



# CareFirst Episode of Care Models

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JULY 24, 2020

**Proprietary and Confidential**

# Agenda

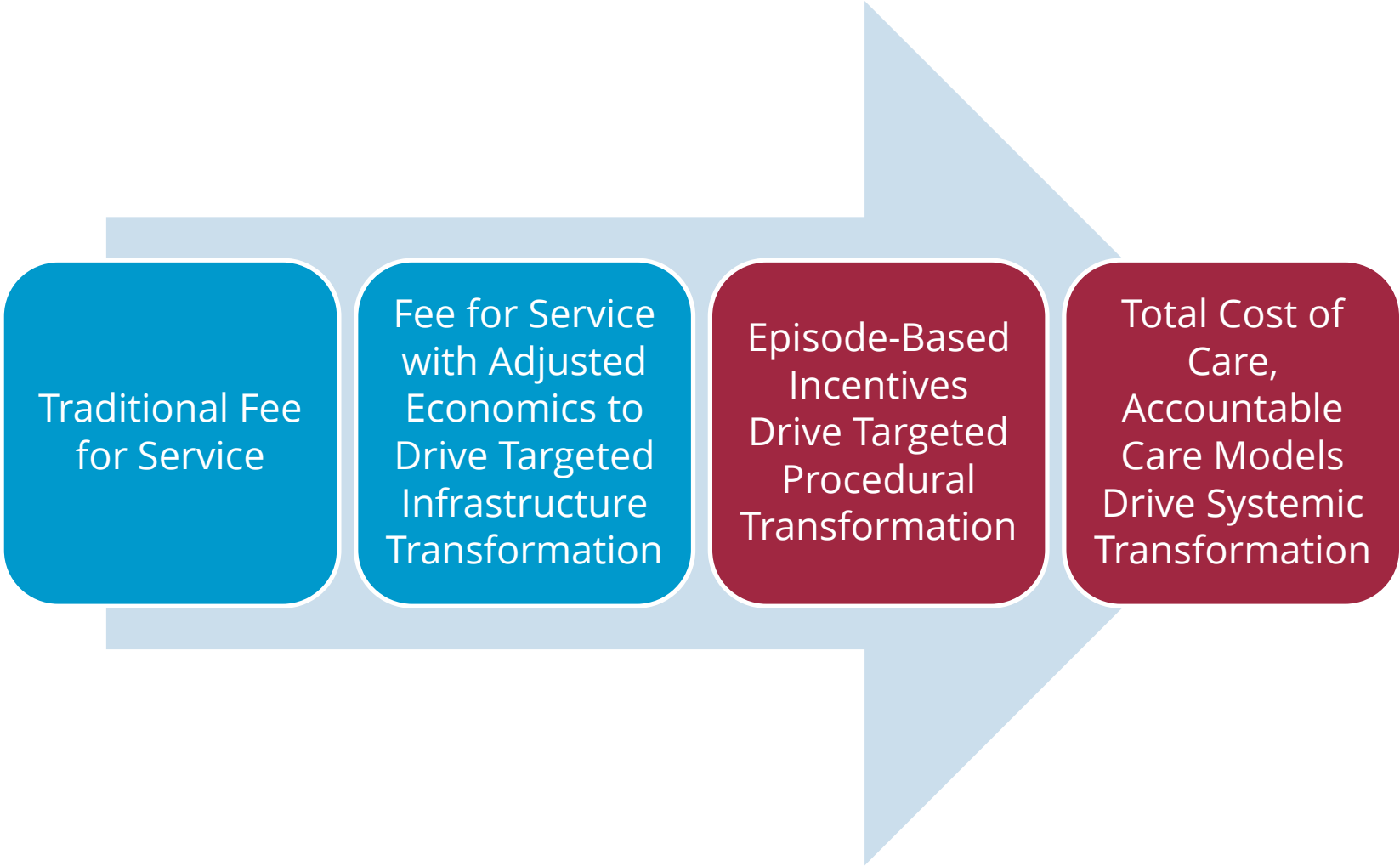
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A. CareFirst Value-Based Goals and Roadmap

B. CareFirst EOC Models

- Episode definition
- Eligibility
- Participation timeline
- Budget setting
- Shared Savings/Losses
- Quality Measurement

C. Data Sample



# Models for Each Provider Type



## Independent Primary Care Providers

- Patient-Centered Medical Home



## Independent Specialists

- Episode-Based Incentive Programs



## ACOs, Hospitals, and Health Systems

- Total Cost of Care Model





## Build upon national experience

- HCP LAN
- CMS
- Other Blues



## Enhance partnership between CareFirst and providers

- Collaborative model design
- Data exchange
- Clinical care support programs & expanded Practice Transformation



