

Bundled Payments for Care Improvement Application Guidance Webinar

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Bundled Payments for Care Improvement

Speakers

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Bundled Payments for Care Improvement
Patient Care Models Group
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Thank You

Thank you for your interest in partnering with the Innovation Center and CMS to help redesign care, improve quality and reduce costs across our country.

Webinar Purpose

- Provide further guidance on what information should be included in strong BPCI applications
 - We have posted the Application Guidance document on our website:
<http://innovations.cms.gov/initiatives/Bundled-Payments/index.html>
 - We are discussing key portions of that document on this webinar

Agenda

- I. Review Applicant Roles (as discussed in 3/8/12 webinar)
- II. Discuss key sections of Application Guidance Document
 - Guidance for Facilitator Conveners
 - Section B: Model Design – Care Improvement and Gainsharing
 - Section B: Model Design – Provider Engagement
 - Section B and Section C: Episode Definition and Table C1
 - Section D: Quality of Care and Patient Centeredness
- III. Upcoming Webinars and Key Dates

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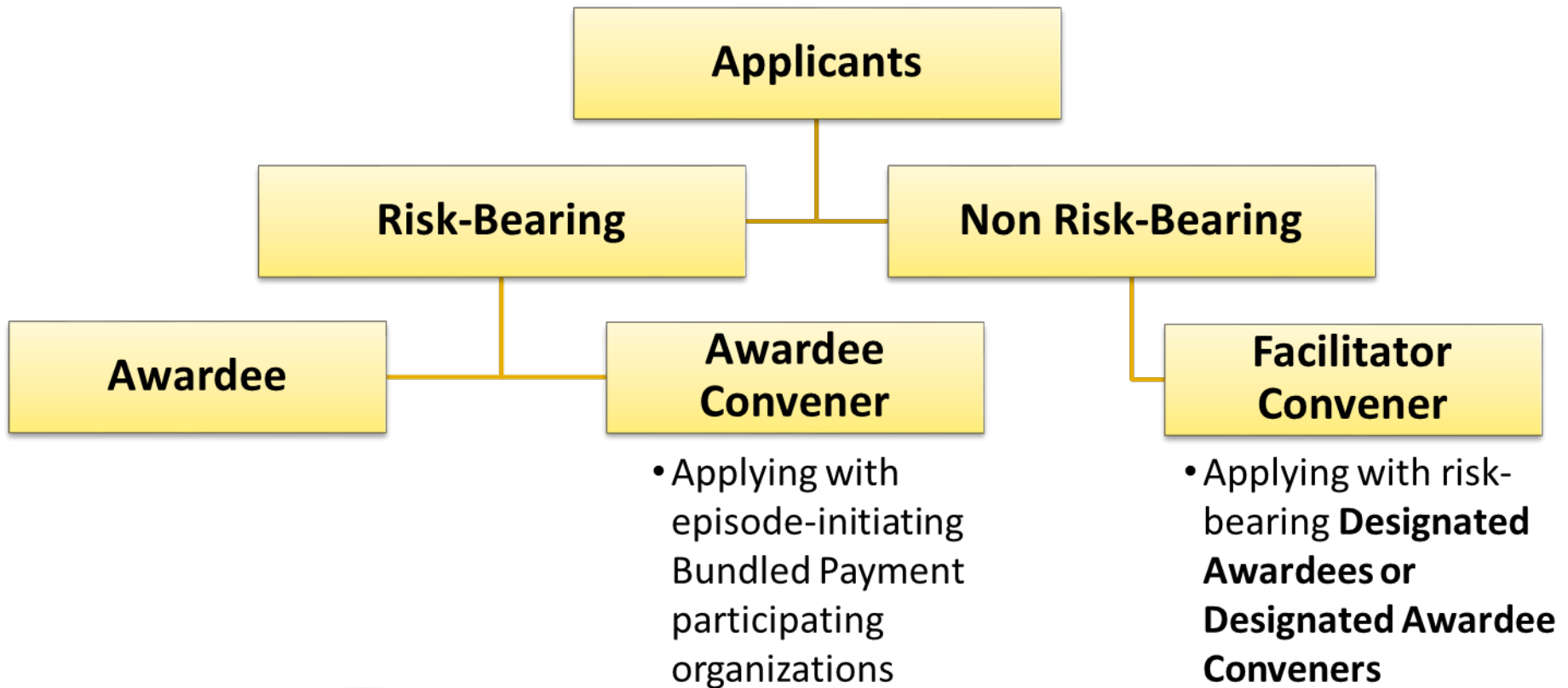
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III. Upcoming Webinars and Key Dates

