Health Care Payment Learning & Action Network

OVERVIEW
Table of Contents

1. LAN Mission, Vision, & Goals
2. LAN Structure & Workflow
3. LAN Executive Forums
4. LAN Accomplishments
5. LAN Contacts
LAN Mission, Vision, & Goals
Launched by the U.S. Department of Health and Human Services (HHS) in 2015, the LAN was created to bring together partners in the private, public, and non-profit sectors to transform the nation's health care system to emphasize high quality, efficient, and affordable care via alternative payment models (APMs).

Since its inception, decision makers from these stakeholder groups have worked together through the LAN to align efforts, capture best practices, disseminate information, and apply lessons learned.
History of the LAN

Original Mission & Goals
To accelerate the health care system’s transition to alternative payment models (APMs) by combining the innovation, power, and reach of the private and public sectors. The shift from fee-for-service to paying for quality via APMs is aimed at achieving better quality, better health, and lower cost.

GOALS
Goal of U.S. health care payments linked to quality and value through APMs in Categories 3 & 4* of the APM Framework.

RESULTS
2015 Data: 23%
2016 Data: 29%
2017 Data: 34%
2018 Data: 36%

*Category 3: APMs Built on Fee-for-Service Architecture
Category 4: Population-Based Payments

Approved for Public Release; Distribution Unlimited. Public Release Case Number: 19-3843 ©2020 The MITRE Corporation. ALL RIGHTS RESERVED
LAN Mission & Vision

MISSION
To accelerate the shift to value-based care in order to achieve better outcomes at lower cost.

VISION
An American health care system that pays for value to the benefit of our patients and communities.
LAN Goals

GOAL STATEMENT

Accelerate the percentage of U.S. health care payments tied to quality and value in each market segment through the adoption of two-sided risk models.

<table>
<thead>
<tr>
<th>Year</th>
<th>Medicaid</th>
<th>Commercial</th>
<th>Medicare Advantage</th>
<th>Traditional Medicare</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>15%</td>
<td>15%</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>2022</td>
<td>25%</td>
<td>25%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>2025</td>
<td>50%</td>
<td>50%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Percentage of payments flowing through **two-sided risk models**

(Categories 3B & 4* in the LAN APM Framework)

<table>
<thead>
<tr>
<th>Year</th>
<th>Medicaid</th>
<th>Commercial</th>
<th>Medicare Advantage</th>
<th>Traditional Medicare</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>7.4%</td>
<td>9.9%</td>
<td>24.2%</td>
<td>13.7%</td>
</tr>
<tr>
<td>2018</td>
<td>8.3%</td>
<td>10.6%</td>
<td>24.3%</td>
<td>18.2%</td>
</tr>
</tbody>
</table>

*Category 3B: APMs with Shared Savings and Downside Risk
Category 4: Population-Based Payments
LAN Goals: Medicaid

Percentage of payments flowing through two-sided risk models (Categories 3B & 4* in the LAN APM Framework)

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>7.4%</td>
</tr>
<tr>
<td>2018</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

*Category 3B: APMs with Shared Savings and Downside Risk
Category 4: Population-Based Payments
LAN Goals: Commercial

Percentage of payments flowing through two-sided risk models (Categories 3B & 4* in the LAN APM Framework)

- 2017: 9.9%
- 2018: 10.6%

*Category 3B: APMs with Shared Savings and Downside Risk
Category 4: Population-Based Payments
LAN Goals: Medicare Advantage

Percentage of payments flowing through two-sided risk models (Categories 3B & 4* in the LAN APM Framework)

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>24.2%</td>
</tr>
<tr>
<td>2018</td>
<td>24.3%</td>
</tr>
</tbody>
</table>

*Category 3B: APMs with Shared Savings and Downside Risk
Category 4: Population-Based Payments
**LAN Goals: Traditional Medicare**

