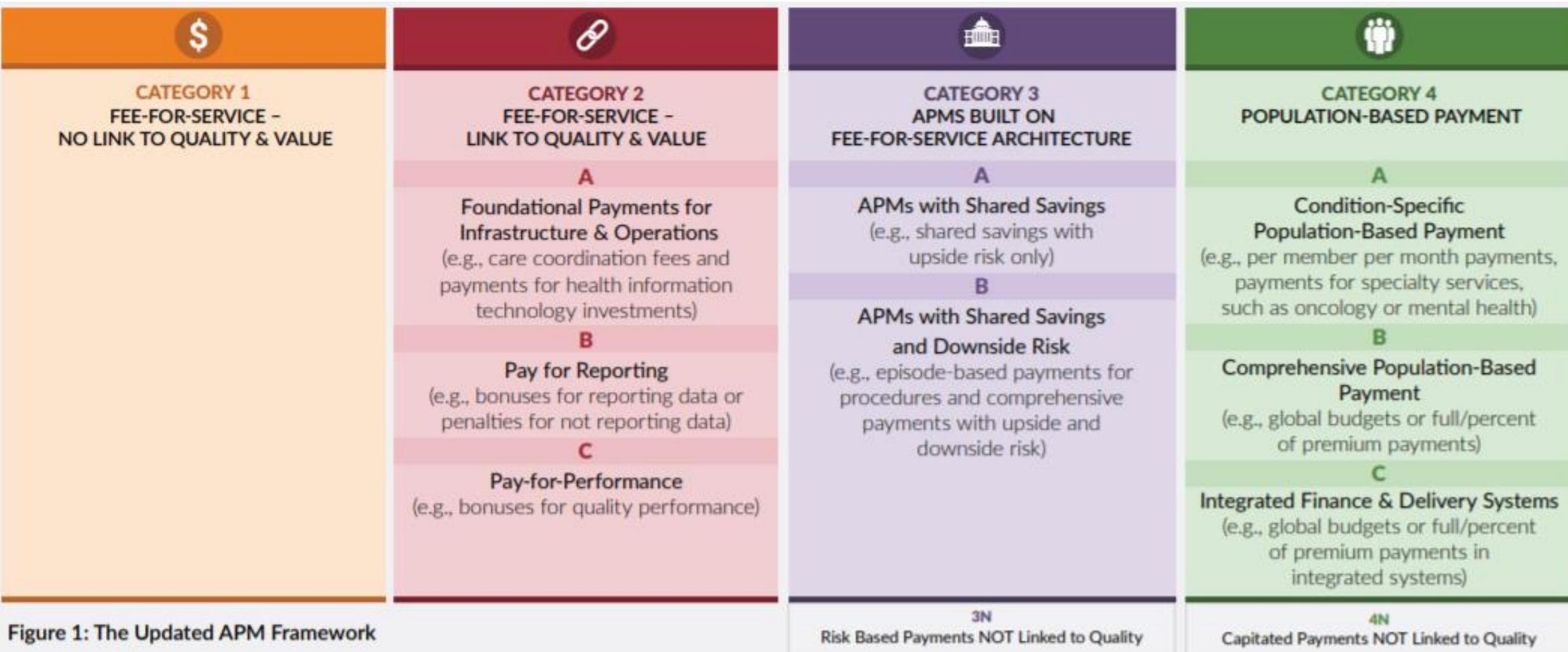


Ohio Episodes of Care

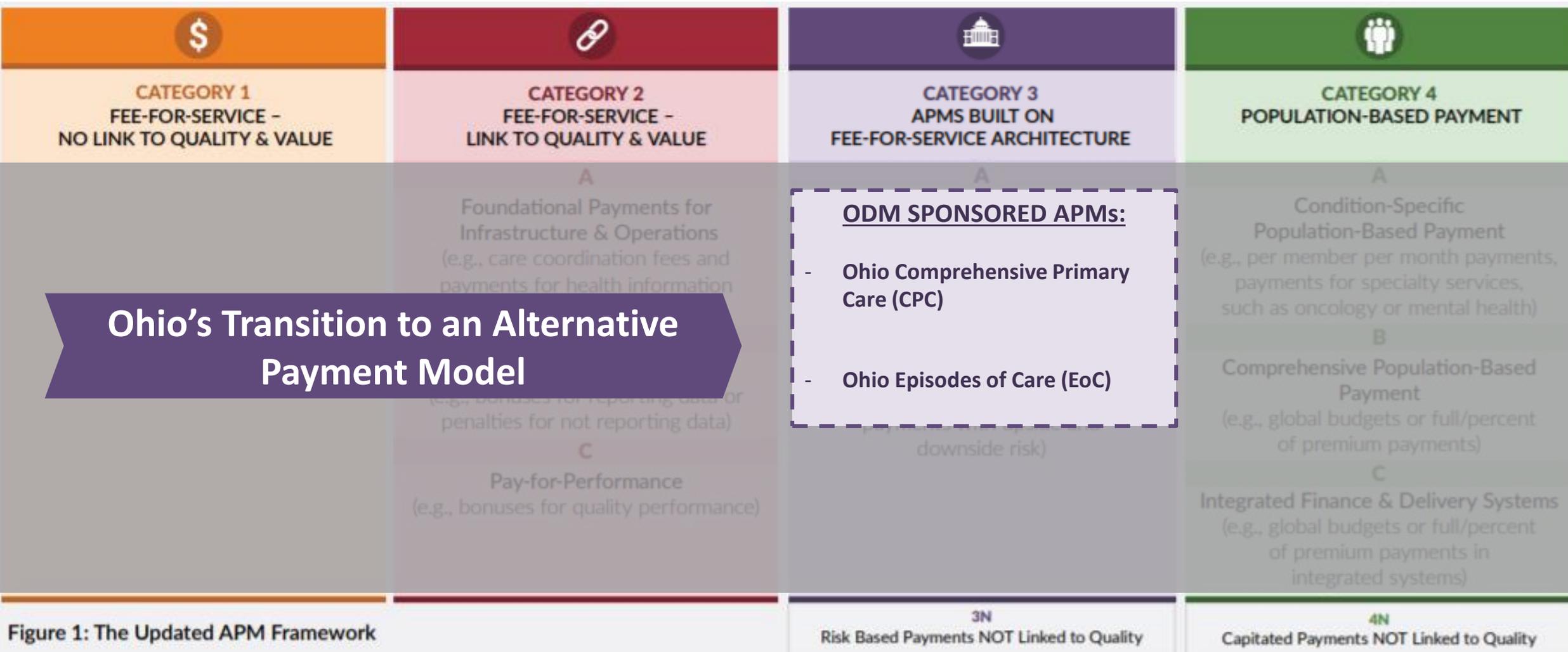
2020 Program Year Update

December 5, 2019

Transition to Alternative Payment Models



Transition to Alternative Payment Models



Ohio's Transition to an Alternative Payment Model

Figure 1: The Updated APM Framework

Ohio Episodes of Care Progress To-date¹



1.5M+ unique patients covered in 43 episodes



15,000+ Medicaid providers receiving reports as an episode principle accountable provider (PAPs)²



