CMS 2024 Quality Conference
Resilient and Ready Together

Creating an Optimal Environment for Quality Healthcare for Individuals, Families, and Communities

Advancing Multi-Payer Alignment and Specialty Care Integration and the Health Care Payment Learning and Action Network (LAN)

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Specialty Care is a Critical Component of the Health System, but there have been Limited Reforms to date

- Specialty care accounts for 2/3 of office visits, representing more than 90% of professional health care expenses[1,2,3,4,5]
- In 2016, specialty care accounted for 63% of total medical expenditures, or over $2 trillion[1,2,3,4,5]
- A significant portion of drug spending is also tied to specialist

An estimated 75% of low-value care is neither provided by nor referred by the beneficiary's attributed primary care provider[6].

[1]*Based on analysis conducted by Duke Margolis Center for Health Policy using CMS National Medical Expenditures Data, https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData*
[2]*Information on the health status of Americans, health insurance coverage, and access, use, and cost of health services, https://datatools.ahrq.gov/meps-hc/?tab=use-expenditures-and-population&dash=12*
[3]*Based on analysis conducted by Duke Margolis Center for Health Policy, UT-Dell, and Signify Health*
[4]*Primary Care Spending: High Stakes, Low Investment, https://thepcc.org/sites/default/files/resources/PCC_Primary_Care_Spending_2020.pdf*
[5]*Primary Care Spending in the United States, 2002-2016, https://jamanetwork.com/journals/jamainternalmedicine/fullarticle/2765245*
[6]*CareJourney, How Integrated Bundles Drive High Value Specialty Care (carejourney.com)*

Specialty Care Integration

1 Greater care delivery fragmentation

While primary care remains central to a high-functioning health system, individuals are facing greater complexity due to a highly-fragmented health care system.

2 Opportunities to decrease cost

Specialty care plays a significant role in overall medical spending and offers important opportunities to increase the value of care. Furthermore, low-value care* represents a significant opportunity to reduce wasteful healthcare spending.

3 Alignment and collaboration are key

To enable efficient, high-quality, whole-person care, collaboration and alignment between primary and specialty care are key to transform care delivery.

*Defined as services and supplies that offer no or limited benefit to patients
Source: "Pathways for Specialty Care Coordination and Integration in Population-based Models"
https://www.cms.gov/blog/pathways-specialty-care-coordination-and-integration-population-based-models

Defining “Specialty Care Integration”

Preliminary Working Definition of the Characteristics of Specialty Care Integration in the Context of Value-Based Care

- Specialty integration is a desired characteristic of population-based models where:
  - Primary and specialty care provider roles and responsibilities are clearly delineated throughout the care journey for a given condition or episode of care
  - Specialist care includes a continuum of responsibilities for a patient or condition, including, but not limited to, single consultation, co-management, and primary management
  - Primary and specialty care providers coordinate to provide patient-centered care using bidirectional, synchronous and asynchronous communication
  - Specialists provide consultations and/or ongoing care via multiple modes in a timely manner
  - Primary and specialty care providers have access to shared real-time data to inform care decisions

Source: PTAC – Office of the Assistant Secretary for Planning and Evaluation (ASPE)

Payers have Differing, but Complementary and Directionally Aligned Payment Reform Approaches for Specialty Care

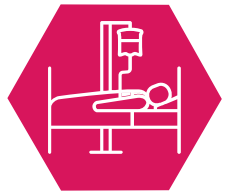
- CMS is focusing on variety of infrastructure development initiatives
  - PCP/specialty collaboration through shadow bundles supporting high-value referrals; and for Specialist VBP readiness through MVP performance;
  - Concurrent BPCI-A initiative and alignment for specialists through AHEAD/MCP
- Private payers indicating focus is primarily on longitudinal care
  - PCP/specialty collaboration, subcapitation for condition management, and improving integration within ACOs
- Efforts can and should be complementary, both needed to support progress
  - In both cases, payers playing to strengths within existing infrastructure and benefit design
  - System-wide need for better models, data, and measures that can benefit from cross-payer collaboration

Reforms Must Account for Each Major Type of Specialized Care

Whole-Person Care

Specialists that manage the full range of patient care for a specialized population

- Care for advanced chronic kidney disease, complex geriatric conditions, initial specialized treatment of cancer
- May particularly benefit from participating in accountable care models for specific populations
- *Example: A nephrologist providing specialty and primary care services to dialysis patients*



