

# Vermont Health Care Reform Work Group: Primary Care Subgroup

October 3, 2023

# Today's Agenda

- **Background**
- **Recap of Primary Care AHEAD as Announced by CMMI**
- **Discussion**

# Background: 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.

# High-Level Overview of AHEAD Model

## Overarching Goals

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

## Three Primary Components

- 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  
today's  
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 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.

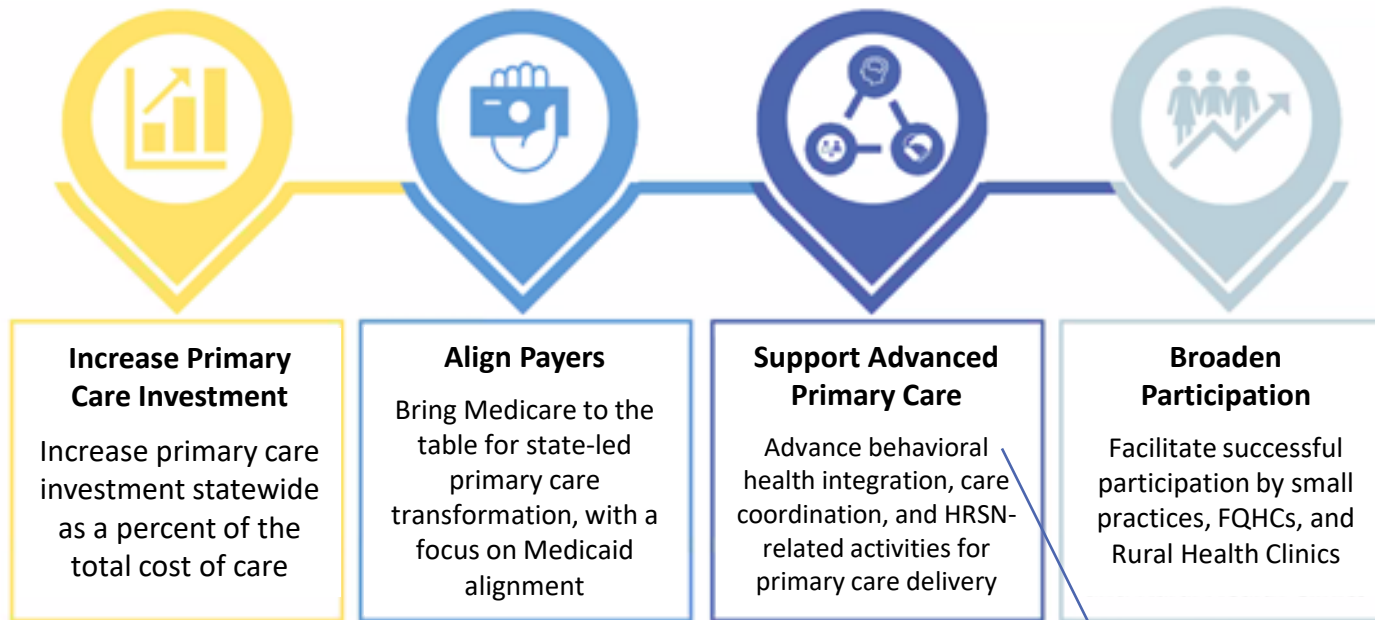
**AHS is convening this group to obtain Vermont primary care providers’ feedback to Primary Care AHEAD, so that Vermont can prepare for the NOFO and application period early next year.**

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

# Announced Features of Primary Care AHEAD

# Primary Care AHEAD: Supporting Primary Care

CMS has indicated that Primary Care AHEAD is “flexible to align with each state’s Medicaid primary care goals.”



In lieu of “behavioral health”, VT uses the term “Mental Health and Substance Use Disorder”

CMMI has committed to introducing primary care tracks with additional risk/capitation in the future. Any future Primary Care AHEAD tracks will align with these program goals.



