Aligning for Action

LAN SUMMIT

Health Care Payment Learning & Action Network

Implementing Maternity Care Alternative Payment: Opportunities and Challenges

Welcome

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What does Maternity Care Look Like Today?

U.S. Clinical Outcomes (2014)
• 32.2% of all babies were born by cesarean section (up 60% since 1996) • 25% of pregnancies deemed “low risk” (NTSV) were delivered by cesarean section • 8% of babies were characterized as low birthweight (<2,500 grams) • 9.6% of babies born pre-term (earlier than 37 weeks) *-National Vital Statistics Report, Vol. 64, No. 12)*
Costs
• Significant, unwarranted variation by payer, type of birth, and setting. • Lower cost, lower intervention services often are not covered by commercial insurance or Medicaid.

What does Maternity Care Look Like Today?

Quality
• Rising costs are not resulting in improved patient outcomes • Unwarranted variation in care • Prenatal care, labor and birth, and postpartum care are often delivered as three distinct periods instead of three phases of one episode
Patient Education, Engagement and Support
• Person-centered care support and services are not commonly reimbursed • Lack of communication across settings and providers for women needing care for chronic conditions during pregnancy • For babies born in 2013, most states did not meet the *Healthy People 2020* targets for breastfeeding duration at six months

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Maternity Care Affects Everyone

- Labor and delivery account for almost a quarter of all hospitalizations in the US; the associated costs and outcomes affect patients and their families, as well as employers and payers.

- Medicaid paid for approximately 45% of births between 2010 and 2013 (*National Governors Association Center for Best Practices, 2015*)

- Premature births (which account for 12.2 percent of births in the U.S.) are associated with very high medical and educational costs, as well as lost employee productivity. (*Childbirth Connection, 2011*)

Our Current Care Delivery Model is Characterized by…

- Increased use of unnecessary high-cost interventions
- Reliance on use of high-cost settings when lower-cost settings (e.g. birth centers) are shown to lead to successful outcomes.
- Fragmentation of care across the prenatal, labor and birth, and postpartum settings and providers
- Traditional fee-for-service payments for maternity care, as well as higher negotiated payment rates for cesarean births, provide perverse incentives to use sometimes unnecessary medical interventions

What is the Value Proposition for Episode Payment in Maternity Care?

In an episode payment model, providers accept accountability for patients over a set period of time and across multiple care settings. In the maternity care space, episode payment can:

- Encourage greater coordination across the continuum of care
- Allow for greater flexibility in choice of provider and settings of where care is received
- Provide incentives for the use of services that may support better outcomes for the woman and baby, at a lower cost (e.g. doula care, midwives, birth centers, group prenatal care, parenting education)

Unlike many other clinical areas, Medicare is not the lead payer in maternity. Moving to alternative payment will require commitment from States, MCOs, and commercial payers.

LAN Maternity Care Episode Payment Recommendations

1. Episode Definition	2. Episode Timing	3. Patient Population	4. Services	5. Patient Engagement
Episode includes maternity and newborn care for the majority of pregnancies that are lower risk, as well as for women with elevated risk conditions for which there are defined and predictable care trajectories.	Episode begins 40 weeks before the birth and ends 60 days postpartum for the woman, and 30 days post-birth for the baby.	The population is women and newborns who are lower-risk, as well as women who may be at elevated risk due to conditions with defined and predictable care trajectories.	All services provided during pregnancy, labor and birth, and the postpartum period (for women); and newborn care for the baby. Pediatric services are not included. Other service exclusions should be limited.	Engage women and their families in all three phases of the episode (prenatal, labor and birth, and postpartum/newborn).
6. Accountable Entity	**7. Payment Flow**	**8. Episode Price**	**9. Type and Level of Risk**	**10. Quality Metrics**
Accountable entity chosen based on readiness to both re-engineer change in the way care is delivered to the patient, and to accept risk. Shared accountability may be required, given that a patient may be cared for by multiple practitioners across multiple settings.	Payment flow – either retrospective reconciliation or prospective payment – depends on the unique characteristics of the model's players.	The episode price should balance single and multiple providers and regional utilization history. It should reflect the cost of services needed to achieve the goals of the episode payment model.	Ultimate goal is both upside reward and downside risk, with strategies in place to mitigate risk, encourage provider participation, and support inclusion of a broad patient population..	Prioritize use of metrics that support the episode goals, including measures of clinical outcomes and patient reported outcomes, for use in payment, accountability, quality scorecards, and other tools to communicate with and engage patients and other stakeholders.

