SEAC 2021

Wakely
BEYOND THE NUMBERS

CMMI Initiatives & the Future of Value-Based Arrangements

November 19, 2021

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Agenda

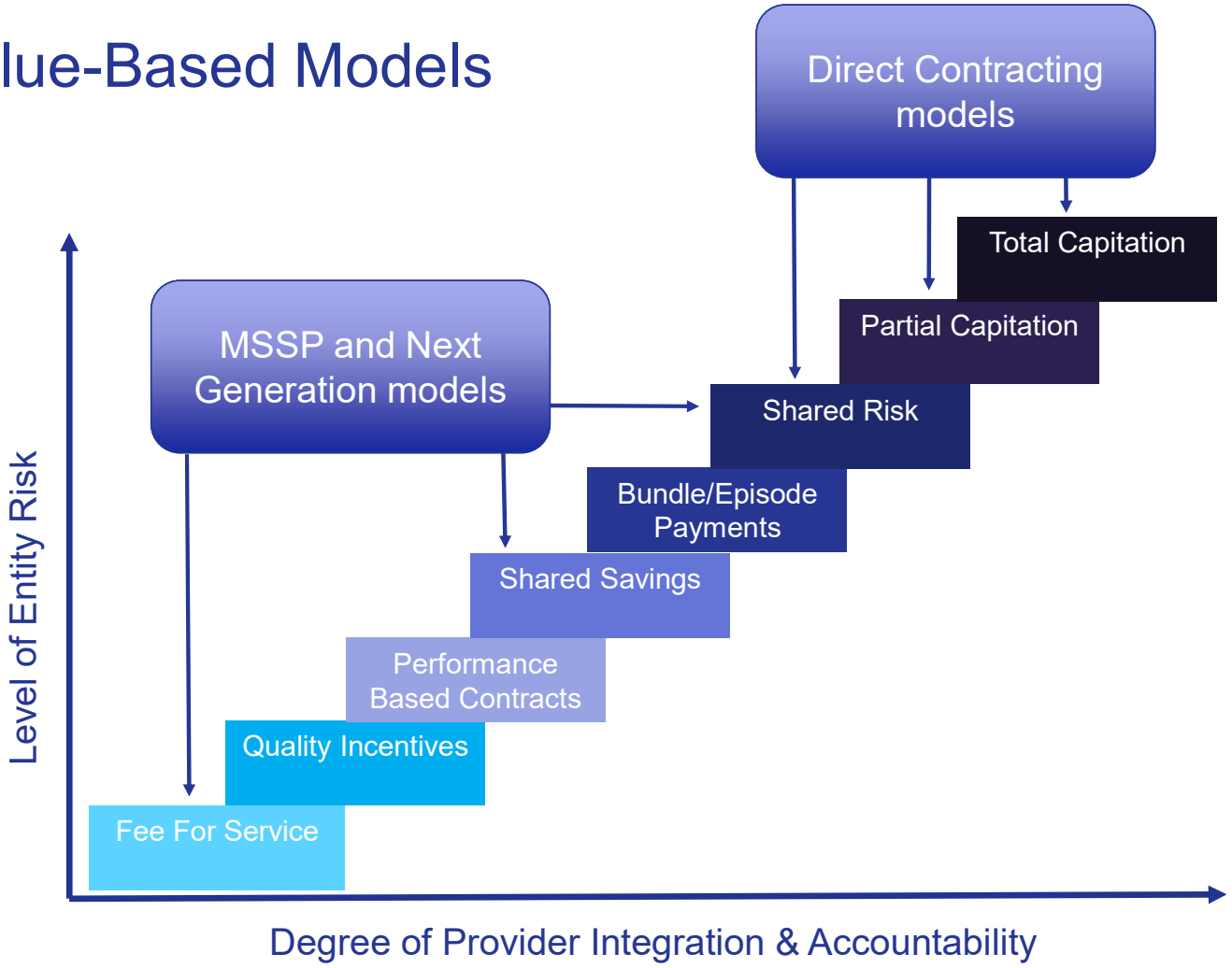
History of CMMI Programs

CMMI Vision for the Next Decade

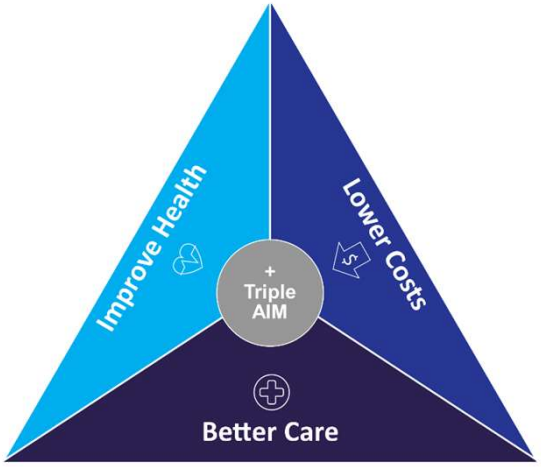