## Reduce provider burden

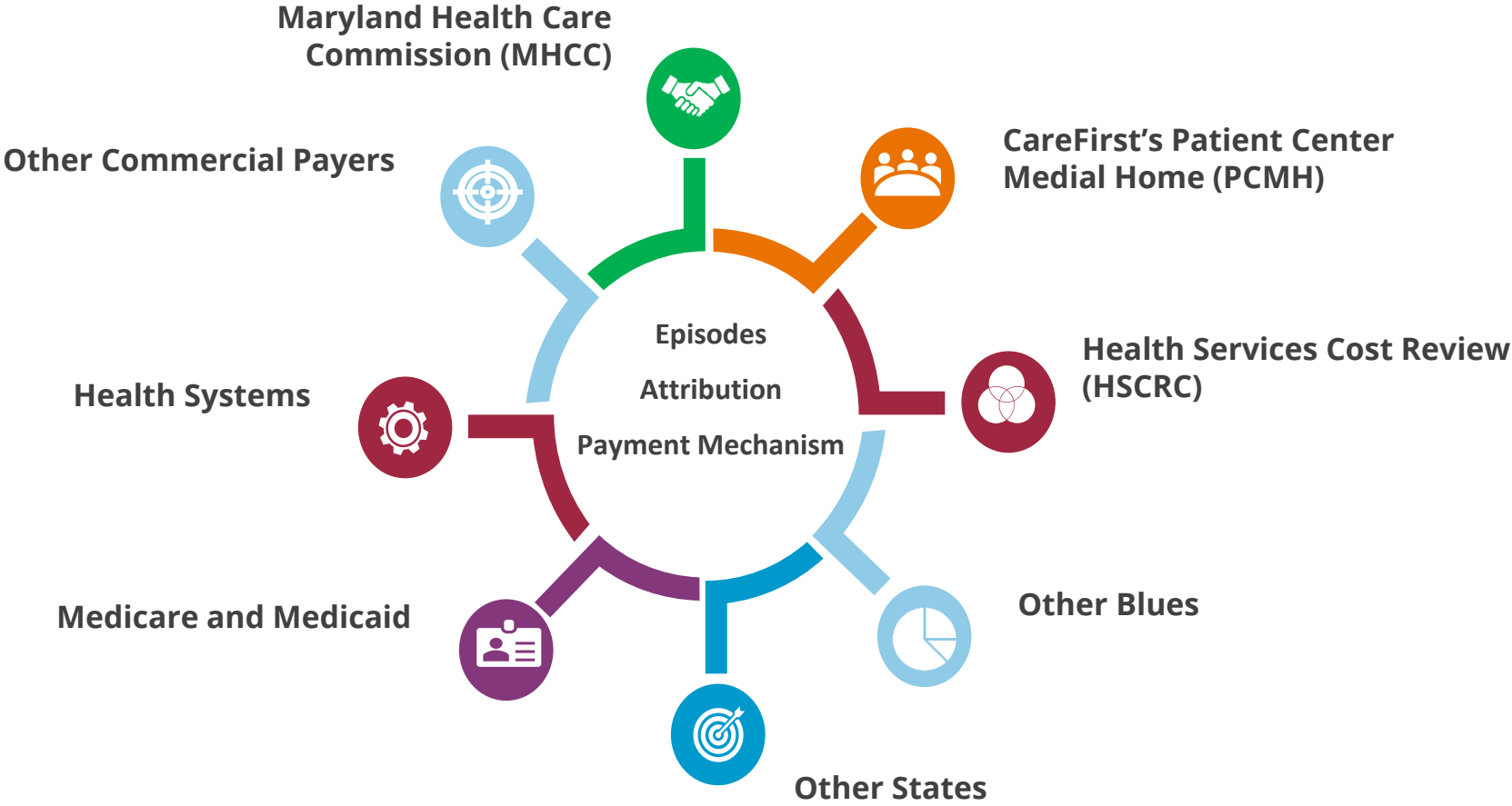
- Align common measures wherever practical
- Harmonious model design
- Introduce technologies to enable better use of existing data



## Create meaningful incentives

- Performance recognition
- Shared savings / shared risk programs
- Incentives for Patient Experience and Outcomes

# Multi-Payer Alignment Opportunities



- All CareFirst Members receiving treatment for a qualifying EOC during a performance year will be attributed to the provider group
- The EOC models will use PROMETHEUS episode definitions, which are:

