

2020 (PY3) Scale Targets and Alignment

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2020 All-Payer and Medicare Results

Results for PY1–3

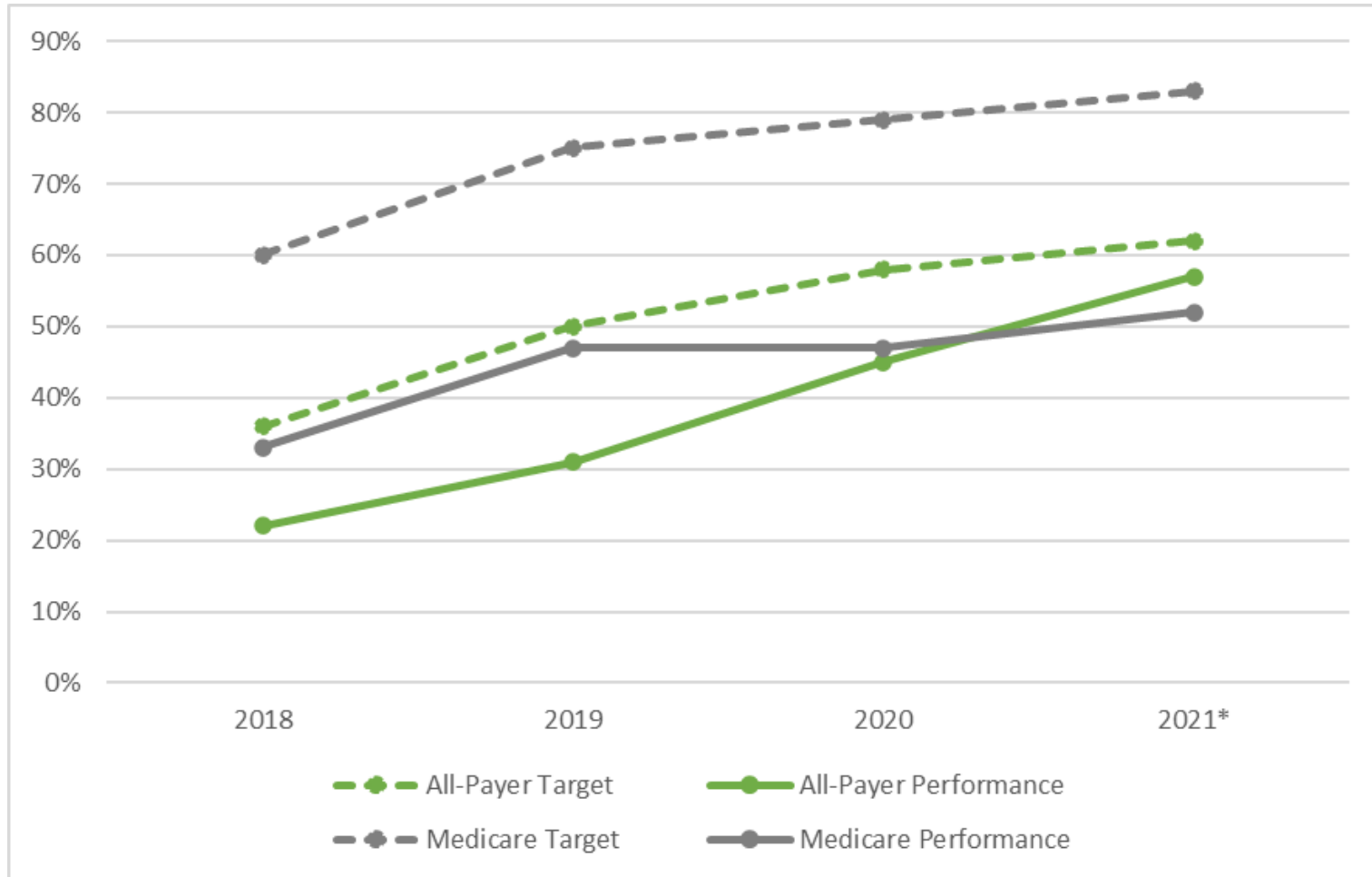


- In PY 3, Vermont achieved 47% Medicare Scale Performance (target: 79%) and 45% All-Payer Scale Performance (target: 58%); as expected, Vermont did not achieve Medicare and All-Payer Scale Targets for PY3.
 - Preliminary data included in PY2 report anticipated this result.

		PY1 (2018) Final	PY2 (2019) Final	PY3 (2020) Final	PY4 (2021) <i>Preliminary</i>	PY5 (2022)
Vermont All-Payer Scale Target Beneficiaries	Target	36%	50%	58%	62%	70%
	Actual	22%	31%	45%	57%	
	(Difference)	(-14%)	(-19%)	(-13%)	(-5%)	
Vermont Medicare Beneficiaries	Target	60%	75%	79%	83%	90%
	Actual	33%	47%	47%	52%	
	(Difference)	(-27%)	(-28%)	(-32%)	(-31%)	

¹⁴ 2021 preliminary estimates utilize the 2020 population and are subject to change with official 2021 report.

PY1 – 3 Results



*2021 preliminary estimates utilize the 2020 population and are subject to change with official 2021 report.