Types of Applicants

- As a BPCI applicant, you must apply as one of the following types of applicants:
 - Awardee
 - Awardee Convener
 - Facilitator Convener
 - Applying with Designated Awardees / Designated Awardee Conveners

Illustrating the Applicant Roles



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Facilitator Conveners: Deviations from Overall Approach

- A significant deviation is defined as:
 - Use of a fundamentally different approach or intervention
 - Absence of a core element of the facilitator convener's over-arching response
 - Use of the over-arching approach to a fundamentally different population
 - Difference in implementation timing that would impact the timing of results
 - Other major differences the applicant believes merit discussion

Facilitator Conveners: When Describing Deviations

- When there are significant deviations for some Designated Awardees/Designated Awardee Conveners, the Facilitator Convener should:
 - Present a strong rationale for this variation
 - Discuss how any operational/implementation challenges will be addressed
 - Indicate to which/how many Designated Awardees/Designated Awardee Conveners these variations apply

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Care Improvement

- BPCI Goal: promote better care at lower costs by using episode-based care to support care redesign
- Applicants should clearly articulate their comprehensive care improvement plan here
- Other questions in the application ask applicants to build on the responses in this section

Gainsharing & Care Improvement

- Applicants in this initiative may propose to use gainsharing as a tool to align incentives to redesign care
 - Redesigned care, leading to better outcomes for beneficiaries, is the end goal
- Because gainsharing is a tool to support care redesign, gainsharing payments must be tied to actual changes in behavior and/or increases in quality

Speaking a Common Language

- Applicants are expected to partner with other entities to redesign care. These partners fall into two categories:
- **Bundled Payment Participating Organizations (BPPOs)**
 - **Episode initiating BPPOs:** For awardee conveners or designated awardee conveners only
- **Bundled Payment Participating Practitioners (BPPPs)**

Speaking a Common Language (Cont'd)

- **Gainsharing:** distribution of gains accrued due to internal organizational cost savings during the episode of care, as well as distribution of gains received via episode reconciliation payment(s)
- **Gainsharing arrangement contracts:** contracts among the entities who will share gains
- **Enrolled BPPOs and Enrolled BPPPs:** The subset of BPPOs and BPPPs who *are* participating in gainsharing arrangements and are parties to gainsharing arrangement contracts are referred to as Enrolled BPPOs and Enrolled BPPPs

Highlighting Three Key Application Questions

Section B: Model Design – Gainsharing

- Methodology, capacity, contractual relationships and Model 4
- Gainsharing in support of care improvement, oversight
- Process and requirements for becoming an Enrolled BPPO or Enrolled BPPP

(a) Question B13 in the Awardee application, B14 in the Awardee Convener application, and B15 in the Facilitator Convener application:

In response to this question, applicants should address the following:

1. Methodology for allocating gains
2. Capacity to track internal costs, quality performance, and changes in care that can be attributed to actions taken by BPPOs and/or BPPPs (e.g., HIT capabilities, information sharing between and among awardee, BPPOs, and BPPPs)
3. Contractual relationships
 - a. Who are signatories to gainsharing arrangement contracts?
 - b. Are BPPPs employed (salaried) or independent? Does this change the signatories of the gainsharing arrangement contracts?

Model 4 Gainsharing Methodology

- Any physician payment in Model 4 that would be higher than the Medicare Physician Fee Schedule payment that would otherwise apply, whether that be a hospital's base rate for physician services or the base rate plus incentive payments, is considered gainsharing

(b) Question B14 in the Awardee application, B15 in the Awardee Convener application, and B16 in the Facilitator Convener application:

In response to this question, applicants should address the following:

1. What care redesign interventions are gainsharing payments associated with?
2. What entities are overseeing gainsharing arrangements? (e.g., what entities make decisions on who may become an Enrolled BPPO or BPPP, and what entities make decisions on which Enrolled BPPOs and BPPPs have met gainsharing requirements and therefore receive gainsharing incentive payments?)

