Advanced Medical Home (AMH) Technical Advisory Group (TAG)

Meeting #25:
Medicaid Total Cost of Care Project

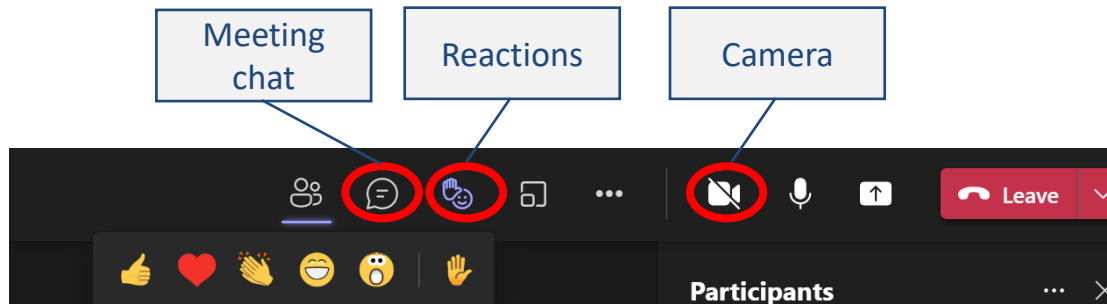*February 14, 2023*

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AMH TAG Member Welcome and Roll Call

Name	Organization	Stakeholder
C. Marston Crawford, MD, MBA	Pediatrician Coastal Children's Clinic – New Bern, Coastal Children's	Provider (Independent)
David Rinehart, MD	President-Elect of NC Family Physicians North Carolina Academy of Family Physicians	Provider (Independent)
Rick Bunio, MD	Executive Clinical Director, Cherokee Indian Hospital	Provider
Gregory Adams, MD	Member of CCPN Board of Managers Community Care Physician Network (CCPN)	Provider (CIN)
Jennifer Houlihan, MSP, MA	Vice President Value-Based Care & Population Health Atrium Health Wake Forest Baptist	Provider (CIN)
Amy Russell, MD	Medical Director Mission Health Partners	Provider (CIN)
Kristen Dubay, MPP	Director Carolina Medical Home Network	Provider (CIN)
Joy Key, MBA	Director of Provider Services Emtiro Health	Provider (CIN)
Tara Kinard, RN, MSN, MBA, CCM, CENP	Associate Chief Nursing Officer Duke Population Health Management Office	Provider (CIN)
George Cheely, MD, MBA	Chief Medical Officer AmeriHealth Caritas North Carolina, Inc.	Health Plan
Michael Ogden, MD	Chief Medical Officer Blue Cross and Blue Shield of North Carolina	Health Plan
Suzanne Lineberry, MPH, MCHES, CPHQ	Director, Center for Quality Improvement and Practice Support	AHEC
Eugenie Komives, MD, Keith Caldwell, and Zach Mathew	WellCare of North Carolina, Inc.	Health Plan
William Lawrence, MD	Chief Medical Officer Carolina Complete Health, Inc.	Health Plan
Robert Rich, MD, and Atha Gurganus	United	Health Plan
Jason Foltz, DO	Medical Director, ECU Physicians MCAC Quality Committee Member	MCAC Quality Committee Member
Keith McCoy, MD	Deputy CMO for Behavioral Health and I/DD Community Systems, Chief Medical Office for Behavioral Health and I/DD	DHHS

Meeting Engagement

We encourage those who are able to turn on cameras, use reactions in Teams to share opinions on topics discussed, and share questions in the chat.

Medicaid Total Cost of Care Project

Katie Horneffer, DHB, Monitoring & Evaluation Lead

Maggie Ruzicka, HSAG, Senior Director, Actuarial Services

February 14, 2023

Agenda

- Goals, Objectives, Context - DHB

- TCOC Background - HSAG

- TCOC Dashboard Insights and Stratifications - HSAG

- Discussion

TCOC: Objective and Goals

- Objective
  - Enable providers to achieve the Institute for Healthcare Improvement's Triple Aim:
    - Improving health
    - Enhancing patient experience
    - Making health care more affordable
- Goals
  - Assist providers in making informed decisions when entering into VBP arrangements with PHPs
  - Help providers understand patterns and drivers of potential overuse and/or inefficiency

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TCOC: Additional Context

- TCOC measure is included in the Department's AMH measure set

- Anticipated go-live date for TCOC dashboard: December 2023

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Total Cost of Care Background