<table>
<thead>
<tr>
<th>Year</th>
<th>Medicaid</th>
<th>Commercial</th>
<th>Medicare Advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>15%</td>
<td>15%</td>
<td>30%</td>
</tr>
<tr>
<td>2022</td>
<td>25%</td>
<td>25%</td>
<td>50%</td>
</tr>
<tr>
<td>2025</td>
<td>50%</td>
<td>50%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Percentage of payments flowing through two-sided risk models (Categories 3B & 4* in the LAN APM Framework)**

- 2017: 13.7%
- 2018: 18.2%

*Category 3B: APMs with Shared Savings and Downside Risk
Category 4: Population-Based Payments
Organizations Supporting New LAN Goals
LAN Structure & Workflow
LAN Governance

- As a not-for-profit organization chartered to work in the public interest, MITRE operates federally funded research and development centers (FFRDCs) for the federal government and serves as an objective, independent advisor to CMS and other HHS operating divisions.
- The MITRE-operated FFRDC dedicated to health and well being is the CMS Alliance to Modernize Healthcare (Health FFRDC).
- The Health FFRDC serves as the independent convener of the LAN.

EXECUTIVE FORUMS

- Set strategy for the LAN within scope of LAN goals
- Serve as the primary collaborative bodies of the network
- Provide critical guidance and input into LAN initiatives and LAN work groups

- CMS funds the Health FFRDC to independently operate the LAN public-private partnership for a specific period of time.
- CMS is represented on the LAN Executive Forums as an equal partner with an equal voice in deliberations.

The LAN Executive Forums do not make policy recommendations directly to CMS or any other government entity.
The LAN’s Executive Forums—the CEO Forum and the Care Transformation Forum—convene health care leaders committed to shaping the strategic direction for value-based payment in the U.S.
Executive Forums

CEO Forum

Influences LAN strategic direction and provides guidance on opportunities for action, alignment, and strengthening incentives and capacity to accelerate the transition to two-sided risk payment models across markets

- Chief Executives/Presidents
- Meets twice/year (Summer/Winter)

Care Transformation Forum (CTF)

Influences and shapes care delivery transformation by identifying the tools and strategies to prepare providers and clinicians for success in improving patient outcomes and reducing costs in two-sided risk payment models

- Clinical Executives (CMO/CQO/CNO/CTO)
- Meets twice/year (Fall/Spring)

FOCUS AREAS

- Addressing Social Determinants of Health (SDOH)
- Reducing Ineffective Care and Inappropriate Utilization of Services
- Increasing Data Transparency and Interoperability
- Ensuring Timely Data and Analytics Capabilities
- Facilitating Market-Based Solutions
- Promoting Population-Specific Approaches
Executive Forum Chairs

CEO Forum

Dr. Mark McClellan
Director
Duke Margolis Center for Health Policy

Dr. Marc Harrison
President/Chief Executive Officer
Intermountain Healthcare

Care Transformation Forum

Dr. Sachin Jain
President/Chief Executive Officer
CareMore Health and Aspire Healthcare

Dr. William Shrank
Chief Medical Officer
Humana
CEO Forum Participants

National Organizations
- Brad Smith, Director, Center for Medicare & Medicaid Innovation
- Brian Marcotte, President/Chief Executive Officer, National Business Group on Health
- Susan DeVore, President/Chief Executive Officer, Premier Inc.
- Elizabeth Mitchell, President/Chief Executive Officer, Pacific Business Group on Health
- Sir Andrew Witty, Chief Executive Officer, Optum
- Dr. Craig Samitt, President/Chief Executive Officer, Blue Cross and Blue Shield of Minnesota

CO-CHAIRS
- Dr. Mark McClellan, Director, Duke Margolis Center for Health Policy
- Dr. Marc Harrison, President/Chief Executive Officer, Intermountain Healthcare

Dr. Jose Peña, Chief Executive Officer/Chief Medical Director, Rio Grande Valley ACO

