

# Primary Care Payment Reform Collaborative Meeting

May 8, 2025



## Agenda

Housekeeping & announcements

Federal & state updates

Priorities & tentative schedule for 2025

ACOs - Impacts, opportunities, challenges

Public comment



## Meeting Goals & Requested Feedback

#### **GOALS**

- Catch up on federal and state activities
- Review 2025 priorities

- ACO discussion implications for primary care
  - Access, payment, care delivery

#### FEEDBACK

- Understand current and emerging issues
- Provide feedback on topics, tentative calendar
- Identify issues & questions
  - Future research/discussion
  - Potential recommendations





## Housekeeping & Announcements



## Housekeeping & Announcements

- Meeting minutes approve April meeting minutes
- SB25-193 Sunset Primary Care Payment Reform Collaborative
  - Bill passed by General Assembly
  - To Governor for signature (within 30 days)
- Membership update
  - Division will be reaching out to current members next week
  - Co-chair positions
  - Invitations extended to 3 new members



### WELCOME



Dana Pepper
Vice President, Provider
Performance and Network
Services
Colorado Access



Erin McCreary
Consumer
Colorado Springs



Mannat Singh
Executive Director
Colorado Consumer Health
Initiative (CCHI)





## Federal & State Updates



#### HHS updates

- Released Comprehensive Review of Medical Interventions for Children and Adolescents with Gender Dysphoria
  - "Comprehensive review of the evidence and best practices for promoting the health of children and adolescents with gender dysphoria... [that] reveals serious concerns about medical interventions, such as puberty blockers, cross-sex hormones, and surgeries, that attempt to transition children and adolescents away from their sex."
  - Critiqued by medical associations (including AAP), researchers, advocates for methods, lack of alignment with current guidance, misinformation, decision not to disclose authors
- Announced launch of Next-Generation Universal Vaccine Platform for Pandemic-Prone Viruses
  - "Development of the next-generation, universal vaccine platform, Generation Gold Standard, using a beta-propiolactone (BPL)-inactivated, whole-virus platform"
  - Goal: provide broad-spectrum protection against multiple stains of pandemic-prone viruses (H5N1 avian influenza, coronaviruses)
- Questioned by vaccine experts for moving away from more recent science (m-RNA-based vaccines)



#### CMS rulemaking

- Five (5) Fiscal Year 2026 Proposed Payment Rules
  - Inpatient Hospital Whole-Person Care, Proposed Updates to Medicare Payments\*
  - Inpatient Rehabilitation Facility Prospective Payment System
  - Hospice Wage Index & Payment Rate Update
  - Inpatient Psychiatric Facility Prospective Payment System & Quality Reporting Updates
  - Skilled Nursing Facility Prospective Payment System
- Common elements
  - RFI on streamlining regulations and reducing administrative burden
  - Quality measure adjustments removal of SDOH data elements, vaccine measures
- Modifications to Transforming Episode Accountability Model (TEAM)\*
  - Participation deferment period for new hospitals, timeline for termination
  - Target pricing and benchmark calculation adjustments
  - Quality measure adjustments add 4<sup>th</sup> measure, remove health equity & SDOH reporting



- Merit-based Incentive Payment System (MIPS)
  - Suspending eight (8)
     improvement activities for 2025
     performance year
  - Clinicians should select other improvement activities
  - If any of suspended activities completed or in process of being complete, clinicians will still be able to attest to completion and receive credit

| Activity ID | Activity Name   |
|-------------|---|
| IA_AHE_5    | MIPS Eligible Clinician Leadership in Clinical Trials or CBPR   |
| IA_AHE_8    | Create and Implement an Anti-Racism Plan  |
| IA_AHE_9    | Implement Food Insecurity and Nutrition Risk Identification and Treatment Protocols   |
| IA_AHE_11   | Create and Implement a Plan to Improve Care for Lesbian, Gay, Bisexual, Transgender, and Queer Patients   |
| IA_AHE_12   | Practice Improvements that Engage Community Resources to Address Drivers of Health  |
| IA_PM_6     | Use of Toolsets or Other Resources to Close Health and Health Care Inequities Across<br>Communities (Use of toolset or other resources to close healthcare disparities across<br>communities) |
| IA_ERP_3    | COVID-19 Clinical Data Reporting with or without Clinical Trial   |
| IA_PM_26    | Vaccine Achievement for Practice Staff: COVID-19, Influenza, and Hepatitis B  |



