Presentation to Health Reform Oversight Committee

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Vermont Health Care Innovation Project (SIM)

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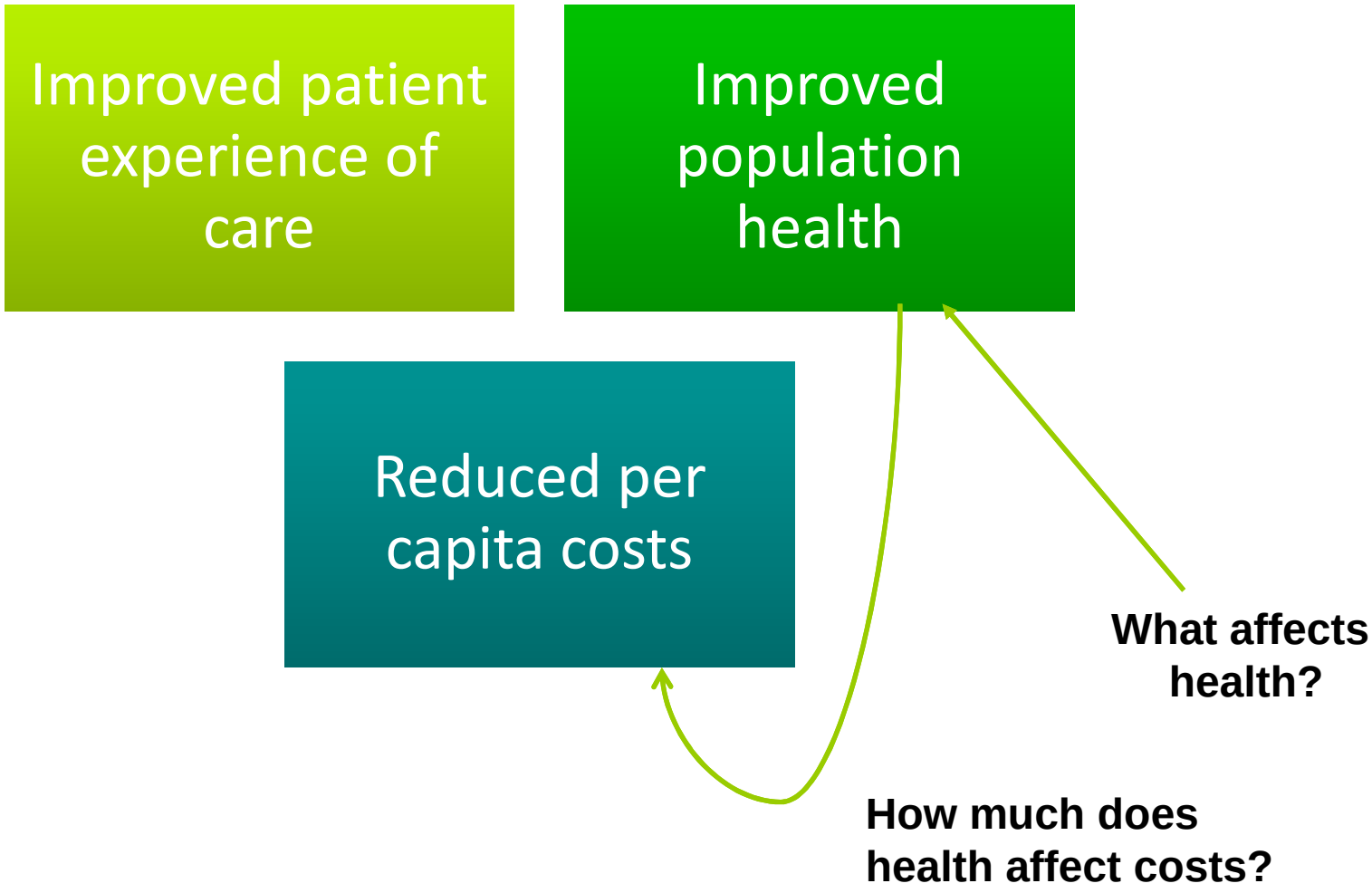
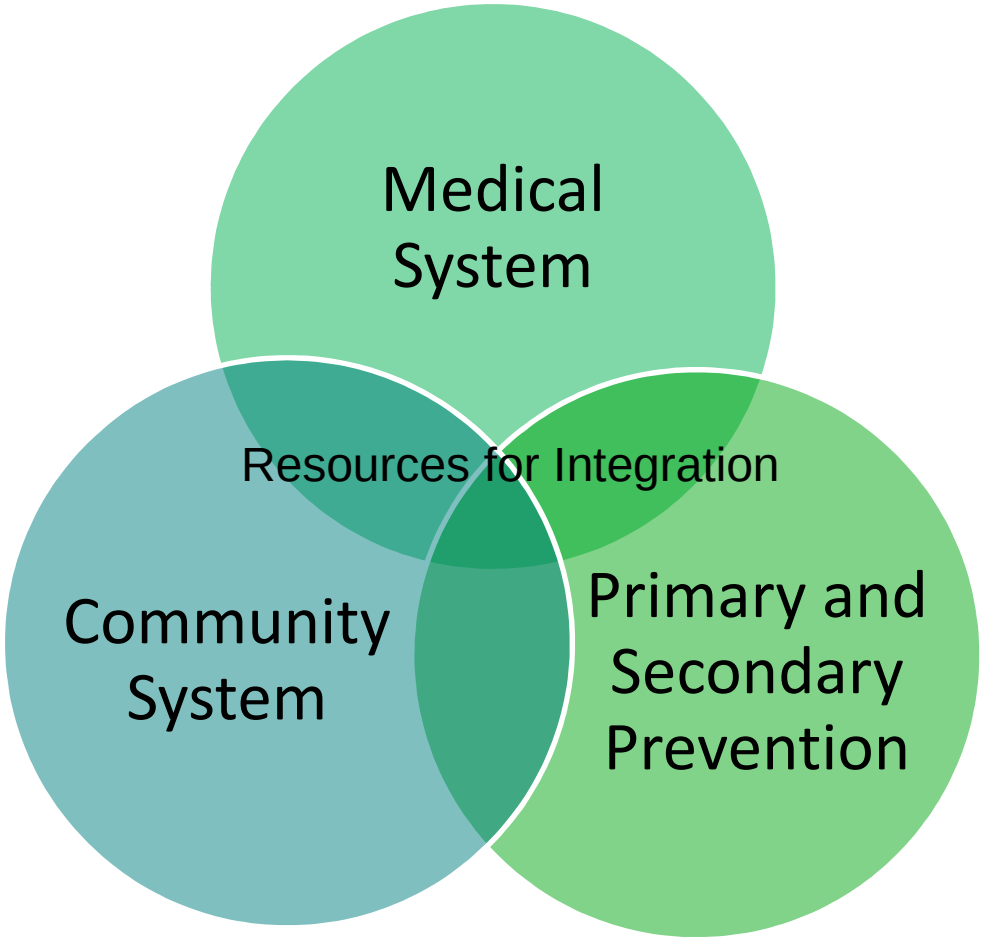
VHCIP's goal: the "triple aim"