Policy Advisors
- Adam Stavisky, Senior Vice President, U.S. Benefits, Walmart
- Alan Levine, President/Chief Executive Officer, Ballad Health
- Dr. Pat Basu, President/Chief Executive Officer, Cancer Treatment Centers of America
- Dr. Christopher Chen, Chief Executive Officer, ChenMed
- Nick Leschly, President/Chief Executive Officer, bluebird bio
- David Cordani, President/Chief Executive Officer, Cigna Corporation
- Frederick Iasi, Executive Director, Families USA
- Dr. Jaewon Ryu, President/Chief Executive Officer, Geisinger
- Daniel Tsai, Assistant Secretary, Massachusetts Health and Human Services
Care Transformation Forum Participants

**CO-CHAIRS**
- **Dr. Sachin Jain**
  - President/Chief Executive Officer
  - CareMore Health and Aspire Healthcare
- **Dr. William Shrank**
  - Chief Medical Officer
  - Humana

**Tim Gronniger**
- President
- Caravan Health

**Emily Brower**
- Senior Vice President, Clinical Integration & Physician Services
- Trinity Health

**Dr. Judy Zerzan**
- Chief Medical Officer
- Washington Health Care Authority

**Dr. Henry Wei**
- Medical Director for Benefits
- Google

**Libby Hoy**
- Founder/Chief Executive Officer
- PFCC Partners

**Dr. Dana Lustbader**
- Chief Medical Officer/Medical Director
- ProHEALTH

**Dr. Marshall Chin**
- Richard Parrillo Family Professor of Healthcare Ethics in the Dept. of Medicine
- UChicago Medicine

**Dr. Lew Sandy**
- Executive Vice President, Clinical Advancement
- UnitedHealth Group

**Dr. William Melms**
- Chief Medical Officer
- Marshfield Clinic Health System

**Dr. Griffin Myers**
- Chief Medical Officer
- Oak Street Health

**Dr. Andrea Gelzer**
- Senior Vice President & Corporate Chief Medical Officer
- AmeriHealth Caritas

**Dr. Joseph Kimura**
- Chief Medical Officer
- Atrius Health

**Dr. Mark Friedberg**
- Senior Vice President, Performance Measurement and Improvement
- Blue Cross Blue Shield of Massachusetts

**Dr. Helen Burstin**
- Executive Vice President & Chief Executive Officer
- Council of Medical Specialty Societies

**Dr. William Borden**
- Chief Quality and Population Health Officer
- George Washington University Medical Faculty Associates

**Dr. Von Nguyen**
- Vice President for Clinical Operations and Innovation
- Blue Cross and Blue Shield of North Carolina

**Aneesh Chopra**
- Chief Executive Officer
- CareJourney

**Dr. J. Marc Overhage**
- Chief Medical Informatics Officer & Vice President Intelligence Strategy
- Cerner

**Dr. Lee Fleisher**
- Professor and Chair of Anesthesiology and Critical Care/Professor of Medicine
- University of Pennsylvania Health System

**Dr. Thomas Schenk**
- Senior Vice President, Chief Medical Officer
- HealthNow

**Dr. Ken Cohen**
- Chief Medical Officer
- New West Physicians

**Dr. V. Buckingham**
- Executive Vice President, Select Medical
  - President, AllevantSolutions

**Dr. Joseph Kimura**
- Chief Medical Officer
- Atrius Health

**Ann Laseter**
- Vice President, Clinical Alignment
- HCA Healthcare

**Kelly Crosbie**
- Deputy Director, Quality and Population Health, NC Medicaid
- NC Department of Health & Human Services

**Dr. Angelo Sinopoli**
- Chief Clinical Officer, Prisma Health
- President, CEO & Founder,
  - Care Coordination Institute

Approved for Public Release; Distribution Unlimited. Public Release Case Number: 19-3843 ©2020 The MITRE Corporation. ALL RIGHTS RESERVED
LAN Accomplishments
LAN Overview

**VISION**
An American health care system that pays for value to the benefit of our patients and communities.

**MISSION**
To accelerate the shift to value-based care in order to achieve better outcomes at lower cost.

**HOW WE ACHIEVE OUR MISSION**
Since 2015, the LAN has empowered the public and private sectors with a common framework for classifying APMs, published an interactive tool for designing APMs, measured the annual progress of adoption, and hosted annual summits to connect stakeholders. Please explore the modules below to learn more about how we have led the movement to transform health care payment.
LAN APM Framework

