

OHIC Alternative Payment Model Development

Project Description & Goals	
<p>Vendor: Bailit Health Michael Bailit</p> <p>State Contact(s): Cory King, OHIC</p> <p>Total SIM Funds Allocated: ~\$132,000* [*allocation is to multiple Bailit projects and includes IBH work presented at 6.13.19 Steering Committee meeting]</p>	<p>The SIM grant tasked states with leveraging their regulatory authority to drive transformation of the health care system. The SIM operational plan identified the Office of the Health Insurance Commissioner (OHIC) and the Medicaid program as the principal state agencies for advancing payment reform in the state. The transition from fee for service to alternative payment models (APMs) are a core focus of the SIM grant. OHIC's Affordability Standards established annual APM targets for commercial insurers to meet. OHIC monitors the use of APMs in the commercial market on a semi-annual basis.</p> <p>In 2017, OHIC sought to deepen its focus on payment reform by developing a capitation model for primary care. In August 2017, the Primary Care APM work group completed its work and final recommendations were issued by OHIC.</p> <p>OHIC is presently revising the Affordability Standards to extend payment reform as an imperative of public policy beyond the end of the SIM grant.</p>
Milestones & Accomplishments	Sustainability & Transition Planning
<ul style="list-style-type: none"> • In 2015, OHIC established payment reform targets for 2016 through 2018. Working with its Alternative Payment Methodology Advisory Committee, OHIC dove into discrete areas of payment reform, such as risk-based contracting, primary care APMs and episode-based payments. • OHIC tracks insurer compliance with the targets on a semi-annual basis. • A Primary Care Alternative Payment Model work group was convened in 2017 to develop the parameters of a primary care capitation payment model. The recommended parameters of the payment model were published in August 2017. • OHIC has worked with insurers to encourage development of primary care APMs and other value-based payment models. 	<ul style="list-style-type: none"> • OHIC is currently drafting amendments to the Affordability Standards regulations which will continue to focus on payment reform. • OHIC is resourced to do this work, with dedicated staff.
Challenges	
<ul style="list-style-type: none"> • Payment reform requires significant investment by insurers and providers. From the insurer side, the development of APMs, like capitation, require changes in contracting, operations, and plan design. Providers must invest in their workforce and change care delivery processes to be successful under APMs. These changes take time. • The evolution of risk-based contracting models has been ongoing, but levels of risk assumption remain modest. Lack of experience under risk-based models and concern over financial viability in event that losses are incurred are key challenges. 	

Impacts:

Patients

PCPs

Payers

Specialists

State Government

Community Mental Health Center Staff

Hospital & Long-Term Care Staff

Community Based Organizations

OHIC Measure Alignment Work Group

Project Description & Goals	
<p>Vendor: Bailit Health Michael Bailit Justine Zayhowski</p> <p>State Contact(s): Marea Tumber, OHIC</p> <p>Total SIM Funds Allocated: ~\$132,000* [*allocation is to multiple Bailit projects and includes IBH work presented at 6.13.19 Steering Committee meeting]</p>	<p>Alignment of quality measures both brings focus to a set of quality priorities and reduces administrative burden for providers and payers.</p> <p>In 2015, the SIM Steering Committee directed the development of Aligned Measure Sets for use across commercial and Medicaid contracts. Effective 1-1-2017, OHIC amended its Affordability Standards (Section 10(d)(3) of then OHIC Regulation 2) to require use in commercial value-based contracts. Medicaid at that time committed to voluntary alignment for its contracts.</p> <p>Each year, the State holds an annual process in which a stakeholder work group (“Work Group”) reviews the Aligned Measure Sets and recommends changes, as necessary, for implementation the following calendar year.</p> <p>Topics covered during the annual review will include:</p> <ul style="list-style-type: none"> • Changes to HEDIS and CMS ACO measures within the Aligned Measure Sets; • Review of “Developmental” measures (measures that address priority areas but have not yet been defined, validated, and/or tested for implementation); • Follow-up tasks from the prior year’s annual review; • Candidates for removal from the Aligned Sets based on assessed opportunity for improvement, lack of use in contracts, and other criteria, and • Candidates for addition based on new measures added to nationally recognized sets and/or stakeholder recommendation.
Milestones & Accomplishments	Sustainability & Transition Planning
<ul style="list-style-type: none"> • The Work Group developed and maintains Aligned Measure Sets for contractual use in the following contract types: ACO, outpatient behavioral health, hospital, maternity care, and primary care. • The Work Group has annually reviewed the measure set each year since measure set creation and held its 2019 initial annual review meeting on July 16th. During that meeting, the Work Group discussed key considerations for the 2019 annual review, including criteria by which to consider candidates for removal from the Aligned Measure Sets, and began its review of the Primary Care Set. • The Work Group has three additional meetings scheduled to complete its 2019 annual review process. 	<ul style="list-style-type: none"> • The Work Group is scheduled to conclude its 2019 work on August 27, 2019. Recommendations of the Work Group are due to the Commissioner shortly thereafter. • The recommendations made by the Work Group will be considered by the Commissioner for possible adoption for 2020 commercial value-based contracts. • OHIC is resourced to do this work, with dedicated staff.
Challenges	
<ul style="list-style-type: none"> • None at this time. 	

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