



**The College for Behavioral
Health Leadership**

HEALTH MANAGEMENT ASSOCIATES

Inching Our Way Towards Value-Based Purchasing

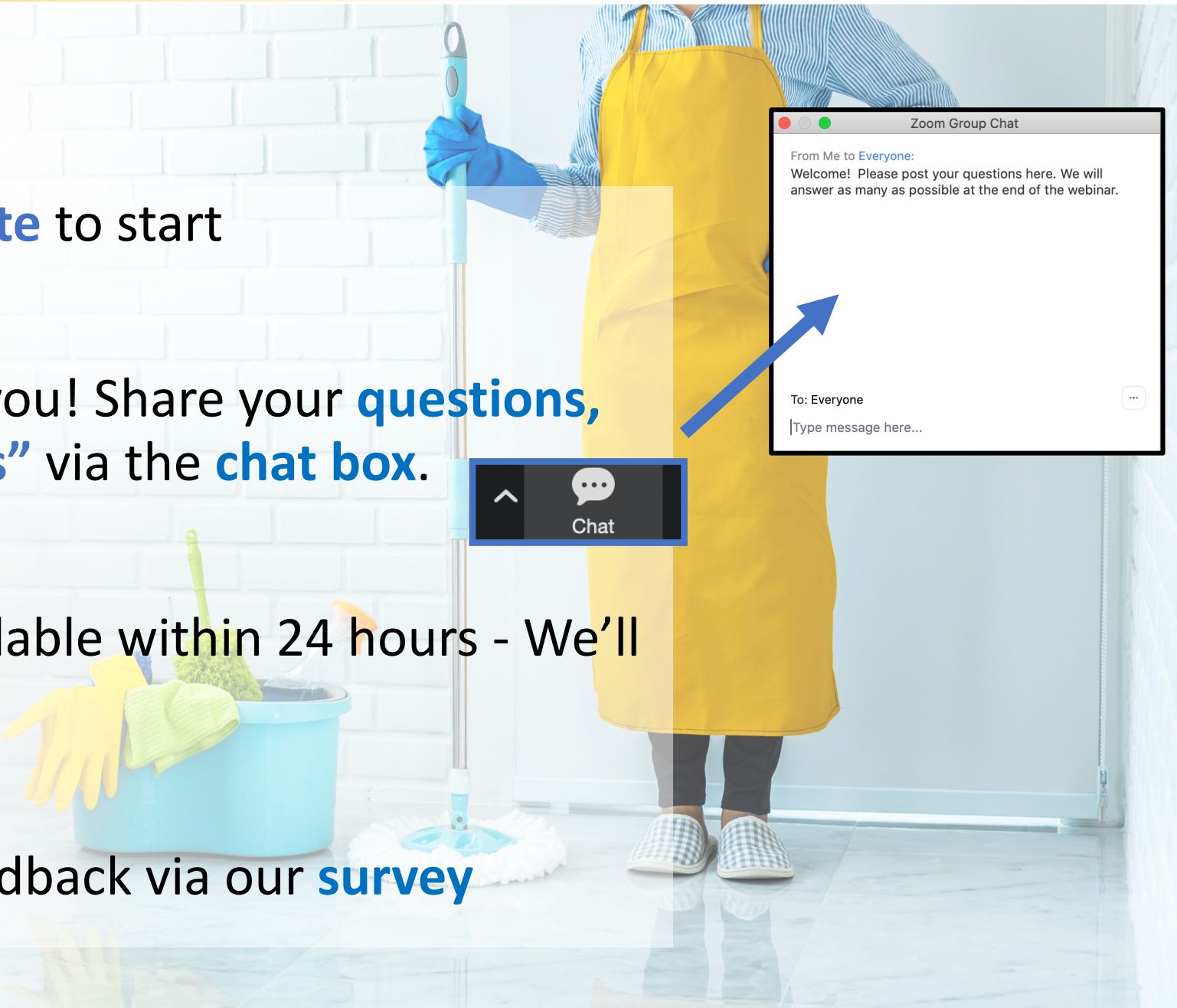
May 11, 2021

10:00am - 11:30am PST / 1:00pm - 2:30pm EST



Housekeeping

- Everyone will be on **mute** to start
- We want to hear from you! Share your **questions, comments** and “**ah-ha’s**” via the **chat box**.
- A **recording** will be available within 24 hours - We’ll email you.
- Please provide your feedback via our **survey**



