Vermont Health Care Reform Work Group: Primary Care Workgroup

March 8, 2024

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Today's Agenda

- Summary of Responses to "What would great primary care look like for your patients?"
- AHEAD NOFO Application Updates & Requirements Related to Primary Care
- Recap of Topics Discussed to Date; Future Agendas

Question posed to AHS Primary Care Workgroup and GMCB Primary Care Advisory Group:

What would great primary care look like for your patients?

Summary from Primary Care Workgroup

Workgroup members provided the following feedback:

- Moving from reactionary crisis management to **proactive wraparound wellness care.**
- **Team-based care** that includes robust support staff (e.g., nursing, mental health, social services) to address patients' health-related social needs.
- Reduced administrative burden.
- Ability to recruit more primary care providers and ensure they're properly supported to meet patients' needs.
- Transitioning to a panel paradigm so providers **are looking at their total patient panel** and deploying resources in a way that ensures patients have access to the care they need.
- Increased engagement with the community and conducting **outreach to populations that may not be seeking primary care.**
- **Eliminating barriers** (e.g., administrative, regulatory) that prevent practices and providers from providing the best care to their patients.

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Summary from GMCB PCAG

GMCB Primary Care Advisory Group members provided the following feedback:

- **Adequate time** to listen to patients and talk about options; time with patients is the "currency of primary care."
- Reduced paperwork; it should not take more time to document in EHR than the actual visit.
- Availability: **patients can see their provider when they want to**.
- Primary care is close to home.
- Everyone in the state has a primary care provider and has been **seen in the past year.**
- Care is affordable.
- Patient panel sizes are reasonable (suggested 1200 per provider) and **account for complexity of many patients**.
- There is support for **preventive care and team-based care**, and for addressing housing, food insecurity, and other social determinants of health.
- Physicians and nurses are supported in working at the top of their license.
- There is **flexibility and creativity in how care can be delivered** (e.g., home visits, telehealth, team-based care).
- **Capitated payment** and other value-based payments; comprehensive payment reform (CPR) program or something similar.
- Adequate **resources outside of the office:** mental health care, home health services, rehabilitation services, etc.
- Primary care is prioritized in training; encourages people to go into primary care.
- Care is **redirected from specialists to primary care** when appropriate.

AHEAD NOFO Application Updates

Key Dates

- **November 16, 2023:** CMS announced the first of two Notice of Funding Opportunities (NOFO) for the AHEAD model.
- ★ **March 18, 2024:** Applications for Cohort 1 and 2 participants are due. Vermont has decided to apply to the model as a Cohort 1 participant.
- **May 24, 2024:** CMS anticipates issuing notices of award (recently, CMS has said May-June).
- **July 1, 2024 to December 31, 2025:** Pre-Implementation Period (18 months)
- **January 1, 2026 to December 31, 2034:** Model Implementation Period (9 years)

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Next Steps for States Selected for Cohort 1

HGB = Hospital Global Budget
TCOC = Total Cost of Care
PC = Primary Care

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Statewide Accountability in AHEAD Model: Increasing Primary Care Investment

Excerpts from CMS AHEAD Website:

- "The AHEAD Model is designed to increase Medicare FFS [fee-for-service] investment in primary care and align primary care transformation with existing innovations in state Medicaid programs."

