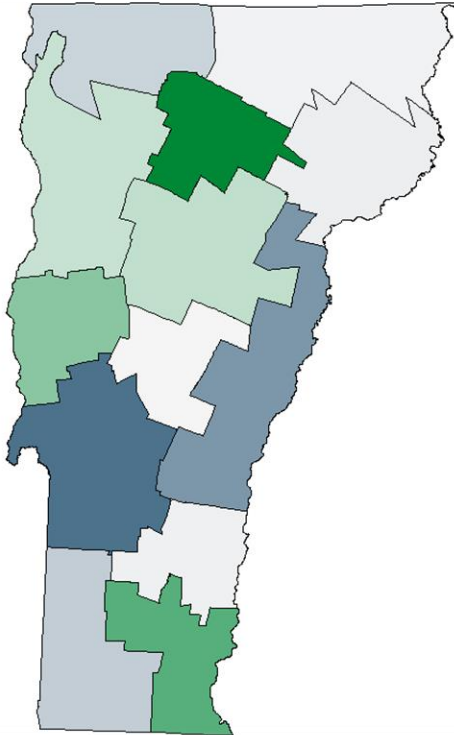


# **Green Mountain Care Board**

## **Accountable Care Organization (ACO) Oversight**

### **2020 ACO Budget Guidance and Certification Eligibility Verification**

June 5, 2019



# Agenda

- Process for ACO Regulatory Oversight
- 2020 Certification Eligibility Verification Requirements
- 2020 ACO Budget Guidance and Reporting Requirements
- Timeline for Public Comment and Vote

# ACO Budget Review and Certification

- 18 V.S.A. § 9382 and the GMCB Rule 5.000 distinguish between two processes:
  - ACO Certification
    - Ongoing eligibility
  - ACO Budget Review
    - Yearly look at the ACO's financial and program planning

# 2019 Timeline for 2020 ACO Budget

## Annual Reporting and Budget Guidance Approval

- June 5: Staff presentation to Board
- June 5-June 17: Public Comment on Guidance
- June 26: GMCB votes on 2020 Guidance (potential)

## Annual Reporting and Budget Submission (Subject to Change)

- By July 1: GMCB provides ACO with budget reporting guidance and certification eligibility verification
- September 1: ACO submits certification eligibility verification
- October 1: ACO submits budget to GMCB
- November 6: ACO budget hearing
- December 4: GMCB staff presentation
- December 13: Public comment period closes
- December 18: GMCB vote to establish the ACO budget (potential)
- 45 days after vote: GMCB issues written order to ACO

# 2020 Verification for Continued Certification Eligibility

Review of material changes that relate to the requirements of 18 V.S.A. § 9382(a) and Rule 5.000. Examples of documents, policies, procedures, that we receive and review:

- *Governance, Leadership, & Management*
  - Operating Agreement
  - Board of Managers Roster
  - Organization Chart / Leadership Team
  - Compliance Plan
- *Provider Network and Payment*
  - Network Support and Access Policy
  - Provider Grievances and Appeals
  - Provider payment policies
- *Quality Evaluation and Improvement*
  - Quality Improvement Workplan
- *Patient Protections and Support*
  - Patient and Family Advisory Committee Charter
  - Patient and Provider Grievances and Appeals
  - Consumer input activities
  - Patient fact sheet
- *Pop. Health Management and Care Coordination*
  - Care coordination and care delivery model policies

# 2020 Budget Guidance and Reporting Requirements for OneCare Vermont

## Table of Contents

### ➤ **Part I: Reporting Requirements**

- Section 1: ACO Information and Background
- Section 2: ACO Provider Network
- Section 3: ACO Payer Programs
- Section 4: ACO Budget and Financial Plan
- Section 5: ACO Quality, Model of Care, and Community Integration Initiatives

### ➤ **Part II: Benchmark Guidance**

- Section 1: Medicare Benchmark Ceiling for 2020

### ➤ **Part III: Total Cost of Care**

- All-Payer Total Cost Of Care, Per Member Per Month, 5-year Compounding Growth Rate, 2012-2017

# Part I: Reporting Requirements

## Section 1: ACO Information and Background

### ➤ Executive Summary

- Network changes
- Program highlights
- Operational changes
- Assumptions made in budget proposal

# Section 2:

## ACO Provider Network

### ➤ Network Provider Participants

- Names and types of entities
- Contract participation by payers

### ➤ Network Development

- Scale and recruitment strategy for remainder of the APM

### ➤ Provider Contracting

- Provider risk models
- Total risk amounts
- Provider contracts and agreements



# Section 3:

## ACO Payer Programs

### ➤ Program Arrangements

- Payer contracts and agreements (when available)
- ACO-Payer risk model
- Shared savings and losses
- Risk mitigation
- PMPM methodology and rates of growth
- Benchmark guidance (Part II)

