THE LAN HEALTHCARE RESILIENCY FRAMEWORK

HCPLAN
Health Care Payment Learning & Action Network

INTRODUCTION

In October 2019, the Health Care Payment Learning & Action Network (LAN) established goals for accelerating the percentage of US healthcare payments tied to quality and value in each market segment through the adoption of two-sided risk alternative payment models (APMs). These goals were 50% for Medicaid and commercial, and 100% for Medicare Advantage and Traditional Medicare, by 2025.

Recently, the unprecedented COVID-19 public health emergency (PHE) has underscored the need for transition to payment models that enable the healthcare system to respond adequately in a pandemic and support population health. **The COVID-19 PHE is a burning platform for recommitment to achieve, or even exceed, the 2025 goals, with the greatest emphasis on models that promote resiliency.**

The most effective APMs for resiliency are those that deliver on quality and cost for all populations, while also supporting financial stability, even during a major crisis in the healthcare system. LAN Category 4 models are built around population-based payments, and promote resiliency by encouraging providers to deliver well-coordinated, high-quality, person-centered care. In the LAN's most recent APM measurement effort, only about 5% of payments in the US healthcare system were within Category 4 arrangements. Expansion of the pathway to Category 4 models, as well as improving APM design in other ways – such as improving equity-focused design – will promote future resiliency.

In the summer of 2020, the LAN launched the Healthcare Resiliency Collaborative to articulate, and commit to, the most important action steps for healthcare system resiliency in both the short and long term. The mission of the Collaborative is to:

1. Identify and disseminate best practices for payer supports and payer-provider collaboration to help providers recover from the impact of the PHE;
2. Facilitate the transition into the most effective APMs possible, as providers build on innovative care models to recover from the pandemic; and
3. Support further actions to identify, scale, and evolve effective APMs.

The Healthcare Resiliency Collaborative, working with the approximately fifty healthcare leaders that make up the LAN's Executive Forums, has developed a **Resiliency Shared Commitment Statement** and **Action Framework** containing concrete steps for payers, providers, and other healthcare stakeholders to transition to population-based payments that support resiliency.

[1] https://hcp-lan.org/workproducts/faqs.pdf
[2] http://hcp-lan.org/workproducts/2019-APM-Progress-Press-Release.pdf
[3] HCPLAN Category 4 is defined in the HCPLAN's 2017 White Paper
[4] 2019 APM Measurement Infographic, based on survey data covering 62 plans, 7 states, and traditional Medicare

SHARED COMMITMENT STATEMENT

In order to build momentum around this new framework, the LAN has secured commitments from a range of healthcare organizations – including state governments, health plans, large and small healthcare providers, and large employers – to pursue many of the reforms outlined in the framework. As a demonstration of these commitments, organizations have signed onto the following statement:

"Our organization is committed to a healthcare system that is responsive and resilient to events such as the unprecedented COVID-19 public health emergency. We commit to achieving better patient experience, access, health outcomes, equity, quality, appropriateness, and affordability in the recovery from the crisis – not just a return to previous models of care and payment. In collaboration with other payers, providers, employers, and patient/consumer groups, we will lead the way through actions that help sustain and accelerate our transition to effective APMs, including those that incorporate population-based payments with prospective cash flows. In doing so, we will prioritize three resiliency areas:

- *Recognizing that resiliency is dependent on addressing root causes that contribute to poorer health outcomes for at-risk populations, promoting* ***equity in healthcare*** *through intentionality in APM design and implementation that emphasizes measurement, adequacy in payment, addressing social determinants of health, and implementing other evidence-based interventions;*
- ***Calibrating population-based APMs to account for varying needs for capital and other non-financial supports*** *among differing types of providers with differing levels of resources and capacity, while ensuring comparable and transparent information on quality and costs at the provider level;*
- *Advancing* ***whole-person, person-centered care*** *through increased clinical integration of primary, specialty and other care into accountable primary care, with a particular emphasis on behavioral health and the use of virtual care and other novel care delivery modalities.*

Our organization is committed to authentic patient and family participation in APM design and implementation."

Moving forward, the LAN will continue its efforts to advance adoption of more resilient, effective APMs in conjunction with Executive Forum members and the broader LAN community.

HEALTHCARE RESILIENCY FRAMEWORK

The vision of the LAN is to create a health care system that is responsive and resilient to events such as the unprecedented COVID-19 PHE and achieves better patient experience, outcomes, equity, quality, appropriateness, affordability, and accessibility at reduced total cost of care – not just a system that recovers to previous models of care and payment. In collaboration, payers and providers can lead the way through actions that shift payments from fee for Service (FFS) approaches that have not worked well in the pandemic and into effective APMs. The below framework describes key actions that payers, providers, and multi-stakeholder groups can take in both the short term and medium to long term to promote more resilient, effective APMs. The actions are inter-related and an organization's strategy for resiliency is likely to involve a combination of the actions.

