

MVP Health Care Payment Reform Initiatives

Green Mountain Care Board (GMCB) Board Meeting

MVP Attendees:

Scott Momrow, Vice President, Network Strategy & Strategic Relationship Management

Matthew MacKinnon, Vice President, Network Management

Jordan Estey, Sr. Leader, Government Affairs

Dr. Jason Merola, Sr. Leader, Medical Affairs

Dr. Adam Kunin, Medical Director - Vermont Programs

April 27, 2022



Objectives & Agenda

Our **Vision**: shift fee-for-service to alternative payment models

Our value-based **experience** and current landscape

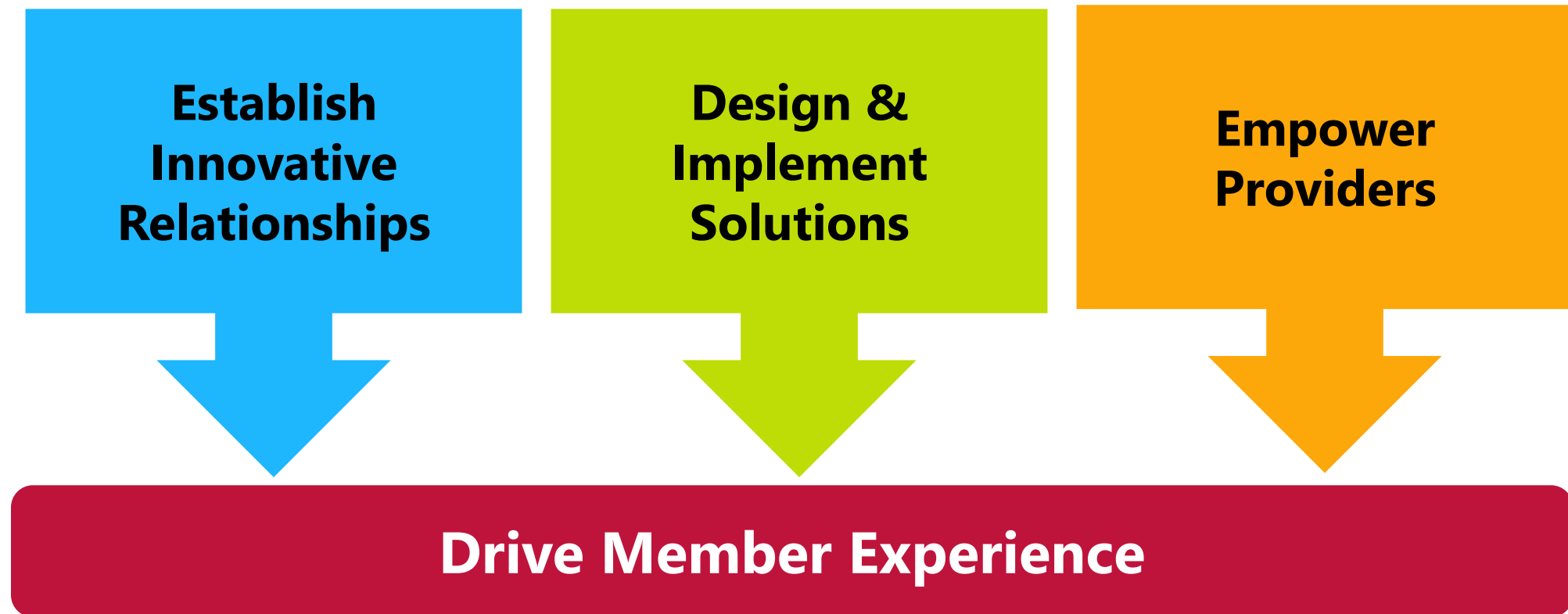
Spotlight: MVP launches primary care partial capitation model

MVP's **roadmap** to accelerate payment reform

Cost containment initiatives

MVP is driving a shift from fee-for-service to alternative payments to improve member wellbeing

Our vision is to:



MVP provides solutions that align and support physician interests to enhance member experience

MVP has engaged in APMs with providers in New York and Vermont for **10+** years, including:

- pay-for-performance,
- shared savings,
- risk sharing,
- capitation,
- innovation funding, and
- bundled payments.



Where are we today?

26%

Total Membership
under an APM

20%

of Total Medical
Spend under APM

MVP has paid millions of dollars in incentives and shared savings to participating providers annually and has seen improved customer outcomes comprised of higher quality and lower cost.

Value-based programs in NY & VT promote care coordination, quality, and efficient utilization



Pay for Performance

Adirondacks ACO is an all payer ACO model that includes New York State and seven (7) commercial payers, including MVP Health Care. Under this contract, the ACO is paid a PMPM amount to coordinate patient care and invest in infrastructure, with the ability to earn additional PMPM dollars based on quality performance. The University of Vermont Health Network (UVMHN), a key strategic partner of MVP, participates with Adirondack ACO.



Shared Savings

To advance the member experience, enhance quality, and improve efficiency, providers will share in savings should they financially perform below their medical expense target. As an example, **MVP entered a Shared Savings contract with OneCare VT ACO in 2020** for small group and individual Commercial members. As a result of entering this arrangement, OneCare VT ACO received \$850K in shared savings in their first contract year.



