

**ACO Oversight
FY 2023 OneCare Certification,
Benchmarking Report, and Revised
Budget**

Staff Analysis and Recommendation

May 17, 2023



Agenda

- Certification Update
- Benchmarking Update
- Revised Budget Analysis
 - Background
 - Risk Model
 - Population Health
- Staff Recommendation

Scope of revised budget review: changes in the budget since the initial approved budget; we will not review items that were approved at that time and remain unchanged.

Timeline

- **5/3** – Initial Staff Review of OneCare FY23 Revised Budget and Certification
- **5/5** – OneCare Hearing on FY23 Revised Budget
- **5/17** - GMCB Staff Presentation – OneCare FY23 Revised Budget Recommendations
- **5/24 or 5/31** – Potential Vote on OneCare FY23 Revised Budget

FY23 CERTIFICATION UPDATE

FY 2023 Certification Eligibility Verification Review



Once certified, an ACO must annually submit a form to the GMCB (1) verifying that the ACO continues to meet the requirements of 18 V.S.A. § 9382 and Rule 5.000; and (2) describing in detail any material changes to the ACO's policies, procedures, programs, organizational structures, provider network, health information infrastructure, or other matters addressed in the certification sections of Rule 5.000.

- **5.201** - Legal Entity
- **5.202** - Governing Body
- **5.203** - Leadership and Management
- **5.204** - Solvency and Financial Stability
- **5.205** - Provider Network
- **5.206** - Population Health Management and Care Coordination
- **5.207** - Performance Evaluation and Improvement
- **5.208** - Patient Protections and Support
- **5.209** - Provider Payment
- **5.210** - Health Information Technology

Certification

Next Steps



- GMCB staff will be sending a memo to the Board outlining a full review of certification eligibility verification for FY 2023.
 - The staff concluded that eligibility requirements for FY 2023 are being met.
- The GMCB does not need to vote in order to continue OneCare's certification.
- Action would be needed if the GMCB concludes that OneCare no longer meets the requirements to be eligible for certification. In that case, the Board would provide notice to the ACO and an opportunity to respond before requiring corrective action.
- Additional information requested from OneCare about executive compensation on 5/9/23
 - Response may inform staff recommendations for FY 2024 Certification and Budget Guidance

ACO BENCHMARKING REPORT UPDATE

Condition 1

ACO Benchmarking – KEY QUESTIONS



1. The development of this report has been an iterative process between GMCB, OCVT, and their vendor. Is the GMCB ready to accept this report for use as a consistent performance measurement tool? Does OCVT intend to use this report in creating their budget and in their Quality Evaluation and Improvement program?
2. The GMCB required establishing ACO performance benchmarks to help answer the following questions: “How well can an ACO perform in each metric? How does OCVT perform in each metric in comparison to an ACO that gets the best result in each metric?”

Condition 1

ACO Benchmarking – KEY QUESTIONS (cont.)



3. Does the March 31 report allow GMCB to track OCV performance over time?
4. What are the strengths and weaknesses of this report to show us the relationship between OCVT efforts and performance improvement?
5. Does this report allow OCVT to calculate a return on investment (ROI) of population health investments, payment initiatives, and administrative expenses?

Condition 1: Performance Benchmarking Report

- Each report submission to be accompanied by
 - Description of comparison cohorts and exclusion criteria
 - Description of benchmarking methodology (i.e., how metrics and benchmarks are calculated)
 - Data source(s) and data dictionary
 - Limitations/caveats/interpretation notes
 - Executive summary
 - Year over year trend report for selected metrics

Condition 1: Performance Benchmarking Report



- Communicate requirements to OCVT
- Develop year over year trend report for selected metrics to include in FY24 guidance development
- FY24 Certified ACO Guidance is expected to include requirements to tie performance benchmarks to the budget (population health program, quality improvement)

STAFF ANALYSIS FY23 REVISED BUDGET

OneCare Vermont ACO Revised FY23 Budget



- Budget guidance and budget order require a revised ACO budget to be presented in the spring of the budget year
 - OCV Revised Budget Hearing on May 5, 2023
 - Revised budget to include elements described in the FY23 Budget Order
 - The Board may adjust an ACO's budget if its performance has varied substantially from its approved budget.

