



Missouri Alliance for HOME CARE

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CMS Announces New Policy to Improve Care and Cost-effectiveness *(from NAHC Report, January 10, 2018)*

Recently, the Centers for Medicare & Medicaid Services (CMS) Center for Medicare and Medicaid Innovation (CMMI) announced a new voluntary bundled payment model called Bundled Payments for Care Improvement Advanced (BPCI Advanced). Under traditional fee-for-service payment, Medicare pays providers for each individual service they perform. Under this bundled payment model, participants can earn additional payment if all expenditures for a beneficiary's episode of care are under a spending target that factors in quality.

Bundled payments create incentives for providers and practitioners to work together to coordinate care and engage in continuous improvement to keep spending under a target amount. BPCI Advanced Participants may receive payments for performance on 32 different clinical episodes, such as major joint replacement of the lower extremity (inpatient) and percutaneous coronary intervention (inpatient or outpatient). An episode model such as BPCI Advanced supports health care providers who invest in practice innovation and care redesign to improve quality and reduce expenditures.

As part of the model, CMS has taken steps to incorporate relevant quality measures by which participants will be measured. As part of the initial quality measure reporting requirements CMS has included the National Quality Forum (NQF)-approved Advanced Care Plan measure (NQF#0326). NQF#0326 measures the percentage of patients aged 65 years and older who have an advance care plan or surrogate decision maker documented in the medical record, or documentation in the medical record that an advance care plan was discussed but the patient did not wish or was not able to name a surrogate decision maker or provide an advance care plan. This measure has great relevance for care of patients with serious illness and/or in advanced age, and is valuable for use in measuring the quality of care provided to Medicare beneficiaries.

BPCI Advanced will qualify as an Advanced Alternative Payment Model (Advanced APM) under the Quality Payment Program. In 2015, Congress passed the Medicare Access and Chip Reauthorization Act or MACRA. MACRA requires CMS to implement a program called the Quality Payment Program or QPP, which changes the way physicians are paid in Medicare. QPP creates two tracks for physician payment – the Merit-Based Incentive Payment System or MIPS track and the Advanced APM track. Under MIPS, providers have to report a range of performance metrics and then have their payment amount adjusted based on their performance. Under Advanced APMs, providers take on financial risk to earn the Advanced APM incentive payment.

“CMS is proud to announce this Administration’s first Advanced APM,” said CMS Administrator Seema Verma. “BPCI Advanced builds on the earlier success of bundled payment models and is an important step in the move away from fee-for-service and towards paying for value. Under this model, providers will have an incentive to deliver efficient, high-quality care.”

In BPCI Advanced, participants will be expected to redesign care delivery to keep Medicare expenditures within a defined budget while maintaining or improving performance on specific quality measures. Participant bear financial risk, have payments under the model tied to quality performance, and are required to use Certified Electronic Health Record Technology. By meeting these requirements, the model qualifies as an Advanced APM. The 32 types of clinical episodes in BPCI Advanced add outpatient episodes to the inpatient episodes that were offered in the Innovation Center’s previous bundled payment model (the Bundled Payments for Care Improvement initiative), including percutaneous coronary intervention, cardiac defibrillator, and back and neck except spinal fusion.

CMS designed this model taking into account rigorous evaluation results from previous CMMI models, industry experience with bundled payment, and stakeholder input from healthcare providers at acute care hospitals, physician group practices, and other providers and suppliers. BPCI Advanced seeks to support and encourage participants who are interested in:

- continuously redesigning and improving care,
- decreasing costs by eliminating care that is unnecessary or provides little benefit to patients,
- encouraging care coordination, and fostering quality improvement,
- participating in a payment model that tests extended financial accountability for the outcomes of improved quality and reduced spending,
- creating environments that stimulate rapid development of new evidence-based knowledge, and
- increasing the likelihood of better health at lower cost through patient engagement, education, and on-going communication between doctors and patients.

The Model Performance Period for BPCI Advanced starts on October 1, 2018 and runs through December 31, 2023. Like all models tested by CMS, there will be a formal, independent evaluation to assess the quality of care and changes in spending under the model.

For more information about the model [GO HERE](#).

The CMS Innovation Center will hold a Q&A Open Forum on Tuesday, January 30, 2018 from 12 pm – 1 pm EDT. Register for the event [HERE](#).