

# Maryland's Multi-Payer Patient Centered Medical Home Program

*A Commission Briefing*

*October 17, 2013*



The MARYLAND  
HEALTH CARE COMMISSION

# Program Progress

Leading goals of the Maryland Multi-Payer Patient Centered Medical Home (PCMH) Program (MMPP) are to increase quality, control costs, and improve patient experience of care



**Increase Quality**



**Control Costs**



**Improve Patient Experience of Care**

# 2012 PCMH Results

- **Every MMPP practice receives up front fixed transformation payments (FTP); a total of ~\$4.4M in 2012 and ~\$2M in 2011 for commercial payers**
- **Nearly half (19 of 52) MMPP practices generated savings**
- **No single variable currently tracked by the program (such as location, size, quality measure composite score, etc.) correlated to cost savings**
- **Approximately 10 percent improvement over the last two years in the quality measure composite score**

# MMPP Shared Savings Overview

- Shared savings payments are distributed to participating MMPP practices whose total cost of care in 2012 is below budget
- *Total cost of care* includes all health services received by patients, regardless of care delivery site
- *Budget* is set by practice's baseline period costs inflated by statewide trend
- *Statewide trend* is the increase in the total cost of care for the performance year over the baseline year for all non-MMPP primary care practices in Maryland

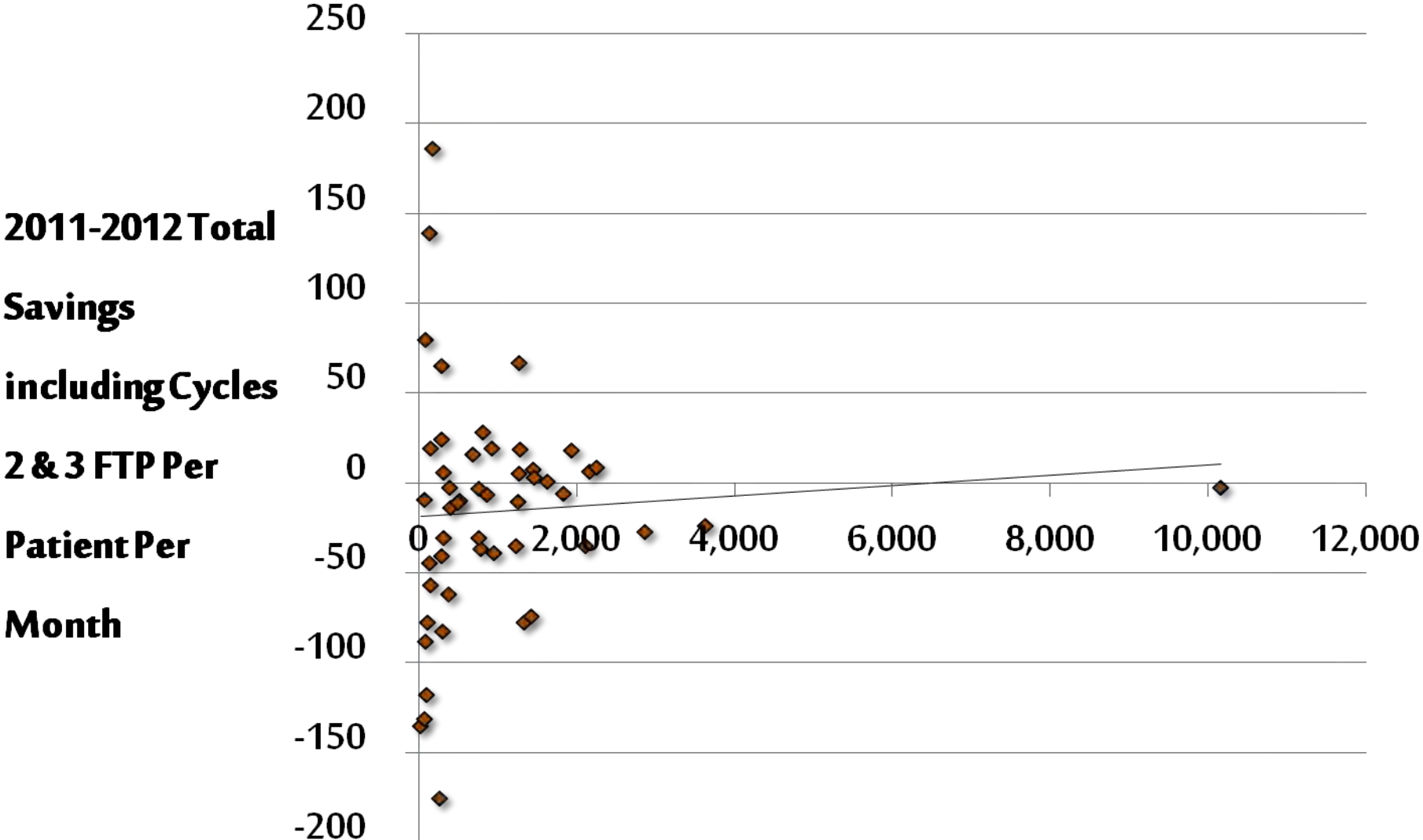
# Shared Savings Methodology

- Based on quality measure reporting, utilization measure results, and the ability to control cost
- Practices are eligible to receive a payment of 30, 40, or 50 percent of the cost savings in addition to the upfront FTP
- Only patients attributed to the practice in both years are included
- To address outliers, includes patient-level cost adjustments, such as a per patient annual maximum of \$75K

# MMPP Shared Savings Status

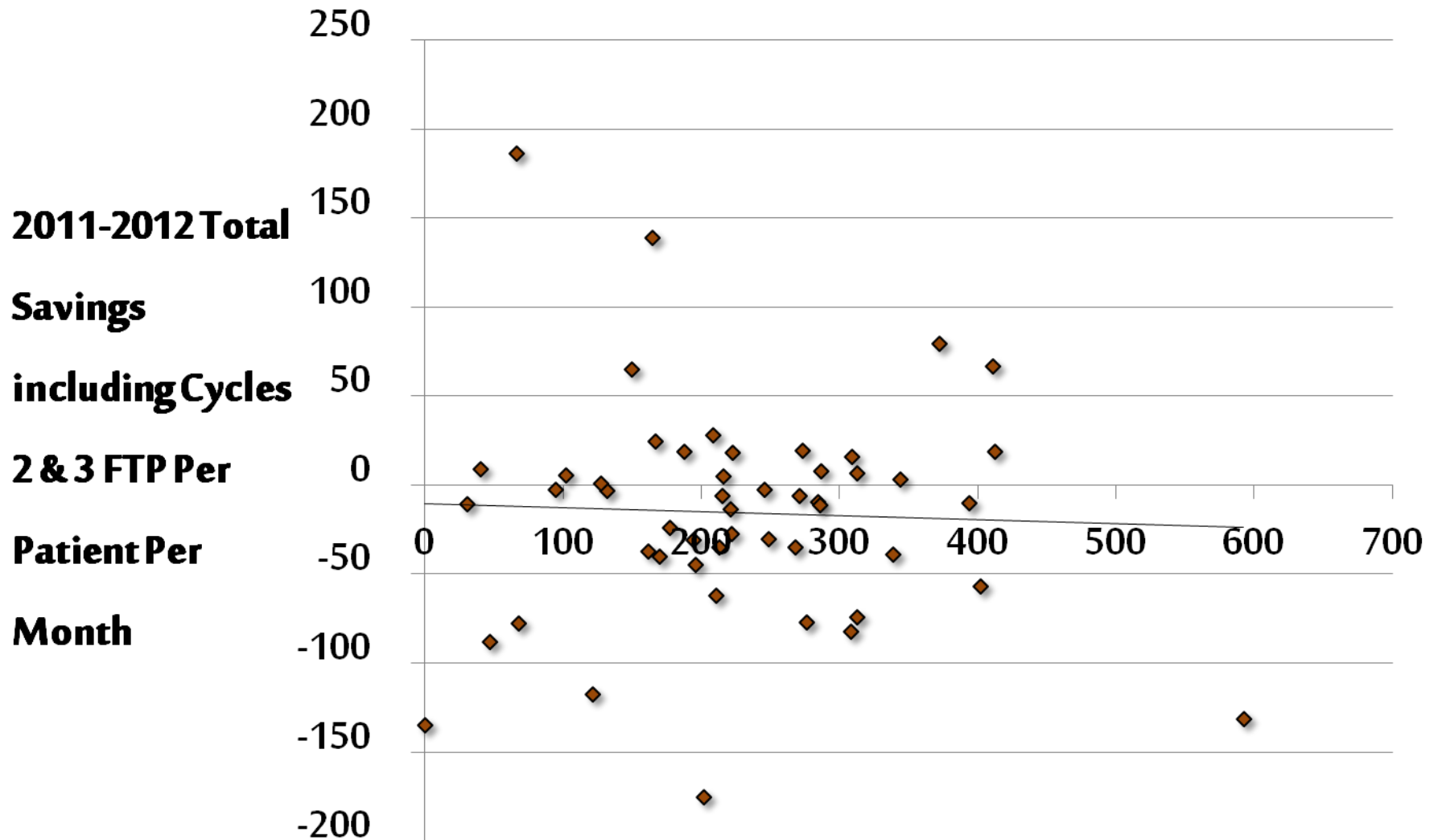
Category	Performance 2011	Performance 2012	Performance 2011 & 2012
Practices that received shared savings	21 (42%)	19 (38%)	6 (12%)
Practices that reported shared savings but did not receive payments because the FTP cancelled it out	1 (2%)	4 (8%)	0 (0%)
Number of practices that did not report any shared savings	28 (56%)	27 (54%)	15 (30%)

