

ACO Oversight FY 2023 Budget Review Gather Health

Staff Analysis and Recommendations

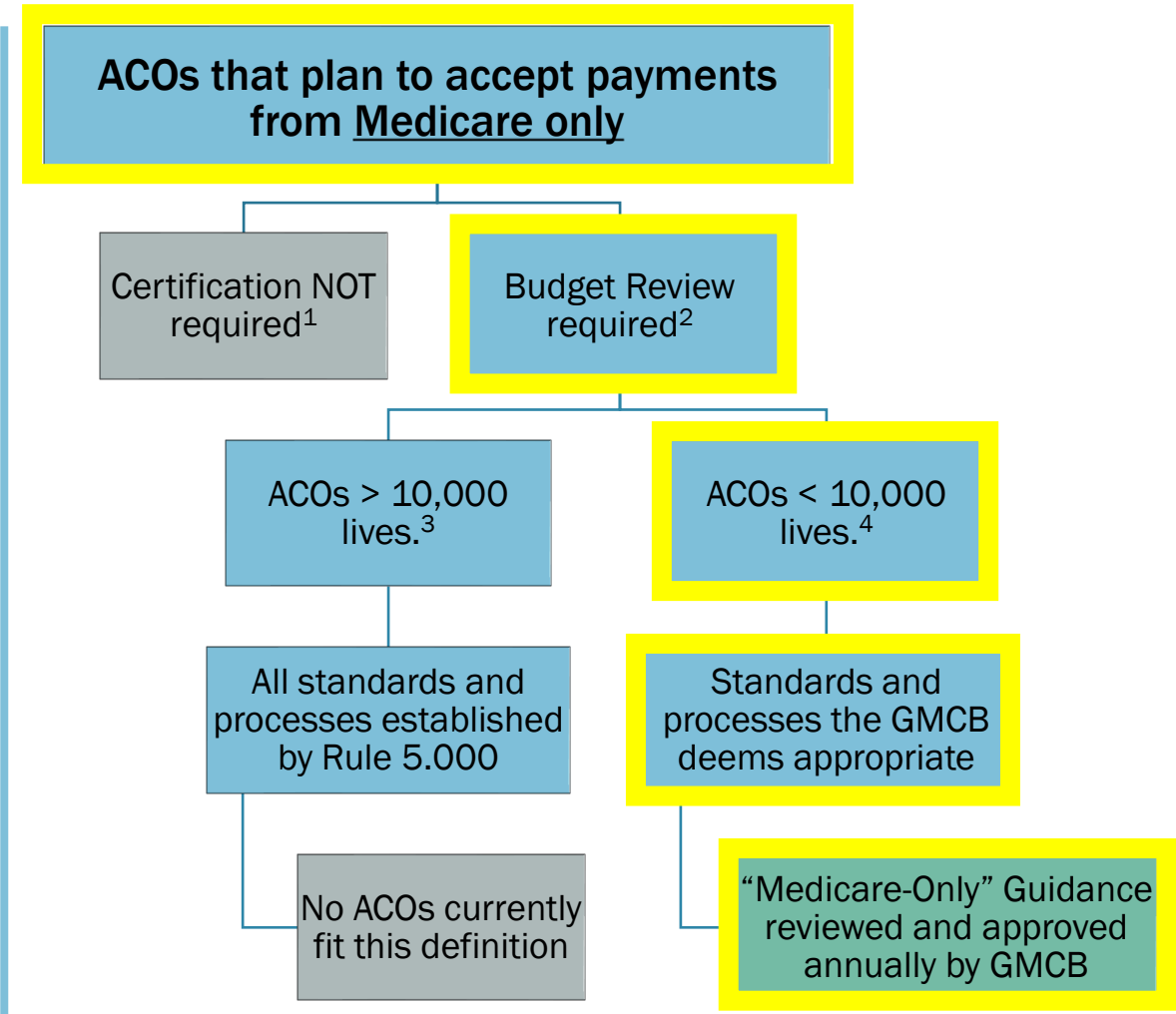
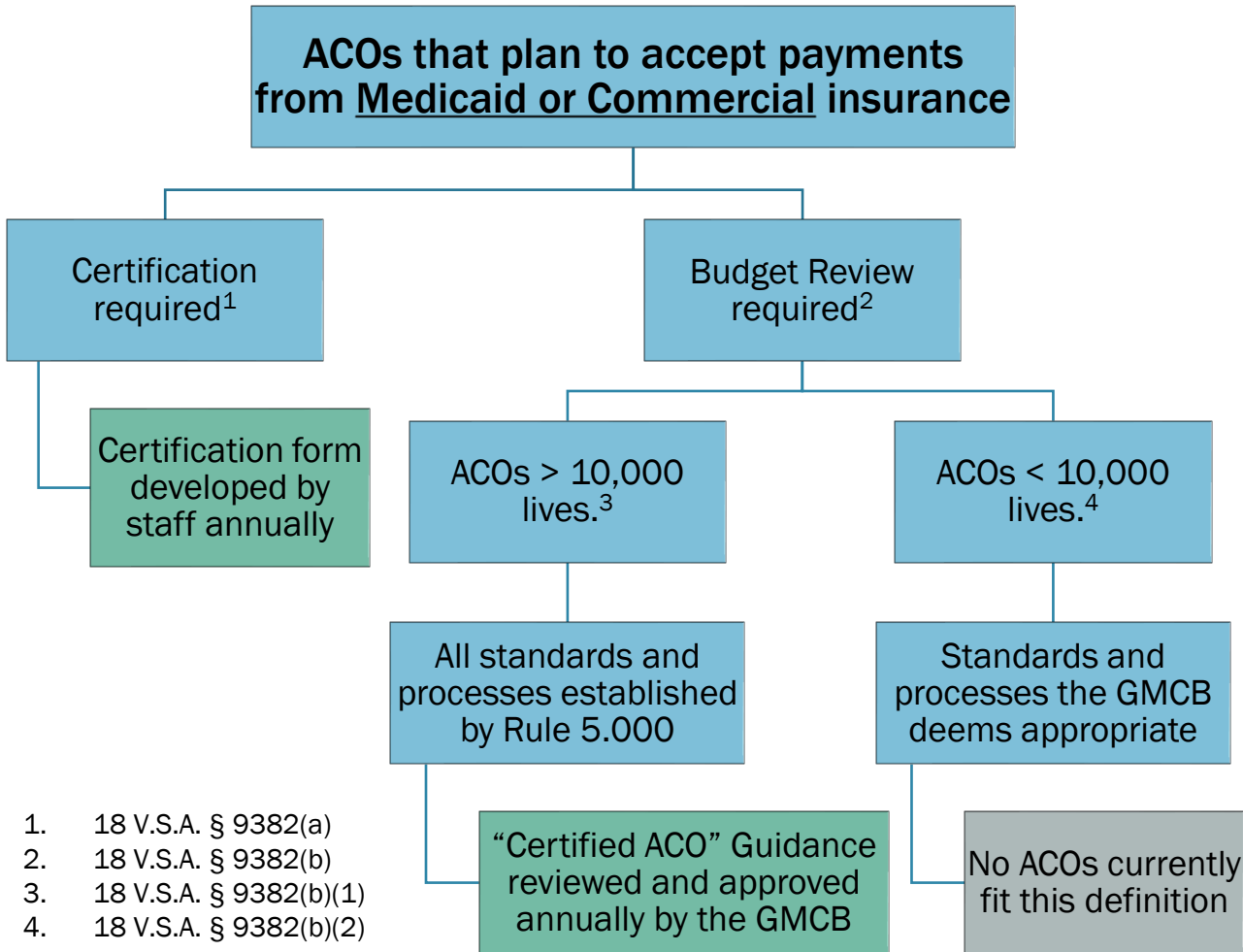
November 2, 2022



