Iowa Wellness Plan: Bridge to Transformation

Delivery System and Member Engagement Approach

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Iowa Medicaid Program
Iowa Wellness Plan

• This presentation focuses on member engagement, provider payment and delivery system strategies for the Iowa Wellness Plan
  – Adults age 19-64
  – Income at/below 100% of the FPL
  – Administered by IME
Objectives

To describe/explain:

• Proposed member *Healthy Behaviors* program
• Proposed provider payment methodology
• Anticipated provider network
• Alignment to State Innovation Model (SIM)
Key Goals of Legislation

- Delivery system reform through payment reform by aligning with ACO model
- Encouragement of Member engagement in their own health care
- Access and engagement of primary health care for low-income Iowans
Key Aspects of DHS Approach to Implementation

• Identify core goals for Year 1, 2 and beyond

• Develop methodologies that are:
  – Realistic and achievable for Year 1
  – Establish a building block consistent with larger reform strategies being developed through State Innovation Model (SIM) design process
  – Create alignment between provider and member incentives
Year 1 Goals

- Estimate 109,000 new members within 2 years
- **Access** - Ensure all new members have an identified primary care provider willing and able to see them
- **Engagement** – Support and track member engagement with the primary care provider including health assessment & education
Year 1 Strategies

Access to Care
• Enhanced PMPM payments for primary care physicians
• MediPASS or HMO choice model (physician PCP)
• Wellness Plan Medical Home Incentives and Accountable Care Organization option

Member Engagement
• Incentive (premium waived) for demonstrating Healthy Behaviors
• Physician incentives for driving improved patient outcomes
• Aligning the member and physician incentives for health engagement
Special Note

• The term ‘Primary Care Provider’ (PCP) or ‘Physician’ includes the *team* of healthcare professionals working under the direction of a physician to deliver and coordinate care including: nurse practitioners, physician assistants and others.
Healthy Behaviors Program for *Members

- Iowa Wellness Plan includes incentives for Healthy Behaviors:
  - Year 1: Premium waived for everyone
  - Year 2: Premium is waived if defined healthy behaviors were completed in year 1
  - Year 3: Premium is waived if defined healthy behaviors were completed in year 2

* Applies to members in the Wellness Plan at 50% FPL and greater
# Healthy Behaviors Program for *Members

<table>
<thead>
<tr>
<th>Year</th>
<th>Health Behavior Requirements</th>
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</thead>
<tbody>
<tr>
<td>Year 1 (1/1/2014 – 12/31/2014)</td>
<td>Must complete both requirements:</td>
</tr>
<tr>
<td></td>
<td>• Health Risk Assessment</td>
</tr>
<tr>
<td></td>
<td>• Wellness Exam by authorized PCP</td>
</tr>
<tr>
<td>Year 2 (1/1/2015 – 12-31-2015)</td>
<td><strong>[DRAFT]</strong> Must complete 2 out of 5:</td>
</tr>
<tr>
<td></td>
<td>• Health Risk Assessment</td>
</tr>
<tr>
<td></td>
<td>• Wellness Exam by authorized PCP</td>
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<tr>
<td></td>
<td>• Complete Dental Exam</td>
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<tr>
<td></td>
<td>• Complete a Smoking Cessation program or are a non-smoker</td>
</tr>
<tr>
<td></td>
<td>• Lower BMI by TBD amount</td>
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<td></td>
<td>• Participate in appropriate health education program or preventive screenings</td>
</tr>
<tr>
<td>Year 3 (1/1/2016 – 12/31/2016)</td>
<td><strong>[DRAFT]</strong> Same as Year 2</td>
</tr>
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Wellness Plan Medical Home

- Member selects a primary care physician (PCP)
- Physician is contracted similar to MediPASS
- PCP eligible to earn three additional types of payments above the regular fee for service payment:

<table>
<thead>
<tr>
<th>$4 PMPM</th>
<th>$10 PM annually</th>
<th>up to $4 PMPM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Care Case Manager Monthly Payment</td>
<td>Wellness Exam Incentive</td>
<td>Wellness Plan Medical Home VIS Bonus</td>
</tr>
</tbody>
</table>
$4 PMPM for the Primary Care Physician

