Tips on Negotiating Value-Based Arrangements with MCOs

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Molina's Value-Based Care "Path to Value" Approach

Shared Savings and Quality

- Savings shared relative to a medical pmpm or medical cost ratio target

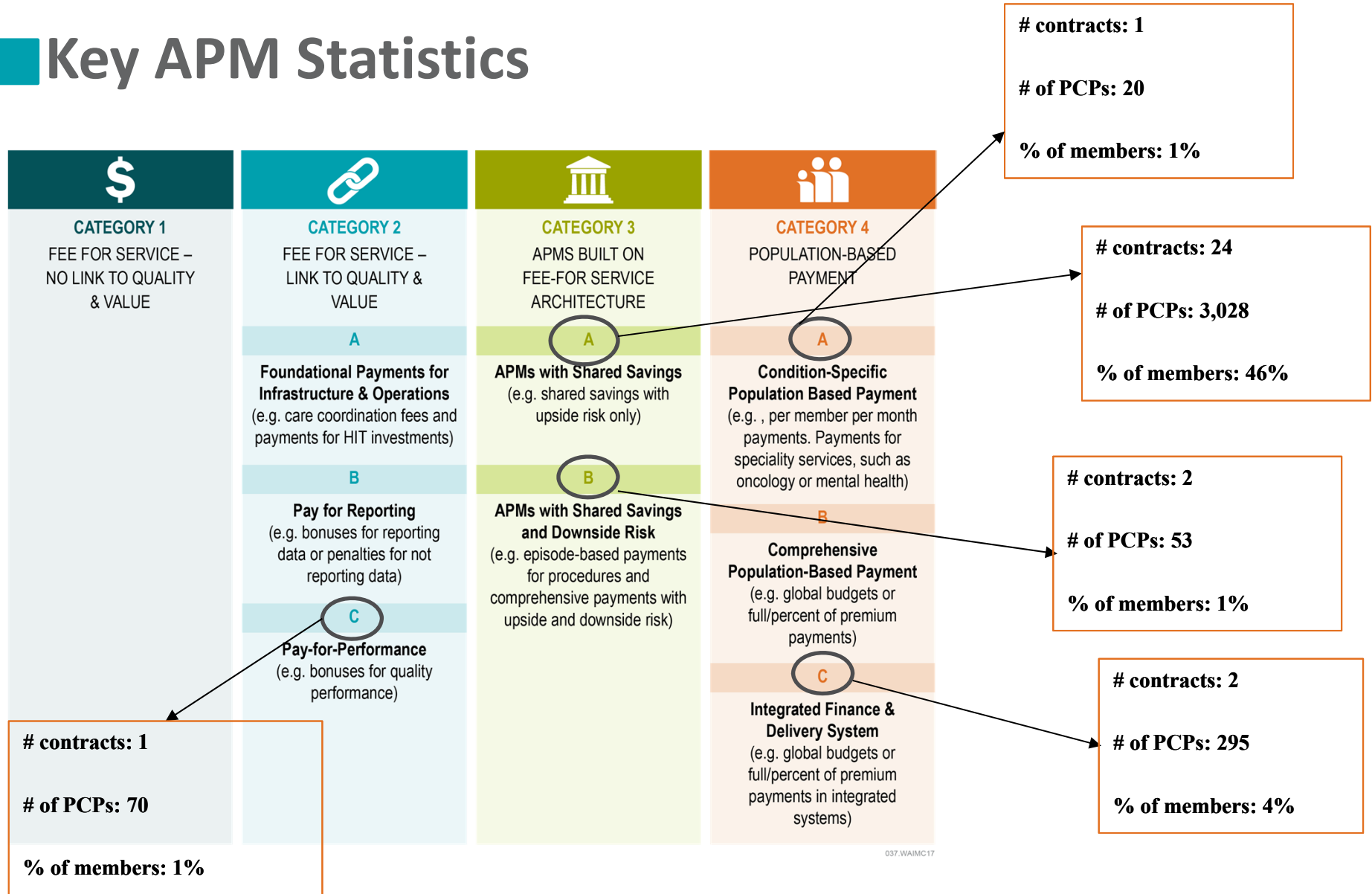- Savings tied to achievement of 4-6 HEDIS targets

