

Arkansas Health Care Payment Improvement Initiative: A Spotlight on the 3rd Annual Statewide Tracking Report

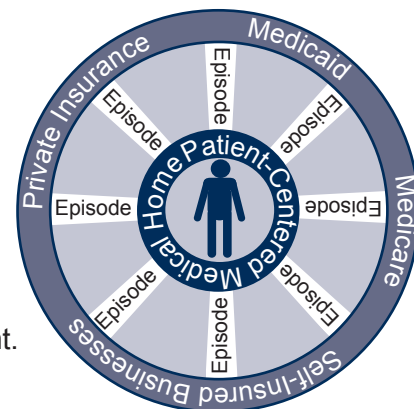
April 2018

OVERVIEW

In 2012, Arkansas implemented the Arkansas Health Care Payment Improvement Initiative (AHCPII), a unique patient-centered, value-based payment reform initiative aimed at improving health, enhancing healthcare quality and access, and reducing the cost of care. AHCPII has statewide engagement from multiple public and private payers and consists of two primary strategies:

- a robust total cost of care patient-centered medical home (PCMH) program; and
- an episodes of care model.

The annual **Statewide Tracking Report**¹ shows enrollment summaries, aggregate quality measure outcomes, financial impacts, and updates on infrastructure development. This infographic highlights some of the program outcomes in the May 2017 **3rd Annual Statewide Tracking Report**, along with some updated program information.



For the full 2017 report or prior years' reports, visit: www.achi.net/pages/OurWork/Project.aspx?ID=112

Participating Payers: Arkansas Medicaid | Arkansas Blue Cross and Blue Shield (BCBS) | QualChoice | Centene/Ambetter | Medicare | Arkansas State Employee and Public School Employee Plan | Walmart | HealthSCOPE | Arkansas Superior Select

MULTI-PAYER TOTAL COST OF CARE PCMH PROGRAM

The PCMH program is designed to improve quality and contain costs by supporting the delivery of better-coordinated, team-based care to patients. Practices voluntarily participating in the PCMH program receive upfront financial support for care coordination and practice transformation. Additionally, these practices are rewarded with incentive payments, or shared savings, for providing high-quality care and effectively managing the cost of care.

PCMH PROGRAM HIGHLIGHTS

2016 PCMH Enrollment by Payer

Payer & Type	Beneficiaries	Practices	PCPs
Arkansas Medicaid	330,000	193*	919*
Arkansas BCBS	250,000	158	678
QualChoice	11,000	85	618
Centene/Ambetter	16,000	237	606

Public Commercial

Approximately 80% of Medicaid beneficiaries are enrolled in the PCMH program

2015 PCMH Quality Metric Outcomes**

Arkansas Medicaid

40%

of quality measures improved or stayed the same

Arkansas BCBS

75%

of quality measures met

PCMH Practice Transformation Improvements



Improved care coordination



Increased access to care



Enhanced team-based care



Improved communication with hospitals and specialists, and integration with other providers

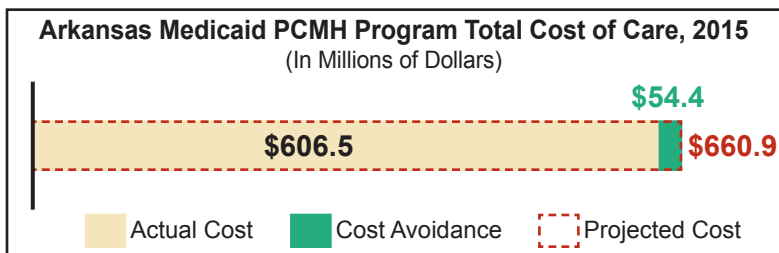
* Numbers are for year 2017.