Inter-related systems



What are we trying to accomplish through this project?

- Align policy, investments and payment to support a "high performing health system" in Vermont
- How?
  - Enable and reward care integration and coordination;
  - Develop a health information system that supports improved care and measurement of value; and
  - Align financial incentives with the three aims.
- The whole thing is a public/private partnership

What would constitute success?

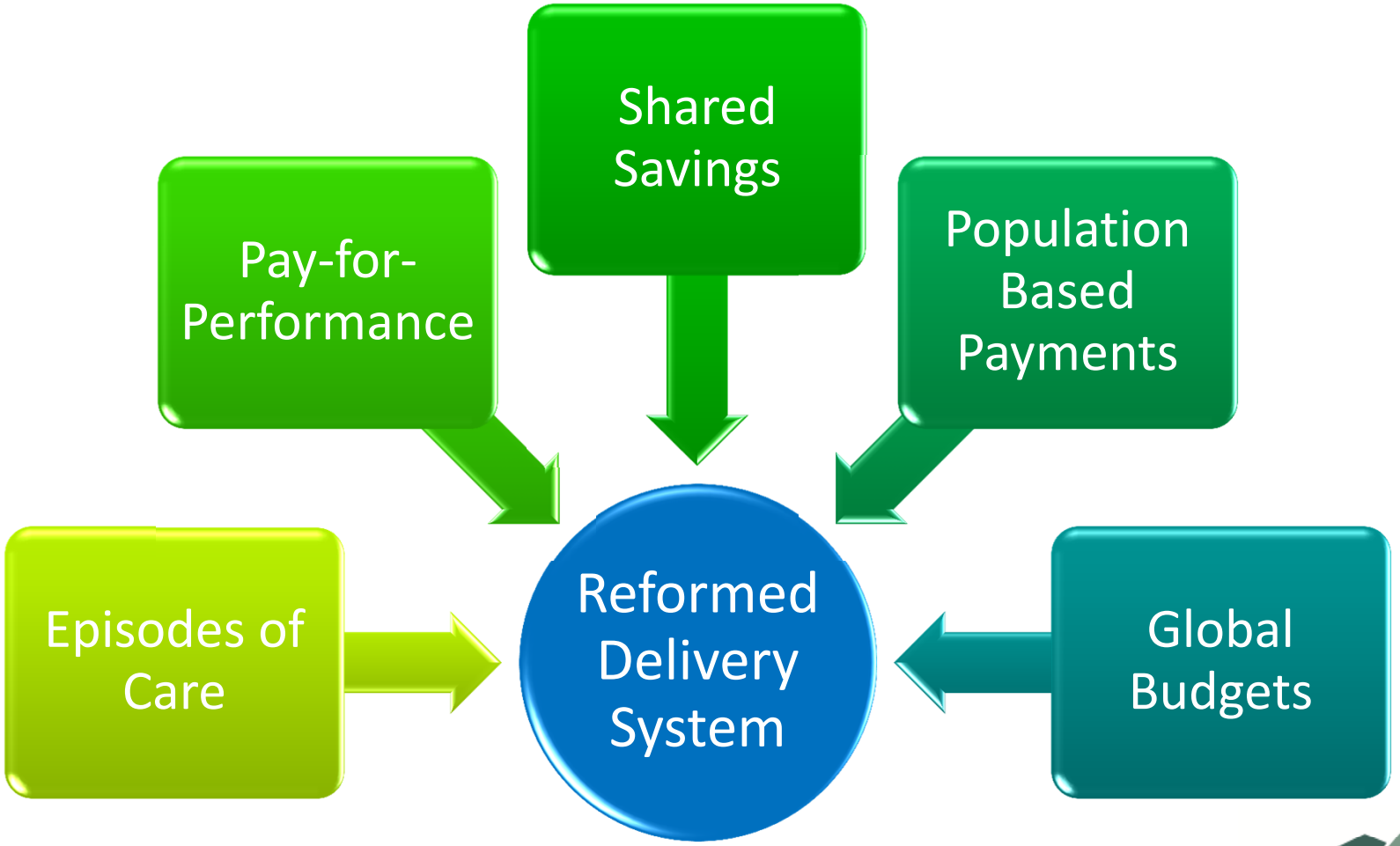
A health information technology and health information exchange system that works, that providers use, and that produces analytics to support the best care management possible.

A predominance of payment models that reward better value.