## Transparent

Full listing of included and excluded services (as identified by Dx and Procedure codes) available for each EOC

## Developed by Clinicians

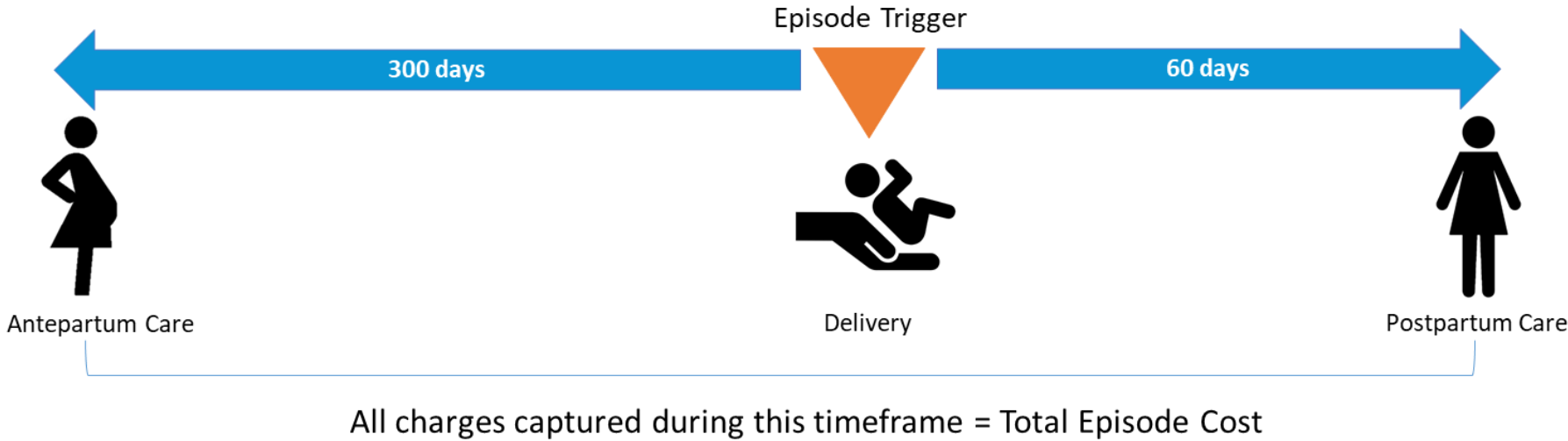
Oversight provided by clinical committee who updates the algorithms regularly

## Managed by Altarum

Nonprofit research and consulting organization

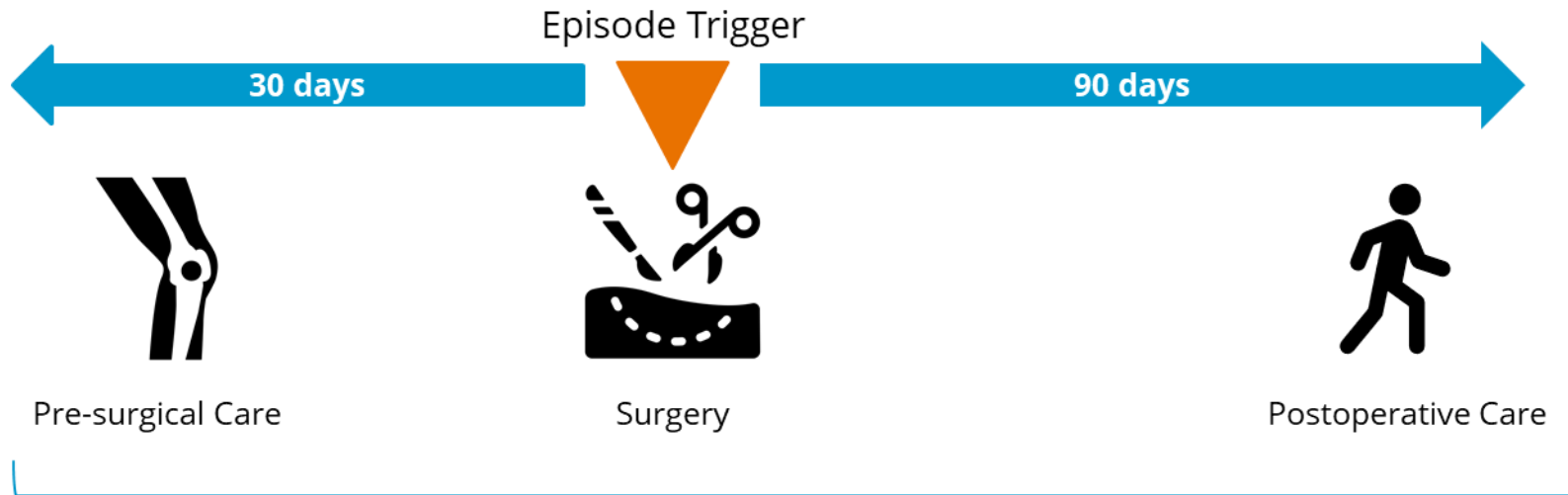
- EOCs will be attributed to the performance year in which they end

