



AHA Advocacy Alliance

FOR

Rural Hospitals

Delivery System Reform

**HHS Health Care Payment Learning
and Action Network**

Priya Bathija, Sr. Associate Director, AHA Policy

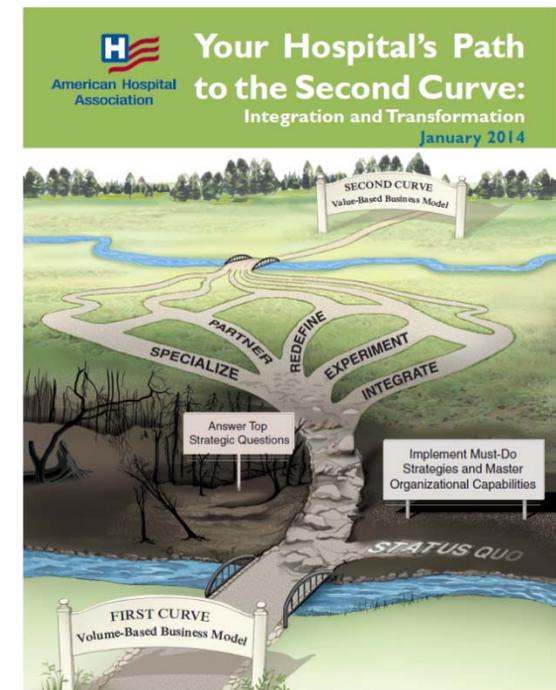
Paul Moore, D.Ph., Federal Office of Rural Health Policy

March 9, 2015



Shift from Volume to Value

- Health care field undergoing dramatic change
- Moving from volume to value
 - Pay-for-performance initiatives
 - Alternative payment models
- Hospitals at the center of many of these reforms
- No one-size-fits-all model



HHS Announcement

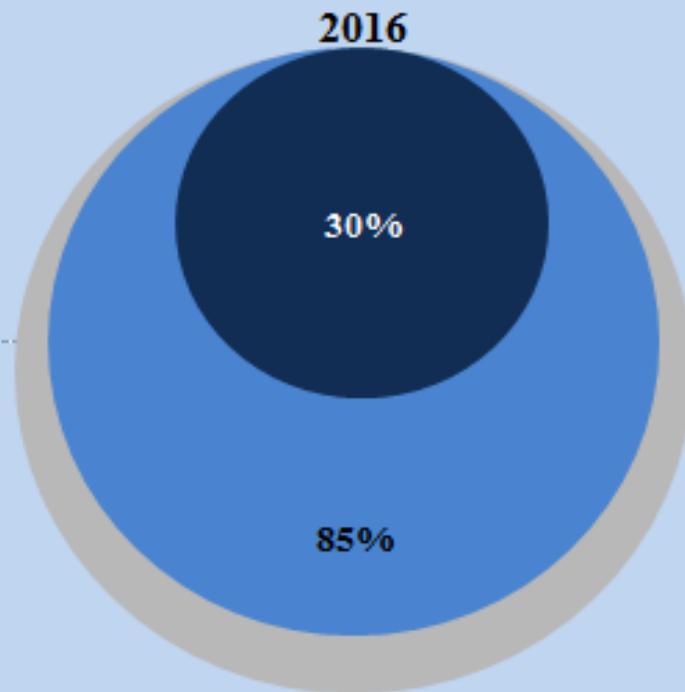
- January 26, 2015
- Measurable goals and a timeline to move the Medicare program toward paying providers based on quality

The screenshot shows the HHS.gov website interface. At the top, there is a search bar with the text "I'm looking for..." and a magnifying glass icon. Below the search bar is a navigation menu with links for "About HHS", "HHS Secretary", "News", "Jobs", "Contracts & Grants", "Prevention", "Regulations", and "Preparedness". On the right side of the navigation menu, there is an "A-Z Index" link. Below the navigation menu, there is a sidebar with links for "News", "Public Affairs Contacts", "Multimedia Gallery", and "Freedom of Information Act (FOIA)". The main content area is titled "News" and features a yellow horizontal line. Below the title, there is a "FOR IMMEDIATE RELEASE" notice dated "January 26, 2015". To the right of the notice, there is a "Contact: HHS Press Office 202-690-6343" link. The main text of the announcement is titled "Better, Smarter, Healthier: In historic announcement, HHS sets clear goals and timeline for shifting Medicare reimbursements from volume to value". The text describes a meeting with nearly two dozen leaders representing consumers, insurers, providers, and business leaders, where Health and Human Services Secretary Sylvia M. Burwell announced measurable goals and a timeline to move the Medicare program, and the health care system at large, toward paying providers based on the quality, rather than the quantity of care they give patients. The text also mentions that HHS has set a goal of tying 30 percent of traditional, or fee-for-service, Medicare payments to quality or value through alternative payment models, such as Accountable Care Organizations (ACOs) or bundled payment arrangements by the end of 2016, and tying 50 percent of payments to these models by the end of 2018. HHS also set a goal of tying 85 percent of all traditional Medicare payments to quality or value by 2016 and 90 percent by 2018 through programs such as the Hospital Value Based Purchasing and the Hospital Readmissions Reduction Programs. This is the first time in the history of the Medicare program that HHS has set explicit goals for alternative payment models and value-based payments. Finally, the text mentions that to make these goals scalable beyond Medicare, Secretary Burwell also announced the creation of a Health Care Payment Learning and Action Network. Through the Learning and Action Network, HHS will work with private payers, employers, consumers, providers, states and state Medicaid programs, and other partners to expand alternative payment models into their programs. HHS will intensify its work with states and private payers to...