Direct Contracting and MSSP Overview

History of CMMI Programs

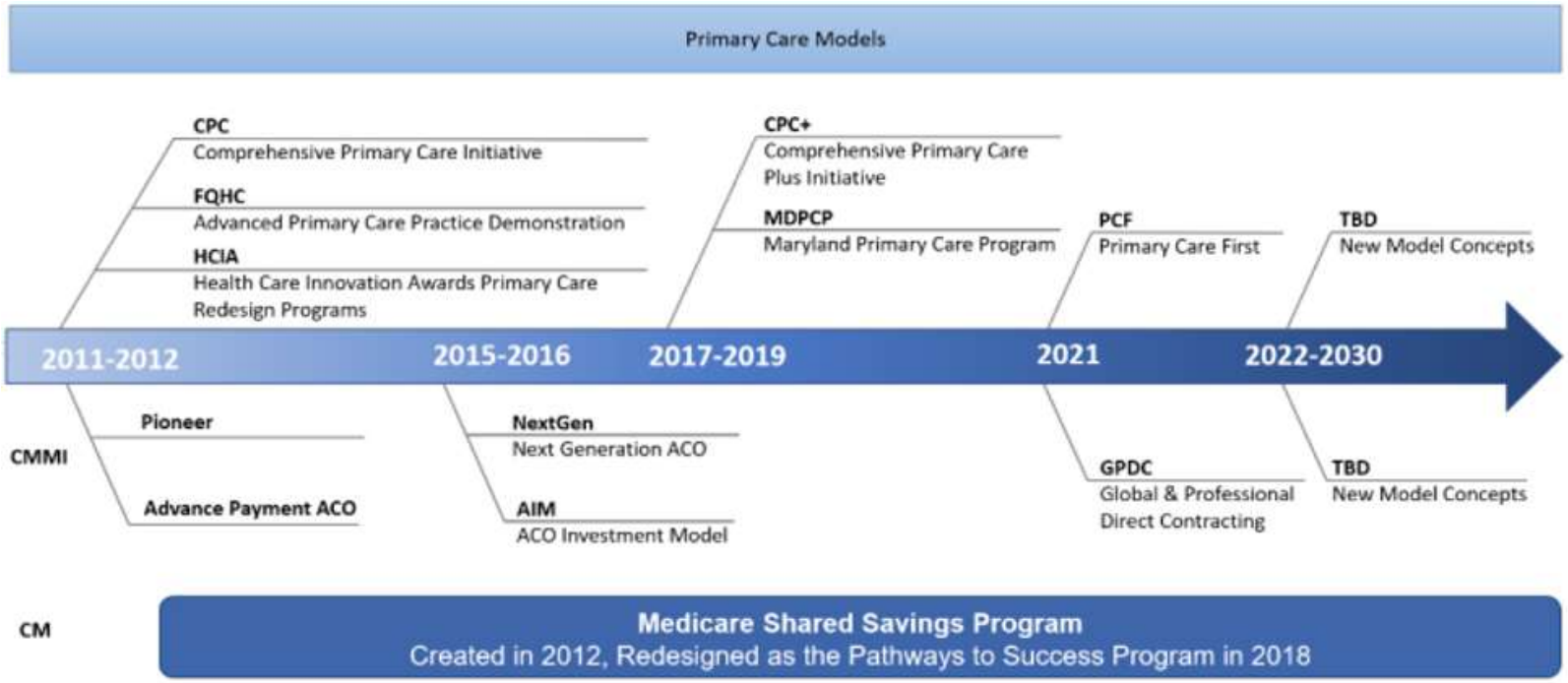
Value-Based Models



- Value based program = care delivery reform + quality component + payment reform
- Value based care doesn't describe a model, but a spectrum of models