Attribution

Payer	2017 PY0	2018 PY1	2019 PY2	2020 PY3	2021 Preliminary PY4 ¹
Medicaid ²	28,593	42,342	79,004	114,335	111,532
<i>% change</i>		48%	87%	45%	-2%
Medicare ³	-	36,860	53,973	53,842	61,932
<i>% change</i>			46%	0%	15%
Commercial ⁴	-	30,526	30,363	62,588	96,558
<i>% change</i>			-1%	106%	54%

¹ Preliminary attribution based on OneCare Vermont's 2021 revised budget (5/26/2021).

² Medicaid data are prospective and obtained directly from DVHA.

³ Medicare data are prospective and obtained directly from CMMI.

⁴ Commercial data are a combination of all participating programs and are obtained directly from OneCare Vermont.

Factors Influencing Scale Targets

- **Provider network:** Expanded provider network led to increase in All-Payer scale.
 - Increased participation in the commercial and Medicaid space
 - Increased participation in the CPR program
- **Payer participation:** Medicaid and Medicare near saturation; commercial participation remains a challenge.
 - Issues with self-funded market
 - Near saturation in Medicaid space
- **Attribution methodology:** A barrier to achieving scale for Medicare.
 - Refinements and improvements to attribution methodology through DVHA program (traditional/expanded) have led to increases in All-Payer scale.
 - Attribution is provider driven, disconnect between where people live and where they seek care is particularly challenging for Medicare population.

Alternative All-Payer Scale Measurements

Summary

- Staff have developed three alternative measures of All-Payer scale to offer a fuller picture of the statewide scope of the model.

Alternative Measure	Measure Description	Rationale
Adjusted Scale	Removes self-funded groups without data available in VHCURES and the Medicare Advantage populations from scale target denominator calculation	Adjusts the scale target calculation to better reflect data available to the State of Vermont as well as the State's regulatory influence
Proportion of Hospital Revenue	Estimates proportion of prospective payments to hospitals compared with hospital revenue in scope for APM risk-based arrangements	Provides estimate of APM penetration at Vermont's hospitals
Proportion of Providers Participating in the APM	Compares ACO's network with potential participants (licensed and active providers) statewide	Since Vermont residents may attribute to providers practicing out-of-state, this provides a better gauge for the ACO network penetration in Vermont

Adjusted Scale



	2018 (PY1) Final	2019 (PY2) Final	2020 (PY3) Final	2021 (PY4) Preliminary
All-Payer Scale Denominator	550,806	526,723	515,533	TBD
Medicare Advantage	(11,749)	(17,745)	(19,924)	
Self-Funded Lives Not in VHCURES	(85,000)	(75,000)	(68,091)	
Adjusted Denominator	454,060	433,978	427,518	
Adjusted All-Payer Scale Performance	25%	37%	54%	68%
Difference from All-Payer Scale Target	-11%	-13%	-4%	+6%

Proportion of Hospital Revenue



- Proportion of Hospital Revenue =

$$\frac{\text{Prospective payments + Other reform payments}}{\text{Prospective payments + Other reform payments + Net Patient Revenue (estimated share from VT residents)}}$$

	2017 (PY0)	2018 (PY1)	2019 (PY2)	2020 (PY3)
Total Revenue	\$2,378,721,942	\$2,520,075,138	\$2,597,288,054	\$2,444,037,937
Estimated VT Resident Revenue	\$2,234,000,656	\$2,329,290,531	\$2,401,820,237	\$2,238,229,808
Prospective Payments + Other Reform Payments	\$43,510,957	\$231,893,481	\$299,908,013	\$351,471,909
Proportion of VT-Based Estimated Revenue	1.9%	10.0%	12.5%	15.7%

Proportion of Providers Participating



“CMS and Vermont expect that the majority of providers and suppliers operating in Vermont and participating in Vermont ACOs will chose to participate in a VMA ACO or a Vermont Modified Next Generation ACO.” (6.i.)

$$\frac{3,398 \text{ Eligible ACO Network Attributing Providers}}{3,796 \text{ Eligible VT Primary Care Practitioners}} = 90\%$$

Alternative Medicare Scale Measurement

Beneficiaries Eligible for Attribution



- Staff have developed one alternative measures of Medicare scale to offer a fuller picture of the scope of the Model for beneficiaries who are eligible for attribution.

	2019 (PY2)	2020 (PY3)
VT Medicare Scale Target Beneficiaries	113,743	115,496
Subpopulation Eligible for Attribution	93,871	93,550
Difference	-18,972	-21,946
Scale Performance for Eligible Beneficiaries	57%	58%
Difference from Medicare Scale Target	-18%	-21%

Conclusions

- PY3 results show progress, but ultimately scale remains shy of the ambitious targets set forth in the APM agreement
 - This has been clear since the PY2 report, released in June 2020
- The APM IIP was created in 2020 to address issues with scale participation, with the expectation that scale would increase in 2021 and beyond as a result of those efforts
 - Preliminary 2021 scale results demonstrate improvement
- Alternate measures of scale are provided to offer a fuller picture of statewide scope
 - Penetration at the provider level is high
 - FPP continues to grow as the Model expands