Shared Risk

MVP is currently in a shared risk Medicare Advantage value-based payment arrangement with a provider network of over 2,000 community and University of Rochester medical faculty providers located throughout Rochester and the surrounding areas. Under a shared risk arrangement, providers will share in savings should they financially perform below their medical expense target or share risk with MVP should expenses be greater than their medical expense target.



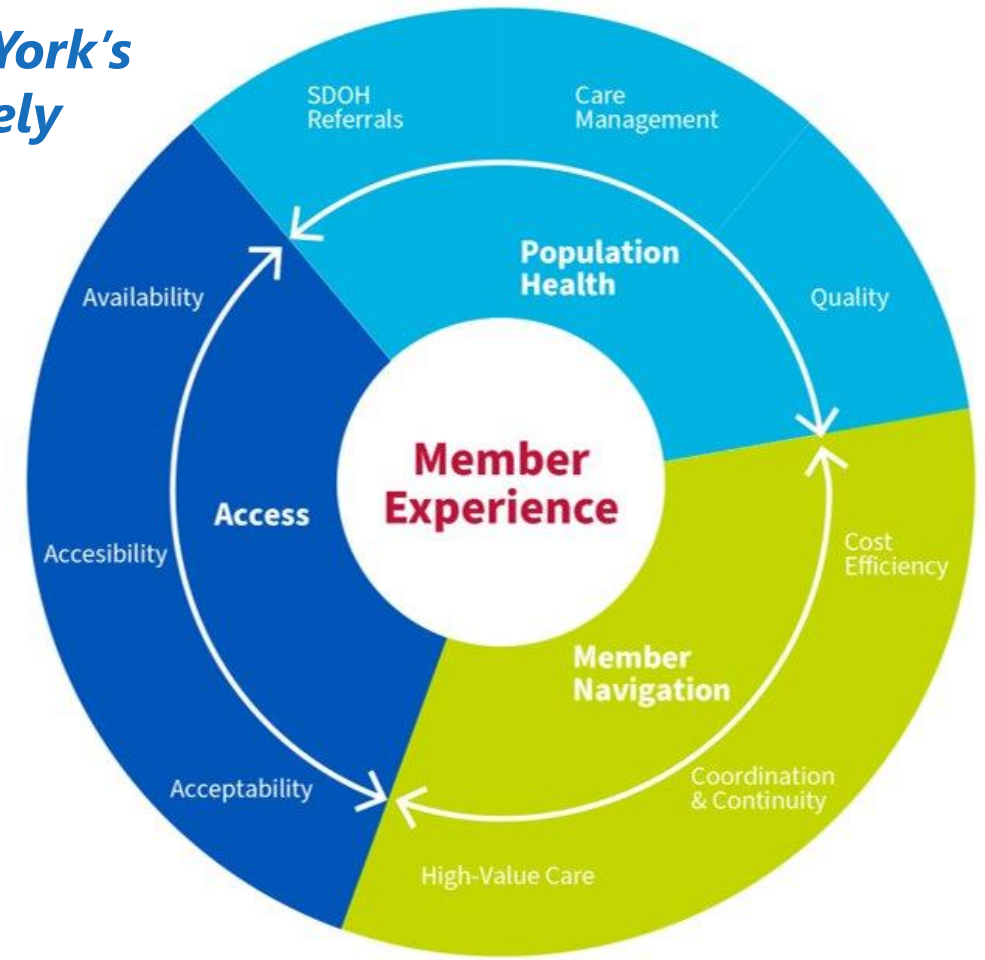
Capitation

MVP has been involved in capitation arrangements for a variety of services including primary care, dental care, lab services, SNF and Home Health services. MVP recently entered an agreement as part of a joint venture for global capitation for DSNP members. Additionally, MVP recently **launched an enhanced primary care capitation model for the NY Capital Region for our Commercial and Medicare Advantage lines of business in late 2021.**