History of CMMI/CMS Programs



CMMI has a wide variety of programs aimed at achieving the Triple Aim

Source: https://innovation.cms.gov/strategic-direction

CMMI's Vision for the Next Decade

CMMI's Strategic Objectives

Vision

Source: https://innovation.cms.gov/strategic-direction

CMMI's Strategic Objectives – Key Learnings

Ensure health equity is embedded in every model

Streamline the model portfolio and reduce complexity and overlap to help scale what works

Tools to support transformation in care delivery can assist providers in assuming financial risk

Design of models may not consistently ensure broad provider participation

Complexity of financial benchmarks have undermined model effectiveness

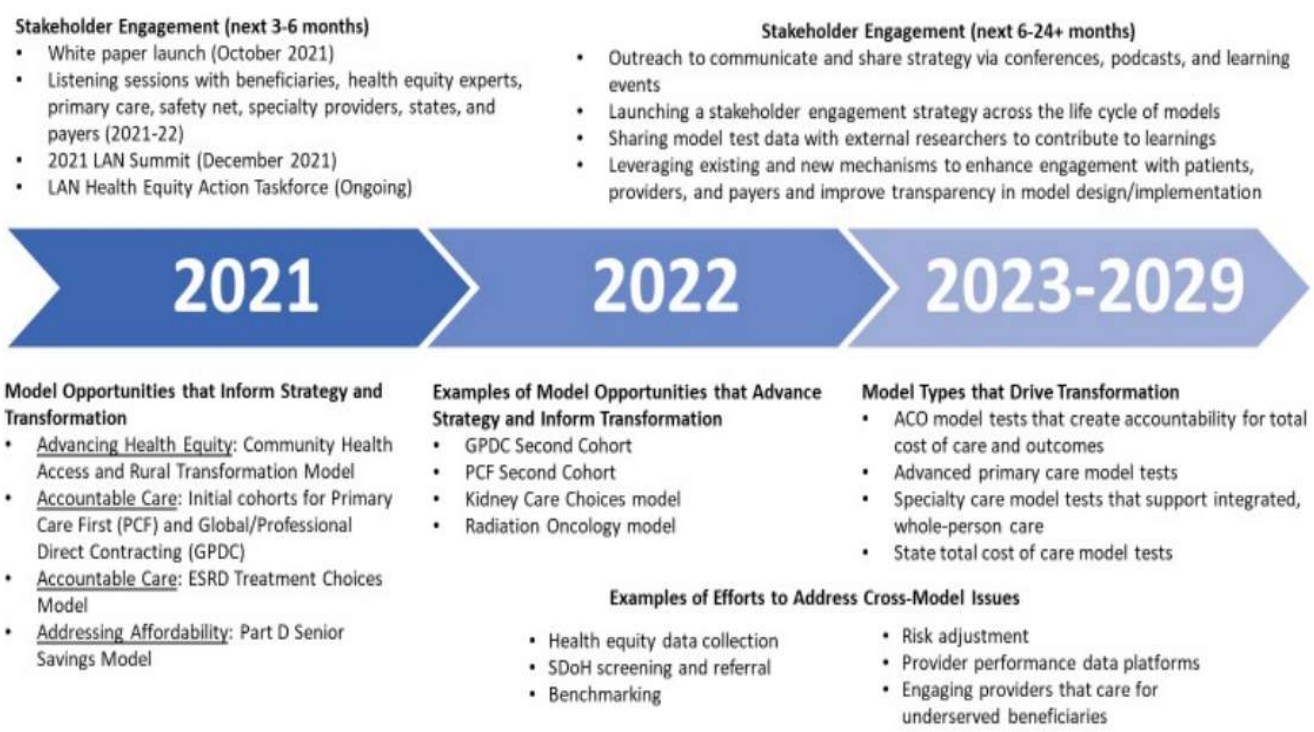
Models should encourage lasting care delivery transformation

*Source: https://innovation.cms.gov/strategic-direction

CMMI's Strategic Objectives – Timeline

Commitment to Total Cost of Care Models

- All Medicare FFS Beneficiaries will be in a care relationship with accountability for quality and total cost of care by 2030
- The vast majority of Medicaid beneficiaries will be in a care relationship with accountability for quality and total cost of care by 2030



