
November, 2015

Physicians moving toward Population Health

• Payors are driving change from traditional FFS to value-based, shared savings, and risk contracting
  • Decreasing FFS rates on traditional IPA contracts
  • Increasing FFS rates and incentives on ACO contracts
• Physicians are building Clinically Integrated Networks around Population Health Mgmt.
• Physicians are entering into Accountable Care Organization (ACO) contracts
Physicians and Population Health Management

- In 2-3 years ACO contract participation will be required to stay financially viable (replace loss of traditional FFS rates)
- Clinically Integrated Networks (ACOs) are the only mechanism that allows a network of Independent Physicians to negotiate FFS rates
- What are your options as an independent physician?
  - Join a hospital-based ACO
  - Join a physician-led ACO

The Basics of Shared Savings Contracts

- **Patient Population**: Based on historic visits and claims the payer assigns/attributes covered patients to a group of participating PCP physicians
- **Three Types of Physician Payments**:
  1. Physicians still receive traditional FFS reimbursement
  2. Shared Savings Payments - if the cost of care for the assigned population is less than projected costs (risk-adjusted + inflation)
     - Payer splits some portion of the savings (% differs by contract)
  3. ACO offers financial incentives for quality reporting, quality improvement, and other process changes
The Basics of Shared Savings Contracts

Example: Shared Savings or Capitated/Risk Contracting

Total Costs:
- Greater than budget creates a loss, leading to reduced provider payments.
- Less than budget creates a savings, leading to provider bonuses.
An ACO’s 5-Point “C-More” Business Strategy

1. Coordinate care
2. Manage utilization
3. Optimize physician group culture
4. Report improved performance
5. Engage patients & families

An ACO’s Clinical Integration Efforts

Vendor
- HealthPost
- CareCycle
- ZeOmega
- Verisk
- Phytel

Implement
- Referral Management
- Remote Monitoring/Telemedicine
- Care Coordination/CHWs
- Patient Relations Management
- Risk Stratification/Predictive Modeling
- Centralized Data Repository
  - Point-Of-Care Tool/Care Gaps

EMR Foundation
- eCW
- Epic
- KentGen

Status
- On-going
An ACO’s Monthly PCP Performance Report

An ACO’s Quality Score Comparison - 2014
MSSP Contract – GAPN 2014/2015
Cost & Utilization Trend*

*Data Reported by CMS for GAPN's 2014 Performance Trend for 16,000 Medicare patients
*Data Reported by CMS for GAPN's 2015 Performance Trend for 12,000 Medicare patients

MSSP Contract - GAPN 2014/2015
Inpatient Utilization Trend*

*Data Reported by CMS for GAPN's 2014 Performance Trend for 16,000 Medicare patients
*Data Reported by CMS for GAPN's 2015 Performance Trend for 12,000 Medicare patients
MSSP Contract - GAPN 2014/2015
Post-Acute Utilization Trend*

*Data Reported by CMS for GAPN's 2014 Performance Trend for 16,000 Medicare patients
*Data Reported by CMS for GAPN's 2015 Performance Trend for 12,000 Medicare patients

MSSP Contract – GAPN 2014/2015
High Cost Radiology Utilization Trend*

*Data Reported by CMS for GAPN's 2014 Performance Trend for 16,000 Medicare patients
*Data Reported by CMS for GAPN's 2015 Performance Trend for 12,000 Medicare patients
MSSP Contract Performance:
TX ACOs in 1st Year of Performance-2014

"54% of Texas 1st Yr. ACOs Reduce Costs!"

MSSP Contract Performance – N.Texas ACOs in 1st & 2nd Year of Performance
An ACO’s Financial Distribution of Shared Savings: 2014

- 82 Physicians with Attributed Patients
  - 122 Physicians (Specialists) without Attributed Patients
- The Top Physician Bonus:
  - $88,186 with 762 Patients
    - 78.6% Quality Performance Score
    - 66% Participation Score
- The Lowest Physician Bonus:
  - $2,979 with 16 Patients
    - 52.9% Quality Performance Score
    - 33% Participation Score
- Median Physician Reward: $11,473

An Independent Physician’s ACO Pivot:
UT Southwestern Accountable Care Network
Affiliating to sustain clinical integration* momentum!

UTSW Faculty Physicians
Community PCPs (UTSCAP)
Genesis IPA (PCP & Specialist ACO Members)
MSSP + 5 Commercial ACO Contracts
Square miles in North Texas

*Contracting; IT Services; Practice Transformation; Care Team Support; Etc.
Table-top Questions

1. With Population Health Mgmt.’s emphasis on IT Tools, how do physicians interested in clinical integration optimize the network’s culture & primary care mission?
2. How can primary care physicians improve patient & family engagement, helping achieve the “triple aim”?
3. What are some key illustrations of incorporating team-based primary care into the practice transformation plans, i.e. how best to utilize Coordination support services?
4. What are the near-term economic and social drivers of change to the primary care physician’s mission?