(c) Question B15 in the Awardee application, B16 in the Awardee Convener application, and B17 in the Facilitator Convener application

In response to this question, applicants should address the following:

1. The process, including quality and other criteria, to become an Enrolled BPPO or BPPP
2. The gainsharing requirements, including quality criteria, for an Enrolled BPPO or BPPP to receive a gainsharing incentive payment

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Why CMS is asking about BPPP Engagement?

- Letters from BPPPs are an opportunity to demonstrate physician/practitioner buy-in
- CMS is seeking applications that present strong evidence of physician commitment to align incentives through bundled payments

Specifications for BPPP Letters of Agreement

- No required format for these letters
- Applicants may create form letters
- No minimum number of required letters
- Applicants may seek letters from BPPP representatives (e.g., Chief Medical Officer)
- For BPPPs who are or will be Enrolled BPPPs (participating in gainsharing):
 - These are not binding gainsharing contracts; BPPPs may opt-in or opt-out later
 - Letters do not need to detail terms of gainsharing arrangements

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Episode Definitions

- In Models 2-4, in all clinical conditions, we are seeking broad episode definitions
- We are seeking model designs that lend themselves to rapid scaling; therefore, CMS may request changes from applicants to promote commonalities among awardees

Excluded Services

- In Models 2, 3 & 4 applicants may propose excluded readmissions to acute inpatient hospitals by MS-DRG
- In Models 2 & 3, applicants may propose excluded non-IPPS Part A and Part B services during the post-discharge period by principal ICD-9 diagnosis code (e.g. Excluded SNF services, excluded outpatient services)
- In Model 4, all Part A and B services during an included (related) readmission are included; all Part A and B services during an excluded (unrelated) readmission are excluded

Model 2, 3 & 4 Awardee Conveners

Section B: Model Definitions & Table C1

- **Episode Parameters:**
 - Anchor MS-DRGs
 - Length of episode
 - Proposed exclusions
 - Rate of discount
- **Model 2 & 4 Awardee Conveners:** the episode parameters may *not* vary by episode-initiating BPPO; the target price will vary by episode-initiating BPPO
- **Model 3 Awardee Conveners *only*:** The episode parameters & the target price will be set at the Awardee Convenir level . These may *not* vary by episode-initiating BPPO

Model 2, 3 & 4 Facilitator Conveners

Section B: Model Definitions & Table C1

- **Episode Parameters:**
 - Anchor MS-DRGs
 - Length of episode
 - Proposed exclusions
 - Rate of discount
- **Model 2 & 4 Facilitator Conveners:** Facilitator Conveners define the episode parameters
 - Designated Awardees/Designated Awardee Conveners may choose which episodes to participate in
 - The episode parameters may *not* vary by Designated Awardee/Designated Awardee Convener; the target price will vary by Designated Awardee/Designated Awardee Convener

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Quality Metrics

- Applicants must propose to CMS the set of quality metrics we should use to measure quality in this initiative
- CMS will synthesize these proposed metrics into a consistent set to be used across many awardees
- These quality metrics are distinct from gainsharing-specific quality metrics, which Enrolled BPOs and BPPPs must meet to receive gainsharing payments

Required Minimum Quality Standards

- Awardees, and their BPPOs and BPPPs must maintain or improve their aggregate performance on:
 - Hospital Inpatient Quality Reporting System measures
 - Hospital Outpatient Quality Data Reporting Program measures
 - Physician Quality Reporting System measures

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Conclusion

Thank you for the work you are doing to redesign care.

The Innovation Center looks forward to receiving your applications and testing your approaches to redesigning care.

Key Dates

- The online application portal will be available the week of **April 23, 2012**
 - Coming Soon: Technical Assistance Webinar on how to access and use the BPCI Online Application Portal
- The applications or Models 2-4 are now due **June 28, 2012 by 5 PM EST**

Resources and Further Questions

- Please see the following resources on our website:
<http://innovations.cms.gov/initiatives/Bundled-Payments/>
 - Application Guidance Document
 - Non-fillable PDF applications
 - Technical clarifications document for non-fillable PDF applications
 - Frequently Asked Questions

If you have further questions that have not yet been addressed, please email us: BundledPayments@cms.hhs.gov