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# Purpose of Alternative Payment Mechanisms

- Value Based Payment
  - Cost and Quality
  - Accountability/Risk shifting
- Delivery System Change
  - Incentives (Rewards and Penalties)
  - Funding a new system
    - Care models, provider types
- Flexibility
  - An accountable entity can spend to attain goals, when accountable



# APMs? – Medicare Advantage & Non Face to Face Services were novel alternatives





FINAL REPORT

Evaluation of the Diffusion and Impact of the Chronic Care Management (CCM) Services: Final Report

November 2, 2017

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#### Submitted to:

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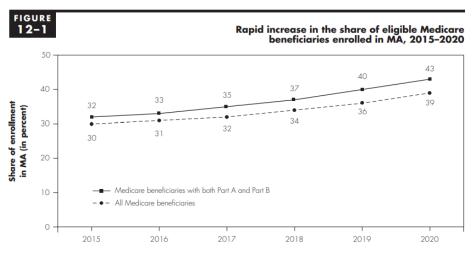
Research

JAMA Internal Medicine | Original Investigation | HEALTH CARE REFORM

Changes in Health Care Costs and Mortality
Associated With Transitional Care Management Services
After a Discharge Among Medicare Beneficiaries

Andrew B. Bindman, MD: Donald F. Cox, PhD

JAMA Intern Med. doi:10.1001/jamainternmed.2018.2572 Published online July 30, 2018.



Note: MA (Medicare Advantage). Medicare beneficiaries must have both Part A and Part B coverage to enroll in an MA plan. In 2020, 9 percent of Medicare beneficiaries were not eligible to enroll in an MA plan because they did not have both Part A and Part B coverage.

Source: MedPAC analysis of CMS enrollment files, July 2015-2020



### Fee for Service

- More widely available and implemented
- Opportunity to create new codes
  - Especially in response to coverage changes
- Opportunity to redefine existing codes
  - In CPT/HCPCS
  - In policy
- Often the "backbone" in APMs
- "Requires a license"
  - The defined Clinical Staff is policy
- Community Based Organizations?
- Informal Caregivers
- Facilities
  - Readmission penalties
  - DRG savings (delirium reduction)
  - Potential to add quality incentives related to AFHS

Code	Description
E/M	Time or MDM based coding allowed
99483	Cognitive Assessment and Care Planning
99487, 99490, 99491	Chronic Care Management
99424- 99427	Principal Care Management
99417, 99358, G2212	Prolonged Services
99492- 99494	Psychiatric Collaborative Care
99495 <i>,</i> 99496	Transitional Care
90846	Psychotherapy w/o Patient
96156 etc.	Health and Behavioral Assessment and Intervention
New	Caregiver Training (OT/PT)
New	Caregiver Behavior Management Training
Many	Telemedicine/Digital Medicine

### Disease Specific APMs

#### SPECIAL ARTICLE

### Recommendations to Improve Payment Policies for Comprehensive Dementia Care

Kristin Lees Haggerty, PhD,\* Gary Epstein-Lubow, MD,<sup>†</sup> ✓ Lynn H. Spragens, MBA,<sup>‡</sup> Rebecca J. Stoeckle, BA,\* Leslie C. Evertson, DNP, RN, GNP-BC,§ Lee A. Jennings, MD, MSHS,  $^{\text{II}} \bigcirc$  and David B. Reuben, MD $^{\text{II}}$ 

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NO. 1 (2019): 54-59 @2019 Project HOPE-The People-to-People Health

HEALTH AFFAIRS 38,

By Malaz Boustani, Catherine A. Alder, Craig A. Solid, and David Reuben

### An Alternative Payment Model To Support Widespread Use Of **Collaborative Dementia Care** Models

Dementia Care Management: A Proposed Framework for an Alternative Payment Model





## Challenges to Disease APMs

- Progress of Physician Focused Payment Model Technical Advisory Committee
- MedPAC Recommendation to reduce APMs
- Complexity of Design: population, attribution, payment, quality
- Overlap with other models and whole person orientation
  - If shared savings
- Scaling and replication
  - Organizational behavior change
  - No existing delivery system (if we build it, will they come?)



## Existing APMs and Incentive Programs

### **Medicare Shared Savings**

- ADRD models save money
- Admissions/readmissions
- Patient Experience
- Risk Adjusted budget
- Can use non licensed staff
- Lack of recognition of value
- Lack of community infrastructure
- Investment Risk

### **Primary Care First**

- Infrastructure support
- Admission, Satisfaction, Advanced Care Planning
- Blended capitation/FFS
- Telehealth Waiver
- Can use non licensed staff
- Risk Adjustment is whole practice
- Lack of community infrastructure
- Inadequate budget for CBO payment



### Other APMs

- Independence at Home
- Hospital at Home

