

Value-Based Purchasing in Iowa Medicaid: Opportunities & Results

Amerigroup Experience with VBP

- Amerigroup utilizes VBP programs in 18 of 22 Medicaid states, serving more than 2.2 million members. Nationally, across all Amerigroup markets, more than 38% of our Medicaid services are performed by providers who are part of a VBP contract.

Goals:

- **Improve clinical quality results** -- Empower providers to reach all assigned members for preventive services and chronic condition management
- **Improve medical cost management** -- Provide incentives and tools so providers reduce unnecessary utilization and costs
- **Improve provider operational efficiency** -- Develop sustainable workflows and processes
- **Promote quality and safe/effective patient care**-- Improve health care delivery system

Driven By a Partnership Model

- Provider Collaboration is about developing long term relationships that unify the siloes of health care to strengthen the bonds between patients, doctors and hospitals, and enable seamless delivery of the ***right care at the right time in the right place.***
- Practice and care management support to deliver more effective health care decisions
- Proven success across several states and markets that has provided expertise on how to best serve the unique needs of local markets and each patient population
- Integrated data, analytics, tools and technology that drive population health

Ongoing Strategic Transition to VBP

- Amerigroup Iowa used calendar 2018 to strategically focus on expanding and transitioning from the sole use of a unit-cost model in which fees are paid for services, into an outcomes based model in which incentives are paid for value represented by improved outcomes and quality of services delivered.
- Our efforts aligned with the Iowa Medicaid Enterprise goal, also reflected in our contract, to achieve a target of 40% of eligible members associated with a provider that participates in a value-based purchasing (VBP) contract.

Steps of the VBP continuum

- We utilize two primary approaches to purchase value:
 - Quality incentive programs based on provider type, and
 - Negotiated shared savings agreements
 - Both are designed to achieve short-term cost reduction along with better long-term member health outcomes. Each leverages best practices, successes adapted from other states and innovative pilots.

Figure 1. APM Framework (At-A-Glance)



QUALITY INCENTIVE PROGRAMS (QIP)

We have a range of agreements, customized by provider type, that include measurement tools tailored to the specific provider. The optional programs we offer are targeted by provider type. Two of them, the nursing facility and personal attendant care incentives, were pilot programs created specifically for Iowa providers as an innovative way to expand VBP beyond more traditionally targeted provider types.

SHARED SAVINGS AGREEMENTS (SSA)

Our Iowa negotiated shared savings agreements are available for complex providers, groups and systems who are interested in engaging in an upside-only contract dependent on quality and performance. They are designed for providers making use of sophisticated information systems and who have an interest in sharing the management of outcomes for Amerigroup members to some degree.

Amerigroup Iowa QIP - Medical

- **PQIP** *Provider Quality Incentive Program* - Primary care medical providers with 1000+ members
- **Essentials** *Provider Quality Incentive Program “Essentials”* - Primary care medical providers, 250-999 members
- **OBQIP** *Obstetrician Quality Incentive Program* - Obstetrics practices including high-risk members

Amerigroup Iowa QIP – Long-Term Services & Supports

- **NFQIP** *Nursing Facility Quality Incentive Program* - Custodial care nursing facilities, includes incentive for lowered emergency department and inpatient readmissions as a result of higher quality of care coordination.
- **NFTIP** *Nursing Facility Transitions Incentive Program* - Custodial care nursing facilities, promoting member transitions and providing incentive for member spending 60+ days in a community setting.
- **PACQIP** *Personal Attendant Care Quality Incentive Program* - Personal Attendant Care Agencies, includes incentive for lowered emergency department and inpatient readmissions as a result of higher quality of care coordination.

Amerigroup Iowa QIP – Behavioral Health

- **BHQIP** *Behavioral Health Quality Incentive Program* - behavioral health practice, provides incentives for post-inpatient follow-up and care management.
- **PRTQIP** *Pediatric Residential Treatment Quality Incentive Program* - Psychiatric residential treatment facilities for minor children, includes facility performance incentives.
- **BHFIP** *Behavioral Health Facility Incentive Program* - Inpatient behavioral health facilities which can include hospitals, freestanding mental health facilities and substance abuse inpatient providers.

The Record: Proven Iowa Results

- Seven Iowa physician groups specializing in primary care received incentive payments for providing cost effective, high-quality health care resulting in better health outcomes for thousands of Iowans enrolled in Iowa Medicaid.
- Approximately \$1.5 million was paid out as incentives to providers enrolled in value based deals.
- PQIP MLRs improved last year by an average of 8.1%
- Our value-based deals now include 48% of our Iowa members.
- Improved quality as participating physician groups must perform well on HEDIS quality measures, such as adult access to preventive care, well child visits, diabetic testing, cervical and breast cancer screenings, medication management for asthma and testing for children with upper respiratory infection.

Proven Iowa Results, continued

- Groups are measured on quality performance based on how they compare to their peers and how much their quality scores improve year-over-year.
- In the PQIP program for 2018, providers met goals for categories including: children and teens visiting doctors or a well care appointment, improved access to preventive care and higher rates of cervical cancer screenings.
- This emphasis on high quality primary care leads to individuals staying healthy and out of the hospital, resulting in long term cost savings to the Medicaid program.

Future Iowa VBP Goals

- Increase program participation and statewide footprint.
- Improve provider engagement with each program.
- Improve care coordination.
- Improve physical and Behavioral health integration.
- Continue to lower medical loss ratio (MLR).
- Continue down continuum towards risk with providers who are ready to move forward.