

# Value Based Purchasing: Payment Reform & Data Analytics

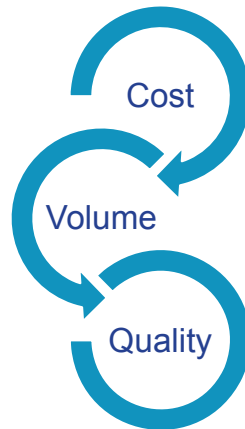
Presented By:  
Don Kingdon, PhD, Harbage Consulting  
Thad Dickson, Xpio Health

June 6, 2017



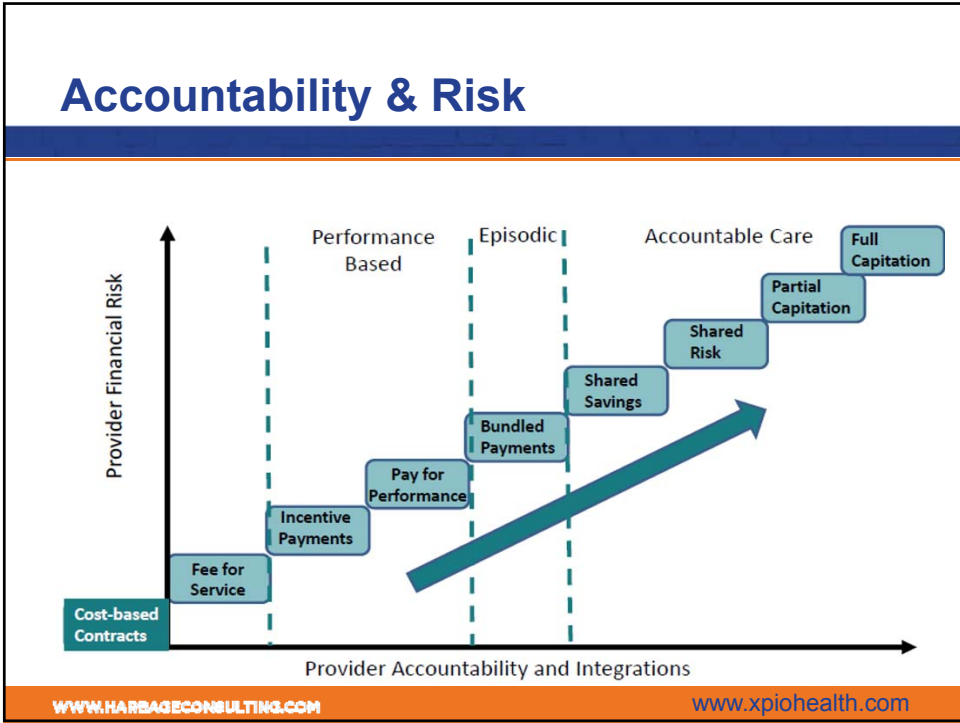
*At the intersection of health care policy, politics and communications.*

# Adding Quality to the Fee-For-Service Equation




[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)

[WWW.XPIOHEALTH.COM](http://WWW.XPIOHEALTH.COM)



### Beneficiary-Focused Measurement Domains

- Covered Lives
- Prevalence
- Penetration
- Utilization
- Quality, Results, and Outcomes

HC HARBAGE CONSULTING 

WWW.HARBAGECONSULTING.COM [www.xpiohealth.com](http://www.xpiohealth.com)

## Mental Health Delivery System Performance Goal



**GOAL:** Provide timely access to effective mental health services that address the beneficiary's covered mental health condition and reduce unnecessary emergency, inpatient, and involuntary institutional care.



[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)



[WWW.XPIOHEALTH.COM](http://WWW.XPIOHEALTH.COM)

## Quality Improvement Focus

**Access Standards.** Develop and monitor standards for timely access and network adequacy

**Utilization.** Detect and address under / over utilization

**Client Experience.** Monitor and address beneficiary experience of care

**Quality.** Review and address quality of care

**Compliance.** Monitor and address federal healthcare program compliance



[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)



[WWW.XPIOHEALTH.COM](http://WWW.XPIOHEALTH.COM)

## Finance and Information Technology Focus

**Claims Submission.**  
Develop and monitor standards for accuracy and timeliness of claims submitted.

**Cost Effectiveness.**  
Develop standards and monitor provider cost effectiveness.

**Cost Reports.** Develop standards for timely submission of financial information and annual cost reports.

**Provider Audits.** Establish and implement financial audit criteria to monitor provider performance.



[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)



[www.xpiohealth.com](http://www.xpiohealth.com)

