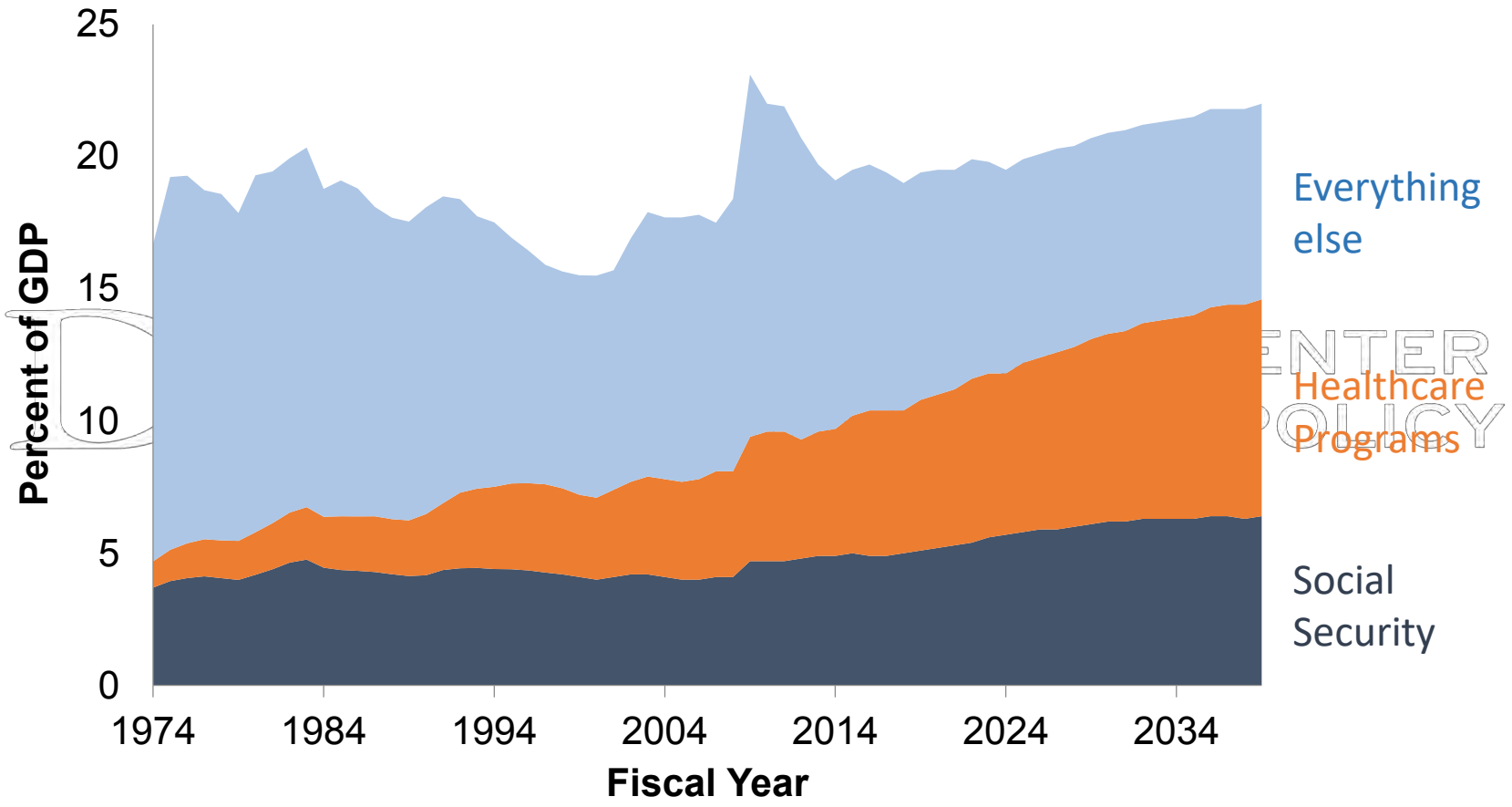
Sate Leadership in Supporting Health Care Reform

Mark McClellan, MD, PhD
Director, Duke-Margolis Center for Health Policy
Professor of Business, Medicine, and Policy

Overview

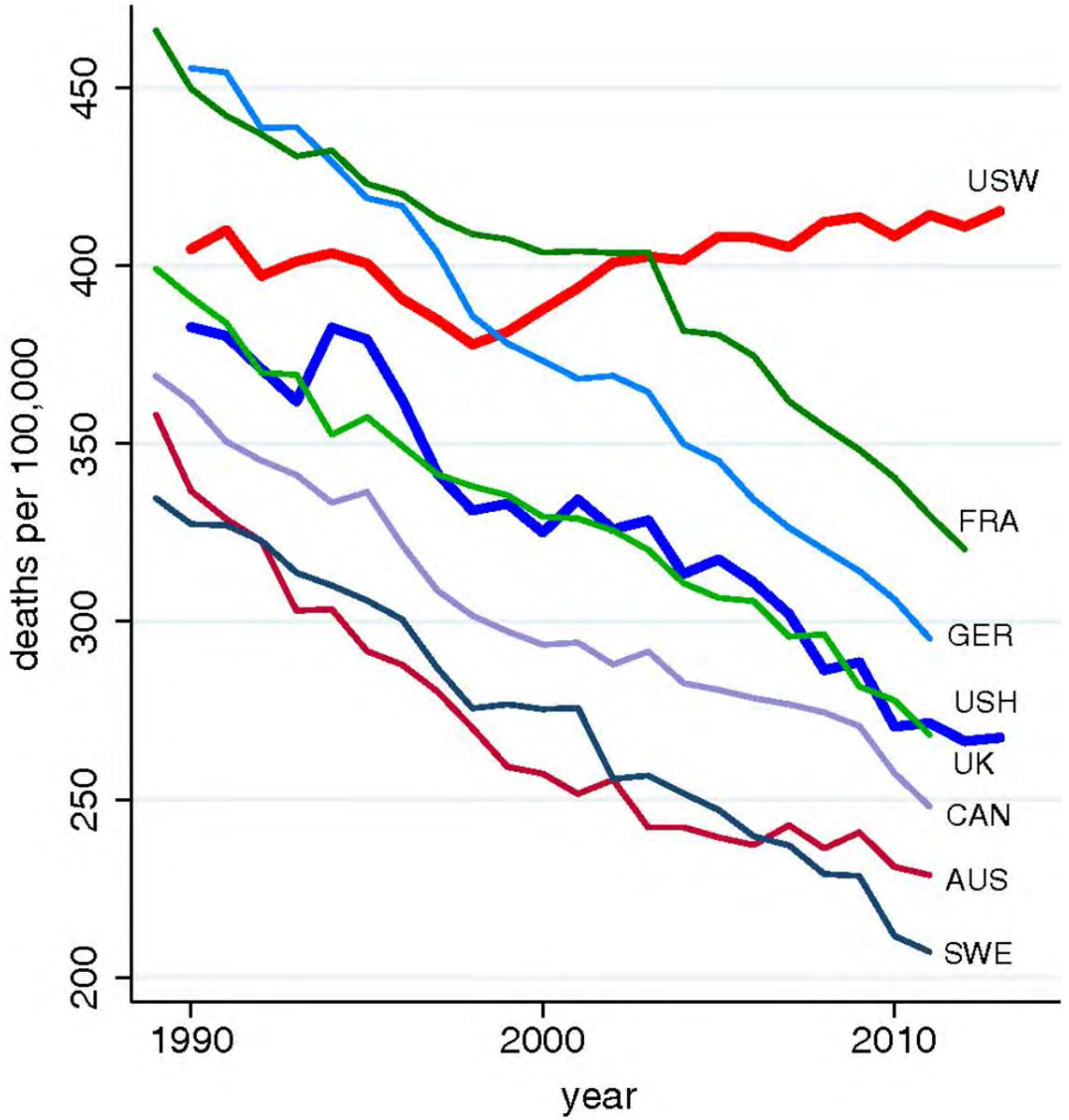
- Fundamentals Driving Health Care Reform
- Payment Reform
- Data Sharing
- Better Real-World Evidence
- Implications for Health Data Leaders