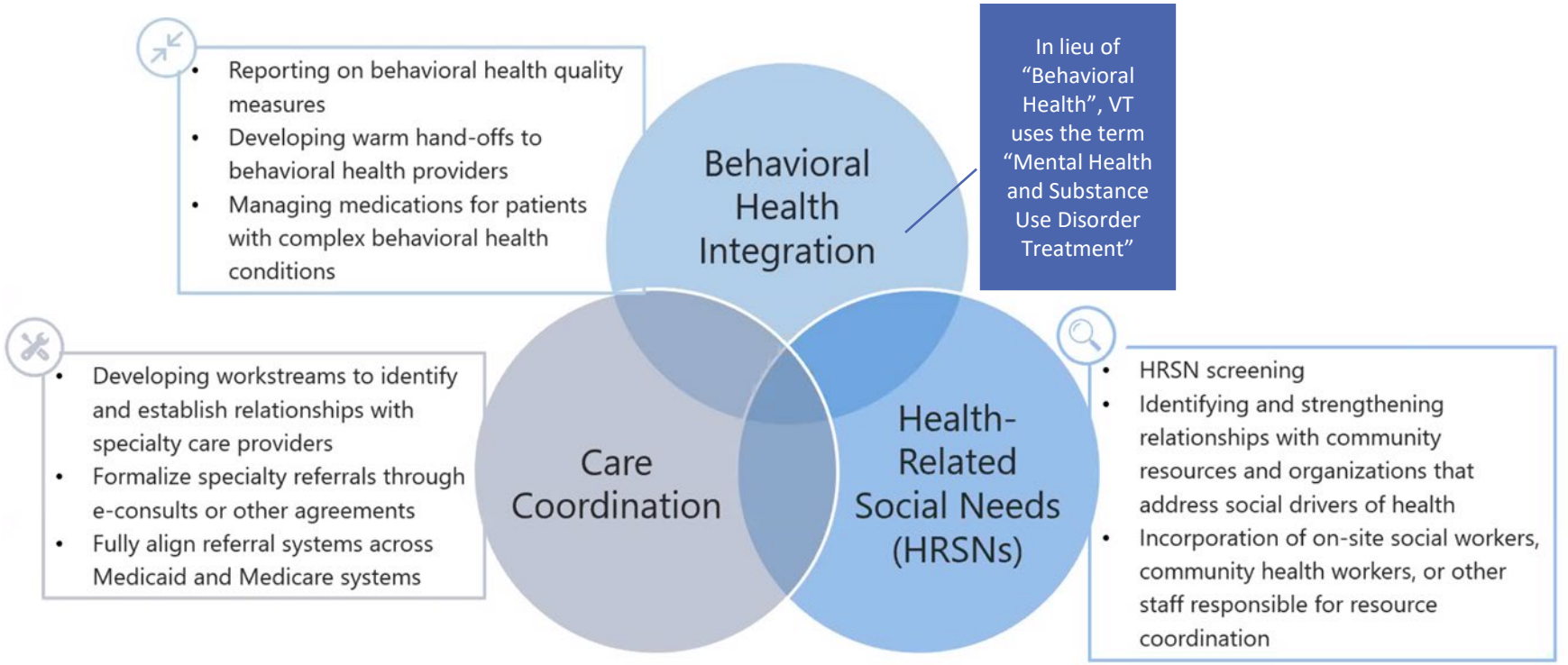
- "There is flexibility for states to construct their own primary care definitions for spending measurement for **All-Payer** Primary Care Investment targets." *(emphasis added)*

AHEAD Application Requirements: Statewide Accountability

Key Elements in AHEAD NOFO: Statewide Accountability
Describe strategy to **measure** statewide total cost of care (TCOC) and **primary care investment** across payers over time, including current TCOC and primary care spend on an all-payer basis.
Describe current or planned efforts to include all-payer TCOC and **primary care investment targets** in state executive order, statute, and/or regulation, and any mechanisms for enforcement of such targets.
Describe applicant's **ability to obtain** TCOC and **primary care spending information** for each year from commercial payers and Medicaid.
Describe anticipated **policy levers to increase primary care spending** by commercial payers and Medicaid.
Describe regulatory and policy levers the applicant intends to use to achieve or enforce TCOC cost growth targets across payers.
Identify **known gaps** in the state's TCOC and **primary care spending reporting**.

Primary Care AHEAD: Care Transformation Requirements

Primary Care AHEAD will include care transformation requirements for person-centered care. They are intended to align with the state's existing Medicaid care transformation efforts.



