

Policy Number & Title:	06-16 OneCare Value Based Incentive
Responsible:	Finance Department, Operations
Author:	Tom Borys
Date Implemented:	1/1/19 (for performance year 2020)
Date	7/16/18, 6/18/19
Next Review Date:	7/16/19, 6/18/20

Purpose: This policy ensures a uniform and systematic process for the calculation and distribution of the Value Based Incentive Fund ("VBIF") from ACO Programs to eligible Participants who are in good standing for 2020

Policy Statement: This policy applies to dollars placed into the Value Based Incentive Fund, which are generated as part of OneCare Vermont (OneCare) participation in ACO programs. VBIF distributions will be calculated and paid for each program within thirty days after the payer's Total Cost of Care (TCOC) calculations and quality measures have been reviewed and approved by the OneCare Board of Managers.

Definitions:

ACO Program: refers to a program between OneCare and a payer for population health management through an alternative payment arrangement.

Participant: refers to a health care provider that has a Participant & Preferred Provider Agreement with OneCare.

Overview: The Value Based Incentive Fund includes dollars set aside by OneCare during the performance year to incentivize and reward the network. The funds are reserved by OneCare from Risk Participants' prospective payments, or in certain cases acquired from invoiced participation fees, at levels required by the ACO Program Agreements. The funds are earned under each ACO Program by meeting set criteria (usually performance on designated quality measures) established in each ACO Program Agreement. Unearned funds, in whole or in part, may revert to the payers. The ACO Programs for which the VBIF currently applies includes: Medicare, Medicaid, BCBS QHP and UVMHC Self-Funded. Once earned by OneCare, the VBIF funds will be distributed to the eligible Participants.

Distribution:

The performance year 2020 policy for distributing VBIF will be as follows:

- OneCare will accumulate funds, as negotiated in each ACO Program Agreement, to the Value Based Incentive Fund to reward designated Participants and Preferred Providers who meet quality goals in each ACO Program.
- Distributions will be calculated separately for each ACO Program after the close of the program year after the Total Cost of Care calculations have been fully reconciled and quality measure performance is reported to OneCare by the payer.
- Participants and Preferred Providers may only receive VBIF funding for ACO Programs in which they participate, and only if they remain in good standing at time of distribution.
- The fund will be distributed by a methodology established by the Board and consistent with OneCare strategy: 70% to attributing primary care providers, of which 10% will be reserved for practices that exceed the network average on primary care engagement by payer; 10% to a quality improvement investment(s) approved by the Board of Managers; and 20% to the remainder of the network who qualify based on proportion of TCOC spend during the performance year. VBIF payments shall be of a minimum \$100.

Location on Shared Drive: S:\Groups\Managed Care Ops\OneCare Vermont\Policy and Procedures\Policies

Management Approval:



Director, Finance

6/27/19

Date



Vice President and Chief Operating Officer

6/25/2019

Date

Board of Manager Approval:



Chair, OneCare Board of Managers

(Required)

7/1/19

Date