All-Payer Model Update

Pat Jones, Interim Director of Health Care Reform, Agency of Human Services

VERMONT
AGENCY OF HUMAN SERVICES

Focus and Timing of Future Model

The Center for Medicare & Medicaid Innovation (CMMI) has provided clarification on the focus and timing of the next model:

- CMMI is moving in the direction of offering only **multi-state models** rather than state-specific models.
- CMMI has outlined **seven priorities** that will be central to this model (see next slide).
- More details on the model are expected to be released by CMMI in the Fall.
- Applications from states, outlining their proposals, will likely be due in early 2024.
- CMMI has informed Vermont that full implementation of the Medicare payment provisions of this model **will occur in 2026**, not in 2025 as previously anticipated.
- As a result, CMMI and Vermont are negotiating **what 2025 will look like**, with the goal of providing a smooth transition to a new Medicare/multi-payer model in 2026.
- At the same time, CMMI and Vermont are continuing to discuss a potential 2026 model.

What do we know about the new payment model under development by CMMI?

"To accelerate and support these efforts, the Innovation Center is exploring a state-based model to improve population-level health outcomes and advance health equity by testing total cost-of-care approaches to shift health care spending and utilization from acute care to primary care. The future state-based, total cost of care models under consideration by the Innovation Center will amplify Medicaid-led advanced primary care efforts by aligning Medicare FFS and other payers to these efforts."
- CMS Blog, [The CMS Innovation Center's Strategy to Support High-quality Primary Care]

CMMI is signaling that it will produce a design spanning multiple states that will address 7 priorities:

1.	Include global budgets for hospitals.	**Payment Design**
2.	Include Total Cost of Care target/approach.	
3.	Be all-payer.	
4.	Include goals for minimum investment in primary care.	
5.	Include safety net providers from the start.	**Core Principles**
6.	Address mental health, substance use disorder, and social determinants of health.	
7.	Address health equity.	

Through an advisory group structure and other methods, AHS and GMCB are gathering input on a variety of topics to inform feedback to CMMI on a new multi-payer, multi-state model.

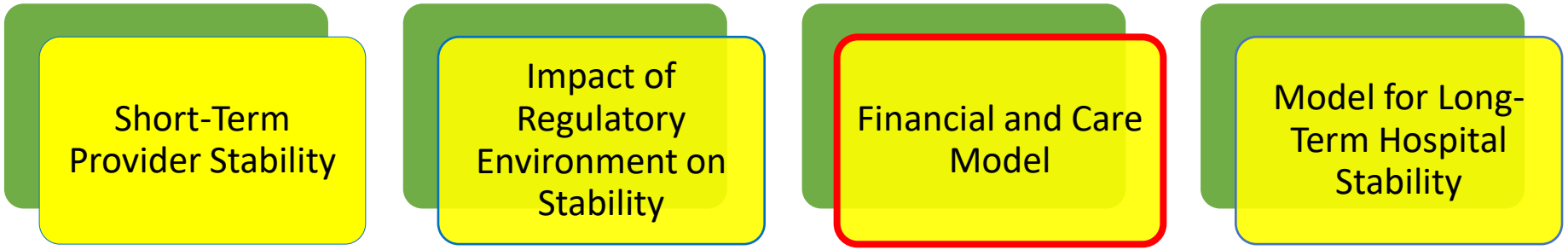
VERMONT
AGENCY OF HUMAN SERVICES

Benefits of Continuing to Include Medicare in Vermont Health Care Reform

- Continued recognition of Vermont's status as a long-time low-cost state for Medicare
- Ensure that baseline financial calculations recognize Vermont's past reforms that have saved money for Medicare
- Ability to influence Medicare reimbursement for Vermont providers
- ~$10M annually for Medicare's portion of Blueprint (payments to primary care practices recognized as Patient-Centered Medical Homes, Community Health Teams, and Support and Services at Home)
- Waivers of Medicare regulations (e.g., 3-day stay Skilled Nursing Facility waiver) and ability to propose new waivers
- Greater alignment in priorities, payment models, quality measures/reporting, which sends a stronger signal to all health care system partners

The Health Care Reform Work Group was initiated in June 2022

Four Areas of Work:



Today's Discussion: Seeking a Medicare model that supports care delivery transformation

VERMONT
AGENCY OF HUMAN SERVICES

Vermont's Feedback to CMMI

Here are some of Vermont's needs that have been communicated to CMMI to date:

- Support for rural provider stability and sustainability (workforce and inflation are important concerns)
- Increase in predictability of payments
- Ensuring the right amount of revenue (recognition that Vermont is a low-cost state for Medicare)
- **Support for investments in preventive and community care**
- Making sure payment models and quality measures are aligned across payers as much as possible
- **Allowing Vermont to keep moving forward on our important health care reform efforts** (care for people with complex health and social needs, support for primary care through programs such as the Blueprint for Health and Comprehensive Payment Reform, support for community-based services)

Vermont Blueprint for Health: Core Components

Patient-Centered Medical Homes

- Patient-Centered Medical Homes are primary care practices that have been assessed and recognized by the National Committee for Quality Assurance (NCQA) as meeting high quality standards for primary care, largely through enhanced levels of preventive care and care coordination.

