Vermont Health Care Reform Work Group: Primary Care Subgroup

November 16, 2023

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Today's Agenda

- Review: Purpose of Group
- Updates from Center for Medicare and Medicaid Innovation (CMMI)
- CMS Strategies for AHEAD: All-Payer Approach, Medicaid Alignment, and Accelerating Existing State Innovations
- Discussion

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 Notice of Funding Opportunity (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.

AHEAD Model Information and Timeline

https://innovation.cms.gov/innovation-models/ahead

Anticipated Timeline:

NOFO Publication: Expected by November 16, 2023 (*today!*)

Deadline for State Applications for Cohorts 1 and 2: February-March 2024

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<tr><th colspan="2"></th><th>2023</th><th>2024</th><th>2025</th><th>2026</th><th>2027</th><th>2028</th><th>2029</th><th>2030</th><th>2031</th><th>2032</th><th>2033</th><th>2034</th></tr>
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<tr><td rowspan="2">1st NOFO Period</td><td>Cohort 1</td><td rowspan="2">NOFO</td><td colspan="2">Pre- Implementation (18 mos)</td><td>PY1</td><td>PY2</td><td>PY3</td><td>PY4</td><td>PY5</td><td>PY6</td><td>PY7</td><td>PY8</td><td>PY9</td></tr>
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CMMI Responses to Vermont's Questions (1 of 2)

MI	PC Workgroup Questions/Feedback	CMMI Response
Funding, Payment Models	• What will happen to Medicare payments associated with Vermont's **Blueprint for Health** for practices not ready to participate in AHEAD?	Funding for Blueprint would be included in Vermont's Total Cost of Care (TCOC) baseline when calculating Medicare FFS TCOC targets. For hospitals and practices participating in AHEAD, it sounds like Vermont could have the ability to include Medicare's share of Blueprint funding in participating hospitals' global budgets. The State also might be able to direct Medicare's Blueprint funding to hospitals and practices not participating in AHEAD; if so, the payment mechanism is unclear at this point.
	• The group requested additional clarification from CMS around how **enhanced primary care payments (EPCPs)** under Primary Care AHEAD will be adjusted. The group raised concerns around EPCPs being adjusted based on Vermont's performance on statewide targets, rather than on factors within an individual practice's control.	Adjustments to EPCPs would occur on an annual basis and be based on the social and clinical risk of a practice's attributed population. Starting in PY2, 5% to 10% of the EPCP would also be adjusted based on a practice's quality performance. In addition, there would be an adjustment at the state level based on the state's performance on the hospital global budget recruitment and TCOC targets. CMMI indicated that this is related to statutory requirements for budget neutrality and a goal to promote accountability.

CMMI Responses to Vermont's Questions (2 of 2)

Topic	PC Workgroup Questions/Feedback	CMS Response
General	• The group requested CMS to clarify whether the AHEAD model will be considered an **advanced alternative payment model (AAPM) 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.	AHS and GMCB have strongly advocated on this issue to CMMI to CMMI leaders. A final decision had not been announced as of 11-15-2023, but it sounds like the 2026 version of Primary Care AHEAD will at least be considered a MIPS APM. CMS plans to design a capitated track of Primary Care AHEAD, potentially for 2027, and has said that a goal would be for that to be designed as an AAPM.
	• Is there a **minimum number** of primary care practices that must participate?	No, there is no minimum number of practices. Participation in Primary Care AHEAD is completely voluntary. However, the level of participation could impact State performance on the primary care investment target.

Recap of Discussion on MH/SUD Integration Under the AHEAD Model

- There have been efforts around mental health and substance use disorder treatment (MH/SUD) integration through the collaborative care model, where a care manager and social worker play a central role in communicating with a patients' providers and providing brief interventional counseling, and through the Blueprint for Health expansion pilot.
- The group indicated that hiring staff has been one of the biggest barriers to advancing MH/SUD integration. Providers noted it has been most difficult to find clinical staff, such as psychiatrists and counselors.
  - One practice indicated they are considering using funding to provide additional training to existing staff. However, that has also proven challenging since current staff have full caseloads and limited capacity to cover for staff who are attending trainings.
- Practices are currently using various tools to screen for depression and anxiety. OneCare is in the initial phase of discussions with providers around using standard tools to screen for MH/SUD needs (as well as health-related social needs).