Source: https://innovation.cms.gov/strategic-direction

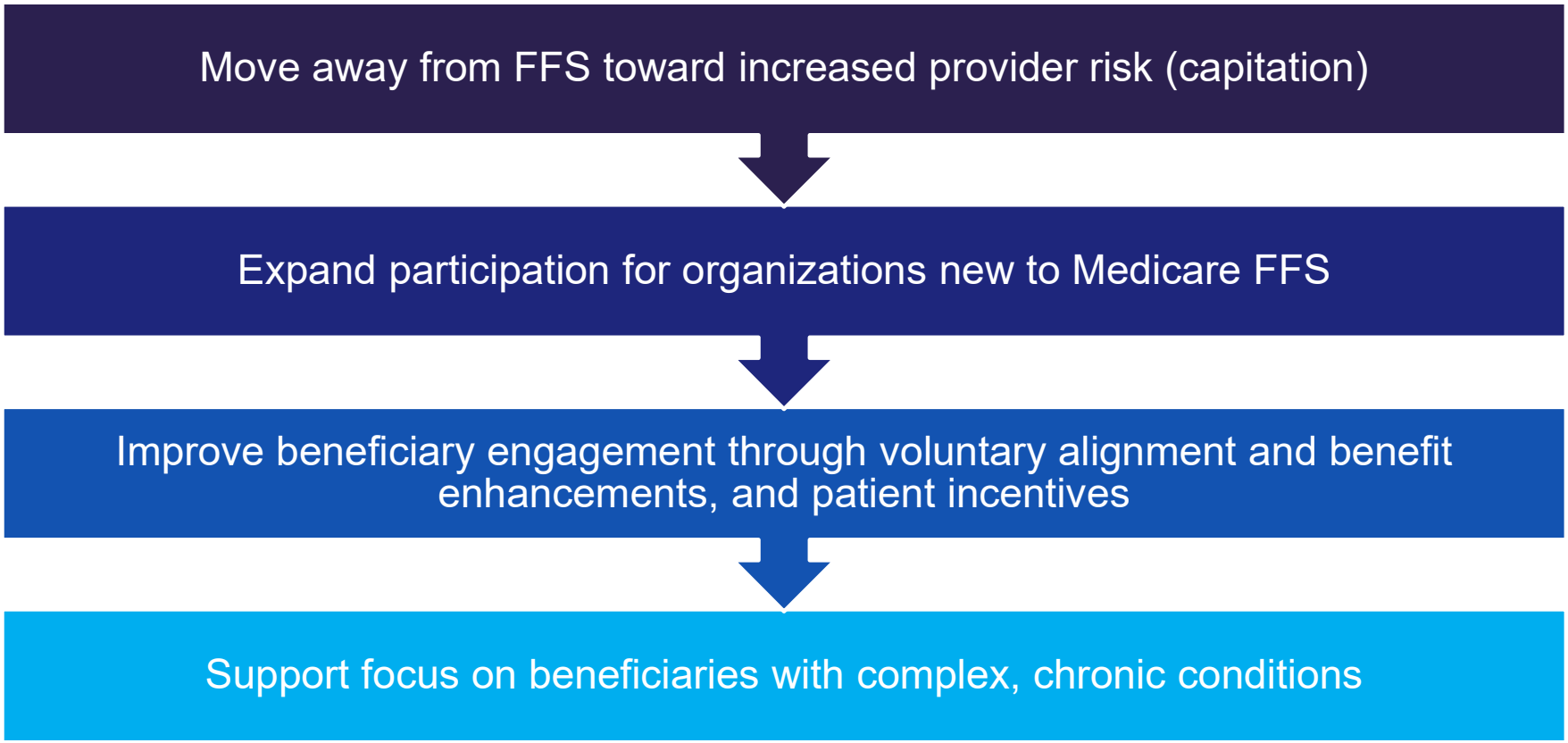
Direct Contracting

Direct Contracting Overview

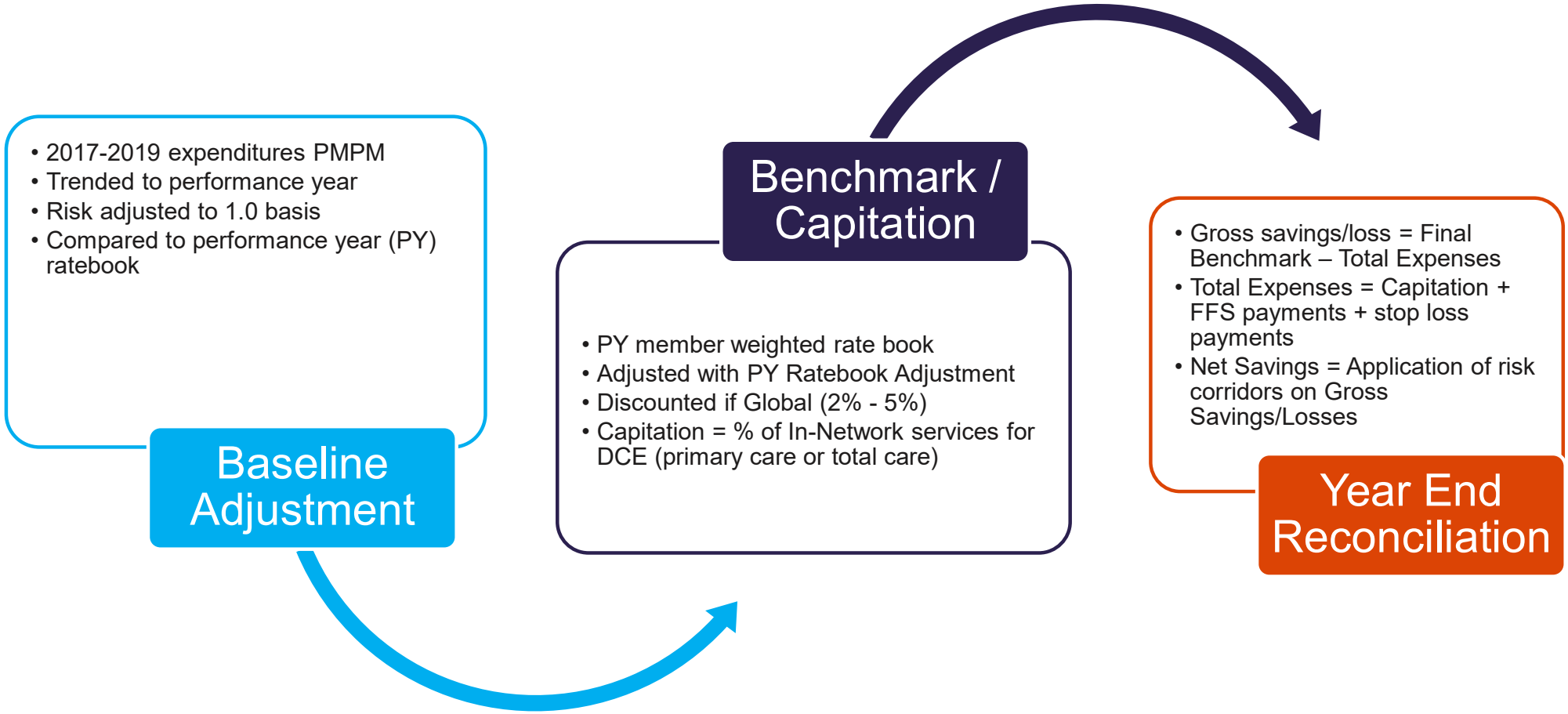
	GPDC Models – 4/1/2021 Start		On Hold
	Professional	**Global**	**Geographic**
Risk-Share	50% of shared savings/losses	100% of shared savings/losses	100% of shared savings/losses
Direct Contracting Entities (DCE)	Physician practices, ACOs, Medicaid MCOs		Large regional health systems, ACOs, Medicaid MCOs, MA plans
Beneficiary Alignment	Prospective alignment; Prospective Plus Alignment / Emphasis on Voluntary Alignment		Claims-Based, Voluntary, and Random Alignment
Capitation Payments to DCE	Primary Care Capitation / Advanced Payment Option	Primary Care / Advanced Payment Option or Total Care Capitation	Total Care Capitation or full FFS risk with reconciliation
Benefit Waivers	SNF 3-Day Waiver, Telehealth Expansion, Post-Discharge Home Visit, Care Management Home Visit; Considering additional home health waivers		
Patient Engagement Incentives	OTC vouchers, transportation vouchers, cost share reductions, meal support, wellness programs, items to support chronic disease management		

