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CareFirst Episode of Care Models

JULY 24, 2020

Proprietary and Confidential
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
CareFirst Value-Based Roadmap

- Traditional Fee for Service
- Fee for Service with Adjusted Economics to Drive Targeted Infrastructure Transformation
- Episode-Based Incentives Drive Targeted Procedural Transformation
- Total Cost of Care, Accountable Care Models Drive Systemic Transformation
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
Payment Transformation Model Design Principles

**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

- Maryland Health Care Commission (MHCC)
- Other Commercial Payers
- Health Systems
- Medicare and Medicaid
- CareFirst’s Patient Center Medical Home (PCMH)
- Health Services Cost Review (HSCRC)
- Other Blues
- Other States
- Other Commercial Payers
Episode Attribution

- 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.
CareFirst EOC Models: Maternity

Pregnancy and Vaginal Delivery or C-Section:

All charges captured during this timeframe = Total Episode Cost
CareFirst EOC Models: Orthopedic Surgery

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:

- **Episode Trigger**
  - 3 days
  - 14 days

- **Pre-procedural Care**
- **Colonoscopy or Upper GI Endoscopy**
- **Post-procedural Care**

**Total Episode Cost**: All services considered typical/routine and those related to the procedure during episode timeframe
CareFirst EOC Models: General Surgery

Bariatric Surgery:

Pre-surgical Care → Episode Trigger → Surgery → Postoperative Care

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
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.
Quality Measurement

- 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

<table>
<thead>
<tr>
<th>Category</th>
<th>Measure</th>
</tr>
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<tbody>
<tr>
<td>Population Health Measures</td>
<td>Optimal Care for Diabetic Population</td>
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<tr>
<td></td>
<td>• HbA1c Control (&lt;8%)</td>
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<tr>
<td></td>
<td>• Eye Exams</td>
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<tr>
<td></td>
<td>• Blood Pressure Control (&lt;140/90)</td>
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<tr>
<td></td>
<td>• Chronic Kidney Disease Screening (ACR and eGFR annually)</td>
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<tr>
<td></td>
<td>Controlling High Blood Pressure</td>
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<td></td>
<td>Colorectal Cancer Screening</td>
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<tr>
<td>Event-Based Measures</td>
<td>Use of Imaging Studied for Low Back Pain</td>
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<td></td>
<td>Follow-up for Mental Health and Substance Abuse</td>
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<tr>
<td></td>
<td>• Follow Up After ED Visit for Mental Illness (7 days)</td>
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<tr>
<td></td>
<td>• Follow Up After ED Visit for Alcohol/Drug Dependence (7 days)</td>
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<tr>
<td></td>
<td>• Follow-up After Hospitalization for Mental Illness (7 days)</td>
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<td>Appropriate Opioid Prescribing</td>
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<td>• Use of Opioids at High Dosage</td>
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<td>• Risk of Continued Opioid Use</td>
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<td></td>
<td>• Use of Opioids from Multiple Providers</td>
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<td>Risk-Adjusted Measures</td>
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<td>All-Cause Readmission</td>
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<td>• Getting Care Quickly</td>
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<td>• Getting Needed Care</td>
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<td>• Coordination of Care</td>
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<td>• Rating of Personal Doctor</td>
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</tbody>
</table>

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Sample Dataset
Thank you

For more information, contact

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