Healthcare and Federal Budget



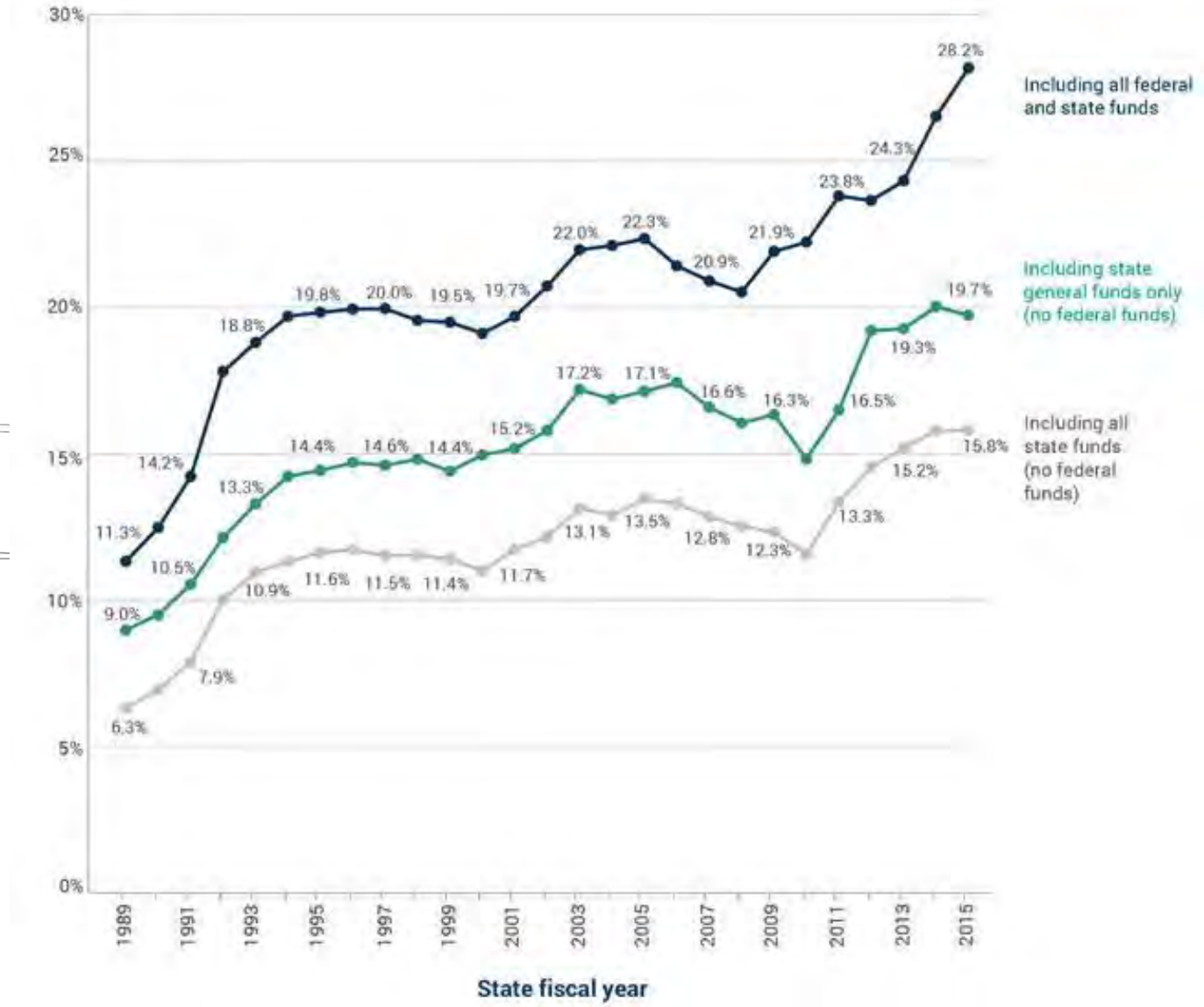
Source: Congressional Budget Office, 2016 Long-Term Budget Outlook.

