Vermont Health Care Reform Work Group: Primary Care Subgroup

October 20, 2023

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Today's Agenda

- Recap of Background
- Health Equity Under the AHEAD Model
- Discussion

Recap: Federal Models are Evolving

- Vermont has been in discussion with the Center for Medicare and Medicaid Innovation (CMMI) at the Centers for Medicare and Medicaid Services (CMS), regarding the development of a new multi-payer model to replace and build on the current Vermont All-Payer ACO Model (VTAPM).
- CMS intends that this model, called "AHEAD", will be an option for multiple states with a unified design.
- **On September 5, CMS formally announced AHEAD.** Full details will be available in late 2023 (end of November or early December) in a document called a "Notice of Funding Opportunity" (NOFO).
- States will have 90 days after the release of the NOFO to apply. CMS will select states from the applicants. The first cohort of states will go live in January 2026.
- Currently, CMS and Vermont are negotiating whether to extend the VTAPM for 2025, with the goal of providing a smooth transition to a potential new model in 2026.

Recap: High-Level Overview of AHEAD Model

Overarching Goals

To improve population health, advance health equity, and curb health care cost growth.

Three Primary Components *(see Appendix for more details)*

- Hospital Global Budgets
- Primary Care AHEAD
- Cooperative Agreement Funding

Three Primary Categories of Participants

- States
- Hospitals *(including Critical Access Hospitals)*
- Primary Care Practices *(including Federally-Qualified Health Centers and Rural Health Clinics)*

Five Strategies

- Equity integrated across model → ***Focus of today's discussion***
- Mental health/substance use disorder integration
- All-payer approach
- Medicaid alignment
- Accelerating existing state innovations

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Purpose of this Group

- CMS has indicated that AHEAD will have a common design for participating states. States, including Vermont, will ultimately need to look at the details in the NOFO and decide whether to apply to participate.
- CMS has described the key design features of "Primary Care AHEAD" on a national all-comer webinar on September 18 and a Vermont-specific session for providers on September 26.

AHS is convening this group to obtain Vermont primary care providers' feedback to Primary Care AHEAD, so that Vermont can prepare for the NOFO and application period early next year.

This group will convene several more times before the release of the NOFO at the end of 2023.

Feedback from Previous Meeting

Topic	Subgroup Attendees' Feedback
Primary Care AHEAD Eligibility	• The subgroup requested additional clarification from CMS around eligibility for Primary Care AHEAD, specifically whether **hospital-owned rural health clinics** would be eligible to participate in the program. • How would AHEAD interface with **Certified Community Behavioral Health Clinics**?
Payments	• The subgroup is interested in potentially having **capitated payments start at the beginning of Primary Care AHEAD** (in 2026), rather than 2027.
General	• The group requested CMS to clarify whether the AHEAD model will be considered an **advanced alternative payment model (APM) for MIPS purposes**. One member noted that if the model is not considered an advanced APM, it could serve as a barrier to primary care practices' participation. • The group noted it will be **important to explore and consider other options** (e.g., participating in Medicare Shared Savings Program) in case the State decides not to apply/participate in the AHEAD model. • The group highlighted the **need for detailed information from CMS** around payments and other model elements before they consider applying to the Primary Care AHEAD program and the AHEAD model more broadly.

