

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

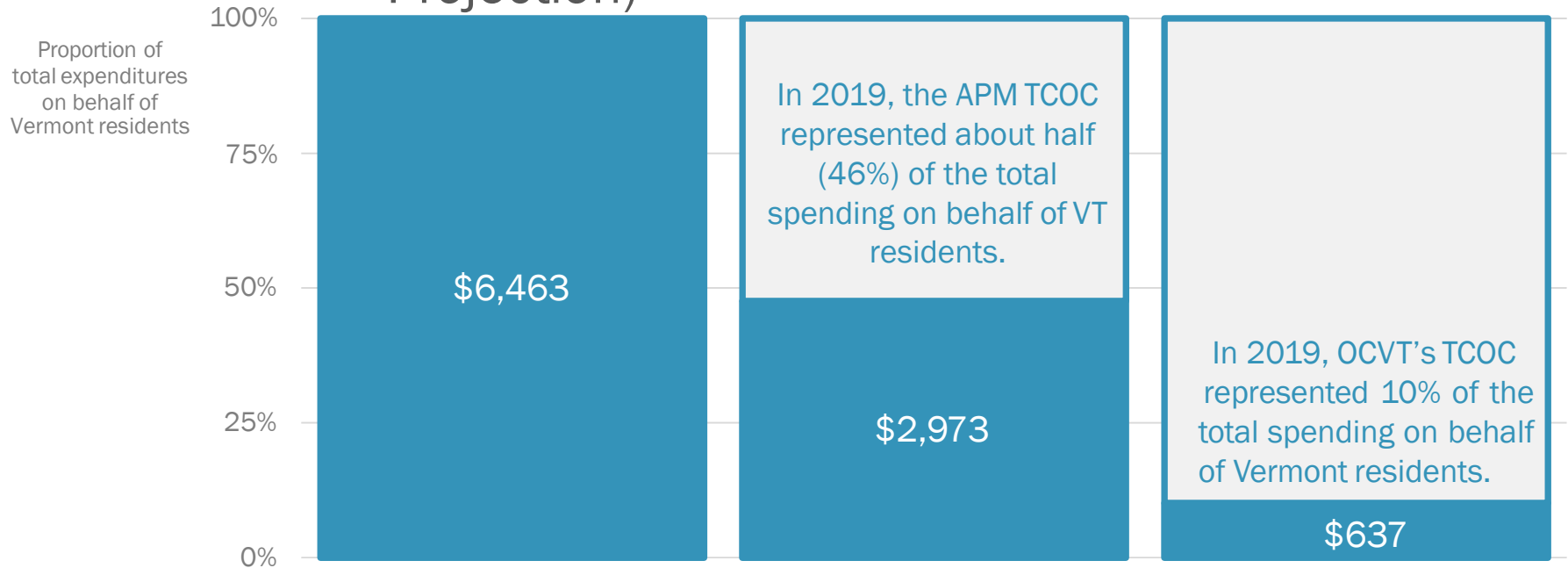
- Results shown are with three months of runout, we do not consider results final until we have 6 months of runout in the books
- There are now three years for Medicaid participation, and two years for Medicare and Commercial participation in the model

Comparing Expenditure Measures (in millions)

Total VT Resident
Spend
(2019 EA
Projection)

APM TCOC
(2019)

OCVT TCOC
(2019 Actual)