- First published in 2016 and then refreshed in 2017, the APM Framework established a common vocabulary and pathway for measuring and sharing successful payment models

- 4 Categories & 8 Subcategories

- Has become the foundation for implementing APMs
State of LAN APM Framework Adoption

12 States are Using the LAN APM Framework to Set Requirements for Value-Based Payment
LAN APM Measurement Through the Years

**APM Measurement**
- 2015: 23% of the covered population in three market segments
- 2016: 29% of the covered population in four market segments
- 2017: 34% of the covered population in four market segments
- 2018: 36% of the covered population in four market segments

**APM Measurement Effort**
- 2015: 23% of the covered population in three market segments
- 2016: 29% of the covered population in four market segments
- 2017: 34% of the covered population in four market segments
- 2018: 36% of the covered population in four market segments

Approved for Public Release; Distribution Unlimited. Public Release Case Number: 19-3843 ©2020 The MITRE Corporation. ALL RIGHTS RESERVED
In 2018, 35.8% of U.S. health care payments, representing approximately 226.5 million Americans and 77% of the covered population, flowed through Categories 3&4 models. In each market, Categories 3&4 payments accounted for:

- Commercial: 30.1%
- Medicare Advantage: 53.6%
- Traditional Medicare: 40.9%
- Medicaid: 23.3%

Representativeness of covered lives: Commercial - 61%; Medicare Advantage - 67%; Traditional Medicare - 100%; Medicaid - 51%
LAN 2018 APM Measurement Results

**Category 1: Fee-for-Service - No Link to Quality & Value**
- 39.1%

**Category 2: Fee-for-Service - Link to Quality & Value**
- 25.1%
  - Foundational Payments for Infrastructure & Operations
  - Pay-for-Reporting
  - Pay-for-Performance

**Category 3: APMS Built on Fee-for-Service Architecture**
- 21.3%
  - Upside Rewards for Appropriate Care
- 9.4%
  - Upside & Downside for Appropriate Care

**Category 4: Population-Based Payment**
- 1.8%
  - Condition-Specific Population-Based Payment
- 2.9%
  - Comprehensive Population-Based Payment
- 0.4%
  - Integrated Finance & Delivery Systems

Based on 62 plans, 7 states, Traditional Medicare

Combination of Categories 3B, 4A, 4B, & 4C Represents Two-Sided Risk APMs.
Comparing LAN Measurement Results Across the Years

<table>
<thead>
<tr>
<th>Area</th>
<th>2015 Data</th>
<th>2016 Data</th>
<th>2017 Data</th>
<th>2018 Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data set</td>
<td>70 health plans</td>
<td>78 health plans</td>
<td>61 health plans</td>
<td>62 health plans</td>
</tr>
<tr>
<td></td>
<td>2 FFS Medicaid states</td>
<td>3 FFS Medicaid states</td>
<td>3 FFS Medicaid states</td>
<td>7 states</td>
</tr>
<tr>
<td></td>
<td>Medicare FFS</td>
<td>Medicare FFS</td>
<td>Medicare FFS</td>
<td>Traditional Medicare</td>
</tr>
<tr>
<td>Covered Lives</td>
<td>198.9 M</td>
<td>245.4 M</td>
<td>226.3 M</td>
<td>226.5 M</td>
</tr>
<tr>
<td>Proportion of Covered Lives</td>
<td>67%</td>
<td>84%*</td>
<td>77%</td>
<td>77%</td>
</tr>
</tbody>
</table>

* Denominator is 294,613,000, from Health Insurance Coverage in the United States: 2017

2015 LAN Goal: 50%
2016 LAN Goal: 30%
The LAN APM Roadmap

Visit https://hcp-lan.org/apm-roadmap/ to explore the Roadmap which highlights key insights, promising practices, and the most current strategies for designing and implementing successful APMs.
Suite of LAN Resources

