PAC Session 1: Designing and Implementing Alternative-to-FFS Payments in CPC+ Track 2

Virtual Meeting 1 of 5: Introduction

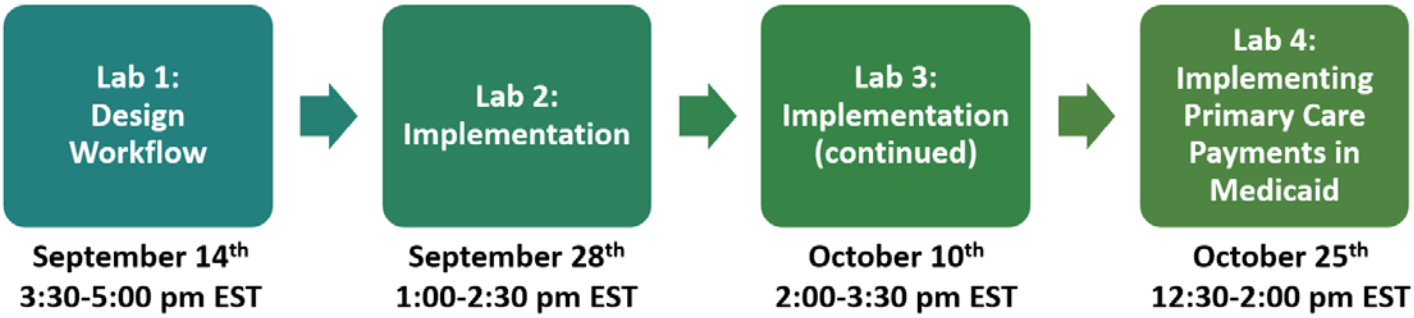
Primary Care Payer Action Collaborative

August 29, 2017

1:00-2:00pm

Highlights and Key Takeaways

PAC members participated in a virtual session that served as an introduction to four upcoming "learning labs" beginning in September that will help equip participants to tackle operational challenges in designing and implementing an alternative to fee-for-service (FFS) payment for CPC+ Track 2 practices.



Although preliminary input from payers has informed lab content, real-time polling will be an important opportunity for participants to provide further guidance that will maximize the practical value of these sessions. For this reason, the PAC encourages payers to respond to the polls thoughtfully, as well as share challenges, lessons learned, and incremental successes during the interactive discussions.

PAC Goals

By the conclusion of the PAC, participants should show demonstrable progress toward the design and implementation of an alternative to FFS payment for CPC+ Track 2 practices, as demonstrated by the following:

- Engaging necessary organizational units
- Defining policy parameters for payments that align with CMS design principles
- Helping to position payers for operational testing
- Developing a strategy to educate members on the alternative to FFS payments
- Soliciting and incorporating feedback from practices, and developing strategies to reduce practice burden
- Making new connections—through their PAC engagement—that help advance implementation within their region and beyond

CPC+ Track 2 Context: The Comprehensive Primary Care Payment (CPCP)

Presenters: *Laura Sessums,* Director, Division of Advanced Primary Care Seamless Care Models Group, CMS Center for Medicare and Medicaid Innovation (CMMI)

Christiane LaBonte, Payment Policy and Operations Lead, Division of Advanced Primary Care, CMMI

Sessums and LaBonte provided background on the Medicare CPCP and recapped the reasons for an alternative to FFS payment in primary care:

- The CPCP aims to better support primary care practices' clinical work
    - Traditional Medicare FFS currently doesn't pay for many common methods of communicating with patients
    - Supporting only office visits is time-consuming, not patient-centered, creates access and continuity problems, and it is expensive
    - The salary model for physician payment can sometimes lead to avoiding bringing patients into the office or taking full responsibility for their primary care. Lack of incentive for in-office visits or other modalities of care can be mitigated, to some extent, by measuring quality of care, but quality measurements have limitations
- In developing the CPCP, CMS sought to pay practices a substantial amount in an upfront lump sum, but the rest on a per-visit basis, leaving incentives to bring patients into the office for a portion of their care when appropriate
    - The upfront payment is the CPCP, calculated based on each practice's historical billing on limited codes representing 50-60 percent of care typically billed by practices
    - The CPCP can help generate administrative savings and reduce regulatory constraints for clinicians, enabling them to be more patient-centered.
    - Practices will still receive FFS payments for vaccines and other care appropriately incentivized under that model
    - Practices will be paid for the cost of office visits, but not so much that they require patients to come to the office
- Like the CPCP, alternatives to FFS payment in Track 2 should reflect these hallmarks:
    - Flexibility (allowing for alternative care modalities, e.g., phone or email)
    - Comprehensiveness
    - Improvement over FFS
    - Multi-payer alignment (to address regional population needs)

Two resources—CPC+ Payment Methodologies and CPC+ Frequently Asked Questions: Payment Policy—were recommended for those interested in better understanding the operational details of the CPCP and other components of CMS' model.

Learning Lab Overview and Expectations for Participants

This fast-tracked series of webinars will drill down to the "nuts and bolts" of model development and implementation. The PAC team will queue and frame issues for discussion, as well as recruit PAC members to serve as panelists and discussants. Most CPC+ payers have indicated they are not at the implementation stage yet, and these sessions will offer a non-judgmental, problem-solving environment. In addition to actively participating in lab discussions and polling,

PAC members are asked to bring takeaways back to their organization and region between sessions and to invite colleagues to attend labs relevant to their operational role. Labs will incorporate participant feedback and address the following:

- **Lab 1:** Design issues payers must consider, such as what types of services to include or exclude from an alternative payment
- **Lab 2:** Operational and administrative issues, such as calculating and risk-adjusting payments
- **Lab 3:** Communicating with practices
- **Lab 4:** Implementing Track 2 in FFS Medicaid and Medicaid MCOs

Select Participant Questions

Q1: How was the marginal cost of an in-office visit calculated [in the Medicare CPCP]? Given the poor history of primary care payment caps without total cost of care (TCOC) accountability, will Track 2 ultimately include a TCOC component?

A: CMS' hypothesis is that the marginal cost is around 50 percent upfront, so practices were given the option to select 40 percent upfront or 65 percent upfront in order to migrate by the third year of the model. CMS has a separate payment mechanism to get at the accountability piece: It's a performance-based incentive payment with both a utilization component and a quality component. Calculating TCOC for at the primary care practice level for Medicare FFS beneficiaries is very difficult because of the numbers involved, so CMS chose utilization measures that contribute a large amount to TCOC.

Q2: I've heard that there have been several surveys of the Round 1 provider groups on how they're performing. Will payers have any access to those surveys so payers have ability to work differently with groups that need additional support?

A: CMS included information about data availability in the most recent payer newsletter.

Live Polling Results

See separate document entitled, “PAC Session 1 Polling Results”