



CONNECTICUT STATE MEDICAL SOCIETY - IPA, INC.



STATE OF CONNECTICUT

Presentation to:
SustiNet Health Care Cabinet
Business Plan Work Group
“CO-OPs and ACOs”

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Agenda

- Introductions
- General Background on CSMS-IPA
- Reform Opportunities
 - Consumer Operated and Oriented Plans (CO-OPs)
 - Accountable Care Organizations (ACOs) and Other “Market Based” Reform Strategies
- Discussion

CSMS-IPA

- Incorporated in 1986
- 7,000+ Physician State-wide IPA
 - Over 85% of the State's Practicing Physicians
- 3,000 addition practitioners including
 - Nurse Practitioners, Physician Assistants, Optometrists and Podiatrists
- Developed a Patient Centered Practice Model (PCPM) network of over 1,600 practitioners focused on the Medical Home construct
- Continues to sponsor and promote Recognized Patient Centered Medical Home practices

Health Insurance Reform

CO-OPS

What Are CO-OPs?

- The Patient Protection and Affordable Care Act of 2010 (ACA) included a provision to finance , through federal loans, the creation of Consumer Operated and Oriented Plans (CO-OPs)
 - Compromise to address concerns over the public option that was a hot-button issue during the health reform debate
 - Intent is to have at least one CO-OP in every state
- CO-OPs
 - Nonprofit, member/consumer-governed plans
 - Focus on individual and small group health insurance markets
 - Designed to help create competition in a highly concentrated commercial market
 - Intended to stimulate healthcare delivery and payment innovation
- To date, 10 CO-OPs have been funded: Iowa/Nebraska, Maine, Montana, New Jersey, New Mexico, New York, Oregon (2), South Carolina, Wisconsin

What is HealthyCT?

- HealthyCT is Connecticut's CO-OP applicant
- Sponsored by the Connecticut State Medical Society (CSMS) and the Connecticut State Medical Society - IPA (CSMS-IPA)
- HealthyCT is dedicated to:
 - Improving the quality of medical care
 - Providing employers and individuals with access to an alternative, affordable model of health insurance
 - Shared responsibility and accountability on the part of both patients and providers
- HealthyCT is committed to:
 - Improving the health status of its patients
 - Promoting healthy lifestyles through education and behavior change
 - Improving health literacy

What Makes HealthyCT Different?

- HealthyCT will focus on quality-driven, consumer-oriented health care
 - Patient-centered medical home practices will be supported to improve care coordination and management
 - Integrated care will be supported through enterprise-wide information technology systems
 - Innovative payment arrangements will be developed and tested to recognize and reward practices that demonstrate improved outcomes
 - Consumers will have a meaningful voice on the Board and will guide policy
- As a non-profit, HealthyCT will re-invest any surpluses in one or more of the following:
 - Quality improvement
 - Benefit enhancement
 - Lower premiums
- HealthyCT's primary focus is the individual and small group markets
 - Will work closely with the Exchange to offer competitive choices to consumers

What is HealthyCT's Status?

- HealthyCT submitted its application to CMS in the fall of 2011
- HealthyCT is in continuous discussions with CMS to address questions and provide clarification on selected issues
- HealthyCT anticipates resolution of outstanding issues in the near future
- HealthyCT intends to be fully operational in time for the initial enrollment period of the CT Health Insurance Exchange

