Moving Ohio’s health care payment system upstream

Greg Moody, Executive Director
Ohio Governor’s Office of Health Transformation

Innovative approaches to financing population health
April 18, 2018
Ohio’s health transformation initiatives ...

- Improve care coordination
- Prioritize home and community based services
- Rebuild community behavioral health system capacity
- Enhance community developmental disabilities services
- Streamline governance and modernize technology infrastructure
- Align population health planning and priorities
- Engage partners to pay for value instead of volume
- Increase access to comprehensive primary care
- Reward value in high-cost episodes of care
Align population health planning and priorities

**Ohio 2017-2019 state health improvement plan (SHIP)**

<table>
<thead>
<tr>
<th>Overall health outcomes</th>
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<tbody>
<tr>
<td>▲ Health status</td>
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<tr>
<td>▼ Premature death</td>
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</table>

<table>
<thead>
<tr>
<th>3 priority topics</th>
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<tbody>
<tr>
<td>Mental health and addiction</td>
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<table>
<thead>
<tr>
<th>10 priority outcomes</th>
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<tbody>
<tr>
<td>▼ Depression</td>
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<tr>
<td>▼ Suicide</td>
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<tr>
<td>▼ Drug dependency/abuse</td>
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<tr>
<td>▼ Drug overdose deaths</td>
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<tr>
<td>▼ Heart disease</td>
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<tr>
<td>▼ Diabetes</td>
</tr>
<tr>
<td>▼ Asthma</td>
</tr>
<tr>
<td>▼ Preterm births</td>
</tr>
<tr>
<td>▼ Low birth weight</td>
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<tr>
<td>▼ Infant mortality</td>
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</tbody>
</table>

**Equity:** Priority populations for each outcome

**Cross-cutting factors**
The SHIP addresses the 10 priority outcomes through cross-cutting factors that impact all 3 priority topics.
Engage partners to pay for value instead of volume
Reset the basic rules of health care competition

Comprehensive Primary Care
- 1 million patients in the CPC model
- 161 primary care practices in the model representing ~ 10,000 practitioners
- $43 million in enhanced payments from Medicaid to CPC practices last year
- 1,800 performance reports capturing patient panel, cost and quality measures

Episodes of Care
- 1 million patients in the episode model
- 43 episodes of care defined to date
- 13,000 principal accountable providers
- Ohio Medicaid currently requires financial incentives/penalties on 3 episodes
- 56,000 performance reports including cost and quality measures

More than 200 private sector employers, health care providers, and patient advocacy organizations participated in the design and implementation of Ohio’s value-based payment models.
Ohio’s Comprehensive Primary Care (CPC) Program

$4 PMPM additional for doing more to keep patients well

8 Activity Requirements (must pass 100 percent)
- Same day appointments
- 24/7 access to care
- Risk stratification
- Population health management
- Team-based care management
- Follow up after hospital
- Track referrals and reports
- Patient experience

4 Efficiency Measures (must pass 50 percent)
- Emergency department visits
- Inpatient admissions for ambulatory sensitive care
- Generic dispensing rate
- Behavioral health related inpatient admissions

20 Clinical Measures (must pass 50 percent)
- Clinical measures aligned with CMS/AHIP standards for PCMH
- Include pediatric health, women’s health, adult health, and behavioral health metrics

Shared savings based on holding down total cost of care
- Annual retrospective payment based on total cost of care
- Activity requirements and quality metrics must be met
- Payment based on improving total cost of care (1) relative to peers, (2) based on self-improvement, or (3) both

Detailed requirement definitions are available on the Ohio Medicaid website:
http://medicaid.ohio.gov/Providers/PaymentInnovation/CPC.aspx#1600563-cpc-requirements

96 percent of 161 participating practices are meeting Ohio CPC activity requirements. The activity requirements were selected because they are highly correlated to improving patient outcomes while also holding down the total cost of care.
## Comprehensive Primary Care Clinical Quality Measures