\$2.9B in total program spend out of a total \$20.1B program-eligible spend

¹ All episode numbers are for CY2017

² All PAPs must have at least 1 valid episode to receive a report

SOURCE: Ohio Medicaid claims data

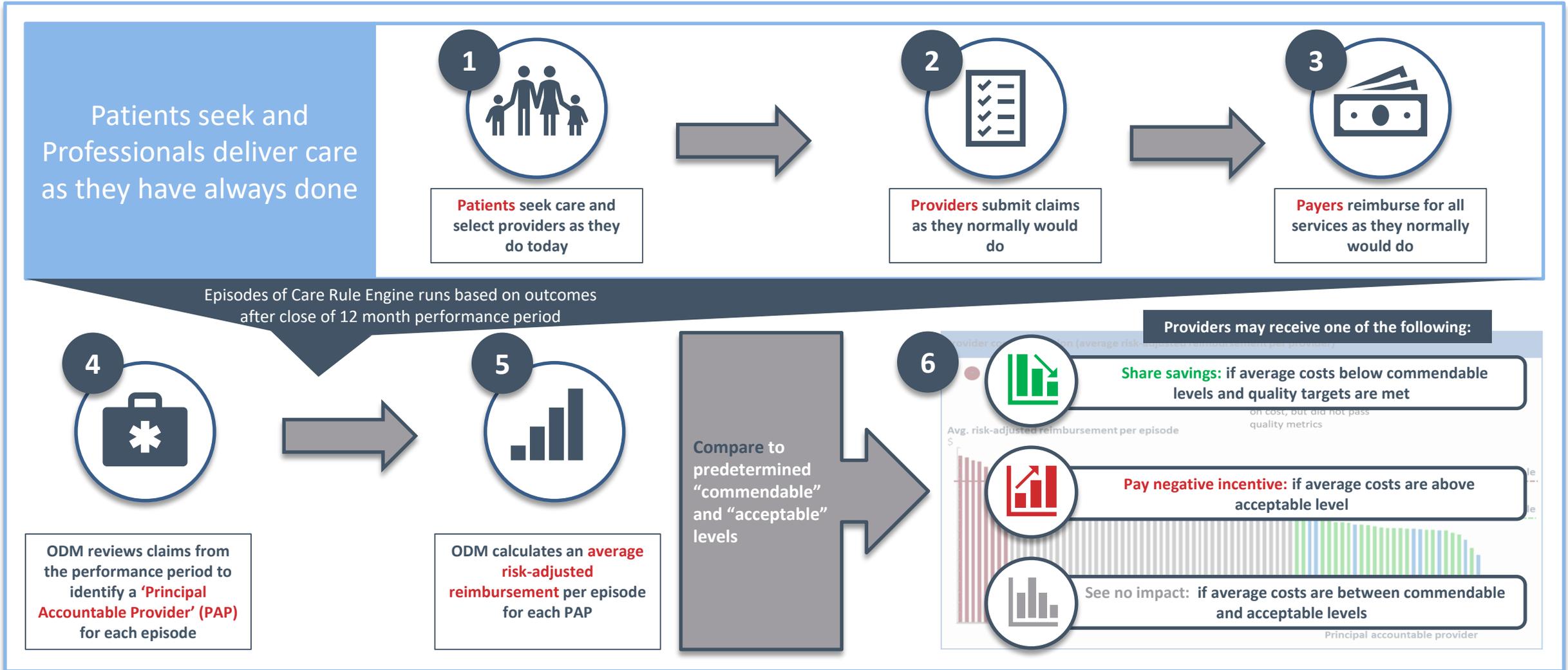
Episode of Care Refresher

- Episodes Of Care Model Overview
- Understanding The “Pap Curve”
- New Pooled Methodology



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Medicaid

Ohio's Episodes of Care Model Overview



Provider Cost Distribution (Average Risk-adjusted Reimbursement Per Provider)

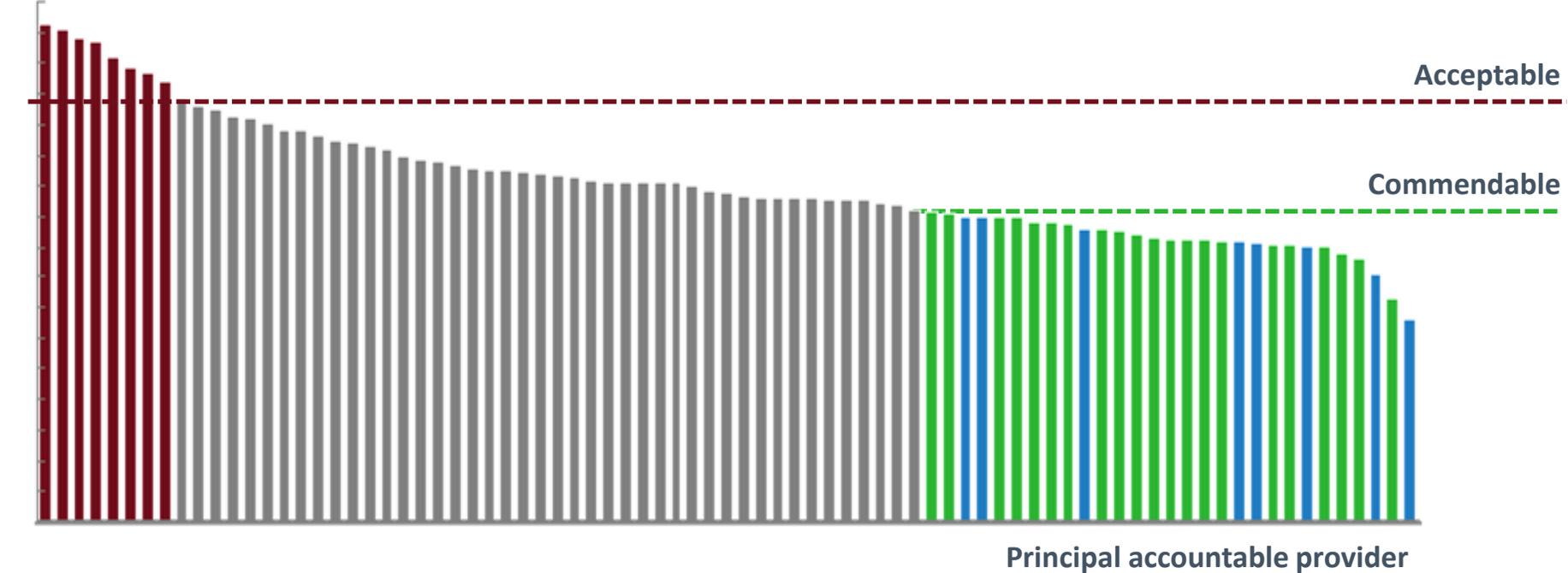
- *Negative incentive payment*

● *No change*
No incentive payment

● *No change*
Eligible for positive incentive payment based on cost, but did not pass quality metrics

+ *Positive incentive payment*

Avg. risk-adjusted reimbursement per episode
\$



NOTE: Each vertical bar represents the average cost for a provider, sorted from highest to lowest average cost