## Healthcare Analytics Adoption Model

<b>Level 8</b>	<b>Cost per Unit of Health Reimbursement &amp; Prescriptive Analytics</b>	Contracting for & managing health
<b>Level 7</b>	<b>Cost per Capita Reimbursement &amp; Predictive Analytics</b>	Taking more financial risk & managing it proactively
<b>Level 6</b>	<b>Cost per Case Reimbursement &amp; Data Driven Culture</b>	Taking financial risk and preparing your culture for the next levels of analytics
<b>Level 5</b>	<b>Clinical Effectiveness &amp; Population Management</b>	Measuring & managing evidence based care
<b>Level 4</b>	<b>Automated External Reporting</b>	Efficient, consistent production & agility
<b>Level 3</b>	<b>Automated Internal Reporting</b>	Efficient, consistent production
<b>Level 2</b>	<b>Standardized Vocabulary &amp; Patient Registries</b>	Relating and organizing the core data
<b>Level 1</b>	<b>Data Integration – Enterprise Data Warehouse</b>	Foundation of data and technology
<b>Level 0</b>	<b>Fragmented Point Solutions</b>	Inefficient, inconsistent versions of the truth



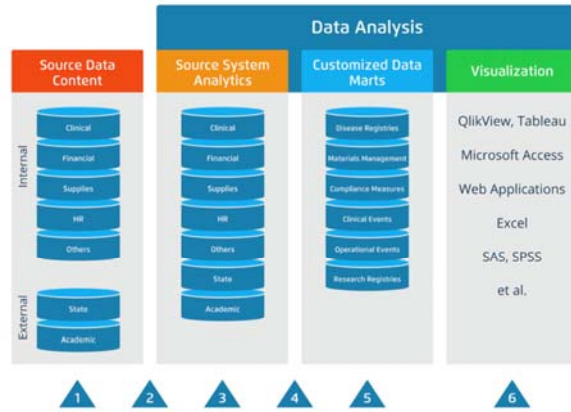
[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)



[www.xpiohealth.com](http://www.xpiohealth.com)

