



OneCare Vermont 2019 Financial Update to GMCB

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OneCare Vermont
onecarevt.org

Program Status Report

- Medicare
 - Fully operational
 - Concerns remain regarding benchmark
 - All program payments being made
 - Actively reporting financial performance
 - Two remaining claims processing issues pending correction
- Medicaid
 - Fully operational
 - All program payments being made
 - Actively reporting financial performance
- BCBSVT QHP
 - Data delays
 - HSA benchmark development underway
 - All program payments being made
 - No financial reporting to date
- Self-Funded
 - Contracting delays
 - Data for HSA benchmarks and financial reporting expected this week
 - No network payments to date
- BCBSVT Primary
 - May program start date
 - Program roll-out underway

Medicare Fixed Payments

- Two claims processing errors experienced in 2019
 - Erroneously paying FFS for claims that should have been zero-paid
 - Affected all fixed payment providers
 - Problem fixed by Medicare in May
 - Specific providers/NPIs setup incorrectly
 - Problem communicated to Medicare in spring
 - Fix is in queue with Medicare but no claims reprocessing has occurred
- 2019 AIPBP amount is much closer to zero-pay equivalent
 - OneCare is monitoring payments to providers and adjusting in an attempt to have small reconciling balances with hospitals by year-end
 - Some AIPBP funds will be set aside at OneCare in anticipation of this year-end reconciliation

Revenue Summary

	YTD Budget	YTD Actual	\$ Var	% Var	Note
VMNG PMPM General Revenue	\$2,747,686	\$2,816,639	\$68,952	3%	
VMNG PHM Program Pilot - Complex CC	\$2,750,000	\$2,478,420	-\$271,580	-10%	Below engagement target; seeing progress
PHM Program Pilot - Primary Prevention	\$550,000	\$550,000	\$0	0%	
BCBSVT QHP Program Revenue	\$357,102	\$560,944	\$203,842	57%	Miscode between QHP & ASO; fixed
Self-Funded Programs Revenue	\$180,990	\$0	-\$180,990	-100%	Awaiting data for accrual
BCBSVT Primary Revenue	\$710,938	\$195,244	-\$515,694	-73%	Miscode between QHP & ASO; fixed
Informatics Infrastructure Support	\$2,125,000	\$2,125,000	\$0	0%	
Advanced Shared Savings	\$3,171,118	\$3,171,118	\$0	0%	
Hospital Participation Fee	\$14,878,733	\$14,835,474	-\$43,260	0%	
Misc. Income	\$0	\$57,134	\$57,134	0%	
Total	\$27,471,567	\$26,789,972	-\$681,595	-2.5%	

- Overall, revenue generation is on track
 - Main variance is due to the May start date for the BCBSVT Primary program
- Generally any revenue variances have offsetting expense variances

PHM Expense Summary

	YTD Budget	YTD Actual	\$ Var	% Var	Note
Value-Based Incentive Fund	\$3,726,108	\$3,444,765	-\$281,343	-8%	Lower than expected Medicare benchmark
Basic OCV PMPM	\$2,673,361	\$3,153,791	\$480,430	18%	Miscode between QHP & ASO; fixed
Complex Care Coordination Program	\$4,650,393	\$4,139,185	-\$511,208	-11%	Below engagement target; seeing progress
PCP Comprehensive Payment Reform	\$1,125,000	\$704,936	-\$420,064	-37%	More partial cap than expected
Primary Prevention	\$455,360	\$336,681	-\$118,679	-26%	Timing of new community participation
CHT Funding Risk Communities	\$821,923	\$821,923	\$0	0%	
CHT Funding Non-Risk Communities	\$338,912	\$338,912	\$0	0%	
SASH Funding Risk Communities	\$1,491,021	\$1,506,021	\$15,000	1%	
SASH Funding Non-Risk Communities	\$426,006	\$426,006	\$0	0%	
PCP Payments Risk Communities	\$614,328	\$614,450	\$122	0%	
PCP Payments Non-Risk Communities	\$318,444	\$301,314	-\$17,130	-5%	
Specialist Program Pilot	\$500,000	\$0	-\$500,000	-100%	Accounting treatment; accrual timing
Innovation Fund	\$1,000,000	\$86,091	-\$913,909	-91%	Accounting treatment; accrual timing
RCRs	\$187,500	\$131,250	-\$56,250	-30%	Contract timing
BCBSVT Primary	\$710,938	\$195,244	-\$515,694	-73%	Miscode between QHP & ASO; fixed
Total	\$19,039,294	\$16,200,567	-\$2,838,727	-15%	