Agenda for Today

1. GMCB Authority and Criteria
2. Background and Overview
3. FY23 ACO Budget Review & Staff Recommendations
4. Board Questions/Discussion
5. Public Comment
6. Next Steps

ACO Certification and Budget Review



- 18 V.S.A. § 9382(a)
- 18 V.S.A. § 9382(b)
- 18 V.S.A. § 9382(b)(1)
- 18 V.S.A. § 9382(b)(2)

ACO Oversight Statute/Rule



- What is the Board approving?
 - Certification is not required under 18 V.S.A. § 9382(a)
 - Under 18 V.S.A. § 9382(b)(2) and Rule 5.405, GMCB shall **review and approve or modify** an ACO's budget.
 - Guidance approved by the Board earlier this year for Medicare-only ACOs with fewer than 10,000 attributed lives
 - Scope of Board's jurisdiction
- Reporting obligations under Rule 5.501

Budget Review Process

18 V.S.A. § 9382(b)(2) and Rule 5.405(c)



In deciding whether to approve or modify the proposed budget of an ACO projected to have fewer than 10,000 attributed lives in Vermont during the next Budget Year, the Board will take into consideration:

1. any benchmarks established under section 5.402 of this Rule;
2. those criteria listed in 18 V.S.A. § 9382(b)(1) *that the Board deems appropriate to the ACO's size and scope*;
3. the elements of the ACO's Payer-specific programs and any applicable requirements of 18 V.S.A. § 9551 or the Vermont All-Payer Accountable Care Organization Model Agreement between the State of Vermont and CMS; and
4. any other issues at the discretion of the Board.

Board Review Scope



- Staff recommend Board consider the following factors from 18 V.S.A. § 9382(b)(1):
 - information regarding utilization of the health care services delivered by health care providers participating in the ACO and the effects of care models on appropriate utilization, including the provision of innovative services;
 - the character, competence, fiscal responsibility, and soundness of the ACO and its principals;
 - any reports from professional review organizations;
 - the ACO's efforts to prevent duplication of high-quality services being provided efficiently and effectively by existing community-based providers in the same geographic area, as well as its integration of efforts with the Blueprint for Health and its regional care collaboratives;

Board Review Scope (cont.)



- Recommended factors from 18 V.S.A. § 9382(b)(1) continued:
 - public comment on all aspects of the ACO's costs and use and on the ACO's proposed budget;
 - information gathered from meetings with the ACO to review and discuss its proposed budget for the forthcoming fiscal year;
 - information on the ACO's administrative costs, as defined by the Board;
 - the extent to which the ACO makes its costs transparent and easy to understand so that patients are aware of the costs of the health care services they receive; and
 - the extent to which the ACO provides resources to primary care practices to ensure that care coordination and community services, such as mental health and substance use disorder counseling that are provided by community health teams, are available to patients without imposing unreasonable burdens on primary care providers or on ACO member organizations.

Budget Order



- After the Board votes on Gather Health’s budget, the GMCB will issue a written Budget Order that sets out the findings, conclusions, and conditions of the ACO’s budget review.
- Today, the staff will provide “recommendations” which, if adopted by the Board, would become the conditions in the Budget Order.

Timeline and Public Comment



Timeline

October 24, 2022	Gather Health Budget Hearing
November 2, 2022	GMCB Staff Analysis – Gather Health FY23
November 16, 2022	Potential Vote on Gather Health’s Budget

Public Comment via GMCB Website

- Submit by Friday, November 11, 2022, to be considered ahead of the GMCB vote, which is tentatively scheduled for Wednesday, November 16, 2022.
- No written public comment was received as of 10/31/2022.

High-Level Overview



- **What:** The Medicare Shared Savings Program (MSSP), which has been in operation since 2012.
 - Almost 500 ACOs are currently participating in the model, covering 11 million beneficiaries
- **Who:** Agreement between CMS, ACO, and providers who contract with the ACO.
- **ACO:** Gather Health
 - 5-Year Participation Agreement in the Enhanced Track
 - 2023 will be Gather Health's first year
 - Providers in 6 states, including Vermont

How does the MSSP Model impact Medicare beneficiaries' costs and care?



- Beneficiaries aligned to ACOs are still in Traditional Medicare:
 - Access to the entire Traditional Medicare network
 - Alignment to the ACO does not affect out-of-pocket costs and premiums
 - Does not affect use of supplemental insurance (Medigap)
- ACO Attributed Beneficiary Rights:
 - Beneficiary Notifications with option to decline claims data sharing
- Beneficiaries may have access to additional in-kind benefits

Public Reporting and Transparency



- Compliance Plan (42 CFR § 425.300)
 - ACOs must have a compliance plan with specific elements specified by CMS.
- Public Reporting and Transparency (42 CFR § 425.308)
 - Public webpage with information on the ACO's name and contact information, the ACO's governing body, shared savings/losses, performance on quality measures.
- Beneficiary Notifications (42 CFR § 425.312)
 - Including the beneficiary's opportunity to decline claims data sharing (42 CFR § 425.708)
- Audits and Record Retention (42 CFR § 425.314)
 - CMS, DHHS, the Comptroller General, the Federal Government or their designees have the right to audit, inspect, investigate, and evaluate any books, contracts, records, documents and other evidence of the ACO, ACO participants, and ACO providers/suppliers, and other individuals or entities performing functions or services related to ACO activities