All-Payer Approach, Medicaid Alignment, and Accelerating Existing State Innovations in the AHEAD Model

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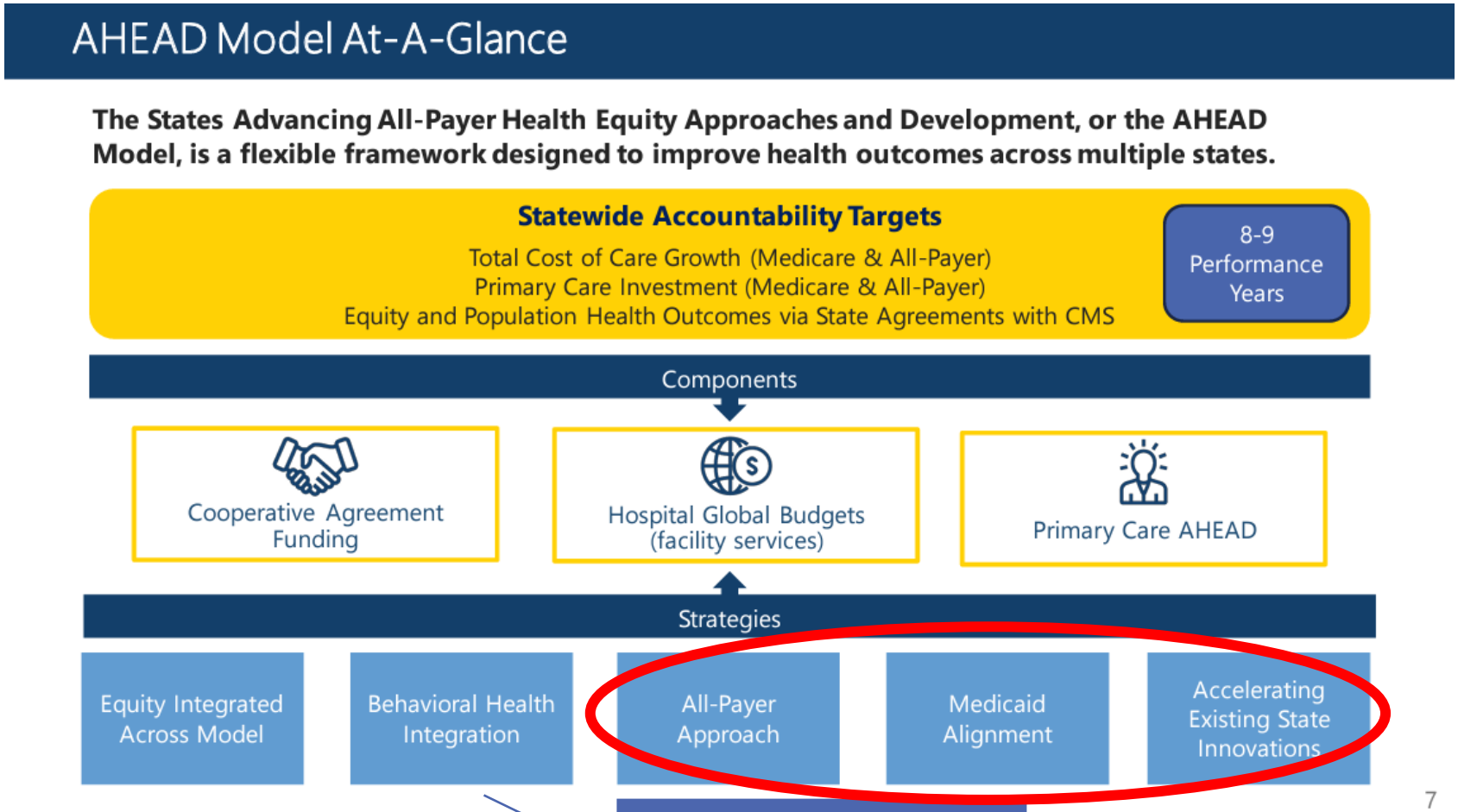
Critical Components of the AHEAD Model