Source: CMS Presentation from September 18 AHEAD Model Overview Webinar

Application Requirements: Vision for Primary Care Transformation and Practice Recruitment

Key Elements in AHEAD NOFO: Primary Care
Describe current **Medicaid initiatives** underway in primary care, especially related to MH/SUD integration, health-related social needs, care management, and specialty care coordination.
Describe tool(s) that will be leveraged to **increase Medicaid investment** in primary care (i.e., state directed payments for certain primary care services, rate increases and enhanced reimbursement for primary care services, additional tools to rebalance funding across the delivery system).
Describe tools for **increasing access** to primary care services; existing **Medicaid Primary Care alternative payment model** (APM), including current participation of FQHCs and RHCs; and how Primary Care AHEAD might align with these existing efforts in the state.
Provide a detailed **plan for recruitment** of primary care practices for participation in Primary Care AHEAD (e.g., how the applicant will identify practices participating in state Medicaid primary care value-based payment arrangements and conduct recruitment outreach to those providers).
Include description of the **types of practices** currently participating **in the state's Medicaid Primary Care APM**, including identification of gaps in current participation and plans to address those gaps under Primary Care AHEAD.

Key Takeaways from Application Requirements

In the application, Vermont will try to emphasize its experience in successfully implementing complex, multi-payer health care payment and care delivery reforms (e.g., Blueprint for Health, VTAPM) that has prepared the State for participation in AHEAD.

- Vermont will also summarize primary care feedback around AHEAD, based on discussions with this Workgroup and in other forums.
- Some key themes include:
  - **Desire for Forward Motion on Progress Made Under VTAPM:** Practices with experience accepting prospective payments under the Vermont All-Payer Accountable Care Organization Model (VTAPM) have indicated a preference to remain in a prospective arrangement similar to OneCare's Comprehensive Payment Reform (CPR) rather than revert to a fee-for-service approach.
  - **Quality Reporting:** VTAPM did not include electronic clinical quality measure (eCQM) reporting; thus, the transition to AHEAD will necessitate a change in quality reporting for most practices. While most practices in Vermont have certified electronic health record technology (CEHRT), providers have indicated that they may need a period of adjustment and technical assistance.

Key Takeaways from Application Requirements

- **Quality Payment Program (QPP)/Merit-Based Incentive Payment System (MIPS):** Since Vermont practices participating in VTAPM have been considered Advanced APM participants, practices in Vermont are concerned that AHEAD participation will result in a change in status with new administrative requirements.
- **Primary Care Investment Target Setting:** Primary care providers in Vermont are supportive of AHEAD's emphasis on increased primary care spend as a percentage of total spending. Providers have raised questions about CMS' methodology for calculating Medicare FFS primary care spend and challenges in reaching CMS' target for Medicare FFS. Vermont providers have asked about the extent to which AHEAD's Enhanced Primary Care Payment will bridge the gap between current and target levels of primary care spend and whether increased primary care utilization for Medicare FFS beneficiaries is expected.

Summary of Workgroup Member Input

New slide for review

- One workgroup member had a question about the potential policy levers to increase primary care spending by commercial payers and Medicaid, specifically around whether Vermont anticipates describing the specific levers that would be available to the State in the application submitted to CMS.
  - AHS clarified that the State's response in the AHEAD NOFO application will likely be high-level. Vermont plans to describe the current policy levers that are available (e.g., Vermont could explore using the Blueprint program as a vehicle for increasing primary care spending). Vermont also plans to describe potential levers that it may consider to increase primary care spending. For example, Blueprint was required to submit a report to the Vermont legislature about increasing commercial payer investments.
- The workgroup member also asked about Vermont's proposed approach to achieving TCOC targets.
  - Compared to other states, Vermont has multiple mechanisms available to promote the achievement of TCOC targets. AHS indicated the GMCB has insurance rate review authority. AHS also noted that in the application, the State described current initiatives around TCOC targets (e.g., mandate from State legislature for GMCB and DVHA to develop a primary care investment report, current proposed legislation that includes language around setting primary care investment targets).