Acute Episodic Specialty Care

Specialists that focus on a specific intervention or episode

- Typically manage specialized care for a defined time period
- Most general surgery procedures, specialized elective services, major acute events
- *Example: A surgeon managing discrete surgical or intensive conditions, such as appendicitis*

Longitudinal/Chronic Care

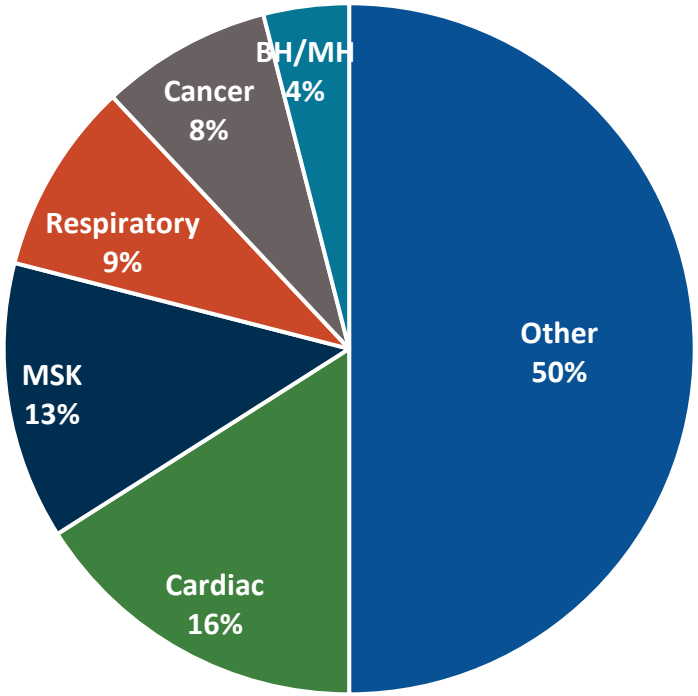
Specialists that co-manage care with PCPs or other providers

- Care for chronic conditions involving specialized management in collaboration with primary care. Includes major chronic disease areas such as CV, MSK, diabetes, dementia, chronic lung diseases, IBD, and serious mental illnesses
- *Example: A cardiologist and a PCP working together to coordinate care for a patient with cardiovascular disease*

Some specialty areas do not fit neatly within a single category but may be in different ones depending on the clinician's focus and conditions.

Importance of Longitudinal/Chronic Care

- Specialists engaged in chronic condition management alongside primary care account for most specialty spending



Important Considerations	
Cardiology and Musculoskeletal	Many procedures of low/no value – better longitudinal patient management and accountability can encourage appropriateness
Respiratory	Many acute hospitalizations could be avoided with better patient management
GI	Episode payments for most colonoscopy management Limited support for longitudinal care coordination for patients with IBD
Dementia & Other Neurodegenerative Conditions	Poor care coordination, likely coming shift toward early detection and growing array of pharmacologic and nonpharmacologic therapies

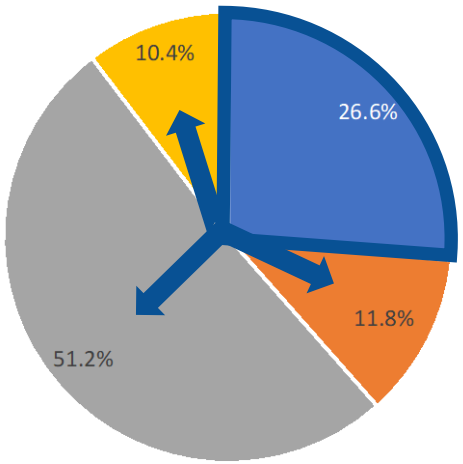
Source: https://healthpolicy.duke.edu/sites/default/files/2022-11/Strengthening%20Specialist%20Participation%20in%20Comprehensive%20Care%20through%20Condition-Based%20Payment%20Reforms.pdf

Opportunities to Increase Value by Shifting Care from Procedures and Admissions to Longitudinal Care Management