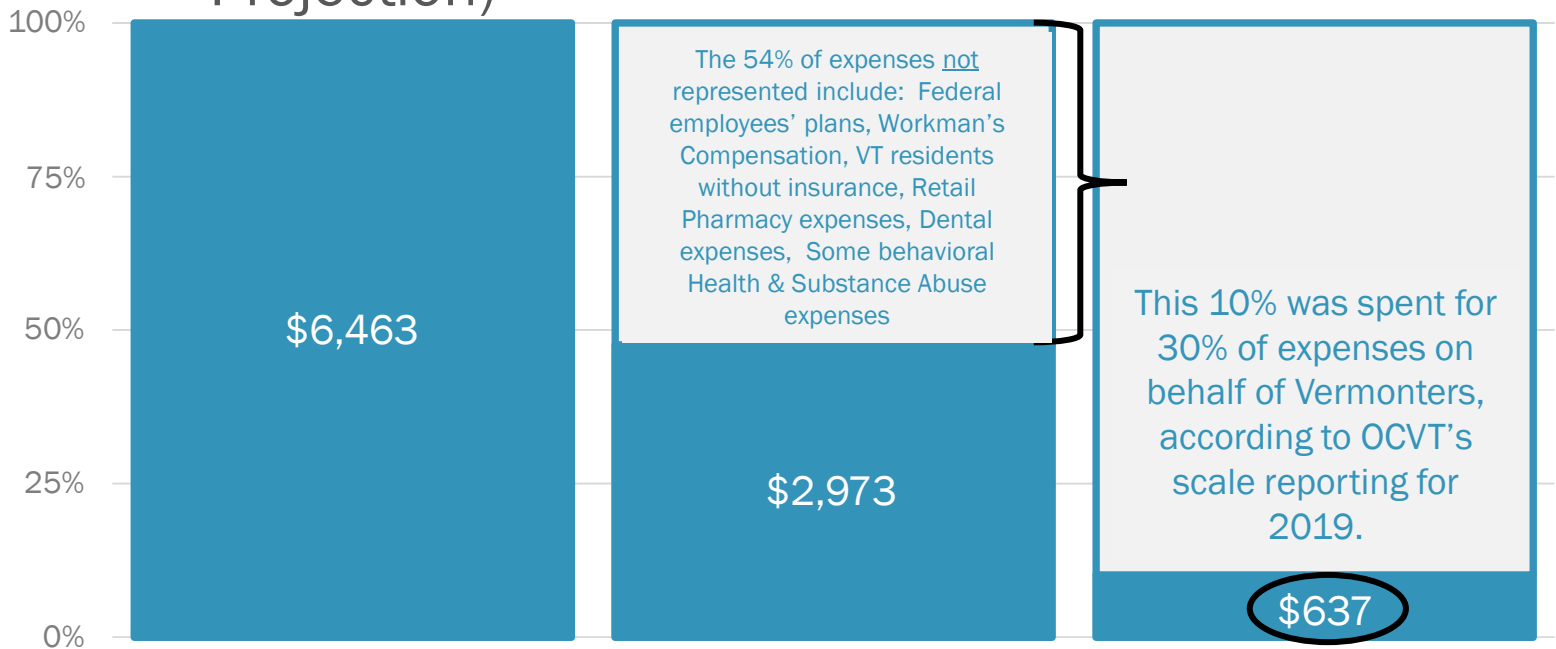
Comparing Expenditure Measures (in millions)

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



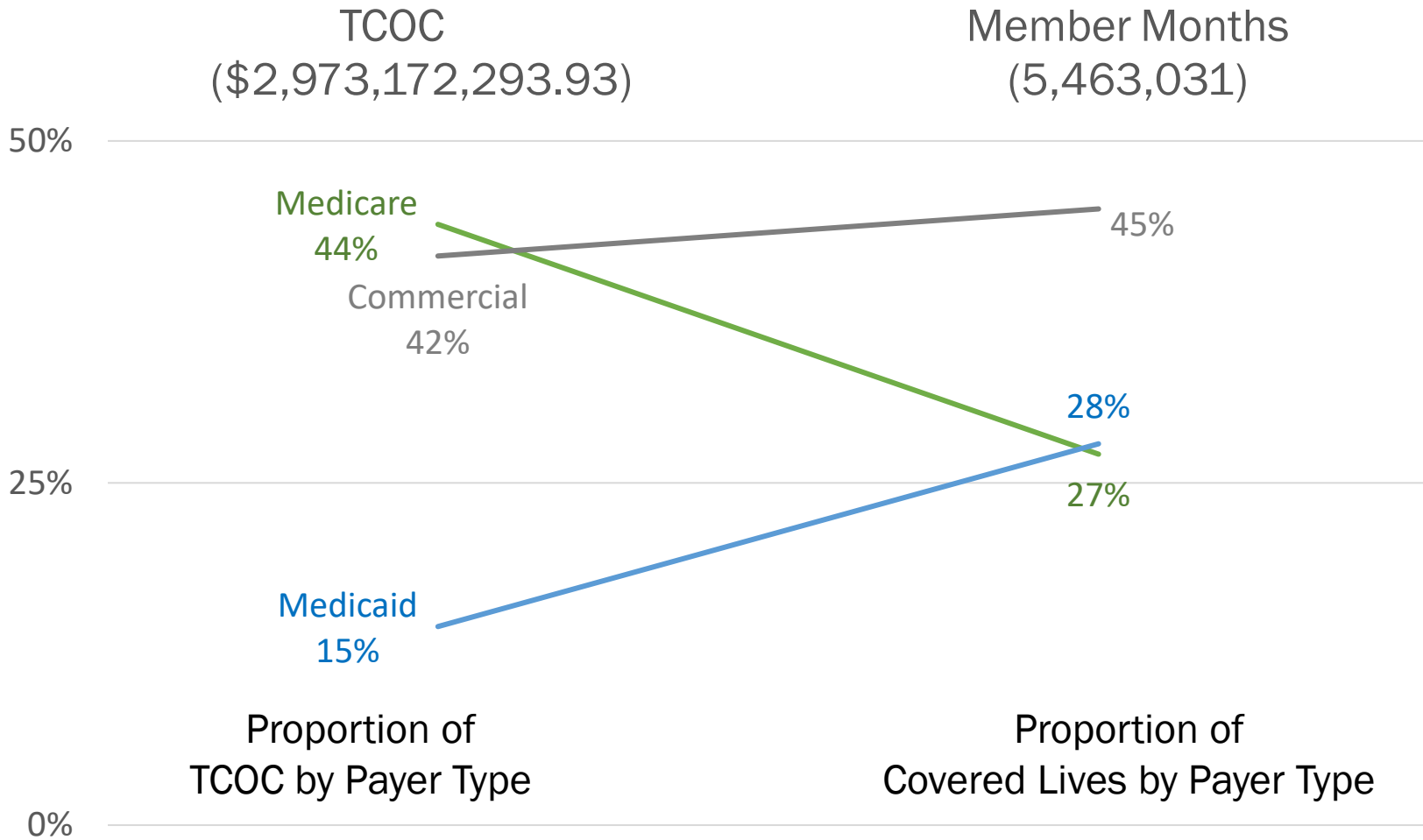
Payer Type	2019 (current)	2019 (estimated range)†	Growth PY0-PY1	Growth PY1-PY2†	Compounded Annual Growth†
National Trend°	NA	NA	4.8%	NA	NA
All-Payer	\$544	\$550 - \$558	4.1%	5.5% - 7.0%	4.8% - 5.5%
Medicare	\$882	\$891 - \$904	4.4%	1.5% - 3.0%	4.9% - 5.6%
Commercial	\$503	\$508 - \$515	1.5%	8.3% - 9.9%	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)