The Ohio Episode of Care “Pool Performance” Measurement for PAPs

The Ohio Episodes Program Transitioned to Pooled Performance Measurement for PAPs Beginning Performance Year 2019

HISTORICAL PROGRAM BACKGROUND

A

Since the program’s launch, the state has shifted to a consolidated reporting approach and implemented the CPC program with an all-Medicaid view of practice performance

B

The state adopted a pooled approach to assess providers at the all-Medicaid view as part of the process to finalize model design changes prior to 2019

C

Historically, the Ohio episodes program set thresholds based on the all-Medicaid view but assessed PAP incentive payments at the individual MCP-level

POOLED PERFORMANCE ASSESSMENT WILL BE REFLECTED IN REPORTS STARTING LATE 2019

	ACTIVITY	FOR EPISODES ENDING...							
		2018				2019			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2019	January 1: Launch of 2019 performance period								
Q1	Providers receive quarterly episode performance report, for episodes ending January 1 – September 30, 2018	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q2	Providers receive preliminary episodes performance report, containing full calendar year 2018 and initial PAP referral report ¹ .	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q3	Providers receive final performance report, containing full calendar year 2018	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q4	Providers receive performance reports for episodes ending January 1 – March 30, 2019	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2020	Providers receive performance reports for the first two quarters of the 2018 performance period, episodes ending January 1 – June 30, 2019	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ Report Is Not Created For Information-only Episodes

Reports Reflect Pooled Performance

Annual Report

Quarterly Report

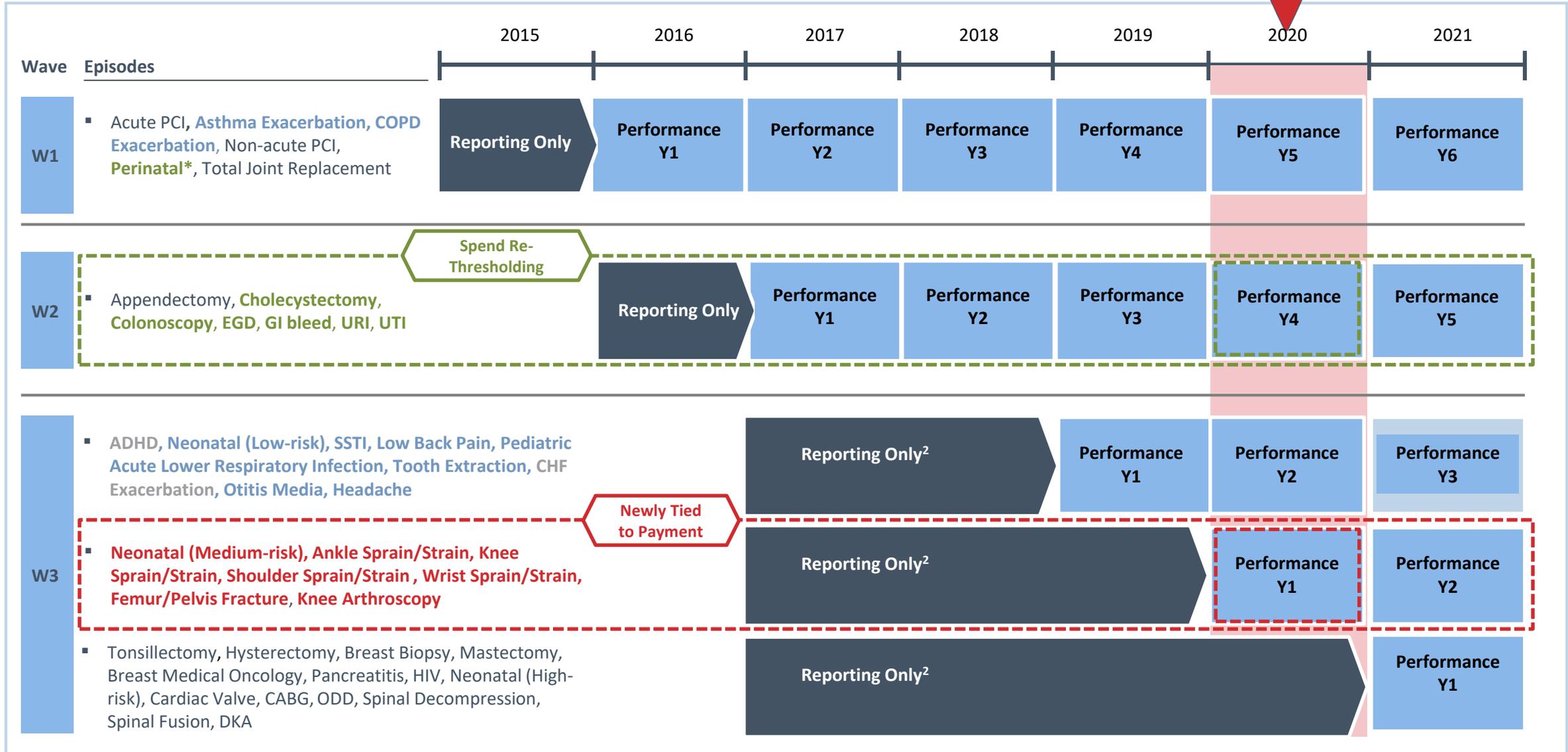
Agenda

- Updates for 2020 Episodes:
 - » Updates To Episodes Previously Tied To Payment
 - » 2020 Spend Re-thresholding
 - » Removing Episodes For 2020
- 2020 Episodes With Updated Methodology
 - » Asthma Post Trigger 2 Window Added
 - » Perinatal Episode Changes