## Pregnancy and Vaginal Delivery or C-Section:



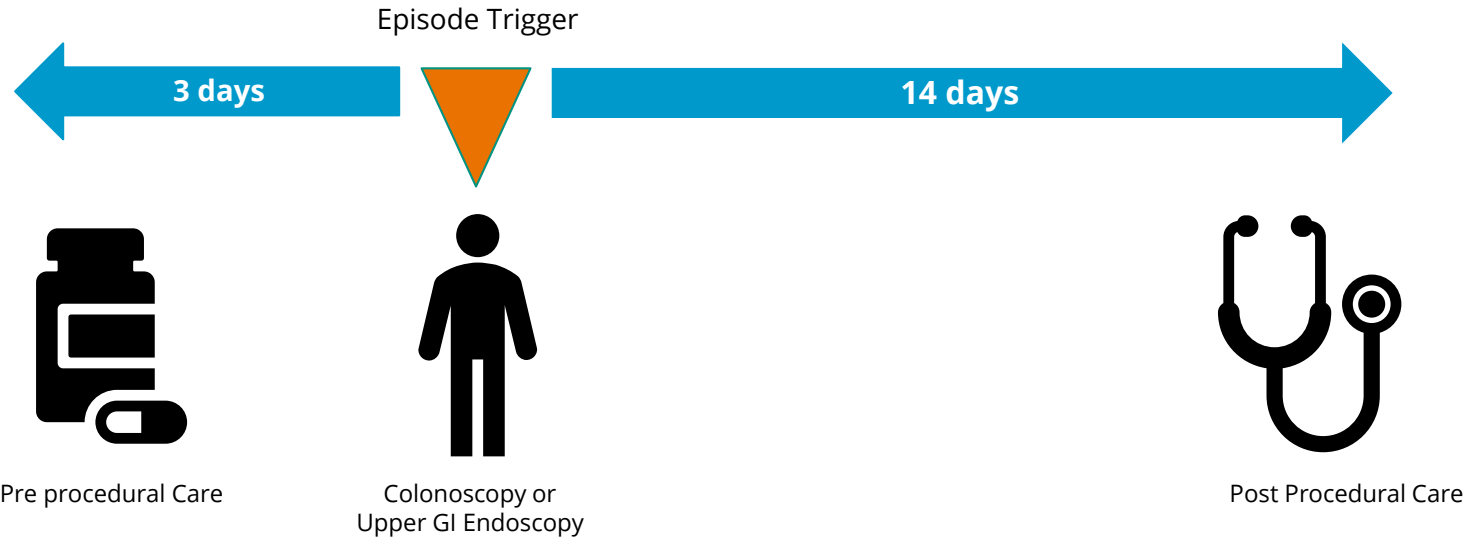


## Knee and Hip Replacement:



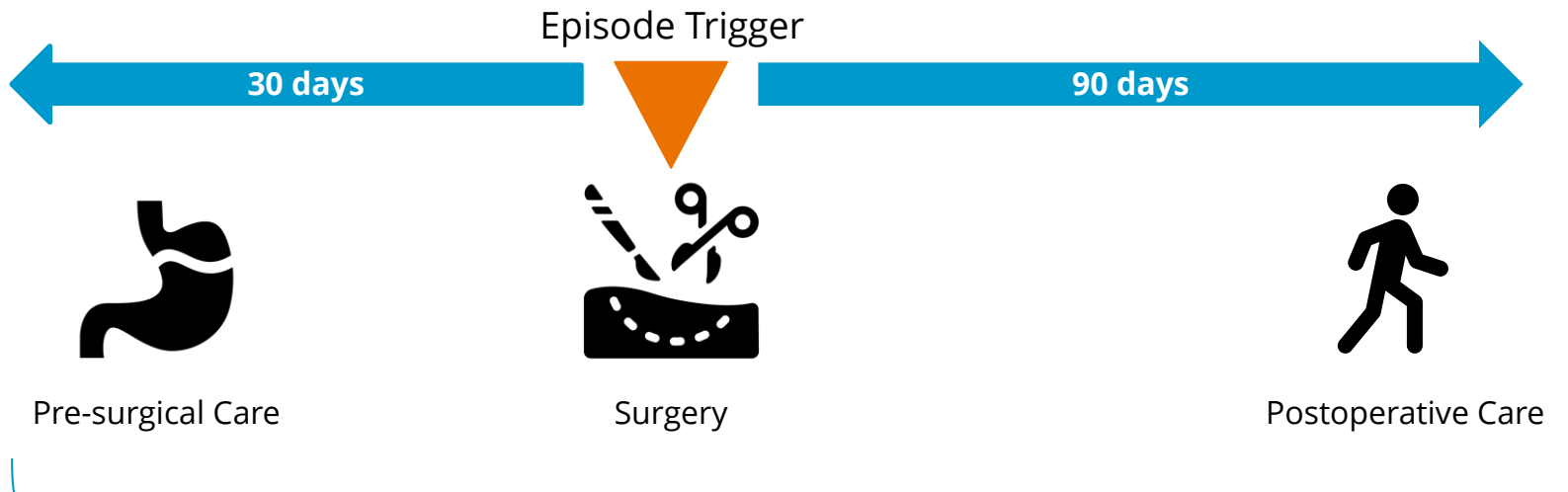
Total Episode Cost = All services considered typical/routine and those related to joint replacement complications during episode timeframe

## Colonoscopy and Upper GI Endoscopy:



Total Episode Cost = All services considered typical/routine and those related to the procedure during episode timeframe