Recap of Topics Discussed to Date

- Description of AHEAD, with focus on Primary Care AHEAD
- Health Equity Under the AHEAD Model
- MH/SUD Integration in the AHEAD Model
- CMS Strategies for AHEAD: All-Payer Approach, Medicaid Alignment, and Accelerating Existing State Innovations
- Crosswalk of Current VT Primary Care Payments to Primary Care AHEAD Payments
- Interaction Between MSSP and AHEAD
- Vision for Primary Care
- Primary Care AHEAD Quality Requirements
- Primary Care Investment Targets Under the AHEAD Model

Next Steps

- The next Workgroup meeting is scheduled for March 15 from 12:00 – 1:00 PM ET.
- 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!

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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.
- On November 16, CMS released details about the model in a document called a “Notice of Funding Opportunity” (NOFO).
- States have 120 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

Key Components of Primary Care AHEAD

- Primary Care AHEAD will be comprised of three program sub-components:
  - **Medicare Enhanced Primary Care Payment (EPCP).** This payment is intended to fund advanced care management and mental health/substance use disorder (MH/SUD) treatment integration activities.
  - **Care Transformation Requirements.** Participants will be required to meet requirements around enhanced care management, MH/SUD integration, and addressing health-related social needs (HRSNs). Required activities will be based on the state's preexisting priorities and reporting structure.
  - **Medicaid Alignment.** States will be able to align their care transformation requirements and Primary Care AHEAD quality measures with states' existing Medicaid advanced primary care transformation and quality priorities.

Refer to pages 22-24 and 104-105 in the AHEAD NOFO for more detailed information about Primary Care AHEAD.

Source: AHEAD Notice of Funding Opportunity

Primary Care AHEAD Participation

CMS outlined several benefits of primary care providers' participation in Primary Care AHEAD.

- Participating primary care providers will receive a "prospective, flexible, enhanced" investment ($15-$21 PMPM) that is intended to:
  - Increase provider capacity to deliver advanced primary care services;
  - Fund care transformation activities around care coordination, MH/SUD treatment, and HRSN interventions that are tailored to a state's Medicaid APM (e.g., PCMH program); and
  - Provide opportunities for practices to hire staff, increase quality reporting and performance capacities, and strengthen coordination with specialty providers and community-based organizations to provide team-based, whole person care

Source: AHEAD Model Frequently Asked Questions

Comparing AHEAD to CMS' Primary Care Models

CMS noted the AHEAD model differs from CMS' other primary care models in three ways:

1. Establishes a specific goal of increasing statewide investment in primary care
2. Combines hospital global budgets with advanced primary care
3. Offers a flexible framework that allows for alignment with a state's existing Medicaid primary care activities

