

# 2019 All-Payer Model Update

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# Agenda

- 2019 TCOC Preliminary Results
- 2019 Scale
- 2019 Quality
- Other APM Reporting Requirements

# 2019 All-Payer Total Cost of Care Preliminary Results

# Background

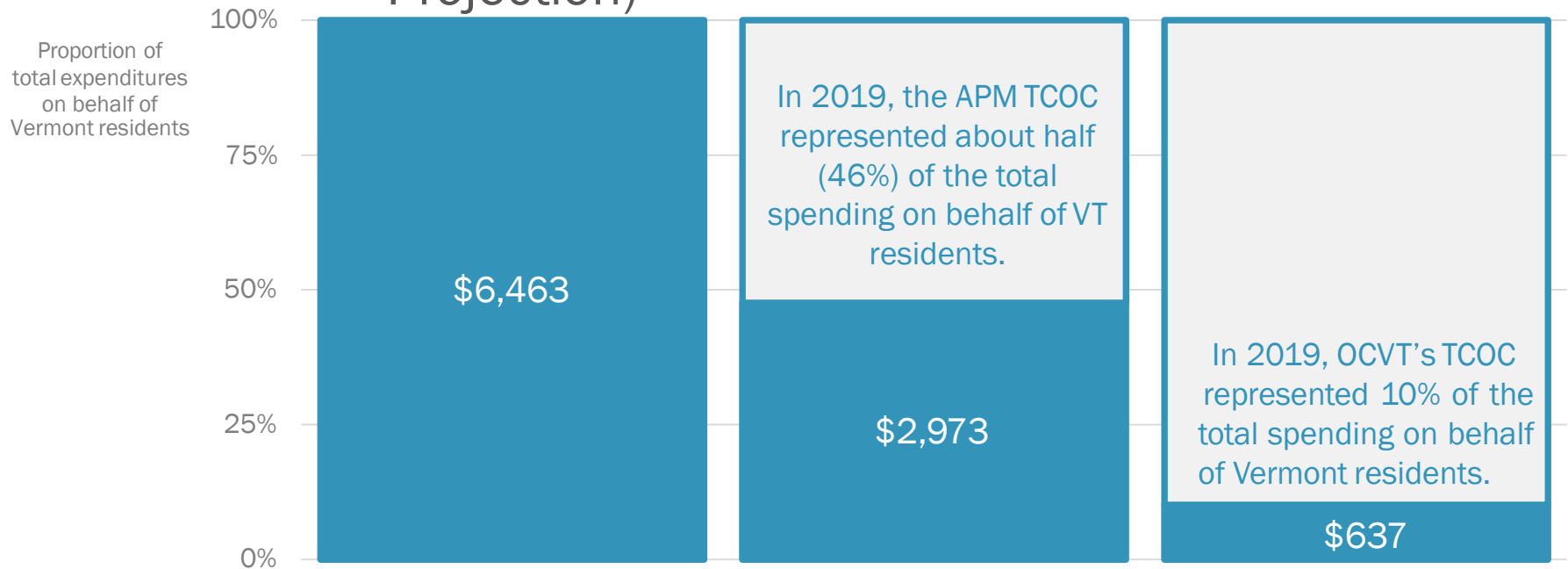
- Results shown are with three months of runout, we do not consider results final until we have 6 months of runout in the books
- There are now three years for Medicaid participation, and two years for Medicare and Commercial participation in the model

# Comparing Expenditure Measures (in millions)

Total VT Resident Spend  
(2019 EA Projection)

APM TCOC  
(2019)

OCVT TCOC  
(2019 Actual)