Source: NASHP Presentation from October 26 AHEAD Model Webinar

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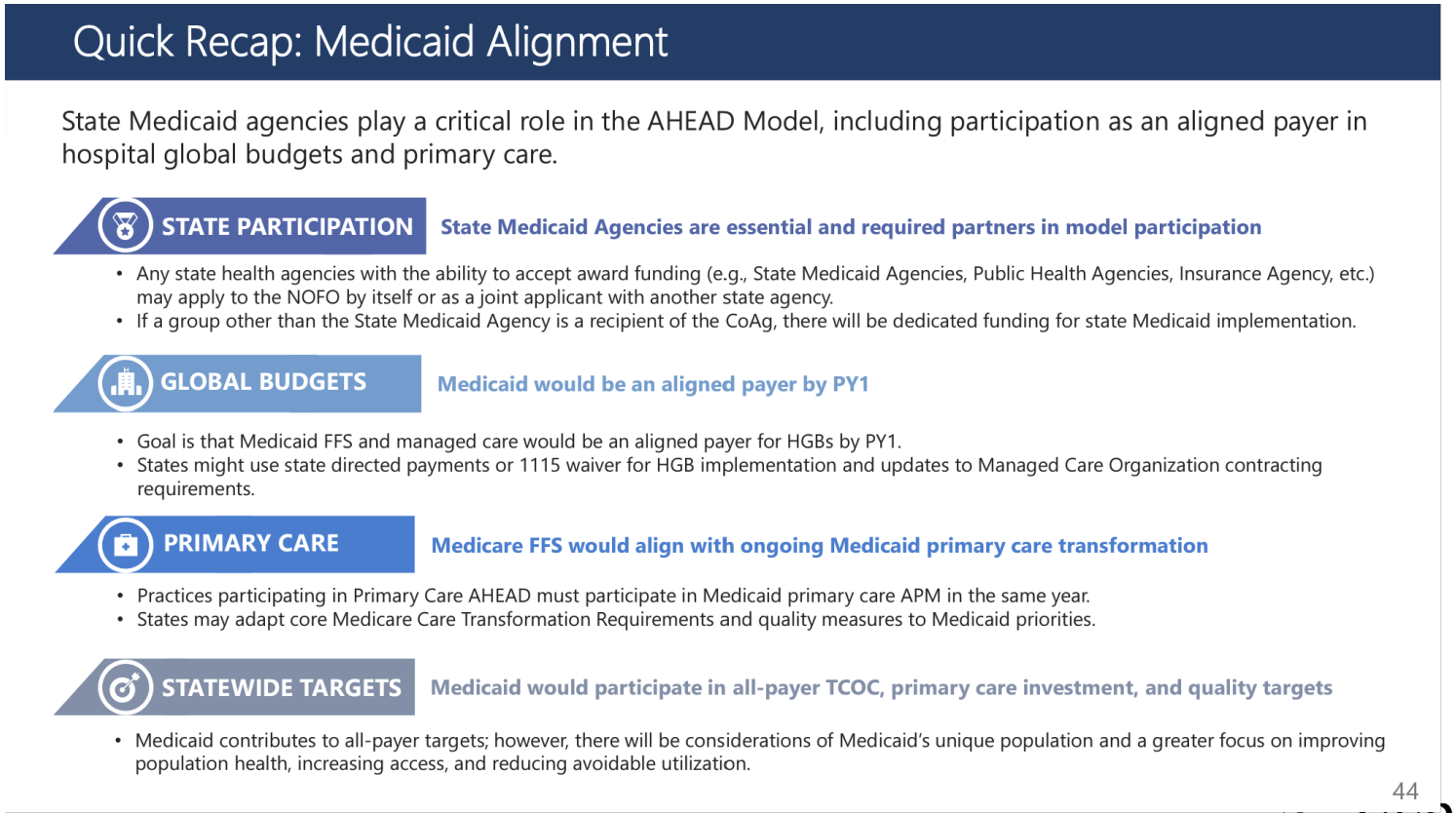
Medicaid Alignment/Accelerating State Innovation

While the AHEAD Model revolves around modifications to Medicare payment, there is a strong focus on aligning with states' existing Medicaid programs.