Shared Risk and Quality

- Greater shared savings potential in exchange for shared downside risk

- Savings tied to achievement of 4-6 HEDIS targets

Global Risk and Quality

- Provider takes global risk as percent of premium

- A portion of premium is tied to achievement of 4-6 HEDIS targets

- Delegated functions such as UM and claims

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Key APM Statistics

$	**🔗**	**🏛**	**👥**
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	**A**	**A**
	Foundational Payments for Infrastructure & Operations (e.g. care coordination fees and payments for HIT investments)	**APMs with Shared Savings** (e.g. shared savings with upside risk only)	**Condition-Specific Population Based Payment** (e.g. , per member per month payments. Payments for speciality services, such as oncology or mental health)
	B	**B**	**B**
	Pay for Reporting (e.g. bonuses for reporting data or penalties for not reporting data)	**APMs with Shared Savings and Downside Risk** (e.g. episode-based payments for procedures and comprehensive payments with upside and downside risk)	**Comprehensive Population-Based Payment** (e.g. global budgets or full/percent of premium payments)
	C		**C**
	Pay-for-Performance (e.g. bonuses for quality performance)		**Integrated Finance & Delivery System** (e.g. global budgets or full/percent of premium payments in integrated systems)

037.WAIMC17

Category 3A:
contracts: 1

of PCPs: 20

% of members: 1%

Category 4A:
contracts: 24

of PCPs: 3,028

% of members: 46%

Category 3B:
contracts: 2

of PCPs: 53

% of members: 1%

Category 4C:
contracts: 2

of PCPs: 295

% of members: 4%

Category 2C:
contracts: 1

of PCPs: 70

% of members: 1%

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Provider Engagement:
Collaborating with Providers to Offer Value Based Care

MHW's Provider Engagement Program offers provider groups with value-based care contracts additional support to help achieve targeted metrics.

Additional Data and Reporting Support

- VBC metrics over time and compared with benchmarks
- High cost member list
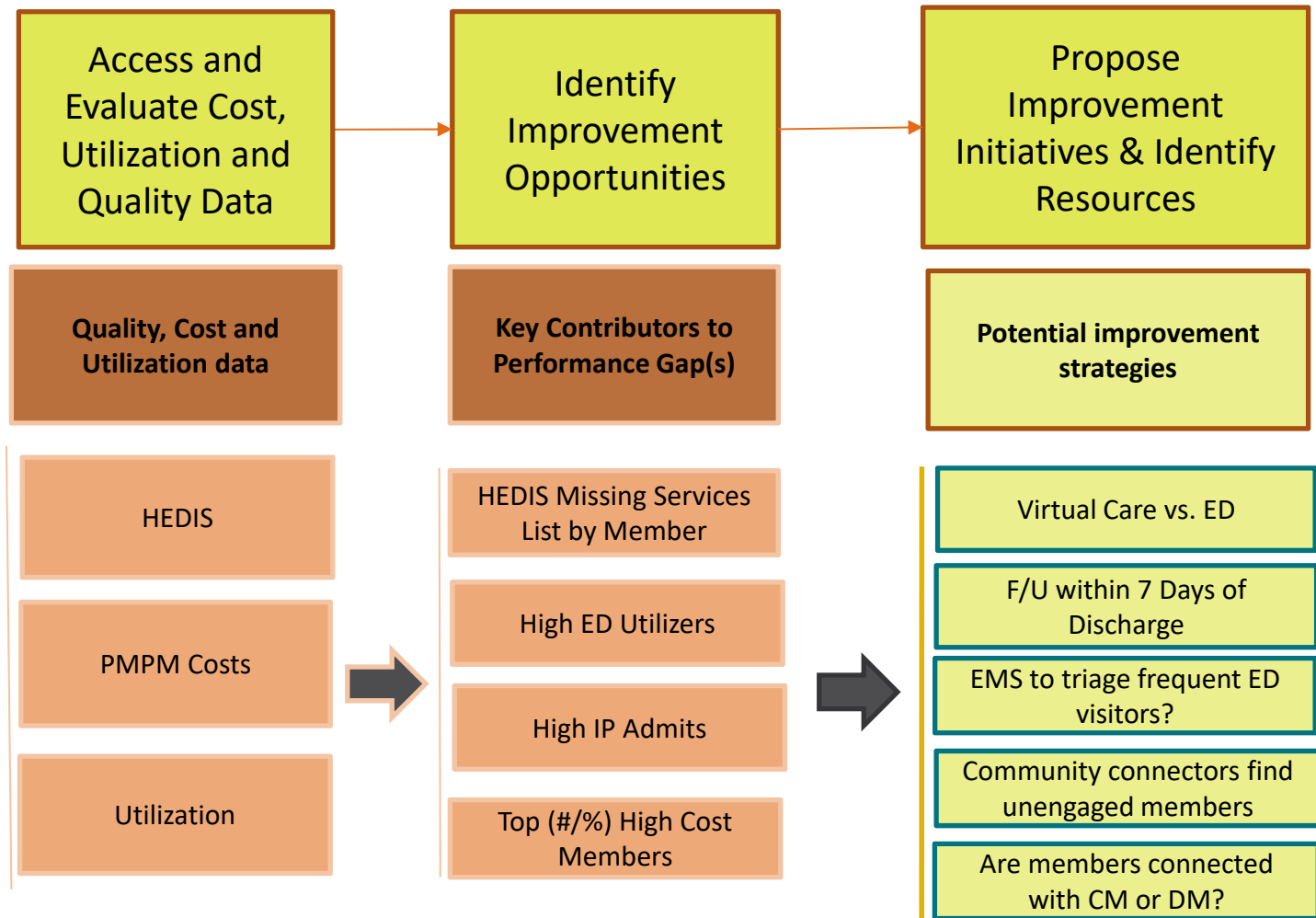- Quality / HEDIS missing service list