**GPDC = Global Professional Direct Contracting*

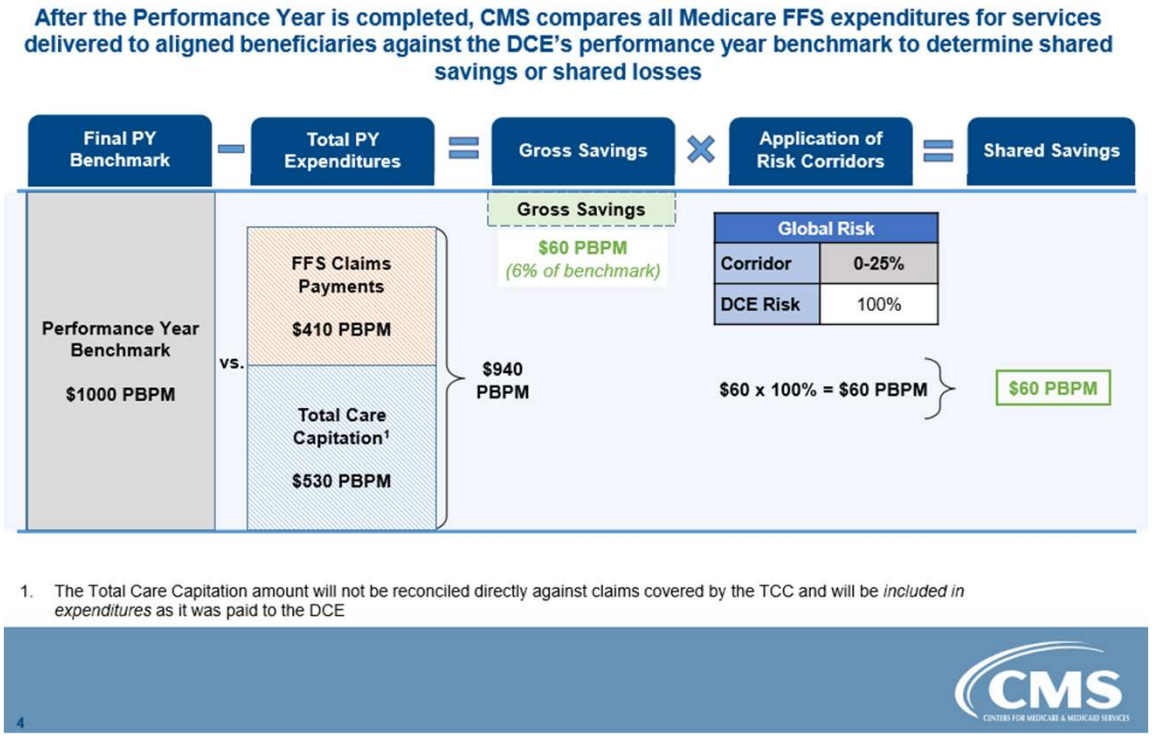
CMMI Direct Contracting Goals

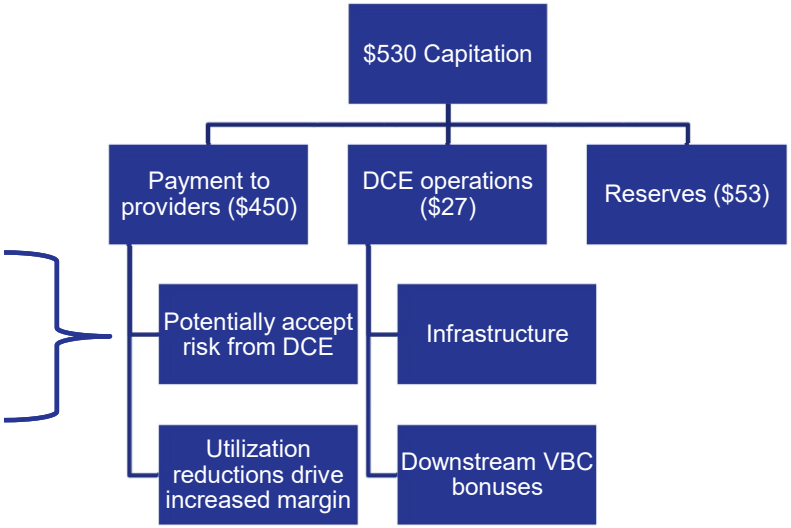


Financial Methodology



Example Reconciliation





*https://innovation.cms.gov/resources/dc-model-options-payment-two.html

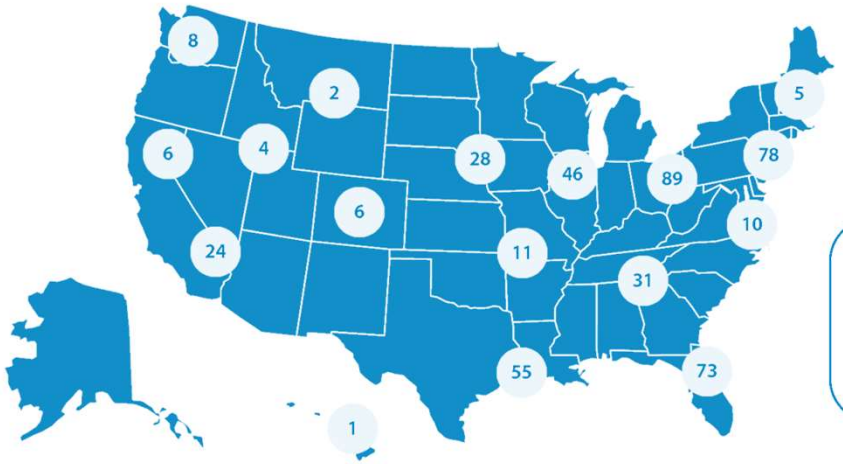
Direct Contracting Participation

- Expecting increased participation in 2022
- Future application period is unknown