### ➤ Scale Target ACO Initiatives

- Categories of service
- Payment mechanisms
- Attribution methodology
- Quality measures

# Section 4:

## ACO Financial Plan

### ➤ Financial Reporting

- Total shared savings and/or losses
- Revenues by payer
- APM reporting for participating hospitals
- Funds flow
- Summary shared savings distribution plan for 2018
- Summary quality withhold distribution plan for 2018

### ➤ Risk

- Risk mitigation plan
- Actuarial opinion

## Section 5:

# ACO Quality, Population Health, Model of Care and Community Integration Initiatives

- **Model of Care and Population Health**
  - Community integration models
  - Care management model changes and updates
  
- **Quality and Data**
  - Clinical priorities
  - Payer quality measure results and analysis
  - All-Payer ACO model quality measures
  - ACO risk stratification by payer
  - Total Cost of Care growth (2012-2017)
  
- **Population Health Investments**
  - Primary care and community-based provider payments
  - Community grants and specific programs

# Part II:

## Benchmark Guidance

- To help ACOs develop their 2020 budgets, the guidance describes the growth rate targets for the Vermont All-Payer ACO Model, which must be considered as part of developing the benchmark.
- Under the terms of the All-Payer ACO Model Agreement, the Vermont Medicare ACO Initiative Benchmark for 2020, Performance Year 3 of the Agreement, must be established so that either:
  - 1) The annual growth rate is at least 0.2 percentage points below the projected annual growth from 2019 to 2020 for Medicare nationally; or
  - 2) The compounded annualized growth rate is less than 0.1 percentage points above the projected compounded annualized growth rate (CAGR) from 2017 to 2020 for Medicare nationally.

# Medicare Advantage United States Per Capita Fee-For-Service Projections

	Aged and Disabled		ESRD		Blended (0.36% ESRD)	
<b>2017 to 2018</b>	Floor	3.70%	Floor	3.70%	Floor	3.70%
<b>2018 to 2019</b>	<u>\$891.07</u> \$856.41	4.05%	<u>\$7,833.28</u> \$7,586.28	3.26%	<u>\$916.06</u> \$880.64	4.02%
<b>2019 to 2020</b>	<u>\$940.81</u> \$903.21	4.16%	<u>\$7,795.38</u> \$7,563.53	3.07%	<u>\$965.49</u> \$927.19	4.13%
<b>Compounding Projection to Date</b>		3.97%		3.34%		3.95%
<b>Compounding Target to Date</b>		3.77%		3.14%		3.75%

## Calculation:

Blended Compounding Projection =  $(1.037 * 1.0402 * 1.0413)^{(1/3)} - 1 = 3.95\%$