Visit our online resources page:
hcp-lan.org/foundational-resources

- White Papers
- Fact Sheets
- Infographics
- Toolkits
- Reports
- Videos

Download your copy of Foundational Resources from our website!
Maternity Episode Payment Online Resource Bank is a “one-stop shop” for the LAN’s efforts related to Maternity APMs, including:

- The LAN Clinical Episode Payment white paper maternity recommendations
- Slides, e-books, and summaries from the nine virtual meetings of the Maternity Multi-Stakeholder Action Collaborative (MAC), which the LAN operated from December 2016 to September 2017
- Report “Establishing Maternity Episode Payment Models: Experiences from Ohio and Tennessee”

The PAC Resource Bank provides content to support payers as they operationalize alternatives to fee-for-service payment specifically in “CPC+ Track 2,” including:

- Slide presentations and meeting highlights from the PAC virtual collaborative sessions
- Additional CMS resources
Visit the New LAN Website

https://hcp-lan.org
LAN Summit

Platform for Learning & Collaboration

Each year, nearly 650 attendees participate in the LAN Summit. Industry leaders discuss an array of innovations in payment reform, touching on implementation methods and lessons learned. Federal and state health care purchasers describe how they are addressing the challenges of current and future health care delivery via new payment models that put the patient first.

In October 2019, LAN Summit attendees collaborated in facilitated sessions designed for specific stakeholder groups which focused on vital areas of interest — and challenges — surrounding the design and implementation of APMs.

Approved for Public Release; Distribution Unlimited. Public Release Case Number: 19-3843 ©2020 The MITRE Corporation. ALL RIGHTS RESERVED
<table>
<thead>
<tr>
<th>Year</th>
<th>Media Stories</th>
<th>Press Outlets</th>
<th>Press Release Pick-ups</th>
<th>Social Media Impressions and Followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>18</td>
<td>6</td>
<td>More than 10,200</td>
<td>123 new followers</td>
</tr>
<tr>
<td></td>
<td>6 press stories on site</td>
<td></td>
<td>Twitter impressions and 123 new followers on social media sites, 29 retweets, and 88 likes</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>20</td>
<td>6</td>
<td>125 press release pick-ups for a total potential audience</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20 original media stories</td>
<td></td>
<td>6 press outlets on site</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>14</td>
<td>5</td>
<td>247 press release pick-ups for a total potential audience of 83.9 million</td>
<td></td>
</tr>
<tr>
<td></td>
<td>14 original media stories</td>
<td></td>
<td>5 press outlets on site</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>25</td>
<td>5</td>
<td>More than 920,000 Twitter impressions and 450 tweets from external sources.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>25 original media stories</td>
<td></td>
<td>5 press outlets on site</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
LAN Contacts
LAN Staff & Advisors

- **Project Director:** Jeff Goldman, jgoldman@mitre.org
- **Deputy Project Leader:** Jennifer Sulkin, jsulkin@mitre.org
- **Deputy Project Leader:** Jenn Byrne, jenbyrne@mitre.org
- **Technical Integrator:** Grischa Metlay, gmetlay@mitre.org
- **Health Policy Analysts:** Jessica Couillard, jcouillard@mitre.org and Joe Reategui, jreategui@mitre.org
- **Project Coordinator:** Susan Hall, slhall@mitre.org
- **Delivery Managers:** Wendy Prins, wprins@mitre.org, Karen Adams, kadams@mitre.org and Jenny Wright, jwright@mitre.org
- **Subject Matter Experts:** Rhonda Taller, rtaller@mitre.org and David Cusano, dcusano@mitre.org
- **Current Advisors:**
  - Catalyst for Payment Reform
  - Ripple Effect
  - Independent: Dr. Mark McClellan; Aparna Higgins; Mary Jo Deering

Approved for Public Release; Distribution Unlimited. Public Release Case Number: 19-3843 ©2020 The MITRE Corporation. ALL RIGHTS RESERVED
Contact Us

We want to hear from you!

www.hcp-lan.org

PaymentNetwork@mitre.org

@Payment_Network

/in/Payment-Network

Search: HCPLAN