Health Equity Under the AHEAD Model

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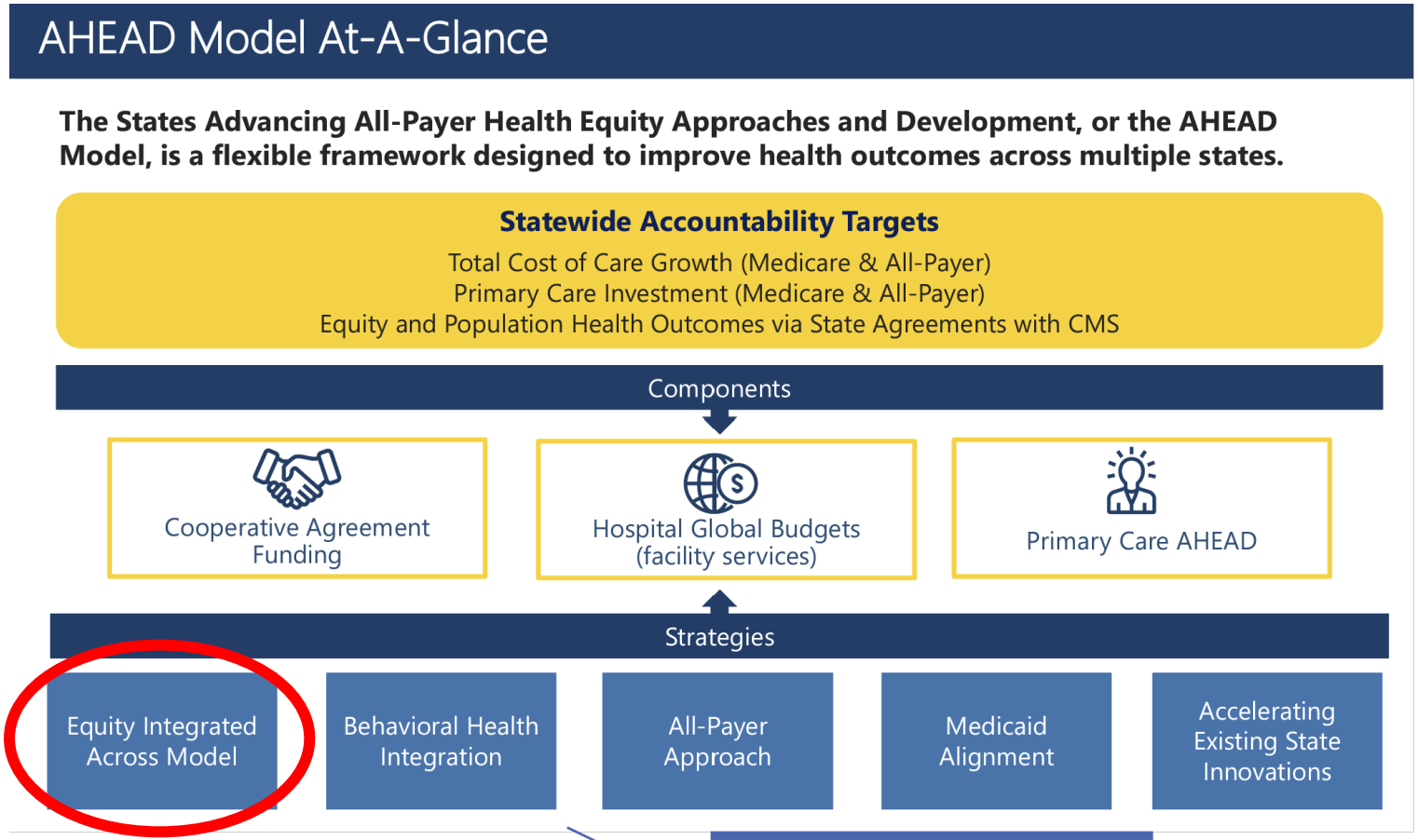
Advancing Health Equity in AHEAD

CMS defines health equity as:

"The attainment of the highest level of health **for all people**, where everyone has a **fair and just opportunity** to **attain their optimal health** regardless of race, ethnicity, disability, sexual orientation, gender identity, socioeconomic status, geography, preferred language, or other factors that affect access to care and health outcomes."

CMS is Positioning Health Equity as a Central Component of the AHEAD Model



VT uses the term "Mental Health and Substance Use Disorder treatment" instead of "Behavioral Health"

Source: CMS Presentation from September 18 AHEAD Model Overview Webinar

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AHEAD Model's "Health Equity Strategy"

Health Equity Strategy

The AHEAD Model aims to advance health equity in alignment with the CMS Framework for Health Equity. The AHEAD Model Health Equity Strategy is inclusive of the following elements:

- **Develop State Health Equity Plan & Quality Targets** for participating states, which will inform statewide equity strategies and support quality improvement.
- **Enhance Partnerships between State, Providers, and the Community** to meet model goals.
- **Increase Safety Net Provider Recruitment** among hospitals and primary care providers in the AHEAD Model to reach vulnerable populations.
- **Use Social Risk Adjustment** of provider payments to increase resources available to care for vulnerable populations.
- **Utilize Health Related Social Needs Screening Among Hospitals and Primary Care Providers** to identify unmet needs and connect patients to community resources.

