

Bundled Payments  
for Care Improvement  
Advanced

**BPCI**  
**Advanced**

# Quality Payment PROGRAM

## CONCEPTUAL OVERVIEW

JUNE 2018



# 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

# BPCI Advanced Tests a Different Approach to Payment



A **bundled clinical episode** links physician, hospital, and post-acute care payments to quality and cost



Participants may earn **additional payments from CMS**, but may owe money back to CMS, if costs are higher than expected

# CLINICAL CONCEPT

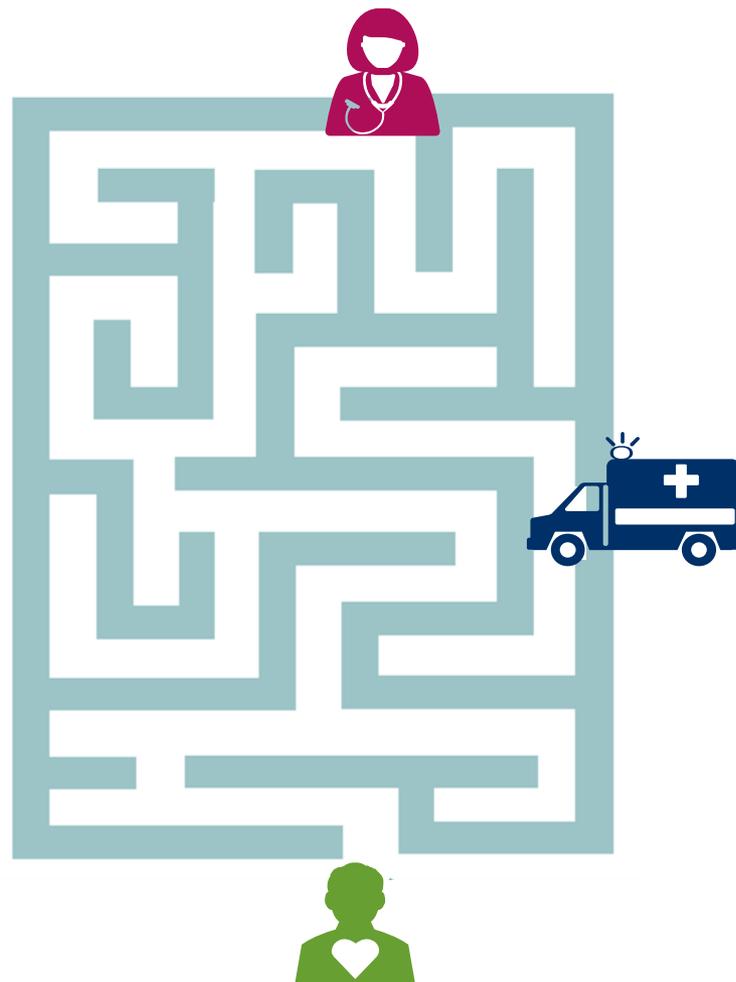
# Patients Often Experience a Fragmented Healthcare System

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)



# FFS Experience: Summary



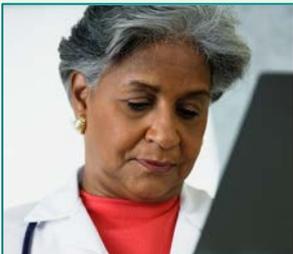
## Hospitalist

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.



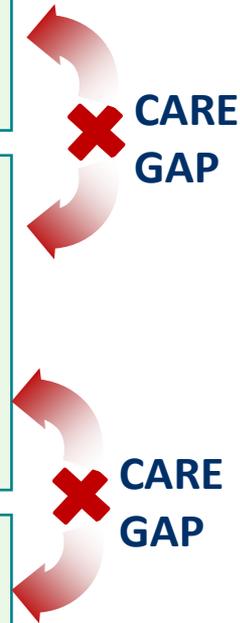
## SNF Team

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.