Death rates have risen for some middle-aged American populations



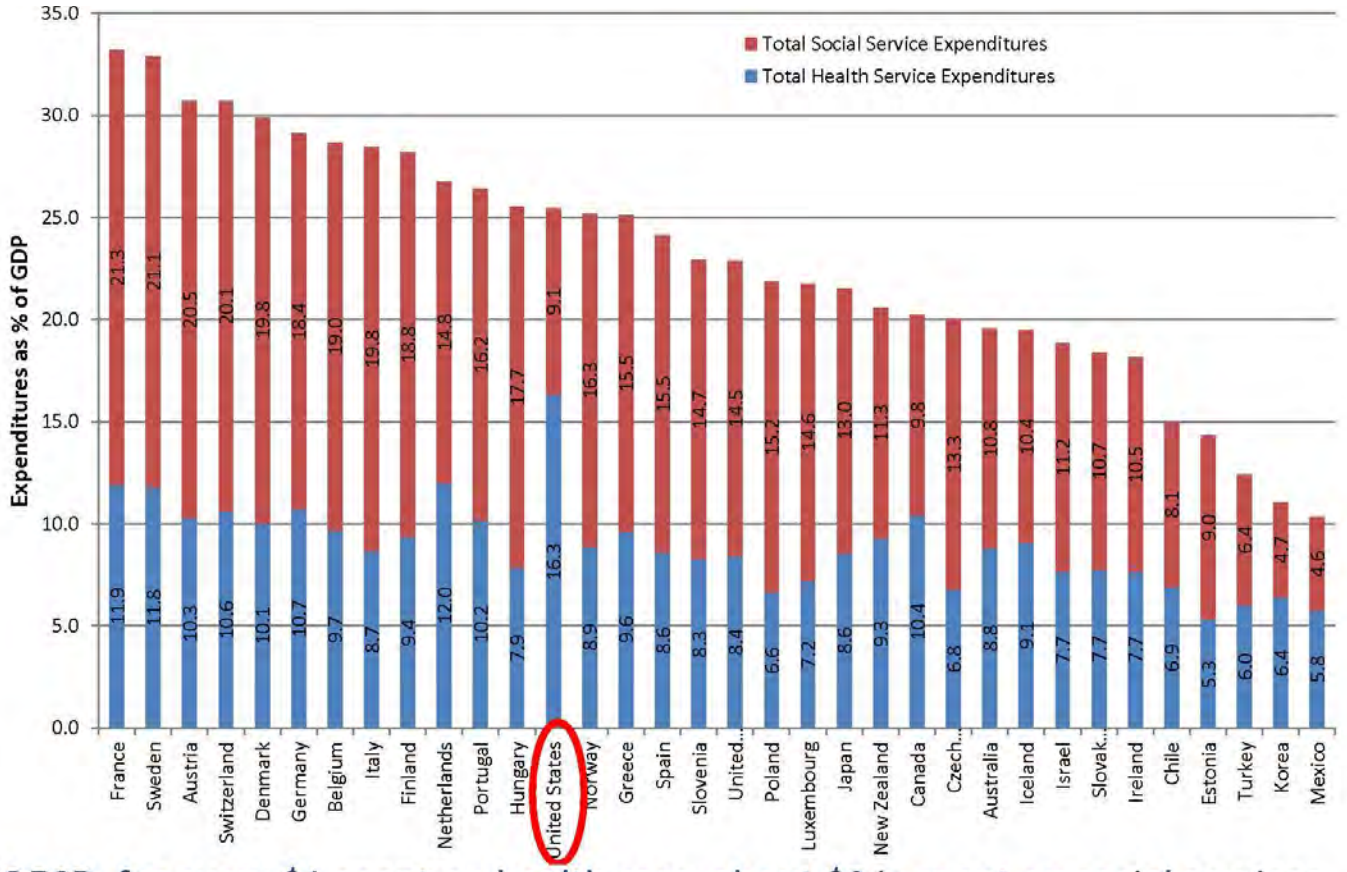
Source: Case and Deaton *PNAS* 2015

Medicaid Accounts for Rising Share of State Budgets



Source: https://www.macpac.gov/subtopic/medicaids-share-of-state-budgets/

Total health-service and social-service expenditures for OECD Countries



In OECD, for every $1 spent on health care, about $2 is spent on social services

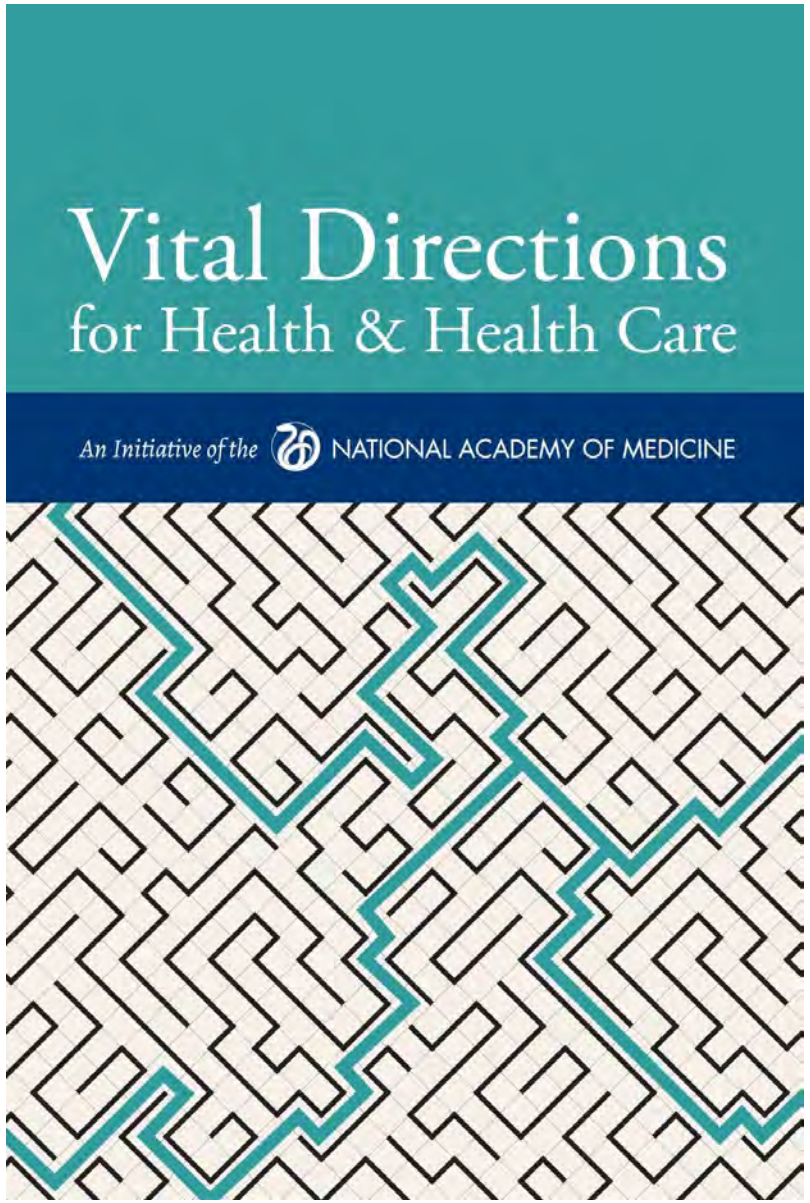
In the US, for $1 spent on health care, about 55 cents is spent on social services

Source: Bradley and Taylor, 2013

Current US Health Care Policy Debate

- Affordable Care Act Repeal/Replace/Repair
  - US individual insurance market
  - Medicaid coverage
  - No easy solution with high and rising health care costs

- Reducing High US Health Care Spending Without Compromising Quality and Access
  - Prices that reflect value and competition
  - More efficient, innovative care



Evidence-Guided Health Care Reform to Enable More Affordable Coverage

- 18 months of collective review, analysis, and deliberation
- Core goals:
  - Better health and well-being
  - High-value health care
  - Strong science and technology
- Commissioned 150+ experts to write 19 discussion papers