Community Health Teams (CHTs)

- CHTs are multi-disciplinary teams developed at the regional level to address unmet health care needs. CHT staff include nurses, care coordinators, social workers, counselors, health educators, registered dietitians, nutrition specialists, health coaches, and community health workers. Staff may be located centrally within each region as a shared resource, particularly for patients of smaller practices, or embedded in practices with sufficient patient volumes and needs. The purpose is to support patient access and enhanced levels of preventive services and coordinated care.

Vermont Blueprint for Health: Extended Services

Hub and Spoke Services for Opioid Use Disorder (OUD)

- For OUD treatment, Medicaid funds:

✓Intensive, specialized, and highly supervised treatment in Opioid Treatment Programs ("Hubs") managed by the Vermont Department of Health.

✓Community Office-Based Opioid Treatment services ("Spokes"), commonly administered by primary care providers and supported by the Blueprint for Health.

Women's Health Initiative (WHI)

- Medicaid funds the WHI program to support primary care and preventive services for women of childbearing age, including access to Long-Acting Reversible Contraception for women who choose it, enhanced health and psychosocial screening, follow-up through brief in-office intervention, and referral to health and community services.

Support and Services at Home (SASH)

- Medicare funds the SASH program in Vermont to provide wellness nurses and care managers to serve elderly and disabled Medicare beneficiaries in congregate housing or nearby communities.

Blueprint for Health Expansion Pilot

- Vermont Medicaid is expanding funding for Blueprint for Health Community Health Teams to implement a **two-year pilot program** designed to improve access to mental health and substance use disorder services and address social determinants of health through increased integration with primary care.
  - Vermont experiencing increased deaths from drug overdose and suicide; concerning levels and acuity of mental health and substance use disorders.
  - Need to identify and address social determinants of health, particularly housing instability.
  - Objective of pilot is to ensure that additional supports and services are provided across entire population served by primary care practices participating in Blueprint for Health (majority of primary care practices in Vermont).

Medicaid Payment Reform

	PLANNING	DESIGN	IMPLEMENTATION	EVALUATION	Program Launch & Model Description
Vermont Medicaid Next Generation ACO Program				★	• Program launch in 2017 • Monthly prospective population-based payments with financial reconciliation • Includes value-based incentive fund
Mental Health Payment Reform			★		• Program launch in 2019 • Monthly per person case rate; varies by agency • Caseload reconciliation • Encounter data submission • Value-based payment component
Residential SUD Program Payment Reform			★		• Program launch in 2019 • Episodic payment per residential stay • Payments vary by SUD diagnosis
Applied Behavior Analysis Payment Reform				★	• Program launch in 2019 • Monthly bundled payments by tiers based on level of service, with financial reconciliation • Value-based payment component
Developmental Disability Services Payment Reform		★			• Interim payment methodology implemented • Encounter data submission • Standardized assessment implemented
Children's Integrated Services Payment Reform			★		• Program launch in 2020 • Per person per month bundled payment • Encounter data submission • Value-based payment under development
High-Technology Nursing Services Payment Reform			★		• Program launch in 2022 • Hybrid model: prospective monthly payment + reduced FFS payments; financial reconciliation • Value-based payment component
Brattleboro Retreat Alternative Payment Model			★		• Program launch in 2021 • Monthly prospective payments for inpatient services • Financial reconciliation • Robust performance measurement framework

Waivers of Certain Medicare Regulations

- Waivers of selected Medicare regulations can support improvements in care delivery (e.g., waiver of the requirement for a 3-day inpatient hospital stay prior to a Medicare-covered, post-hospital, extended-care service in a skilled nursing facility for eligible beneficiaries).
- The Health Care Reform Work Group and a Medicare Waivers Subgroup previously reviewed potential waiver requests and highlighted areas of greatest interest.
- The State is discussing with CMMI problems that continued, new, or revised waivers could help address, in both the current model and a potential future model.

11

Supporting Successful Coordination Between Providers

- Examples of shared interest measures that demonstrate coordination between two or more providers:
  - ✓Readmissions
  - ✓Follow-up after hospitalization for mental illness
  - ✓Follow-up after emergency department visit for mental illness
  - ✓Follow-up after emergency department visit for substance use disorder
  - ✓Prevention quality indicators (potentially avoidable hospitalizations for ambulatory care-sensitive conditions)

A number of these measures are already collected in Vermont and provide opportunities to encourage coordination among providers in important clinical areas.

12

Summary of Next Steps

- Continue meeting with CMMI
- Continue gathering input:
  - From work groups
  - From AHS and GMCB advisory groups
  - From presentations at GMCB meetings
  - From public comments
- Carefully review model when CMMI releases it to see if it is good for Vermont and continue to gather input when formulating a response.

Timeline: Future Federal-State Model

If Vermont chooses to pursue participation in CMMI's anticipated multi-state model, a tentative timeline is below:

TENTATIVE TIMELINE
Fall 2023: More details on the model are expected to be released • AHS will lead a broader stakeholder engagement process
Early 2024: Applications from states due, outlining their proposed models • Application would be assembled by AHS and GMCB staff • Public presentations to GMCB, public comment period(s), and vote required before submission
Later 2024: Selected states negotiate with CMMI (e.g., on issues like savings targets and Medicare payment model)
2025: Bridge current APM Agreement → CMMI multi-state model • What does the bridge look like? Vermont currently in discussions with CMMI
2026: CMMI multi-state model launch