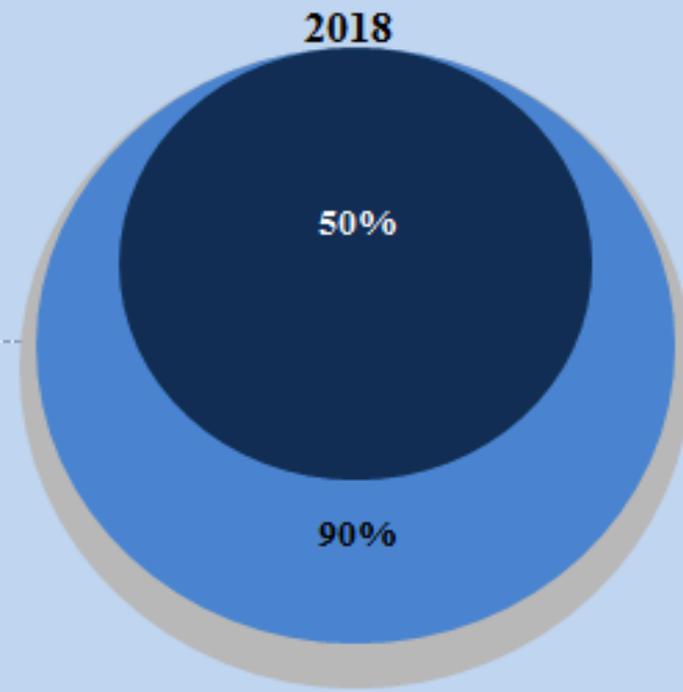
HHS Announcement

Target percentage of Medicare FFS payments linked to quality and alternative payment models in 2016 and 2018

- All Medicare FFS (Categories 1-4)
- FFS linked to quality (Categories 2-4)
- Alternative payment models (Categories 3-4)



All Medicare FFS



All Medicare FFS

HHS Announcement

HHS Health Care Payment Learning and Action Network

- Forum for stakeholders to discuss move to alternative payment models
- Independent contractor will convene meetings, disseminate information to Network participants, and lead learning sessions where participants can share best practices
- Register: <http://innovation.cms.gov/initiatives/Health-Care-Payment-Learning-and-Action-Network/>



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HRSA FORHP Faculty

- **Paul Moore** who has served as Senior Health Policy Advisor to the Health Resources and Services Administration (HRSA) Federal Office of Rural Health Policy (FORHP) for five years.
- **Craig Caplan** who is a Health Insurance Specialist at the FORHP at HRSA
- **Aaron Fischbach** who joined the FORHP as a Public Health Analyst in June 2010 and became the Policy Coordinator in November 2013
- **Curt Mueller** who is the Director of Research and Evaluation for the FORHP



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Three Focus Areas of the Delivery System Reform (DSR) Initiative

Improving the way providers are paid, the way care is delivered, and the way information is distributed will get us to better care, smarter spending, and healthier people system-wide.

Focus Areas

Description

Incentives

- Promote value-based payment systems
 - Test new alternative payment models
 - Increase linkage of Medicaid, Medicare FFS, and other payments to value
- Bring proven payment models to scale

Care Delivery

- Encourage the integration and coordination of clinical care services
- Improve population health
- Promote patient engagement through shared decision making

Information

- Create transparency on cost and quality information
- Bring electronic health information to the point of care for meaningful use





Goals: Focus Areas



Focus Areas	2016 Goal	2018 Goal
Incentives		
Promote value-based payment systems		
– Test new alternative payment models	30%* of Medicare payments in alternative payment models	50%
– Increase linkage of Medicaid, Medicare fee-for-service, and other payments to value	85% of remaining FFS Medicare payments linked to quality/value	90%
Bring proven payment models to scale*		
Care Delivery		
Integrate and coordinate care	30% of patients in primary care medical homes or physician groups accountable for both cost and quality	50%
Improve population health	15 states implement comprehensive reform	25 states
Promote patient engagement in decisions	80% of patients participate in shared-decision making	85%
Information		
Create transparency on cost and quality information	Establish websites for all FFS settings and health plan programs with quality info. and star ratings for consumers	Measure use
	Establish metrics on consumer access to out-of-pocket costs data	Measure use
Bring electronic health information to the point of care for meaningful use	85% of providers adopt certified EHR	90%
	30% of clinical visits have electronic health info. available when and where needed**	50%

*Same goal used for testing new models and bringing proven models to scale **Exact measure still under discussion



We want your input!



We're asking small and rural hospitals to take a thorough look at information available through the links below and provide feedback. Send us your comments at the following address:

RuralDSR@hrsa.gov

For more information on what Secretary Burwell has said publicly about this effort, see below.

Secretary Burwell's Speech at the CMS Quality Net Conference

<http://www.hhs.gov/secretary/about/speeches/sp20141202.html>

Secretary Burwell's speech to the American Academy of Family Physicians:

<http://www.hhs.gov/secretary/about/speeches/sp20141023.html>

Fact Sheet on Delivery System Reform:

<http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2014-Fact-sheets-items/2014-09-16-2.html>

Blog from Secretary Burwell: Getting More Out of Every Dollar: Improving Health Delivery In America

<http://www.hhs.gov/blog/2014/09/getting-more-out-every-dollar-improving-health-delivery.html>



Questions and Comments



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