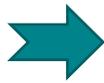
# Bundled Clinical Episodes: A New Concept

- BPCI Advanced requires new thinking
- Participants must now coordinate the entire episode

**FFS**



Hospital



Hospital



**Bundled Clinical Episode**



SNF



Patient's Home

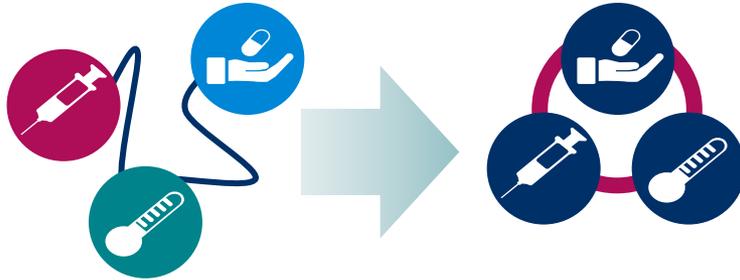


Cardiologist



PCP

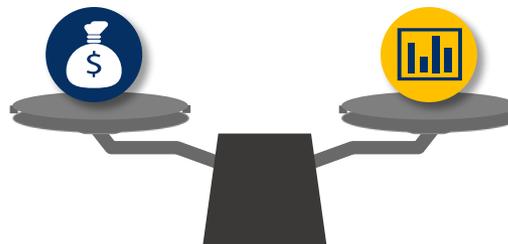
# Clinical Episodes Better Reflect How Patients Experience Care



Shifts emphasis from **individual services** towards a coordinated **clinical episode**



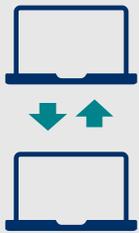
Establishes an “**accountable party**”



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 MODEL OVERVIEW

# 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**



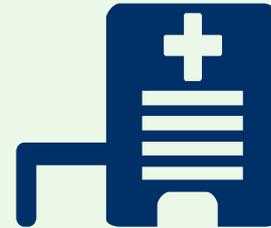
## Designed as an **Advanced APM** under the Quality Payment Program

# 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

# 29 Inpatient (IP) Clinical Episodes, Continued



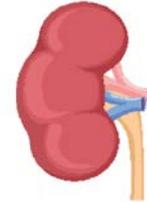
## Spine, Bone, and Joint Episodes



- 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)