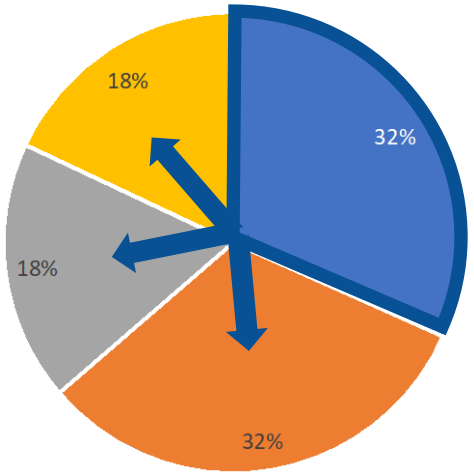
Condition management is a substantial component of specialty care, and potential driver of reducing acute events and major procedures – but is mostly left out of current payment reforms for specialty care

Optimizing support for condition management enables opportunities to improve patient outcomes and care journey

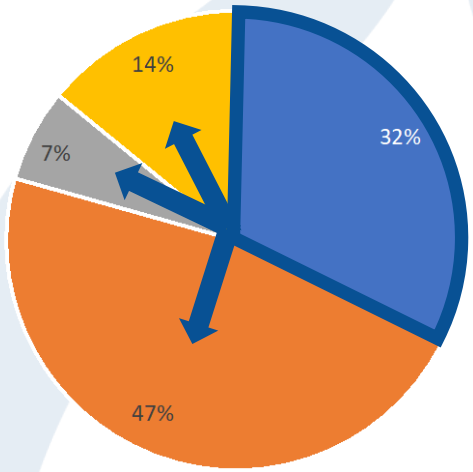
Orthopedics



Cardiology



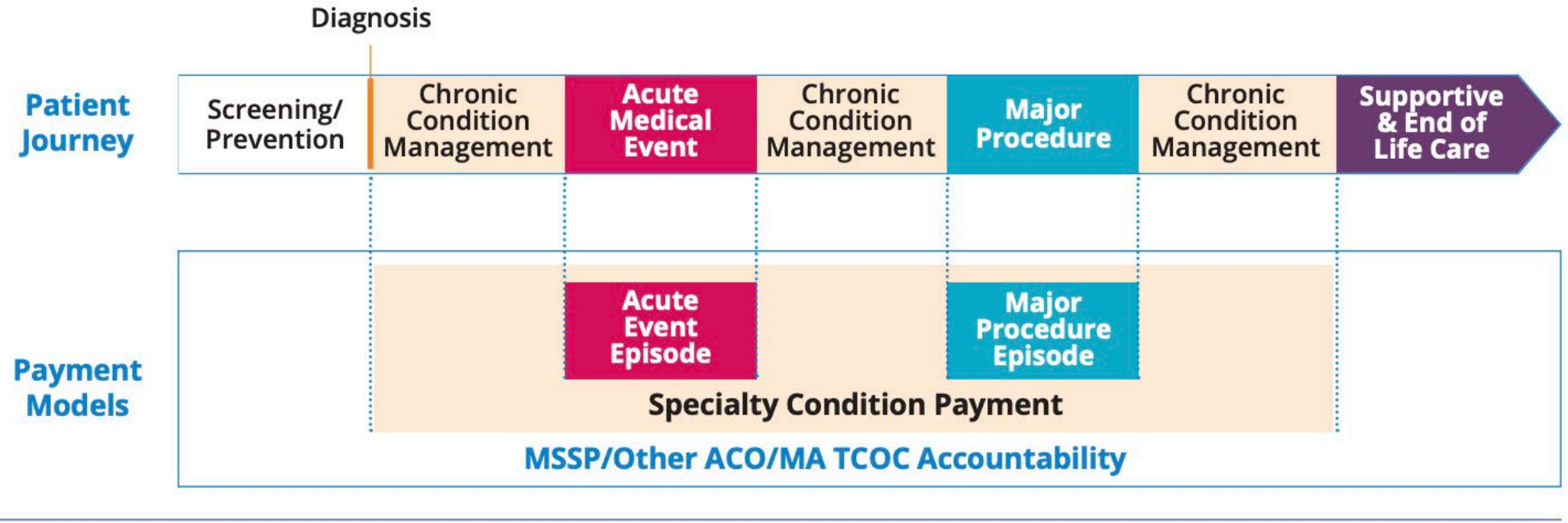
Respiratory medicine



Source: https://healthpolicy.duke.edu/sites/default/files/2022-11/Strengthening%20Specialist%20Participation%20in%20Comprehensive%20Care%20through%20Condition-Based%20Payment%20Reforms.pdf