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

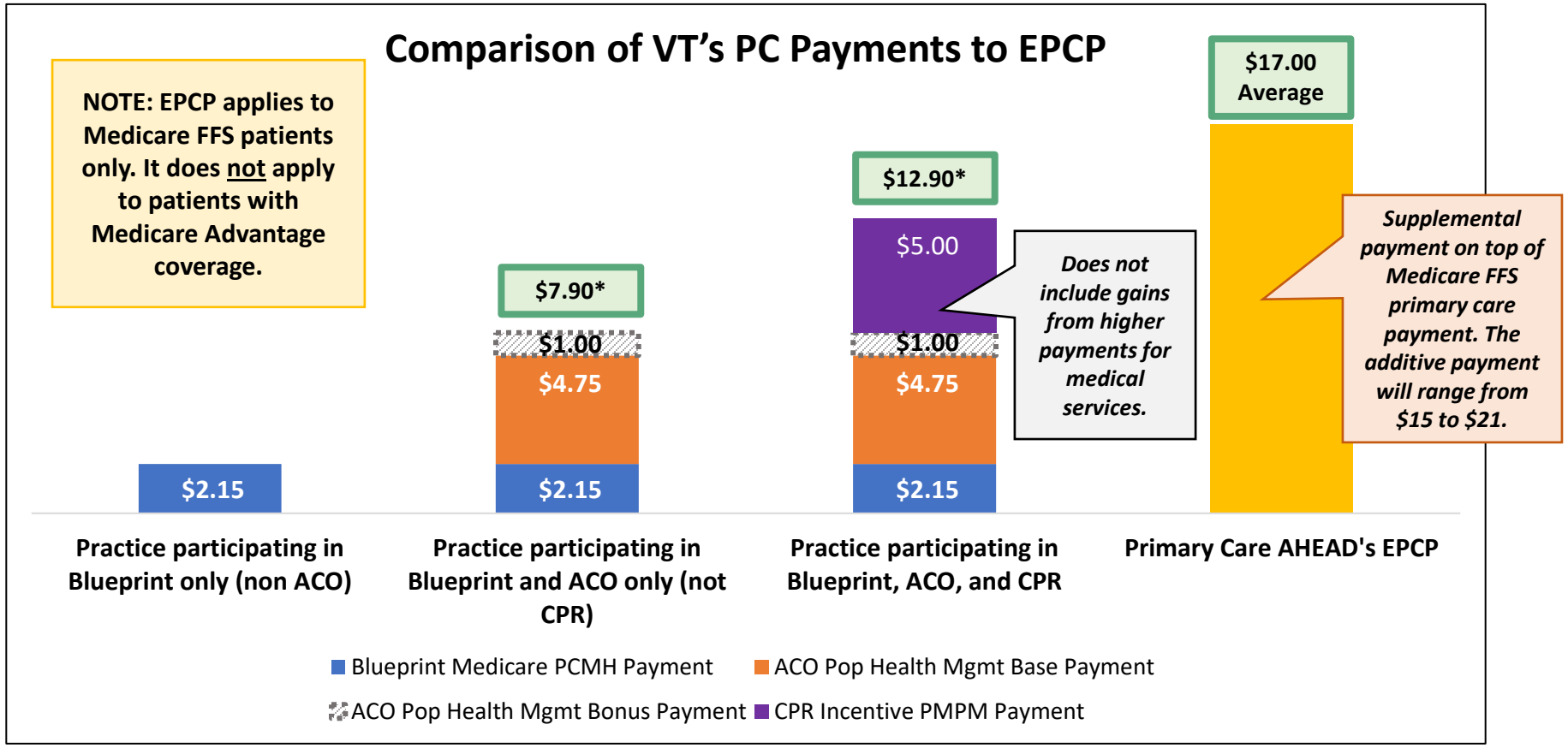
Will be risk-adjusted, including social risk adjustment to increase resources for vulnerable populations

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.

How do Vermont's Current Primary Care Payments Compare to Primary Care AHEAD's EPCP? (DRAFT)

While the activities supported by Vermont's current primary care payments and EPCP are slightly different, this high-level analysis shows that under various participation scenarios (Blueprint only, Blueprint/ACO, Blueprint/ACO/CPR) the average $17 EPCP is greater than the sum of Vermont's current Medicare payments.



** This total is likely lower since the ACO Population Health Management Payment is All-Payer and not only Medicare.*

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 must screen for health-related social needs	• Relevant NCQA PCMH requirements • Blueprint community health teams (CHTs) screen for HRSNs • Blueprint Expansion seeks to expand CHTs' capacity to provide HRSN screenings
• **HRSN Care Transformation:** Practices must incorporate on-site social workers, community health workers (CHWs), or other staff responsible for resource coordination	• Blueprint Expansion is focused on increasing CHT capacity to navigate and coordinate services • Blueprint Expansion funding can be used to embed licensed or unlicensed mental health counselors, social workers, CHWs, family specialists or psychologists.
• **HRSN Care Transformation:** Practices must identify and strengthen relationships with community resources and organizations that address social drivers of health (SDOH)	• Blueprint practices work with CHTs to refer patients to community resources and organizations that fit their needs

Source: CMS Presentation from September 18 AHEAD Model Overview Webinar

Current MSSP Tracks

For comparison: In PY3, OneCare was contracted at a 5% risk corridor in a two-sided arrangement under the VTAPM.