PAYER ACTIONS

	SHORT-TERM ACTIONS	MEDIUM- TO LONG-TERM ACTIONS
TRANSITION TO EFFECTIVE APMs	Link short-term financial relief with longer-term adoption of APMs and ultimately movement to population-based payment	1. **Create a pathway to expanding population-based payments with prospective cash flows (including HCP-LAN Category 4 models)** 2. Align APM design across lines of business to reduce provider burden 3. Place patient/family perspectives at the center of design and implementation 4. Include explicit contingency terms in the event of future PHEs 5. For state Medicaid programs, establish regulatory and contractual frameworks that are favorable to the development of effective, resilient APMs 6. Increase engagement with purchasers on the development of APMs, including goals, timelines for testing, and detailed, transparent quality and cost results
PROMOTE EQUITY IN HEALTHCARE	1. Use data analytics to proactively identify beneficiaries at high risk 2. Share data and analytic tools with provider and social service organizations to support management of high-risk patients and link them with health and social supports	1. Have an explicit, measurable organizational plan to address racial/ethnic equity 2. Collect accurate demographic data to measure and address health disparities 3. Tie financial and quality incentives to addressing health inequity 4. Ensure adequacy of payment and other supports within APMs to address disparities 5. Include Black, Indigenous, and People of Color (BIPOC) providers, as well as provider organizations serving underserved populations, in APM design and implementation 6. Place patient/family perspectives at the center of APM design and implementation, including through use of patient-reported outcomes and experience measures
CALIBRATE APMS TO ACCOUNT FOR VARYING PROVIDER NEEDS	1. Provide cash flow or other non-financial relief in response to COVID-19 2. Modify APM model components to mitigate the effects of the PHE on cost and quality measurement 3. Support telehealth and virtual care	1. Calibrate APMs and timeframes for transition to risk to account for varying needs for capital, technology investment, and other infrastructure supports that contribute to resiliency among clinicians, hospitals, health systems, and other providers 2. Tailor APM opportunities for both system and independent practices to enable equal opportunities for success 3. Permanently support telehealth, virtual care, and home-based care, as appropriate, within APM design
ADVANCE WHOLE-PERSON CARE THROUGH INCREASED CLINICAL INTEGRATION	1. Add site of service flexibilities by allowing services outside of traditional service sites (e.g., hospital without walls initiative, in-home hospital-level care, treatment tents next to hospital ER) 2. Offer temporary benefit design flexibilities 3. Add scope of practice flexibilities that promote access	1. (Purchasers working with payers and providers) Design and implement integrated benefit design for person-centered, whole-person care, and with an aim of eliminating carve-outs 2. Improve sharing of claims and clinical data through enhanced interoperability to promote integration across primary care, behavioral health, and specialty practices 3. Permanently adopt flexibilities in benefit design and medical management when APM participants assume significant amounts of downside risk 4. Ensure patients have access to their own healthcare data

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PROVIDER ACTIONS

	SHORT-TERM ACTIONS	MEDIUM- TO LONG-TERM ACTIONS
TRANSITION TO EFFECTIVE APMs	Accept short-term funding incentives offered by payers to transition toward APMs in the PHE recovery phase	1. **Commit to expanding participation in population based payment models with prospective cash flows (including HCP-LAN Category 4 models)** 2. Implement alternative, appropriate forms of care such as telehealth, virtual care, and home-based care for populations covered by APMs, when patients support such growth 3. Include explicit contingency planning for future PHEs
PROMOTE EQUITY	Participate in surveillance and data sharing between organizations to identify and manage high-risk patients, including sharing of test data, collection and reporting of race and ethnicity data, facilitation of contact tracing, and data support for COVID-19 care management at home	1. Have an explicit, measurable organizational plan to address racial /ethnic equity 2. Collect accurate demographic data to measure and address health disparities 3. Tie internal incentives to addressing health inequity 4. Include BIPOC providers, as well as providers serving underserved communities, in the organization's APM implementation strategy 5. Identify and implement evidence-based interventions to reduce disparities in care and outcomes, including those that take into account the social determinants of health
CALIBRATE APM PARTICIPATION TO ACCOUNT FOR VARYING PROVIDER NEEDS	Make necessary investments in infrastructure and training to expand virtual and home-based care options for patients affected by COVID-19 (e.g., digital patient self-triage tools)	Within larger systems, calibrate or recalibrate timeframes for transition to risk that account for varying needs for capital, technology investment, and other infrastructure supports that contribute to resiliency among different types of providers
ADVANCE WHOLE-PERSON CARE THROUGH INCREASED CLINICAL INTEGRATION	1. Forge new or strengthen existing partnerships with community-based organizations and local social service providers to respond to the pandemic 2. Deploy or redeploy care management services addressing the full spectrum of enrollee needs 3. Identify creative solutions (e.g., multi-disciplinary teams, non-traditional sites of service) to ensure continuity of care and access 4. Embrace scope of practice flexibilities	1. Improve behavioral health integration through additional training of primary care providers, co-location, warm handoffs, and shared telehealth platforms 2. Improve sharing of claims and clinical data through enhanced interoperability to promote integration across primary care, behavioral health, and specialty practices 3. Place patient/family perspectives at the center of APM implementation, including through collection of patient-reported outcomes and experience measures 4. Ensure patients have access to their own healthcare data

MULTI-STAKEHOLDER ACTIONS

	SHORT-TERM ACTIONS	MEDIUM- TO LONG-TERM ACTIONS
ENGAGE IN PARTNERSHIPS TO SUPPORT TRANSITION TO EFFECTIVE APMs	1. Forge partnerships between healthcare delivery and public health entities 2. Identify opportunities to enhance access to care for lower-income patients during times of crisis (e.g., transportation support) 3. Create communication channels to regularly disseminate evidence-based information and policy decisions across state and local officials, payers, providers, and systems	1. (Within antitrust parameters) increase efforts on multi-payer, multi-stakeholder governance, including employers, to align on swifter movement to population-based payments 2. Participate in data sharing platforms that support linkages between the healthcare system and social supports 3. Commit to authentic patient and family participation in APM design and implementation to ensure timely access to care and positive patient experience of care 4. Include Black, Indigenous and People of Color (BIPOC) providers and patients in APM governance structures