Vision: Comprehensive Specialty Reform Across the Continuum of Specialists

FIGURE 6 Nested Structure of Payment Models



- **Nests between acute episode payment models and whole-person/total cost of care accountability models.** Provides support for coordination and alternative care models to support maximizing patient outcomes and ”upstream” activities to avoid costly complications and procedures

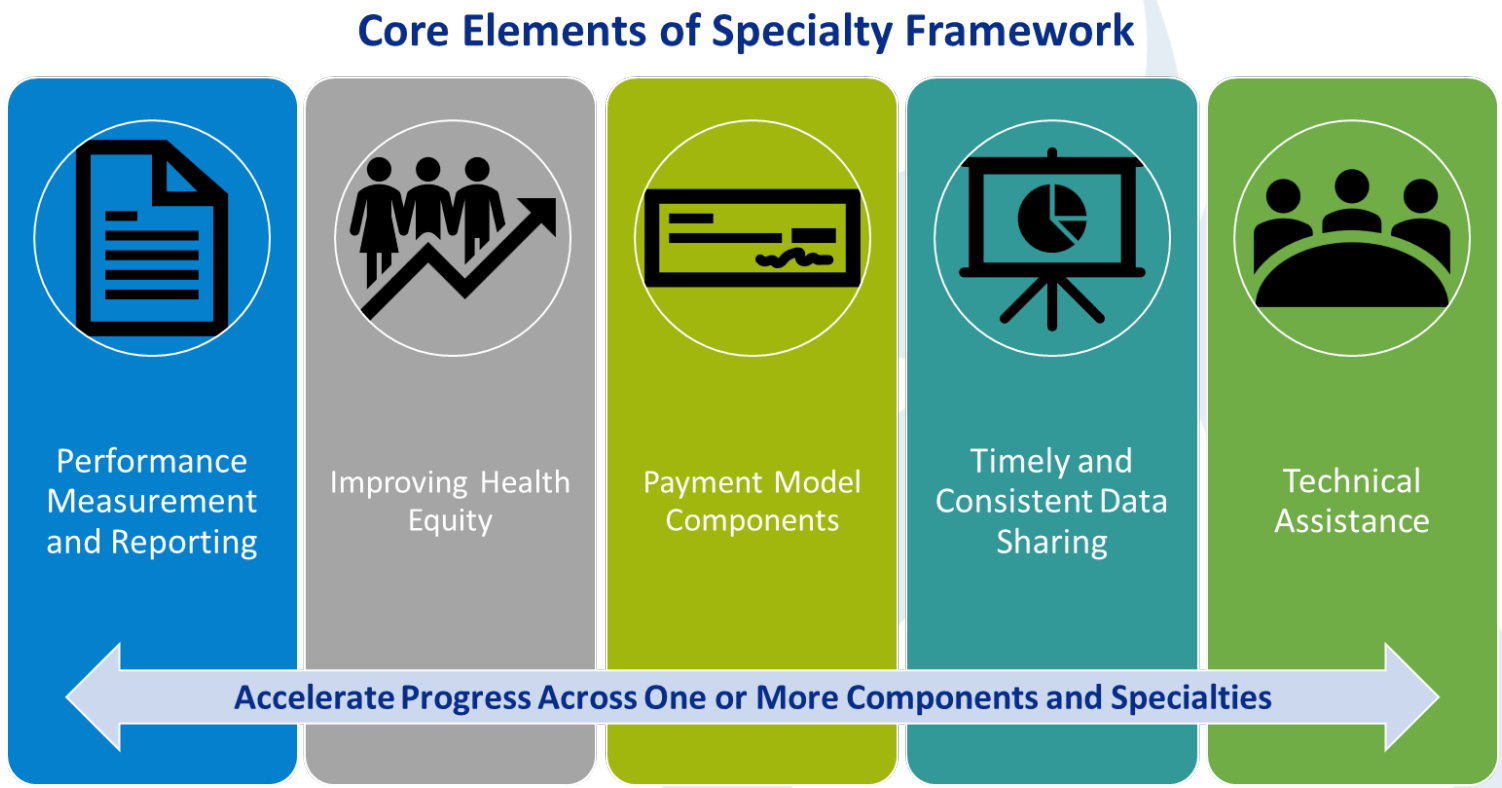
Japinga M, Jayakumar P, De Brantes F, Bozic K, Saunders R, McClellan M. Strengthening Specialist Participation in Comprehensive Care through Condition-Based Payment Reforms [White Paper]. Washington, DC: Duke-Margolis Center for Health Policy. 2022.