## Bariatric Surgery:

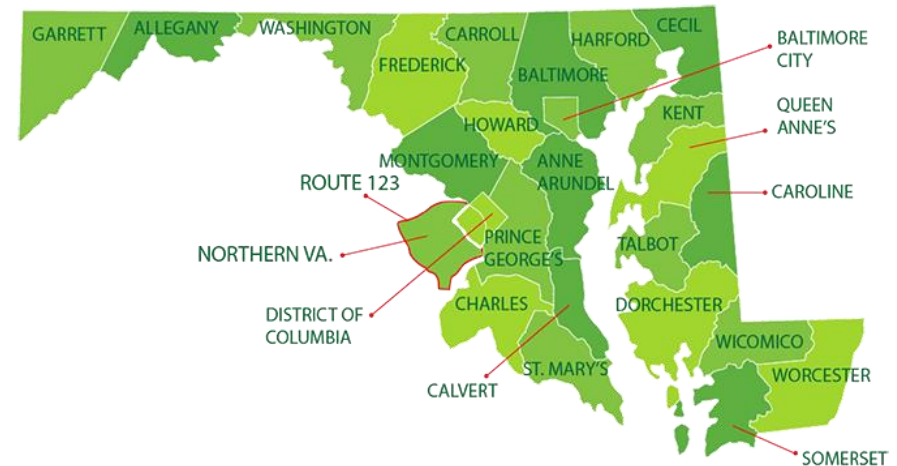


Total Episode Cost = All services considered typical/routine and those related to bariatric surgery during episode timeframe

# Eligibility

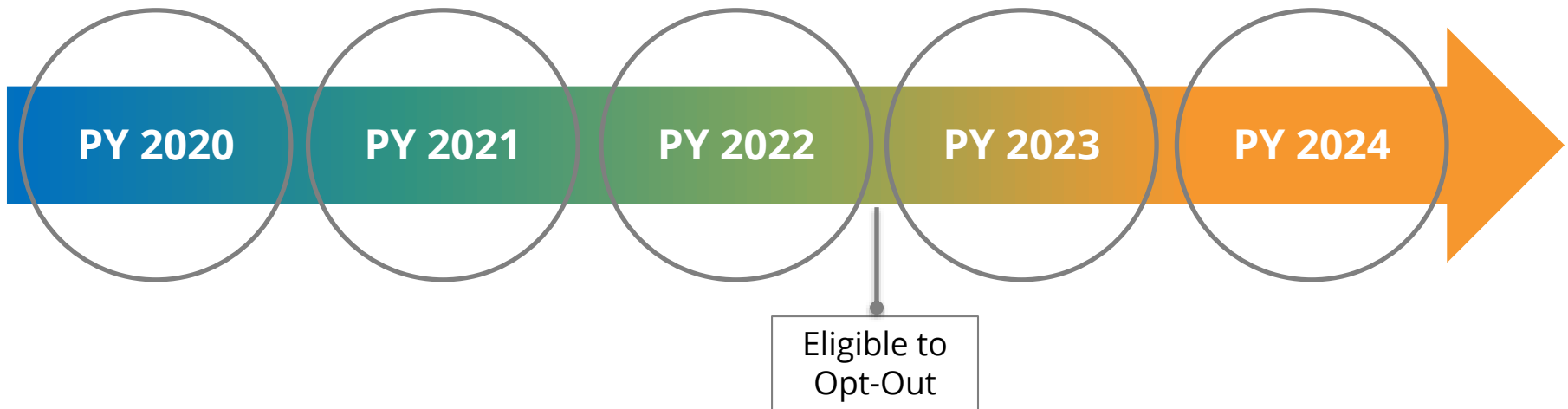
- The provider group must:
  - Operate within CareFirst's primary service area:
    - Maryland
    - Washington DC
    - Northern Virginia
- EOC-specific requirements:
  - Perform 30 or more qualifying episodes for attributed CareFirst Members during the performance year