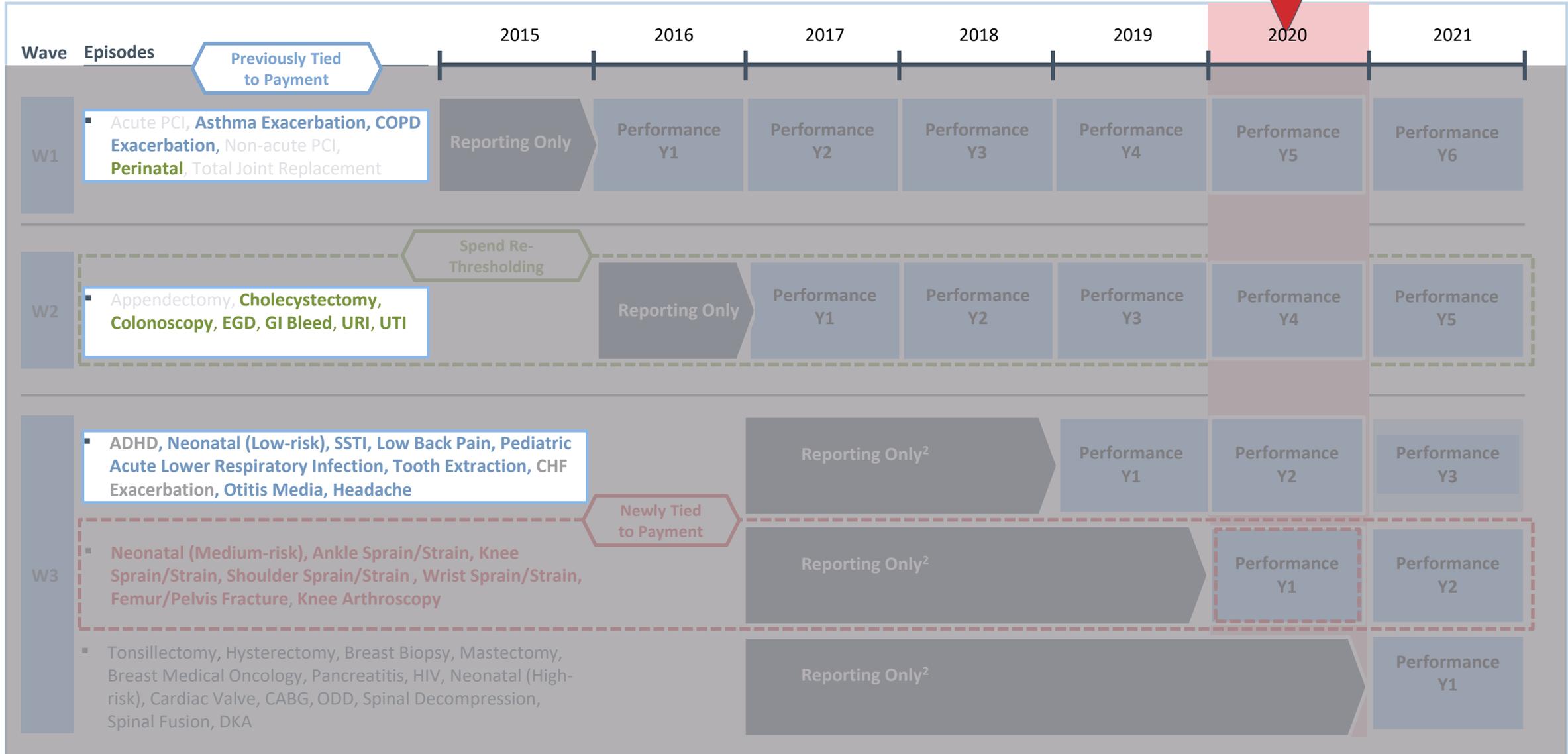


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Timeline of Episodes of Care: Episode Launch/Update Timeline



Timeline of Episodes of Care: Episode Launch/Update Timeline



Episodes Previously Tied to Payment : Updated Quality Thresholds (1/4)

Wave 1 Episodes

	<u>QUALITY MEASURE</u>	<u>CY2016</u>	<u>CY2017</u>	<u>CY2018</u>	<u>CY2019</u>	<u>CY2020</u>
ASTHMA EXACERBATION	• Controller Medication Prescription Fill Rate	≥ 26%	≥ 29%	≥ 31%	≥ 31%	TBD
	• Follow-up Visit Rate	≥ 28%	≥ 33%	≥ 38%	≥ 38%	TBD
COPD	• Follow-up Visit Rate	≥ 50%	≥ 54%	≥ 58%	≥ 61%	TBD
PERINATAL	• HIV Screening Rate	≥ 50%	≥ 51%	≥ 61%	≥ 61%	TBD
	• C-section Rate	≤ 45%	≤ 41%	≤ 38%	≤ 34%	TBD
	• Post-partum Follow-up Visit Rate	≥ 50%	≥ 55%	≥ 66%	≥ 66%	TBD

Episodes Previously Tied to Payment : Updated Quality Thresholds (2/4)

Wave 2 Episodes

	<u>QUALITY MEASURE</u>	<u>CY2016</u>	<u>CY2017</u>	<u>CY2018</u>	<u>CY2019</u>	<u>CY2020</u>
Cholecystectomy	• Infection rate	Reporting Only	≤ 5%	≤ 4%	≤ 4%	TBD
	• Severe adverse outcome rate	Reporting Only	≤ 20%	≤ 15%	≤ 10%	TBD
Colonoscopy	• ED visit rate	Reporting Only	≤ 6%	≤ 5%	≤ 4%	TBD
EGD	• ED visit rate	Reporting Only	≤ 10%	≤ 8%	≤ 7%	TBD
GI bleed	• 30-day office visit rate	Reporting Only	≥ 41%	≥ 45%	≥ 49%	TBD
URI	• Antibiotics fill rate in absence of strep test	Reporting Only	≤ 79%	≤ 70%	≤ 61%	TBD
UTI	• Advanced imaging rate	Reporting Only	≤ 13%	≤ 10%	≤ 10%	TBD



Episodes Previously Tied to Payment : Updated Quality Thresholds (3/4)

Wave 3.1 Episodes

	<u>QUALITY MEASURE</u>	<u>CY2016</u>	<u>CY2017</u>	<u>CY2018</u>	<u>CY2019</u>	<u>CY2020</u>
Neonatal (low-risk)	<ul style="list-style-type: none"> Pediatric visit within 5 days of discharge 	NA	Reporting Only	Reporting Only	≥ 64%	TBD
SSTI	<ul style="list-style-type: none"> Bacterial cultures when I&D performed 	NA	Reporting Only	Reporting Only	≥ 10%	TBD
	<ul style="list-style-type: none"> First-line antibiotic was filled 	NA	Reporting Only	Reporting Only	≥ 80%	TBD
Low back pain	<ul style="list-style-type: none"> Difference in MED/day 	NA	Reporting Only	Reporting Only	≤ 10.0	TBD
	<ul style="list-style-type: none"> 30-day physician follow-up visit rate 	NA	Reporting Only	Reporting Only	≥ 7%	TBD
	<ul style="list-style-type: none"> Imaging rate (CT scans and MRIs) 	NA	Reporting Only	Reporting Only	≤ 50%	TBD
PALRI	<ul style="list-style-type: none"> Follow-up rate (7 days) 	NA	Reporting Only	Reporting Only	≥ 26%	TBD



Episode Not Live / Performance year not applicable



Reporting Year Only / Performance year not applicable

Episodes Previously Tied to Payment : Updated Quality Thresholds (4/4)

Wave 3.1 Episodes

<u>QUALITY MEASURE</u>		<u>CY2016</u>	<u>CY2017</u>	<u>CY2018</u>	<u>CY2019</u>	<u>CY2020</u>
Tooth extraction	• Difference in average MED/day	NA	Reporting Only	Reporting Only	≤ 20.0	<u>TBD</u>
	• Related post trigger emergency department visits	NA	Reporting Only	Reporting Only	≤ 10%	<u>TBD</u>
Otitis media	• Decongestant fill rate	NA	Reporting Only	Reporting Only	≤ 32%	<u>TBD</u>
Headache	• Difference in MED/day	NA	Reporting Only	Reporting Only	≤ 5.0	<u>TBD</u>
	• Imaging rate(CT scans and MRIs)	NA	Reporting Only	Reporting Only	≤ 30%	<u>TBD</u>
	• New barbiturate fill rate	NA	Reporting Only	Reporting Only	≤ 10%	<u>TBD</u>



