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1. LAN Mission: Role, Goals, and Success
LAN Mission

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 the following:

**BETTER CARE**

The LAN seeks to shift our health care system from the current fee-for-service payment model to a model that pays providers and hospitals for quality care and improved health.

**SMATER SPENDING**

In order to achieve this, we need to shift our payment structure to pay for quality of care over quantity of services.

**HEALTHIER PEOPLE**

Such alignment requires the participation of the entire health care community. The LAN is a collaborative network of public and private stakeholders.
Our Goal

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

GOALS
Goal of U.S. health care payments linked to quality and value through APMs.
2. How Does the LAN Accomplish its Work?
LAN Objectives and Tactics

Guiding Committee

Increased alignment of APM technical components within and across the public and private sectors

LAN Summit

Effective diffusion of cutting edge knowledge and promising practices on operational implementation of APMs to committed stakeholders, which accelerates the design, testing, and implementation of APMs within their respective organizations and regions

APM Framework and Measurement Effort

Accelerated progress toward the achievement of 50% of all healthcare payment in the U.S. linked to quality and value through APMs by 2018

Committed Partners

Increased alignment of APM technical components within and across the public and private sectors

Communications & Engagement

Effective diffusion of cutting edge knowledge and promising practices on operational implementation of APMs to committed stakeholders, which accelerates the design, testing, and implementation of APMs within their respective organizations and regions

Roadmap

Accelerated progress toward the achievement of 50% of all healthcare payment in the U.S. linked to quality and value through APMs by 2018

Work Products
3. Guiding Committee
Guiding Committee

Member Roster

Mark McClellan, MD, PhD
Robert Margolis Professor of Business, Medicine, and Policy Director of the Robert J. Margolis Center for Health Policy at Duke

Mark Smith, MD, MBA
Visiting Professor, University of California at Berkeley and Clinical Professor of Medicine, University of California at San Francisco

Alex Clyde
Vice President, Global Health Policy, Reimbursement, and Health Economics, Medtronic Inc.

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Chief Medical Officer, New West Physicians

Patrick Courneya, MD
EVP and CMO, Kaiser Foundation Hospitals and Health Plan, Inc.

Charles Fazio, MD, MS
SVP and Medical Director, HealthPartners, Inc.

Andrea Gelzer, MD
SVP and Corporate Chief Medical Officer, Amerihealth Caritas

Bill Hazel, MD
Former Secretary of Health and Human Resources, Commonwealth of Virginia

David Lansky, PhD
CEO, Pacific Business Group on Health

Renee McLaughlin, MD
Senior Medical Officer, Cigna

Debra Ness, MS
President, National Partnership for Women & Families

Henry Pitt, MD
Chief Quality Officer at Temple University Health System

Kyu Rhee, MD, MPP
VP and CHO, IBM Watson Health

Joshua J. Ofman, MD, MSHS
SVP, Global Value, Access and Policy, Amgen Inc.

Frank Opelka, MD, FACS
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Craig Samitt, MD
President and CEO, Blue Cross and Blue Shield of Minnesota

Lewis Sandy, MD, MBA
SVP, Clinical Advancement, UnitedHealth Group

Susan Sherry
Deputy Director, Community Catalyst

Angelo Sinopoli, MD
Chief Medical Officer, Prisma Health System

Sara Van Geertruyden, JD
Executive Director, Partnership to Improve Patient Care

Judy Zerzan, MD, MPH
Chief Medical Officer, Washington State Health Care Authority

Tom Betlach, MPA
Director, Arizona Health Care Cost Containment System

Roy Beveridge, MD
SVP and CMO, Humana

Reid Blackwelder, MD, FAAFP
Past President, American Academy of Family Physicians

Craig Brammer
Chief Executive Officer, The Health Collaborative

Thomas Buckingham, BSN, MBA
EVP, Select Medical

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Executive Director, Partnership to Improve Patient Care

Judy Zerzan, MD, MPH
Chief Medical Officer, Washington State Health Care Authority
4. Governance
LAN Governance

• As a not-for-profit organization chartered to work in the public interest, MITRE operates federally funded research and development centers (FFRDC) for the federal government and serves as an objective, independent advisor to CMS and other HHS operating divisions
• The MITRE-managed FFRDC is named the CMS Alliance to Modernize Healthcare (CAMH)
• CAMH serves as the independent convener of the LAN

GUIDING COMMITTEE

• Sets strategy for the LAN within scope of LAN goals
• Serves as the primary collaborative body of the network
• Provides critical guidance and input into LAN initiatives

• CMS funds CAMH to independently operate the LAN public-private partnership for a specific period of time.
• CMS is represented on both the LAN Guiding Committee and each LAN Work Group as an equal partner with an equal voice in deliberations.