OneCare Vermont ACO Revised FY23 Budget



5.407 Budget Performance Review and Adjustment

- (a) The Board may conduct an independent review of an ACO's performance under an established budget at any time. Such a review need not be limited to financial performance and may cover any matter approved by the Board as part of the ACO's budget. The Board may request, and an ACO must provide, information determined by the Board to be necessary to conduct the review. If, after conducting a review, the Board determines that an ACO's performance has varied substantially from its budget, the Board shall provide written notice to the ACO. The notice shall set forth the results of the Board's review, as well as a description of the facts the Board considered.
- (b) After determining that an ACO's performance has varied substantially from its budget, and upon application of the ACO, the Board may adjust the ACO's budget. In considering an adjustment of an ACO's budget, the Board will consider the financial condition of the ACO and any other factors it deems appropriate.
- (c) An ACO must request and receive an adjustment to its budget under subsection (b) of this section prior to executing a Risk Contract that would cause the ACO to exceed a Risk Cap established by the Board as part of the ACO's budget.
- (d) The Board may take any and all actions within its power to compel compliance with an established budget.

OneCare Vermont ACO Revised FY23 Budget



- Substantial variations from OneCare approved FY23 budget to revised FY23 budget:
 - No BCBSVT Contract
 - New Self-Funded Program
 - Risk Model Change (Payer Program, Risk Corridors)
 - PHM Payment Changes

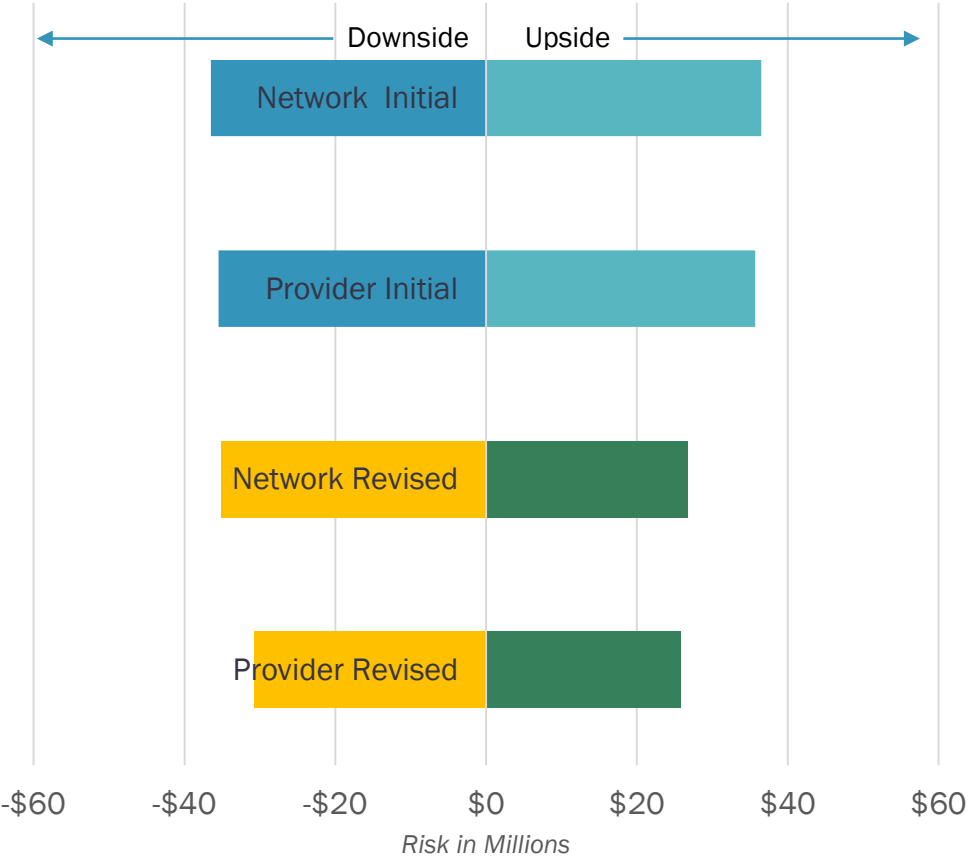
Changes to Risk Model

Initial FY23 Budget

- Network - \$36.5M up/down
- Provider - \$35.7M up/down

Revised FY23 Budget

- Network - \$26.7M up; \$35.1M down
- Provider - \$25.8M up; \$30.7M down
- Loss of BCBSVT risk
- Addition of UVMHN risk
- Changes in risk corridors for Medicaid and MVP



