



23RD POPULATION HEALTH COLLOQUIUM

**Your Physician Group Just Signed
a Risk-Based Contract - Now What?**

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Daniel Marino



Cliff Frank

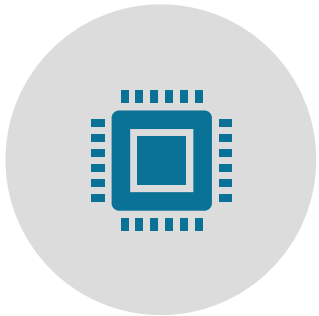
VBC Current Trends



As of 2021, nearly **60%** of healthcare payments had at least some linkage to **quality and value**, but less than **20%** incorporated **two-sided risk**



CMS expects all traditional **Medicare beneficiaries** to be treated by a provider in a **value-based care model by 2030**



Around 80% of PCPs are interested in value-based payment models but report **technological and administrative constraints** as the biggest barriers



Providers have focused on retrospective care with **limited shift to prospective care models**

Source: <https://www.bain.com/insights/value-based-care-global-healthcare-private-equity-and-ma-report-2023/>



The Internal Culture Shift

1. Build provider-centric risk-adjustment practices and transformation
2. Leverage the EHR to evolve the care model
3. Shift risk adjustment to a clinical function vs. a revenue driver
4. Manage clinical variability
5. Develop strong medical leadership
6. Align provider compensation models



6 Actions to Enhance Risk-Based Performance

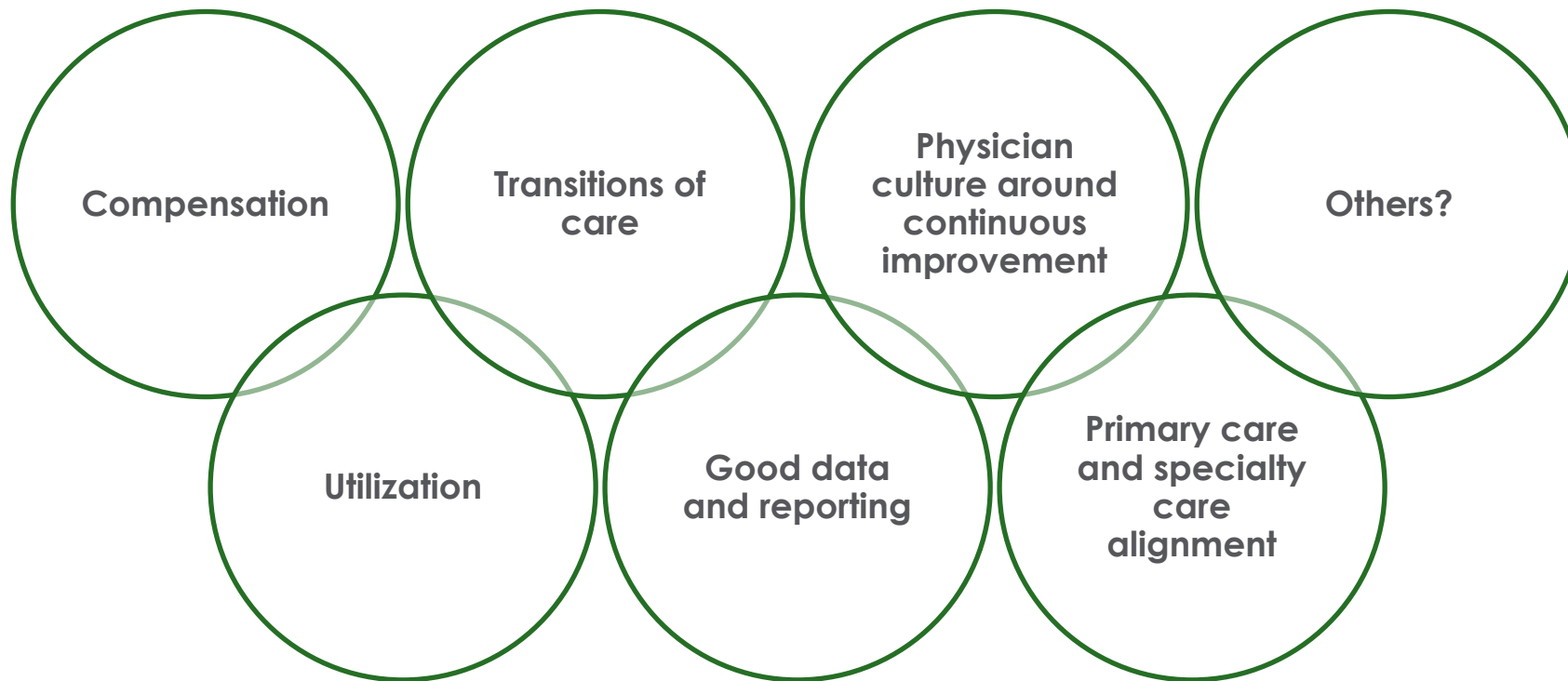
6 Actions to Enhance Risk-Based Performance

