

## PAYMENT METHODS TO INCENTIVIZE INTEGRATED HEALTH SYSTEMS

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- Healthcare suffers from fragmented delivery and high concentration
- High concentration presents opportunities on delivery side

## PPACA focus on prevention

Plans cover preventive services without co-pay/co-insurance or deductibles.

Examples: blood pressure, cancer screening, pap tests, mammograms

## Focus on patient centered medical homes

- Timely access to primary care services (including availability after regular hours)
- Enhance reimbursement of health homes (Medicare payment bonus for PCP)
- Integration begins here - ACO's

## ACO's

- No single definition of ACO
- Identify and align key economic initiatives and incentives
- Manage patient and care

## ACO's Cont.

- When do we regulate?
- Performance risk vs insurance risk
- Physician should not take on insurance risk but should manage rates of utilization of services, quality and availability

## Insurance company role in ACO

Insurance company is important partner:

- IT infrastructure
- Data analysis
- Actuarial capabilities
- Payment and administrative roles

## Issues to consider

- Stark- Physician self-referral (employment exceptions)
- Anti-kickback (How to share savings? If referring provider keeps more does it trigger kickback rules?)
- Anti-trust (Consolidation of services may raise these concerns.)

## Integration and Payment Alignment

- Integration reimbursement aligns with outcomes
- Care is better coordinated
- Seeing this even outside of ACO arrangements

## Questions