## CareFirst Service Area



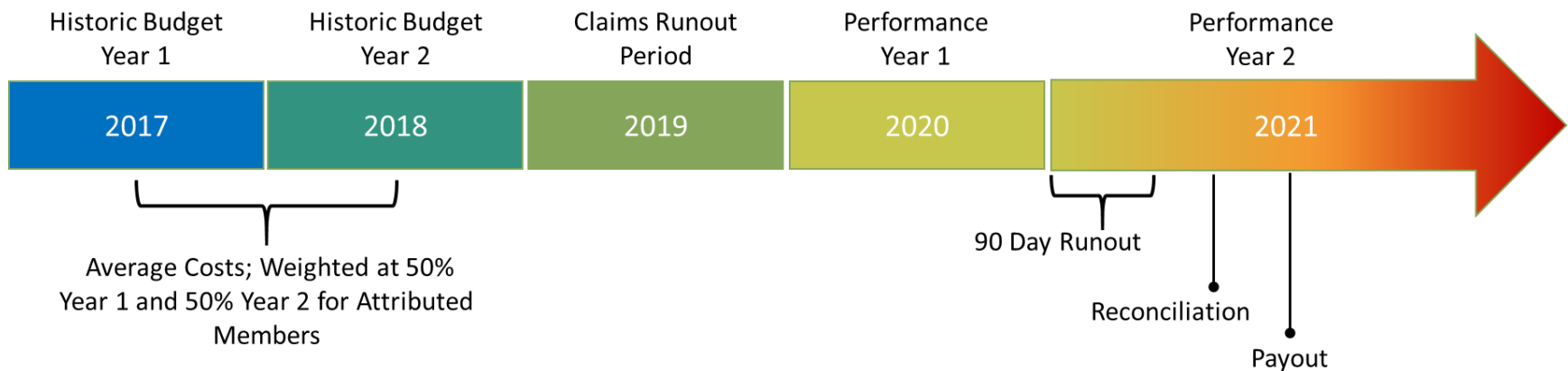
# Participation Timeline

- Participation in the EOC model constitutes a five-year agreement with CareFirst
  - Applies to all employed and contracted clinicians practicing under the ACO/provider group unless classified as excluded prior to the performance period
- The provider group will be eligible to opt-out of the model after three years of participation
  - The decision to opt-out of the ACO/EOC model will apply to all participating providers