- PHM programs are operating as intended
- Expense ramp-up expected in Care Coordination, Primary Prevention, and RCRs
- Accounting treatment related to Innovation Fund and Specialist Program being explored

Operating Expense Summary

	YTD Budget	YTD Actual	\$ Var	% Var	Note
Salaries and Benefits	\$4,291,630	\$3,084,568	-\$1,207,061	-28%	CEO & VP Finance transitions; timing of new positions & COLA
Contracted Services	\$1,164,315	\$292,243	-\$872,072	-75%	Attempting to control costs; coding between Other Expenses
Software	\$1,474,632	\$1,497,767	\$23,135	2%	
Insurance/Risk Protection	\$587,282	\$539,035	-\$48,247	-8%	
Supplies	\$88,707	\$105,535	\$16,828	19%	Timing (ACO mailings)
Travel	\$66,623	\$51,047	-\$15,575	-23%	Attempting to manage; timing
Occupancy	\$198,898	\$171,223	-\$27,674	-14%	Added space in June; gap expected to close
Other Expenses	\$199,704	\$435,976	\$236,272	118%	Coding between Contracted Services
Total	\$8,071,789	\$6,177,393	-\$1,894,396	-23%	

- Significant work to update chart of accounts to align with business needs
- Salaries
 - CEO & VP Finance vacancies
 - Savings related to timing of new-hires; many brought in later than hoped
 - COLA increases aren't effective until October
- Contracted Services
 - Some transition of responsibilities to staff
 - Actuarial ramps up later in the year
 - Generally trying to manage spending in this area

Reserves

2019 Required Reserves	\$3,900,000
2018 Ending Balance	\$1,400,000
2019 Total Amount to Generate	\$2,500,000

YTD Gain	\$4,412,012
Less: Amount Related to Innovation Fund	-\$913,909
Less: Amount Related to Specialist Program	-\$500,000
Modeled YTD Gain	\$2,998,103

Target YTD Gain (6/12th of 2019 Amount To Generate) \$1,250,000

Over (Under) Target **\$1,748,103**

- Currently on track to meet reserve requirement
- Expecting some expense ramp-up so the current cushion is ideal
- Current forecast suggest about \$500k - \$750k will be needed to cover risk mitigation arrangements

