

## **FY19 Q2 Follow-up questions to OneCare Vermont**

### **Financial statements:**

1. What is the 'Other' line item in the PHM Payments by Provider Type?

*The amount in the PCP column is related to the CPR program and the amount under Designated Agency is the HowardCenter/SASH pilot program to embed mental health supports.*

2. Provide a written explanation for each variance in column AA that is over or under 10% by COB Monday, September 16, 2019.

*The formula in column AA references the approved budget, but often the mid-year budget, which includes fewer projections, is a more helpful source of comparison. Both are included in the grid below. The blue cell indicates to which variance the note references.*

Line	% Var – Orig. Budget	% Var - Mid-Year Budget	Note
Medicare Modified Next Gen - Basic***	12.6%	-4.7%	Revised benchmark lower than anticipated
BCBSVT 2-Sided Risk Program***	-16.6%	3.5%	Attrition expected
Self-Funded Programs	-31.2%	0.0%	On track
PHM Program Pilot - Primary Prevention	10.0%	0.0%	On track
BCBSVT QHP Program Reform Pilot Support	-13.2%	3.5%	Attrition expected
Self-Funded Programs Revenue	-73.4%	0.0%	On track
ODU Investment Revenue	-100.0%	0.0%	Did not move forward
OneCare Hospital Payments***	12.2%	-2.0%	Managing Medicaid AIPBP
Salaries and Benefits	-25.2%	-22.7%	Vacancies (CEO; VP Finance); mid-year start dates; ongoing hiring
Contracted Services	-66.2%	-68.6%	Managing contracted services spending; legal retainer transition
Insurance/Risk Protection	1200.9%	-6.4%	Chart of accounts adjustment
Supplies	44.0%	23.7%	Attribution mailings; informational materials
Travel	-23.2%	-20.3%	Proactive management of travel
Other Expenses	254.8%	63.7%	GMCB billback not yet booked
Basic OCV PMPM	11.0%	23.2%	Addition of BCBSVT Primary program
PCP Comprehensive Payment Reform Pilot	-38.6%	-38.6%	Savings dues to more partial cap participants
Primary Prevention	-22.4%	-22.4%	Timing bringing on new communities
Specialist Program Pilot	-50.0%	0.0%	Spending obligated; timing of accruals
Innovation Fund	100.0%	0.0%	Spending obligated; timing of accruals

3. In addition to the VBIF, what are other PHM/Payment Reform Programs are excluded from the PHM Payments by Provider Type tab.

*There are none excluded, but note that the view referenced reflects actual cash/paid amounts to date while the financials may have accrual activity. At the end of the year these will converge, but throughout the year there will be timing variances between the two.*

4. Explain the variation in accounts receivable over time.

*There are two main components to separate for this analysis. The first component is regular operating business. Receivables include contract arrangements with DVHA, invoiced participation fees, and other contractual arrangements for which an accrual would be made. The second component relates to the year-end program settlements. Any expected amounts due to OneCare, which will ultimately be due to a payer, are accrued by the end of the fiscal year. These amounts will clear after the actual cash settlement with the network and the payer.*

**Attribution:**

5. When do you expect to have the final self-funded attribution numbers for the remainder of Q1 and for full Q2? Also, please explain the delay in reporting this data.

*We expect to have the data this month. The delay was caused by the timing of the contracting process as well as some data accuracy concerns that prompted further review.*

**2019 CPR program interim report:**

6. How many practices are in the program for FY19 and represented in your analysis? How many are in the full capitation program? Partial capitation model?
  - a. FY19 budget states: 9 organizations expressed intent (p.7)

*There are four full capitation organizations (with seven practice sites) and five partial capitation organizations. The variance between the budget model and the actual spending is primarily related to the number that opted for the partial capitation model. This is less costly for OneCare and results in reduced expenses.*

7. What is the claims period and paid-through period for this analysis?

*The analysis utilized January through April service dates with runout through the end of June.*

8. The purpose of comparing the CPR Model to the OneCare standard model and Fee-for-service for independent providers and hospital based practices was to allow for an understanding of the enhancement of primary care funding and the impact of the new program on providers by provider type. The chart provided does not provide a clear comparison by provider type, because of the partial capitation and full capitation columns for the OCV standard model and practices not participating in OCV (“non-OC Model).” Why would there be variation in the full and partial capitation columns since these practices are not participating in either? Please provide a better explanation about this chart.

*This grid aims to provide a number of comparisons to show the financial differences between CPR participation, standard model participation, and no participation at all with OneCare. In some cases these are illustrative and represent what an outcome would be if the practices had chosen the corresponding option. The following grid provides a better explanation of each cell within the grid.*

	<b>Full Capitation (just the practices participating in the CPR Full-Cap model)</b>	<b>Partial Capitation (just the practices participating in the CPR Partial-Cap model)</b>	<b>Hospital Primary Care</b>
<b>CPR Model</b>	Actual PMPM for Full-Cap CPR practices	Actual PMPM for Partial-Cap CPR Practices	n/a
<b>Standard Model</b>	PMPM for Full-Cap participants had they declined the CPR option	PMPM for Partial-Cap participants had they declined the CPR option	PMPM for Hospital PCP in the Standard OneCare model
<b>Non-OneCare Model</b>	PMPM for Full-Cap participants had they declined OneCare participation	PMPM for Partial-Cap participants had they declined OneCare participation	PMPM for Hospital PCP had they declined OneCare participation

9. Provide descriptions for the table provided. The information is presented differently than in the 6/30/18 report where there was only one PMPM for the hospital practices.

*The financial grid shows the magnitude of resources OneCare invests in primary care. In all listed scenarios, the Standard Model yields enhanced resources over non-OneCare model, and the CPR Model yields enhanced resources over the Standard Model. The intent of the CPR program is a combination of “more” and “better.” It aims to invest more in primary care and pay in a better way.*

*Fewer conclusions can be drawn when comparing the Full Capitation and Partial Capitation practices to the Hospital Primary Care. Primary care PMPMs can vary significantly based on the risk of a panel, the mix of adults vs. kids attributed to the practice, and general operational efficiency.*

#### **Grievance and appeals reporting:**

10. At the Q2 presentation to the Board, please be prepared to describe the primary drivers for both provider and patient inquiries, including differences by payer program.

*Noted.*

**Other:**

11. Please provide a timeline for when you will be submitting hospital addendums.

*OneCare is actively pursuing the outstanding addendums and these are expected to be returned imminently. We will update the Board in two weeks.*