Episode Not Live / Performance year not applicable



Reporting Year Only / Performance year not applicable

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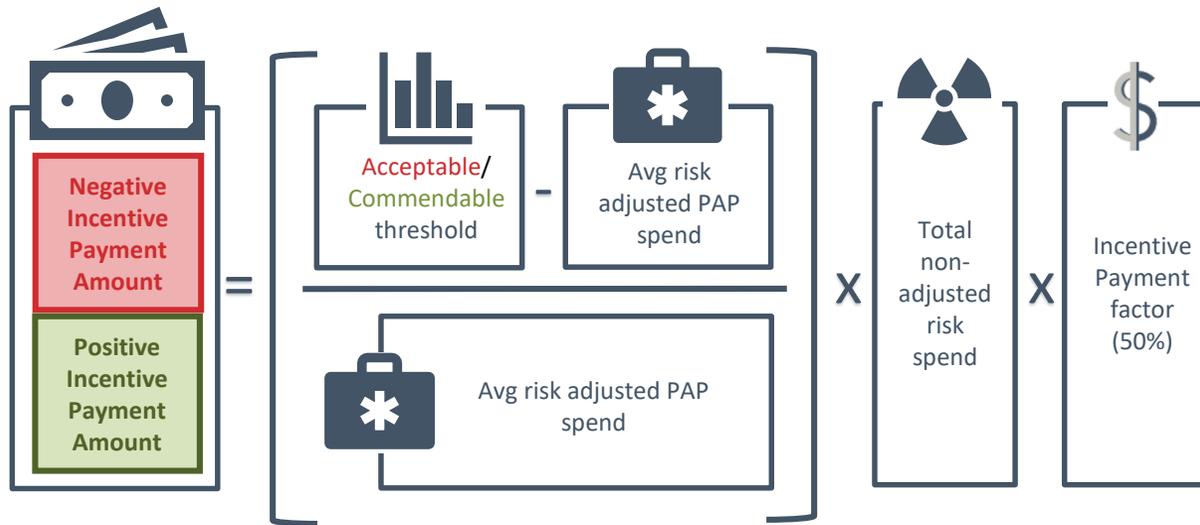
Schedule to Update Spend Thresholds

Scheduled Spend Re-thresholding			
Wave	Episodes	Date Originally Tied to Payment	Dates of Scheduled Re-thresholds
Wave 1	Asthma Exacerbation, COPD Exacerbation, Perinatal	2016	2019, 2021, 2023
Wave 2	Cholecystectomy, Colonoscopy, EGD, GI bleed, URI, UTI	2017	2020, 2022, 2024
Wave 3.1	Neonatal (Low-risk), SSTI, Low Back Pain, Pediatric Acute Lower Respiratory Infection, Tooth Extraction, Otitis Media, Headache	2019	2022, 2024, 2026
Wave 3.2	Neonatal (Medium-risk), Ankle Sprain/Strain, Knee Sprain/Strain, Shoulder Sprain/Strain, Wrist Sprain/Strain, Femur/Pelvis Fracture, Knee Arthroscopy	2020	2023, 2025, 2027
Wave 3.3	Breast Biopsy, Mastectomy, Neonatal (High-risk), Cardiac Valve, CABG	2021	2024, 2026, 2028
Off Scheduled Spend Re-thresholding			
Wave 1	Perinatal and Asthma Exacerbation	2016	2020

Episodes are scheduled for a Spend Re-thresholding 3 years after the initial year it is tied to payment and then every other year there after.

Episodes that undergo a significant methodology change will be reevaluated even if they are off schedule

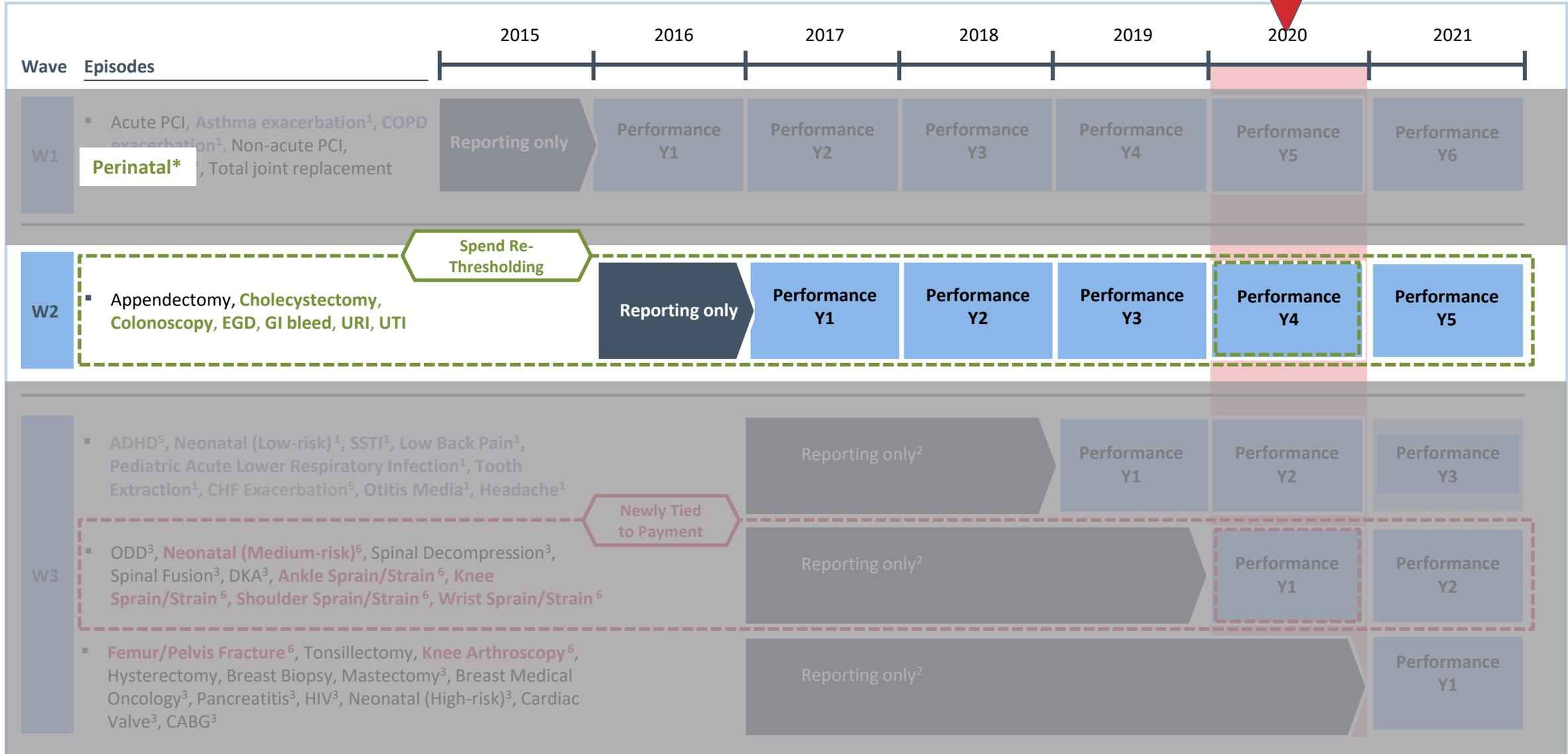
MEDICAID SPEND THRESHOLDING METHODOLOGY



Overview: Methodology To Set Spend Thresholds

- All thresholds are set before the performance year begins. E.g., for Wave 3 episodes tied to payment in CY2019, thresholds are calculated using CY2017 performance data, adjusted for inflation
- Thresholds are set based on projections that result in program budget neutrality across All-Medicaid view (i.e. equivalent total rewards and penalties)
- PAP incentive payments can result in 3 outcomes:
 - **Negative incentive payment:** PAP's average risk-adjusted cost is above the Acceptable threshold
 - **Neutral:** PAP's average risk-adjusted cost is between the Acceptable and Commendable threshold
 - **Positive incentive payment:** PAP's average risk-adjusted cost is below the Commendable threshold