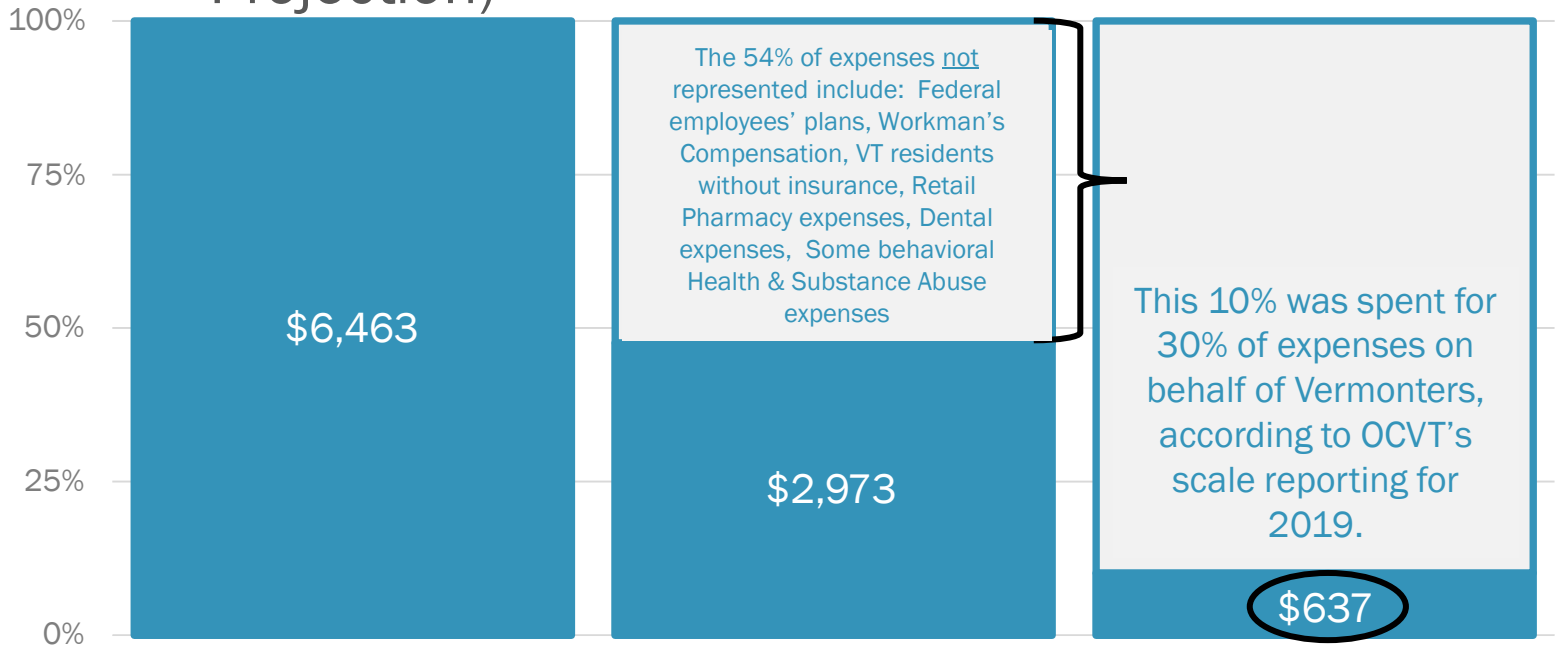
# Comparing Expenditure Measures (in millions)

Total VT Resident Spend  
(2019 EA Projection)

APM TCOC  
(2019)

OCVT TCOC  
(2019 Actual)

Proportion of total expenditures on behalf of Vermont residents



# TODAY'S RESULTS: All-Payer TCOC Growth, Model Overall



How did the per person TCOC change from 2017 to 2019 for Vermont residents?

$$\left( \frac{\text{Per Person TCOC in 2019}}{\text{Per Person TCOC in 2017}} \right)^{1/2} - 1 = 4.2\%$$

*Reminder: Range of 3.5% - 4.3% in the All-Payer Model*

While we monitor year-over-year change, our performance is assessed for the growth from 2017 to date.

# All-Payer TCOC by Payer Type

With Estimates for 2019 Final



Payer Type	2019 (current)	2019 (estimated range)†	Growth PY0-PY1	Growth PY1-PY2†	Compounded Annual Growth†
National Trend°	NA	NA	4.8%	NA	NA
All-Payer	\$544	\$500 - \$558	4.1%	5.5% - 7.0%	4.8% - 5.5%
Medicare	\$882	\$891 - \$904	4.4%	1.5% - 3.0%	4.9% - 5.6%
Commercial	\$503	\$508 - \$515	1.5%	8.3% - 9.9%	5.2% - 5.9%
Medicaid*	\$283	\$286 - \$290	6.5%	3.8% - 5.3%	2.9% - 3.7%