Neither the LAN Work Groups nor the Guiding Committee make policy recommendations directly to CMS or any other government entity.
5. Outputs and Accomplishments
APM Framework

In addition to serving as the framework for the LAN’s measurement effort, the APM Framework is being used by states to collect data and encourage APM adoption:

- AZ, CA, NY, SC, VA, TX, OR, and WA use the framework in their Medicaid MCO contracts to require MCOs to focus APM implementation on particular models.
- Arizona and Washington State use the framework categories to identify an overall benchmark for provider payments through APMs.
- Michigan requires its MCOs to increase the use of APMs, and to report on an annual basis to the state using the APM Framework as a data collection tool, with modifications.

1 https://www.shvs.org/resource/?topic=data-evaluation,payment-reform&type
Portfolio of Products
Serving as vehicles for learning and diffusion of information for the broad adoption of APMs

APM Framework 
- Increasingly seen as industry standard 
  - Used by 75 commercial payers and CMS 
  - Adopted by at least 10 states

2015 
- Clinical Episode Payment Models White Papers
- Population-based Payment Model White Papers
- First Measurement Effort

2016 
- LAN work on performance measurement foundational in informing the CMS MM initiative and formally acknowledged by CMS

2017 
- MAC Resource Bank, online resource bank built on the Clinical Episode Payment work group design elements.

2018 
- Measurement Reports, a compilation of data collected regarding APM adoption. The largest and most comprehensive of its kind at the national level.

LAN Roadmap, a collection of best practices and implementation steps for APMs.
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 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
LAN Press coverage

2018
- 20 original media stories
- 6 press outlets on site
- 125 press release pick-ups for a total potential audience

2017
- 14 original media stories
- 5 press outlets on site
- 247 press release pick-ups for a total potential audience of 83.9 million

2016
- 25 original media stories
- 5 press outlets on site
- More than 920,000 Twitter impressions and 450 tweets from external sources.

2015
- 3 media stories

---

2018: LAN Press coverage
2017: LAN Press coverage
2016: LAN Press coverage
2015: LAN Press coverage
6. Measurement Effort
2016 & 2017 Measurement Effort Results

2016 Results (based on 2015 data)
Representing nearly 200 MILLION Americans and 67% of the covered population in three market segments

2017 Results (based on 2016 data)
Representing nearly 245 MILLION Americans and 84% of the covered population in three market segments
Based on 2017 data, 34% of U.S. health care payments flowed through Categories 3&4 Models. The data represent approximately 226.3 million Americans and 77% of the covered population. In each market, Categories 3&4 payments accounted for:

**2018 Measurement Effort Results**

**Category 1: Fee-For-Service - No Link to Quality & Value**
- **41%**

**Category 2: Fee-For-Service - Link to Quality & Value**
- **25.4%**

**Category 3: APMS Built on Fee-For-Service Architecture**
- A: Upside Rewards for Appropriate Care - **21.1%**
- B: Upside & Downside for Appropriate Care - **8.7%**

**Category 4: Population-Based Payment**
- A: Condition-Specific Population-Based Payment - **1.5%**
- B: Comprehensive Population-Based Payment - **2.2%**
- C: Integrated Finance & Delivery Systems - **0.1%**
## Comparing Results Across the Years

### Data set

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Data set</td>
<td>70 health plans</td>
<td>78 health plans</td>
<td>61 health plans</td>
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<tr>
<td></td>
<td>2 FFS Medicaid</td>
<td>3 FFS Medicaid</td>
<td>3 FFS Medicaid</td>
</tr>
<tr>
<td></td>
<td>states</td>
<td>states</td>
<td>states</td>
</tr>
<tr>
<td></td>
<td>Medicare FFS</td>
<td>Medicare FFS</td>
<td></td>
</tr>
<tr>
<td>Covered Lives</td>
<td>198.9 M</td>
<td>245.4 M</td>
<td>226.3 M</td>
</tr>
<tr>
<td>Proportion of Covered</td>
<td>67%</td>
<td>84%*</td>
<td>77%</td>
</tr>
<tr>
<td>Lives</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