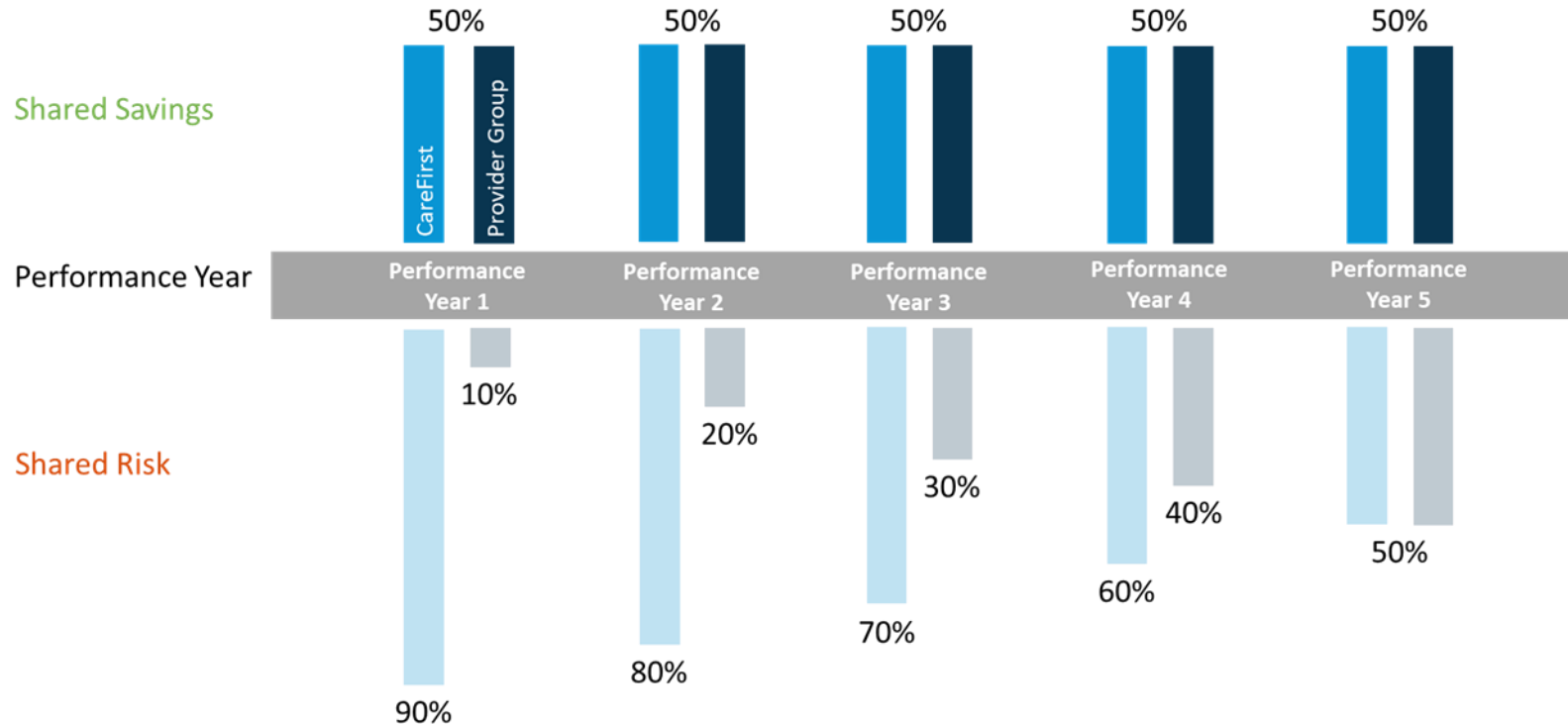
# Budget Methodology

- At the beginning of the performance year, each provider group will receive an annual budget for their member population based on historic costs from the preceding two years, following a one-year claims runout period.
  - The budget will include all costs incurred for attributed Members and will determine the average EOC costs that the provider group will be measured against during reconciliation at the end of the performance year.
- The calculation will be weighted at 50% for Year 1 and 50% for Year 2 (as depicted in the image below).
- The budgets are not risk-adjusted



# Shared Savings and Losses

- If average EOC costs are below the historic budget at the end of the performance year, the provider group will share in the savings at a rate of 50% if they meet or exceed the quality performance threshold.



- If costs are above budget at the end of the performance period, the provider group will repay losses at a rate between 10% – 50%, dictated by the number of performance periods in the EOC model.\*

\* Independent specialists in EOC models will have losses assess on professional fees only

- For Performance Year 1, EOC model participants will report the CareFirst Core 10 measure set (used in PCMH program)
  - Quality measures submitted for monitoring purposes only
- For each subsequent Performance Year, EOC model participants will be required to report episode-specific measures
  - Performance on these measures must exceed a minimum threshold in order to qualify for any earned shared savings
  - EOC-specific measures TBD

## CareFirst Core 10 Measure Set

Category	Measure	
Population Health Measures	Optimal Care for Diabetic Population <ul style="list-style-type: none"> <li>• HbA1c Control (&lt;8%)</li> <li>• Eye Exams</li> <li>• Blood Pressure Control (&lt;140/90)</li> <li>• Chronic Kidney Disease Screening (ACR and eGFR annually)</li> </ul>	
	Controlling High Blood Pressure	
	Colorectal Cancer Screening	
	Event-Based Measures	Use of Imaging Studied for Low Back Pain
		Follow-up for Mental Health and Substance Abuse <ul style="list-style-type: none"> <li>• Follow Up After ED Visit for Mental Illness (7 days)</li> <li>• Follow Up After ED Visit for Alcohol/Drug Dependence (7 days)</li> <li>• Follow-up After Hospitalization for Mental Illness (7 days)</li> </ul>
Appropriate Opioid Prescribing <ul style="list-style-type: none"> <li>• Use of Opioids at High Dosage</li> <li>• Risk of Continued Opioid Use</li> <li>• Use of Opioids from Multiple Providers</li> </ul>		
Risk-Adjusted Measures		Hospitalization for Potentially Preventable Complications <ul style="list-style-type: none"> <li>• Hospitalization for Potentially Preventable Chronic Complications</li> <li>• Hospitalization for Potentially Preventable Acute Complications</li> </ul>
		All-Cause Readmission
	Emergency Department Utilization	
	Survey Measures	Member Experience Composite <ul style="list-style-type: none"> <li>• Getting Care Quickly</li> <li>• Getting Needed Care</li> <li>• Coordination of Care</li> <li>• Rating of Personal Doctor</li> </ul>