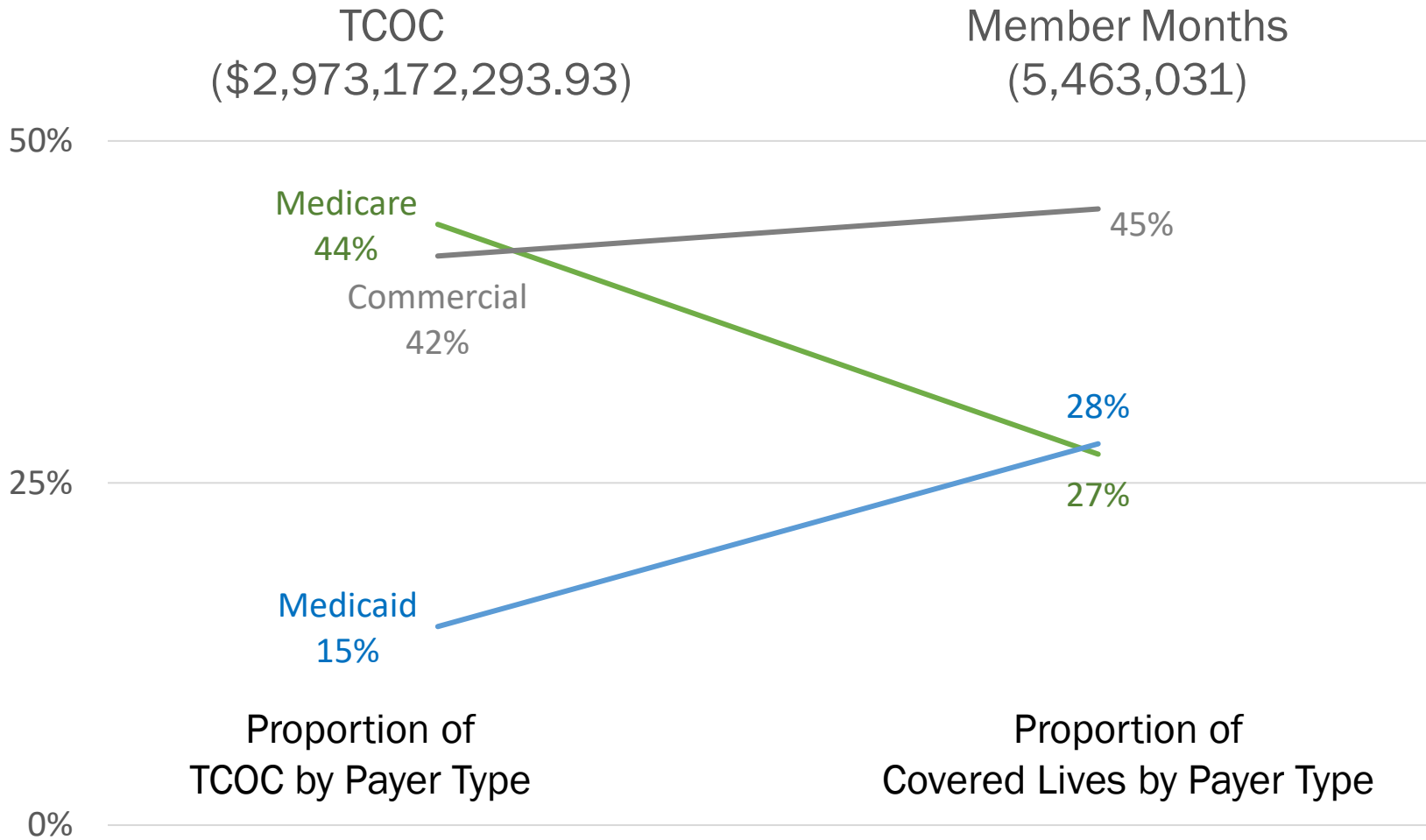
\*Excludes permissible price increases

†Estimated range based on an additional 3 months of claims run-out per historical data

°Based on NHE-HCE 2018 results for Total Spend Annual % Change from 2017-2018. The 2019 data were not available as of Nov. 2020.