Medicare Shared Savings Program (MSSP)

MSSP Overview

The Shared Savings Program is committed to achieving better health for individuals, better population health, and lowering growth in expenditures.



477 Shared Savings Program ACOs are providing care to 10.7 million beneficiaries

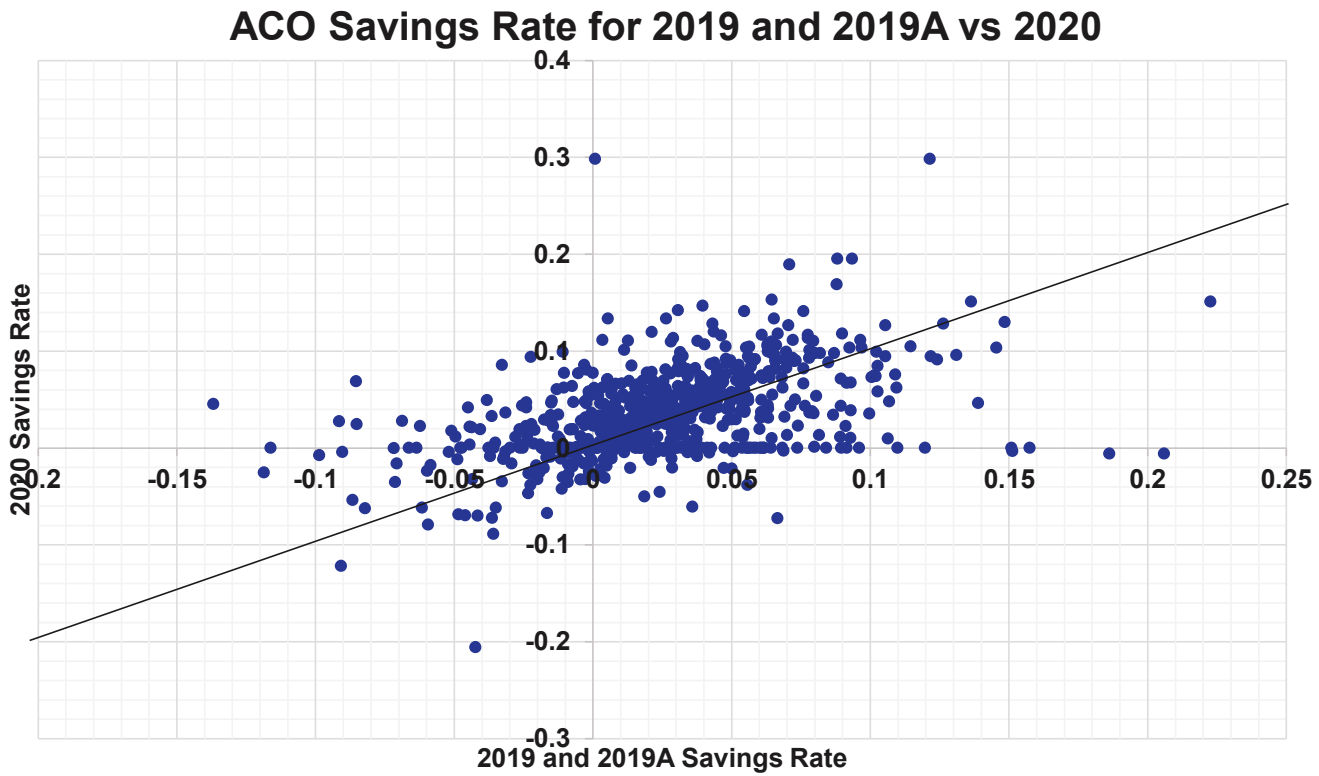
 # Number of ACOs in the area.
NOTE: This area may cover organizations serving beneficiaries across multiple states.