- Provides access to primary care similar to MediPASS
- Member has option to select PCP or is default enrolled
- PCP provides primary care treatment or referral and basic care coordination
- Contracted providers will offer access to primary care and basic care management
Wellness Exam Incentive

• Incentivize PCP to ensure members are offered and receive preventive exam
• If >85% of assigned members (at least 6 months) receive preventive exam, PCP receives $10/year per member bonus
• Aligned with member *Healthy Behavior* incentive
Wellness Plan Medical Home

**Value Index Score (VIS) Bonus**

- Incentivize quality improvement based on outcome over baseline
- VIS Measure sets groundwork for ACO development
- Bonus payment of up to $4 per member per month for demonstrated improvement in VIS measures
- SIM & multi-payer alignment: VIS is basis for SIM ACO plan and same as used for largest commercial plan ACO
The ACO Option

**Goal:** initiate the ACO structure that will be further developed through SIM work

- Medicaid may contract with ACO’s currently contracted with Wellmark (state’s largest commercial plan)
- ACO will be paid FFS plus incentives (there is no baseline data for shared savings approach in year 1)
- ACO can earn the wellness exam and medical home bonus for attributed population in aggregate
- By Year 3: the Wellness Plan ACOs would be replaced by Medicaid-wide SIM ACO implementation
<table>
<thead>
<tr>
<th>YEAR 1 (CY 2014)</th>
<th>Iowa Wellness Plan (WP) Primary Care Physician (PCP)</th>
<th>Accountable Care Organization (ACO)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Patient Manager Access and Coordination</strong></td>
<td><strong>Annual Exam Incentive</strong></td>
<td><strong>Wellness Plan Medical Home VIS Performance Bonus</strong></td>
</tr>
<tr>
<td>Annual Amount</td>
<td>$48 per member</td>
<td>$10 per member *</td>
</tr>
<tr>
<td>Pay Schedule</td>
<td>Monthly ($4)</td>
<td>Quarterly Calculation</td>
</tr>
<tr>
<td>Purpose</td>
<td>Access to PCP home for new members</td>
<td>Encourage wellness exams for Wellness Plan members</td>
</tr>
</tbody>
</table>
| Requirements | Similar to MediPASS:  
• Treat/refer  
• Agree to slots for new Wellness Plan population  
• Building EMR  
• 24/7 access line | **May qualify for annual bonus of $10 for each assigned Wellness Plan member getting a wellness exam when at least 85% of all Wellness Plan members assigned to the PCP for at least 6 months have had a wellness exam** | VIS/Treo  
Provide minimum of 2,500 PCP Slots for Wellness Plan population within ACO network.  
Measure quality to VIS |
| New Benefit: | Allow for billing preventive exam with a sick visit | **May qualify for a bonus of up to $48 per member annually for demonstrated improvement in overall VIS on existing Medicaid population. Baseline is set from prior 3 years of performance in Medicaid program (2010-2012)** | |
| **YEAR 2 (CY 2015)** | | |
| **Changes from YEAR 1** | **$36 per member annually** | **$60 per member annually** | |
| | **Member healthy behavior required in Year 1 to waive monthly contribution in Year 2**  
• Member completes a wellness exam  
• Member completes a Health Risk Assessment (HRA)** | | Same but ACOs that qualify for Medical Home Bonus can also share in total cost of care savings. (Upside Risk Only)  
ACO must open 2,500 more PCP slots for Wellness Plan population within the ACO network. |
| **YEAR 3 (CY 2016)** | | |
| **Changes from YEAR 2** | **Same as YEAR 2** | **Not available: Move to State Innovation Model ACO** | **Not available: Move to State Innovation Model ACO** | State-wide ACOs with full Medicaid population go into effect.  
Details TBD. |
SIM Goal and the Value Index Score (VIS)

**Goal:** the SIM project seeks a multi-payer ACO model in Iowa to drive reform
- Combined: Wellmark & Medicaid cover 70% of Iowans
- Wellmark ACO: uses FFS, shared savings and VIS measures

**Wellness Plan will build toward this goal**
- Provides incentives for primary care and ACOs that implement VIS measures and therefore, align with Wellmark structure
VIS: Core Attributes

Person-Focused (rather than disease-focused)

- VIS Domain – Member Experience
- VIS Domain – Primary & Secondary Prevention (Well Child Exams, Adult Screening)

