Your ACO Guide to Targeting Costs With Data-Driven Strategies

Part 1: Best Strategies with Easily-Available Data

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Educational Webinar Series

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About Roji Health Intelligence

- **We provide Value-Based Care technology and services to providers.**
- **Our powerful tools identify patients at risk and target health interventions.**
- **Roji Health Intelligence is a CMS-qualified ONC-certified registry for QPP reporting, and we report eCQMs and CQMs.**
- **Roji Episodes reveal cost variations and drivers to generate strategies to address Total Cost of Care.**

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This presentation is for:

- ACOs evaluating how they can address affordability and improve their savings.
- ACOs on the path to risk and considering value-based payments like population-based payments or capitation.
- Health systems, medical groups and ACOs negotiating contracts with Total Cost of Care or risk features.

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POLLING QUESTION
What data do you use for cost initiatives?

A. We use claims data for cost initiatives.

B. We aggregate EHR data to use for cost analyses.

C. Neither, we don't have a direction yet.

D. This is too complicated. These dogs are too hairy.

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What We'll Cover:

- What Total Cost of Care (TCOC) and Total Per Capita Cost (TPCC) are
- Tricky issues in managing costs
- How you get from TCOC reduction to an realistic plan of initiatives
- What is easily-available data to ACOs for cost reduction?
- What claims data contains that could be valuable for cost control
- Pros and cons of a claims-only approach

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Can your action plan be as simple as: Reduce TCOC?

Your path to TCOC reduction is supported by multiple cost targets and strategies.

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The Basics: How to Affect Costs

1. What are your targets?
2. What information do you have?

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TCOC (or TPCC) is How Payers and Patients Measure Affordability

- But payment models can also track individual cost targets, such as
  - Risk-standardized all-condition readmissions (CMS – ACO REACH)
  - All-cause unplanned admissions for patients with multiple schronic disease (CMS – ACO REACH)
- CMS value-based care programs use quality measures or reporting programs to address costs

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TPCC is a goal of value-based payment models with capitation

- ACO REACH
- Medicare Advantage payment models
- Specialty Care Models – e.g. Enhancing Oncology Model
- Coming: ACO PC FLEX model with MSSP program

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TCOC or TPCC is not Actionable Data.
It provides no detail on what is driving cost.

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Total Cost of Care (TCoC) or Total Per Capita Cost (TPCC)

- All billed and covered services paid to eligible providers
- Physician services including those outside your network
- Hospital-based provider services
- Hospital inpatient and outpatient, including ER care
- Behavioral health
- Prescription drugs may be excluded or included in payment models
- Ancillary services like DME, SNF, hospice may be excluded or included
- Value-based care payment model will vary the components

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TCoC and TPCC are goals, not targets

- Reduction through savings is the ultimate goal
- A target is a discrete component of that goal
- Targets must be well-defined so that your activities hit the spot.

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ACOs Must Evaluate Cost Opportunities by Dx and Px

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Cost variation by procedure or treatment

Avoidable costs

Low value services

Patients whose risk is escalating

Health equity – patients without access

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Sample Cost Opportunities by Dx and Px

- Reduce ER and admissions for patients with diabetes because of hyper/hypoglycemia
- Lower admissions for patients with heart failure
- Slow progress towards kidney failure
- Lower variation in costs for cholecystectomies

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Target-Setting for Costs: 2 Paths

Clinical / Quality Path

- Condition episodes to identify patients with chronic disease at high risk / persistent poor control
- Algorithms for patients with hidden Dx (e.g. CKD)
- Variations in Dx-Prescriptions to find patients with financially related access

Cost Variation Path

- Procedural episodes to see variation in costs between providers, patients
- Identification of circumstances in episodes with higher costs

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The Basics: How to Affect Costs

1. What are your targets?
2. What information do you have?

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Data is Your Power Source for Information

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“Easily-Available” Sources of Data for ACOs

- Claims Data
- APP Measure Response Data

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Claims is a Rich Source of Data on Medicare TCoC

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Unfortunately, almost 1/3 of ACOs don't use it to its full extent.

