

Overview of Changes to the Medicare BPCI-A Payment Model

March 21, 2023



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Welcome

Jaime Welcher
Education Program Manager
California Hospital Association



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Continuing Education



Continuing education hours are offered for this program for compliance, health care executives, and legal.

Full attendance and completion of the online evaluation and attestation of attendance are required to receive CEs for this webinar.

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Questions



Online Questions: At any time, submit your questions in the Questions button at the bottom of your screen. We will take questions at the end of the presentation.

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Chad Mulvany
Vice President, Federal Policy
California Hospital Association

Chad Mulvany, Vice President, Federal Policy for CHA, is responsible for providing leadership on federal hospital reimbursement issues and contributes on other federal regulatory matters. Based in CHA's Washington, D.C. office, Mr. Mulvany collaborates with CHA's leadership, issue managers, and national hospital associations on analysis and policy development for advocacy purposes.



Michael Wolford
Principal
FORVIS

Since joining the firm in 2010, Michael has become one of the go-to resources on alternative payment models, episodes of care, and health system strategic planning. During Michael's tenure with the firm, he has served as the director of bundled payments for a multistate health system, and advised more than 100 organizations on episodic strategies, other alternative payment models, gainsharing, and internal cost savings initiatives before being promoted to the position of partner in 2020.



Walter D. Coleman, MBA
Director
FORVIS

Walter brings over 11 years of working within the health care and hospital industry and works with the FORVIS National Strategy Practice. Focusing on development of the next generation of financial modeling products and implementation strategies specifically related to the transition from fee for services to value-based care, Walter provides extended expertise in mandatory and voluntary Medicare and Commercial value-based payment initiatives.

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Agenda

- BPCI-A Introduction & Webinar Overview
- The Basics of **BPCI-A 3.0**
- Benefits of Applying
- How Should Organizations Prepare

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*“A 2022 study examining fragmentation of ambulatory care for Medicare fee-for-service beneficiaries found that **four in ten** beneficiaries experience highly fragmented care, with a mean of **13 ambulatory visits across 7 practitioners in one year.**”*

One of CMMI’s next steps in its specialty strategy is to

“Test a new mandatory acute episode payment model that improves acute care and care transitions, while supporting the goals of longitudinal, accountable care.”

FORV/S Source: The CMS Innovation Center’s Strategy to Support Person-centered, Value-based Specialty Care

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BPCI-A Introduction

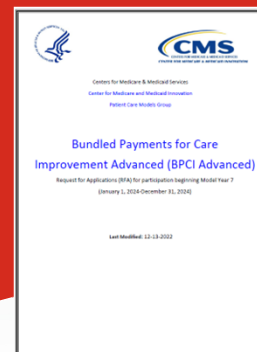
All Backgrounds Welcomed!

- Never Participated
- Previous Participants
- Opted Out Participants
- Forced Out Participants
- Current Participants

BPCI-A “Versions”

- 2018
- 2021
- 2024

Request for Application (RFA)



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The Basics of *BPCI-A 3.0*

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What to Know About BPCI Advanced

Non-binding application due on Wednesday, May 31st; can be withdrawn any time in 2023

Voluntary program with 6-month performance periods

90-day total cost of care episodes, incl. Parts A & B, Revenue cycle uninterrupted

Reconciliation for gains & losses every 6 months

Applicants get access to otherwise elusive, detailed, longitudinal patient data

Risk-bearing entity must be Medicare provider/supplier or Medicare ACO

Medicare FFS only, MA excluded

Attribution based on Anchor Stay or Procedure

34 included Clinical Episodes, grouped into 8 service line groups

Reconciliation linked to Composite Quality Score (CQS)