Source: CMS Presentation from September 18 AHEAD Model Overview Webinar

AHEAD's Model Governance Structure

Participating states must establish a model governance structure comprised of representatives from various sectors that play a role in guiding model implementation to promote equity.

Model Governance Structure

Each participating state will establish a multi-sector model governance structure. This body must have a **formal role** in model implementation, which could be advisory. States can build on pre-existing workgroups or boards to meet this requirement.

Governance Representation

Required:

- Patients and/or advocacy organizations
- Community-based organizations
- Payers (including commercial, Medicaid managed care, and Medicare Advantage)
- Provider organizations, including hospitals, primary care, FQHCs, and behavioral health
- Local tribal communities (where applicable)
- State Medicaid Agencies
- State and Territorial Public Health Agencies

Optional: State cost commissions, divisions of insurance, other relevant state agencies, and additional partners

Governance Role

Required:

- Develop Statewide Health Equity Plan and provide input on State Quality and Equity Targets
- Review and support of hospital health equity plans
- Input on Cooperative Agreement investment

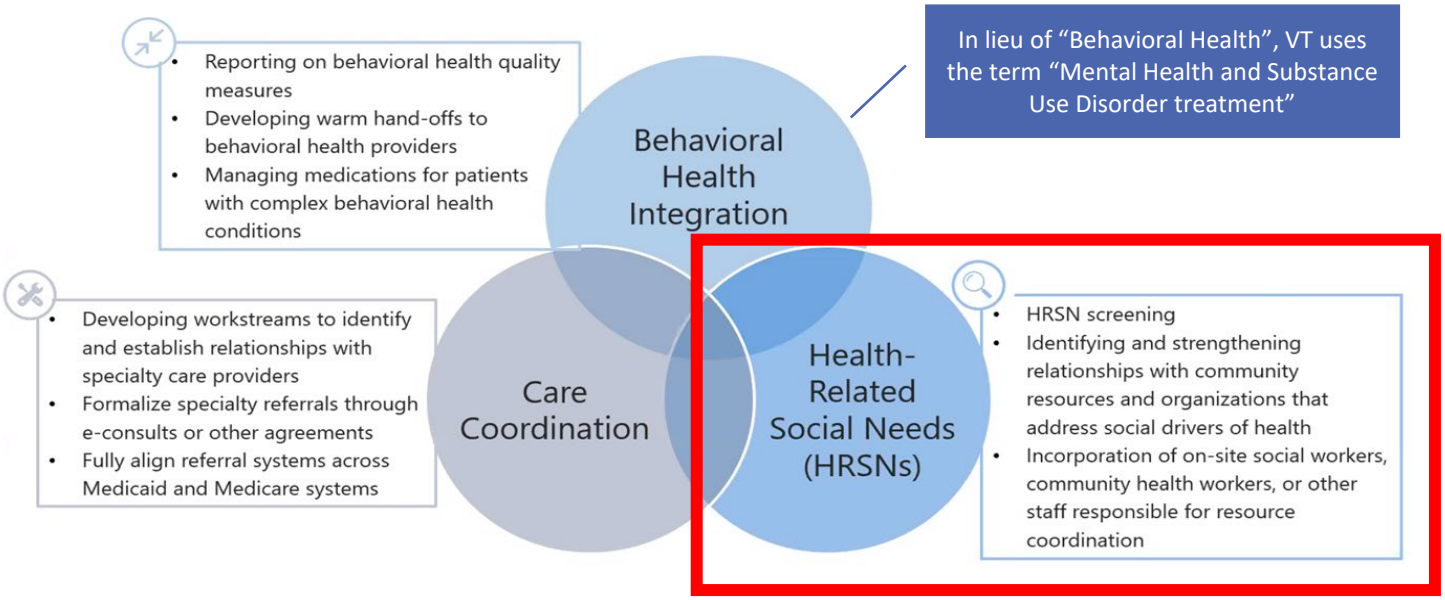
Optional:

- Review state-designed Medicare FFS HGB methodology
- Review of Medicaid and commercial HGB methodologies
- Support activities to achieve other statewide targets

Source: CMS Presentation from September 18 AHEAD Model Overview Webinar

Health Equity Under Primary Care AHEAD

In alignment with the overall AHEAD model health equity strategy, CMS is messaging that the Primary Care AHEAD program will be designed to promote health equity. For example, the Primary Care AHEAD methodology will include adjustments for social risk and care transformation requirements are focused on HRSNs.