- Budget reconciliation underway in Congress
  - Concurrent budget resolution passed in April
  - House and Senate Committees targeting May 9 for individual policies
  - Working toward goal of sending to President's desk by July 4
  - House Energy & Commerce Committee - Medicaid; Children's Health Insurance Program; parts of the ACA; shared jurisdiction over large parts of Medicare (generally defers to Ways & Means on major Medicare changes)
  - Reconciliation Process FAQs Congressional Research Services

| House Committee          | Reconciliation Instruction<br>(billions of dollars; negative = deficit reduction, positive = deficit<br>increase) |  |  |
|--------------------------|---|--|--|
| Energy & Commerce        | -\$880  |  |  |
| Education &<br>Workforce | -\$330  |  |  |
| Agriculture              | -\$230  |  |  |
| Oversight                | -\$50   |  |  |
| Transportation           | -\$10   |  |  |
| Financial Services       | -\$1  |  |  |
| Natural Resources        | -\$1  |  |  |
| Homeland                 | \$90  |  |  |
| Armed Services           | \$100   |  |  |
| Judiciary                | \$110   |  |  |
| Ways & Means             | \$4,500   |  |  |
| Total                    | \$3,298   |  |  |
| Debt Limit Increase      | \$4,000   |  |  |



## Attorney General Lawsuits

On behalf of Colorado, Attorney General Phil Weiser has joined at least 14 lawsuits against the Trump administration since January

- Federal election changes
- Health & Human Services grant cuts (\$11 billion)
- Department of Education cuts (staff layoffs)
- K-12 Teacher Preparation Grants (training in rural school districts)
- Defending Consumer Protections Bureau
- Birthright citizenship

- Gender-Affirming Care (EO ending federal spending to hospitals, criminalizes doctors)
- Defunding medical & public health research (indirect costs capped at 15%)
- Federal worker buyout
- DOGE access to payment systems
- Federal funding freeze (\$3 trillion in federal assistance
- HHS Restructuring



- Standing Committee on Primary Care
  - May 29-30 Open Meeting; register <u>here</u>
- CMS Quality Conference rescheduled July 1-2, 2025
  - Details in coming weeks
- Cornell Health Policy Center Does Value-Based Payment Work?
  - Expert discussion of state of evidence on Medicare VBP programs
  - Thursday, May 29 from 2-3 pm MT; register <u>here</u>
- PCDC Webinar- Primary Care Access and Outcomes in NY State
  - Data dashboard highlighting need for primary care investment
  - Register here



- Legislative session ended yesterday (May 7)
  - 733 bills, including Concurrent and Joint Resolutions
    - 336 Senate, 373 House
  - As of May 7 (~9 pm)
    - 193 signed, 128 postponed indefinitely (killed)
    - 2 vetoes
      - SB25-077 Modifications to Colorado Open Records Act
      - SB25-086 Protections for Users of Social Media

#### Hot health care topics

- Prescription drugs PBMs, 340B program
- Safety net providers
- Benefits reproductive health, gender-affirming care





| SAFTEY NET PROVIDERS   | BENEFITS  | REPRODUCTIVE HEALTH  | PRESCRIPTION DRUGS  |
|--|---|--|---|
| <ul> <li>SB25-290 Stabilization         Payments for Safety Net         Providers</li> <li>HB25-1288 Support for         Federally Qualified Health         Centers</li> <li>HB25-1162 Eligibility         Redetermination for         Medicaid Members</li> </ul> | <ul> <li>HB25-1309 Protect Access to Gender-Affirming Care</li> <li>SB25-196 Insurance Coverage Preventive Health-Care Service</li> <li>HB25-1279 Patients' Right to Try Individualized Treatments</li> <li>SB25-118 Health Insurance Prenatal No Cost Sharing</li> <li>HB25-1002 Medical Necessity Determination Insurance Coverage</li> <li>SB25-048 Diabetes Prevention &amp; Obesity Act</li> <li>SB25-296 Insurance Coverage for Breast Cancer Examinations</li> </ul> | <ul> <li>SB25-183 Coverage for<br/>Pregnancy-Related Services</li> <li>SB25-130 Providing<br/>Emergency Medical<br/>Services</li> <li>SB25-129 Legally Protected<br/>Health-Care Activity<br/>Protections</li> </ul> | <ul> <li>HB25-1222 Preserving         Access to Rural         Independent Pharmacies</li> <li>SB25-124 Reducing Costs of         Health Care for Patients</li> <li>HB25-1094 Pharmacy         Benefit Manager Practices</li> <li>SB25-301 Remove         Authorization Requirement         Adjust Chronic Prescription</li> </ul> |