Our Panelists



SIMPLY PUT

+ Value-Based Payment (VBP) is an emerging type of payment approach that:

+ Pays for value

- + Better care
- + Better outcomes
- + Reduced costs

+ Instead of paying for volume

- + Visits
- + Procedures

VBP will increasingly become the dominant payment method for health care providers, including from Medicare, Medicaid, and commercial payers



WHAT IS VALUE?

$$V = \frac{Q \times S}{\$}$$

(Value) = (Quality) x (Service Volume) / (Cost)

Linking Provider Payments to Performance

$$\text{Value} = \text{Quality} / \text{Cost}$$

How is QUALITY defined in VBP?

- Positive outcomes
- Patient Satisfaction
- Increased access
- Wellness or recovery-oriented measures

Important to be able to define and measure.

How is COST defined in VBP?

- Cost containment (“bending the cost curve”)
- Cost reduction
- Cost neutrality
- “Cost effectiveness”

What is the horizon to cost effectiveness? One year, two years?

Impacts on the population should be considered.

Value is broadly derived by producing a positive outcome or quality improvement in a cost-effective manner.



VBP and Creating an Equitable System

Efforts:

- Focus on whole-person care
- Recognition of the impact of health disparities and social and racial injustice on health outcomes.
- VBP can be a strategy. Cannot be the only strategy.

Providers---what can I do?

- Know your patients and their needs
- Screening and referrals for SDoH
- Building partnerships (formal & informal)

GETTING THERE FROM HERE: HMA VBP READINESS ASSESSMENT TOOL

- How ready are you?



To access the tool, go to <https://www.healthmanagement.com/vbp-survey/>



ESTABLISH A VBP QUALITY IMPROVEMENT TEAM



Typically, operations, clinical, finance, QI, executive team representative



VBP Team meets regularly to develop an organizational VBP strategy

Does the VBP Team have Executive Leadership's buy in and backing?

Can the people you have on the VBP team influence, manage and directly implement change?

HMA VBP Organizational Workplan



HEALTH MANAGEMENT ASSOCIATES CBH VBP INITIATIVE ORGANIZATIONAL WORK PLAN							
Milestone 1: Leadership and Board Engagement							
Activity	Person Responsible	Date Started	Progress Check Date	Progress Check Date	Date Complete	Comments	
Review the HMA VBP Readiness Assessment results as a leadership team							
Based on your assessment results, identify top three initiatives needed to ensure success and your related short, medium and long term goals							
Assess the level at which leadership is committed and has the capacity to ensuring your organization succeeds in value-based payment contracts							
Establish a VBP Leadership Team with representation from finance, clinical, operations and data analytics							
Develop an overall value proposition for your organization that describes your unique strengths and service lines and if possible, should include outcomes data related to anticipated APM(s)							
Provide agency leadership team access to a performance management dashboard that enables it to monitor and respond to critical organizational indicators in real time. At a minimum include trends in membership by plan, quality outcomes for metrics with financial implications, utilization and cost with benchmarking							
Assess familiarity with any of the quality metrics and performance targets included in existing contracts or for those contracts are not in place, those commonly used by payers for advanced APMs in your service area							
Develop a list of performance metrics that should be tracked for desired APMs but are not being currently measured							
Establish a performance indicator related to individual/client engagement that the organization's leadership is tracking on a regular basis							
Assess ability to benchmark your performance							
Assess adequacy of a strategic plan to enhance VBP-related performance							
Assess progress being made in that strategic plan							
Establish a process for your management team regularly track the results of individual/client experience survey							
Engage in a comprehensive strategic planning process with your Board and other key stakeholders that prepares for the transition to value-based payments while maintaining fidelity to your organization's mission, vision and values							
Determine the level of risk your organization is willing to take in							



Provider/Payer Relationships

Do your homework and gather “intel”

- Requirements/regulations by payer
- VBP “landscape”- what’s out there

Prepare!

- Organization assessment
- Cost of care
- Risk tolerance

Ask questions and negotiate

- Priorities
- Come with data and know who you are, what you do, and who you serve (payers have population health data but you have the closest proximity to members)
- Timing is (almost) everything- measurement period, timing of payments
- Time to realize ROI (stepped incentives, front-loading, guardrails)

Questions?





Contact Us!

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