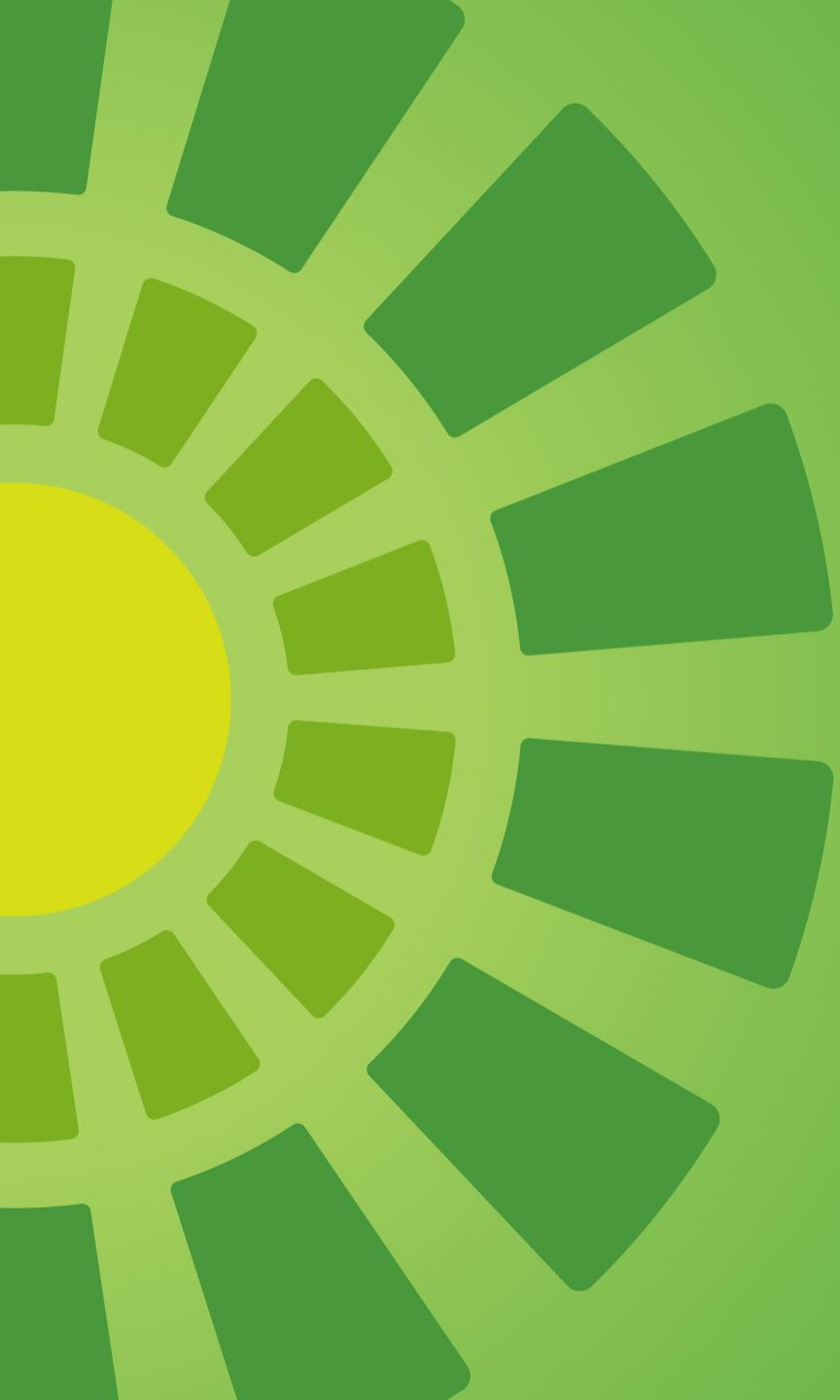


CPR Program

- Offered a full-cap model and a partial-cap model in 2019
 - Full-cap includes zero-pay claims and fixed payments
 - Partial-cap maintains FFS but adds an enhanced PMPM with clinical enhancement expectation
- Expanded participation
 - Four practices, comprised of seven primary care sites, are participating in the full-cap model
 - Five practices are participating in the partial cap model
- Evolved the financial model into a more simplified approach that aimed to deliver the same benefit
- Initial financial results are encouraging, but more claims experience is needed to fully evaluate

Questions / Thoughts / Comments





OneCare Vermont Customer Service Update For Q1-Q2, 2019

Joan Zipko Director, ACO Operations

September 18, 2019



OneCare Vermont

onecarevt.org

OneCare Customer Service Definitions

Inquiry:

- A routine communication requesting information that is within the general scope requesting a routine action

Complaint:

- A communication that requires the ACO to take an action to resolve concerns. Examples of ACO complaints include data sharing, an ACO Policy, etc.