CMS/CMMI Program Overlap Allowed

Gainsharing alignment with providers is optional

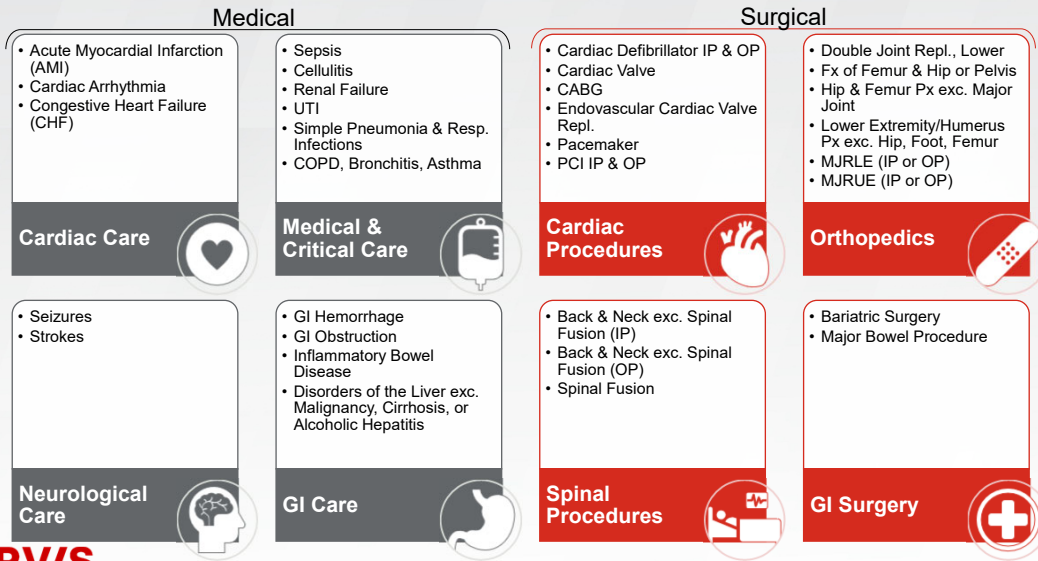
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WHAT: Clinical Episode Options



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What's Included in an Episode of Care?

- Bundles capture the total-cost-of-care for episodes during the initial hospitalization (or procedure for OP episodes) + 90 days
- 99% of claim count & claim cost are included; there are some pre-determined exclusions
- Patients may receive services anywhere & all sites of care are included

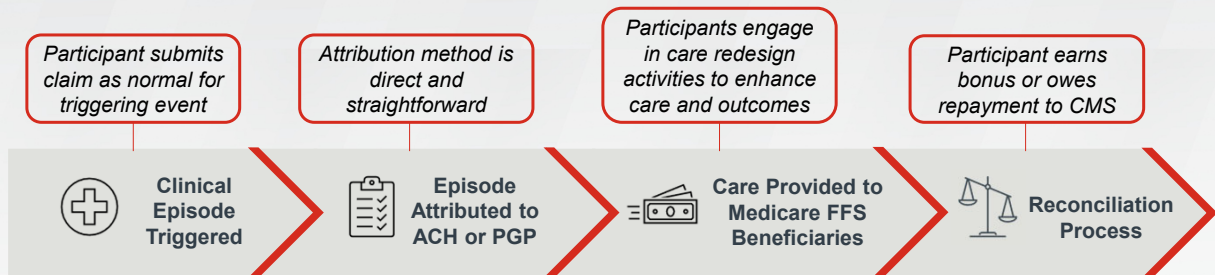


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BPCI Advanced – How It Works