** Quality outcome measures currently available only for PCMH programs under Arkansas Medicaid and Arkansas BCBS.

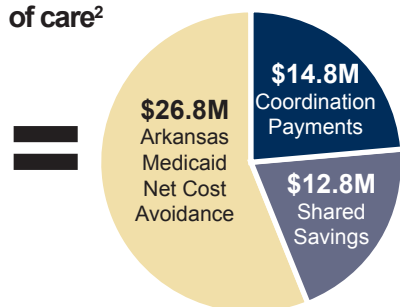
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MEDICAID PCMH PROGRAM HIGHLIGHTS

Arkansas Medicaid PCMH Program Cost Outcomes***



In 2015, Arkansas Medicaid **avoided \$54.4M** in total cost of care²



The \$12.8M in shared savings was awarded to **53 practices**



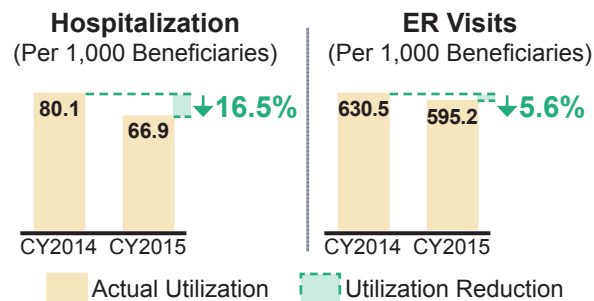
In the first 2 years of the PCMH program (2014 & 2015), Arkansas Medicaid awarded **\$21.6M** in shared savings

Arkansas Medicaid PCMH Program Practice Transformation²

93.4%

of practices **achieved all** practice transformation milestones

Arkansas Medicaid PCMH Program Hospital and ER Utilization



*** The Medicaid PCMH results reflect beneficiaries managed by Arkansas Medicaid. PCMH outcomes for beneficiaries covered under commercial plans are not included.

PCMH PROGRAM: COMPREHENSIVE PRIMARY CARE PLUS INITIATIVE (CPC+)

CPC+ is a voluntary five-year, multi-payer initiative that began in January 2017. Arkansas was one of 14 states selected to participate in the program. CPC+ is in alignment with the state's PCMH program and extends Medicare participation in PCMH to primary care practices statewide. The program is designed to strengthen primary care delivery, promote better health outcomes, and control overall healthcare costs.

Payer Participation

- Arkansas Medicaid
- Arkansas BCBS
- QualChoice
- Centene/Ambetter
- Medicare
- HealthSCOPE
- Arkansas Superior Select

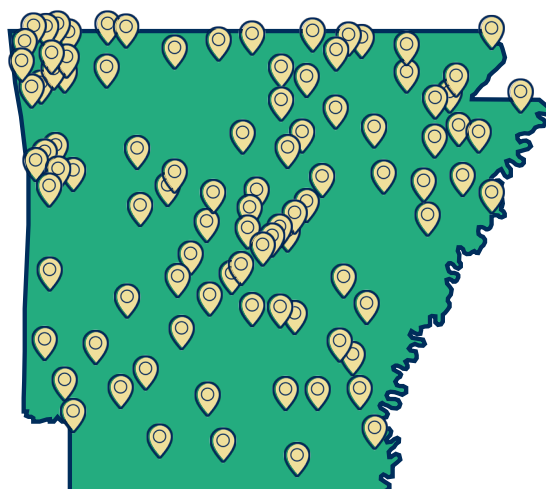
2017 Practice Participation

193 practices are participating in Arkansas Medicaid PCMH

182 practices are participating in CPC+

55 practices have all primary care providers enrolled in both programs

Locations of Practices Participating in Arkansas Medicaid PCMH, CPC+, or Both Programs



CPC+ HIGHLIGHTS

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EPISODES OF CARE MODEL

The episodes of care model is designed to improve quality, contain costs, and reduce variation in the treatment of acute conditions and the delivery of specialty procedures. An episode of care is the collection of care provided to treat a particular condition for a given length of time. In each episode of care, a principal accountable provider (PAP) is identified to manage quality, minimize treatment variations, and control cost. Each PAP receives quarterly performance reports and may be eligible for shared savings if their team's performance achieves commendable status.