# Share of TCOC vs Population by Payer Type (2019)

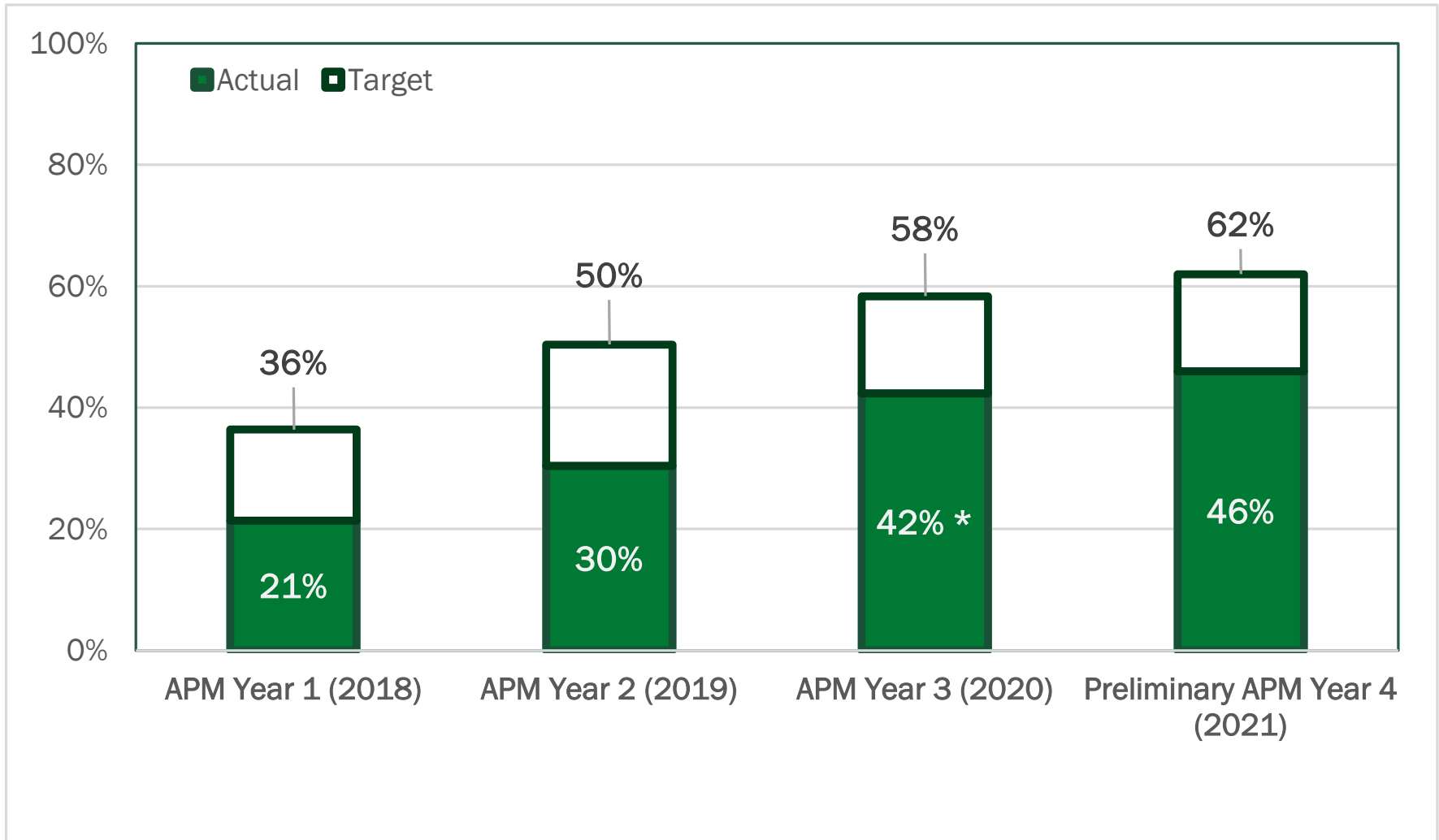


# 2019 TCOC Next Steps

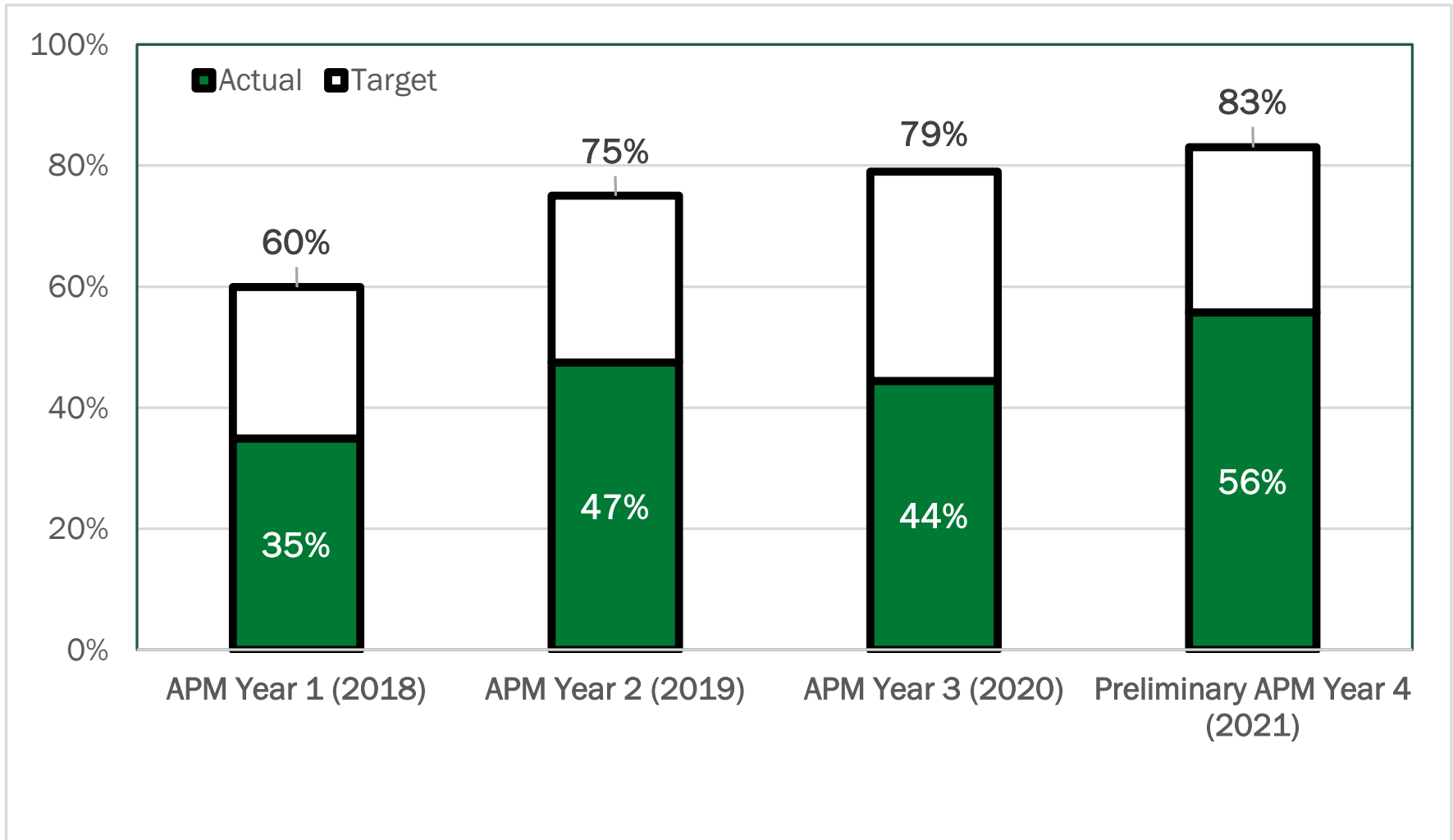
- 6 months of runout for report production
- Final 2019 report relies on data from Medicare, anticipate production in early 2021
- A consequence of COVID-19 is that we expect compounding growth through 2020 to be lower.
- Once we have final data, we will complete a more nuanced analysis on growth (e.g. care in state versus out)

# 2019 Scale Target and Alignment

# All-Payer Scale



# Medicare scale



# Scale

- Discussed Scale Performance & Warning Letter at 11/25 Board Meeting
- Strategies and Next Steps:
  - Final year of the Model, 2022, will show potential impact of the strategies noted in the Scale Response
  - Next year's scale report will be final 2020, with projected 2021; projected 2022 will be available when the ACO presents its 2022 budget, based on contract negotiations at that point in time
- Additional Takeaways:
  - VSEA added to scale-qualifying population; already included in proposed 2021 budget

# 2019 Statewide Quality & Population Health Outcomes

# Quality

- 2019 requires 6 months of run out to produce claim-level measures
  - 2018 report was published in February of 2020
- Staff work planned/in progress:
  - Assessing trend over time (stayers);