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Claims Data Value

- Most services provided to ACO patients
- Easy to see ACO network gaps in specialty services
- Easy to identify ACO network leakage
- Find highest volume specialists
- Enables calculation of costs by category of service
- Can calculate patient utilization of various services
- Have HCC as type of risk score
- With diagnoses, can identify patients who should be seen

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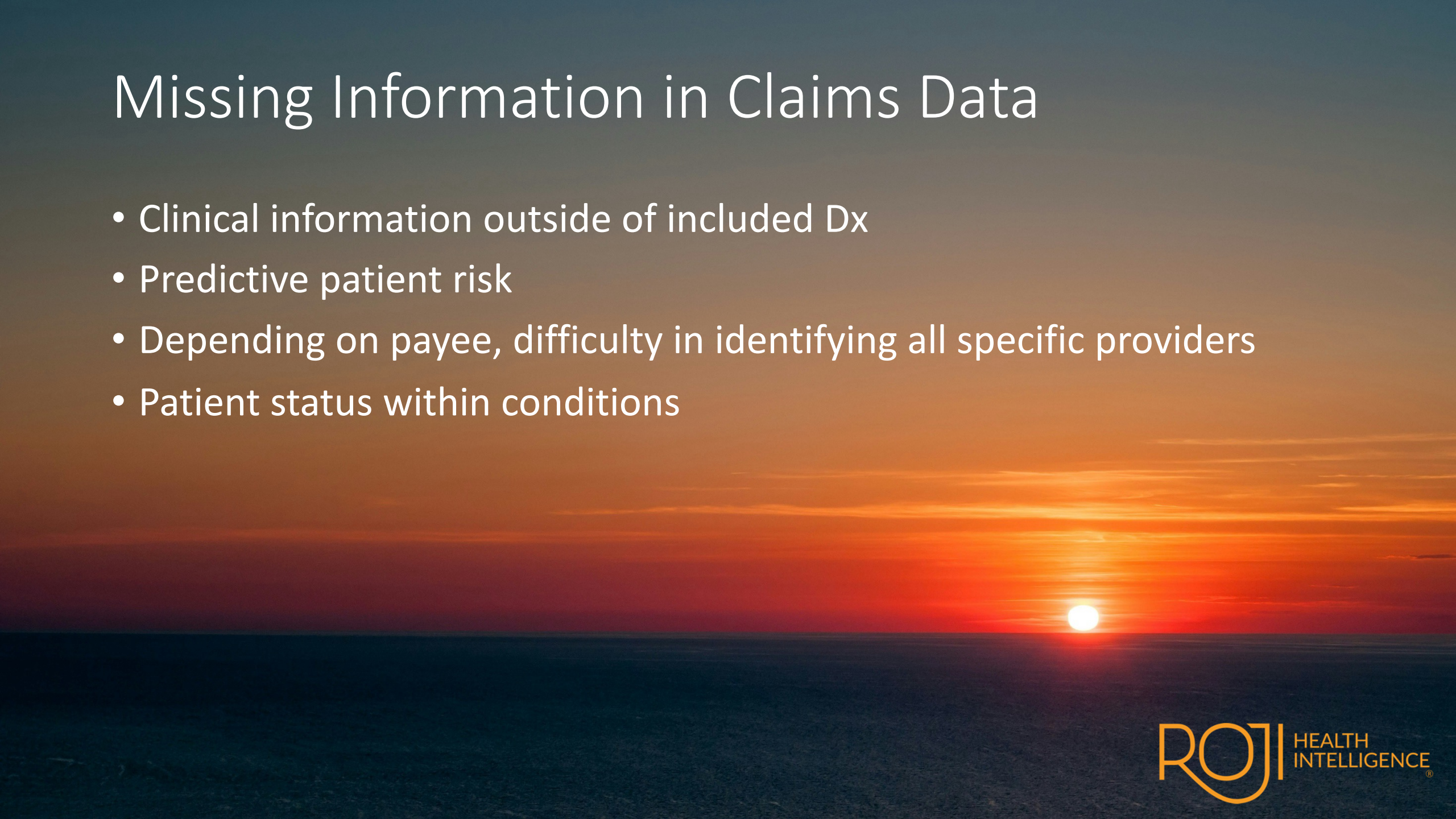
Missing Information in Claims Data

- Clinical information outside of included Dx
- Predictive patient risk
- Depending on payee, difficulty in identifying all specific providers
- Patient status within conditions



APP Reporting Data is New for ACOs

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Data for APP Measure numerators allows ACOs to do more and cultivate greater cost initiatives.