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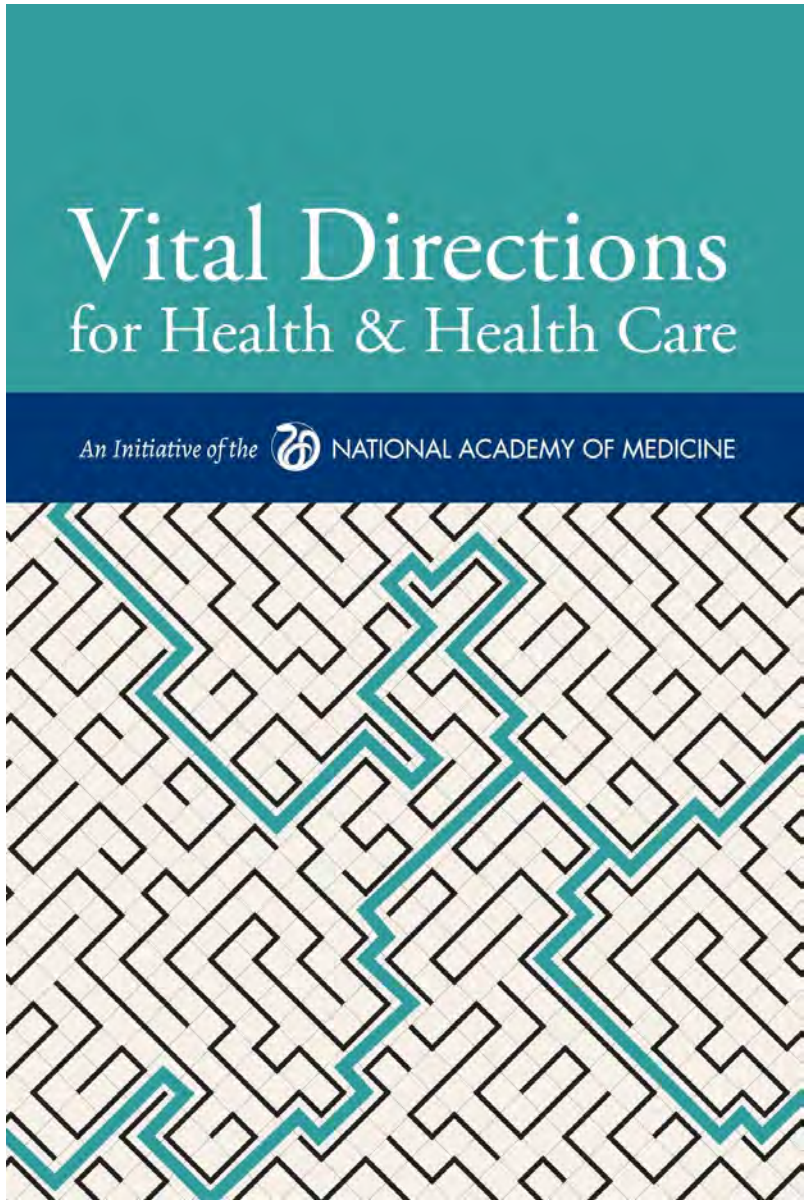

The Priorities

ACTION PRIORITIES

- Pay for value
- Empower people
- Activate communities
- Connect care

ESSENTIAL INFRASTRUCTURE NEEDS

- Measure what matters most
- Modernize skills
- Accelerate real-world evidence
- Advance science

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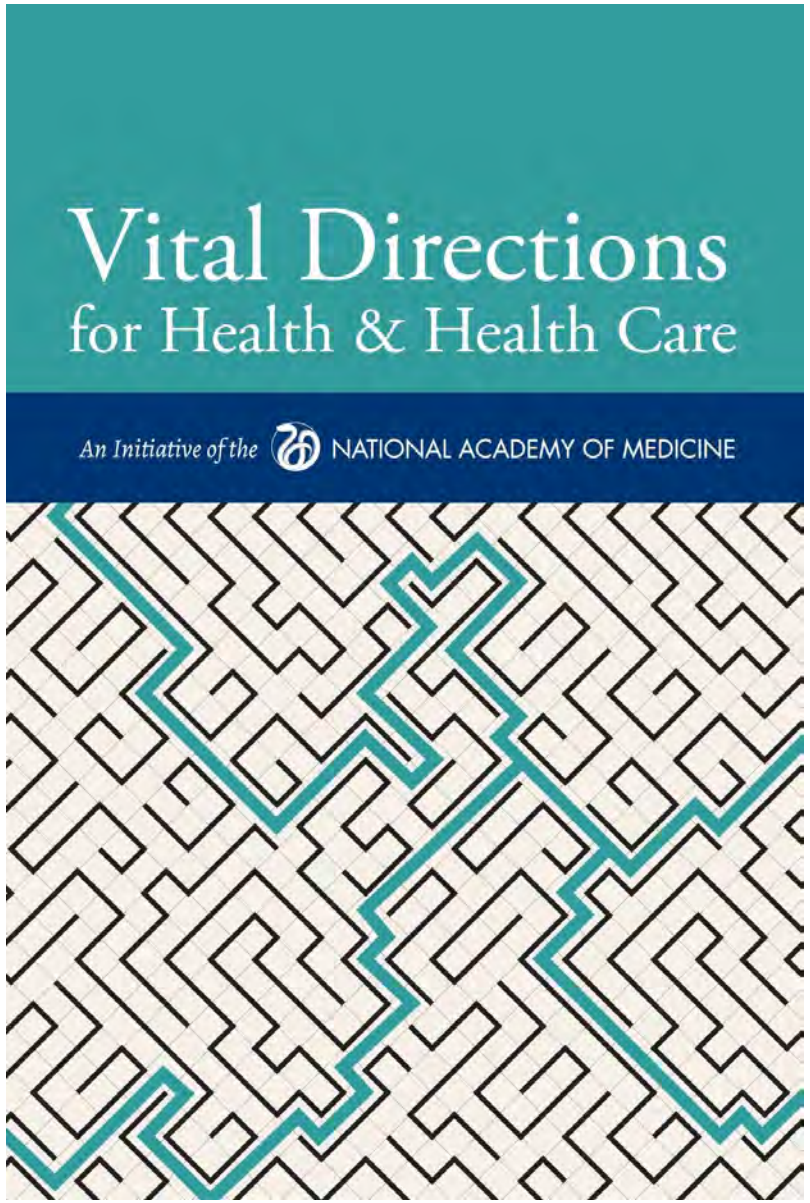

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Opportunities for Higher-Value Health Care

- Effective treatments for unmet health needs
- Innovations to better target use of medical technologies to patients who will benefit
- Wireless/ remote personal health tools and supports, telemedicine
- Lower-cost methods of treatment or sites of care
- Better care coordination
- Non- medical strategies for health improvement – such as targeted assistance to high-risk individuals, and support for accessing social and community services to prevent complications

Opportunities for Higher -Value Health Care

OFTEN COST INCREASING

- Effective treatments for unmet health needs

POTENTIALLY COST DECREASING

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Opportunities for Higher -Value Health Care

OFTEN COST INCREASING – USUALLY REIMBURSED

- Effective treatments for unmet health needs

POTENTIALLY COST DECREASING – OFTEN NOT REIMBURSED

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Pay for value: *deliver better health and better results*

- Tie payments and incentives to value and outcomes
- Help clinicians develop the core competencies they need to succeed within new payment models
- Advance care and payment models that integrate medical and non-medical services

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Health Care Payment Learning & Action Network

Our mission: To accelerate the health care system's transition to alternative payment models by combining the innovation, power, and reach of the public and private sectors.