#### Provider-related bills:

- SB25-083 Limitations on Restrictive Employment Agreements
- HB25-1176 Behavioral Health Treatment Stigma for Providers
- SB25-152 Health-Care Practitioner Identification Requirements

#### Access-related bills:

- SB25-017 Measures to Support Early Childhood Health
- HB25-1274 Healthy Schools for All
- HB25-1026 Repeal Copayment for Dept of Corrections Inmate Health Care

#### Other:

- SB25-045 Health-Care Payment System Analysis
- SB25-010 Electronic Communications in Health Care
- SB25-126 Uniform Antitrust Pre-Merger Notification Act



HB25-1088 Costs for Ground Ambulance Services

#### Bills that DID NOT pass

- HB25-1174 Reimbursement Requirements for Health Insurers
- HB25-1151 Arbitration of Health Insurance Claims
- HB25-1297 Health Insurance Affordability Enterprise Update
- SB25-318 Artificial Intelligence Consumer Protections



- Office of eHealth Information (OeHI) Colorado Health IT Roadmap
  - Update to strategic plan for health technology in Colorado
  - Goals:
    - 1. Enhance community engagement in health IT solutions
    - 2. Support secure and appropriate sharing of data
    - 3. Foster responsible innovation
  - Available <u>here</u>
- Farley Health Policy Center Advancing State-Based Primary Care Payment Reform Policy Playbook
  - Report available <u>here</u>
  - Playbook available <u>here</u>





## Priorities for 2025



#### Priorities for 2025

- Key themes
  - Flexibility to respond to changes at federal level
  - Access issues sources of care, disruptors, direct primary care,
     Medicaid funding implications
  - Learning from each other and others tapping into state and national expertise
  - Flow of dollars deeper dive into payment flows for primary care
  - ALL of the above in service of strengthening primary care to reduce costs and improve health outcomes



#### Draft Schedule

**APRIL** 

Updates & Priorities

**JULY** 

SUMMER BREAK

<u>OCT</u>

Access - sources of care; Flow of dollars



MAY

Accountable Care Organizations

<u>AUG</u>

Data - sources, gaps; CDPHE presentation; FREE SPACE

**NOV** 

CIVHC Report/ Recommendations **JUNE** 

Patient perspectives on primary care;
GUEST SPEAKER - OTHER
STATES

<u>SEPT</u>

\* \* Review APM Parameters \* \*
Comprehensive Primary
Care Discussion

<u>DEC</u>

Draft Recommendations

\* \* \* DRAFT Proposal \* \* \*



## Accountable Care Organizations



### 2025 Goals

www.menti.com

Code: 9335 5137





#### ACOs - 101

An ACO is formed when a group of health care providers (physicians, hospitals, non-physician providers, etc.) come together and collectively agree to become responsible for the financial and quality outcomes for a defined population. The changing payment models shift financial risk from payers (such as insurance companies or employers) toward providers. In doing so, providers are strongly incentivized to change how they are delivering care with the goal of decreasing spending while improving quality measures and patient satisfaction.