# Results by Practice Size



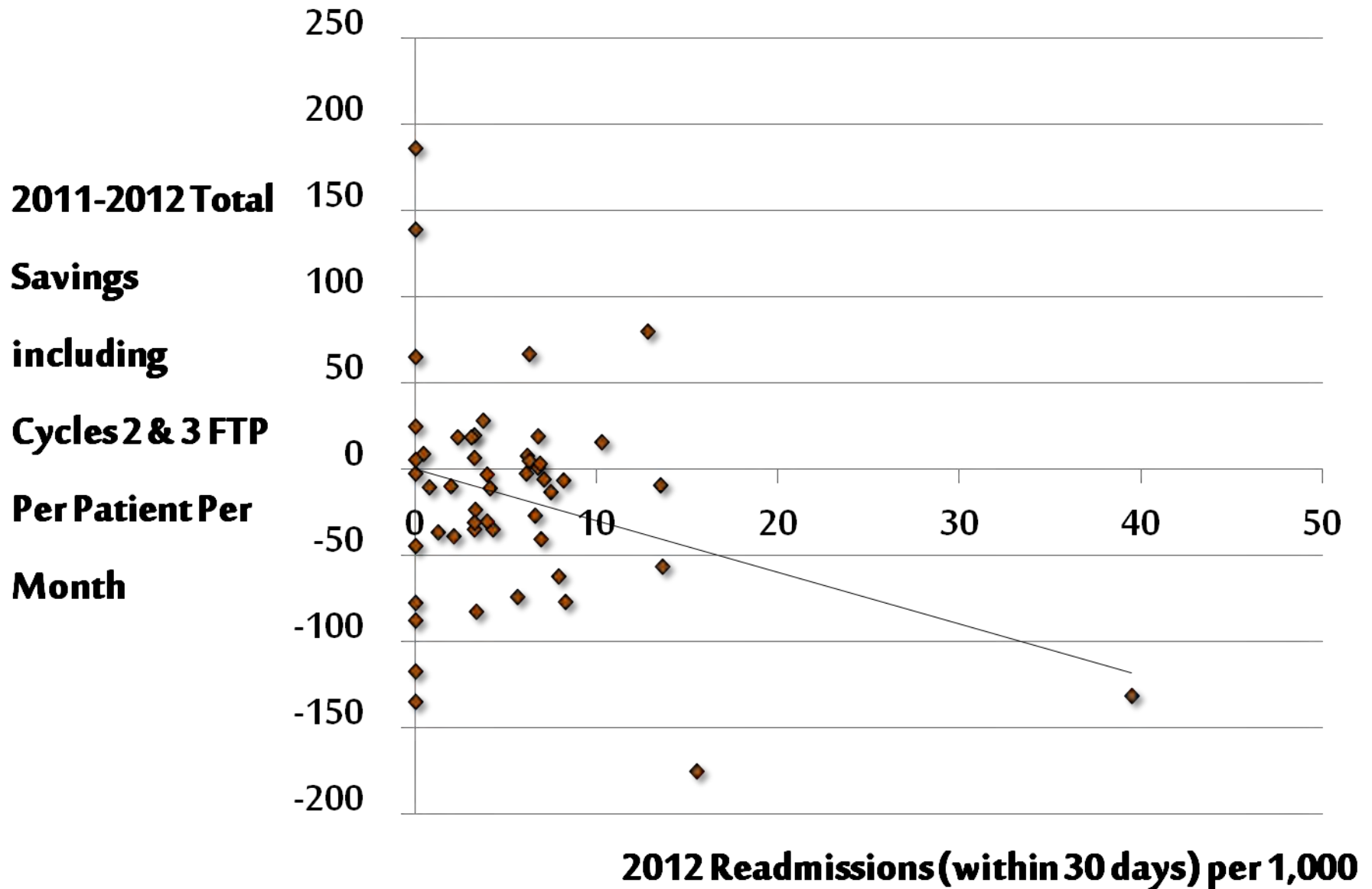
Number of Patients for Shared Sharings 2012