- 1 Evolve practice workflows to minimize the impact on provider productivity
- 2 Improve clinic-based documentation and coding
- 3 Provide meaningful quality, utilization, and social determinant data to providers
- 4 Move beyond specialist integration of care and focus on collaboration
- 5 Integrate team-based care models to manage access
- 6 Build strong patient relationships through care management and navigation



Moving to Full-Risk Global Capitation

Where are the time bombs in your practice?



Preventing the Catastrophe



1. Risk-ready culture
2. Data and quality reporting
3. Prospective care models
4. Patient outreach and connectivity
5. Planning for performance reconciliation with the payer
6. Others?



Summary

- Practice leaders must help their providers succeed in risk-based contracts
- Staff and physicians must anticipate the changes and implications associated with risk-performance drivers
- Physician incentives must be aligned with the risk-based objectives
- A focus on culture transformation and care model redesign is vital



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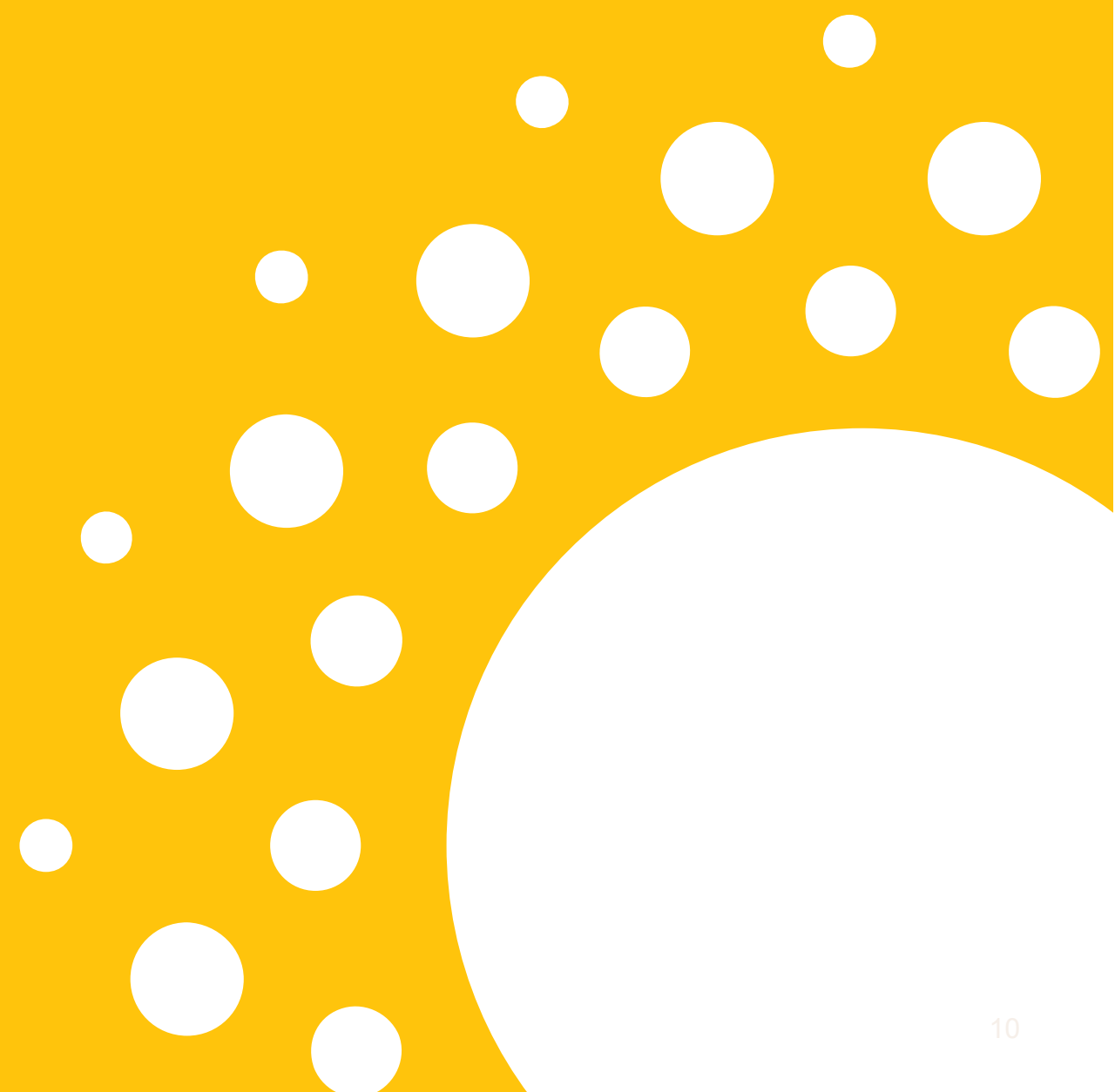
Lumina Health Partners
Value-Based Care Insights
IS NOW A RADIO SHOW ON
Healthcare NOW Radio