Multi-Stakeholder Maternity Action Collaborative

Using the LAN recommendations as a guide, the Maternity Multi-Stakeholder Action Collaborative **(MAC)** will drive **TRANSFORMATION IN MATERNITY CARE PAYMENT** with the goal of improving outcomes for mothers and babies.

A LAN Action Collaborative enables **COMMITTED** participants with a **SHARED PURPOSE** to take **ACTION** within their own organizations based on shared learnings.

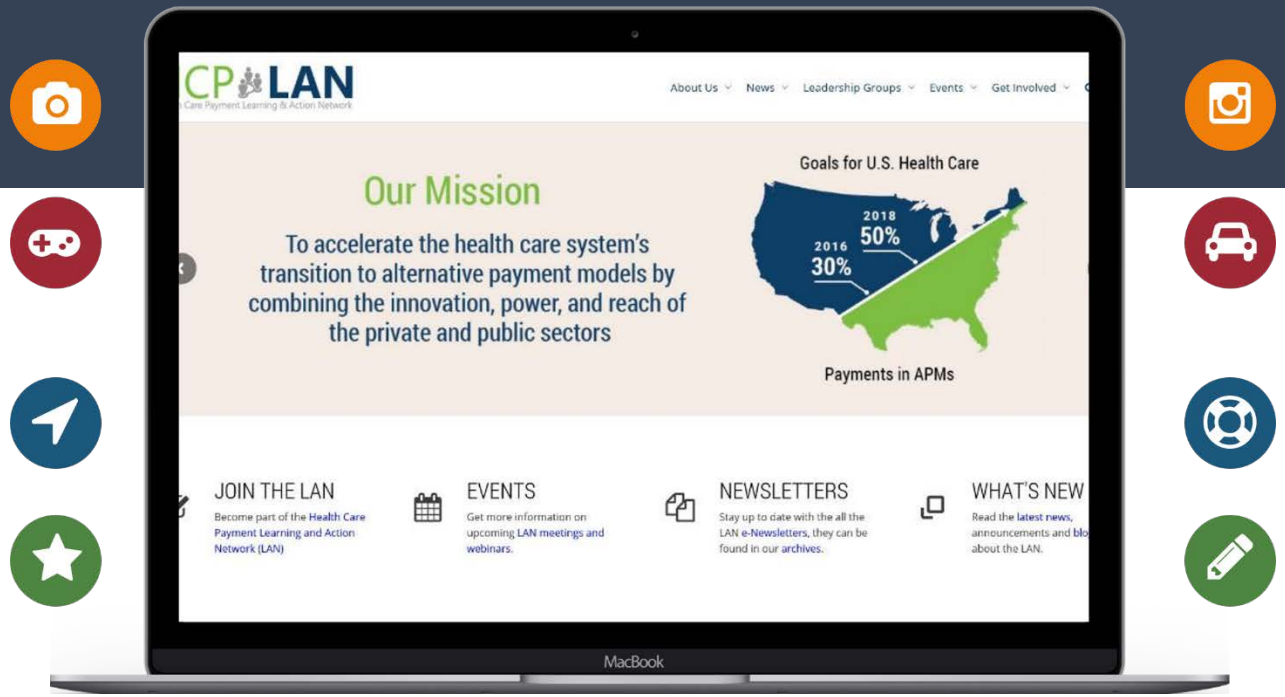
MAC Principles

- The MAC is designed to support stakeholders that are seeking to improve maternity care and outcomes, using alternative payment as a lever.
- The LAN recognizes that all participating organizations are at different points in this journey and have varying “glidepaths” to adopting episode payment.
- With episode payment for maternity care as the aspirational goal, the LAN’s Clinical Episode Payment Recommendations on Maternity Care will serve as core guidance to the work of the MAC.
- The LAN sees opportunities in bringing together private and public sector payers, providers, employers, and consumers to learn from each others’ experiences in their respective journeys to adopt maternity care episode payments.
- 10 states have already signed up to participate – AZ , CT, DE, IA, LA, MD, MT, TN, VA and WV – and we are still recruiting.

Facilitated Panel Discussion

Join the LAN Multi-Stakeholder Maternity Action Collaborative (MAC)

https://hcp-lan.org/maternity-action-collaborative/



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Exit Survey

- We want to know what you think!

- Please take a moment to complete the exit survey so we can continue to improve and enrich the LAN.

https://www.surveymonkey.com/r/lansummitsession

Thank You!

Contact Us

We want to hear from you!

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