

HEALTH CARE PAYMENT LEARNING & ACTION NETWORK

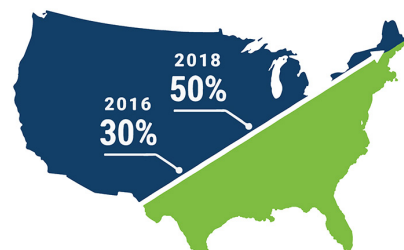
Launched in 2015 by the U.S. Department of Health and Human Services (HHS), [The Health Care Payment Learning & Action Network](#) (LAN) is a public-private partnership whose mission is to accelerate the health care system's transition to alternative payment models (APMs) by aligning the innovation, power, and reach of the private and public sectors. The LAN's purpose is to facilitate the shift from the fee-for-service (FFS) payment model to a model that pays providers for quality care, improved health, and lower costs. The LAN is led by a [Guiding Committee](#) that provides executive leadership and strategic direction to accelerate achieving the goals described below. The LAN offers stakeholders a broad portfolio of resources to facilitate that transition, including the APM Framework, primary care and maternity care APM resource banks, and white papers on a wide range of topics related to designing episode-based and population-based alternative payment models.



GOALS

The goals of the LAN include:

- Linking 50% of all health care payment in the U.S. to quality and value through APMs by 2018
- Increasing the alignment of APM components, such as quality measures, risk adjustment, and data sharing, within and across the public and private sectors
- Diffusing cutting-edge knowledge and promising practices on operationalizing APMs to accelerate the design, testing, and implementation of APMs



APM FRAMEWORK

The APM Framework is the LAN's landmark contribution to health care payment transformation via APMs. It captures a continuum of clinical and financial risk for provider organizations across four payment categories. Stakeholders can use the Framework to:

- Assist **patient advocacy groups** in understanding the context behind payment model and benefit design and participate in decisions about how to design payment plans and delivery systems
- Help **providers** understand the payment reforms underway, assess their current status, and plan future reforms
- Drive **payer** models and track spending and the distribution of members/beneficiaries and providers
- Facilitate **purchasers** in educating their employees about the health insurance landscape and sharing information for population-based plans
- At least nine states are using the Framework to track spending in Medicaid managed care contracts, and many require payers to meet spending targets in Categories 2 through 4

CATEGORY 1 FEE FOR SERVICE - NO LINK TO QUALITY & VALUE	CATEGORY 2 FEE FOR SERVICE - LINK TO QUALITY & VALUE	CATEGORY 3 APMs BUILT ON FEE-FOR-SERVICE ARCHITECTURE	CATEGORY 4 POPULATION - BASED PAYMENT
	A Foundational Payments for Infrastructure & Operations (e.g., care coordination fees and payments for HIT investments)	A APMs with Shared Savings (e.g., shared savings with upside risk only)	A Condition-Specific Population-Based Payment (e.g., per member per month payments, payments for specialty services, such as oncology or mental health)
	B Pay for Reporting (e.g., bonuses for reporting data or penalties for not reporting data)	B APMs with Shared Savings and Downside Risk (e.g., episode-based payments for procedures and comprehensive payments with upside and downside risk)	B Comprehensive Population-Based Payment (e.g., global budgets or full/percent of premium payments)
	C Pay-for-Performance (e.g., bonuses for quality performance)		C Integrated Finance & Delivery System (e.g., global budgets or full/percent of premium payments in integrated systems)
		3N Risk Based Payments NOT Linked to Quality	4N Capitated Payments NOT Linked to Quality

More information on the Framework and the principles that inform the LAN's work can be found at: <https://hcp-lan.org/apm-refresh-white-paper/>





ACCOMPLISHMENTS

- Launched the *Roadmap for Driving High Performance in APMs* effort to promote the adoption of high-performing, value-based payment models by identifying APMs that meet meaningful goals related to cost and quality, identifying their most promising practices, and developing a guide for payers to create and implement high-performing APMs. <https://hcp-lan.org/apm-roadmap>
- Conducted annual measurement of the health care payment landscape, producing data that tracked the steady increase in the adoption of APMs across public and private payers. For 2016, health care payments by Framework category were: Category 1 (FFS), 43%; Category 2 (FFS plus quality and value), 28%, and Categories 3 (APMs) and 4 (population-based payment), 29%
- Over the course of five national summits and multiple web-based learnings, we have convened thousands of health professionals—including providers, payers, purchasers, consumer and patient advocates, state agency and Medicaid representatives, federal agency representatives, and national policymakers—to share lessons learned and promising practices in innovations in payment reform, implementation tactics, and public/private collaboration efforts
- Created a large portfolio of white papers, informational graphics, and other resources on population-based payment, clinical episode payment, data sharing, and primary care payment reform that stakeholders can use to facilitate APM adoption, available at: hcp-lan.org/resource
- Facilitated two national forums for the purpose of bringing together stakeholders to develop real-world solutions to APM design and implementation challenges:
 - > The Primary Care Payer Action Collaborative (PAC) convened payers involved in multi-payer primary care APMs and created the Primary Care Payer Action Collaborative [PAC Resource Bank](#) full of useful resources to help payers operationalize alternatives to fee-for-service payment
 - > The Multi-Stakeholder Maternity Care Action Collaborative (MAC) convened stakeholders across the maternity care system to learn about proven strategies for designing and implementing episode payment models for maternity care. The MAC led to the development of the [Maternity Episode Payment Online Resource Bank](#), a one-stop-shop for maternity APMs, including information on making the business case for maternity APMs and lessons learned.