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APP Measure Data Value

- Numerators of the 3 APP measures can partially fill gaps in some data, enabling more capabilities for patients with:
  - Diabetes
  - Hypertension
  - Behavioral Health, i.e. depression
- Hypertension and Behavioral Health will have more patients, and potentially higher utilization
- Hypertension and Diabetes together increases risk for patients
- APP Data could enable cost initiatives on clinical path

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Missing Information in APP Data

- If ACO is using eCQMs to report APP:
  - QRDA 1s limit data to measure and patient triggering measure
  - QRDA 1 data needs to be processed and integrated with claims data to show full breadth and missing A1Cs – not automatic if ACO has only contracted for APP Reporting
- Other patient-associated risk data will not be captured, depending on what Qualified Registry agrees to provide, and data source
- If ACO reports Medicare CQMs, may reduce provider engagement in cost initiatives because not relevant to commercial contracts or practice-payer agreements.

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More Resources, More Opportunities to Reach Target

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4 Areas for Data-Driven Strategies

- Patients with poor control in diabetes and hypertension
- Behavioral health
- Patient risk in metabolic disease
- Specialty care services

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What's in Easily-Available Data?

- Claims data identifies patients with Dx
- APP Measures provide values for risk
- QRDA 1s or flat files provide many values over time
  - Trend in control values over the year
  - Patients with most problematic values
  - Claims (hospital/ER events with Dx) and EHR data (e.g. obesity) show comorbidities that can increase risk

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Diabetes & Hypertension

Data sources:
Claims, APP Measure data

Data-Driven Strategies:

- Create high risk pool of patients based on diagnosis & A1C, BP values
- Assign additional risk factors
- Clinical review, referrals to specialists and patient programs

Pippi in agility trial. Photo by Lisa Urbaniak.

Behavioral Health

Data sources:
Claims, APP Measure data

Data-Driven Strategies:

- Pool of patients screened with depression + no treatment plan
- Assign additional risk for Dx of diabetes and/or hypertension
- Referral to Community Health Provider for follow-up
- Ongoing risk evaluation monitoring via pop health

Adobe Stock Photo: Dog playing Flyball

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Specialty Care

Data sources:
Claims

Data-Driven Strategies:

- Procedural episodes in one or more areas
- Cost variation analysis
- Notable observations for do-overs, complications, readmissions
- Data sharing
- Referral arrangement

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Strategies Targeted through Data

- Episodes of care analytics
- Cost variation
- Risk assessment
- Health equity
- Physician engagement
- Population health
- Data sharing
- Intervention: Specialty Referral
- Intervention: Medication improvement
- Intervention: Clinician treatment review

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Polling Question
What is your 3-year Plan for data?

1. Use mainly Claims Data

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2. Aggregate EHR data

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3. Neither, stop this nonsense!

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The Future of Cost Measurement

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CMS MIPS Has Different Cost Measurement

- Cost score is 30% of total MIPS Score
- Two total cost of care measures
  - Total Per Capita Cost (primary services)
  - Medicare Spending Per Beneficiary
- 27 additional episode-based measures for selected Dx and Px
- CMS calculates the measures and shares final calculation, but not detail, with providers

As Accountable Care Grows, So Will Cost Measures

- Likelihood of more activity around specialty cost measures
  - For use by ACOs in negotiating global cap
  - Or become part of algorithms for measuring total cost of care
- Focus on cost of specialty services will increase
- The more ACOs are in global cap, the more they will also want data to guide distribution of $

ACOs Must Grow Data Expertise and Knowledge

- Need to help providers move to common or better & fewer EHRs for ease in aggregating clinical data
- As NLP grows within EHRs, it will unleash huge data surge
- Genomic data will become available
- The more ACOs are in global cap, the more they will also want data to guide distribution of $ to other providers, and add to their resources

ACOs will have a choice on data, but also consequences


Questions and Answers
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Stop by our ACO Exhibit Hall Virtual Booth

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Thank You

Contact us to make your APP Reporting a successful venture!

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