

Payment Reform Advisory Group
Thursday, July 21, 2011

Minutes

Attendees: Richard Slusky, Christina Colombe, , Peter Cobb, Michael Davis, Joe Zimmerman, Gerhild Bjornson, Larry Goetschius, Steve Maier, Meg O'Donnell, Susan Gretkowski, Amy Bannister, Jill Guerin, Bill Little, Melissa Miller, Jill Olsen, Anthony Otis

Update on Payment Reform Initiatives:

1. Richard Slusky opened the meeting and thanked the group for attending on a beautiful summer afternoon. Following introductions, Richard updated the group on the progress being made on the PCP/Specialist payment proposal. He noted that he, Craig Jones and Steve Maier had been meeting with payers, providers, hospitals, and physician practice administrators to update all of them on the proposal.
2. PCP/Specialist Payments: The group received the new narrative "Program and Qualification Requirements for Payment Reform II Pilot Projects – Creating Accountable Care Partners". Richard emphasized that this was still a work in progress and that he, Steve Maier and Craig Jones were continuing to seek comments and advice from all parties involved.
3. Performance Measures: Richard then provided a detailed description of the four dimensions of measures upon which enhanced payments to the PCPs and Specialists would be based. He also shared how the information, now being gathered from VHCURES, could be used to measure changes in utilization and expenditures in hospital service areas. The committee members were very interested in this linkage of data to create measures of utilization and cost.

Richard and Steve noted that they were having very productive meetings with specialists from FAHC including pulmonologists and endocrinologists. A meeting with cardiologists is scheduled soon. The specialists are helping develop the quality performance measures that would be incorporated into the payment model.

There was a good deal of discussion regarding the patient experience surveys, the resulting privacy issues and the methods of administrating and collecting data from the surveys. There was also considerable discussion regarding the impact of the total cost of care modifier and how it would affect the provider payments.

4. Status of Payment Reform Pilots: Richard and Steve indicated that discussions were still ongoing with representatives from Burlington and St. Johnsbury regarding their interest in participating as a pilot site(s) in January, 2012.

5. Hospital Payments: The group discussed hospital payments and the effect of these delivery system reforms on hospital utilization. Richard noted that hospitals should not depend on increased utilization alone to support their revenue base and will need to adjust to payment models that focus more on value than volume. Richard reviewed a payment model suggested by Harold Miller, a payment reform consultant, which recommends consideration of payment methodologies to hospitals that provide a “glide path” for them to adjust to this changing environment. Discussions with the hospitals on this topic are going to begin sometime in the early fall of this year.
6. Review of Work Plan through 2012: Steve Maier reviewed the work plan for the payment reform pilots which he has developed. This plan will serve as a guide for us as we move forward to implement the pilots in January.

The meeting adjourned at 3:45 p.m. The next meeting will be scheduled in mid September.