Improvement Initiatives/Best Practices

- Shared best practices
- New technologies (e.g. Premanage, Medley, etc)

Implementation Support Resources

- Quality Improvement Team
- Health Care Services Team
- Care management, disease management
- Health homes
- Community Connectors
- ED Diversion and Transition of Care support

Provider Engagement:
Helping Providers Achieve VBC Goals

Access and Evaluate Cost, Utilization and Quality Data	→	Identify Improvement Opportunities	→	Propose Improvement Initiatives & Identify Resources
Quality, Cost and Utilization data		**Key Contributors to Performance Gap(s)**		**Potential improvement strategies**

Access and Evaluate		Identify Improvement		Propose
HEDIS		HEDIS Missing Services List by Member		Virtual Care vs. ED
PMPM Costs	➤	High ED Utilizers	➤	F/U within 7 Days of Discharge
		High IP Admits		EMS to triage frequent ED visitors?
Utilization		Top (#/%) High Cost Members		Community connectors find unengaged members
				Are members connected with CM or DM?

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VBC Data and Reports

- Member roster
- PMPM costs
- HEDIS scores and Missing Services List
- Claims data
- Performance by program (AHA, AHFAM, AHBD, AHPREM)
- Performance over time

[Provider Group Name]

| | Paid thru Date | 7/31/2017 |
| | Report Run Date | 8/10/2017 |

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Highlighted GREEN cells are able to drilled down. To get the data behind a particular green highlighted cell double click on that cell.

* IBNR factors are set by Molina corporate

Year Month	Member Months	Premium	PCP CAP	Vision CAP	IP Paid	OP Paid	Prof Paid	RX Paid	IP IBNR	OP IBNR	IBNR Completed Claims	MCR
2017-01	2,823	$288.86	$0.00	$1.05	$92.61	$53.44	$65.87	$61.36	1.000	1.000	$273.28	94.97%
2017-02	2,829	$289.54	$0.00	$1.05	$41.93	$45.96	$65.02	$54.73	0.966	0.983	$210.98	73.23%
2017-03	2,875	$281.82	$0.00	$1.05	$67.98	$51.85	$71.99	$58.86	0.939	0.984	$257.17	91.62%
2017-04	2,918	$295.99	$0.00	$1.05	$70.08	$37.50	$69.64	$60.68	0.904	0.982	$247.26	83.89%
2017-05	2,926	$298.21	$0.00	$1.05	$142.40	$42.68	$83.09	$71.60	0.827	0.941	$377.45	126.92%
2017-06	2,960	$291.88	$0.00	$1.05	$28.33	$21.03	$59.77	$67.78	0.801	0.864	$196.72	67.76%
2017-07												
2017-08												
2017-09												
2017-10												
2017-11												
2017-12												
Grand Total	**17,331**	**$291.10**	**$0.00**	**$1.05**	**$73.89**	**$41.92**	**$69.25**	**$62.57**			**$260.57**	**89.87%**

2018 HEDIS - *[insert Provider Group Name]*

MEASUREMENT YEAR 2017

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Measure	Measure Description	Collection Type	Compliant Members	Eligible Members	Current Rate	Current Goal	Previous Year Rate	Mbrs To Reach Goal	
CBP	Controlling High Blood Pressure - Total	H	0	132	0.00%	65.50%	0.87%	87	⊗
CDC	Comprehensive Diabetes Care - Blood Pressure Control (<140/90)	H	1	138	0.72%	69.20%	3.85%	95	⊗
	Comprehensive Diabetes Care - HbA1c Poor Control (>9)	H	137	138	99.28%	34.70%	97.12%	90	⊗
CIS	Childhood Immunization Status - Combination 10 Immunizations	H	21	66	31.82%	33.30%	34.38%	1	🟡
W34	Well-Child Care Ages 3-6 -	H	89	282	31.56%	66.90%	68.42%	100	⊗

