Tips to develop new pay models that work for your practice

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Barriers in the existing payment systems too often interfere with implementation of creative health care delivery changes that can improve care and lower payers’ costs, but Medicare is open to new models that that allow doctors, health care organizations and specialty societies the opportunity to innovate. At a recent workshop in Chicago, physicians who have made great strides in working with Medicare’s new payment models shared their stories and offered advice for others seeking to do the same.

Joseph Schlecht, DO, a family physician in Jenks, Oklahoma, described his practice’s experiences with the CMS Comprehensive Primary Care Plus (CPC+) medical home program. CPC+ is notable in that it includes private payers and retains fee-for-service payments, but participating practices also get a per member-per month care-management fee and a performance-based incentive payment based on patient satisfaction, clinical-quality measures and utilization measures.

The three-physician practice successfully increased patient satisfaction and quality scores. Here are some of the strategies that Dr. Schlecht and his colleagues have used.

**Aggressively pursue every patient in the practice.** Clinical registries were developed and the condition of “every patient who walked in” was scored on a one-to-six severity index, with patients who were “out running marathons” getting a score of one and patients who needed to be hospitalized getting a six. The receptionist was told that, if a call was received from a patient with a four, five or six severity score, “that patient needs to be seen today,” Dr. Schlecht said, adding that, “in the past, we didn’t know who were the sickest patients.”

**Hold a 10-minute team huddle every morning.** Everyone on staff—doctors, nurses, receptionist—would meet to briefly discuss “what we’re going to be doing.” This includes quality-improvement initiatives such as fall prevention and depression screening. “Everyone in the practice needs to know the goals and objectives.”

**Hire a care-guidance nurse.** This was “the most important thing” that was done, Dr. Schlecht said,
because “things that weren’t addressed before are being addressed now.” The care-guidance nurse worked with patients to understand their psycho-social issues and their problems in meeting health goals. For example, it was discovered that one patient couldn’t read, so color-coded materials for managing his diabetes were developed. Scales were bought for low-income patients with congestive heart failure who were instructed to weigh themselves daily.

Advice on how to succeed in another CMS program, the Bundled Payment for Care Improvement (BCPI) initiative, was offered by R. Kannan Mutharasan, MD, an assistant professor of medicine at Northwestern Medicine in Chicago and medical director of Northwestern’s Heart Failure (HF) Bridge and Transition Team. He offered the following recommendations.

**Know who your patients are.** Like Dr. Schlecht, Dr. Mutharasan stressed the importance of setting up a patient registry. A strategic goal was to identify patients early to build relationships and intervene before problems develop.

**Hire additional staff.** A social worker and a pharmacist took care of the additional demands of the BPCI program, including psycho-social screening and helping HF patients understand how to take the eight to ten medications they may be going home with.

**Be prepared for unexpected adverse events.** Dr. Mutharasan noted the HF Team’s success: Fewer hospital readmissions, less Skilled Nursing Facility (SNF) utilization and shorter SNF length of stays. But, in one instance, a patient was feeling so good, he resumed his power-lifting regimen and “popped a blood vessel in his shoulder.”

**Show your passion for innovation**

Lawrence Kosinski, MD, a gastroenterologist from the Chicago suburbs, also described his experience submitting a proposal to the Center for Medicare & Medicaid Innovation Physician-Focused Payment Model Technical Advisory Committee (PTAC) for possible testing and implementation. Project Sonar is based on evidenced-based guidelines for inflammatory bowel disease (IBD) developed by the American Gastroenterological Association (AGA). The AGA submitted a letter to PTAC supporting the model, stating that it has been “proven effective at both managing costs and enhancing quality.”
Dr. Kosinski explained how, to physicians, it often feels like patients are “submerged” in the ocean and only come up if there is trouble. The Project Sonar system involves “pinging” IBD patients once a month on their phone with a set of questions to help monitor their conditions. The answers are scored and, if the scores start rising, a nurse care manager coordinates with a physician to contact the patient to arrange a visit.

In an early test of 50 patients with Crohn’s disease, the model was found to cut hospitalizations and emergency visits by more than 50 percent each. Project Sonar received the PTAC recommendation for CMMI testing back in April and Dr. Kosinski met with CMMI officials Oct. 24. A final decision has yet to be made.

Based on Project Sonar’s success so far with PTAC, Dr. Kosinski offers these recommendations to physicians, health care organizations and specialty societies seeking Medicare APM approval.

**Home in on common needs.** For payers, this includes concerns about the cost of biologics and hospitalizations.

**Focus on top concerns.** PTAC’s review covers 10 categories, but Dr. Kosinski said the three they are most concerned about are scope, quality and cost, and payment methodology.

**Be concise.** Physicians have only 20 pages to tell their story. “Spend them wisely, every word counts,” Dr. Kosinski said. But, if follow-up requests for more information are made, he added “you don’t have to be as succinct” in the response. “If they’re asking for clarity, send them clarity.”

**Make your mark in 10 minutes.** After reviewing proposals, some physicians are invited to give a 10-minute presentation, and Dr. Kosinski urged presenters to make the most of it. “This is your chance to show your passion,” he said. “These things don’t succeed unless there’s passion. The passion has to come through.”

Resources on developing Physician-Focused Payment Models can be found on the AMA Medicare Alternative Payment Model webpage.

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