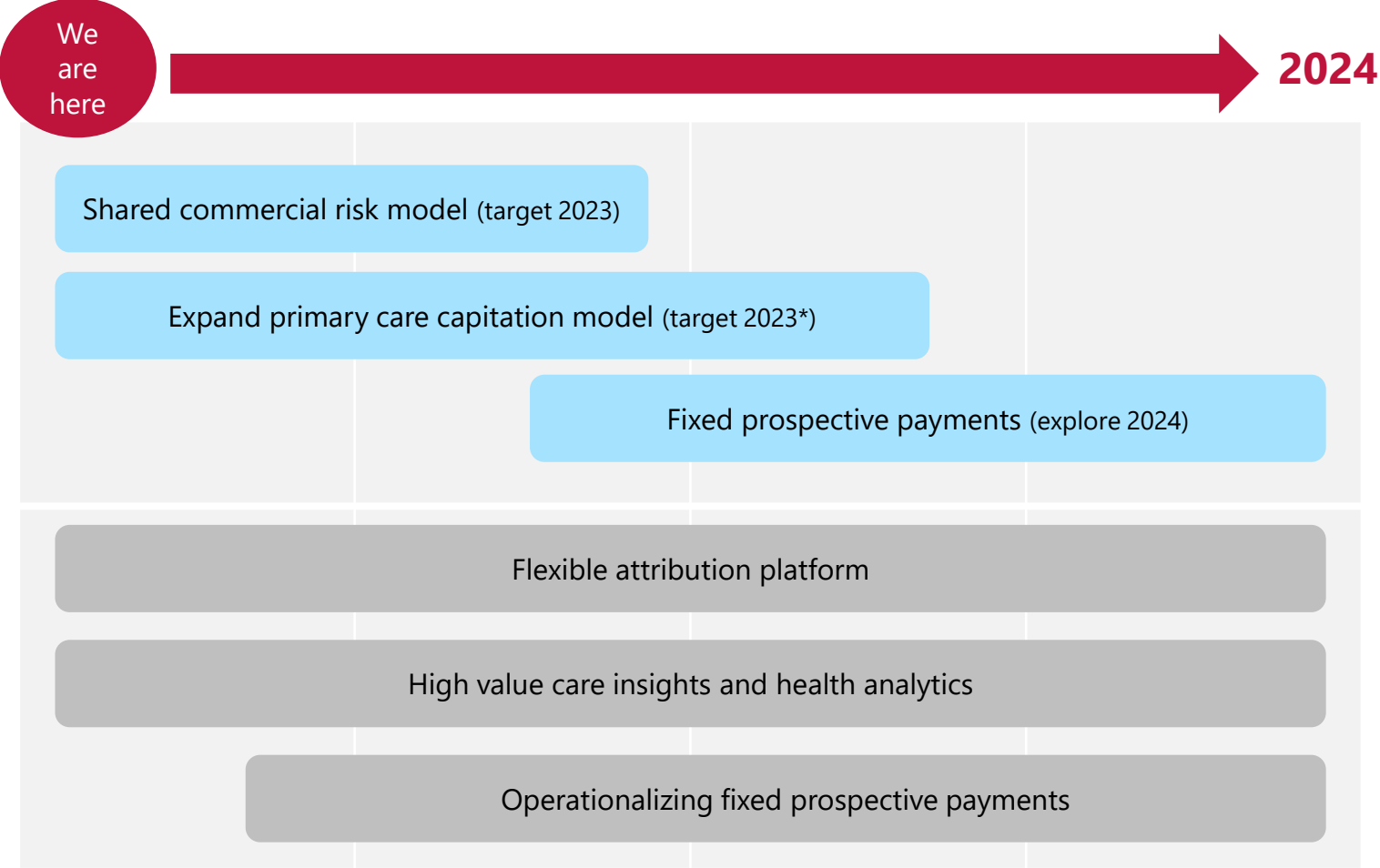
Primary Care Model: aligns reimbursement with member experience and high-value care performance

MVP introduced new primary care model in New York's Capital Region in late 2021, covering approximately 25,000 members.

- Partial capitation covers most primary care services
- Capitation rate tiers based on performance against measures of member experience
- Performance measures recognize the role of primary care in promoting access, advancing proactive population health initiatives, and care journey navigation
- Model supports continuous improvements that contribute to better health outcomes and patient satisfaction



Payment model solutions evolving to align with providers on ever-increasing high-value care



Considerations & barriers to FPP:

- Model simplicity
- Provider buy-in esp. perception of the fixed payment being fair and accurate
- Operational readiness

*Pending provider engagement and operational readiness

MVP implements cost containment strategies

Approved Total Medical Expense Savings Portfolio (2022-23)

2022

Initiative Name	COM	MCD	MCR	Description	Effective Date	Projected Savings (COM Only)
Multiplan Term	●	●		Term of rental payer. Savings from Fair Health pricing and Fee Negotiation.	1/1/2022	\$ 1,081,609
Implant Pricing	●			Payment Policy to only allow payment for approved implants at acquisition cost.	8/1/2022	\$ 369,500
2022 Formulary Changes	●	●		2022 pharmacy formulary changes for Medicaid, Exchange, and Commercial.	1/1/2022	\$ 298,827
Coding initiatives	●	●	●	Diagnostic/therapeutic/preventive inj.; Quantify pilot; high level billing for office visits	7/1/2021-8/1/2022	\$ 152,496

2023

Initiative Name	COM	MCD	MCR	Description	Effective Date	Projected Savings (COM Only)
PBM Market Check	●	●	●	Contract negotiation with CVS.	1/1/2023	\$ 1,007,859

Total

Total Projected Savings (COM Only)					\$ 2,910,291
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- Each initiative has a 12-month measuring period
- Savings reflected above represent only the savings captured during 2022
- Savings initiatives are deployed across the MVP footprint
 - VT savings above are extrapolated based on membership
 - Implant Pricing: the only initiative that targets VT only

Additional initiatives in pipeline include:

- 1. Lab management – Avalon***
- 2. Clinical editing***
- 3. Coding and billing initiatives***

Thank you