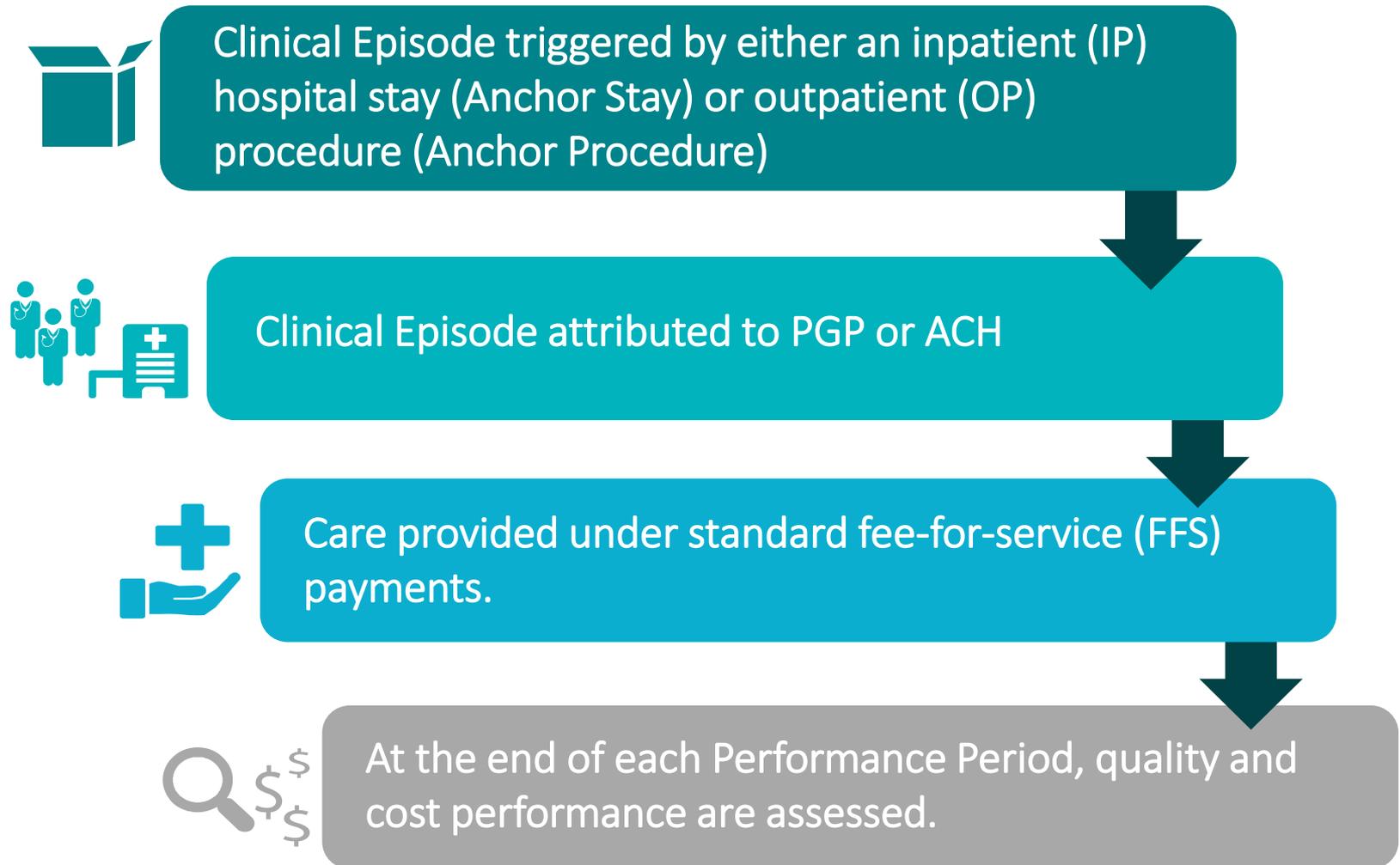


# 3 Outpatient (OP) Clinical Episodes

- Percutaneous Coronary Intervention (PCI)
- Cardiac Defibrillator
- Back & Neck Except Spinal Fusion



# How Does BPCI Advanced Work?



# 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



# Readmission Exclusions



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



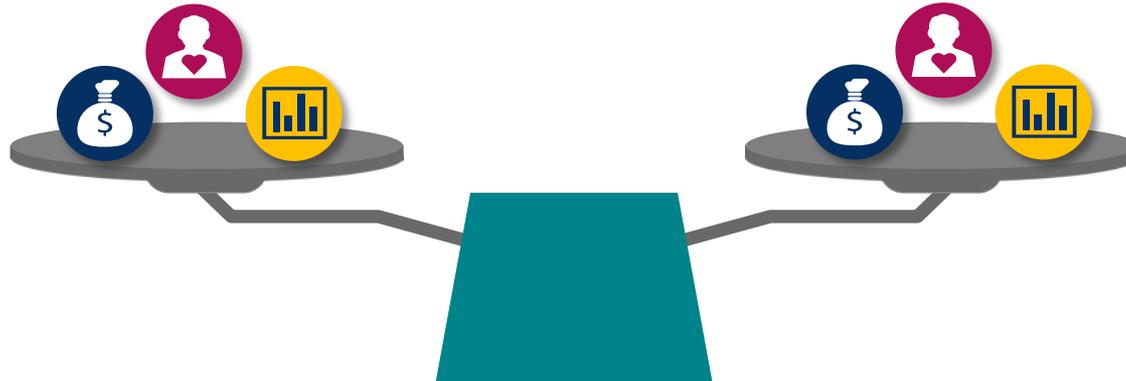
## Blanket exclusions:

- 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

# Acute Care Hospital (ACH) Benchmark Price



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:
  - Care philosophy
  - Training / experience
  - 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 PGP's historical experience
  - Allows more physicians to participate
  - 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



# CMS INNOVATION CENTER PARTNERSHIP

# 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



Data and  
Dashboards



Care  
Navigation



Multidisciplinary  
Steering Committees



Changing or  
Standardizing  
Care Protocols



Post-Acute Care  
Preferred Provider  
Networks

# Why Should You Participate?



- If successful, the model will result in **streamlined, coordinated care episodes**
  - Improve the patient experience
  - Improve outcomes
  - 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

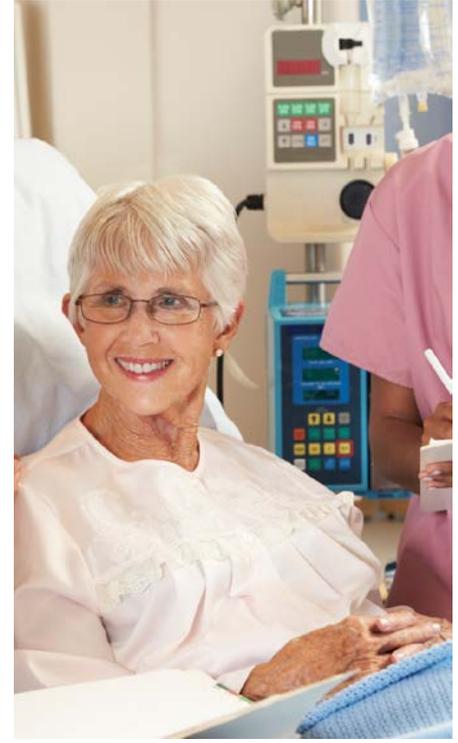
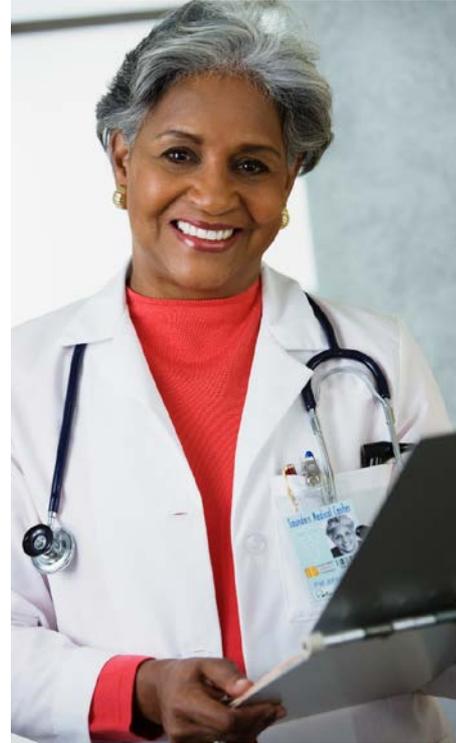


# Summary



- **BPCI Advanced is a new voluntary Advanced APM**
  - Builds on prior experience
  - Responsive to stakeholders
- **Establishes responsibility for clinical episodes**
  - Aims to catalyze health system transformation
  - 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



BPCI	BPCI Advanced
48 Inpatient (IP) clinical episodes	29 IP and 3 OP clinical episodes
Not an Advanced APM since lacking CEHRT requirement and quality not tied to payment	Model is an Advanced APM
No quality measures required for payment purposes	Quality measures are reportable and performance on these measures will be tied to payment
Excludes cost of care associated with services according to 13 unique exclusion listings of “unrelated” care	Limited exclusions; Excludes the Part A & B costs associated with ACH readmissions qualifying based on a limited set of MS-DRGs
Model 3 includes PAC providers triggering episodes in the post-discharge period	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
Risk corridor of 20% of spending above the upper limit of the selected risk track	One risk track Risk is capped at +/-20%
Target Prices provided at reconciliation	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