Health Care Delivery Reforms

PCMH AND ACOs

Healthcare Reform Solutions

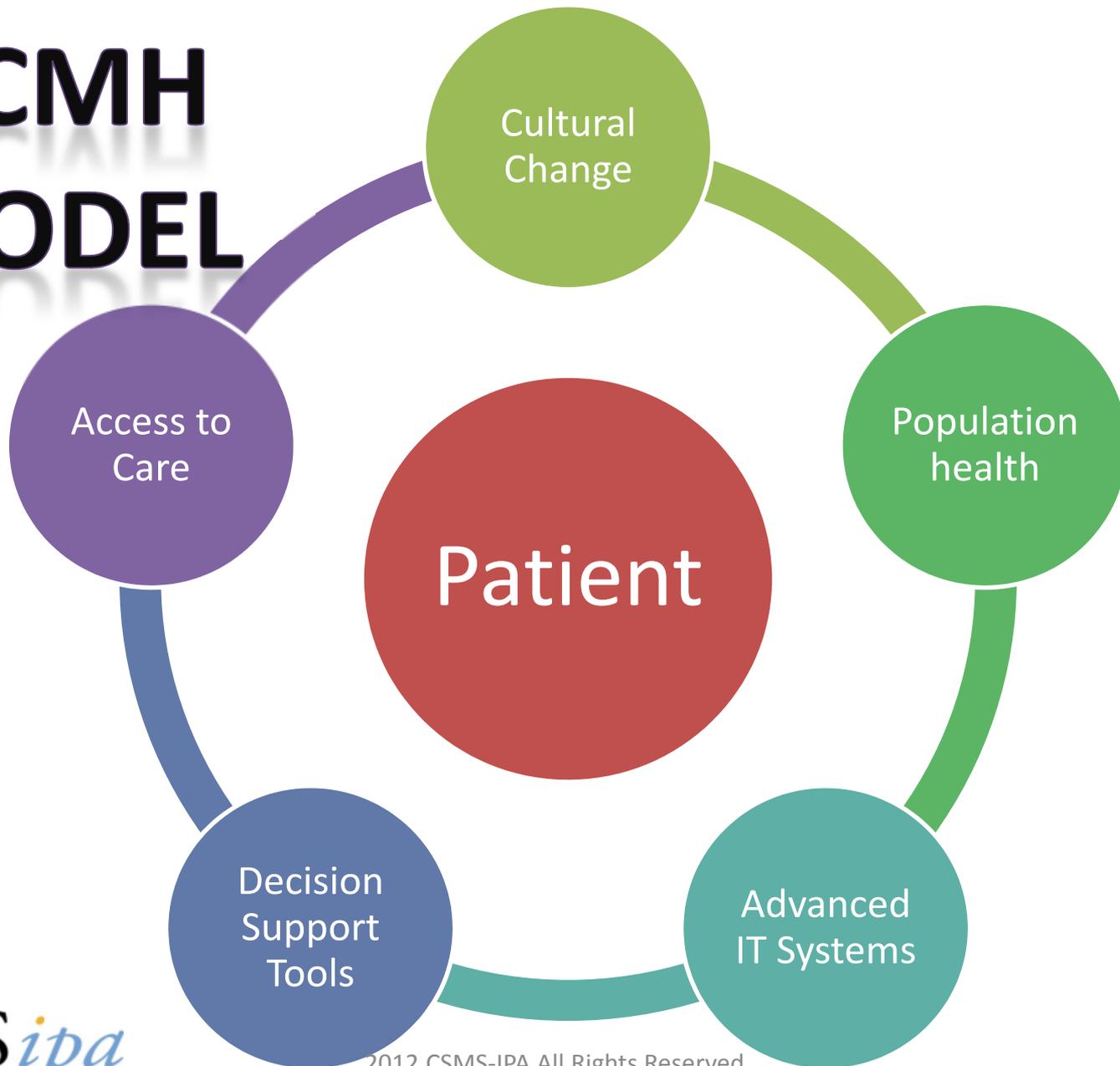
Patient Centered Medical Home (PCMH)

- AKA
 - Advanced Primary Care
 - Health Home
 - Patient Centered Primary Care
 - Patient Centered Practice Model (PCPM)

Accountable Care Organization (ACO)

- AKA
 - Integrated Care Organization
 - Local Care Organization
 - Community Model of Care
 - Shared Savings Network Model
 - Medical Neighborhood

PCMH MODEL



Examples Of Innovation Using PCMH

- CMS Physician Group Practice (PGP) Demonstration
- **CMS Accountable Care Organizations (ACO)**
- CMS Comprehensive Primary Care Initiative(CPCI)
- Local and Regional Programs With Commercial and Medicare Advantage Payers (Shared savings Models)
- **Consumer Operated and Oriented Plans (CO-OP)**

Growth of NCQA Recognized PCMHs

- Regional NCQA PCMH per State as % of PCPs

	<u>Sept 2011</u>	<u>April 2012</u>
– New York	19%	26%
– Rhode Island	31%	34%
– Pennsylvania	13%	16%
– New Jersey	2%	6%
– Massachusetts	5%	10%
– Connecticut *	13%	16%

* CT ranks 10th in the Nation for % of Recognized Practitioners. Over 500 individual practitioners are now recognized.

CMS Definition of an ACO

An Accountable Care Organization is an organization of health care providers that agrees to be accountable for the quality, cost, and overall care of Medicare beneficiaries who are enrolled in the traditional fee-for-service program who are assigned to it.

