Webcast Outline

• Clinical Concept
• BPCI Advanced Model Overview
  • Model Development
  • Participation Requirements
  • Strategies for Success
  • Why Should I Participate in the Model?
• CMS Innovation Center Partnership
• Summary
Participants may earn additional payments from CMS, but may owe money back to CMS, if costs are higher than expected.

A bundled clinical episode links physician, hospital, and post-acute care payments to quality and cost.
CLINICAL CONCEPT
Patients Often Experience a Fragmented Healthcare System

Under FFS, healthcare can be challenging to navigate

- Providers often treat patients with incomplete information.
- Patients often receive conflicting advice.

Providers acting independently hold little accountability for cost or outcomes of care

Status Quo: Fee for Service (FFS)
**Hospitalist**
The hospitalist didn’t have access to Edna’s EHR and couldn’t reach her PCP. She wrote a discharge summary but did not see Edna after discharge.

**SNF Team**
The SNF was focused on her physical recovery. The team had limited knowledge of heart failure, provided a regular diet, and overlooked edema.

**Cardiologist**
The cardiologist was unaware of Edna’s admission and did not receive records before seeing her. Duplicative testing and treatment delays resulted.

**Edna, Patient**
Edna worked with several clinical teams that largely acted independently. She was unsure who was in charge and was confused by conflicting advice.
Bundled Clinical Episodes: A New Concept

- BPCI Advanced requires new thinking
- Participants must now coordinate the entire episode
Clinical Episodes Better Reflect How Patients Experience Care

Shifts emphasis from individual services towards a coordinated clinical episode

Establishes an “accountable party”

Clinical episodes are assessed on the quality and cost of care
Clinical Episode: Bundled Payment Experience

The hospitalist speaks with Edna’s PCP as soon as she is admitted.

The hospital team coordinates with the SNF and Edna’s outpatient providers.

Edna’s cardiologist is up to speed and adjusts her medications during her visit. She engages Edna in the treatment plan.
BPCI Advanced Builds on Experience

**Evidence From:**
- Commercial payer models
- Centers for Medicare and Medicaid Services (CMS)
- CMS Innovation Center models

**Stakeholder Input:**
- Stable target prices provided in advance
- Performance assessments account for patient and provider characteristics
BPCI Advanced is Different Than BPCI

Streamlined design
- One model, 90 day episode period
- Single risk track
- Inpatient and Outpatient episodes
- Preliminary target prices provided in advance
- Payment tied to performance on quality measures

Greater focus on physician engagement and learning

Designed as an Advanced APM under the Quality Payment Program
Who Leads Clinical Episodes?

Physician Group Practices (PGPs)

Acute Care Hospitals (ACHs)
Participants May Work With a Convener

A Convener is a Medicare enrolled provider or supplier or an entity that is not enrolled in Medicare.

Conveners may:

• Facilitate participation by smaller PGPs or ACHs
• Provide data and analytic feedback
• Offer logistical and operational support
• Bear financial risk to CMS under the Model
Spine, Bone, and Joint Episodes
- Back & neck except spinal fusion
- Spinal fusion (non-cervical)
- Cervical spinal fusion
- Combined anterior posterior spinal fusion
- Fractures of the femur and hip or pelvis
- Hip & femur procedures except major joint
- Lower extremity/humerus procedure except hip, foot, femur
- Major joint replacement of the lower extremity
- Major joint replacement of the upper extremity
- Double joint replacement of the lower extremity

Kidney
- Renal failure

Infectious Diseases
- Cellulitis
- Sepsis
- Urinary tract infection

Neurology
- Stroke
29 Inpatient (IP) Clinical Episodes

Cardiac Episodes
- Acute myocardial infarction
- Cardiac arrhythmia
- Cardiac defibrillator
- Cardiac valve
- Pacemaker
- Percutaneous coronary intervention
- Coronary artery bypass graft
- Congestive heart failure

Pulmonary Episodes
- Simple pneumonia and respiratory infections
- COPD, bronchitis, asthma

Gastrointestinal Episodes
- Major bowel procedure
- Gastrointestinal hemorrhage
- Gastrointestinal obstruction
- Disorders of the liver excluding malignancy, cirrhosis, alcoholic hepatitis (New Episode for BPCI Advanced)
3 Outpatient (OP) Clinical Episodes

- Percutaneous Coronary Intervention (PCI)
- Cardiac Defibrillator
- Back & Neck Except Spinal Fusion
How Does BPCI Advanced Work?

Clinical Episode triggered by either an inpatient (IP) hospital stay (Anchor Stay) or outpatient (OP) procedure (Anchor Procedure)

Clinical Episode attributed to PGP or ACH

Care provided under standard fee-for-service (FFS) payments.

