

All-Payer Accountable Care Organization Model Implementation and Timeline

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All-Payer ACO Model: What Is It?

- The All-Payer ACO Model enables the three main payers of health care in Vermont – Medicaid, Medicare, and commercial insurance – to pay an Accountable Care Organization (ACO) differently than through fee-for-service reimbursement.
 - Facilitated by state law and an agreement between the State and the Centers for Medicare and Medicaid Services (CMS) that allows Medicare's participation
- Provides the opportunity to improve health care delivery to Vermonters, changing the emphasis from seeing patients more routinely for episodic illness to providing longitudinal and preventive care. A more predictable revenue stream supports providers in initiating additional delivery system reforms that improve quality and reduce costs.



Implementation is a Journey





What Does All-Payer ACO Model Implementation Look Like?

- ACOs and Payers (including Medicaid) are responsible for <u>ACO Development and Implementation</u>:
 - Establishing ACO Initiatives through ACO/Payer agreements (including financial incentives and linkage to ACO quality)
 - Developing analytic and reporting capacity
 - Implementing payment mechanisms
- ACOs and Providers are responsible for <u>Delivery System</u> <u>Implementation</u>:
 - Establishing ACO/provider agreements
 - Developing programs to improve care coordination and quality of care
 - Meeting scale targets



All-Payer ACO Model Implementation (cont'd)

- AHS is responsible for developing, offering, and implementing a <u>Medicaid ACO Program</u> (Vermont Medicaid Next Gen contract signed on February 1, 2017)
- GMCB is responsible for <u>Regulatory Implementation</u>:
 - Certifying ACOs (includes rulemaking)
 - Reviewing ACO budgets
 - Reviewing and advising on Medicaid ACO rates
 - Setting Commercial and Medicare rates for ACOs
 - Reporting on progress to CMS
 - Tracking financial benchmarks, scale targets and quality targets
 - Implementing changes to other GMCB processes to create an integrated regulatory approach (e.g., hospital budgets; health insurance premium rate review)

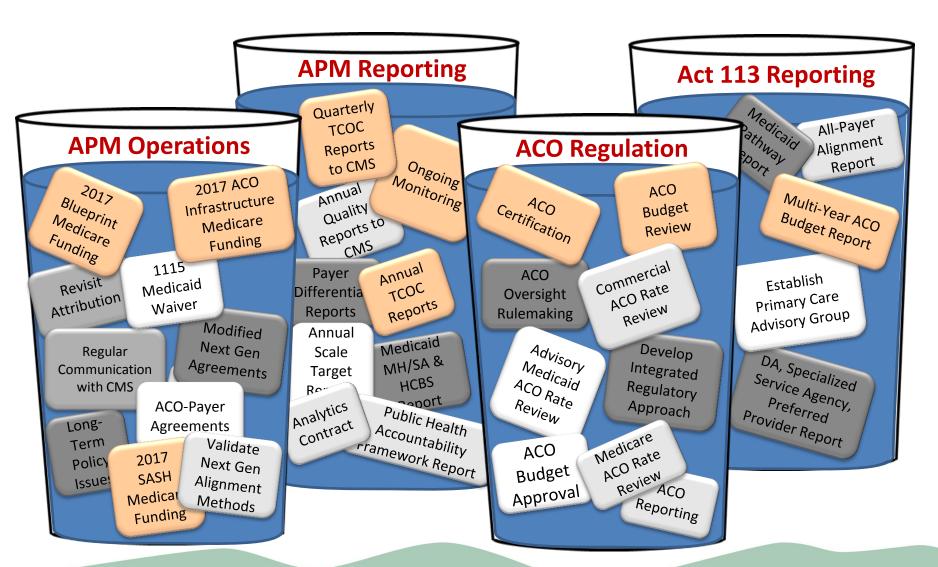


Four Major Areas of Work

- All-Payer ACO Model Operations
- All-Payer ACO Model Reporting
- ACO Regulatory Activities
- Act 113 Reporting and Outreach



Many Activities Within Each Area of Work



Year 0 (2017) All-Payer ACO Model Timeline*

September-November-July-January-March-May-June October December **August February April 2017** 2017 2017 2017 2017 2017 Rulemaking **Analytics** Rulemaking Rulemaking **Rule Drafting Rule Pre-Filing** continues **Continues Continues RFP** Released **ACOs Submit** Refining **GMCB ACO ACO Test CMS Preliminary** Measure **Test Budget** Agree on **Trend Factor for Test Budget Budget Specifications** Filing to **Total Cost** 2018 (4th **GMCB** Review **Approval** of Care **Process** Quarter) **VMNG Definition** Commercial Contract with CMS **Pre-certification Rate Review** signed of ACO (part of QHP Site visit Rate Review) from CMS Finalize quality Medicaid targets **Advisory ACO Rate Review**

^{*}Dates and activities based on current information; subject to change.

Year 1 (2018) All-Payer ACO Model Timeline*

November-July-September-January-March-**May-June December August** October **February April 2018** 2018 2018 2018 2018 2018 **ACOs First CMS GMCB ACO** Rule **ACO** submit quarterly **Preliminary** Adopted **Budget Budget** financial budget **Trend** Review **Approval** information Factor (4th report due **Process** ACO(s) to CMS to **GMCB** Quarter) Certified Commercial **Rate Review** (part of **OHP Rate** Review) Medicaid **Advisory ACO Rate** Review

^{*}Dates and activities based on current information; subject to change.



VT All-Payer ACO Model Agreement Reporting Timeline

2018 PY1 2019 PY2 2020 PY3

2021 PY4 2022 PY5

2023













Quarterly, starting in April 2018:

VT reports performance on All-Payer Total Cost of Care per Beneficiary Growth Target (TCOC) to CMS

June 30– Annual TCOC Report

Annual ACO Scale Targets & Alignment Report

Sept. 30– Annual Quality Report

Dec. 31-

Assessment of Payer
Differential

Annual Reports are for prior year

June 30– Annual TCOC Report

Annual ACO
Scale Targets &
Alignment
Report

Public Health Accountability Framework

Sept. 30– Annual Quality Report

Dec. 31–
Financing &
delivery of
Medicaid MH/SA
and HCBS

Options to narrow Payer Differential June 30– Annual TCOC Report

Annual ACO Scale Targets & Alignment Report

Sept. 30– Annual Quality Report

Dec. 31– Optional proposal for subsequent 5year Model (2023-2027) June 30– Annual TCOC Report

Annual ACO Scale Targets & Alignment Report

Sept. 30– Annual Quality Report June 30– Annual TCOC Report

Annual ACO Scale Targets & Alignment Report

Sept. 30– Annual Quality Report

Burgundy font = One-time report