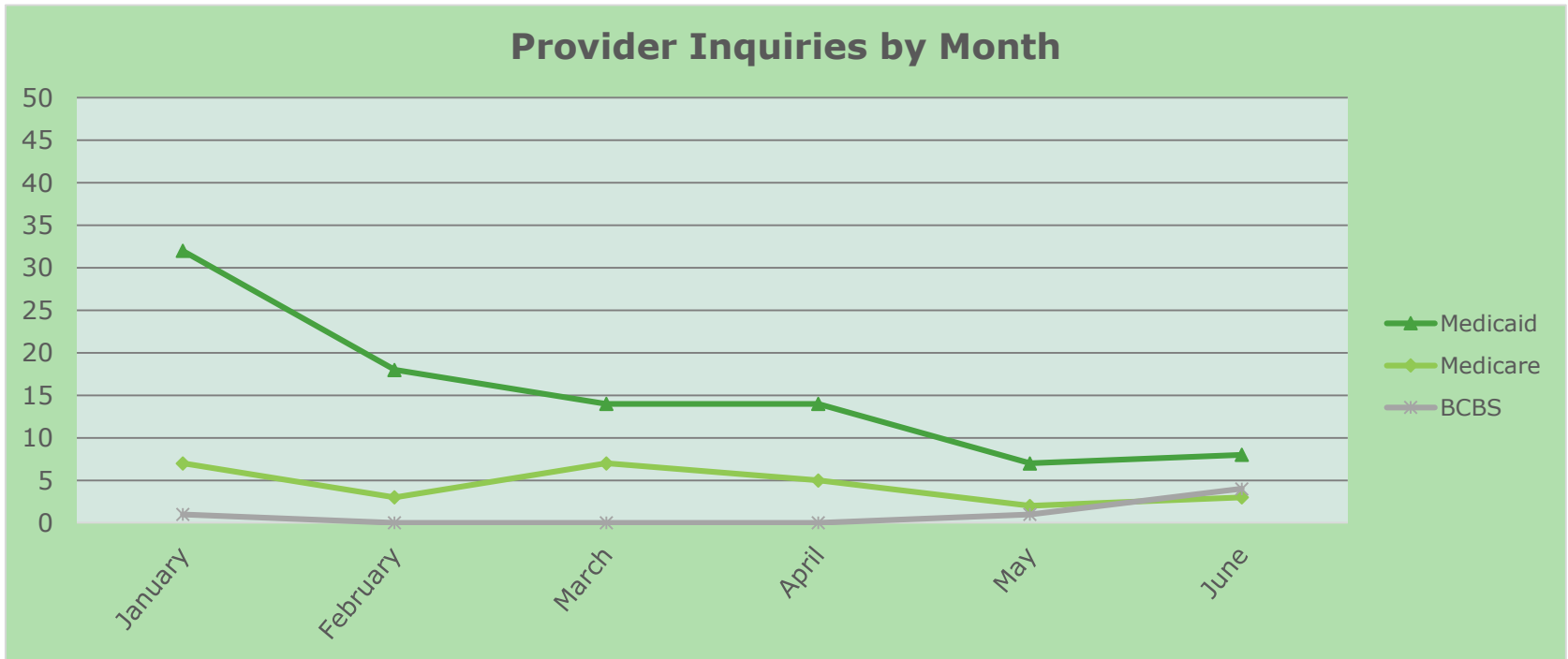
Grievance:

- A complaint that is not resolved through discussion with the ACO when first presented, and is elevated to senior leadership of the ACO, the payer, and/or the Health Care Advocate

Appeal:

- Since OneCare is not an insurance company, there is no Appeals process for patients at the ACO when overturning decisions such as benefits or coverage. Patients would work with payers and/or HCA to appeal
- For providers, there is an appeals policy and process should they be dissatisfied with ACO-related resolutions