Total Cost of Care and Total Resource Use

- Estimation of overall costs
- Evaluation of practice efficiency and price competitiveness
- To design benefits packages/create tiered networks
- To develop reformed payment approaches such as shared savings and pay for performance
- Inform development of innovations which assess cost and resource use for plans and providers
- Marketplace comparisons of cost, quality, and resource use
- To understand cost and resource drivers in the health care industry

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NQF – Endorsed Measures

TCI:

Total
Cost of Care
Index

NATIONAL QUALITY FORUM

Quality Positioning System (QPS)

Measure Description Display Information

Resource Use Measure: The following is a resource use measure. Resource use measures are broadly applicable and comparable measures of health services counts (units or dollars) applied to a population or event in terms of counts, dollars, or observed-to-expected ratios.

Description:

Measure Title: Total Cost of Care Population-based PMPM Index
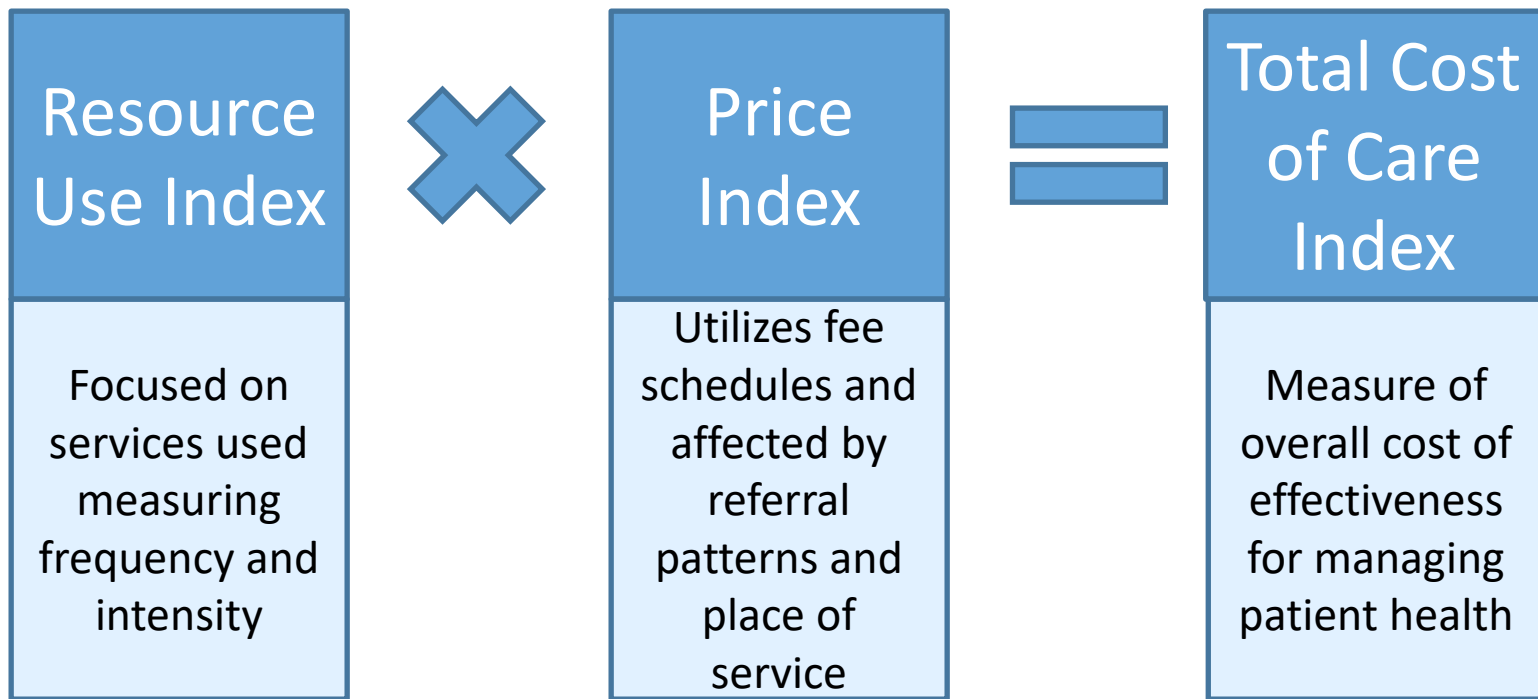
NQF Measure Number: 1604

RUI:

Resource
Use
Index

NATIONAL QUALITY FORUM

Quality Positioning System (QPS)

Measure Description Display Information

Resource Use Measure: The following is a resource use measure. Resource use measures are broadly applicable and comparable measures of health services counts (units or dollars) applied to a population or event in terms of counts, dollars, or observed-to-expected ratios.