**NOW AIRING WEEKDAYS AT
5:00AM, 1:00PM, AND 9:00PM ET**

Twitter **LinkedIn** **YouTube**

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Addendum



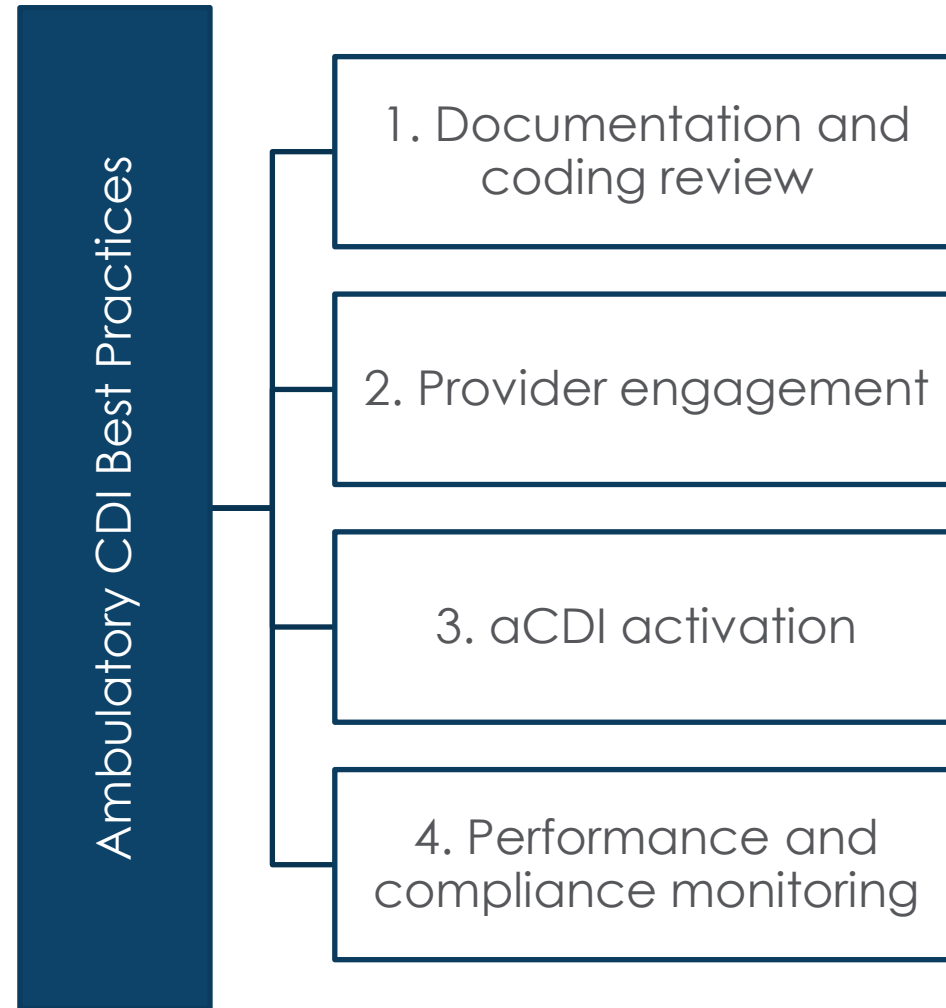
Action 1

Evolve practice workflows to minimize the impact on provider productivity



Action 2

Improve clinic-based documentation and coding



Action 3

Provide meaningful quality, utilization, and social determinant data to providers