## HealthQx Episode Insights

Site of Service



Episod..	Average ..	Market A..	POS Mix	Market P..	
ASC	17,548	\$1,526	\$1,524	91%	73%
Other	1,152	\$1,433	\$1,408	6%	1%
Outpatient ..	510	\$3,641	\$2,995	3%	22%
Inpatient H..	18	\$2,729	\$2,721	0%	0%
Office	10	\$668	\$1,349	0%	3%

### Costs by Episode Phase

Pre Trigger Dollars	\$78,083	Avg Pre-Trigger	\$4
Trigger Dollars	\$29,432,477	Avg Trigger	\$1,530
Post Trigger Dollars	\$830,717	Avg Post-Trigger	\$43
Split Cost	\$30,341,276	Avg Total Cost	\$1,577

### Costs by Claim Type

IP Dollars	\$373,862	Avg IP Costs	\$19
OP Dollars	\$11,908,689	Avg OP Costs	\$619
PR Dollars	\$17,782,611	Avg Prof	\$924
RX Dollars	\$276,114	Avg Rx	\$14
Split Cost	\$30,341,276	Avg Total Cost	\$1,577

### Episode End On

7/11/2017 6/30/2019

### Select Episode

COLOS

### Custom Practice

Capital Digestive Care, LLC

### Top Practices for COLOS

Practice	EpisodeCount	Average Cost
[Redacted]	10,251	\$1,561
[Redacted]	1,477	\$1,606
[Redacted]	581	\$1,464
[Redacted]	562	\$1,634
[Redacted]	500	\$1,503
[Redacted]	497	\$1,379
[Redacted]	468	\$1,529
[Redacted]	443	\$1,449
[Redacted]	434	\$1,598
[Redacted]	431	\$1,516
[Redacted]	424	\$1,590
[Redacted]	420	\$1,492

### Costs by Provider NPI for



Provider NPI	EpisodeCount	Avg Total Cost	Avg IP Costs	Avg OP Costs	Avg Prof	Avg Rx	Avg Typical	Avg TypWComp	Avg PAC
Grand Total	19,238	\$1,577	\$19	\$619	\$924	\$14	\$1,583	\$16	\$18
[Redacted]	684	\$1,437	\$0	\$556	\$861	\$21	\$1,430	\$2	\$5
[Redacted]	559	\$1,497	\$0	\$490	\$1,002	\$5	\$1,485	\$10	\$2
[Redacted]	523	\$1,496	\$21	\$548	\$913	\$14	\$1,489	\$4	\$3
[Redacted]	513	\$1,536	\$16	\$625	\$885	\$10	\$1,516	\$1	\$20
[Redacted]	462	\$1,420	\$0	\$517	\$871	\$33	\$1,418	\$2	\$0
[Redacted]	458	\$1,372	\$0	\$567	\$798	\$7	\$1,351	\$18	\$3
[Redacted]	457	\$1,542	\$24	\$637	\$865	\$15	\$1,503	\$11	\$27
[Redacted]	434	\$1,719	\$24	\$682	\$988	\$25	\$1,657	\$21	\$41
[Redacted]	409	\$1,474	\$19	\$520	\$932	\$3	\$1,442	\$5	\$26
[Redacted]	408	\$1,426	\$0	\$575	\$842	\$9	\$1,410	\$15	\$1
[Redacted]	401	\$1,678	\$0	\$642	\$1,032	\$4	\$1,674	\$3	\$1
[Redacted]	390	\$1,800	\$45	\$671	\$1,068	\$16	\$1,720	\$30	\$50
[Redacted]	363	\$1,530	\$0	\$601	\$916	\$13	\$1,514	\$10	\$5
[Redacted]	361	\$1,904	\$6	\$693	\$1,182	\$22	\$1,887	\$8	\$8



# Thank you

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*For more information, contact*

GABRIELLA GOLD

[GABRIELLA.GOLD@CAREFIRST.COM](mailto:GABRIELLA.GOLD@CAREFIRST.COM)