Because of Differing Approaches and Strengths, Multipayer Initiatives are Critical for Comprehensive Specialty Care Reform

- Multipayer commitment to specialty payment reform is key to overcoming existing barriers to specialty participation in accountable care
  - Maximize specialty revenue across accountable care models to fully engage specialists
  - Provide for a clear path for specialists across payers and disease states
  - Accelerated approach through payer collaboration to reduce transitional cost (via reduced burden from less variation) of accountable care implementation and variation within model components

Duke-Margolis Multipayer Framework Offers Mechanism for Advancing Specialty Care

- Multipayer with an increased focus on commercial and provider engagement
- Develop multi-phasic, stepwise approach to move from e-consults and “bundled” codes to whole-person and longitudinal models of care
- Focus on specific longitudinal specialties (MSK and cardiology) as case studies
- Engage CMS and HCP-LAN on core efforts (measurement, model development, multipayer) to ensure alignment but also to show how other payers are complementing



Performance Measurement and Reporting

- Any longitudinal model will need some level of condition and specialty-focused quality, equity, and outcome measures including symptom intensity, symptoms of depression and anxiety, magnitude of activity limitations, care pathway design, treatment efficacy.
  - Cardiology: hospitalization rates per capita in ACO patients; heart failure and atrial fibrillation utilization and hospitalization rates
  - Musculoskeletal: orthopedic procedure and imaging rates per capita, likelihood of non-surgical treatment (e.g., physiotherapy program) after orthopedic referral, spending and outcome episodes for beneficiaries referred to orthopedists for degenerative joint disease
- Limited progress on collecting and integrating Patient Reported Outcomes into specialty care
- **Opportunities:**
  - Identify lead specialty care aligned measures to inform HCP-LAN work, and develop consensus on meaningful starter set that can be implemented across programs
  - Develop measure operationalization guide to streamline data collection and reporting
  - Convene subgroup to understand potential of registries to inform measure development

Payment Model Components

- Current collaboration with external collaborators aims to produce a concrete starter-set of Specialty Condition Models (SCMs) across high-burden chronic conditions where there is clear evidence of unmet opportunities for transforming care
- However, diverse possibilities for targeting specific challenges limiting model development and learn from initial subcap work in MA and commercial
- **Opportunities:**
  - Technical white paper on PBPY costs per condition that provide analytical insights into opportunities for condition-specific models
  - Develop more detailed overview of components of subcapitated models in MA and commercial and opportunities for scaling
  - Support development of CMS nesting strategy to better understand how specialty models can fit within ACOs and other accountable care models.

Data Sharing and Referral Strategies

- Data sharing strategies critical for both 1) Identification of high-value specialty providers and establishment of value-based relationships; and 2) Ongoing management for these relationships and for patient care more broadly
- Specific need for real-time data that goes beyond current shadow bundle scope (utilization, cost, quality, low-value care)
- **Opportunities:**
  - Identify components to support expanded shadow bundles (ie: beyond BPCI-A) that can provide more comprehensive information for identifying referrals
  - Build a toolkit that can support the development of an improved, interoperable ecosystem
  - Support CMS and ONC in developing more substantive interoperability standards, preventing information blocking, and supporting information exchange through mechanisms like FHIR

Future Reforms on BPCI-A, Acute Episodes, and Condition-Based Models

- Enhance specialty care performance data transparency
- Shadow Bundles for ACOs in MSSP & ACP REACH for the 34 BPCIA episodes
  - **Long-term:** Align shadow bundle methodology with new episode model (2026+)
- Maintain momentum on Acute Episode and Condition-Based Payment Models
  - BPCI-A extended through 2026
  - **Long-Term:** Launch of mandatory episode model

Duke-Margolis Strategy Components

- Apply Multipayer framework to advance specialty care in core areas like MSK and CV
  - Develop specialty-specific subgroups with expert advisors; produce deliverable laying out viable measures, data sharing strategies, starter model components, etc. across identified core areas
- Explore opportunities for advancing subcapitated arrangements
  - Assess how private payers (MA and commercial plans) are developing subcapitated arrangements to strengthen specialty integration
- Work with Medicare and commercial claims data to leverage empirical insights to inform measure development, identify cost and utilization trends, and find commonalities across specialties