* Denominator is 294,613,000, from *Health Insurance Coverage in the United States: 2017*  
6. Current Initiatives
LAN Summit

2018
- Alex M. Azar II, HHS Secretary (virtual)
- Seema Verma, CMS Administrator (virtual)
- Adam Boehler, Senior Advisor to the Secretary, Deputy Administrator, Director of the CMS Innovation Center
- Patrick Conway, President & CEO BCBS of North Carolina
  Former Director CMMI

2017
- Seema Verma, CMS Administrator
- Tom Daschle, Founder and CEO, The Daschle Group
  Former US Senator, South Dakota
- Senator Bill Cassidy, US Senator, Louisiana

2016 (Fall)
- Sylvia Matthews Burwell, HHS Secretary
- Governor Mike Leavitt, Founder and Chairman, Leavitt Partners
  Former Secretary of the U.S. Department of Health and Human Services

2016 (Spring)
- Sylvia Matthews Burwell, HHS Secretary

2015
- Andy Slavitt, CMS Administrator

Platform for Learning and Collaboration

Each year, nearly 650 attendees participate at 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 2018, LAN Summit attendees collaborated in facilitated workshops designed for specific stakeholder groups which focused on vital areas of interest — and challenges — surrounding the design and implementation of APMs.
Summit 2018: Partnering for the Future

The Summit continues to provide a unique opportunity to connect with industry stakeholders across an array of focus areas including:

- Innovations in payment reform
- Patient-focused approaches
- Implementation tactics
- Lessons learned and promising practices
- Public/private collaboration

Within these focus areas, the Summit targeted topics of critical interest to consumers, patients, payers, clinical community representatives, purchasers, and policymakers

- Health equity and health disparities
- Safety net care in the age of APMs
- Quality measurement and the evolution of APMs
- Specialty care and post-acute care approaches to value payment
- Integration of clinical and behavioral health care
- Payment models that address opioid overuse
- Purchaser-led innovations
The Role Of The PAC
The Intersection of the PAC and CPC+

CPC+
Multi-payer primary care APM designed to support practice-level transformation in 18 regions by encouraging regional payers to align alternative payment model, data sharing, and quality measure approaches

REGIONAL

SHARED MILESTONES
Seeking solutions that enable better care to multi-payer primary care APM implementation challenges, such as:

- Aggregating multi-payer data
- Aligning quality measures
- APM payment issues
- TCOC considerations

NATIONAL
PAC
Establishes a national table for regional payers to collaboratively identify and implement solutions, share promising practices, and accelerate progress towards the successful implementation of multi-payer primary care APMs, such as CPC+, resulting in better care to patients and smarter spending

Strengthening collaboration and empowering participants to take action to advance APM adoption as part of improving primary care delivery and outcomes
## Learning Labs 1-10

### Participant Feedback

<table>
<thead>
<tr>
<th>Lab Description</th>
<th>Total Participants</th>
<th>CPC+ payers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Introduction to Designing and Implementing Alternatives to FFS in CPC+ Track 2</td>
<td>98</td>
<td>79</td>
</tr>
<tr>
<td>2 Design Work Flow</td>
<td>101</td>
<td>82</td>
</tr>
<tr>
<td>3 Implementation</td>
<td>85</td>
<td>72</td>
</tr>
<tr>
<td>4 Implementation: Practice Engagement</td>
<td>108</td>
<td>82</td>
</tr>
<tr>
<td>5 Implementing Primary Care Population-based Payments in Medicaid</td>
<td>119</td>
<td>50</td>
</tr>
</tbody>
</table>

### Participant Engagement in Labs 1-10

- **Risk Adjustment and Year-End Reconciliation**: 108 Total Participants, 86 CPC+ payers
- **Constructing the Alternative-to-Fee for Service Payment**: 82 Total Participants, 75 CPC+ payers
- **Designing Payment to Support Advanced Team-based Care at the Practice Site**: 104 Total Participants, 82 CPC+ payers
- **Aligning on CPC+ Quality Measurement from a Medicaid Perspective**: 80 Total Participants, 59 CPC+ payers
- **Claims Processing for the Alternative to FFS Payment: Practice Engagement**: 71 Total Participants, 59 CPC+ payers