  - ACO impact on APM quality and pop health outcomes
  - ACO provider analysis



# Upcoming All-Payer Model Reporting

# 2020 Timeline: (Upcoming/Complete)

2020

February

↓  
*2018 Annual  
TCOC Report*

March

↓  
*2018 Statewide  
Health  
Outcomes and  
Quality of Care  
Report*

June

→  
*Payer  
Differential  
Assessment  
Report*

→  
*Public Health  
System  
Accountability  
Framework  
(AHS leads)*

→  
*2019 Scale Targets  
and Alignment Report*

December

→  
*2019 Statewide  
Health Outcomes  
and Quality of  
Care Report*

→  
*Plan to Integrate  
Medicaid Mental  
Health, SUD, and HCBS  
Services within All-  
Payer Financial Target  
Services (AHS leads)*

→  
*Payer Differential  
Options Report*

# Upcoming Reports

- Payer Differential will be delivered as a package:
  1. Annual Differential Report (section 10a)
  2. Payer Differential Assessment Report (section 10b)
  3. Payer Differential Options Report (section 10c)
- Annual Statewide Health Outcomes and Quality of Care
  - Will be delivered as soon as data allow (runout is required for calculation of HEDIS measures)
- Plan to Integrate Medicaid Mental Health, SUD, and HCBS Services within All- Payer Financial Target Services
  - The Agency of Human Services is proposing to delay this report so that it better aligns with future APM planning

# Questions?