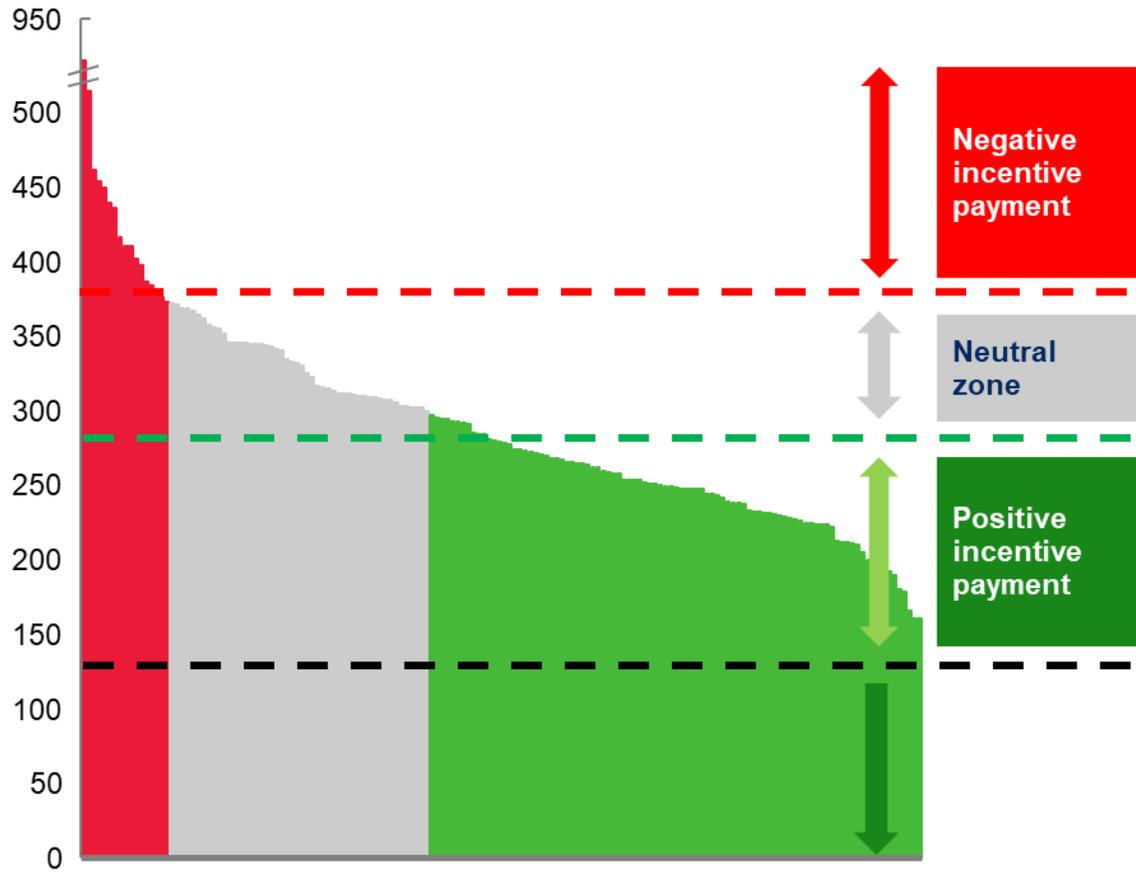
Timeline of Episodes of Care: Episode Launch/Update Timeline



Provider risk-adjusted cost distribution

PAP average episode cost

Adj. avg cost/episode
\$



Acceptable threshold is set at the 90th percentile; 10% of providers are above the acceptable threshold, assuming no behavior change¹

Acceptable threshold

Commendable threshold

Commendable threshold is set to achieve budget neutrality after positive and negative incentive payments²

Positive incentive limit

Positive incentive limit is set as the average of the five lowest-cost episodes that pass quality measures

REMINDER

Updating the Acceptable, Commendable and Positive Incentive Limit Thresholds for the 2020 Performance Year

¹ The threshold will be set midway between the avg. cost for the last provider above acceptable and the first one not. Including 10% of providers means including the minimum number of providers such that at least 10% of providers are included

² Based on historical performance; assumes all providers pass quality measures tied to payment

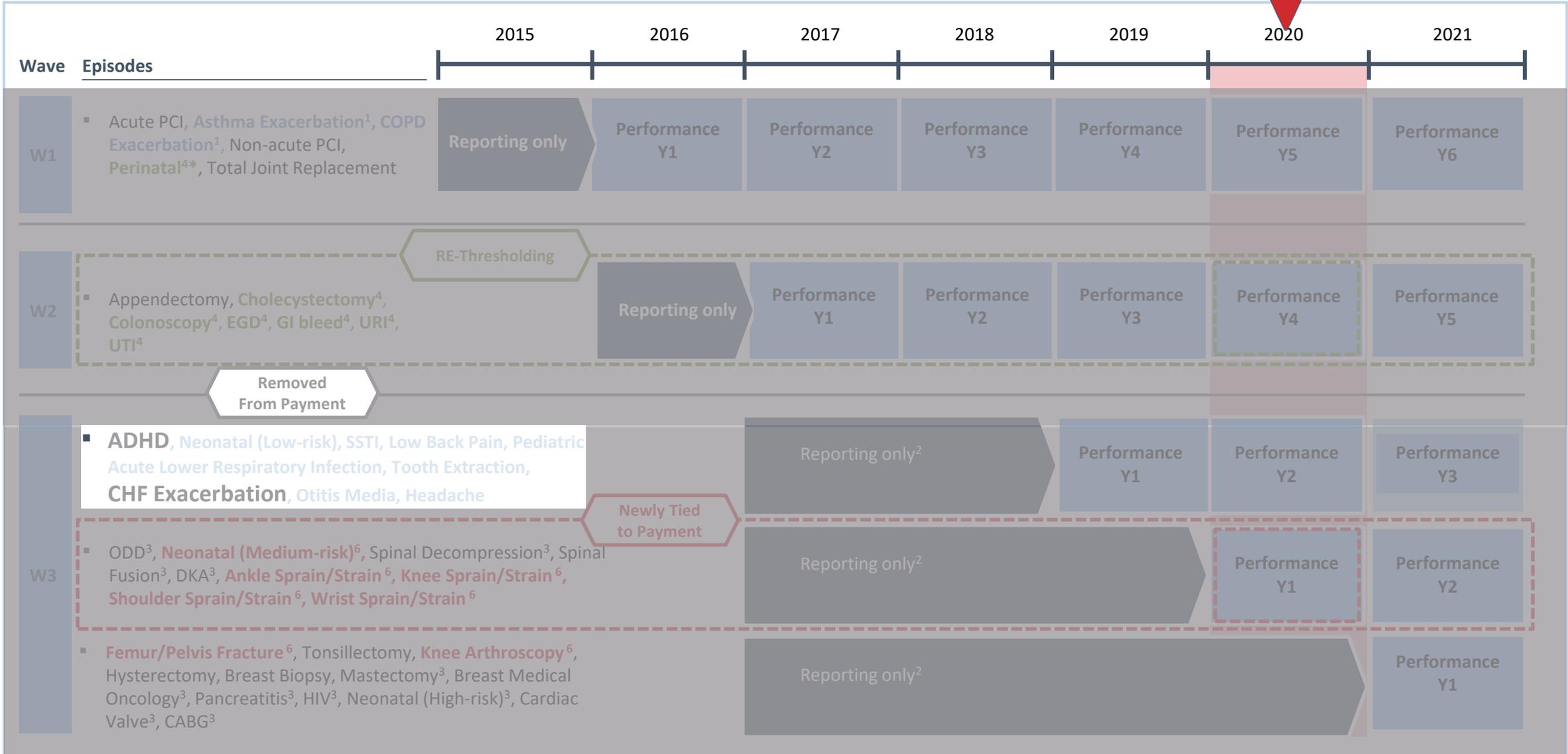
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Department of
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Timeline of Episodes of Care: Episode Launch/Update Timeline



