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# NACDD and CDC Health Payer 101 Webinar Series

## Webinar #4: Contracting 101

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National Association of Community Health Centers  
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## Objectives

- Network Development approach (recap from previous webinar)
  - individual contracts and ACO/IPA
- Review sections and highlight provisions of a provider contract
- Providers and Payers – relationship building



# Goals of Managed Care Organizations

- Providers deliver high-quality care in an environment that manages or controls costs
- Care delivered is medically necessary and appropriate for the patient's condition
- Care is rendered by the most appropriate provider
- Care is rendered in the most appropriate, least restrictive setting
- Keep the amount and type of services duplicated to a minimum (VERY difficult)

# Accountable for the entire Health of a Population

## Accountable Care Organizations / Independent Practice Associations

- Working together with other HCs, hospitals, other providers
- Building trust so the care for the patient can truly be unified (aka integrated)
- Reduce costs and improve patient care:
  - shifting ER care to the doctor's office
  - managing cases better pre- and post- hospital stays
  - automating processes and eliminating duplicate ones
  - communication key to increase the quality of the patient experience
- Leads to true population health - higher risk and more rewards

# Network Development

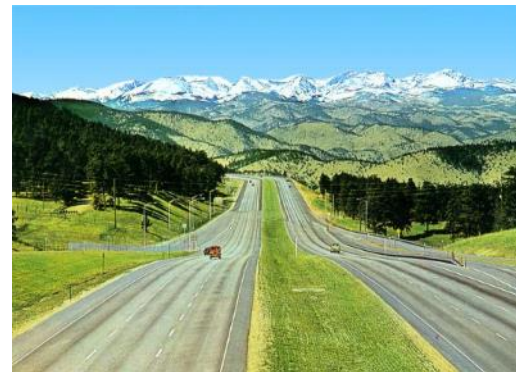
- Insurer / MCO / ACO/ IPA evaluates the network landscape and approach to contracting and network development is different

- PAST approach (REACTIVE)

- no prior relationship / data
- hospital as center
- external request
- any willing provider
- regulatory response

- EVOLVING approach (PROACTIVE)

- need new 'partners' to work with
- narrow the network of providers to serve the population responsible for – based on data
- adjust their business model / reimbursement is changing
- need new 'partners' to work with / achieve the Triple Aim



# Network Development

Payer is used to seeing the network as *individual* puzzle pieces



The Payer determines which piece or pieces completes or fits into the Payer's puzzle





# Network Development

- Types of Contracts – generally driven by service type / reimbursement:
  - Professional (Physician)
    - Primary Care
    - Specialists
    - Behavioral Health (MD, DO, LSW)
  - Ancillary (outpatient services)
    - Diagnostic (lab/radiology/etc)
    - Rehabilitation (Physical/Speech/Occupational Therapy)
  - Hospital (acute/rehabilitation/Long Term Acute Care Hospital)
    - In patient and out patient services
  - Other Facilities
    - Skilled Nursing Facility
    - Pharmacy
    - Outpatient Behavioral health





# Network Development

- Other Considerations
  - Contract and reimbursement driven by Tax Identification Number (TIN)
  - When are you considered a contracted provider?
  - Covered services / benefits can also drive whether or not a service or type of provider is contracted by the Payer
  - Is the contract for all Payer products or a specific product?
  - Dental / Behavioral Health / Vision / Lab services / Physical/Speech/Occupational Therapies



## Contract Review Process

- Unified Approach / identify the Team
- Collect all items that are part of the contract
- Invite the MCO / ACO / payer team (especially the person who will be countersigning your contract) to your organization
- Ask payer what they understand about your organization (they don't need to know everything) – just the pieces that will matter to THEM
- **REMEMBER – your timeline does not have to be the same as the payer**

# Payment Methodology

## Types of Reimbursement

- Volume based
  - Fee for Service
  - Capitation
- Value based
  - Capitation/Care Coordination Fee
  - Incentives
  - Alternative Payments
- Risk varies





# Key Contract Provisions

- Overall
  - effective date / automatic renewal? / termination clause and timeframe
  - all products clause
- Financial
  - reimbursement (including incentive payments)
  - services provided directly by or contracted by the provider / practice?
- Clinical
  - which type of providers can supply services?
- Operational
  - are there certain procedures to be followed?
  - how / which staff will be impacted by any of the provisions?



# Transforming Clinical Practice Initiative (TCPI) / Practice Transformation Network (PTN)

## TCPI:

- Strategy of the ACA to strengthen quality of care while spending dollars wisely
- Duration is 4 years (began 10/1/2105)
- Designed to assist 150,000 clinicians achieve large-scale health transformation
  - promotes broad payment & practice reform in primary and specialty care
  - promotes care coordination between providers of services and the suppliers
  - establishes community-based health teams to support chronic care management
  - promotes improved quality and reduced cost by developing a collaborative of institutions that support practice transformation

# Transforming Clinical Practice Initiative (TCPI) / Practice Transformation Network (PTN)

## **PTN:**

- Peer-based learning networks
- Coach, mentor, and assist in developing core competencies specific to practice transformation
- 29 PTNs + 10 Support and Alignment Networks



# Building Relationships with Payers

- EDUCATE and be educated – build relationships
  - meet regularly with Payers / MCOs / ACOs / hospitals / providers
- Patient is common denominator
  - take a more active role collaborating with their care team
- Continue to collect and use DATA
  - enhance and change workflows
  - engage patients and improve outcomes
- SHARE Information / trends in the community that impact health outcomes

# Building Relationships with Payers

- Working together
  - promote aggregate data sharing back and forth
  - learn about each other
  - ID what each party has, is promoting, and what is needed by the other
  - how do you fit together?
  - what is it you bring to the table?







