

**FY23 Revised Budget
Narrative Responses**

1. Describe OneCare’s final population health initiatives, include final care coordination payment model.

The revised budget includes a new Mental Health Screening and Follow-Up initiative. This initiative was designed to restore primary care funding loss resulting from BCBSVT’s unexpected withdrawal and further OneCare’s goals to enhance and integrate mental health supports. The budget now includes \$1.6M for a one-time primary care initiative aimed at improving suicide and depression screening and follow-up rates for patients aged twelve years and older. The initiative also seeks to improve electronic documentation and reporting of screening results and follow-up treatment for those with positive screening results. To qualify for the incentive payment, primary care participants must attest to perform clinically appropriate mental health screening for patients twelve years of age or older, electronically record screening results, treatment, and follow-up, and electronically report screening rates and follow-up/treatment rates to OneCare. See enclosed policy 04-22-PY23 Mental Health Screening Initiative for Primary Care Participants PY 2023.

There are no other changes to OneCare's population health initiatives, which are described in Appendix 7.3 in the Revised Budget Workbook. For PHM measures and payment methodology, please see policies 04-19-PY23-25 Participant Population Health Model and Payments PY 2023-2025 and 04-20-PY23-25 Preferred Provider Collaborator PHM and Payments PY 2023-2025 submitted to the GMCB on March 29, 2023.

2. Describe any changes to the overall risk model for 2023 since the original budget submission.

Globally, the risk sharing model has not changed since the original budget submission with the exception of the budget order obligating OneCare to hold at least \$3.9M of the advanced shared savings risk. Appendix 5.1 has been updated to incorporate the advanced shared savings risk, and when combined with the St. Johnsbury risk mitigation arrangement, OneCare now holds \$4.4M of total downside risk in 2023. Note the advanced shared savings risk has no upside component, so the potential upside for OneCare is \$861k. For a detailed description of the OneCare network risk model, see policy 04-07-PY23 ACO Program Settlement PY2023 submitted to the GMCB on March 29, 2023.

Additionally, negotiations with payers resulted in different risk terms than originally budgeted. The Medicaid Expanded program was tied into the Medicaid Traditional program and the final negotiated risk corridor is 3% upside and downside risk (up from 2% in the original budget). For the MVP QHP program, the final negotiated risk corridor is [REDACTED]. The UVMHN self-funded plan was introduced since the original budget submission with [REDACTED].

3. Discuss progress relative to the report submitted 7/27/22 per FY22 Budget Order Condition 3a and per FY23 Budget Order Condition 7.

OneCare continues to make progress with DVHA on the unattributed population pilot/fixed payment expansion, which could expand OneCare fixed payments as soon as Q3 2023 or Q1 2024. The percentages noted in FPP Targets Table 2 do not reflect projected impact of this pilot effort because financial modeling is ongoing and there is no corresponding Total Cost of Care element to determine a percentage.

Otherwise, changes to the FPP percentages reflect updated attribution and data. Medicare remains on a reconciled model, and the percentage of spend under the reconciled FPP is expected to drop slightly between PY2022 and PY2023 because NVRH will participate without a fixed payment in 2023 due to complexities with Critical Access Hospital cost reporting. OneCare added an additional practice to the CPR program, which slightly increased the FPP percentage for Medicaid. Removal of BCBSVT from OneCare's budget removed all commercial FPP amounts.

4. Additional information to accompany new FTE and compensation reporting requirement

As requested by the GMCB, the revised submission includes two years of information on FTEs and compensation (salary and benefits) by functional area. To aid review, there are four significant changes that affect the comparison between years:

- After the initial budget submission, OneCare received its annual compensation increase pool from UVMHN. Management allocated 2% increases to leadership and 4.75% increases to staff as a means to address rising cost of living. There were a small number of other adjustments made to address variances from market information supplied by UVMHN.
- The transition of analytics staff to UVMHN resulted in a significant change to the underlying FTE structure which is reflected in the change to total compensation between the two years.
- In light of the analytics transition, a number of historical departments were consolidated into a singular Value Based Care team.
- The required 2% admin cut resulted in a number of open positions being cut from the budget.

In total, these changes result in a number of categorical shifts that complicate review, and with hope the information above helps to clarify.