Example: Provider Scorecard

Contract Performance Quarter 1																				
Contract Period: July 1, 2021 to July 30, 2022																				
Q1 - July 2021 to September 2021																				
			Integrated Network					Practice Example 1					Practice Example 2							
Quality Measures	1 Point Benchmark	2 Point Benchmark	Actual Result	# of Patients	# Needed for 2 points	# Not Meeting Measure	Points Earned	Actual Result	# of Patients	# Needed for 2 points	# Not Meeting Measure	Points Earned	Actual Result	# of Patients	# Needed for 2 points	# Not Meeting Measure	Points Earned			
Acute Hospitalization: Total	0.9912	0.8765	0.1851	8			2	0.1851	8			2	0.1851	8			2			
ER Utilization	0.8987	0.7863	0.1775	39			2	0.1775	39			2	0.1775	39			2			
All Cause Readmissions	0.6370	0.5805	-	0			2	-	0			2	-	0			2			
							6								6					
Utilization Measure Requirements (1 Point)							YES	Overall							YES	Overall				
Colorectal Cancer Screening	64.95%	69.95%	73.39%	436	-15	116	2	65.91%	88			30	1	74.52%	157		40	2		
Diabetes: HbA1c Poor Control A1c > 9%	27.98%	23.54%	63.86%	83	33	53	0	66.67%	21	9	14	0	62.16%	37	14	23	0			
Quality Measure Requirement (1 point ea)							NO								NO					
Breast Cancer Screening	73.21%	76.81%	75.19%	270	5	67	1	57.58%	33	7	14	0	78.13%	96	-1	21	2			
Cervical Cancer Screening	76.83%	80.68%	78.28%	534	13	116	1	70.69%	58	6	17	0	70.37%	135	14	40	0			
Diabetes: Eye Exams	55.47%	61.56%	28.92%	83	28	59	0	14.29%	21	10	18	0	35.14%	37	10	24	0			
Diabetes: Kidney Health Evaluation	21.05%	42.86%	8.75%	80	28	73	0	10.53%	19	7	17	0	0.00%	36	16	36	0			
Diabetes: Statin Therapy Received	64.01%	66.67%	46.77%	62	13	33	0	50.00%	16	3	8	0	44.00%	25	6	14	0			
Controlling High Blood Pressure	62.29%	69.83%	42.78%	180	49	103	0	41.30%	46	14	27	0	43.08%	65	18	37	0			
Immunizations: Combo 2	26.76%	30.69%	13.21%	53	10	46	0	0.00%	9	3	9	0	0.00%	7	3	7	0			
Avoidance of Antibiotics for Acute Bronchitis	36.49%	42.69%	61.11%	18	N/A	N/A	2	100.00%	1	N/A	N/A	2	50.00%	2	N/A	N/A	2			
Total Points (out of 26)							Overall Points	Overall Points							Overall Points					
							12	9							12					
Met minimum Quality Points							YES	Met minimum Quality Points							NO	Met minimum Quality Points				
							YES								NO					
Have the minimum requirements to be eligible to receive shared savings been met?							Quality for Shared Savings	Meeting Minimum Requirement							Meeting Minimum Requirement					
							NO	NO							NO					
							% Earned	% Earned							% Earned					
							0%	0%							0%					
RISK ADJUSTMENT FACTOR (RAF) AND SHARED SAVINGS PROJECTION																				
Reporting Period: July 2021 to August 2021 + 3 Months Runout																				
Budget Risk Adjustment Factor (RAF)							1.5071													
Budget PMPM							\$706.31													
Budget \$							\$21,700,976													
Actual Risk Adjustment Factor (RAF)							1.5196					2.0852								
Revised Budget PMPM							\$712.16					\$997.75								
Revised Budget \$							\$21,892,920					\$832.71								
Actual Total Expenses PMPM							\$919.14					\$964.61								
Over Stop Loss Expenses PMPM							\$0.00					\$0.00								
Stop Loss Adjusted Actual Total Expenses PMPM							\$919.14					\$964.61								
\$ Over/(Under) Budget PMPM							\$206.98					\$33.14								
% Over/(Under) Budget PMPM							29.06%					3.44%								
Eligible Shared Savings Projection							\$0					\$0								