# Data Warehouse Components

## Six Points to Bind Data

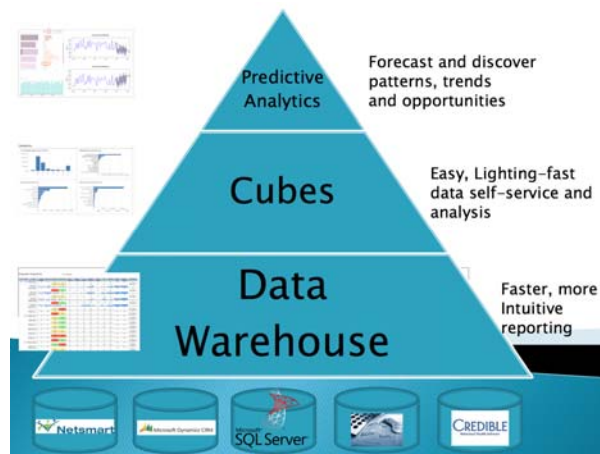


WWW.HARBAGECONSULTING.COM



www.xpiohealth.com

# Data Warehouse Components

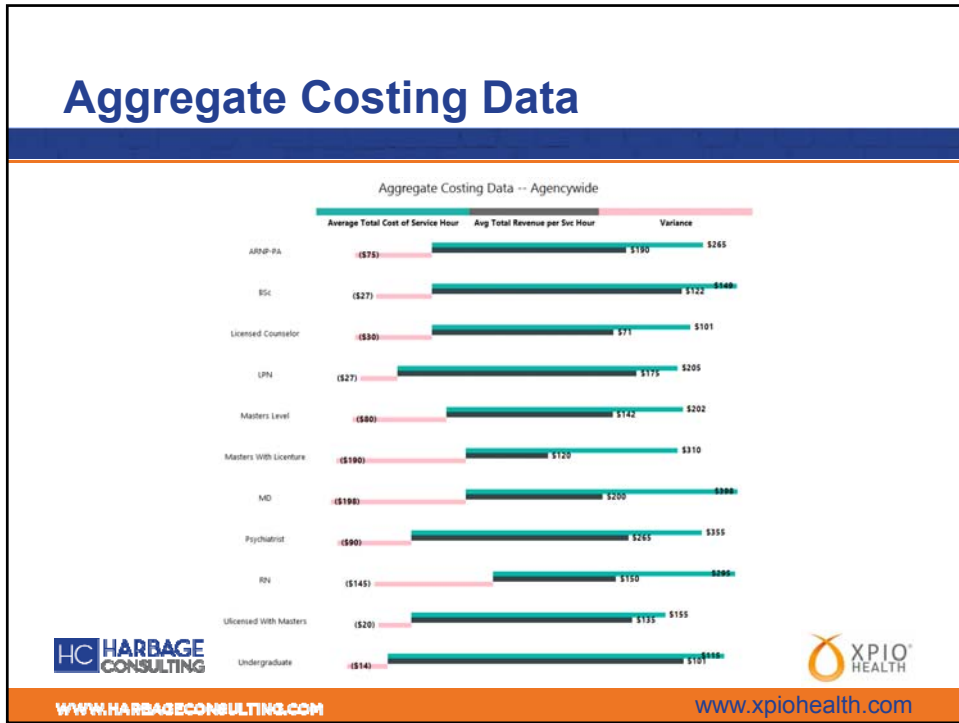


WWW.HARBAGECONSULTING.COM

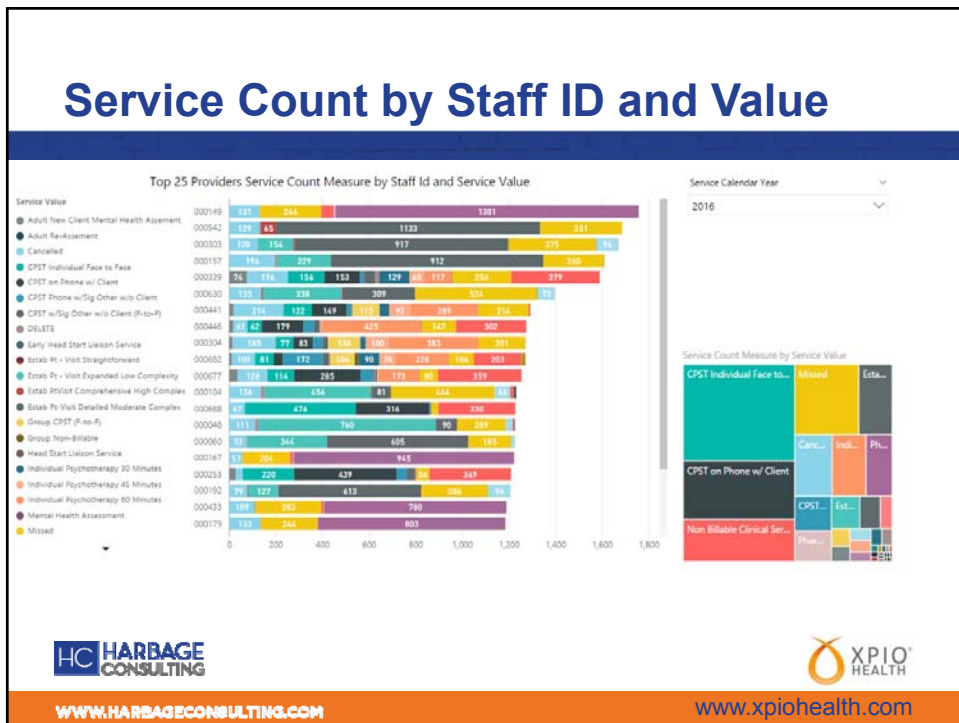


www.xpiohealth.com

## Aggregate Costing Data



## Service Count by Staff ID and Value



# Dashboard Metrics

**PMPM Payment Summary**

Population	Funding Type	Level	Requirement	Payment	Requirement
Children	0000-01-01-01	A	1,000,000.00	1,000,000.00	100%
	0000-01-01-02	A	1,000,000.00	1,000,000.00	100%
	0000-01-01-03	A	1,000,000.00	1,000,000.00	100%
Non-Managed Adult	0000-01-01-04	A	1,000,000.00	1,000,000.00	100%
	0000-01-01-05	A	1,000,000.00	1,000,000.00	100%
	0000-01-01-06	A	1,000,000.00	1,000,000.00	100%
Managed Adult	0000-01-01-07	A	1,000,000.00	1,000,000.00	100%
	0000-01-01-08	A	1,000,000.00	1,000,000.00	100%
	0000-01-01-09	A	1,000,000.00	1,000,000.00	100%