Sources of Value and Related Episodes of Care

Infant Mortality	Perinatal ¹	Antibiotic Stewardship	URI ¹	
	Neonatal-Low ¹		Otitis Media ¹	
	Neonatal-Medium ²		UTI ¹	
	Neonatal-High		Pediatric Acute LRI ¹	
Population Health	Asthma ¹	Cardiology	Skin and Soft Tissue Infection ¹	
	COPD ¹		Acute PCI	
Opioid Prescribing	Low Back Pain ¹		Surgical	Non-Acute PCI
	Tooth Extraction ¹			CABG
	Headache ¹	Cardiac Valve		
	Ankle Sprain/Fracture ²	EGD ¹		
	Shoulder Sprain/Fracture ²	Colonoscopy ¹		
	Wrist Sprain/Fracture ²	GI-Bleed ¹		
	Knee Sprain/Fracture ²	Cholecystectomy ¹		
	Knee Arthroscopy ²	Breast Biopsy		
	Total Joint Replacement			
	Femur/Pelvis Fracture Procedure ²			

⁽¹⁾ Tied to Payment for 2019

⁽²⁾ Tied to Payment for 2020

Reporting Only Episodes Removed in 2020

Removed From Reporting For 2019:

ODD
Tonsillectomy
HIV
Pancreatitis
Hysterectomy
Appendectomy
Diabetic Ketoacidosis
Spinal Fusion
Spinal Decompression Without Fusion
Breast Cancer Surgery
Breast Medical Oncology

Removed From Reporting For 2020:

ADHD*
Congestive Heart Failure*

**Currently Tied To Payment For 2019*

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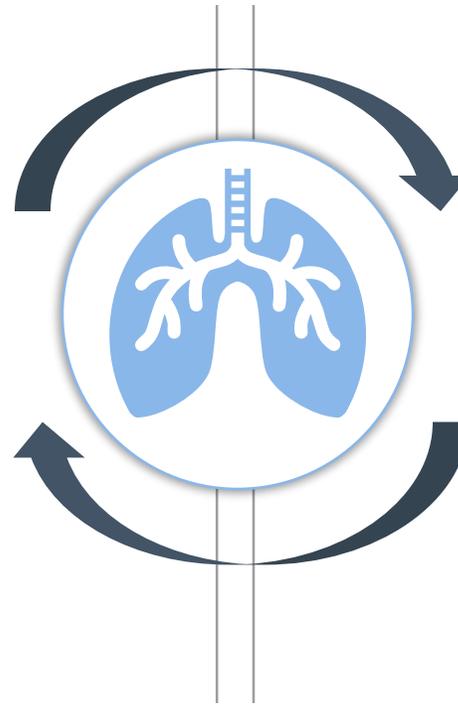


Department of
Medicaid

Asthma Update: Newly Added Post Trigger Window 2

Why The Change?

- Percent of episodes where the patient receives an appropriate medication determined by a filled prescription for an asthma controller medication during the episode window or within 30 days before the episode seemed to be low.
- Because of this we did an analysis that looked for controller medication prescriptions in the 60 days after the episode trigger window closed. This helped improve the number of PAPs with passing Quality Metrics based on this expansion.



What Changed:

- Expanded the 'Quality Metric 02 Asthma Controller Medication' and 'Quality Metric 06 Chest X-ray - CPT' code list.
- Updated code lists to include specific comorbidities
- Added a post-trigger window 2 to add an additional 30 days for the inclusion of asthma controller medication prescriptions.

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Perinatal Update: Current State

Today, the perinatal and neonatal episodes are completely separate, with separate reporting to the respective accountable providers and no linked data



PERINATAL

Launched in 2015

Linked to payment in 2016

- Accountable provider is the delivering physician (e.g., OB/GYN)
- Triggered by a live birth claim
- Covers perinatal care 280 days before the date of delivery to 60 days after discharge; includes claims information from mother only
- 3 metrics linked to incentives (HIV screening, C-section, follow-up)



NEONATAL

Launched in 2017

Low-Risk Linked in 2019. Med-Risk Linked in 2020

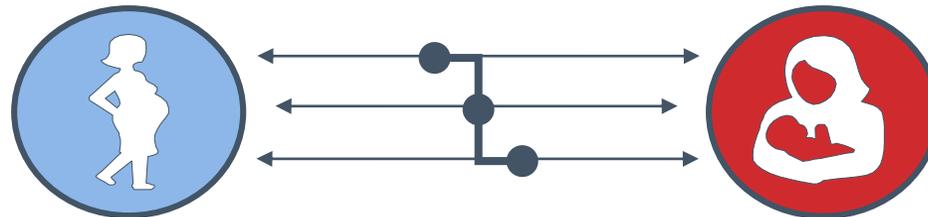
- Accountable provider is the facility where the baby is delivered
- Triggered by a live birth in inpatient setting
- Stratified by gestational age
- Covers most neonatal care from birth to 7 days after discharge (some quality metrics 30 days after discharge)
- 1 metric linked to incentives (pediatric visit)

Perinatal Update: Refinement Process

Goal is to use episode construct for two purposes:

- 1** **Close gaps in the provision for high risk mothers**
 - Improve the care for and address the sources of value for those groups of mothers who may be underserved by healthcare – specifically for mothers with SUD, advanced behavioral health problems, pre-term risk
- 2** **Create transparency to enable improved neonatal outcomes**
 - Create awareness and sense of responsibility among OB/GYNs regarding the influence they have on neonatal outcomes (including gest. age, birthweight, mortality, spend)