<table>
<thead>
<tr>
<th>Category</th>
<th>Measure Name</th>
<th>Population</th>
<th>NQF #</th>
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</thead>
<tbody>
<tr>
<td><strong>Pediatric Health</strong></td>
<td>Well-Child Visits in the First 15 Months of Life</td>
<td>Pediatrics</td>
<td>1392</td>
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<tr>
<td></td>
<td>Well-Child visits in the 3rd, 4th, 5th, 6th years of life</td>
<td>Pediatrics</td>
<td>1516</td>
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<td></td>
<td>Adolescent Well-Care Visit</td>
<td>Pediatrics</td>
<td>HEDIS AWC</td>
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<td></td>
<td>Weight assessment and counseling for nutrition and physical activity for children/adolescents</td>
<td>Pediatrics, Obesity, physical activity, nutrition</td>
<td>0024</td>
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<tr>
<td><strong>Women's Health</strong></td>
<td>Timeliness of prenatal care</td>
<td>Adults, Infant Mortality</td>
<td>1517</td>
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<tr>
<td></td>
<td>Live Births Weighing Less than 2,500 grams</td>
<td>Adults, Infant Mortality</td>
<td>1517</td>
</tr>
<tr>
<td></td>
<td>Postpartum care</td>
<td>Adults, Infant Mortality</td>
<td>1517</td>
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<tr>
<td></td>
<td>Breast Cancer Screening</td>
<td>Adults, Cancer</td>
<td>2372</td>
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<tr>
<td></td>
<td>Cervical cancer screening</td>
<td>Adults, Cancer</td>
<td>0032</td>
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<tr>
<td><strong>Adult Health</strong></td>
<td>Adult BMI</td>
<td>Adults, Obesity</td>
<td>HEDIS ABA</td>
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<tr>
<td></td>
<td>Med management for people with asthma</td>
<td>Both, Heart Disease</td>
<td>1799</td>
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<tr>
<td></td>
<td>Statin Therapy for patients with cardiovascular disease</td>
<td>Adults, Heart Disease</td>
<td>0018</td>
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<tr>
<td></td>
<td>Comprehensive Diabetes Care: HbA1c poor control (≥9.0%)</td>
<td>Adults, Diabetes</td>
<td>0059</td>
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<tr>
<td></td>
<td>Comprehensive diabetes care: HbA1c testing</td>
<td>Adults, Diabetes</td>
<td>0057</td>
</tr>
<tr>
<td></td>
<td>Comprehensive diabetes care: eye exam</td>
<td>Adults, Diabetes</td>
<td>0055</td>
</tr>
<tr>
<td><strong>Behavioral Health</strong></td>
<td>Antidepressant medication management</td>
<td>Adults, Mental Health</td>
<td>0105</td>
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<tr>
<td></td>
<td>Follow up after hospitalization for mental illness</td>
<td>Both, Mental Health</td>
<td>0576</td>
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<td></td>
<td>Preventive care and screening: tobacco use: screening and cessation intervention</td>
<td>Both, Substance Abuse</td>
<td>0028</td>
</tr>
<tr>
<td></td>
<td>Initiation and engagement of alcohol and other drug dependence treatment</td>
<td>Adults, Substance Abuse</td>
<td>0004</td>
</tr>
</tbody>
</table>

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Results from comparable state-led primary care programs

State of Minnesota:
9.2% estimated cost savings 2010-2012 and improvement on 89% of quality measures

State of Arkansas:
$34 million savings from first year of its patient-centered medical home program

Northeast Pennsylvania:
Practices using Ohio metrics saw an improvement on 83% of quality measures

Focus on improving health outcomes while holding down the total cost of care. Monetize the incentive to address social determinants of health.
Ohio’s Episode-Based Payment Program
Preliminary trend analyses across initial episodes of care

Average non-risk adjusted episode spend in dollars

Asthma acute exacerbation

COPD acute exacerbation

Perinatal

Percent difference between CY2014 and CY2016

-21%

-18%

+3%
Preliminary trend analyses across initial episodes of care

Shift in percentage of providers performing at a commendable level (average risk adjusted episode spend in dollars)

- In quality performance, Asthma and COPD acute exacerbation episodes show a decrease in inpatient-triggered episodes (7% to 5% and 22% to 19% respectively from 2014 to 2016)
- Perinatal episodes show consistency in quality metric performance
Ohio is currently reporting performance on 43 episodes of care

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<tbody>
<tr>
<td>Wave 1</td>
<td>Acute PCI, Asthma exacerbation, COPD exacerbation, Non-acute PCI, Perinatal, Total joint replacement</td>
<td>Reporting only</td>
<td>Performance Year 1</td>
<td>Performance Year 2</td>
<td>Performance Year 3</td>
<td>Performance Year 4</td>
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<tr>
<td>Wave 2</td>
<td>Appendectomy, Cholecystectomy, Colonoscopy, EGD, GI bleed, URI, UTI</td>
<td>Reporting only</td>
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<td>Performance Year 2</td>
<td>Performance Year 3</td>
<td></td>
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<tr>
<td>Wave 3</td>
<td>Ankle sprain/strain, ADHD, Breast biopsy, Breast cancer surgery, Breast medical oncology, CABG, Cardiac valve, CHF exacerbation, Dental: tooth extraction, Diabetic ketoacidosis (DKA) / hyperosmolar hyperglycemic state, Headache, Hip/pelvic facture procedure, HIV, Hysterectomy, Knee arthroscopy, Knee sprain/strain, Low back pain, Neonatal (high-risk), Neonatal (low-risk), Neonatal (moderate-risk), ODD, Otitis media, Pancreatitis, Pediatric acute lower respiratory infection, Tonsillectomy, Shoulder sprain/strain, Skin and soft tissue infection, Spinal decompression (without fusion), Spinal fusion, Wrist sprain/strain</td>
<td>Reporting only</td>
<td></td>
<td>Performance Year 1</td>
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</table>

Highlighted episodes have opioid clinical and quality measures built into the episode design and definitions.
Episode analytics can pinpoint drivers of the opioid epidemic

- Ankle sprain
- Knee sprain
- Shoulder sprain
- Wrist sprain
- Hip fracture
- Knee arthroscopy

Rate of new opioid prescriptions
Ohio’s value models deliver provider performance transparency

**Primary Care Performance Report**

**Episode Performance Report**

**Patient Activity Report for Primary Care**

**Referral**
Ohio’s shift toward health care value …

• Financially rewards partnerships and innovations that improve patient outcomes while holding down the total cost of care

• Provides immediate benefits for employers and employees (and taxpayer-funded Medicaid programs and beneficiaries)

• Increases performance transparency in primary care and episodes of care, and creates a foundation for accountable care

• Increases demand for care coordination and data sharing, and monetizes the incentive to address social determinants of health
More information on Ohio’s value-based payment models ...

Comprehensive Primary Care
http://medicaid.ohio.gov/Providers/PaymentInnovation/CPC.aspx

Episode-Based Payments
http://medicaid.ohio.gov/Providers/PaymentInnovation/Episodes.aspx

State Health Improvement Plan