**Shared Savings Pool**

Category	Start Date	End Date	Start Budget	End Budget	Start Actual	End Actual	Start %	End %
Children	1/1/17	12/31/17	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	100%	100%
Managed Adult	1/1/17	12/31/17	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	100%	100%
Non-Managed Adult	1/1/17	12/31/17	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	100%	100%
Managed Adult	1/1/17	12/31/17	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	100%	100%
<b>Total</b>			<b>\$ 40,000,000</b>	<b>\$ 40,000,000</b>	<b>\$ 40,000,000</b>	<b>\$ 40,000,000</b>	<b>100%</b>	<b>100%</b>

**Penetration Rate Performance**

Category	Requirement	Actual	%
Children	100%	100%	100%
Non-Managed Adult	100%	100%	100%
Managed Adult	100%	100%	100%

**Encounter Threshold (Requirement 80%)**

Category	Requirement	Actual	%
Children	80%	80%	100%
Non-Managed Adult	80%	80%	100%
Managed Adult	80%	80%	100%

**Shared Savings Pool - Earned Payments / Possible Payments**

**Quality Performance**

Measure	Target	Actual	%
Children - All Cases	95%	95%	100%
Children - Hospital Discharge	95%	95%	100%
Children - 30 Day Readmission	95%	95%	100%
Children - Multiple Discharge Readmissions	95%	95%	100%
Children - OOP Excess to Service	95%	95%	100%
Children - OOP Excess to Service	95%	95%	100%
Non-Adult - Full or After-Visit Replication	95%	95%	100%
Managed - Hospital Discharge	95%	95%	100%
Managed - Hospital Discharge	95%	95%	100%
Managed - Hospital Discharge	95%	95%	100%
Managed - Hospital Discharge	95%	95%	100%

# Outcome Data

DLData- Baseline vs. 180 Days

**Legend:** Baseline (Teal), ID180Day Score (Dark Green)

Category	Baseline	ID180Day Score
Hospital/Day Use	4.8	5.2
Ambulatory Care	4.5	5.0
Community Health	4.2	4.8
Community Resources	4.0	4.5
County Health	4.5	5.0
Data	5.5	6.0
Family Participation	4.0	4.5
Community	4.5	5.0
Health Process	4.0	4.5
Assessment Strategy & Measurement	4.0	4.5
Learning	4.0	4.5
Learning Time	4.0	4.5
Assessment	4.5	5.0
Assessment Hygiene	4.0	4.5
Problem Solving	4.5	5.0
Accountability	4.5	5.0
Safety	4.5	5.0
Security	4.5	5.0
Social Network	4.5	5.0

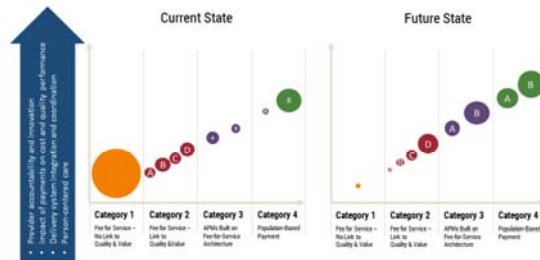
**Logos:** Harbage Consulting, XPIO Health

**Websites:** www.harbageconsulting.com, www.xpiohealth.com

# Washington State VBP

## Current vs. Future

HCA will be tracking WA State progress on VBP-adoption using the APM Framework



<http://hca-lan.org>

11



Washington State Health Care Authority



[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)

[www.xpiohealth.com](http://www.xpiohealth.com)

## Value / Performance Examples

- Hospital readmission reduction provider payment set asides.
- Timely access performance payments and penalties.
- Claims submission timeliness payment incentives.
- Cost report late submission penalties.
- Audit disallowance payment set asides for low performing providers.
- Depression screening, treatment, and medication management.
- ADHD medication management.
- AoD treatment initiation.
- Anti-psychotic medication adherence.



[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)

[www.xpiohealth.com](http://www.xpiohealth.com)



## Questions & Discussion



[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)



[www.xpiohealth.com](http://www.xpiohealth.com)

## Harbage Consulting Contact:

**Don Kingdon**, PhD, Principal, Behavioral Health Integration  
[don@harbageconsulting.com](mailto:don@harbageconsulting.com)

**Molly Brassil**, MSW, Director, Behavioral Health Integration  
[molly@harbageconsulting.com](mailto:molly@harbageconsulting.com)

[www.harbageconsulting.com](http://www.harbageconsulting.com)



[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)



[www.xpiohealth.com](http://www.xpiohealth.com)

## Xpio Health Contact:

Thad Dickson, CEO  
[thad@xpiohealth.com](mailto:thad@xpiohealth.com)



[WWW.HARBAGECONSULTING.COM](http://WWW.HARBAGECONSULTING.COM)



[www.xpiohealth.com](http://www.xpiohealth.com)