These payment reforms are expected to demonstrate *better outcomes* and *smarter spending* for patients.

HCP LAN
Health Care Payment Learning & Action Network

LAN Payment Reform Framework

Traditional

"Pay for Performance"

Payment Linked to Patient Not Services

Limited

More Complete

HCP LAN
Health Care Payment Learning & Action Network

Alternative Payment Models: Accountable Care

Primary Care and Care Coordination

PRIMARY CARE
- Medical home payments
- Direct primary care (PMPM) payments
- Accountability and shared savings for population outcomes and costs

SPECIALIZED POPULATION
- Comprehensive care for high-risk patients
- End-of-life/palliative care patients
- Specialty-based care teams (e.g., Comprehensive ESRD Care, Project SONAR for advanced GI disease)

Episodes of Care

- Elective procedure episodes (e.g., hip/knee replacement)
- Acute event episodes (e.g., Comprehensive AMI Care episodes
- Acute exacerbation (e.g., BPCI heart failure episodes)
- Diagnosis-based episodes (e.g., pregnancy, back pain)
- Chronic disease management (e.g., oncology care)

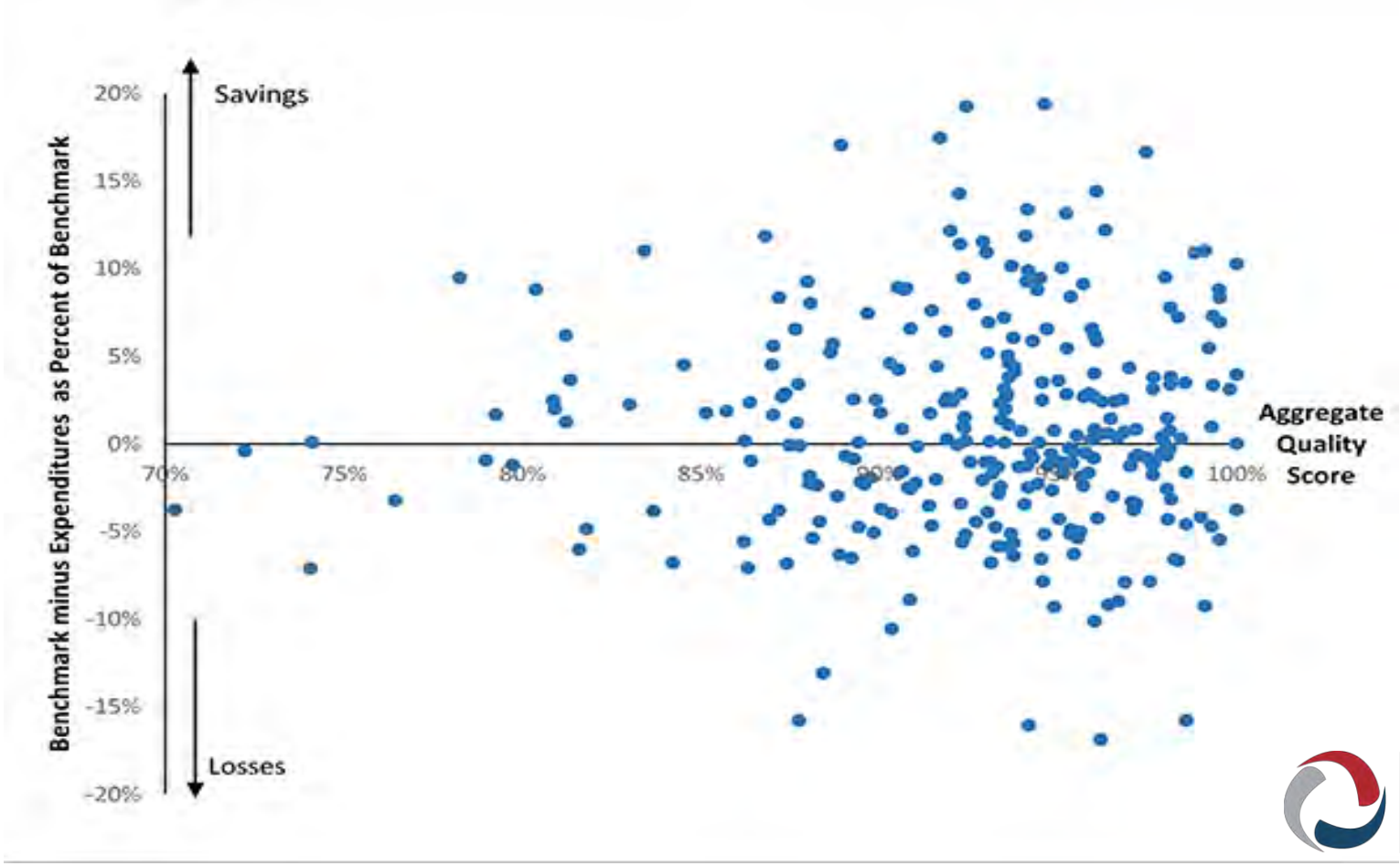
Medical Products

- Results-based payment (e.g., PCSK9 drug rebate tied to lipid control or cardiovascular complications)
- Shared accountability with providers in alternative payment models

Overall Care and Health

- Partial population risk (e.g., Medicare Shared Savings Accountable Care Organizations, CPC+ Phase 2)
- Capitated results-based payment (e.g., full risk integrated provider health plan)

Most health care organizations not yet succeeding in alternative payment models



Source: Muhlestein, Saunders, and McClellan, *Health Affairs* 2016

ACCOUNTABLE CARE LEARNING COLLABORATIVE
HOUSED AT WGU

New Competencies Needed for Organizations to Succeed in Value-Based Care Models

- **Leadership**
  - Board, leadership, staff engagement in patient value goals
  - Organizational structure reflects patient value focus
- **Finance**
  - Adequate capital
  - Financial tracking and modeling
- **IT**
  - Aligned IT infrastructure
  - Key data sharing including patients
  - Patient stratification for risk/impact assessment
- **Care Models**
  - Patient centeredness
  - Coordinated teams
  - Care pathways for quality and safety improvement