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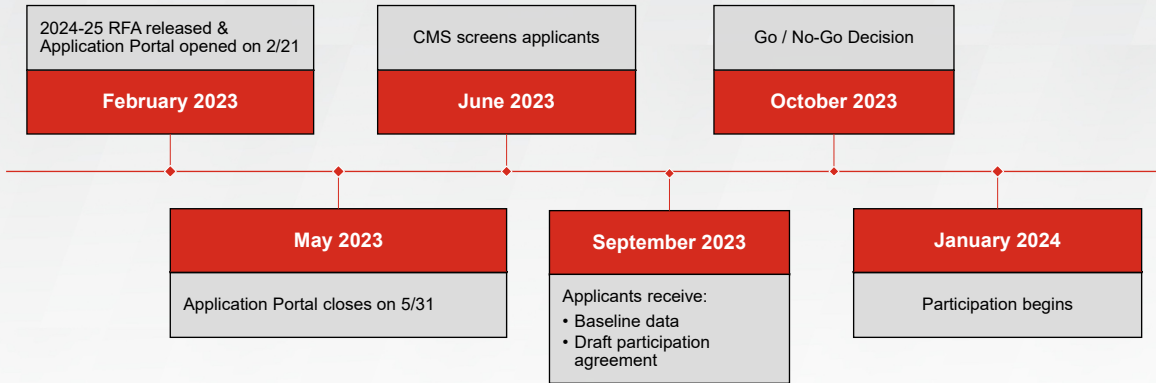
Methodology Changes for MY6 (2023)

	Better Target Prices	Improved target prices for medical bundles	What does this mean for you? <ul style="list-style-type: none"> ➤ Easier access to gains and greater shielding from losses ➤ Less variability in target price adjustments ➤ Improved accuracy of payments & target price
	Target Price Stability	Increased reliability and stability of target prices by limiting retrospective adjustments	
	MJRUE	Adding outpatient Major Joint Replacement of the Upper Extremity (MJRUE)	
	COVID-19	Inclusion of COVID episodes with Risk Adjustment for local incidence rate	
	MY7 (2024)	No future role for new outsourced third-party conveners	

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BPCI Advanced Timeline – Application Process for 2023



FORV/S Source: <https://innovation.cms.gov/innovation-models/bpci-advanced/applicant-resources>

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BPCI Advanced – Benefits of Applying


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Why Apply for BPCI-A?

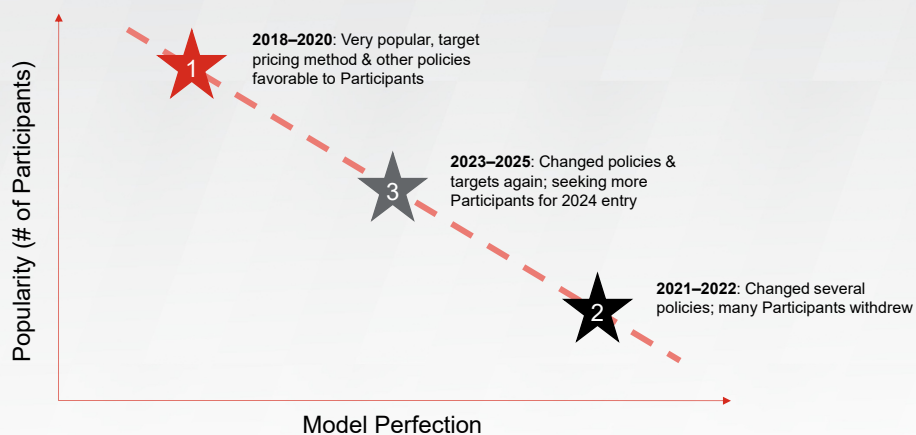
-  No-risk application *really means* no-risk
-  Unique specialist alignment opportunity
-  Potential to diversify value-based care portfolio
-  Access to elusive data
-  Probable last chance before mandatory bundles

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Perfect vs. Popular



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Lessons Learned

There's no magical, one-size-fits-all approach to BPCI-A success.

Post-acute services are the primary targets for cost-of-claims reduction.

Some bundles will have advantageous target prices; enrolling in those advantageous bundles generates higher likelihood of profitable participation.