### Majority of participants indicated PAC Labs are helping their organizations/regions make progress towards their goals

### Of implementation issues discussed, participants felt their knowledge of risk adjustment was most enhanced

### Over 80% of participants indicated their organization would take action based on these labs. Specifically, participants felt best equipped to take action in the following areas:

- Identifying which services to include in alternative-to-FFS payments
- Involving practices in model design
APM Roadmap

Payers can use this implementation guide to work with providers, purchasers, consumers, and others to accelerate the creation and adoption of high-performing APMs by diffusing criteria that can be used to evaluate the success of APMs and sharing best practices from APMs that drive high performance.

GOALS

- Accelerate the adoption of successful APMs by diffusing information about success criteria
- Identify best practices (drawn from multi-payer and other exemplary APMs)
- Develop a Roadmap for implementation.

10 regional and national payers are participating in the initiative, including The Centers for Medicare and Medicaid Services.

These participating payers represent approximately 158 million covered lives.
APM Roadmap Resources

Read the APM Roadmap Initiative Overview
Feel free to share and as always we welcome your feedback and questions!

Exploring APM Success Factors:
*Insights from a Focused Review*
Download a copy to read about the progress of the APM Roadmap Initiative.

“For more information, please visit our website at www.hcp-lan.org/apm-roadmap/"
Appendix
CAMH LAN Staff

Project Director: Wendy Prins
Associate Project Director: Tanya Alteras
Associate Director for Action Collaboratives/Learning: Jennifer Sulkin
Technical Integrator: Grischa Metlay
Researcher/Writer/Analyst: Evelyn Knolle, Joe Reategui
Project Manager: Sarah Choe
Coordinator: Seth Wineland
Delivery Managers: Farrell Bowen, Karen Adams

Current Subcontractors:
- Catalyst for Payment Reform
- Manatt Health
- Ripple Effect Communications
- Independent: Mark McLellan (Duke Margolis), Mark Smith, Aparna Higgins
Success Through Partnerships

- HHS
- States
- Pharma & Device Manufacturers
- Patients
- Payers
- Employers/Purchasers
- Providers
The Guiding Committee (GC) is the primary leadership body of the LAN. The GC meets monthly and carries out its responsibilities by establishing and overseeing critical LAN initiatives and by actively engaging stakeholders across the LAN to encourage commitments, share and disseminate results, and accelerate learning.

**Key Activities**
- Setting LAN priorities
- Establishing and overseeing action collaboratives
- Engaging stakeholders

**Chairs**

**Mark McClellan, MD, PhD**
Robert Margolis Professor of Business, Medicine, and Policy Director of the Robert J. Margolis Center for Health Policy at Duke University

**Mark Smith, MD, MBA**
Visiting Professor, University of California at Berkeley and Clinical Professor of Medicine, University of California at San Francisco
Guiding Committee by Region

**WEST**
- Kenneth Cohen, MD
  Chief Medical Officer, New West Physicians
- Patrick Courneya, MD
  EVP and CMO, Kaiser Foundation Hospitals and Health Plan, Inc.
- David Lansky, PhD
  CEO, Pacific Business Group on Health
- Joshua J. Ofman, MD, MSHS
  SVP, Global Value, Access and Policy, Amgen Inc.
- Judy Zerzan, MD, MPH
  Chief Medical Officer
  Washington State Health Care Authority

**SOUTH WEST**
- Tom Bialack, MPA
  Director, Arizona Health Care Cost Containment System
- Roy Beveridge, MD
  SVP and CMO, Humana

**MID**
- Craig Bramer
  Chief Executive Officer
  The Health Collaborative
- Alex Clyde
  Vice President, Global Health Policy, Reimbursement, and Health Economics, Medtronic Inc.

