

Baskets of Care

The Journey



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What Are Baskets of Care?

- A bundling of services typically paid for separately on a fee-for-service basis.
- May be organized around specific conditions, procedures, populations, or other services.

MN Baskets of Care Objectives

- Improve patient outcomes
- Provide financial incentives to manage care more proactively
- Provide greater transparency to consumers
- Allow for comparability
- Allow for innovation in the organization and delivery of health care services



Baskets of Care Legislation

- Minnesota Statutes, section 62U.05
- MDH must establish at least seven baskets by July 1, 2009.
 - Identify conditions/episodes of care to include in the seven baskets, using:
 - Prevalence
 - Cost of treatment
 - Potential for innovations to reduce cost and improve quality



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Baskets of Care Legislation

- Providers may opt to package services and establish package prices for baskets of care beginning January 1, 2010.
- Payers may decide whether or not to buy the basket at the established price.



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Baskets of Care

- MDH must establish quality measures for each basket by December 31, 2009.
- Beginning July 1, 2010, MDH must publish comparative price and quality information on the baskets of care in a manner that is easily accessible and understandable to the public, as information becomes available.



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Baskets of Care

- MDH contracted with ICSI to facilitate the baskets of care development process:
 - Baskets of Care Steering Committee
 - MDH convened a steering committee in January 2009 to identify the initial seven baskets of care.
 - Seven Baskets of Care Subcommittees
 - Four Work Groups-- Operations/ Administrative Challenges Challenges Phase I and Phase II, Measurement, and Communications)



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Baskets of Care Development Process

Steering Committee:

Broadly Representative Membership

- Chairs

- Dr. George Isham, HealthPartners; Dr. Doug Wood, Mayo

- Members

- MMGMA
- MMA (2 - primary and specialist)
- MHA (2 - rural/critical access hospital, urban hospital)
- MNA
- Council of Health Plans (2)
- Mayo
- Insurance Federation
- Employer (1)
- Organization with market experience with baskets of care
- Consumers (2)



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Baskets of Care Development Process

Steering Committee Responsibilities

- Identify seven basket topics
- Provide final basket definitions
- Provide final recommendations for measures
- Final recommendations of operational and administrative challenges/potential solutions
- General oversight of the subcommittees and work groups



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Choosing the Seven Baskets

- **Criteria:**
 - Equitable
 - Comprehensible/Consumer Selectable
 - Evidence-based (Quality)
 - Comparability
 - Cost/Efficiency
 - Effectiveness of Care
- Multi-voting
- Public input on topic selection and potential components

Eight Baskets of Care

- Asthma - Children
- Diabetes
- Pre-Diabetes
- OB Care - Prenatal
- Low Back Pain - Acute
- Preventive Services - Adults
- Preventive Services - Children
- Total Knee Arthroplasty



Baskets of Care Development Process

7 Subcommittees

- Membership
 - Clinicians (MD's, RN's, Educators, etc.)
 - Care delivery organizations (large/small, metro/outstate, primary/specialty)
 - Consumers
 - Medical organizations (MMA, MHA, Specialty, etc.)
 - Employers
 - Health plans



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Baskets of Care Scope and Components

- Subcommittee preliminary recommendations on baskets of care scope and content made available for public review/comment in late March
- Received more than 100 responses with more than 500 comments; comments collated and subcommittees responded to the comments
- Final report for each basket submitted to MDH for review by the Commissioner of Health with progression to administrative rule-making process
- All baskets are posted on the MDH website



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Baskets of Care Comment Themes

- Who owns the basket; who buys it
- Current payment model is a barrier
- Regulatory restrictions
- Rural providers may find more challenges
- Insurance eligibility and product design must be considered
- Managing drugs within a basket

Baskets of Care Comment Themes

- Patient responsibility
- Correlation/Integration with other health care reform initiatives
- Concept supports innovation
- Will care be fragmented--care coordination is critical
- Important to measure cost and quality