ACCOUNTABLE CARE LEARNING COLLABORATIVE
HOUSED AT WGU

Connect care: *implement seamless digital interfaces for best care*

- Ensure clinical data accessibility and use through infrastructure and regulatory changes
- Enforce principles and standards for end-to-end (system/clinician/individual) interoperability
- Implement data and IT strategies that promote a continuously learning health system

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Data Sharing Needs for Alternative Payment Models*

Purpose of Data	
Patient/Provider Identity Management	Quality Reporting/Feedback
Financial Management**	Care Management and Coordination

**Data aggregation and analytics underpin all the above purposes*
***if clinical episode payment, need to define episode*

LAN Data Sharing Requirements Initiative (DSRI)

- Goal: Assist individual organizations in making strategic decisions about data sharing to support APMs
- Data sharing requires going beyond an organization's own walls – assess potential community and state/regional assets, and national vendors
- Regional and national infrastructure support can enhance efforts at all levels
- Implementing value-based payment can provide financial support for building or buying data sharing capabilities

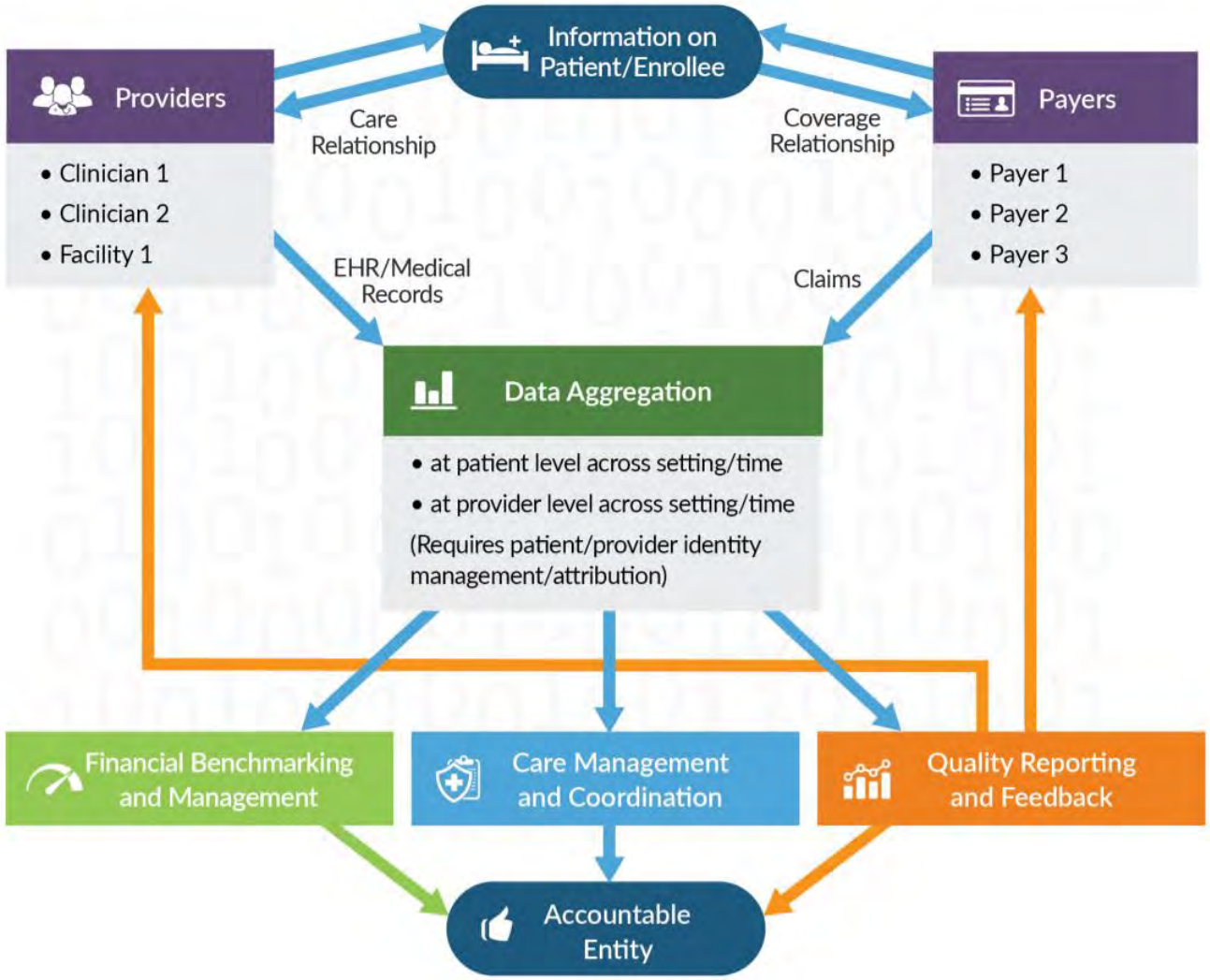
Takeaways from Successful Regional Data Sharing Initiatives (1 of 2)

- "Data moves at the speed of trust"
- "Secret Sauce" – ROI; right partners with high level executive leadership, commitment, and support
- Technical capacity and resources
  - Pull data together from disparate sources
  - Normalize and clean data
  - Produce performance analytics
  - Deliver relevant report(s)
- Articulate a compelling purpose: focus on the patient and what is needed to delivery high quality care