Blended Target to date =  $3.95\% - 0.2\% = 3.75\%$

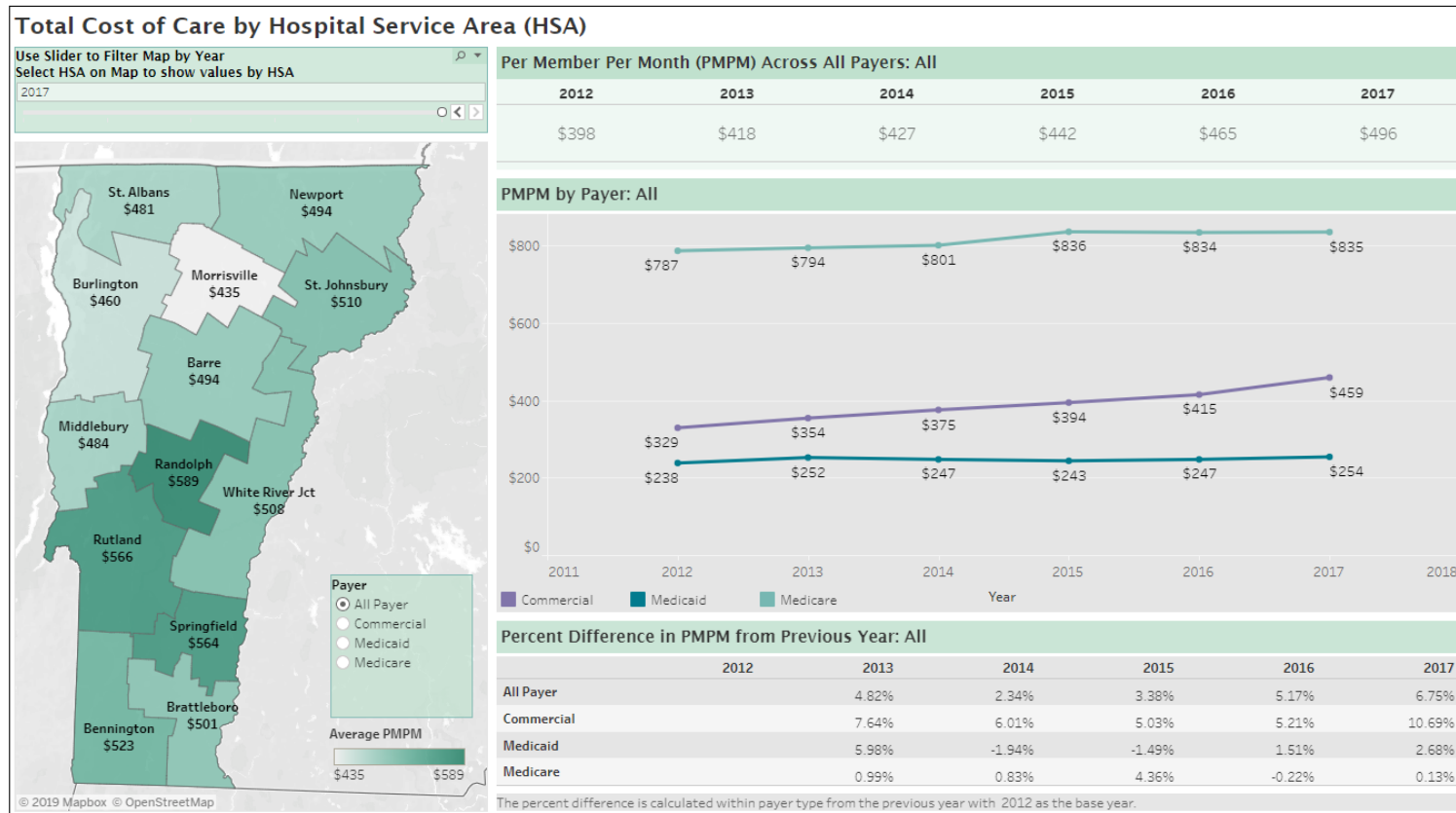
Source:

<https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Announcements-and-Documents.html>

# Part III: All-Payer, 2012-2017, total cost of care by hospital service area

Hospital Service Area of Patient Residence	2012	2013	2014	2015	2016	2017	5-Year Compounding Growth Rate
Barre	\$386.25	\$412.15	\$430.99	\$445.12	\$489.67	\$479.57	4.4%
Bennington	\$439.97	\$453.64	\$464.43	\$479.16	\$496.70	\$508.14	2.9%
Brattleboro	\$408.98	\$409.73	\$419.43	\$420.34	\$453.89	\$486.41	3.5%
Burlington	\$351.29	\$378.03	\$389.47	\$402.99	\$429.12	\$445.53	4.9%
Middlebury	\$377.55	\$412.63	\$415.64	\$431.85	\$464.06	\$469.07	4.4%
Morrisville	\$375.35	\$378.53	\$387.37	\$388.78	\$404.79	\$420.88	2.3%
Newport	\$416.06	\$424.26	\$426.08	\$434.80	\$452.52	\$479.65	2.9%
Randolph	\$434.81	\$448.97	\$467.31	\$512.82	\$522.98	\$574.90	5.7%
Rutland	\$459.60	\$486.65	\$487.80	\$504.74	\$528.24	\$551.08	3.7%
Springfield	\$470.82	\$477.60	\$472.21	\$518.65	\$527.10	\$549.65	3.1%
St Albans	\$393.96	\$407.67	\$432.73	\$448.26	\$456.28	\$466.19	3.4%
St Johnsbury	\$404.04	\$423.11	\$425.58	\$441.02	\$481.44	\$495.53	4.2%
White River Jct	\$419.70	\$440.18	\$451.56	\$458.47	\$450.32	\$493.91	3.3%
<b>Statewide</b>	<b>\$399.27</b>	<b>\$418.51</b>	<b>\$428.40</b>	<b>\$443.13</b>	<b>\$466.32</b>	<b>\$483.50</b>	<b>3.9%</b>

# All- payer Total cost of care interactive and supplementary data



<https://gmcboard.vermont.gov/data-and-analytics/analytcs-rpts>

# Timeline for Public Comment and Vote

## Budget Guidance Approval

- June 5: Staff presentation to Board
- June 5-June 17: Public Comment
- June 26 (potential): GMCB votes on 2020 Guidance



# Board Questions and Public Comment