Collection Type: A-Claims H-Claims/Charts   ✅ 100% of goal   🟡 >90% of goal   🟠 >75% of goal   🔴 >50% of goal   ⊗ < 50% of goal

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VBC Report
HCG Page (PMPM Paid by HCG Setting and LOB)

- **Provides Paid PMPM and utilization by HCG setting, over time and by LOB.**

[Provider Group Name] - HCG
Paid thru date: 2017-06-30
Performance Year Month: 2017-01 to 2017-06
Report Run date: 2017-08-10
IBNR: Completed

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Incurred Year		Baseline Years 2015-2016						Performance Year 2017						% Diff				
Health Care Grouper(HCG)	Util Units	Medical Member Months	Paid PMPM	Admits per 1,000	Util per 1,000	Paid per Admit	Paid per Util	Medical Member Months	Paid PMPM	Admits per 1,000	Util per 1,000	Paid per Admit	Paid per Util	Paid PMPM Diff	Admits per 1K Diff	Util per 1K Diff	Paid per Admit Diff	Paid per Util Diff
Average Members		1,998						2,889										
1. Facility Inpatient		47,953	$75.88	125.6	468.5	$7,250.46	$1,943.55	17,331	$83.13	132.6	400.3	$7,523.03	$2,492.18	9.56%	5.59%	-14.56%	3.76%	28.23%
2. Facility Outpatient		47,953	$52.14	0	2412.6	$0.00	$259.33	17,331	$42.26	0	2,158.0	$0.00	$234.99	-18.95%	0.00%	-10.55%	0.00%	-9.39%
3. Professional		47,953	$62.78	0	17069.4	$0.00	$44.13	17,331	$63.12	0	17,518.8	$0.00	$43.24	0.55%	0.00%	2.63%	0.00%	-2.03%
4. Prescription Drug		47,953	$57.68	0	14,331	$0.00	$48.30	17,331	$61.19	0	13,497.0	$0.00	$54.40	6.08%	0.00%	-5.82%	0.00%	12.63%
5. Ancillary		47,953	$8.02	0	790.9	$0.00	$121.71	17,331	$11.29	0	1,106.1	$0.00	$122.53	40.80%	0.00%	39.86%	0.00%	0.68%
Total		47,953	$256.49	125.6	35,072.6	$7,250.46	$87.76	17,331	$260.99	132.6	34,680.2	$7,523.03	$90.31	1.75%	5.59%	-1.12%	3.76%	2.91%
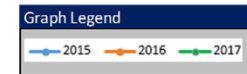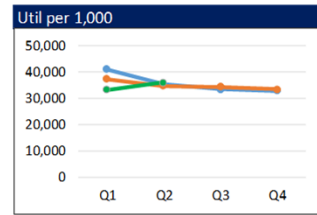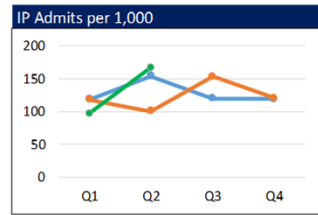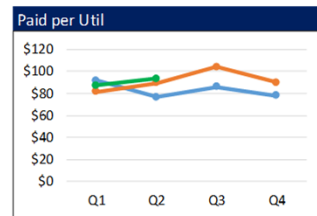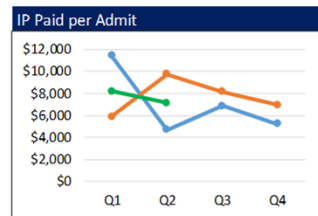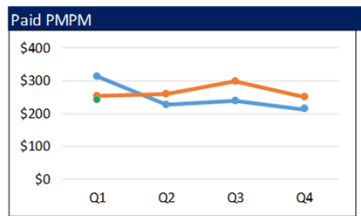
Use the Program toggle button view data and charts by either all programs or by an individual program

Use the HCG toggle button view data and charts by either all HCG settings or by an individual HCG setting

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Tips/What to be thinking about when considering a Value Based Care arrangement

HEDIS
- Know where you are today in terms of 75th percentile
- Understand the difference between administrative vs hybrid measures and supplemental data requirements
- Know data submission deadlines
- Actively engage with your MCO on closing HEDIS gaps from missing services list
- Do you have clinical infrastructure/systems?

Finance
- Medical cost PMPM targets vs. medical cost ratio
- Indemnification/stop loss
- Settlement timing
- Regularity and medium for reporting (Molina is monthly via SFTP)

Member Roster
- Know how often you'll receive your roster (Molina sends monthly)
- Member assignment to PCP (if member doesn't choose)
- Member move policy

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Questions?