Robert Wood Johnson Foundation Payment Reform Evaluation Project
Aligning Forces for Quality Payment Reform and Piloting Population-Based Health Metrics for ACOs
The Maine Health Management Coalition Foundation

Executive Summary: Autumn 2012

Context

The Maine Health Management Coalition (MHMC) and its Foundation (MHMC-F) are leading two projects that are motivated by the state's characteristics. Maine is a small state, both geographically and in population, with a history of innovation, multi-stakeholder collaboration, and sense of community. Because there is little geographic leakage, most health services are delivered within the state and the workforce is relatively stable. National insurers account for approximately 90 percent of covered lives. The state's economic downturn and health care costs are seen as problematic, with increasing pressure from purchasers on pricing and total cost of care.

MHMC-F provides leadership for two integrated projects funded by the Robert Wood Johnson Foundation (one through Aligning Forces for Quality and one in the payment reform category):

- Development of an incentive-based reimbursement model focused on reducing unwarranted variation in service categories identified in the Dartmouth Atlas: preference-sensitive care, supply-sensitive care, and effective care.
- A variety of activities to set performance targets and metrics for advancing payment reform initiatives, which are developed in conjunction with delivery system changes based on an accountable care organization (ACO) framework.

Stakeholders have various views on the projects, e.g., private carriers are of two minds concerning the Coalition's all-payer database; collaboration with insurance brokers is mixed; selected provider systems are collaborating with each other on payment reform and ACO development; there is increasing focus by purchasers on health care costs.

Objectives

The two integrated projects seek to link payment reform with delivery system innovation through patient-centered medical homes and the development of ACOs. The reimbursement model under development still seeks to correct overuse and underuse of services by restructuring incentives. The objective of the second project remains that of achieving organizational accountability for quality and health outcomes within a set of ACOs. The Coalition is seeking some short-term successes, e.g., translating the database into actionable measures, and increasing consumer engagement.

Approach

The first project identifies small-area variations in over- and under-use and will calculate risk-adjusted annual per capita spending in those areas. The Maine Value Based Payment Model will control health care costs and give incentives to providers to preserve and expand access to high-quality services. There will be different approaches for supply-sensitive, preference-sensitive, and effective care.

The second project supports five activities: (1) use a balanced scorecard for public reporting; (2) develop a tool for risk modeling and prioritization to identify improvement opportunities; (3) establish ACO cost, use, and quality targets; (4) provide actuarial support to develop global budgets and risk-based contracts; and (5) support and collaborate with related efforts in Maine and other regional reforms.

Progress and Results

- A multi-payer claims data infrastructure was implemented in 2012 and delivers actionable information for payment reform discussion.
- Maine's statewide health information exchange supports clinical data for >1 million residents.
- The ACI group has met and agreed to several initiatives.
- Several organizations in Maine are implementing ACOs.
- A multi-payer payment reform model is not being implemented.
- Three geographic areas are involved with the payment reform and ACO pilot activities.

Logic Model

Although the MHMC-F has not articulated a specific logic model, the process outlined by the Accountable Care Implementation Steering Group reflects a set of specific activities that represent key steps toward achieving cost containment and data transparency and creating value. The strategic intent is to engage plan sponsors and to use the data manager (HDMS) with the pilot sites to target the right approaches and potentially create the business case for each site. Stakeholders are looking for the 'low-hanging fruit' (e.g., generic prescriptions). Savings could be shared with or transferred to consumers or the community care teams within the PCMH pilot practices. Involvement of business and labor leaders will change the conversation with providers.

Facilitators and Barriers

Facilitators:

- Data-related facilitators:
    - Existence of a statewide all-payer claims database.
    - HDMS's robust capacity for managing, encrypting, and allowing access to data.
- Committed leadership by providers and others.
- Stability of the workforce encourages employers to take the long-run view.
- Provider interest in the ACO model and willingness to collaborate.
- Balanced engagement by purchasers, providers, and payers, with increased engagement among the health plans.
- Powerful collaborators, including The Dartmouth Institute.
- Strong foundation of trust in a well-established multi-stakeholder forum.

Barriers:

- Data-related challenges:
    - The prior vendor's inability to provide sufficient reporting and analytic support.
    - The lack of electronic health records in many small practices, which inhibits efficiently inputting data into the database.
    - Reluctance by some provider organizations to share their data with employers.

- Challenges in engaging the employers consistently and maintaining balance between employers and providers in the project.
- Securing significant consumer involvement.
- Challenges in engaging and maintaining health plans in collaboration.

Evaluation and Sustainability

Important components of sustainability include the management and integration of the multiple payment reform and ACO efforts; collaboration with the health plans on data use; and the continued engagement of employers and health insurance brokers.

Lessons Learned

There are substantial challenges in bringing together a multi-faceted collaboration of employers, provider organizations, and health plans while securing patient engagement. Sharing clinical and claims data among these partners raises considerations of data control, privacy, confidentiality, and potential anti-trust issues. MHMC plays an important role as a neutral facilitator and continues to build trust and improve relationships among the stakeholders. Access to all-payer data and integration of claims and clinical data is crucial. Development of the balanced scorecard for medical practices and the employer dashboard does support coordinated action and community support.