Utilization Measures

Total of earned quality points

RAF score by practice

Project shared savings or loss



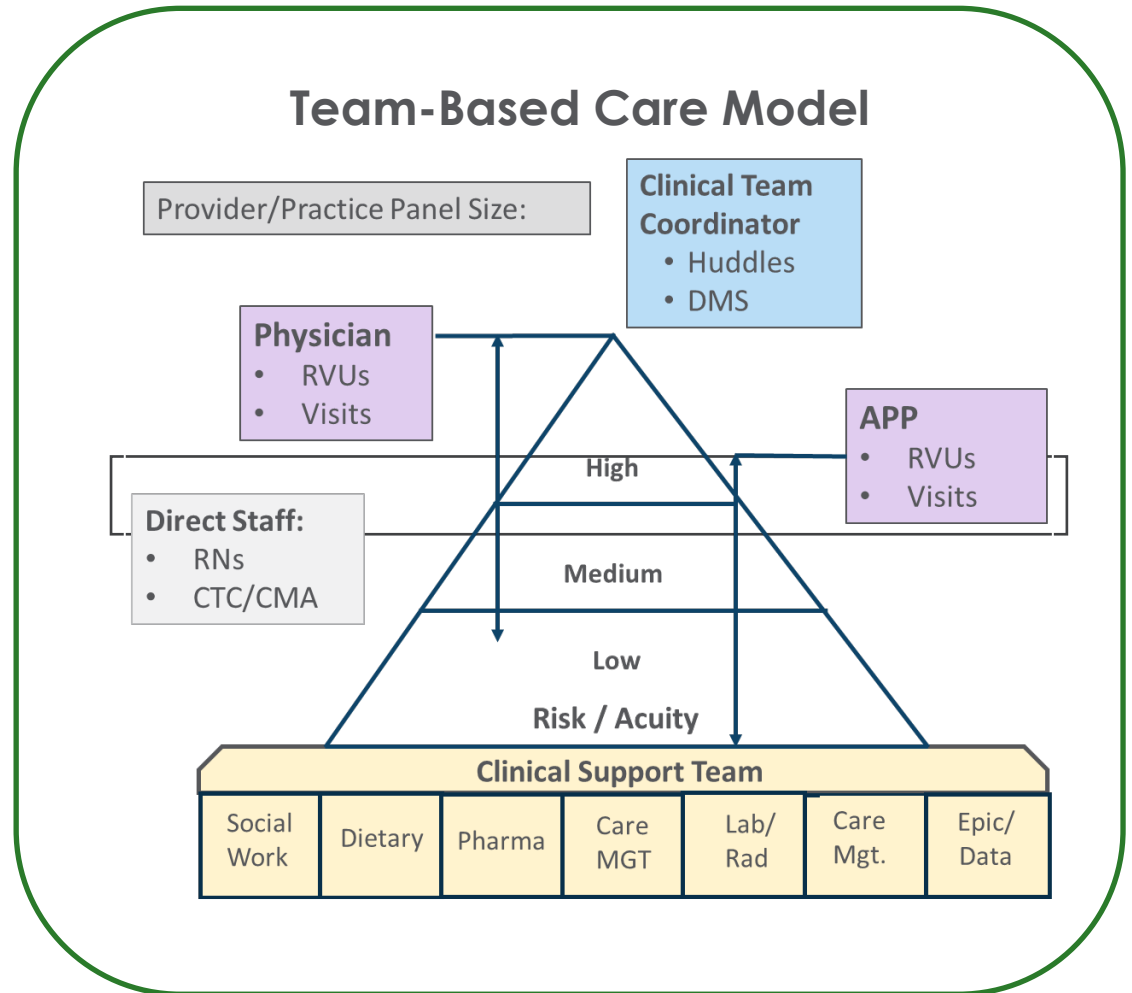
Action 4

Move beyond specialist
integration of care and
focus on collaboration



Action 5

Integrate team-based care models to manage access with patient-focus care services



Action 6

Build strong patient relationships through care management and navigation





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