## History of ACOs

- 1932 Committee on the Cost of Medical Care Report
  - "Integrated practice of medicine rather than autonomous individual sets of practices"
- 1973 Federal HMO Act
  - Encouraged growth of prepaid medical groups, including HMOs and IPAs
- 1990s "Managed care era"
  - DOJ & FTC created standards, guidance around clinical integration; birth of CINs
- 2005 -2010 Medicare Physician Group Practice Demonstration Pilot
  - CMS' first attempt at moving risk toward providers using FFS billing
- 2006 Accountable Care Organizations
  - o Dr. Elliott Fisher coins term at MedPAC meeting; move toward value-based payment
- 2008 Congressional Budget Office
  - Included idea of bonus-eligible organizations (BEOs) based on ACO principles
- 2010 Affordable Care Act
  - ACO model included in Medicare by Section 3002



## Definitions - ACO, CIN, IPA

#### **Accountable Care Organization**

- CMS: "a legal entity recognized and authorized under applicable federal or state laws, comprised of eligible groups of providers that work together to manage and coordinate care for a payer specific population."
- Necessary components:
  - Goals to reduce costs & improve care quality
  - Process-level mechanisms to help achieve desired outcomes
  - Structural realignment to enable processlevel change
- Providers enter <u>contractual obligation</u> with an insurer to take on financial risk associated with care & outcomes of defined population

#### **Clinically Integrated Network**

- FTC: "structured collaboration between physicians and hospitals to develop clinical initiatives designed to improve the quality and efficiency of healthcare services."
- Core qualities:
  - Ability to negotiate rates
  - Shared information systems
- Organizing body that can support multiple contacts; platform for providers to form ACO

#### **Independent Physician Association**

- Loosely formed group of typically independent physicians
- Focus on: negotiating contracts, managing administrative tasks, facilitating referrals

#### Medicare ACOs

- Medicare Shared Savings Program (MSSP)
  - Permanent model established in 2012
  - As of 1/15/25
    - National participants:

By the numbers

 $15.1_k$ 

Shared Savings Program ACO participants

 $643.8_{k}$ 

Participating physicians and nonphysicians

- Colorado participants:
  - 6 ACO participants

149 participating locations



#### Medicare ACOs

- Realizing Equity, Access, and Community Health Model (REACH)
  - Evolved from Global Professional Direct Contracting (GPDC) Model
  - New mechanisms to improve health equity, provider leadership and governance
  - As of 1/1/15:
    - National participants:

| Performance<br>Year (PY) | Number of<br>ACOs | Number of<br>Aligned<br>Beneficiaries | Number of<br>Providers* | Number of<br>FQHCs, RHCs,<br>and CAHs** | Total Net Shared Savings Generated*** |
|--------------------------|-------------------|---------------------------------------|-------------------------|---|---------------------------------------|
| 2021                     | 53                | 354,333                               | 15,744                  | 22                                      | \$70.4 million                        |
| 2022                     | 99                | 1.8 million                           | 75,392                  | 406                                     | \$371.5 million                       |
| 2023                     | 132               | 2.0 million                           | 131,772                 | 824                                     | \$694.6 million                       |
| 2024                     | 122               | 2.6 million                           | 173,004                 | 1,042                                   | Not Yet                               |
|                          |                   |                                       |                         |   | Available                             |
| 2025                     | 103               | 2.5 million                           | 160,837                 | 928                                     | Not Yet                               |
|                          |                   |                                       |                         |   | Available                             |

- Colorado participants: 2



### (Partial) Colorado ACO Landscape

Community Health Provider Alliance (CHPA)/
Colorado Community Managed Care Collaborative (CCMNC)

Boulder Valley Care Network

HealthONE Colorado Care Partners ACO, LLC

PHP Prime

Aledade

Banner Network Colorado



#### Discussion Questions

#### **FLOW OF DOLLARS**

- How prevalent are ACOs in Colorado?
  - Is this worth pursuing?
- Do they raise special considerations related to primary care payments?
  - o If so, what are they?
- Are there particular cautions or opportunities?
  - For whom? (providers, payers, patients, marketplace)

#### **ACCESS TO CARE**

- How are ACOs influencing provider networks?
  - Payer perspective? Provider perspective?
  - Do they raise special considerations around care delivery?
    - Care coordination? Quality measures?
- Are there implications for data exchange/collection?
  - How so? (providers, payers, patients, state)





## Public Comment





## Thank you!!