Source: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/for-acos/program-participation>

FY23 ACO BUDGET REVIEW

Gather Health, submitted September 30, 2022

Key Areas Of Review – Guidance



Sec. 1: ACO Information

Sec. 2: Provider Network

Sec. 3: Payer Program

Sec. 4: Budget and Finances

Sec. 5: Care Model

Sec. 6: VT All-Payer Model Alignment

Section 1: ACO Information



- **Governing Body:**
 - CMS sets the ACO's governing body requirements (42 CFR § 425.106)
 - Governing body information on Gather Health's website
 - Governing body includes two clinicians from the participating provider in Vermont (of 12 total Governing Body members)
 - Gather Health will fill the ACO Beneficiary seat once the plan year starts

- **Recommendation:** None

Section 2: Provider Network



- Gather Health has providers in 6 states: Vermont, New Mexico, California, Florida, Tennessee, Texas
- Gather Health stated intent to expand their provider network in Vermont in future years
 - Network development strategy: seeking to work with providers who are committed to lifestyle medicine and helping patients achieve their goals in a community.

Section 2: Provider Network



- **Key Points:**
 - Network development questions are included in the annual Budget Guidance
 - Provider contract reported to GMCB and CMS monitoring (42 CFR 425.204(c)(6))
 - Under GMCB Rule [5.501](#), the ACO is required to keep certain records and report them to the Board upon request.