# Primary Care AHEAD: Eligibility

Primary care practices in AHEAD-participating states may voluntarily participate in Primary Care AHEAD.



## Primary Care Practices\*

- Primary care practices, FQHCs, and RHCs that are located within a participant state or sub-state region and are participating in the state's Medicaid Primary Care Alternative Payment Model (APM).
  - The state's Medicaid Primary Care APM could support a Patient-Centered Medical Home program, health home, or similar care coordination program.
- Primary Care AHEAD participation will be at the organizational level.
  - Non-FQHCs/RHCs are defined as a single Medicare-enrolled billing TIN.

**NOTE:** CMS indicated that “Hospital-owned practices will only be able to participate in Primary Care AHEAD if the affiliated hospital is participating in AHEAD hospital global budgets for that performance year.”

# Primary Care AHEAD: Enhanced Primary Care Payment

Under Primary Care AHEAD, participants will receive usual Medicare FFS payments plus a Medicare “Enhanced Primary Care Payment” (EPCP) to support advanced primary care and enhanced care management.



## Payment

Each participating practice will receive an average \$17 PBPM\* for each attributed beneficiary, paid quarterly. A small portion of this payment (initially 5%) is at risk for quality performance.



## Requirements

Participating practices will need to participate in Medicaid Patient-Centered Medical Homes or other primary care alternative payment model. Practices will also be expected to meet specific Care Transformation Requirements, which will be aligned across programs.