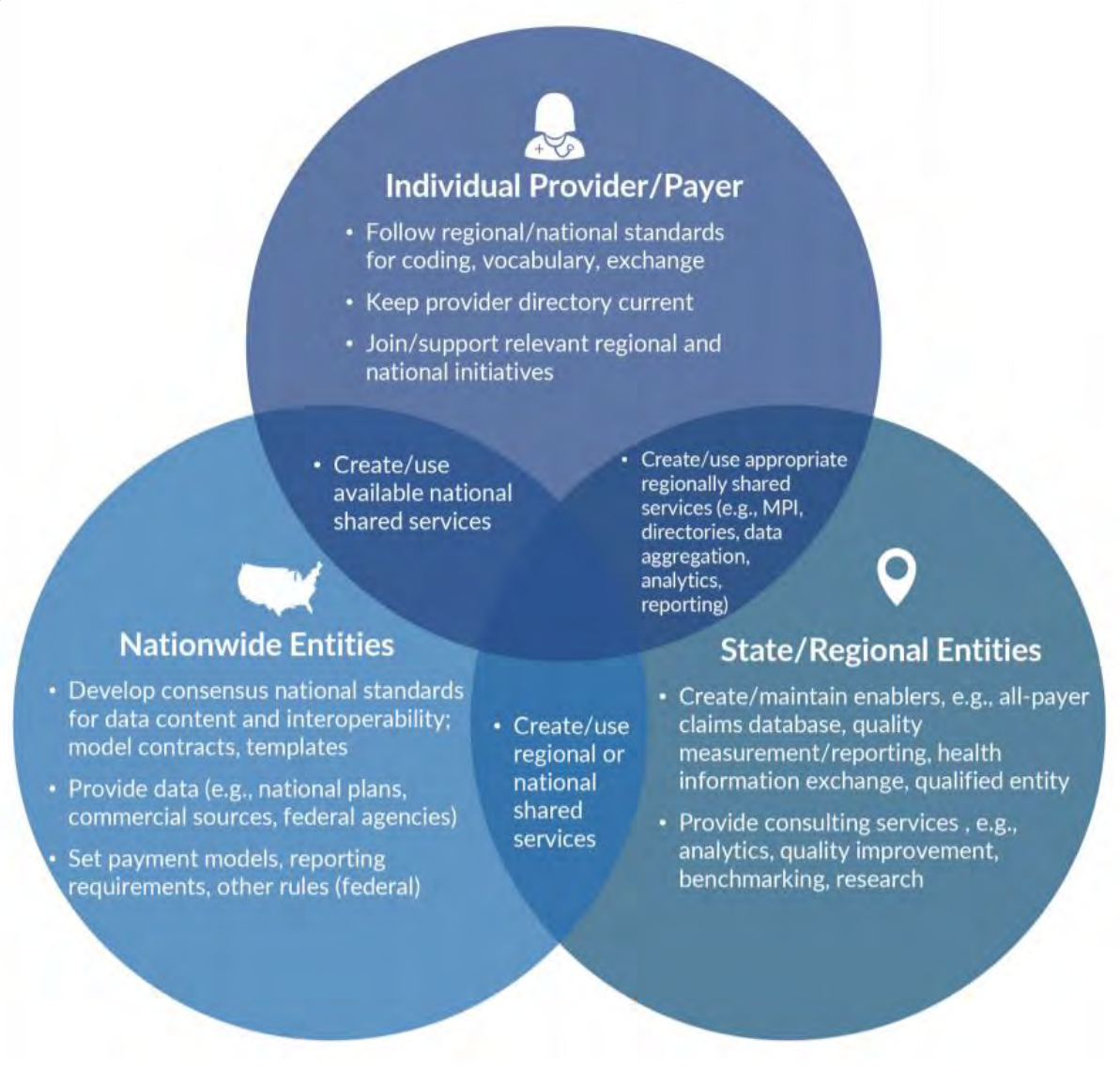
Takeaways from Successful Regional Data Sharing Initiatives (2 of 2)

- Supporting APMs (ACO, bundling, PCMH) data needs is feasible
- There is an incremental pathway for APM "doers" to start and sustain necessary data exchange capabilities
  - Minimum scale neeed
  - Entry-level APM data sharing requirements
  - Higher risk APMs require more advanced technical capabilities
- APM "enablers" have opportunities to sell expertise and services beyond their regional bases
- Chosen technical and analytical approaches should take into account the rapid evolution of technology and avoid locking in approaches in the long-term

DSRI: Data Flow to Support APMs



DSRI: Examples of Data Sharing Roles and Collaboration



LAN Primary Care Action Collaborative

Supporting Multi-Payer Primary Care APM Implementation

REGIONAL

CPC+

Multi-payer primary care APM designed to support practice-level transformation in 14 regions by encouraging regional payers to align alternative payment model, data sharing, and quality measure approaches

SHARED MILESTONES

Seeking solutions that enable better care to multi-payer primary care APM implementation challenges, such as:

- Aggregating multi-payer data
- Aligning quality measures
- APM payment issues
- TCOC Issues

PAC

Establishes a national table for regional payers to collaboratively identify and implement solutions, share promising practices, and accelerate progress towards the successful implementation of multi-payer primary care APMs, such as CPC+, resulting in better care to patients and smarter spending

Strengthening collaboration and empowering participants to take action to advance APM adoption as part of improving primary care delivery and outcomes

Primary Care Action Collaborative: Learning Labs

Aim: Equip payers with necessary tools to implement alternative-to-FFS payments in Track 2

Between sessions: internal work within your organization

LAN Maternity Action Collaborative

Maternity Multi-Stakeholder Action Collaborative (MAC)

Chairs

Tom Betlach, MPA
Director, Arizona Health Care Cost Containment System (AHCCCS)

Elliott Main, MD
Medical Director, California Maternal Quality Care Collaborative (CMQCC)

The MAC is a LAN-supported action collaborative composed of stakeholders that have committed to implementing maternity care alternative payment models, including episode payments. The LAN will provide MAC participating organizations with expert facilitation and opportunities to connect with experts via virtual events. The goal is to create an environment that fosters collaborative solutioning related to maternity APM implementation.

Key Activities

- ✓ Launched a series of collaborative conversations for MAC participants
- ✓ Shared tangible outputs that capture the learnings, solutions, and promising practices
- ✓ Forged connections between participants and SMEs on APM implementation issues

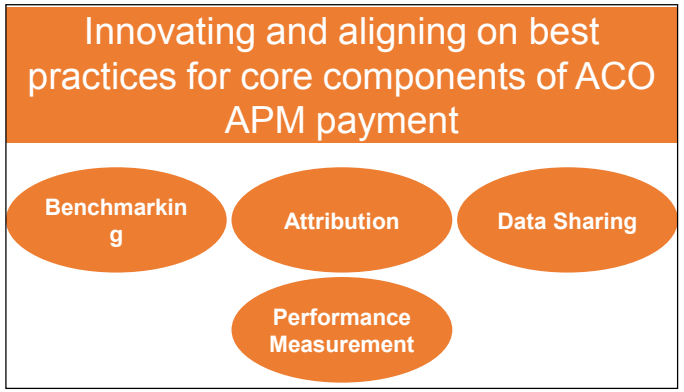
LAN ACO Action Collaborative

The LAN's third Action Collaborative (AC) is focused on ACOs.