PHM Expenses



- Fewer attributed lives leads to less PHM Program expense
- Incorporation of DVHA funding model
- Incorporation of CPR modification
- New MH Screening and Follow-Up initiative

	Original Budget	Revised Budget	Change	Notes
PHM Base Payments - PCP	\$13,156,767	\$9,733,548	(\$3,423,219)	Fewer BCBSVT lives
PHM Base Payments - HH	\$882,300	\$882,300	\$0	
PHM Base Payments - DA	\$1,065,050	\$640,050	(\$425,000)	Change in DVHA funding model
PHM Base Payments - AAA	\$170,000	\$170,000	\$0	
PHM Bonus Potential - PCP	\$2,030,995	\$1,537,459	(\$493,536)	Fewer BCBSVT lives
PHM Bonus Potential - PCP (DVHA Funding)	\$0	(\$912,514)	(\$912,514)	Change in DVHA funding model
PHM Bonus Potential - HH	\$124,560	\$124,560	\$0	
PHM Bonus Potential - HH (DVHA Funding)	\$0	(\$8,719)	(\$8,719)	Change in DVHA funding model
PHM Bonus Potential - DA	\$150,360	\$590,360	\$440,000	Change in DVHA funding model
PHM Bonus Potential - DA (DVHA Funding)	\$0	(\$589,456)	(\$589,456)	Change in DVHA funding model
PHM Bonus Potential - AAA	\$24,000	\$24,000	\$0	
Longitudinal Care	\$399,000	\$399,000	\$0	
DULCE	\$145,366	\$145,366	\$0	
CPR Program Cost	\$1,510,492	\$2,106,823	\$596,330	MVP transition into CPR
CPR Program Cost (DVHA Funding)	\$0	(\$489,310)	(\$489,310)	Change in DVHA funding model
Specialist Fund	\$150,000	\$150,000	\$0	
Innovation Fund	\$69,667	\$69,667	\$0	
MH Screening and Follow-Up Program	\$0	\$1,638,140	\$1,638,140	New initiative
SNF Initiative	\$201,299	\$201,299	\$0	
Quality Improvement Initiatives	\$296,240	\$296,240	\$0	
PCMH Payments	\$2,163,158	\$2,062,850	(\$100,308)	Updated to reflect info from State
Community Health Team Payments	\$2,874,062	\$2,974,370	\$100,308	Updated to reflect info from State
SASH	\$4,508,696	\$4,508,696	\$0	
Total	\$29,922,012	\$26,254,729	(\$3,667,284)	

Change of \$3.7M, but addition of \$2M from DVHA for PHM Bonus Payments results in a reduction of \$1.6M from the approved budget.

New Mental Health Screening and Follow-up Initiative

Addition of MVP lives into CPR

Staff Recommendation



Based on the changes from OneCare's approved FY23 budget that OneCare presented to the GMCB, as summarized in this presentation, the GMCB can determine that OneCare's performance in FY23 varies substantially from the FY23 budget that was approved by the GMCB. OneCare should correct this deficiency by requesting the GMCB amend its approval of OneCare's FY23 budget to be consistent with OneCare's actual FY23 operations.

Suggested Motion Language:

Move that the Board hereby determine that OneCare's FY23 performance has varied substantially from its FY23 budget as approved by the Board with respect to the areas of the budget listed on Slides 14-16, which were included in OneCare's revised FY23 budget and which OneCare presented to the GMCB. OneCare should correct this deficiency by requesting the GMCB amend its approval of OneCare's FY23 budget. This determination shall be summarized in a letter and sent to OneCare from the GMCB.

Board Discussion