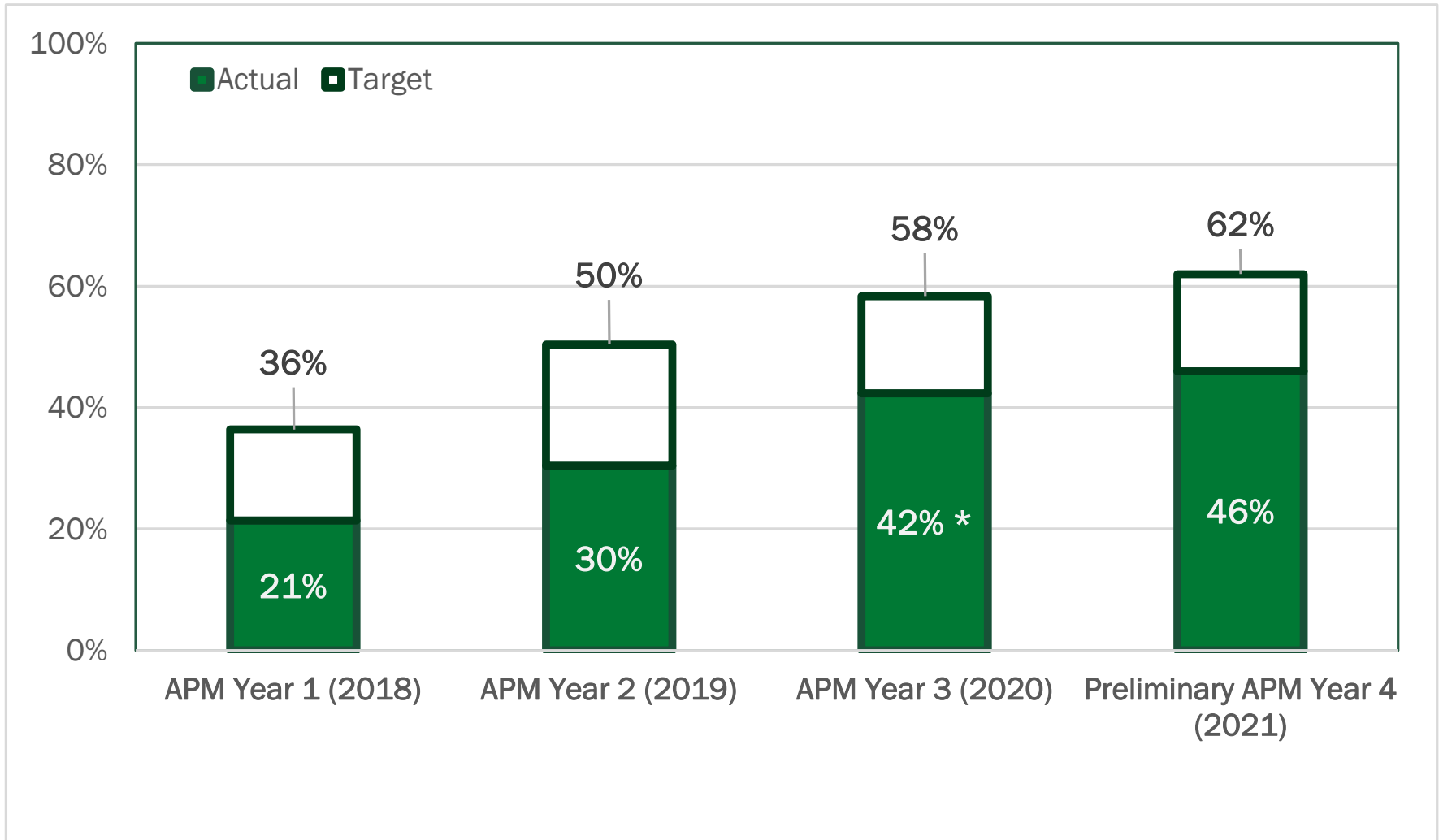


2019 TCOC Next Steps

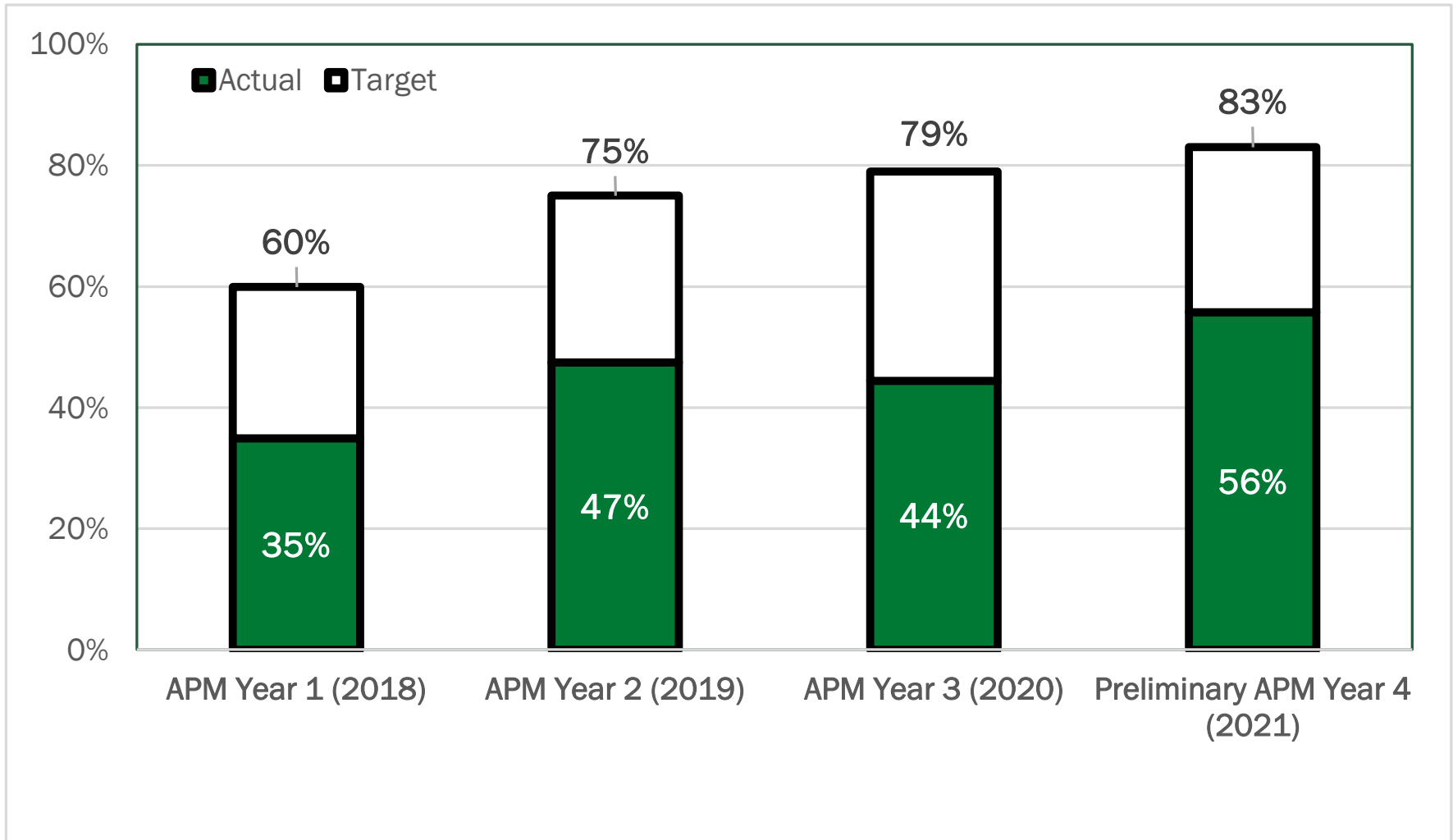
- 6 months of runout for report production
- Final 2019 report relies on data from Medicare, anticipate production in early 2021
- A consequence of COVID-19 is that we expect compounding growth through 2020 to be lower.
- Once we have final data, we will complete a more nuanced analysis on growth (e.g.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