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How Should Organizations Prepare

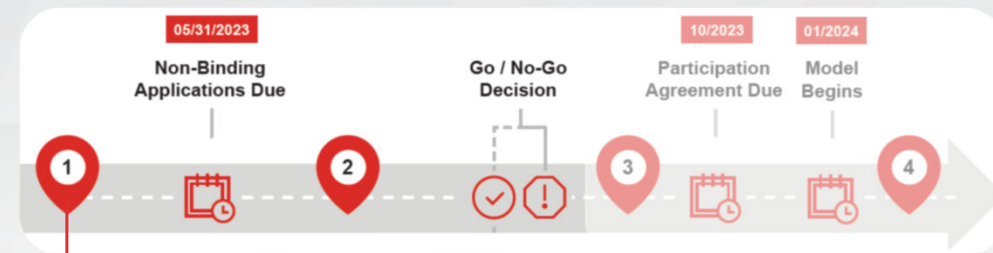
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Prepare & Apply



1 Prepare & Apply

Why: Now may be the last voluntary opportunity before mandatory episodic programs

What:

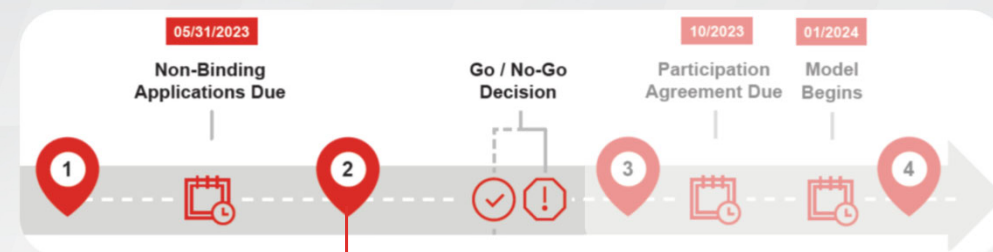
- Educate key stakeholders; prepare application response and submission team
- Determine strategy for application structure
- Write BPCI-A application, collect data, submit before deadline

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Assess & Decide



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Why: Successful applicants will analyze data to make financially informed decisions

What:

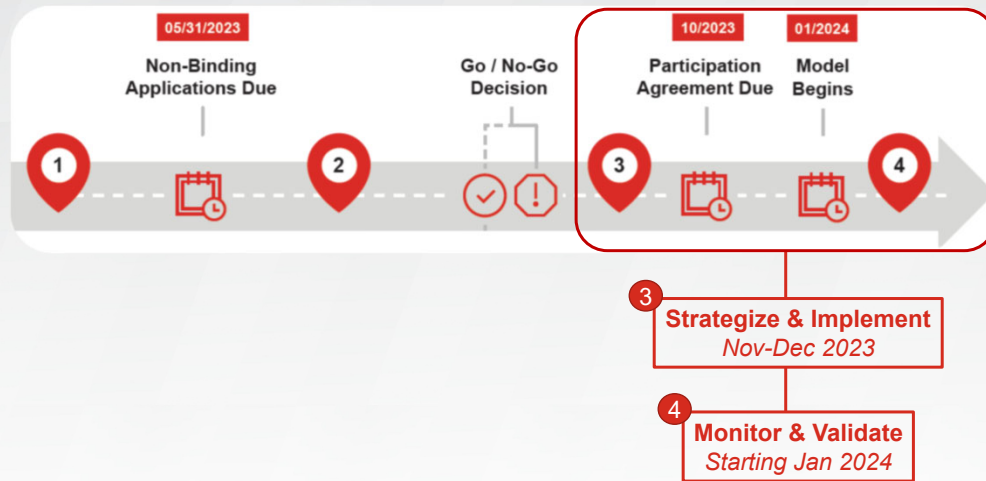
- Assess three (3) years of historical performance against benchmarks
- Identify headwinds or tailwinds created by model methodology
- Make go/no-go decisions on each of eight (8) service line groupings

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Considerations after Go Decisions



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Q&A

Please submit your questions.

Thank you!



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Thank You



Thank you for participating in today's webinar.

An online evaluation will be sent to you shortly.

For education questions, contact:

education@calhospital.org

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