## Final thought ...

You can't do today's job  
with yesterday's methods  
and be in business  
tomorrow.

**Anonymous**

**Thank you!**





## For More Information

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KARI MAJORS

NEBRASKA CHRONIC DISEASE PREVENTION AND CONTROL PROGRAM

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# CVD and Diabetes Disease Registry Partnership History in Nebraska

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- 2008-2014
- Nebraska Registry Partnership (NRP)
  - ❖ NRP tracked 27 Cardiovascular (ABCS) and Diabetes measures through registry software.
  - ❖ State had access to patient level data through super user account.
  - ❖ NRP Coordinator (1FTE) provided dashboard reports to 13 participating clinics, conducted site visits and phone calls to discuss measures and use data to drive quality improvement.
- BCBS NE Primary Blue/Blue Distinction Program
  - ❖ Focused on Diabetes with some efforts around Hypertension
  - ❖ Associated with 4 payment incentives:

# CVD and Diabetes Disease Registry Partnership History in Nebraska

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## ❖ **Challenges:**

- ❖ Both programs slowly lost and/or discontinued registries due to EHR implementation focus and lack of interfacing capabilities/expense.

## ❖ **Registry Partnership Outcomes:**

- ❖ Experience with Clinical Quality Measure alignment, aggregate data sharing and shared Quality improvement/Education to prevent duplication.
- ❖ Established a relationship for a request for partnership on 1305 grant.

# Request for BCBS Partnership on 1305 Grant

## ❖ Approach:

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- ❖ Asked them how State Health Department could help them improve the quality in clinics that have contracts with.
- ❖ Asked them to share which practices do they work with and how low performers could be identified.

## ❖ Request:

- ❖ Requested to use baseline MDDatacor data to initially populate 1305 PMs as a defined health system.
- ❖ Requested to sign MOU.

## ❖ Challenges:

- ❖ BCBSNE discontinued the registry in December 2015 and issued new contracts using TREO/VIS.
- ❖ Alignment on measures is becoming more difficult.
- ❖ Providers becoming hesitant to use different systems to measure quality. Competing systems tend to turn them away.

## ❖ Next Steps:

- ❖ Continue to partner with BCBSNE Blue Distinction Clinics on HTN and Diabetes quality improvement processes to help them meet the contract criteria for incentive payments and bonuses.
- ❖ Continue to share collaborative education opportunities that will benefit entire population and BCBSNE beneficiaries.

# Enhance Health Network (TCPI)

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- ❖ Clinically Integrated Network owned by 8 Nebraska Hospitals
- ❖ Transforming Clinical Practice Initiative in Nebraska through Iowa Healthcare Collaborative.
  - ❖ 10 Regional Quality Improvement Advisors
- ❖ Participate in Compass PTN
  - ❖ 7 Measures including NQF 0018 and NQF 0059
- ❖ Partnering together to merge aims of TCPI and Chronic Disease to reduce burden on clinics and help provider transition to value based contracts.
  - ❖ Clinical Assessment
  - ❖ Stratified assistance
  - ❖ Aggregate data sharing
  - ❖ Shared education and collaboration



# Nebraska Medicaid Partnership

## **History of Partnership:**

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- ❖ Meet regularly with staff from EHR incentive program, Quality section, and Managed Care
- ❖ Prior to new contract applications, Chronic Disease staff meeting with individual MCOs to discuss coverage of lifestyle change and disease management programs

## **Upcoming Changes with Managed Care:**

- ❖ Beginning January 1st 2017, Nebraska Medicaid Program Managed Care will become Heritage Health, a risk based managed care delivery and payment system
- ❖ Three contracts awarded in March 2016 for upcoming year
- ❖ Approximately 80% of individuals who qualify for Medicaid receive their physical health benefits through managed care

## **Opportunities:**

- ❖ Data sharing, specifically identifying low performing clinics can assist Chronic Disease Program in further narrowing selection and targeting resources such as direct coaching assistance
- ❖ Public Health can offer additional resources on standardizing delivery of care for beneficiaries with Chronic Diseases and influence measure collection/reporting specific to Medicaid populations
- ❖ Leverage to form more prevention-oriented relationship

# Identifying Payer Partners

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- ❖ Find out who your commercial payers are that have the most coverage (beneficiaries). Dept. of Insurance should be able to give you this information if you don't know.
- ❖ Locate you CINs, ACOs, etc. They align nicely with the work of 1305 and 1422 and have a vested interest in bridging quality of care delivery and supporting providers in APMs.
- ❖ Ask about their current incentive based or value based initiatives and how public health work can be complementary. Focus conversation on public health integration with primary care and value the public health brings to the table.

# Washington's Experience

Alexandro Pow Sang

Heart Disease, Stroke, and Diabetes Prevention Program

Washington Department of Health



Please remember to write your questions in the chat box