CMS ACO Demonstration

- Key Attributes
 - Legal Structure to Receive and Distribute Funds
 - Patient Centeredness Stressed
 - Minimum of 5,000 FFS Beneficiaries
- Must Meet Quality Benchmarks
 - 33 Metrics in 4 Domains
- Savings Against Cost Trends are Shared
 - Pioneer- Full Risk
 - No Downside Risk or limited risk models
 - Advanced Payment Model Option

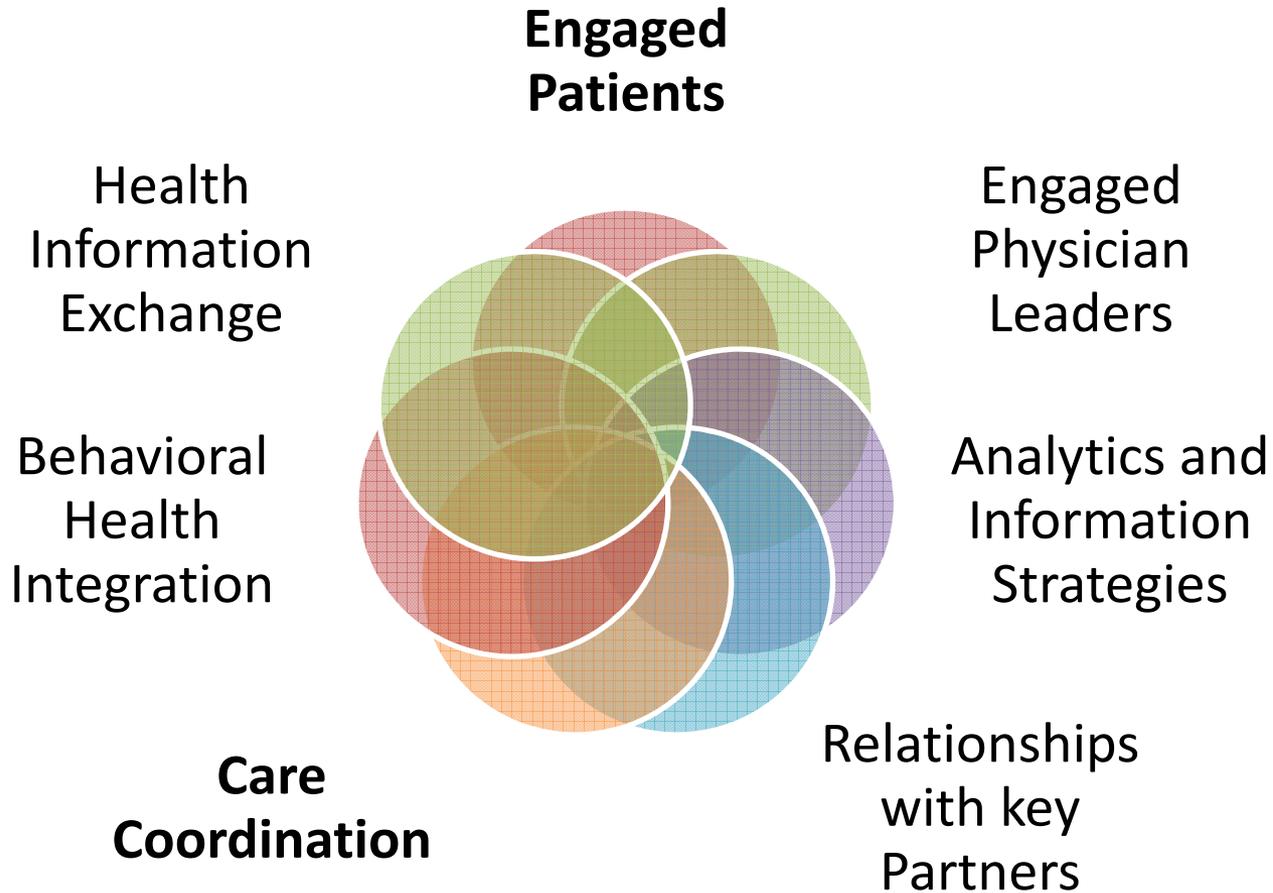
Possible ACO Structures

1. Primary Care Only
2. Primary Care plus Specialist
3. Primary Care plus Specialist plus Hospitals
4. Primary Care plus Specialist plus Hospitals and other local Health Agencies

Local Regional Programs With Commercial & MA Payers

- Payer/Provider Partnerships Exist Throughout the Market but are not Sufficient
- CSMS-IPA Shared Savings Initiatives
 - Agreements With 3 Medicare Advantage Payers
 - Upfront PMPM Management Fee to PCP – varies based on PCMH recognition
 - Standard FFS Payment
 - Pay For Performance Opportunities
 - Shared Savings Opportunities
 - Potential Bonuses based on Quality Performance against Benchmarks
 - Some of these Agreements Predate CMS Programs

Critical ACO Success Factors



Conclusions

- New Entrants to Insurance Market are Needed
 - Current Payers could be doing much more
 - Innovation is needed with a consumer and quality focused model
 - HealthyCT fills this role
- Commitment to Delivery System Reform
 - Payment Reform is Paramount
 - Patient Engagement
 - ACOs and other models can help move this forward

Questions ?

Thank You