2019 OneCare Provider Inquiries

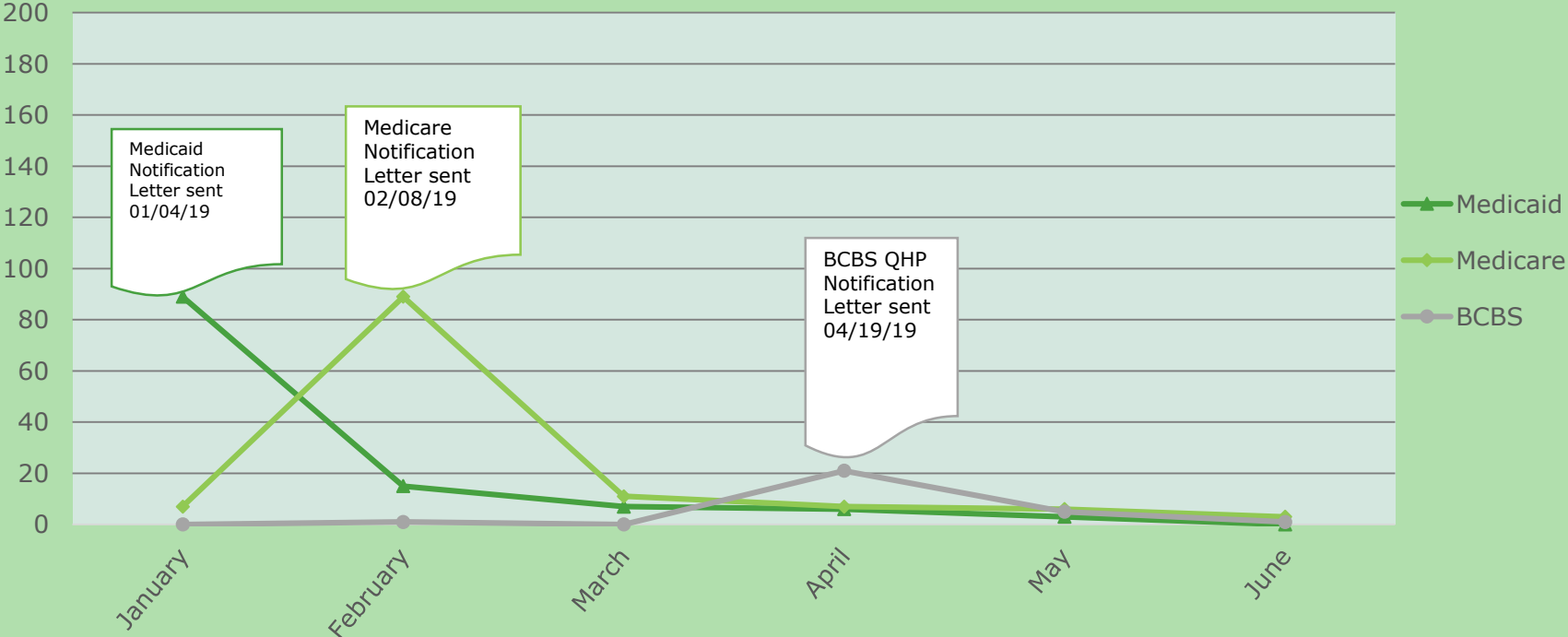


2019 Primary Drivers for Inquiries:

- Provider inquiries driven by attribution lists and financial statement questions
- Medicaid inquiries are higher due to prior authorization questions specific to that program

2019 OneCare Patient Inquiries

Patient Inquiries By Month



Primary Drivers for Patient Inquiries: Education to support the notification letters

2019 OneCare Patient Complaints

2019 Complaints (Jan-June)

Payer Program	# Complaints	General Themes
Medicaid Next Generation	4	<ol style="list-style-type: none">1. Benefit question related to durable medical equipment2. Change with VCCI benefits3. Opt out process
Medicare Next Generation	3	<ol style="list-style-type: none">1. Confusing notification letter2. Opt out of data sharing3. Provider/Health Care Reform complaints
BCBSVT Next Generation	0	No complaints for this time frame

Improved Communication

- **New Website**
 - Improved access to Beneficiary Rights and Responsibilities, FAQ-style information and overview of OneCare.
- **Beneficiary Notification Letter**
 - Sent letter only to newly attributed beneficiaries to reduce confusion and further improved the clarity of the letter and FAQ. Improved instructions for opt out.
- **Network Newsletter**
 - Continuing to send key updates to providers on a consistent monthly basis to include information about educational events and operational topics such as attribution lists.
- **Prior Authorization Operations and Education**
 - Simplified the operationalization of the program and provided education via WebEx, Network News, modules and targeted outreach for those who needed further support.

Questions / Thoughts / Comments