Baskets of Care Communications Work Group

- **Objective:**
 - Provide an outreach effort to educate relevant health care providers about baskets of care
- **Membership:**
 - Communications experts from stakeholder organizations
- **Outcomes:**
 - Multi-faceted outreach plan
 - Implementation of the plan
 - Communications tool kit



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Baskets of Care Measurement Work Group

- **Objective:**
 - Establish quality measures for baskets of care
 - Review and determine measurement structure
 - Review identified measures from national and local sources
 - Recommend a specific inventory of relevant quality measures for each basket of care when possible
- **Membership:**
 - Multi-stakeholder representation of providers, payers, patients and employers
 - Expertise in measurement



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Baskets of Care Measurement Work Group

- Identified quality measures that pertain to basket topics, including:
 - Quality Measurement and Incentive Payment System measurement inventory
 - National Quality Measurement Clearinghouse
 - National Quality Forum
 - HEDIS
 - JCAHO
 - CMS
 - ICSI
 - MN Community Measurement



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Baskets of Care Subcommittee Measurement

- Reviewed measurement work group recommendations
- Reviewed stakeholder comments
- Made revisions to suggested measures
- These sent on to Steering Committee



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Measurement Recommendations:

- Priority: outcomes measures
- Consider administrative burden: use existing measures if appropriate
- Measurement Framework:
 - Clinical outcomes
 - Process
 - Education/Coaching
 - Economic impact
 - Patient experience
 - Functional status

Operations/Administrative Challenges

Objectives:

- Identify administrative and operational challenges associated with baskets and propose practical solutions
- **Phase I:** Focused on billing, claims and coding challenges and develop basket-specific work plans for two basket topics
- **Phase II:** Focused on organizational and administrative challenges in implementing baskets of care (not focusing on billing, coding and claims). Additionally, subcommittee offered suggested solutions for the identified challenges

Operations/Administrative Challenges Phase I

- **Membership:**
 - Representatives with technical expertise in coding, billing and claims processing from provider groups and plans
- **Coding, claims, billing Challenges**
 - Regulatory and accreditation requirements
 - Existing benefit designs
 - Complexity of existing payment structures
 - Need for manual processing
 - Distinguishing “basket” care from FFS



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Operational/Administrative Challenges Phase I

- **Coding, claims and billing suggested solutions**
 - Use the concept of “general contractor”
 - Use of general codes
 - Seek exemptions
 - Simplify in the future via benefit redesign, patient engagement
 - Mechanism to disassemble a basket to acknowledge life events
 - Suggested claims flow for 2010
 - Aim for automation and scalability



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Operational/Administrative Challenges Phase II

Membership:

Multi-stakeholder representation from plans, providers and employers

Challenges:

- Patient engagement and patient volume
- Benefit design
- Data portability and integration
- Measurable outcomes
- Administrative burden
- Actuarial / Risk issues
- Consumer opt in
- Legal issues
- Provider engagement



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Operational/Administrative Challenges Phase II

Suggested solutions:

- Patient engagement
 - Consumer education
 - Engagement at clinical and financial levels
- Patient volume
 - Pilot structure to demonstrate success
 - Open networks to encourage participation
- Benefit design
 - Simple, straightforward, understandable
 - No "buy ups" initially



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Operational/Administrative Challenges Phase II

Suggested solutions (con't):

- Administrative burden
 - Use collaborative process
 - Use Administrative Uniformity Committee (AUC)
- Consumer opt in
 - Employer and provider engagement
 - Incentives
- Provider engagement
 - Compensation
 - Risk mitigation



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Operational/Administrative Challenges Phase II

Suggested solutions (con't):

- Data portability and integration
 - Clinical, financial, administrative
 - Electronic Medical Records (EMRs)
 - Personal Health Records (PHRs)
- Measurable outcomes
 - Use existing measures and database
 - Cost data with control group



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Operational/Administrative Challenges

Outcomes:

- Steering committee report

Baskets of Care Next Steps

Early Adopters Summit:
November 9, 2009

Questions?