First contact with health care system

- VIS Domain – Tertiary Prevention (Ambulatory Care Sensitive Acute and ED Rates)

Comprehensive

- VIS Domain – Disease Progression (Panel Chronic Disease Status and Severity Shifts)
- VIS Domain – Chronic & Follow up (30 day post D/C, Readmission Rates, Chronic Care Visits)

Coordinates care and the transfer of information

- VIS Domain – Continuity of Care (COC, PCP visit, Any MD Visits)
- VIS Domain – Efficiency (Generic Rx, Potentially Preventable Ancillaries)
Wellness Plan Medical Home VIS Bonus

- Max of $4 PMPM
- Uses VIS to measure performance vs. baseline
- Can apply to either PCP or ACO (but not paid twice for a given member)
- Baseline is re-established annually
- Each new baseline includes Wellness Plan data

<table>
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<tr>
<th>Performance</th>
<th>Payment</th>
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<tbody>
<tr>
<td>Below target</td>
<td>No Medical Home Bonus</td>
</tr>
<tr>
<td>Greater than midpoint between baseline and target</td>
<td>50% of Medical Home Bonus</td>
</tr>
<tr>
<td>Greater than target</td>
<td>100% of Medical Home Bonus</td>
</tr>
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No Downside Risk
VIS Baseline

- A baseline is established for each PCP or ACO in the program
- Uses past three years of claims data
- Current year weighted at 50%, prior years weighted at 25% each:

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<thead>
<tr>
<th></th>
<th>FY 2011</th>
<th>FY 2012</th>
<th>FY 2012</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>VIS</td>
<td>0.850</td>
<td>0.860</td>
<td>0.885</td>
<td></td>
</tr>
<tr>
<td>Weight</td>
<td>25%</td>
<td>25%</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>Baseline</td>
<td>0.213</td>
<td>0.215</td>
<td>0.443</td>
<td><strong>0.870</strong></td>
</tr>
</tbody>
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Establishing a VIS Target

Top performers have a smaller range of improvement to achieve bonus, lower performers have a larger range of improvement required to achieve the bonus.
VIS Performance Target Calculation

- Each PCP will have a prospective VIS target
- Target will be established based on the PCPs own historical performance.
- Target will be driven by PCP performance quintile:
  - Quintile 1 (*top performers*) target is established at 2% above baseline
  - Quintile 2 target is 4% above baseline
  - Quintile 3 target is 6% above baseline
  - Quintile 4 target is 8% above baseline
  - Quintile 5 (*lowest performers*) target is 10% above baseline
What are we getting January 1?

- More access to healthcare for Iowans
  - Emphasis on engagement with primary care
- Promotion of preventative screenings
  - HRA & Wellness Exam
  - Healthy behaviors for members
- Building a network of providers within an ACO framework
Bridge to Transformation

Current State:
- Mostly FFS
- Unmanaged Care
- Silos of Care Delivery
- Limited Access
- Volume Based Purchasing

Future State:
- Value Based Purchasing
- Clear Accountability
- Integrated Care Delivery
- Alignment in Measures and Analytics
- Data are timely and Secure

**Iowa Health & Wellness**
Builds PCP Capacity & Entry Point for New Population

**SIM Development**
Phase I: H&W Population

**Stronger Primary Care (PCP/MH)**

**Stronger Care Management**
(Health Home (Chronic Condition & SPMI))

**Stronger Home and Community Based Services**
(through BIPP)

**Stronger Mental Health System**
(Through Redesign Efforts)

Sustainability through SIM Development, and Multiplayer Alignment

Incentivizes Medical Home Concepts, Prepares for ACO models

Phase II: Full Medicaid, Statewide ACO Regions

Phase III: Fully Defined LTC and Behavioral health Accountability

**August 14, 2013**
ACO = Accountable Care Organization
BIPP = Balancing Incentive Payment Program
BMI = Body Mass Index
FFS = Fee For Service
FPL = Federal Poverty Level
H&W = Health and Wellness
HRA = Health Risk Assessment
IHAWP = Iowa Health & Wellness Plan
IME = Iowa Medicaid Enterprise
PCP = Primary Care Provider
PMPM = Per Member Per Month
SIM = State Innovation Model
SPMI = Serious and Persistent Mental Illness
TBD = To Be Determined
VIS = Value Index Score
WP = Wellness Plan