source: Performance Year 2021 Medicare Shared Savings Program Accountable Care Organizations

Excluding Medicare Advantage participants, Medicare ACO programs now care for almost a third of Medicare beneficiaries

2020 Shared Savings

2019 vs 2020 Performance



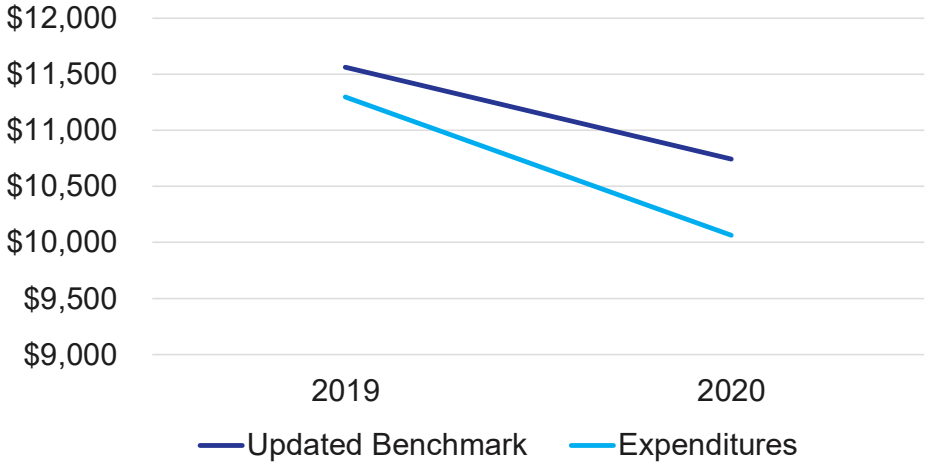
- On average, ACOs performed more favorably in 2020 than 2019 and 2019A with 3.7% average savings rate in 2020 vs 2.6% in 2019 and 2019A.
- Almost two-thirds of ACOs (64%) performed better in 2020 than in 2019 or 2019A.
- The variance in results was slightly higher in 2020.

2020 Shared Savings

2019 vs 2020 Performance

Updated Benchmark = Historic Benchmark with Regional Adjustment X Risk Score Changes from BY3 to PY X National and Regional Expenditure trend from BY3 to PY

Average Benchmark and Expenditures by Year



	2019	2020	Change
Historic Benchmark	$ 10,610	$ 11,245	6.0%
Updated Benchmark	$ 11,563	$ 10,743	-7.1%
Expenditures	$ 11,298	$ 10,063	-10.9%

2020 Performance

COVID Impacts on Shared Savings

No Shared Losses

- Due to the public health emergency, CMS has removed any downside risk for ACOs in 2020. No ACOs will need to pay back losses.

COVID related expenditures removed from performance

- Within the benchmark trend and the ACO specific expenditures

Telehealth

- CMS has expanded the definition of primary care services to include certain telehealth visits as well

Medicare Shared Savings Program

Proposed Changes to the Program

Financial/Shared Savings	Increase Shared Savings rates to be no less than 50%
	Increasing risk ratio cap to be 5% rather than 3% over 5 years
	Adding a cap on the low side of the risk ratio
Equity	Rural Glitch – remove ACO beneficiaries from the regional portion of their benchmark
	Study racial disparities for ACOs vs FFS
Funding Support for ACOs	Advanced Funding for ACOs
	AIM and CHART model – startup and ongoing funding to support ACOs
Other	Eliminate the High/Low Revenue distinction for ACOs
	Allow more time before ACOs are required to take on downside risk
	Adjust the threshold required to qualify as an Advanced APM

Questions?