Multi-Payer Episodes of Care Participation

EPISODES OF CARE PAYER PARTICIPATION

Episode	Arkansas Medicaid	Arkansas BCBS	QualChoice****
1 Upper Respiratory Infection (URI)	✓		
2 Perinatal	✓	✓	✓
3 Congestive Heart Failure	✓	✓	
4 Total Joint Replacement (TJR) (Hip & Knee)	✓	✓	✓
5 Colonoscopy	✓	✓	
6 Cholecystectomy (Gallbladder Removal)	✓	✓	✓
7 Tonsillectomy	✓	✓	
8 Oppositional Defiance Disorder (ODD)*****	✓		
9 Coronary Artery Bypass Grafting	✓	✓	
10 Asthma	✓	✓	
11 Chronic Obstructive Pulmonary Disease (COPD)	✓	✓	
12 Attention Deficit Hyperactivity Disorder (ADHD)*****	✓		
13 Percutaneous Coronary Intervention (PCI)	✓	✓	✓

**** QualChoice episode outcomes were not available for 2015, but are anticipated to be included in future reports.

***** Effective January 1, 2018, the ADHD and ODD episodes of care will cease, and care management for the patients will transfer to the Arkansas Medicaid PCHM program as part of the Behavioral Health Transformation initiative.

EPISODES OF CARE HIGHLIGHTS

Select Arkansas Medicaid Episodes of Care Outcomes

↓ 47%
2013 to 2015

**Pathology Lab Test
After Tonsillectomy**

↓ 28%
2012 to 2015

**URI Antibiotic
Prescriptions**

↓ 7%
2012 to 2015

**Perinatal C-Section
Rate**

↑ 87%
2014 to 2015

**COPD Rate of Follow-Up
Physician Visits**

Select Arkansas BCBS Episodes of Care Outcomes

↓ 5%
2014 to 2015

**Tonsillectomy Average
Episode Cost**

↓ 17%
2014 to 2015

**Congestive Heart Failure
Average Length of Stay**

↓ 3%
2014 to 2015

**Perinatal C-Section
Rate**

↓ 19%
2014 to 2015

**PCI Number
of Episodes**

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MOVING FORWARD

Now in its fifth year of implementation, the AHCPPII has demonstrated statewide improvements in quality and cost containment, while positioning Arkansas as a national leader in shifting a majority of care to patient-centered, value-based models. Continued success of the AHCPPII relies on statewide participation, ongoing innovation, and research.

Provider-led Arkansas Shared Savings Entity (PASSE) for Those with Mental Illness or Developmental Disabilities

The unique PASSE organized care model is currently being implemented by Arkansas Medicaid. The PASSE is designed to provide additional support for some of Arkansas's most vulnerable populations, including individuals with developmental disabilities, individuals who need long-term services and supports, and individuals with severe or persistent behavior health needs. On Feb. 1, 2018, PASSEs began providing care coordination for its Medicaid beneficiaries identified as requiring higher levels of services (Tiers II or III) on a fee-for-service basis. This is anticipated to change on Jan. 1, 2019, when PASSEs will receive a global payment from Arkansas Medicaid to cover the cost of benefits, administration, and care coordination and will be responsible for their beneficiaries' total cost of care.³

Additional Episodes

Arkansas Medicaid and Arkansas BCBS are exploring the development of additional episodes, including appendectomy, uncomplicated pediatric pneumonia, hysterectomy, and urinary tract infection (when an ER visit is involved). Additional episodes deployed, or under development, increase the proportion of surgical, specialty, or intensive care under the value-based purchasing strategies. The consistent definition of the episode, identification of the PAP, and articulation of quality expectations across payers will continue to reinforce and support the desired reduction in variability in utilization, outcomes, and costs.

Sustaining Improvements and Continuing Evaluation

In addition, efforts to monitor and evaluate AHCPPII by researchers in- and out-of-state will continue to be essential in identifying and quantifying the initiative's impact. In 2017, researchers from the Harvard Medical School found that compared to surrounding states, perinatal spending in Arkansas decreased overall by 3.8 percent after the episodes of care model was implemented.⁴ These critical monitoring and evaluation efforts—as well as continued engagement from providers, patients, state leaders, and others—are necessary to sustain the progress and success of AHCPPII.

To follow AHCPPII progress, visit www.paymentinitiative.org.

REFERENCES

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2. Arkansas Medicaid. (2017, December 6). Quality update looking back and ahead [Presentation at the Arkansas Medicaid Educational Conference]. Retrieved from https://afmc.org/wp-content/uploads/2017/12/PROREL_ArMediCon_GoldenPPT_20171205.pdf
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4. Carroll et al. (2017 October). Effects of episode-based payment on health care spending and utilization: evidence from perinatal care in Arkansas. *National Bureau Of Economic Research*. Retrieved from <http://www.nber.org/papers/w23926.pdf>