns shared savings, Eligible Participants within the HSA can receive up to an additional $1.50 PMPM beyond the initial PHMP using the same base attribution and attribution attrition factor and in a manner that yields the same PMPM shared savings payment for each Eligible Participant. If the total shared savings for the HSA are not distributed in full after this step, the remainder will be owed to the HSA Risk Bearing Entity in accordance with the terms of the Program Settlement Policy.

If an Eligible Participant wishes to defer the PMPM withhold and instead receive a year-end invoice for any portion of the PMPM withhold that would have been obligated to fund shared losses, the Eligible Participant must submit a written request to OneCare prior to the start of the Performance Year, in a manner and time to be determined by management. If selected, the agreement to defer the PMPM withhold will be memorialized in a contract addendum with the Eligible Participant. Eligible Participants must submit payment to OneCare within thirty (30) days from OneCare's date of invoice. Eligible Participants who do not remit payment in a timely manner may be in bad standing and subject to remedial actions.

For Non-Risk Payer Programs with Only Shared Savings Opportunity for Participants:
OneCare will pay each Eligible Participant the full Population Health Management Payment of $3.25 PMPM. If an HSA earns shared savings, Eligible Participants within the HSA will receive up to an additional $1.50 PMPM using the same base attribution and attribution attrition factor and in a manner that yields the same PMPM shared savings payment for each Eligible Participant. If the total shared savings for the HSA are not distributed in full after this step, the remainder will be paid to the HSA Risk Bearing Entity in accordance with the terms of the Program Settlement Policy.

For Programs with No Downside Risk or Shared Savings Opportunity for Participants:
Each month the Population Health Management Payment will be paid at the $3.25 PMPM level with no opportunity for any additional shared savings.

OneCare's Population Health Strategy Committee will convene a time-limited primary care workgroup to examine ACO requirements on primary care and identify the value proposition and if any changes are needed. This work will be completed in time to inform policy development for 2022.

V. Review Process: Routine annual policy review.

VI. References: N/A

VII. Related Policies/Procedures:

- 04-07 Program Settlement Policy
    - Location: S:\Groups\Managed Care Ops\OneCare Vermont\Policy and Procedures\Policies

Location on Shared Drive: S:\Groups\Managed Care Ops\OneCare Vermont\Policy and Procedures\Policies

Management Approval:

	11/3/2020
Sr. Director, ACO Finance and Payment Reform	Date
Sara E Barry	11/03/2020
Chief Operating Officer	Date

Board of Managers Approval:

John Brumsted	11/5/2020
Chair, OneCare Vermont Board of Managers	Date