MEMORANDUM

TO: Green Mountain Care Board

FROM: Susan Barrett, Executive Director, Green Mountain Care Board
Ena Backus, Director of Health Care Reform, Agency of Human Services

CC: Scale Survey Participants
DATE: August 16, 2019
SUBJECT: Insights from Hospital/FQHC Scale Survey: Results and Reactions

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In April of 2019, the Green Mountain Care Board and the Director of Health Care Reform of the Agency of Human Services conducted a survey with Vermont hospitals and federally qualified health centers (FQHCs) to assess how the state can increase provider participation in the Vermont All-Payer ACO Model. The goal of the survey was to identify barriers to scale and potential strategies to improve the Model.

Section 6 of the All-Payer ACO Model Agreement ("Agreement") includes annual scale targets. These are included below with Vermont's final PY1 and preliminary PY2 scale performance.

Table 1: All-Payer ACO Model Scale Targets

		PY1 (2018)	PY2 (2019)	PY3 (2020)	PY4 (2021)	PY5 (2022)
Vermont All-Payer Scale Target Beneficiaries	*Target*	*36%*	*50%*	*58%*	*62%*	*70%*
	Actual	22%	30%-40%*			
Vermont Medicare Beneficiaries	*Target*	*60%*	*75%*	*79%*	*83%*	*90%*
	Actual	35%	52%			

*PY2 Commercial Self-Funded numbers are preliminary. Ranges represent approximate totals across these contracts and potential impact on All-Payer Scale.

Source: Vermont All-Payer ACO Model Annual ACO Scale Targets and Alignment Report, Performance Year 1 (2018), submitted June 28, 2019. Available at: https://gmcboard.vermont.gov/payment-reform/APM.

Vermont did not achieve the PY1 Scale Targets. However, the Agreement anticipates continued increases in scale over the life of the model, with a more significant growth trajectory after PY1.

Results from the survey suggest that in order to increase participation in the Model and achieve the scale targets described above, hospitals and FQHCs must believe the All-Payer ACO Model's payment structure is *transparent, predictable, and sustainable*. Payments from the ACO and participating payers must offset additional administrative and reporting requirements (*reduce burden*) and incentivize delivery reform, with a greater emphasis on prevention and health improvement (*incentivize population health*).

The table on page 2 summarizes key takeaways from the survey; action steps taken in response to survey results; and next steps to improve participation.

Table 2: Issues Identified in Hospital/FQHC Survey Regarding Participation in the Vermont All-Payer ACO Model

Strategy	Lead	Status
Improve communication between federal partners regarding VT's All-Payer ACO Model	SOV	CMMI is interested in increasing coordination between CMMI, other CMS divisions, HRSA, and other federal agencies. GMCB and CMMI continue to discuss this issue.
Provide ACO-participating Critical Access Hospitals (CAHs) with guidance on federal cost report submission	SOV	CMMI is working with GMCB to provide guidance for ACO-participating CAHs. GMCB and CMMI continue to discuss this issue; GMCB is continually updating CAHs.
Improve processing of the Medicare payments (including the All-Inclusive Population Based Payments) to ensure that the ACO has a predictable Medicare revenue stream	CMMI	CMMI is hiring a new contractor to process Medicare payments. GMCB and CMMI continue to discuss this issue.
Improve the process for the ACO to receive Medicare benchmarking and attribution data	SOV	GMCB is researching how GMCB and CMMI can collaborate further on the Vermont Medicare ACO Initiative benchmarking process for 2020-2022.
Provide greater clarity on hospital risk and reserves	SOV	GMCB is seeking an expert opinion from a national contractor to support hospital and ACO regulation.
Offer a multiple risk models based on hospital size and readiness	OCV	OneCare Vermont is currently working on a modified model that will include a mechanism for reserving risk and will include further definition for hospital auditors. The ACO will continue dialog with founders, GMCB, and CAHs to create an aligned plan.
Continue to improve Care Navigator to allow use for all patients (not just ACO-attributed) and reduce burden of duplicate record-keeping by allowing uploads from existing EMR systems	OCV	OneCare Vermont is working with each health service area in the ACO network to educate and engage providers on the new care coordination payment model, which includes incentives to use Care Navigator. The ACO continues to work on integration opportunities with EMRs as part of a longer-term strategy and is currently working to identify short-term goals on site with key stakeholders.
Offer interested hospitals/FQHCs one year of shadow attribution without payment changes in advance of joining the ACO	OCV	In early consideration.
Improve hospital understanding of payer reconciliation	OCV	OneCare Vermont is seeking recommendations from a consultant on this issue.
Improve attribution and performance data clarity and timeliness for both Medicaid and Commercial programs	OCV/ payers	OneCare Vermont and payers continue to improve processes, alignment on methodology, and accuracy of data. Some improvements have already been made, including earlier contracting to allow the ACO to receive attribution files sooner and deliver them earlier to the network than in past years.
Improve clarity of contracts with FQHCs (e.g., expectations, deliverables, attribution methodology)	OCV	Completed for 2019. OneCare Vermont added more detail around expectations to FQHC contracts following feedback from FQHCs and other providers. Information about attribution, as well as other readiness education materials, are available to providers via a secure portal.
Develop FQHC-specific contract with more primary care funding and incentives to ease provider burden	OCV	OneCare Vermont's new payment model provides stronger incentives for care management and quality. OneCare continues to work with DVHA to expand the prior auth waiver and will engage with BCBSVT to partner on a similar waiver. OneCare is considering additional contracting strategies for future years.
Offer option for primary care to join without hospital partner	OCV	Currently, hospitals take on risk for the entire health service area's population and costs; under this model, OneCare Vermont is unable to provide this contract option, though other models may be considered.
Offer or facilitate network-based telehealth opportunities to smaller providers	OCV	OneCare Vermont offers innovation programs and grant opportunities to its provider network and would welcome proposals about telehealth and about meeting the specific needs of smaller providers.
Expand outreach to providers, including FQHCs, about benefits of joining	OCV	OneCare Vermont conducts outreach to all FQHCs as part of its network development during contracting, and will work to increase outreach in the future.
Change attribution methodology	OCV	DVHA and the ACO are currently developing a broader geographic attribution methodology, building on the St. Johnsbury attribution pilot initiated in 2019.