More detail will be available in the NOFO that will be released later this year.

Source: CMS Presentation from September 18 AHEAD Model Overview Webinar

Discussion

Discussion Questions

- When thinking of health equity in your work, what are the key problems to solve? What types of health disparities are you seeing today?
- How is your primary care practice approaching health equity today? Are you working on specific strategies for advancing health equity?
- What types of data is your practice currently collecting that can inform development of health equity strategies (e.g., demographic, HRSN, functional assessments)? What successes or challenges have you experienced in collecting these data?
- How are you measuring progress on equity in your work? Are there specific health equity measures that your practice is interested in exploring?
- What supports do you need to reduce health inequities and address quality goals?

Next Steps

Next Steps

- The next Primary Care Workgroup meeting is currently scheduled for November 7 at 9 AM. Should we change that time?
- Please send any questions or comments to Pat Jones (pat.jones@vermont.gov) and Wendy Trafton (wendy.trafton@vermont.gov).

Thank you for your participation!

Appendix

Description of AHEAD's Primary Components

- **Hospital Global Budgets.** Hospitals in participating states will have the option to be paid via a global budget – a fixed amount of revenue – to provide inpatient and outpatient services to Medicare fee-for-service beneficiaries for the upcoming year.
- **Primary Care AHEAD.** Primary care practices in participating states will have the option to participate in a primary care model that includes Medicare per beneficiary per month payments with a quality component, and which could transition to a more prospective method for paying practices.
- **Cooperative Agreement Funding.** CMS will provide each participating state up to $12 million in cooperative agreement funding to support planning activities during the pre-implementation period and initial performance years of the model.

Focus of this group

Comparing Current VT Primary Care Payments to Payments Under Primary Care AHEAD (DRAFT)

	Program	Payment by Payer
ACO-Participating Primary Care Practices	**Comprehensive Payment Reform (CPR) Program** *(Participating ACO practices only)*	**Fixed, prospective PMPM for standard ("core") primary care services calculated to meet target primary care spend rate.** **Above-market payment for other ("non-core") services delivered in primary care setting:** • 105% of FFS **Incentive PMPM payment to encourage participation:** • $5 PMPM
	Population Health Payments *(All ACO primary care practices)*	• All-Payer* (2023): $4.75 PMPM per attributed life • Bonus Payment (2023): Up to $1.00 PMPM for achieving target performance in specified measures ** Entire Medicare payment covered by hospital funds.*
All Blueprint Primary Care Practices (FQHC, Hospital-Owned, Independent)	**Blueprint Patient-Centered Medical Home (PCMH) Payments**	**Base PCMH** • Commercial: $3.00 • Medicaid: $4.65 • Medicare: $2.15 **Utilization *(measured at practice level)*** • Commercial/Medicaid: $0.00 - $0.25 • Medicare: $0.00 **Quality *(measured at community/HSA level)*** • Commercial/Medicaid: $0.00 - $0.25 • Medicare: $0.00
Community Health Teams	**Core CHT Staffing in all Blueprint Health Service Areas**	**Base Core CHT Staffing** • Commercial: $2.77 • Medicaid: $2.77 • Medicare: $2.68 + $0.31 for risk-bearing providers in Medicare ACO

Primary Care AHEAD – EPCP Payment

Traditional Medicare will pay practices an average of $17 PMPM Enhanced Primary Care Payment (EPCP) fee + FFS primary care payment

Will be risk-adjusted, including social risk adjustment to increase resources for vulnerable populations

CMMI plans to introduce primary care tracks with additional risk/capitation options starting in ~ 2027

Additional Medicaid investments support the Hub and Spoke and Pregnancy Intention Initiatives, Enhanced CHT Pilot, and Support and Services at Home (SASH) infrastructure.