**SOUTH EAST**
- Charles Fazio, MD, MS
  SVP and Medical Director, HealthPartners, Inc.
- Craig Samitt, MD
  President and CEO, Blue Cross and Blue Shield of Minnesota
- Lewis Sandy, MD, MBA
  SVP, Clinical Advancement, United Health Group

**N EAST**
- Renee McLaughlin, MD
  Senior Medical Officer, Cigna
- Henry Pitt, MD
  Chief Quality Officer at Temple University Health System
- Kyu Rhee, MD, MPP
  VP and CHO, IBM Watson Health
- Susan Sherry
  Deputy Director, Community Catalyst

**EAST**
- Mark McClellan, MD, PhD
  Robert Margolis Professor of Business, Medicine, and Policy Director of the Robert J. Margolis Center for Health Policy at Duke

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- Devra Ness, MS
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  Prisma Health System
- Sara Van Geertuyten, JD
  Executive Director, Partnership to Improve Patient Care

**MID WEST**
- Roy Beveridge, MD
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- Reid Blackwelder, MD, FAAFP
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- Andrea Gelzer, MD
  SVP and Corporate Chief Medical Officer, Amerihealth Caritas
- Bill Hazel, MD
  Former Secretary of Health and Human Resources, Commonwealth of Virginia

**SOUTH WEST**
- Craig Bramer
  Chief Executive Officer
  The Health Collaborative
- Alex Clyde
  Vice President, Global Health Policy, Reimbursement, and Health Economics, Medtronic Inc.
Guiding Committee Role

• “...establishes the Guiding Committee as the primary collaborative body of the LAN, serving in an advisory role to CAMH.” (excerpted from GC charter)

• Provide stakeholder-specific advice and guidance to CAMH in operation of LAN, serving as representative of employing organization

• External knowledge and awareness of evolving policy and political context such that members are able to identify opportunities for possible convergence with other public policy activities

• Complements MITRE’s public footprint by championing LAN among external partners

• Understands prohibition against advocating to Federal bodies through LAN
Committed Partners (part 1)

These organizations are recognized for establishing their own goals in support of APM adoption and sharing them with the LAN.
Committed Partners (part 2)

These organizations are recognized for establishing their own goals in support of APM adoption and sharing them with the LAN.
Evolution of the Measurement Effort

<table>
<thead>
<tr>
<th>NEW ITEMS</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line of Business</td>
<td>Collected, but not reported</td>
<td>Collected and reported</td>
</tr>
<tr>
<td>New Subcategories and Definitions</td>
<td>N/A</td>
<td>3A: Utilization-based Shared Savings 4C: Integrated Finance &amp; Delivery Payments</td>
</tr>
<tr>
<td>Category and Subcategory</td>
<td>Collected, but only reported category-level</td>
<td>Collected and reported category and subcategory-level*</td>
</tr>
<tr>
<td>Informational Questions</td>
<td>N/A</td>
<td>Adding 5 informational questions to provide context to the quantitative data (see next slide)</td>
</tr>
</tbody>
</table>

* Public reporting is contingent on a minimum of 5 responses per category, subcategory, and line of business
Measurement Informational Questions

1. From health plan’s perspective, what do you think will be the trend in APMs over the next 24 months?
2. Which APM subcategory do you think will be most impacted?
3. From health plan’s perspective, what are the top barriers to APM adoption?
4. From health plan’s perspective, what are the top facilitators of APM adoption?
5. From health plan’s perspective, please indicate to what extent you agree or disagree that APM adoption will result in each of the following outcomes [better quality of care, more affordable care, improved care coordination, more consolidation among health care providers and higher unit prices]
APM RoadMap Work Group Members

*Thomas Buckingham, BSN, MBA  
Executive Vice President  
Select Medical

Steve Farmer, MD  
Senior Advisor  
and Medical Officer  
CMMI

Andrea Gelzer, MD  
Senior Vice President &  
Corporate Chief Medical Officer  
Amerihealth Caritas

Craig Samitt, MD  
President & CEO  
Blue Cross Blue Shield of Minnesota

JD Fischer  
Senior Health Policy Analyst  
Washington State Health Care Authority

David Kendrick, MD  
Chief Executive Officer  
MyHealth Access Network

Steve Hussey  
Senior Vice President, Compensation & Benefits  
Western & Southern Financial Group

Craig Brammer  
Chief Executive Officer  
The Health Collaborative

Susan Frampton, Ph.D.  
President  
Planetree International

Angelo Sinopoli, MD  
Chief Medical Officer  
Prisma Health

JD Fischer  
Senior Health Policy Analyst  
Washington State Health Care Authority

* Denotes Chair