# Results by Length of Stay per 1,000





# Results by Readmissions per 1,000



# Quality & Utilization Metrics

<i>Percentage of shared savings practice received based on achieving established quality and utilization metrics</i>					
<u>% Eligibility</u>	<u># of Practices</u>	<u>Pediatric</u>	<u>Adult</u>	<u>Both</u>	
<i>50</i>	17	2	7	8	
<i>40</i>	1	0	0	1	
<i>30</i>	1	0	1	0	
<i>0</i>	0	0	0	0	

# MMPP Practice Quality Measures Performance

Quality Measures Performance				
	2011 Reported	2012 Reported	2011 Combined Score %	2012 Combined Score %
Average	15	17	47	56

# Leading Program Activities

- Increase stakeholder awareness of PCMH programs as a key component of practice transformation and innovative care delivery
- Continue to work with payers to share select data that can be easily interpreted by MMPP practices to enhance effective care management
- Work with MMPP practices to implement strategies that will increase quality and improve performance
- Advance health IT in MMPP practices and greater use of services of the State-Designated health information exchange
- Develop recommendations for program enhancements based on the program evaluation results from the first year

*Thank You!*



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# **APPENDIX**

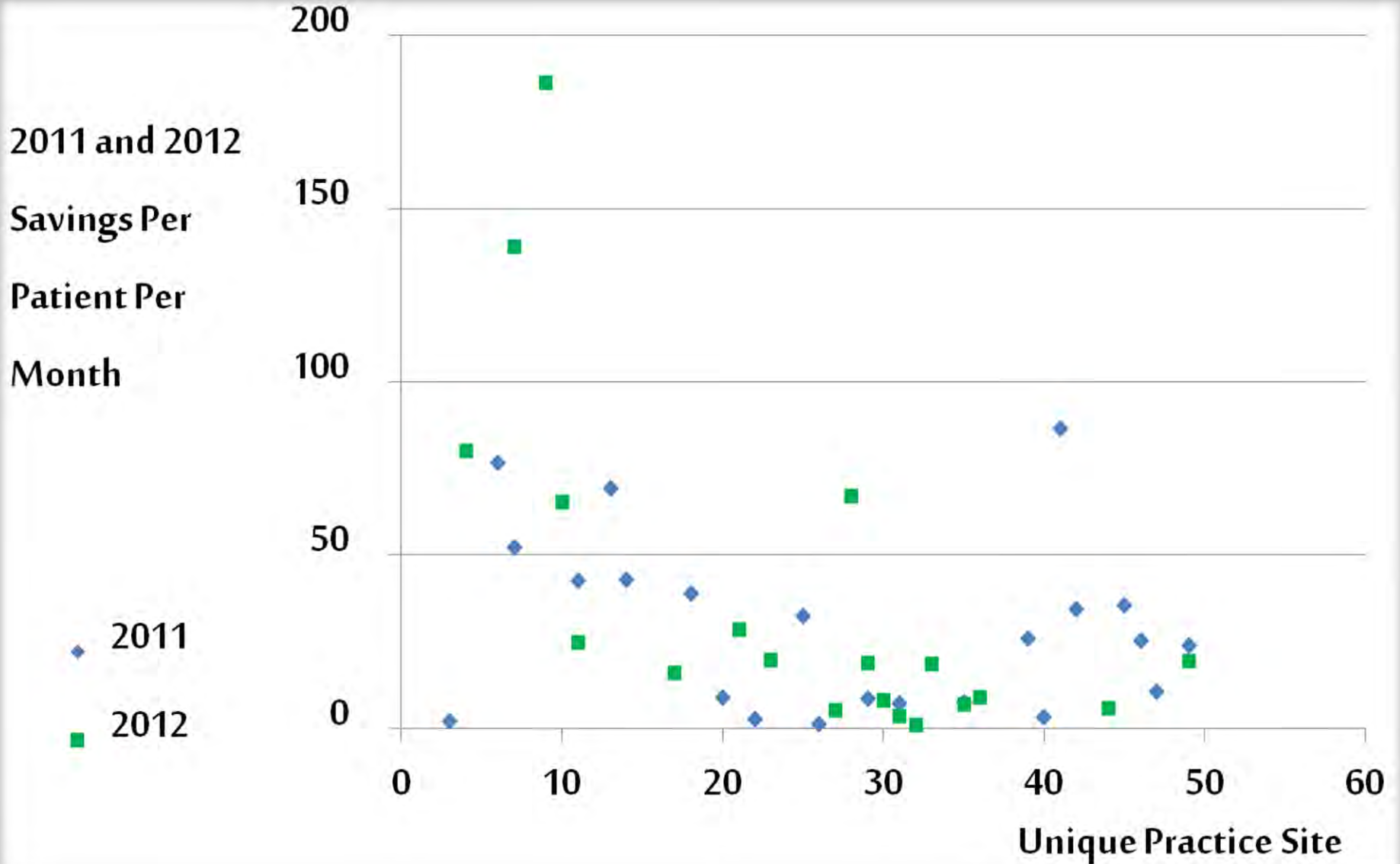
# Fixed Transformation Payment - Impact on Cost Savings

Cost Savings including FTP				
	2010-2011 Savings \$	2011-2012 Savings \$	2010-2011 Savings PPPM \$	2011-2012 Savings PPPM \$
Average	(89,482.17)	(113,914.96)	(3.61)	(15.37)

Cost Savings without Fixed Transformation Payment				
	2010-2011 Savings \$	2011-2012 Savings \$	2010-2011 Savings PPPM \$	2011-2012 Savings PPPM \$
Average	(48,510.57)	(25,491.88)	0.26	(5.09)

*Note:* PPPM = Per Patient Per Month: total savings / total patients / 12 months

# Savings By Practice Not Including Fixed Transformation Payments (\$\$)



# Savings By Practice Including Fixed Transformation Payments (\$\$)

