



September 30, 2020

Green Mountain Surgery Center
593 Hercules Drive
Colchester, VT 05446

Donna Jerry
Senior Health Policy Analyst
Green Mountain Care Board
144 State Street
Montpelier, VT 05602

Dear Donna,

This letter is to inform the Green Mountain Care Board of the Green Mountain Surgery Center's (GMSC) participation arrangement with a risk-bearing ACO for 2021. The Board's Order dated June 4, 2019 stated that "if GMSC is unable to participate in a fixed payment arrangement for 2020, it must notify us by October 1, 2020 of its payment arrangement for 2021." GMSC was not able to develop a fixed payment agreement with the ACO for 2020, given that the ACO's 2020 contracting process began in the spring of 2019 and concluded in the summer, and GMSC only barely became operational during that time period. However, this letter is to notify the Board of our proposed arrangement with the ACO for 2021 and beyond, which managers from the ACO and GMSC have agreed is a realistic and workable arrangement in service of the ACO's goals to support and improve population health.

Given the unanticipated COVID-19 shutdown from March through May of 2020 and all the contingencies and changes as a result of that, we do not find ourselves with enough stable or reliable historical data to predict annual patient volumes for GMSC in order to determine a suitable fixed payment arrangement for the coming year. However, in line with how the ACO payment model has been implemented incrementally here in Vermont and elsewhere over the past several years, we propose a 3-year path towards fixed payments - beginning with GMSC reporting quality measures to the ACO in 2021 for calendar year 2020, having payment in 2022 tied to hitting performance thresholds for those quality measures during calendar year 2021, and then establishing fixed payments from the ACO to GMSC in 2023, with the amount to be



determined based on historical volumes and quality performance.

As GMSC highlighted throughout its Certificate of Need (CON) application, the majority of procedures offered at the center are gastroenterology procedures, particularly colonoscopies to screen for colon cancer, which are an important tool in preventing cancer and improving the health of the population. CMS has identified two quality measures that measure the quality of colonoscopy procedures provided and ensure that colonoscopies are only being recommended to patients as necessary and not more often than that. These quality measures are ASC-12 7-Day Risk Standardized Hospital Visit Rate after Outpatient Colonoscopy and ASC-9 Appropriate Follow-Up Interval for Normal Colonoscopy in Average Risk Patients. While CMS only collects data on the measures for *Medicare* patients, GMSC proposes to report quality performance against these measures to the ACO for patients from *all payer groups* in keeping with the goals of the all-payer model and overall population health management.

GMSC would report performance against these measures to the ACO for all patients for the reporting period Jan 1, 2020 – Dec 31, 2020 by May 15, 2021. GMSC and the ACO would then review the data and determine by October 1, 2021 an appropriate quality measure target to achieve on each of these measures for the 2021 reporting year. GMSC and the ACO will also assess at that time if there are All-Payer model measures that would be appropriate to consider. GMSC and the ACO would also agree to an amount that GMSC will hold in escrow as a withhold to be paid out in 2022 after quality measures are reported for the full calendar year 2021, and only *if* thresholds determined jointly by GMSC and the ACO are met. Progress against the measures would again be tracked again throughout 2022 and GMSC and the ACO would aim to develop a mutually agreeable fixed payment arrangement for 2023 by October 1, 2022.

According to this proposed participation arrangement, 2021 would be an evaluation/reporting year based on the previous year's quality data, 2022 would be a pay-for-performance year based on the previous year's data, and 2023 would be the beginning of advanced fixed payments to GMSC from the ACO. While we cannot predict with certainty the future path of the surgery center (whose very existence this year was threatened by a complete shutdown for over two months) or the ACO, we are confident that this plan for incorporating the surgery center into the ACO's fixed payment model will help ensure that the surgery center is accountable for delivering high quality services and measurably working to improve population health as part of



the statewide system of care.

We very much appreciate your willingness to consider this proposal to help the state achieve its population health goals during these unprecedented times. We look forward to hearing back from you if this plan is acceptable to meet the CON condition that requires GMSC to enter into a participation agreement with an ACO to receive fixed payment reimbursement in lieu of fee-for-service for patients attributed to the ACO.

Sincerely,

For GMSC:

A handwritten signature in black ink that reads "Amy Cooper".

Date 09/21/2020

Amy Cooper, CEO

For OneCare Vermont:

A handwritten signature in black ink that reads "Vicki Loner".

Date 09/25/2020

Vicki Loner

CEO

Name

Title