- **Recommendation:** None

Section 3: Payer Program

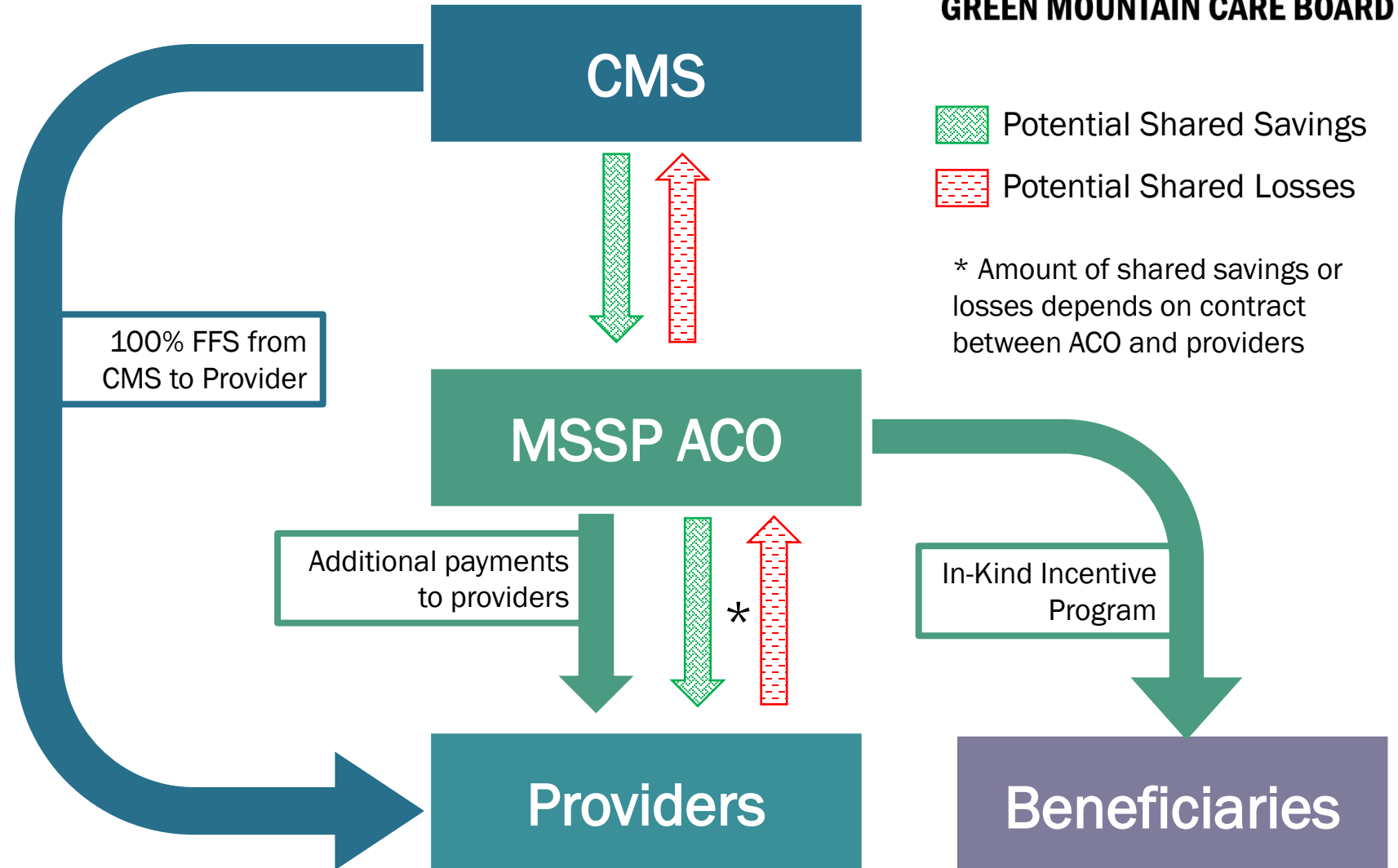


- Medicare Only Program
 - Risk model is set by the MSSP Participation Agreement with CMS, based on which track the ACO chooses
- Attribution
 - Preliminary prospective assignment with retrospective reconciliation
 - Voluntary alignment

MSSP General Funds Flow

Key Takeaways

- This is still a Fee For Service (FFS) Model, with providers retaining 100% FFS payments from CMS
- There is a quality element through potential SS/SL
- Providers receive payment from the ACO according to their network agreement
- Patients can receive in-kind incentives from the ACO



Section 3: Risk Model



- Under the MSSP Agreement, CMS provides standard risk model options.
- Gather Health chose the Enhanced Track, which is the highest risk level offered in the MSSP.
- Shared Savings/Losses in the Enhanced Track:
 - Shared Savings – 1st dollar savings at a rate of 75% if quality performance standard is met, not to exceed 20% of updated benchmark.
 - Shared Losses – 1st dollar losses at a rate based on quality performance, with minimum shared loss rate of 40% and maximum of 75%, not to exceed 15% of updated benchmark.
- Risk Mitigation
 - Minimum Savings/Loss Ratio: Gather Health selected 0.5% (options of 0–2%)
 - CMS requires ACOs to have a repayment mechanism / financial guarantee (set by CMS)
 - CMS truncates claims at 99th percentile

See: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/Downloads/ssp-aco-participation-options.pdf>

Section 3: Payer Program



- **Key Points:**
 - Payer program arrangements are set by Medicare in the Participation Agreement
 - As a new ACO in 2023, Gather Health's first shared savings/losses information will be available from CMS in the second half of 2024
- **Recommendation 1:** Gather Health provides to GMCB its shared savings/losses, segmented for Vermont.

Section 4: Budget and Finances



FY23 Budget Projections – Vermont Only	Number	Notes
Projected Vermont Benchmark	\$49.5M	Based on ~ 5,000 beneficiaries * \$9,900 spending per beneficiary
Medicare Payments to Vermont Providers at 5% SS	\$47,025,000	Assumes total spending is 5% below benchmark, meaning FFS revenue is lower than projected benchmark
Projected In-Kind Incentives and SS with Vermont Providers	\$1,495,000	In-kind benefits from ACO to Medicare Beneficiary. SS from ACO to providers (assumes 5% shared savings)
Estimated ACO Care Management	\$500,000	Payments to fund high-value care delivery and care coordination
Estimated ACO Operating Expenses	\$225,000	Operating expenses prorated for Vermont
Estimated Net SS retained by ACO	\$255,000	Budget assumption at 5% SS

Section 4: Budget and Finances



- **Key Points:**
 - The ACO is making payments to Vermont providers and paying for in-kind incentives for Vermont beneficiaries.
 - The budget numbers on the previous slide are estimates that assume 5% SS. Actual SS/SL will not be known until mid-2024.
- **Recommendation 2:** Gather Health provides an updated version of their Vermont financial summary with actuals, including breakout for in-kind incentive spending. GMCB staff to develop template and set deadline.