At the end of each Performance Period, quality and cost performance are assessed.
Services Included in the Clinical Episode

- IP or OP hospital services that comprise the Anchor Stay or Anchor Procedure (respectively)
- Physicians’ services
- Other hospital OP services
- IP hospital readmission services
- Long-term care hospital (LTCH) services
- Hospice services
- Inpatient rehabilitation facility (IRF) services
- Skilled nursing facility (SNF) services
- Home health agency (HHA) services

- Clinical laboratory services
- Durable medical equipment (DME)
- Part B drugs
Single list of excluded MS-DRGs apply to Clinical Episodes, which will include 132 MS-DRGs:

- Transplant & Tracheostomy
- Trauma
- Cancer (when cancer is explicitly indicated by MS-DRG)
- Ventricular Shunts
Service-level Exclusions from the Clinical Episode

Blanket exclusions:
• Blood clotting factors to control bleeding for hemophilia patients
• New technology add-on payments under the IPPS
• Payments for items and services with pass-through payment status under the OPPS

Part B services:
• Excluded only if incurred during a excluded ACH admission or readmissions
• BPCI Advanced will not follow the clinically related criteria guiding Part B exclusions used in BPCI
The Hospital’s Benchmark Price accounts for three central factors:

- Patient case-mix
- Patterns of spending relative to the ACHs peer group
- Historic Medicare FFS expenditures efficiency in resource use specific to the ACHs Baseline Period
PGP Benchmark Prices

• Physicians may have distinctive practice profiles, informed by:
  o Care philosophy
  o Training / experience
  o Context

• Limited feedback on how quality and cost profiles compare to peers

• PGP benchmark prices are anchored on the ACH where episodes occur, but are adjusted for each PGPs historical experience
  o Allows more physicians to participate
  o Establishes a pathway for practice refinement over time
Quality Measures

Will include **claims-based measures** through 2020

Additional measures with varying reporting mechanisms may be added in the future
The CMS Innovation Center Partners with Participants

- **Providers**
  - Care for patients on the front line
  - Engage in continuous quality improvement

- **CMS Innovation Center**
  - Provides greater transparency on cost and quality of services provided
  - Establishes payment mechanisms that support improved care processes
  - Rewards providers that deliver greater value
CMS Innovation Center Learning Systems Have Three Broad Functions

1. Identify and package new knowledge and best practices
2. Leverage data and participant input to guide change and improvement
3. Build learning communities and networks to disseminate successful strategies
Strategies for Success

- Patient Education
- Care Navigation
- Changing or Standardizing Care Protocols
- Data and Dashboards
- Multidisciplinary Steering Committees
- Post-Acute Care Preferred Provider Networks
Why Should You Participate?

• If successful, the model will result in streamlined, coordinated care episodes
  o Improve the patient experience
  o Improve outcomes
  o Decrease costs

• The model affords new flexibilities in care delivery

• As pressure on fee for service reimbursements continues, the world is shifting towards alternative payment models

• Advanced APM under the Quality Payment Program
Summary

• BPCI Advanced is a new voluntary Advanced APM
  o Builds on prior experience
  o Responsive to stakeholders

• Establishes responsibility for clinical episodes
  o Aims to catalyze health system transformation
  o Successful participants (quality, cost) may receive additional payments

• Will be an Advanced APM in the Quality Payment Program
Questions?
## Key Differences: BPCI vs. BPCI Advanced

<table>
<thead>
<tr>
<th>BPCI</th>
<th>BPCI Advanced</th>
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<tbody>
<tr>
<td>48 Inpatient (IP) clinical episodes</td>
<td>29 IP and 3 OP clinical episodes</td>
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<tr>
<td>Not an Advanced APM since lacking CEHRT requirement and quality not tied to payment</td>
<td>Model is an Advanced APM</td>
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<tr>
<td>No quality measures required for payment purposes</td>
<td>Quality measures are reportable and performance on these measures will be tied to payment</td>
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<td>Excludes cost of care associated with services according to 13 unique exclusion listings of “unrelated” care</td>
<td>Limited exclusions; Excludes the Part A &amp; B costs associated with ACH readmissions qualifying based on a limited set of MS-DRGs</td>
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<td>Model 3 includes PAC providers triggering episodes in the post-discharge period</td>
<td>No equivalent for Model 3; design is similar to Model 2 with PGPs and ACHs as EIs; PAC Providers, and other Medicare-enrolled, as well as non-Medicare-enrolled entities can participate as Convener Participants</td>
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| Risk corridor of 20% of spending above the upper limit of the selected risk track | One risk track  
Risk is capped at +/-20%  
Preliminary Target Price provided prospectively, before the start of each Model Year |
BPCI Advanced Essential Features

1. Encourage both high and low cost providers to participate
2. Reward Participants’ improvement over time
3. Adjust for patient case mix that is outside of providers’ control
4. Allow for trends in Clinical Episode spending by hospital peers
5. Promote Medicare savings while maintaining high quality care