

# Payer-Provider Alignment Spurs Innovation, Drives Value

## Enhanced Primary Care 2.0

**Capital District Physician's Health Plan (CDPHP)** is an independent health insurance company based in New York. Beginning in 2008, CDPHP worked with independent local primary care practices to redesign and improve the care they deliver. At the heart of the Enhanced Primary Care (EPC) program is a reliable revenue stream tied to performance rather than volume and a true partnership between historic adversaries: the health plan and a physician network.

Since the EPC program's inception, the goal has been to achieve the Triple Aim of better health and patient experience at a lower cost. High-performing primary care practices are ones that excel in prevention and chronic disease management. Research has shown that patients receiving care from these practices experience better clinical outcomes, more equitable care delivery and lower costs.

Using a risk-adjusted global payment model, CDPHP pays EPC practices 50 percent more on average than fee-for-service practices, with the opportunity for a 20 percent bonus based on Triple Aim goals. The EPC practices have consistently outperformed non-EPC practices on asthma, diabetes and cancer screening measures. From a financial perspective, the higher payments up-front to EPC practices is worth the investment. CDPHP estimates savings of up to 20 percent.

And in the era of COVID-19, steady, capitated payments from the health plan to the provider, such as those in the EPC program, have had the added benefit of enabling many local physician groups to remain independent as others across the nation are acquired by health systems or other insurance companies.<sup>1</sup>

### What is CDPHP's Enhanced Primary Care (EPC) program?

*CDPHP offers members a patient-centered model of care that provides them with more time with their doctors and care team, expanded practice office hours, enhanced doctor-patient relationships and improved electronic communications. The EPC currently includes 191 practices and 864 practitioners. The EPC practices consistently outperform non-EPC practices in chronic disease management such as asthma and diabetes but also in screening such as breast and colon cancer.*

## EPC 2020: Doubling Down on Quality

Now in its second decade as a successful capitated program for primary care, CDPHP is refining the original concept, centering EPC 2020 on improvement in clinical care management, quality and the payment model.

CDPHP understands that in addition to demonstrating the quality and value of care and service, a higher quality rating provides financial support, attracts large employer groups, and enhances partner relationships. EPC 2020 also seeks to better align pediatricians with value-based payment arrangements.

CDPHP recognizes that both medical and behavioral health factors impact health and wellbeing. Adopting a holistic approach where behavioral health needs are actively assessed in a primary care setting leads to improved care coordination and progress toward overall health goals. The EPC 2020 model focuses on improving care management and access in areas including the identification of behavioral health needs, treatment of substance use disorders and better-quality transitions between care settings, such as from the hospital to the home.

EPC 2020 has also aligned quality measurement and risk adjustment across lines of business for Family Medicine, Internal Medicine and Pediatric Medicine to minimize administrative burden for providers and concentrate quality improvement efforts on the most

<sup>1</sup> Tanya Albert Henry, "Employed Physicians Now Exceed Those Who Own Their Practices," May 10, 2019, <http://bit.ly/Physician-Stats>.












meaningful clinical areas. Additionally, CDPHP now requires a bi-directional electronic health record (EHR) feed to improve data capture and population health analyses, allowing for more timely and accurate communication with physicians regarding potential patient care gaps.

Finally, the EPC payment model has been updated, increasing the global payment by 10 percent and the total bonus pool from \$4M to \$10M to help ensure primary care funding is more in line with specialty care funding.

Given primary care's positive impacts, paying primary care providers more to improve care in clinically appropriate and cost-efficient ways and stabilizing the primary care workforce has been a smart investment for CDPHP. The health plan also continued to reimburse by a monthly global payment methodology based on the individual risk of a member and switched from annual to quarterly bonus payments. This switch helped with operational cash flow to primary care practices and additionally allowed CDPHP to provide member and site-specific quality opportunities to offices in a more timely manner.

The change proved especially valuable during the COVID-19 lockdown when provider revenues dropped precipitously due to the unexpected cancellation of elective surgeries, routine screenings and other services. In response, CDPHP further accelerated payments to its provider partners to help them bridge these challenging times with extra support and clear communication. In addition to the steady stream of monthly global payments, CDPHP paid 2020 bonuses in advance, and before 2019 bonuses had even been paid out. CDPHP communicated its understanding of the financial stress on providers and shared information about available government resources.

### CDPHP's EPC 2020

Clinical Focus Area	Quality Improvements	Update Payment Model
 Behavioral Health Identification and Treatment	 Bi-Directional EHR Feed to Better Identify Care Gaps	 Pediatric Value-based Care
 Opioid Use Disorder Identification and Treatment	 Simplified Quality and Performance Measures	 Uses HCC Risk Score for All Lines of Business
 Transition of Care Planning and Follow-Up	 Expanding Value-Based Care Platform To Include Specialists	 Increase Global Payment By 10% and Expedite Payments
 Future of Fall Risk		 Advance Payment for Surgical Specialists

## Value-Based Care in 2030: Reimagining Specialty Care

Specialty care has the opportunity to offer similar gains in chronic disease prevention and management; however, participation in value-based arrangements in the U.S. has trailed that of primary care groups. Seeing the value of the EPC program among primary care practices, CDPHP plans to roll out a value-based care platform for specialists in early 2021. Starting with cardiology, nephrology and psychiatry, the specialty practices will follow the existing EPC model structure, with providers being paid on a capitated basis depending on the riskiness of the case. To accurately measure quality in these areas, CDPHP will apply the same HEDIS and MA Stars measures used in the primary care model as well as additional specialty standards based on MACRA/MIPS. There will also be measures taken across specialties, with a focus on clinical quality.

For any of these value-based care contracts to be successful, co-design of clinical goals and payment structures is critical. CDPHP has created a strong track record through EPC and can point to its successes with primary care practices as they promote trust and partnerships with the specialist community.

## Conclusion

The ongoing success and expansion of CDPHP's EPC program underscores the wisdom of payer-provider alignment. And as the nation continues to suffer the consequences of the COVID-19 pandemic, that alignment will be vital to Americans' health and financial wellbeing.