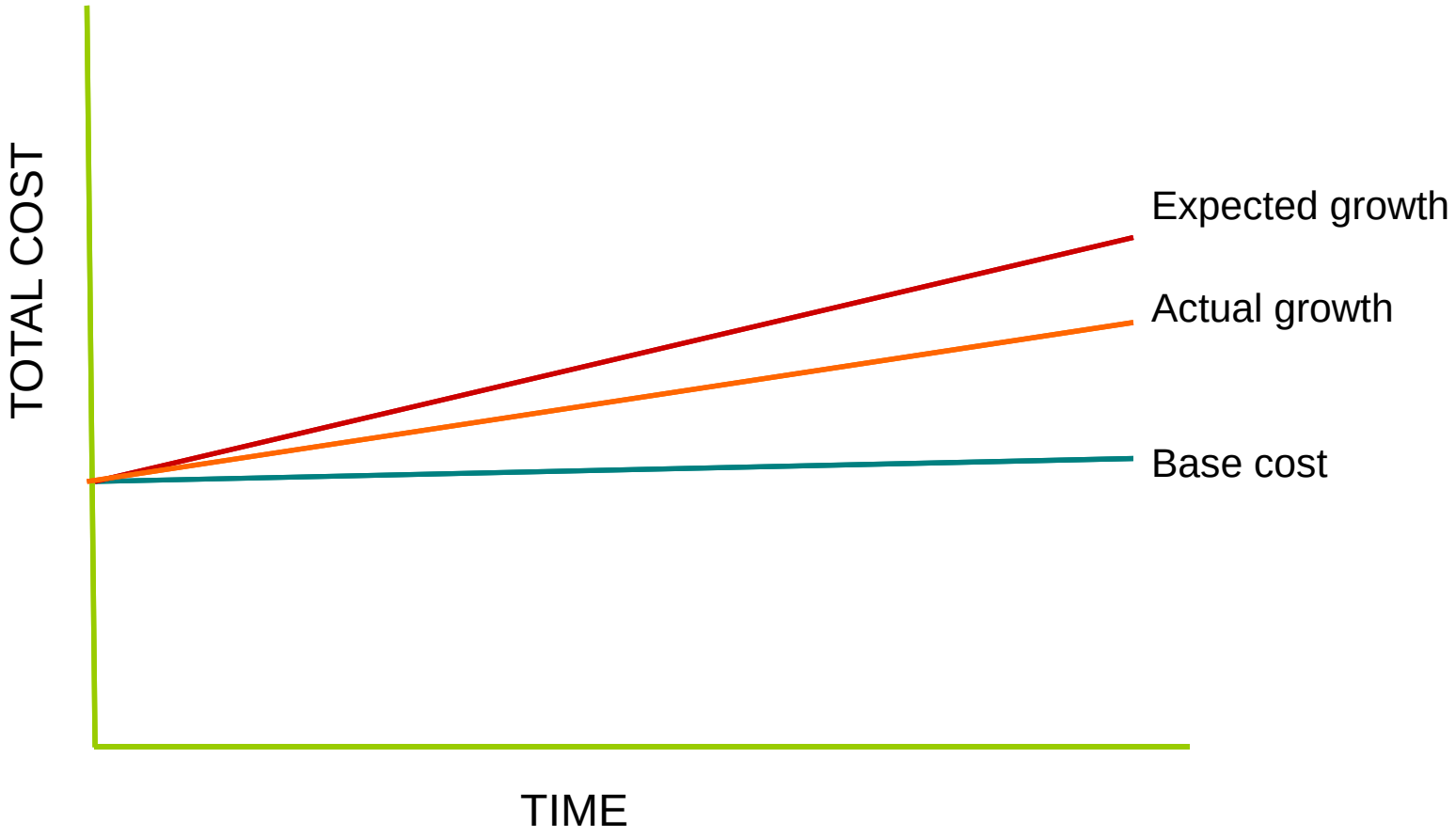
A system of care management that is agreed to by all payers and providers that:

- utilizes Blueprint and Community Health Team infrastructure to the greatest extent possible
- fills gaps the Blueprint or other care models do not address
- eliminates duplication of effort
- creates clear protocols for providers
- reduces confusion and improves the care experience for patients
- follows best practices

Payment and Delivery System Reform Models



Savings are dollars not spent



Savings are "captured" by limiting growth in revenue to a lower rate than we expected

- Lower than expected growth in provider revenue – hospital budget process
- Lower than expected growth in payer (insurer) revenue – health insurance rate review process

Shared savings

- Allows some of the savings to stay with providers
- Gives them some incentive to reduce their own revenue
- Calculation of savings from year 1 of the Medicaid and commercial shared savings programs will occur in first quarter of 2015 under a contract with Lewin

Shared savings as a transition

From the provider perspective

Fee for service	Shared savings	Capitation
• Save a dollar, lose a dollar	• Save a dollar, share it with the payer (and consumers)	• Save a dollar, keep a dollar

Update on ACO Shared Savings Program

Attributed Lives by ACO by Respective Payer to date

	Medicare	Medicaid	Blue Cross Blue Shield VT	Total
OneCare Vermont	54,746	27,400	20,449	102,595
Community Health Accountable Care (CHAC)	5,980	20,068	9,906	35,954
Vermont Collaborative Physicians/Accountable Care Coalition of the Green Mountains (VCP/ACCGM)	7,509	n/a	7,830	15,339
Total	68,235	47,468	38,185	153,888

Updated: With Medicare, Medicaid and BCBS Counts on 10/30/14

Questions?

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