A Long and Winding Road to Value-Based Care

**Objectives**

- Define Value-Based Care and its importance to healthcare
- Utilize Bluestone’s experience as one example of a clinic’s journey in Value-Based Care
- Outline the challenges and opportunities of different payment models
- Give examples of operational strategies that support the transition to value-based care
Bluestone is an innovative, primary care practice delivering on-site care to patients in senior living communities and to those with disabilities in both residential and community settings.

Our care model, which consists of a team approach, regular visits, and proactive care, reduces medical costs and patient stress. Providing care since 2006 for chronically ill, frail, elderly and disabled individuals, Bluestone has proven that personal engagement, quality of care and exceptional service results in high patient and staff satisfaction.

MISSION: To serve those who are not being well cared for in traditional health care settings.
On-Site Primary Care
- Founded in 2006 to serve chronic care patients in community settings
- 12,000 patients in MN, WI and FL

Care Coordination
- Preventative high-risk management of frail, elderly and disabled patients. -5000 MSHO/SNBC

Behavioral Health
- Focus on telehealth and integration with primary care

LONGITUDINAL ADVANCED CARE
## Types of Value-Based Care

<table>
<thead>
<tr>
<th>Payment Model</th>
<th>Definition</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay For Performance</td>
<td>Incentive payment for meeting quality measure targets</td>
<td>MIPs</td>
</tr>
<tr>
<td>Gain-Share</td>
<td>Distribution of cost-savings, often including a quality component</td>
<td>Integrated Care System Partnerships Medicare Shared Savings Program</td>
</tr>
<tr>
<td>Risk-Share</td>
<td>Distribution of cost savings and loss</td>
<td>ACOs</td>
</tr>
<tr>
<td>Capitation</td>
<td>Provider is responsible for services and receives a set monthly payment</td>
<td>MSHO Care Systems</td>
</tr>
</tbody>
</table>
Why the shift to Value-Based Care?

- Skyrocketing health care costs - current path is unsustainable
- Inconsistent quality outcomes
- Fragmentation in the healthcare system
- VBC supports patient-centered care models ie Health Care Homes/PCMH
- Aims to reduce burden on physicians and reward team-based approaches
Bluestone’s Path to Value-Based Payment

1) Fee for Service

2) Pay for Performance (p4p)

3) Shared Savings

4) Two Sided Risk & Shared Risk

5) Capitation/Population Health Base Payments

6) Pay-for-performance programs covering 85% of all Bluestone patients

5 Gain Share Contracts representing 30% of BPS patients

15,000 Bluestone FFS patients

1 population based payment contract (5% of pop.)

6 pay-for-performance programs covering 85% of all Bluestone patients

5 Gain Share Contracts representing 30% of BPS patients

1 population based payment contract (5% of pop.)
# VBC Programs: MN and National

<table>
<thead>
<tr>
<th>Program</th>
<th>Population</th>
<th>Payment Arrangements</th>
<th>Contract Partner</th>
<th>Lessons Learned</th>
</tr>
</thead>
<tbody>
<tr>
<td>MN Integrated Care System Partnerships (ICSPs)</td>
<td>Minnesota Senior Health Options (MSHO) and Special Needs Basic Care (SNBC)</td>
<td>Pay-for-performance Gain Share Shared Risk</td>
<td>Managed Care Plans in MN (BCBS, Medica, UCARE, HP)</td>
<td>Managing multiple data sources, Care Coordination</td>
</tr>
<tr>
<td>MN Integrated Health Partnerships (IHP 2.0)</td>
<td>Medicaid only (dual eligibles are excluded from the program)</td>
<td>Population based payments Shared Risk</td>
<td>MN Department of Human Services</td>
<td>Managing Social Determinants</td>
</tr>
<tr>
<td>Medicare Advantage STARS</td>
<td>Medicare Advantage patients</td>
<td>Pay-for-performance</td>
<td>Medicare Advantage health plans in MN</td>
<td>Patient satisfaction</td>
</tr>
<tr>
<td>ACO - Medicare Shared Savings Program (MSSP)</td>
<td>Medicare FFS</td>
<td>Gain Share Shared Risk</td>
<td>Medicare</td>
<td>Challenge of collaboration with external entities ie post acute care</td>
</tr>
<tr>
<td>CMS Innovation Center</td>
<td>Medicare patients</td>
<td>Pay-for-performance Gain Share Shared Risk Capitation</td>
<td>Medicare / Medicaid</td>
<td>Data and reporting</td>
</tr>
</tbody>
</table>
Practice Transformation Cycle

Quality and Utilization Program Development

Resources

Obtain Value Based Contracts with Payers

Improved Performance
Value-Based Contract Considerations

- Upside potential vs. downside risk?
- Who is the population and how many patients are included?
- Do you have baseline data?
- Is there room for improvement in cost and quality?
- Have providers and care team members been involved in the process? Do they have a stake in the outcome?
- Are additional resources needed? (e.g. care managers/coordinators, registries, analytics)
Shared Savings Example

Handout
Definitions
Gross/Net Revenue
Gross/Net Expenses (Total Cost of Care)
Quality Composite Score
Goals of Value-Based Care

Quality Improvement

- Select the “right” measures
- Define and organize measures in meaningful ways
- Staff and provider engagement
  - Provider champions
- Give frequent feedback
Goals of Value-Based Care

Cost Reduction

- Coordination of care
  - Transition management
  - Medication management
- Smart use of data
  - High risk patients
    - IDT
- Prevention and chronic care
  - Goals of care discussions
    - Advance care planning
Strategies for Success-Group Activity

- Value-Based Care Strategic Planning Tool (HANDOUT)
- Assess different domains for the degree of adoption in your clinic
  - Governance & Leadership
  - Care Management
  - Clinical Care
  - Community Health
  - Patient and Family Engagement
  - Performance Improvement and Reporting
  - Health Information Technology
  - Financial Risk Management
Questions?

Sarah Keenan
Chief Clinical Officer/President
Sarah.Keenan@Bluestonemd.com

Nate Hunkins
Director of Population Health
Nate.Hunkins@Bluestonemd.com