Ultimate Outcome is a Healthy Mother and Healthy Baby Post-Delivery Through High-Value, Coordinated Care



Perinatal Update: Refinements in the Episode

Dimension	1) Increase focus on high-risk women & improve methods for comparing providers	2) Include information on neonate outcomes
Design	<ul style="list-style-type: none"> • Add quality metrics specific to high-risk group • Enhance risk adjustment using social and updated clinical factors 	<ul style="list-style-type: none"> • Include newborn outcome metrics (e.g., neonatal spend, gestational age)
Data	<ul style="list-style-type: none"> • Use SDoH data at the census tract level 	<ul style="list-style-type: none"> • Use Vital Statistics data to link mother and neonate claims
Timeliness	<ul style="list-style-type: none"> • No change 	<ul style="list-style-type: none"> • Incorporate latest information as Vital Statistics data becomes available
Reporting	<ul style="list-style-type: none"> • Enhance information on high-risk mothers, including social factors in both report and detailed CSV 	<ul style="list-style-type: none"> • Additional page added to current neonatal report with neonate outcomes
Incentives	<ul style="list-style-type: none"> • Update thresholds to reflect changes in risk adjustment model • Link global metric for high-risk mothers to payment 	<ul style="list-style-type: none"> • Quality metrics for neonate outcomes may be linked to payment in the future as data becomes available

Perinatal Update: Refinements to Quality Metrics

Red = removed from existing definition

Green = newly added to definition

¹ Metric to be tied to incentives starting in reporting year 2021

	CURRENT DESIGN	POTENTIAL REFINEMENT	SUMMARY OF UPDATES
METRICS TIED TO INCENTIVES	<ul style="list-style-type: none"> Follow-up visits C-Section rate HIV screening 	<ul style="list-style-type: none"> Follow-up visits C-Section rate HIV screening Community-based services¹ Composite measure¹ for high-risk, comprised of: <ul style="list-style-type: none"> BH services Progesterone administration New opioids fill rate SUD treatment 	<p>Two new measures added and tied to incentives</p> <p>Four new measures included in a composite measure related to care for women identified as high-risk</p>
INFORMATIONAL METRICS	<ul style="list-style-type: none"> GBS screening Gestational diabetes screening Chlamydia screening Hepatitis B screening Ultrasound rate 	<ul style="list-style-type: none"> Hepatitis B screening Breastfeeding Average gestational age at onset of prenatal care Neonatal transfers Mothers receiving treatment for OUD in newborns with NAS Very preterm births Neonate mortality 	<p>Four existing informational measures removed</p> <p>Six new informational measures added</p>

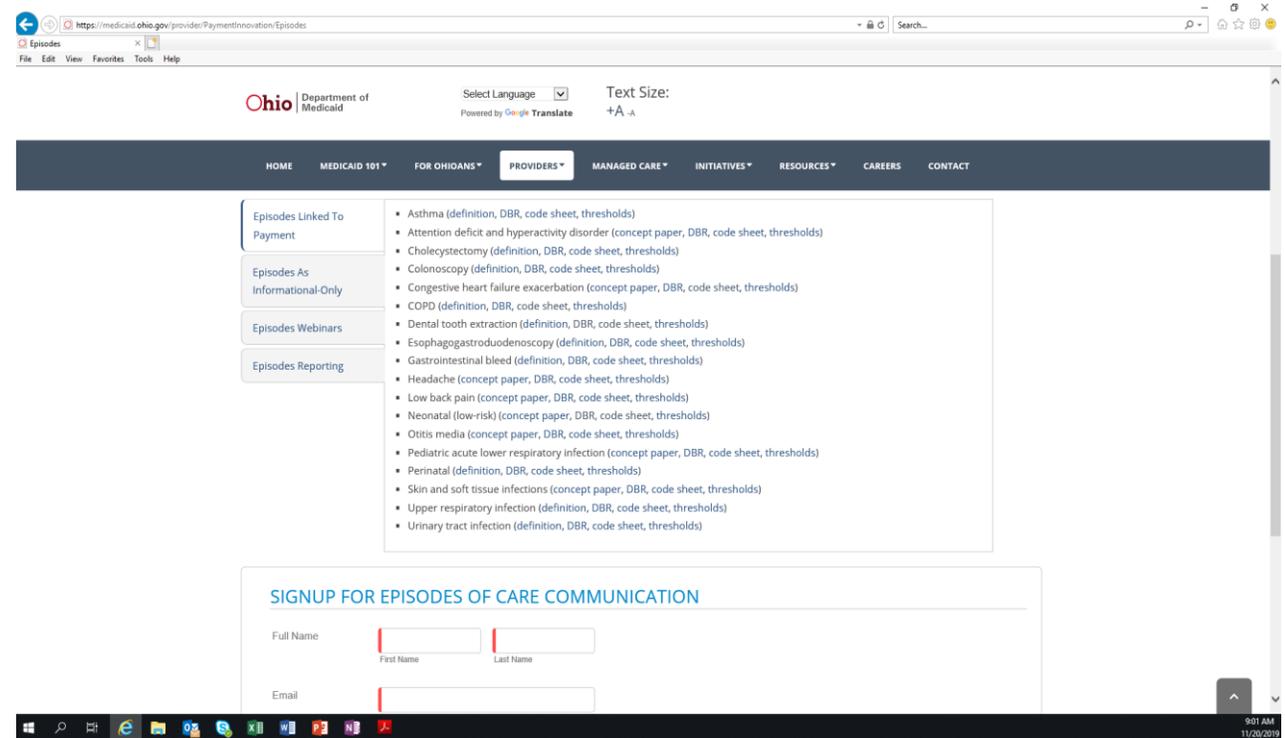
The Ohio Department Of Medicaid Website Includes Links To The Following Documents For Each Episode

- **Concept paper:** Overview of episode definition including clinical rationale for the episode, patient journey, sources of value, and episode design dimensions
- **Detailed business requirements (DBR):** Description of episode design details and technical definitions by design dimensions
- **Code sheet:** Medical, pharmacy, and other related codes needed to build the episode, to be referenced with the DBR
- **Thresholds:** Spend thresholds and quality metric targets are available for episodes that are linked to payment.

In addition, instructions on how to read your episode reports and general FAQs are available on the website

<http://www.medicaid.ohio.gov/Providers/PaymentInnovation/Episodes.aspx>

EPIISODES OF CARE WEBSITE INFORMATION



- You can access your Episodes of Care Provider Reports via the MITS Portal.
- You will be notified by email when new reports are posted to your account using the Episodes of Care Listserv.

2018 Annual Reports



Reports will start posting to the MITS portal on **December 12, 2019**. It may take up to 5 days for all the reports to post.

Don't forget to signup for the Episodes of Care Listserv to get updates and reminders!

- Go to the Episodes of Care Website
- Enter your Contact Information
- Click Subscribe



EPISODES OF CARE WEBSITE INFORMATION

SIGNUP FOR EPISODES OF CARE COMMUNICATION

Full Name

First Name Last Name

Email



QUESTIONS?

