Beyond QPP: Check your readiness for insurer-based physician incentive programs

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Published Feb 6, 2017

Last Reviewed Feb 2, 2017

Physician payments

While nearly all Part B providers have to engage the Quality Payment Program (QPP) in some way to avoid pay cuts, voluntary incentive programs can increase your providers' payments – without financial risk.

The programs are generally offered by payers at the state level. For example, one practice, WESTMED Medical Group, collected $300,000 in incentive payments for meeting performance targets in areas such as chronic care management, hospital readmission rates and emergency room visits as part of the Aetna Patient-Centered Medical Home (PCMH) program in New York, says Justin Barnes, partner and chief growth officer for iHealth Innovations in Atlanta.

In the Florida BCBS Value-Based Care Program, performance awards are paid as a "fee schedule multiplier" on certain primary care codes and can add up to 16% the participating group's contracted fee schedule.

Those two programs, and many others, require patient-centered medical home model certification – but some don't and instead have requirements that resemble those of the National Committee for Quality Assurance (NCQA). The Enhanced Primary Care (EPC) program of CDPHP, a payer serving 24 counties in upstate New York, requires participating practices to increase after-hours access, offer care coordination and achieve meaningful use, as does NCQA, says Eileen Wood, chief pharmacy officer and senior vice president of clinical integration for CDPHP.

Primary care providers in the program eschew fee-for-service payments for services to members and receive a payment based on the members' annual calculated FFS expenditures. The monthly prospective payment is equivalent to 140-150% of 1/12 of the annual FFS claims. "Compared to the annual FFS claims, providers are paid 40 to 50% more than the FFS equivalent claims," says Wood. They also get a 20% bonus if they meet the program's requirements, which are judged against quality, resource use, patient satisfaction and other metrics familiar to most providers who've done reporting programs before.

Be prepared to transform

But that's not all the program requires. Current EPC participants had to go through a year-long "transformation" program before joining the model, to show they were making the PCMH-like adjustments that the program requires. These practices were compensated with a $20,000 stipend as well as access to a consultant from CDPHP and quarterly meetings with peer educators from program-participating practices.

As with most other, similar payer models, there's no downside risk for participants in EPC, though they've created a separate shared-savings type of model that involves risk along with bigger financial incentives and are guiding their more successful entrants toward it.

3 transformation steps

If you're interested in non-federal incentive models, takes these steps to prepare for your search:

- **Quiz payers about what's available.** Don't just rely on program announcement. "My No. 1 recommendation is to reach out and talk to your insurers," says Barnes. "Go to them and ask them what quality reporting incentives are available. If they don't have [a program] that's right for your specialty or patient population but they can tell you about other providers in your community with whom they are working, you may be able to get involved through them."
- **Assess your practice's chances for success.** The incentive programs are about shifting to value-based payment models, so make sure you're in a position to take it on, says Christopher J. Kutner, the co-chair of Rivkin Radler LLP's Health Services Practice Group. "Even without downside risk, you have to think about your population or you lose your shirt," he says. "If the population you care for is sicker than most and the arrangement is a bonus structure, the target may be unattainable." The insurer can help you assess your readiness – sometimes, as with CDPHP, by not letting you in if you don't come up to snuff. If the program is run by an insurer you have a contract with already, "they can look at your claims data and tell you whether it'll work," says Kutner.
- **Look at Medicaid programs.** Medicaid has similar incentive programs that may make taking on that patient base more rewarding for your practice, says Alexandria J. Goulding, marketing & public policy manager for iHealth Innovations in Louisville, Ky. For example, some states, such as Ohio, are still paying meaningful use bonuses via their Medicaid Provider Incentive Program. Also, CMS plans to expand the advanced APM options in the QPP

that get you out of Merit-based Incentive Payment System requirements in the 2019 performance period so that it includes Medicaid, private payer and "other payer" arrangements options. "Assuming those models meet specific criteria, those APMs could count towards the 5% lump sum payment under the advanced APM path," says Goulding. – *Roy Edroso (redroso@decisionhealth.com)*

Resources:

CDPHP Enhanced Primary Care Program: *https://www.cdphp.com/providers/programs/enhanced-primary-care*

Aetna Patient-Centered Medical Home, New York: *https://www.pcpcc.org/initiative/aetna-patient-centered-medical-home-pcmh-new-york*

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