Source: CMS Presentation from September 18 AHEAD Model Overview Webinar

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Crosswalk Between Primary Care AHEAD and Vermont's Existing Programs

Vermont is in a strong position to show that its Medicaid primary care initiatives align with AHEAD.

Primary Care AHEAD Guidance	Existing Vermont Medicaid Initiatives
• **Medicaid Alignment:** Practices must "participate in the Medicaid primary care APM" to participate in PC AHEAD (e.g., Patient Centered Medical Home)	• Recognition as Patient Centered Medical Homes under Blueprint
• **HRSN Care Transformation:** Practices screen for health-related social needs	• Relevant NCQA PCMH requirements • Blueprint PCMH practices and community health teams (CHTs) screen for HRSNs • Blueprint Expansion seeks to expand capacity to provide HRSN screenings
• **HRSN Care Transformation:** Practices incorporate on-site social workers, community health workers (CHWs), or other staff responsible for resource coordination	• Blueprint Expansion is focused on increasing PCMH practice and CHT capacity to coordinate services • Blueprint Expansion funding can be used to embed licensed or unlicensed mental health counselors, social workers, CHWs, family specialists and/or psychologists.
• **HRSN Care Transformation:** Practices must identify and strengthen relationships with community resources and organizations that address social drivers of health	• Blueprint practices and CHTs refer patients to community resources and organizations that fit their needs

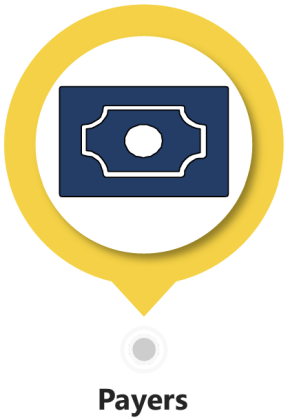
Source: CMS Presentation from September 18 AHEAD Model Overview Webinar

Multi-Payer Approach

CMS is indicating that states must recruit at least one commercial payer to participate in hospital global budgets by PY 2, which would be 2027 if participating in Cohort 1.

Multi-Payer Alignment

The AHEAD Model will strive to achieve the highest possible level of multi-payer alignment across components.



Payers

- Medicare Advantage and commercial payer participation is voluntary, but strongly encouraged.
  - Note: States must recruit at least one commercial payer to participate in HGBs by PY2.
- AHEAD will require Medicaid participation across all Model components to further Model goals around improving health equity.
- States will be accountable for commercial payer spend through the all-payer TCOC growth targets and primary care investment targets.

Source: CMS Presentation from September 18 AHEAD Model Overview Webinar

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Discussion Questions

- What are the most important areas for Medicare and Medicaid(and commercial payer) alignment in a potential future model?
- What aspects of Medicaid innovation supporting primary care should Vermont showcase, assuming the State decides to submit an application for AHEAD?
- For the multi-payer approach beyond Medicaid:
  - When you think about the payer mix in your practice, where would you think about starting in recruiting commercial payers?
  - What are some ways to encourage commercial payer participation in health care reform?
  - Are there any lessons learned about multi-payer participation in existing health care reform initiatives in Vermont (e.g., Blueprint, Vermont All-Payer Model)?

Next Steps

Next Steps

- Thank you for your participation in the Primary Care Workgroup meetings. We would like to schedule additional meetings in the coming weeks to discuss the information in the AHEAD Notice of Funding Opportunity.
- 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

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
- Mental health/substance use disorder integration
- All-payer approach
- Medicaid alignment
- Accelerating existing state innovations

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.