Description:

Measure Title: Total Resource Use Population-based PMPM Index

NQF Measure Number: 1598

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HealthPartners Total Cost of Care Overview

Resource Use Index

Focused on services used measuring frequency and intensity

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Price Index

Utilizes fee schedules and affected by referral patterns and place of service

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Total Cost of Care Index

Measure of overall cost of effectiveness for managing patient health

Total Cost measure is designed to highlight potential cost-saving opportunities, as well as identifying inefficiencies or overuse of health care delivery.
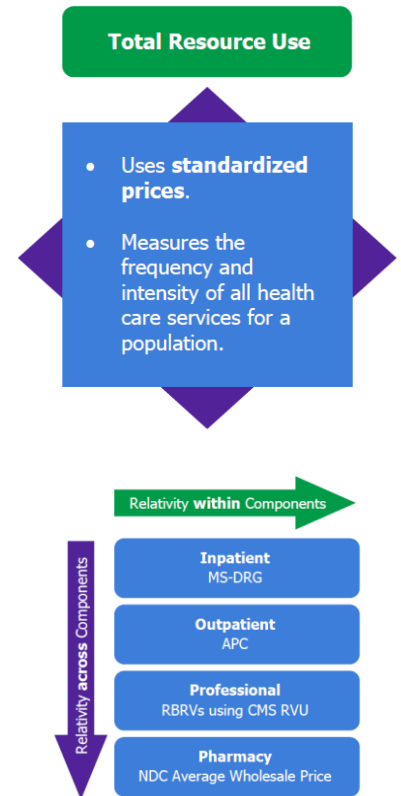
Total Cost of Care Measures

Population-based measure

- Calculated as the average risk adjusted cost for the health care of an attributed population.

- Total per capita costs and/or resources used by attributed members.
  - Includes all care delivered
    - Professional, Outpatient, Inpatient and Pharmacy
  - Includes all allowed amounts
    - All payments made by the patient and the insurer

- Stratification level reporting measured against a benchmark

- Based on the patented algorithm of HealthPartners, Inc. adjusted for a Medicaid population

- In use for over 10 years and adopted nationally. Over 125 licensees in 35 states.

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Total Cost Relative Resource Values (TCRRV)

Calculation of HealthPartners' TCRRV

- Relative resource values are scaled linearly to evaluate resource use across all medical services, procedures and places of service.
- Assigns a number of resource units (weights) using a CMS based approach for components of care:
  - Inpatient: MS-DRG (Medicare Diagnosis-Related Grouper)
  - Outpatient: APC (Ambulatory Payment Classification)
  - Professional: RVU (Relative Value Units)
  - Pharmacy: NDC (National Drug Code) Average Wholesale Price
- Resource unit value for each component of care is calculated from a large national claims database.
- TCRRV = (# units) x (value per unit)
  - Re-prices all services to a standard values.
  - Adjusted to actual cost distribution across components of care.
  - TCRRVs are additive, as dollars are, across components of care.

Total Resource Use

- Uses **standardized prices**.
- Measures the frequency and intensity of all health care services for a population.

Relativity **within** Components

Relativity **across** Components

Inpatient	MS-DRG
Outpatient	APC
Professional	RBRVs using CMS RVU
Pharmacy	NDC Average Wholesale Price

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Total Cost of Care Stratifications and Insights

Dashboard Insights

- How do my results compare to peers and state averages?
- How do the demographics of my member panel compare to peers and state averages?
- Are there particular demographics of my member panel that are driving my results?
- Are there particular disease conditions based on the CDPS+RX condition grouping algorithm that are driving my results?
- How does my high-level claims cost distribution and TCOC index compare to peers and state averages?
- Is there a particular COS driving my results?

