Maternity and Newborn Care Bundled Payment Pilot

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Spring 2016 LAN Summit
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Community Health Choice
Our Maternity Pilot

• Area of highest opportunity for expense savings and quality improvements
  • 22k deliveries/year
  • $155M total annual related medical expenses
• A multi-year pilot beginning March 1, 2015
• Two separate academic provider groups
• Includes all relevant costs for mothers & babies
  • Professionals (OB, MFM, Pediatrics, Neonatology)
  • Hospitals
  • All ancillary services
Maternity and Newborn Episode

- **Delivery Trigger**
  - 270 day look-back
  - 60 day look-forward
  - 30 day look-forward

- **Delivery Stay**
  - Mother’s Costs
  - Infant’s Costs

**Key:**
- Irrelevant
- Either typical or PACs
- Claims with potentially avoidable complications (PACs)
- Claims for typical care and services

- **Episode is triggered by delivery**
- **Services for the Mother are evaluated as typical (e.g. ultrasound, anesthesia, office visits, etc.) or complications (obstetrical trauma, fetal distress, c-section in low risk pregnancy, etc.)**
Budgets

• Using patient specific budgets based on historical average costs
• Budgets are individually adjusted based on risk factors collected from claims data and clinical records
  • Patient demographics – age, gender
  • Patient comorbidities - diagnosis code-based
  • Clinical severity markers (e.g. gestational diabetes, multiple gestation, etc.)
## Quality Scorecard

<table>
<thead>
<tr>
<th>Term Babies</th>
<th>Pre-natal Care</th>
<th>Delivery Care</th>
<th>Postpartum Care</th>
<th>Baby Care</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GA $\geq$ 37 completed weeks</td>
<td>Points</td>
<td></td>
<td>Total Points</td>
</tr>
<tr>
<td></td>
<td>Prenatal Care Visit (HEDIS)</td>
<td>0</td>
<td>% of early elective deliveries prior to full gestation</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Risk-appropriate screenings during pre-natal care visits</td>
<td>10</td>
<td>% of eligible patients who receive intrapartum antibiotic prophylaxis for GBS and/or Antenatal Sterioids</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Shared-decision making on mode of delivery</td>
<td>10</td>
<td>Postnatal Care Visit (HEDIS)</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>% of babies who were exclusively breast fed during stay</td>
<td>10</td>
<td>BP Monitoring</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>% of babies receiving Hep B vaccine prior to discharge</td>
<td>10</td>
<td>Random fingerstick testing; patients with results that exceed a certain threshold required to have a 2 hour fasting glucose test</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Depression screening</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>Category</td>
<td>Data Field</td>
<td>Format</td>
<td>Member ID</td>
<td>Denominator</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>--------------------------------------</td>
<td>-----------------</td>
<td>-----------</td>
<td>-------------</td>
</tr>
<tr>
<td>Pre-natal care</td>
<td>Was the patient identified as at Risk for Gestational Diabetes</td>
<td>Yes/No</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Pre-natal care</td>
<td>Did the patient receive gestational diabetes pre-screening testing</td>
<td>Yes/No</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Pre-natal care</td>
<td>Date of Gestational Diabetes Screening</td>
<td>MM/DD/YYYY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-natal care</td>
<td>Did patient participate in documented shared decision making discussion(s)</td>
<td>Yes/No</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Pre-natal care</td>
<td>Date of shared decision making in patient record/patient refusal</td>
<td>MM/DD/YYYY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delivery care</td>
<td>Was the delivery an elective delivery</td>
<td>Yes/No; N/A</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Delivery care</td>
<td>Was the delivery a c-section</td>
<td>Yes/No; N/A</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Delivery care</td>
<td>If C-Section delivery, was the delivery a primary c-section</td>
<td>Yes/No; N/A</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Delivery care</td>
<td>Patient at risk for pre term delivery?</td>
<td>Yes/No</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Delivery care</td>
<td>Intrapartum antibiotic prop. For GBS and/or Ante steriods</td>
<td>Yes/No; N/A</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Delivery care</td>
<td>Obstetric Trauma: with Instrument</td>
<td>Yes/No; N/A</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Delivery care</td>
<td>Obstetric Trauma: without Instrument</td>
<td>Yes/No; N/A</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>
Patient Reported Outcome Measures

• PROMs and how they differ from Patient Satisfaction Surveys was first discussion
  How was the food in the hospital or how long did you wait for your appointment in the physician office?
  vs.
  Were you given enough time to ask questions during office visits or do you feel you were involved enough in decisions about your care?

• Modified Childbirth Connection PROM Survey
  • Birth Information
  • Prenatal Care
  • Birth Experience
  • Postpartum Care
Distribution of Costs Over/Under Budget for Q1

- 47 episodes >$3k under budget
- 76 episodes w/i $3k+/ of budget
- 17 episodes >$3k over budget
- 39 episodes >$3k over budget
- 76 episodes >$3k under budget
- 86 episodes w/i $3k+/ of budget
Key Year 1 Takeaway

• Nursery level determination may be less objective than previously thought and may not be best indicator of ultimate cost
  • Significant differences in level distribution across providers and over time
  • Correlations of LBW and/or preterm with nursery level is uneven
  • Birth defects can be costly but are not necessarily dealt with in Level 4 nursery.
• Recommendation: to protect both provider (from extreme outlier episodes) and plan (from arbitrary placement), keep all babies in but use stop loss aimed at true outliers
Devil in the Details

Year 1
  • Upside only

Year 2
  • Downside risk added using quality metrics set based on year 1 scorecard benchmarks

Year 3 and beyond
  • Move away from current contractual payments to flat dollar payments with periodic reconciliation
## Year 2 Draft Risk Sharing

<table>
<thead>
<tr>
<th>% Share in Loss (over budget)</th>
<th>Change in Score (PPT)</th>
<th>% Share in Gain (under budget)</th>
</tr>
</thead>
<tbody>
<tr>
<td>. . . 0.50</td>
<td>. . . -0.20</td>
<td>. . . 0.0</td>
</tr>
<tr>
<td>0.45</td>
<td>-0.05</td>
<td>0.35</td>
</tr>
<tr>
<td>0.44</td>
<td>-0.04</td>
<td>0.37</td>
</tr>
<tr>
<td>0.43</td>
<td>-0.03</td>
<td>0.39</td>
</tr>
<tr>
<td>0.42</td>
<td>-0.02</td>
<td>0.41</td>
</tr>
</tbody>
</table>
Scalability

• No other bundle comes close to Maternity bundle for our Medicaid line of business
• 40,000 Marketplace lives in 2015 – only now getting enough data to see where opportunities lie
• What other alternative payment plans make sense for us?
QUESTIONS & ANSWERS

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