

Primary Care Modernization FQHC Design Group Meeting Summary

1/14/19

Participants:, Curt Degenfelder, Doug Olson, Robert Block, Ken Lalime, Suzanne Lagarde, Mary Jo Condon, Art Jones, Mary Blankson, John Gettings, Athena Dellas, Mark Schaeffer, Stephanie Burnham, Frankie Santiago.

Ms. Condon began the meeting and facilitated introductions.

The group began with a conversation of the Impact on the Uninsured overview developed by Mr. Jones. The group discussed the differences in the HRSA payments across FQHCs and how these differences can affect operations.

Mr. Jones and Mr. Degenfelder noted that in other states that they were familiar with there was not an additional upfront payment made as part of the primary care transformation process. Instead, dollars were kept neutral and current fee for service payments were shifted to a primary care bundled payment.

The group noted that there remains some concern regarding what services are proposed to be included in each of the bundles and whether the payments would be sufficient and equitable across FQHCs and across payers. Ms. Condon noted that the current thinking was the basic bundle would be based on historical rates and adjusted over time. However, the supplemental bundle, which is intended to double primary care spend over five years, would not be based on historical rates and would be the same across FQHCs, adjusted for differences in medical, social and behavioral needs. Thus, overtime a smaller percentage of total revenue would be tied to today's payment rates.

There was some discussion regarding whether FQHCs may also want to request another approach, such as allowing the supplemental bundle payment to be adjusted across FQHCs to make up for differences in historical PPS rates.

A specific area of concern remained the best way to determine how behavioral health services would be paid in the future. The group noted that FQHCs have likely made different investments in behavioral health integration and other care team expansions. While thinking had been to not try to solve for these differences, it was suggested that future modeling might show both approaches and provide more insight into the discussions.

The group then began a discussion of the risk lite strawman. Mr. Schaeffer noted that with the revised MSSP rules now available, CMS appears to be moving toward requiring providers begin moving toward downside risk. However, the path is intended to be gradual, particularly for those new to the program.

The example of the "risk lite" strawman previously shown to the PRC is below.

Risk Lite Strawman:

CPC Plus Track 2	Care Management Fees	Performance-Based Incentive Payment	Medicare Physician Fee Schedule
	\$28 average per beneficiary per month (PBPM) including \$100 PBPM to support patients with complex needs	\$4 PBIP tied to quality, patient experience and utilization performance	Hybrid bundled payment for office visits: Reduced FFS w/ primary care bundle
Potential PCM Adaptation	Tier 1 Supplemental Bundle Payment	Performance-Based Incentive Payment	Full Basic Bundle
	\$18-\$20 average target, with increased payments for high-needs populations	\$4 PBIP tied to quality/patient experience and utilization performance	Full basic bundle payment. Same as other PCM AN/FQHCs.

- Providers receive PBIP at the beginning of each year. Only the PBIP is returned at the end of the performance years if quality and utilization targets have not been met; risk cautious provider can simply bank the PBIP for the year.
- Elimination of total cost of care accountability addresses concerns about incentives to reduce necessary specialty referrals, diagnostic tests and procedures.
- Purchasers may be concerned that reduced pressure on cost accountability reduces the likelihood that return on investment will be achieved in excess of supplemental payment.

Next Steps

- Ms. Blankson noted the group did not get an opportunity to discuss whether vaccines and non-service items would be included in the basic bundle.
- FHC and OHS will reach out to NASHP to see if they can connect the FQHC representatives to those in other states who have pursued similar goals.
- Via email with the group, develop a list of questions that should be considered in the financial modeling process.