Proposed Stratifications

- Standard Plan Eligibility Group
- InCK
- Panel Size
- Age
- Gender
- Race
- Ethnicity
- Geographic
- Region
- Category of Service

Proposed Stratifications - Expanded

- Standard Plan Eligibility Group
  - ABD – Age, Blind, and Disabled
  - TANF - Temporary Assistance for Needy Families
- InCK Population
- Panel Size –Based on the number of attributed members.
- Age Band Stratification – 0–18 , 19–20, 21, 22–44, 45–64, 65+
- Gender Stratification – Male, Female
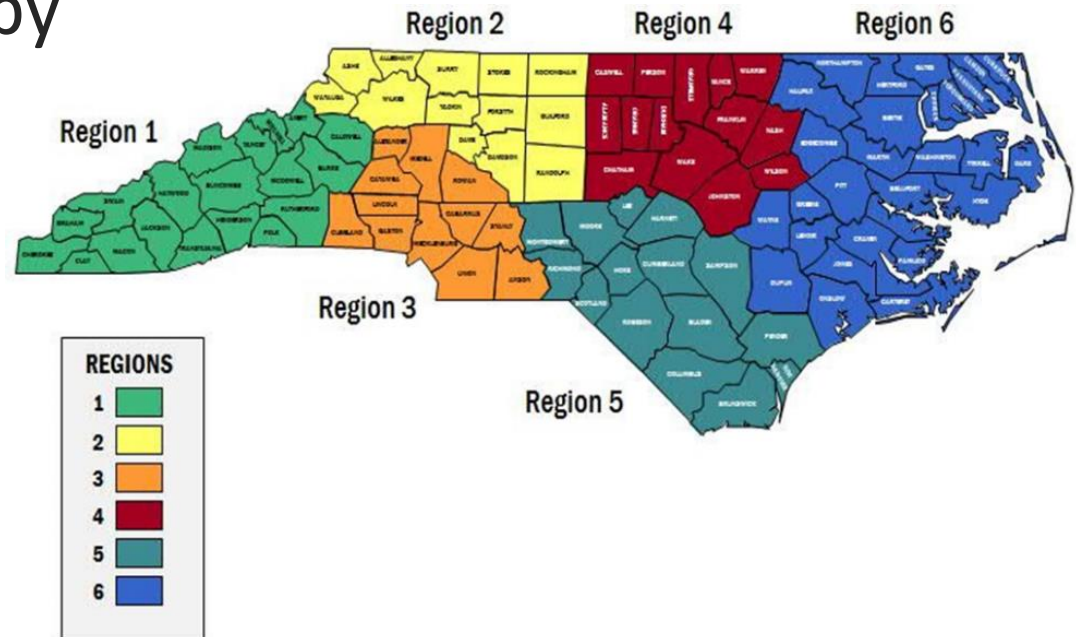
Proposed Stratifications – Expanded cont.

- Race Stratification - Black, White, American Indian/Alaska Native, Asian, Hawaiian/Pacific Islander, Multiracial, Other

- Ethnicity Stratification – Hispanic, non-Hispanic

- Geographic – Urban, Rural

- Region - Regions are determined by Plan type then by County

Proposed Stratifications – Geographic Expanded

- Map will be included in for reference

- Regions are determined by Plan type then by County
  - Standard Plan
    - Region 1
    - Region 2
    - Region 3
    - Region 4
    - Region 5
    - Region 6
    - Other

Proposed Stratifications – Category of Service Expanded

- Inpatient
  - Inpatient Acute
    - Mental Health and Substance Use
    - Surgical
    - Medical
  - Inpatient Non-Acute
    - Nursing Facility
    - Other
- Outpatient
  - Emergency Department
  - Surgery
  - Radiology
  - Lab/Pathology
  - Other

- Professional
  - PCP
  - Specialist
    - Obstetrician and Gynecologist (OBGYN)
    - Surgeon
    - Orthopedics
    - Psychiatry & Neurology
    - Therapies – PT, OT, ST
    - Chiropractor
    - Other
- Pharmacy

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Discussion Questions

- How do you anticipate using this tool? Are there use cases we haven't covered here?

- Age band stratification: Additional granularity needed for ages 0-18?

- Process for providing user access to the dashboard

Next Steps

- Please send any additional written feedback to Kathryn.Horneffer@dhhs.nc.gov and mruzicka@hsag.com by 2/24/2023.

Thank you!

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AMH TAG Wrap Up and Future Topics

AMH TAG meetings will generally take place the second Tuesday of each month from 4-5 PM.

Upcoming 2023 Meetings
Tuesday, March 14, 2023 4:00-5:00 PM
Tuesday, April 11, 2023 4:00-5:00 PM
Tuesday, May 9, 2023 4:00-5:00 PM

Potential Upcoming AMH TAG Topics

- Community health workers
- Strategies to advance health equity
- Strategies to address SDOH
- Standardization of monitoring protocols/delegation protocols
- PHP accreditation timeline and timing of AMH delegation audits