Approach

The LAN is adopting a market-based approach for the AC focused on four components of Population-based Payment in three markets with payer, provider, purchaser, and patient participation

Strategy



General Implementation Steps

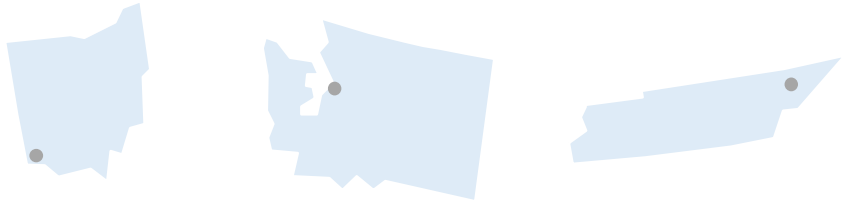
1. Identify three markets (e.g. states or metropolitan areas) with high potential to rapidly increase participation in APMs
2. Bring together the key players in each market to establish alignment and overcome the technical barriers to APM adoption,
3. Use the process as a model for other markets in the country

Participant Actions

1. Identify and achieve consensus on core standards for payment components
2. Demonstrate progress towards implementing consensus standards within the AC
3. Detail and distribute consensus standards to expand adoption outside the AC

ACO AC Markets

Cincinnati, OH **Seattle, WA** **Tri-Cities, TN**



ONC Policy Initiatives to Support More Routine Data Sharing for Clinical/EMR Data

- 21st Century Cures legislative requirements
- Priority API use cases :
  - Patient access for personal mHealth apps and devices
  - Bulk access for payers, accountable providers
  - Population/public health support
  - Privacy and security

CMMI RFI: New Focus Areas for Payment Reform

1. Increased participation in advanced APMs
2. Consumer-directed care and market-based innovation models
3. Physician specialty models
4. Prescription drug models
5. MA innovation models
6. State-based and local innovation, including Medicaid-focused models
7. Mental and behavioral health models
8. Program integrity

Potential New CMMI Support for Data Sharing

- Routine and timely construction of meaningful performance measures with less provider burden
  - Claims-based – eg preventable admissions and readmissions
  - Clinically-based – eg blood sugar control, patient-reported functional status
- Timely sharing of comparable performance measures with providers and consumers
- Implementation of APMs and value-based insurance designs that allow consumers to share in savings
- State/regionally-led payment reform initiatives

Accelerate real-world evidence: *derive evidence from each care experience*

- Draw on real-world clinical data to accelerate knowledge and improve care, outcomes, and innovation
- Foster a culture of data sharing by strengthening incentives and standards
- Partner with patients and families to invest them in evidence generation and data sharing

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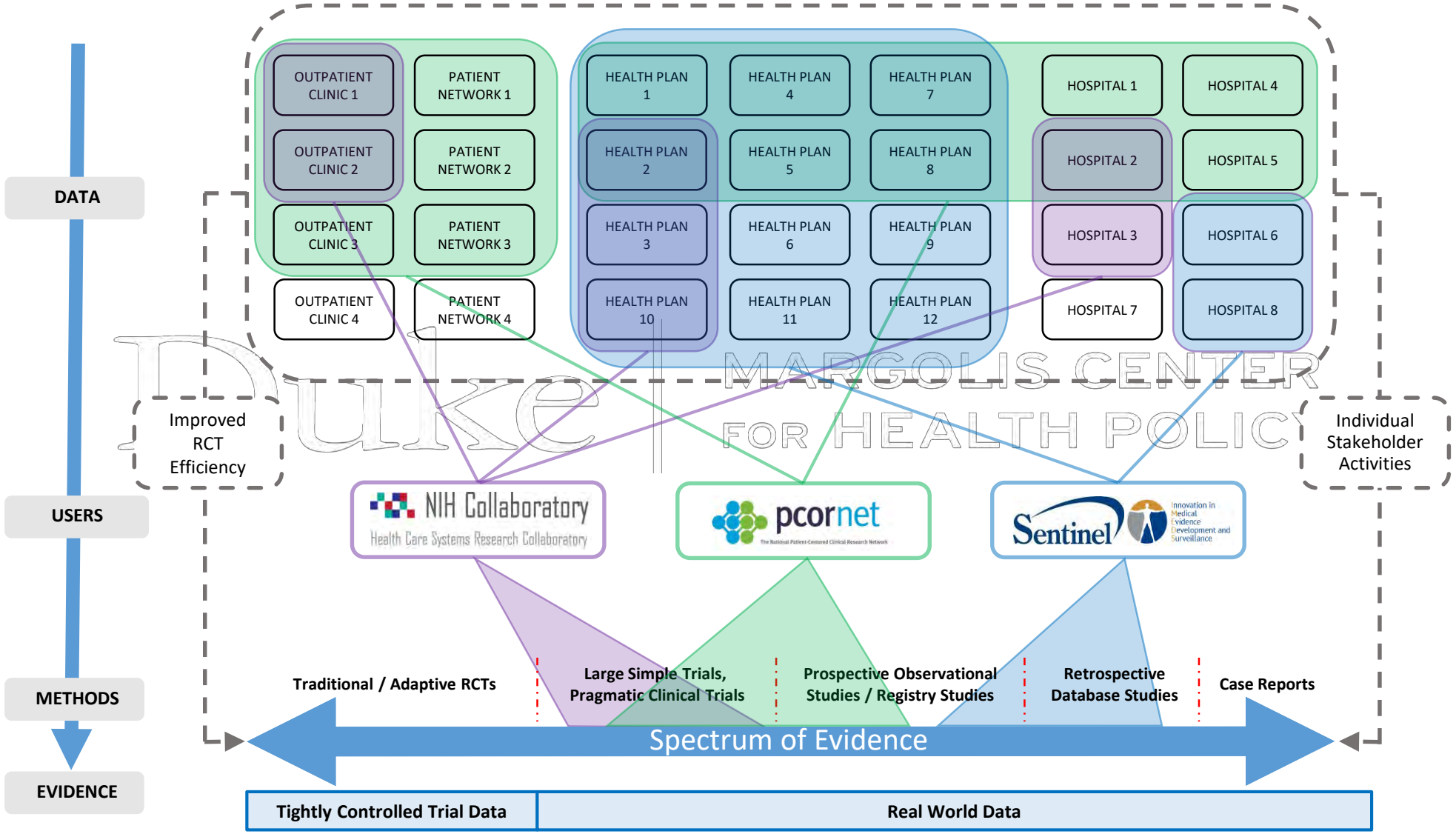
Evidence Gaps in Real-World Effectiveness of Medical Products and Services

- Limited available evidence on risks, benefits, and costs in actual care delivery
- Limited incorporation of drugs, devices, and other medical products in APMs
- Capacity is improving for electronic data capture and analysis systems to support better evidence on medical products and practices

Reinforcing Real-World Evidence Networks



Better Evidence on Treatments and Care

- Stronger real-world evidence networks
- Capacity for large-scale randomized or pseudo-randomized studies within networks
- Improved capacity for measuring risks, benefits, and cost impacts in practice
- More direct incorporation of patient-generated and patient-controlled data: quality of life, clinical benefits, meaningful outcomes along with costs

High-Value, Data-Driven Health Care: Leadership and Collaboration Needed

- Support for health policy reforms to increase the value of health care – and to preserve and enhance the opportunities for valuable biomedical innovations

- Contribute to developing evidence on what works in real-world settings – medical products, new care models, improved payment models

- Collaboration can lead to critical mass for short-term opportunities and longer-term sustainability and growth
  - National Academy of Medicine Vital Directions
  - Health Care Payment Learning and Action Network
  - Accountable Care Learning Collaborative
  - Duke-Margolis Center for Health Policy

Thank You

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