	BASIC			ENHANCED *Two-sided*
	A & B *Upside only*	**C & D** *Two-sided*	**E** *Two-sided*	
# of ACOs (2023) *N = 456*	151 (33%)	19 (4%)	125 (28%)	161 (35%)
Time Limits Before Moving into Higher Risk? (2023)	7 years total – a new and/or inexperienced ACO may remain at Level A for all PYs of its first BASIC track agreement period (5 years) and then 2 additional years under Levels A or B during its subsequent agreement period	Must move from C to D after 1 year	None – can participate indefinitely under Level E; maximum level of risk/reward under BASIC track	None – highest level of risk/reward under MSSP; participation in the ENHANCED Track is optional
QPP A-APM Status (2023)	No (MIPS)	No (MIPS)	Yes	Yes
Min Savings Rate / Min Loss Rate (2024)	• ***MSR:*** 1st dollar savings at a rate of 40%; capped at 10% of benchmark • MLR: N/A	• ***MSR (Tracks C & D):*** 1st dollar savings at a rate of 50%; capped at 10% of benchmark • ***MLR (Track C):*** 1st dollar losses at a rate of 30%; not to exceed 2% of ACO participant revenue; capped at 1% of updated benchmark • ***MLR (Track D):*** 1st dollar losses at a rate of 30%; not to exceed 4% of ACO participant revenue; capped at 2% of updated benchmark	• ***MSR:*** 1st dollar savings at a rate of 50%; capped at 10% of benchmark • ***MLR:*** 1st dollar losses at a rate of 30%; not to exceed 8% of ACO participant revenue; capped at 4% of updated benchmark	• ***MSR:*** 1st savings at a rate of 75%; capped at 20% of updated benchmark • ***MLR:*** 1st dollar losses at a rate determined by ACO's health equity quality performance score; shared loss rate ranges from 40-75%; not to exceed 15% of updated benchmark
Quality (2023)	ACOs have the option to report on 10 CMS Web Interface measures, 3 electronic clinical quality measures (eCQMs), or 3 Merit-based Incentive Payment System (MIPS) clinical quality measures.			
Waivers (2023)	--	The following waivers are available in MSSP for ACOs participating in Tracks C-E and the ENHANCED Track: 3-day SNF, expanded telehealth services, & can establish beneficiary incentive programs.		

Primary Care Investment Targets under AHEAD

States participating in AHEAD will be held accountable for both Medicare fee-for-service (FFS) and all-payer primary care investment targets.

Medicare FFS Primary Care Investment Target
(p. 15 of NOFO)

- Participating states/regions will be responsible for meeting the following targets for their Medicare FFS beneficiaries:
  - Annual improvement targets throughout the implementation period
  - A final primary care investment target by the end of the implementation period
- CMS will set a standard definition of primary care for the purpose of measuring Medicare FFS primary care spending *(definition available at "AHEAD Primary Care Investment Methodology" document)*.
- CMS will set the targets on a state-by-state basis during the pre-implementation period.

All-Payer Primary Care Investment Target
(pp. 15-16 of NOFO)

- There are 2 alternatives for how All-Payer Primary Care Investment Targets can be set up and operationalized prior to 2026:
  - If the state "has an existing all-payer primary care investment target, the state may use their current definition of primary care for measurement, subject to CMS approval"; **OR**
  - The target can be "set by CMS on a state-by-state basis and align existing state efforts on all-payer primary care investment"

CMS anticipates that a participant's final primary care target will be between 6-7% of Medicare TCOC, depending on current Medicare primary care spend in the state or sub-state region.