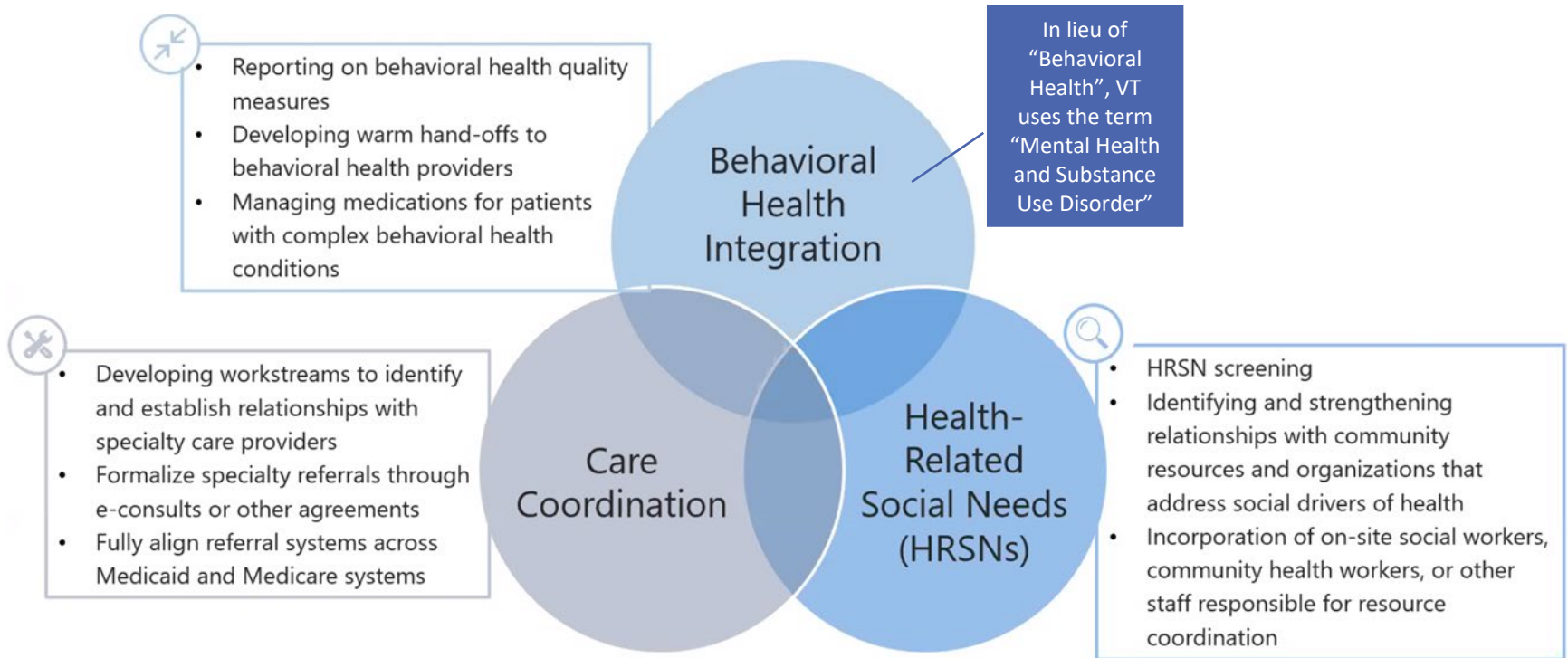
## Potential Uses

Practices can use the EPCP to invest in infrastructure and staffing to perform advanced primary care (e.g., care coordinators, behavioral health staff, or community health workers).

**NOTE:** A state may earn a higher (up to \$21) or lower (floor of \$15) PBPM based on hospital recruitment or state performance on targets.

# 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.



# Discussion

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

	Program	Payment by Payer
ACO-Participating Primary Care Practices	<b>Comprehensive Payment Reform (CPR) Program</b> <i>(Participating ACO practices only)</i>	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: <ul style="list-style-type: none"> <li>• 105% of FFS</li> </ul> <b>Incentive PMPM payment to encourage participation:</b> <ul style="list-style-type: none"> <li>• \$5 PMPM</li> </ul>
	<b>Population Health Payments</b> <i>(All ACO primary care practices)</i>	<ul style="list-style-type: none"> <li>• All-Payer* (2023): \$4.75 PMPM per attributed life</li> <li>• Bonus Payment (2023): Up to \$1.00 PMPM for achieving target performance in specified measures</li> </ul> * Entire Medicare payment covered by hospital funds.
All Blueprint Primary Care Practices (FQHC, Hospital-Owned, Independent)	<b>Blueprint Patient-Centered Medical Home (PCMH) Payments</b>	<b>Base PCMH</b> <ul style="list-style-type: none"> <li>• Commercial: \$3.00</li> <li>• Medicaid: \$4.65</li> <li>• Medicare: \$2.15</li> </ul> <b>Utilization (measured at practice level)</b> <ul style="list-style-type: none"> <li>• Commercial/Medicaid: \$0.00 - \$0.25</li> <li>• Medicare: \$0.00</li> </ul> <b>Quality (measured at community/HSA level)</b> <ul style="list-style-type: none"> <li>• Commercial/Medicaid: \$0.00 - \$0.25</li> <li>• Medicare: \$0.00</li> </ul>
Community Health Teams	<b>Core CHT Staffing in all Blueprint Health Service Areas</b>	<b>Base Core CHT Staffing</b> <ul style="list-style-type: none"> <li>• Commercial: \$2.77</li> <li>• Medicaid: \$2.77</li> <li>• Medicare: \$2.68 + \$0.31 for risk-bearing providers in Medicare ACO</li> </ul>

## 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.

# Discussion Questions

- What are your initial reactions to CMMI's proposed Primary Care AHEAD program?
- What key questions do you have based on CMMI's proposal?
- Do you have any feedback on the design of Primary Care AHEAD?
- What would get you more excited about participating in Primary Care AHEAD? What would deter you?
- What should Vermont relay to CMMI in the short time left before the NOFO?

## Next Steps

# Next Steps

- The next Primary Care Workgroup meeting is on Thursday, October 19 from 11:00 AM – 12:30 PM ET.
- To note, future meeting topics will include health equity, including measures.
- Please send any questions or comments to Pat Jones ([pat.jones@vermont.gov](mailto:pat.jones@vermont.gov)) and Wendy Trafton ([wendy.trafton@vermont.gov](mailto:wendy.trafton@vermont.gov)).

**Thank you for your participation!**