Section 5: Model of Care

Review Criteria:

- Strengthen primary care
- Support appropriate utilization
- Integrate with community-based providers and the Blueprint for Health
- Prevent duplication of services

18 V.S.A. § 9382 b(1):(A)(F)(G)(H)(P)

Section 5: Model of Care



- Gather Health's Focus: Addressing chronic diseases (diabetes, hypertension, dyslipidemia, chronic kidney disease) through lifestyle medicine interventions
 - Focus on transitions of care and using available data sources, such as Admission Discharge Transfer data
 - Supporting beneficiaries' health needs through in-kind incentives that help beneficiaries manage and prevent chronic conditions
 - Supporting provider engagement in local programs with shared goals (e.g., Blueprint for Health)
 - Building community through the Gather Health Platform

Section 5: Model of Care



- Details about the Gather Health Platform (from 10/28/2022 Response to GMCB Questions):
 - Patients interact with the Gather Health platform by enrolling, then engaging in curated interactions between them and others on the platform. The platform also serves as the main way to participate in the ACO's chronic disease care management program.
 - Beneficiaries will work with [Gather Health] or their provider if they do not have, or cannot navigate, digital access.
 - The community is intentionally designed to focus on preventing and reversing chronic diseases by building disease-specific, evidence-based community 'modules' for beneficiaries to interact with and meet.

Section 5: Model of Care



Key Points:

- Gather Health is a new ACO that will be testing a unique care model.
- Their care model includes a platform that beneficiaries will use.

Section 5: Model of Care



- **Recommendation 3:** Gather Health provides to GMCB its quality reporting, segmented for Vermont if possible, with appropriate restrictions to protect patient confidentiality.
- **Recommendation 4:** Gather Health provides a copy of the terms & conditions given to beneficiaries upon signing up for the Gather Health Platform, as well as any other marketing or informational materials shared with beneficiaries. If the intended use of beneficiary data changes from what Gather Health presented to the GMCB on 10/24/22, then Gather Health must report any changes to the GMCB.
- **Recommendation 5:** Gather Health provides a bi-annual update (first report submitted with FY24 budget submission on October 1, 2023) about how Gather Health's care model is working in Vermont, including the number of Vermont attributed patients registered to the Gather Health Platform and any unique Vermont challenges. Report template to be developed by GMCB staff.

Section 6: Vermont APM Agreement Scale Target ACO Initiative



- **Scale:** Staff reviewing scale qualifying criteria
- **HCP-LAN Category 3B:** Alternative payment model with shared savings and downside risk
- **Financial targets** are well aligned between APM and MSSP, with all target areas overlapping (note some are rare and pharmacy is limited to Part B)
- **Quality Targets:** MSSP quality targets are narrower than the APM.
Overlapping measures:
 - Screening for clinical depression and follow-up plan
 - Hypertension: Controlling high blood pressure
 - Diabetes Mellitus: HbA1c poor control
- **Recommendation:** None

Next Steps



Public Comment Period Reminder

- A potential vote on Gather Health's FY23 budget is scheduled for November 16. Please submit public comment via GMCB website by Friday, November 11, to be considered ahead of the vote.

Remaining Agenda for Today:

- Board Questions/Discussion
- HCA Comments
- Public Comment

Recommendations Summary



- **Recommendation 1:** Gather Health provides to GMCB its shared savings/losses, segmented for Vermont.
- **Recommendation 2:** Gather Health provides an updated version of their Vermont financial summary with actuals, including breakout for in-kind incentive spending. GMCB staff to develop template and set deadline.
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Acronym List



- ACO – Accountable Care Organization
- APM – All-Payer Model
- CMS – Centers for Medicare & Medicaid Services
- FFS – Fee-for-Service
- FY – Fiscal Year
- GMCB – Green Mountain Care Board
- HCP-LAN – Health Care Payment Learning & Action Network
- HCA – Health Care Advocate
- HSA – Health Service Area
- MSSP – Medicare Shared Savings Program
- PCP – Primary Care Provider
- PMPM – Per-Member Per-Month
- PY – Performance Year
- SNF – Skilled Nursing Facility
- SS/SL – Shared Savings/Shared Losses
- TCOC – Total Cost of Care