Source: AHEAD Notice of Funding Opportunity

Quality and Population Health Strategy Goals Under AHEAD

CMS has indicated that the quality and population health strategy under AHEAD is an important lever for "driving alignment across payers and advancing health equity." It is focused on:

Prevention and Wellness

Improve equitable access to preventive services

Population Health

Improve chronic conditions through community-level health care transformation efforts

Ensure various populations have access to high-quality, whole-person care

Mental Health and Substance Use Disorder (MH/SUD)

Improve MH/SUD outcomes in alignment with state initiatives (e.g., reducing opioid use disorder)

Health Care Quality and Utilization

Reduce avoidable admissions and readmissions

Improve patient experience and delivery of whole-person care

Source: AHEAD Notice of Funding Opportunity

Primary Care AHEAD Quality Measures

Participating primary care practices will be accountable, through the EPCP, for performance on a set of five measures outlined below. To start, 5% of the EPCP will be tied to a practice's performance. By PY8, it will increase to 10%.

Domain	Measure	Data Source	Payer and Program Alignment	Currently Collected by VT Providers?
Mental Health and Substance Use Disorder (30%) *Measure is required*	Preventive Care and Screening: Screening for Depression and Follow-Up Plan	eCQM	• Medicaid Adult Core Set • Commercial • Making Care Primary • CPC • HRSA Uniform Data System	✓ *(Medicaid ACO, Medicare ACO)*
Prevention and Wellness (15%) *Must select at least 1 measure in this domain*	Colorectal Cancer Screening	eCQM	• Medicaid Adult Core Set • Commercial • Making Care Primary • CPC+ and CPC • HRSA Uniform Data System	✓ *(Medicare ACO)*
	Breast Cancer Screening: Mammography	eCQM	• Medicaid Adult Core Set • Medicare • Marketplace • Commercial • CPC+ and CPC • HRSA Unform Data System	✓ *(VT Medicaid Adult Core Set)*

Source: AHEAD Notice of Funding Opportunity; Adult Core Set of Health Care Quality Measures for VT Medicaid; Vermont Medicaid Next Generation ACO Program 2021 Performance; Vermont All-Payer ACO Model Annual Health Outcomes and Quality of Care Report Performance Year 4 (2021)

Primary Care AHEAD Quality Measures

Domain	Measure	Data Source	Payer and Program Alignment	Currently Collected by VT Providers?
Chronic Conditions (15%) *Must select at least 1 measure in this domain*	Controlling High Blood Pressure	eCQM	• Medicaid Adult Core Set • Medicare • Marketplace • Commercial • Making Care Primary • Primary Care First • CPC+ and CPC • HRSA Unform Data System	✓ *(VT Medicaid Adult Core Set, Medicaid ACO, Medicare ACO)*
	Diabetes: Hemoglobin A1c Poor Control (>9%)	eCQM	• Medicaid Adult Core Set • Medicare • Marketplace • Making Care Primary • Primary Care First • CPC+ and CPC • HRSA Unform Data System	✓ *(VT Medicaid Adult Core Set, Medicaid ACO, Medicare ACO)*
Health Care and Utilization (40%) *Both measures are required*	Emergency Department Utilization	Claims	• Commercial • Making Care Primary • CPC+	✓ *(Monitored by ACO and Reported to Providers)*
	Acute Hospital Utilization	Claims	• Commercial • Primary Care First • CPC+	✓ *(Monitored by ACO and Reported to Providers)*

States may propose alternative measures to CMS to align with existing state efforts. The measure must fall under one of four domains (MH/SUD treatment, prevention and wellness, chronic conditions, health care and utilization) or align with the model's broader goals.

Source: AHEAD Notice of Funding Opportunity; Adult Core Set of Health Care Quality Measures for VT Medicaid; Vermont Medicaid Next Generation ACO Program 2021 Performance; Vermont All-Payer ACO Model Annual Health Outcomes and Quality of Care Report Performance Year 4 (2021)