

Maternity and Newborn Care Bundled Payment Pilot

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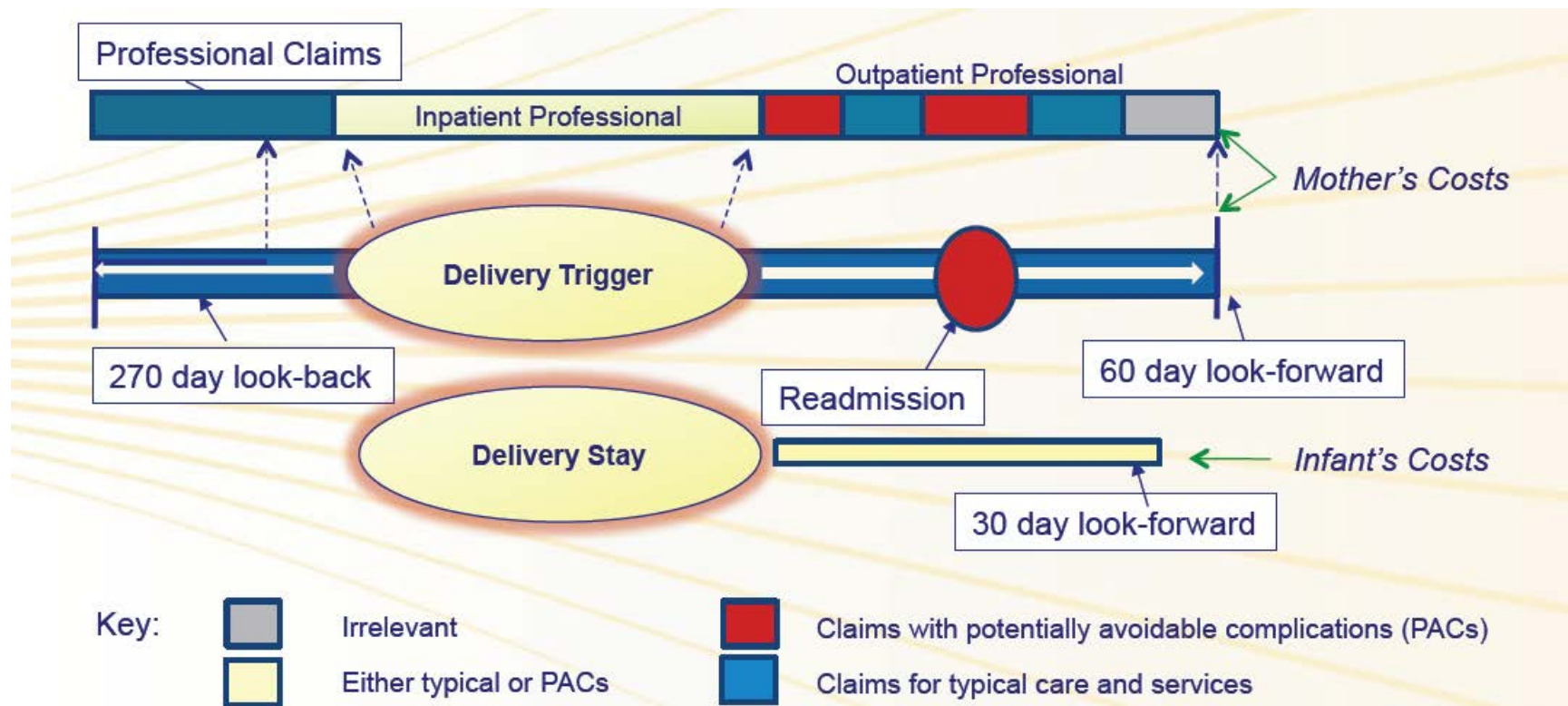
Spring 2016 LAN Summit



Our Maternity Pilot

- Area of highest opportunity for expense savings and quality improvements
 - 22k deliveries/year
 - \$155M total annual related medical expenses
- A multi -year pilot beginning March 1, 2015
- Two separate academic provider groups
- Includes all relevant costs for mothers & babies
 - Professionals (OB, MFM, Pediatrics, Neonatology)
 - Hospitals
 - All ancillary services

Maternity and Newborn Episode



- Episode is triggered by delivery
- Services for the Mother are evaluated as typical (e.g. ultrasound, anesthesia, office visits, etc.) or complications (obstetrical trauma, fetal distress, c-section in low risk pregnancy, etc.)

Budgets

- Using patient specific budgets based on historical average costs
- Budgets are individually adjusted based on risk factors collected from claims data and clinical records
 - Patient demographics – age, gender
 - Patient comorbidities - diagnosis code-based
 - Clinical severity markers (e. g. gestational diabetes, multiple gestation, etc.)

Quality Scorecard

Term Babies	GA>or equal to 37 completed weeks	
Pre-natal Care	Prenatal Care Visit (HEDIS)	0
	Risk-appropriate screenings during pre-natal care visits	10
	Shared-decision making on mode of delivery	10
Delivery Care	% of early elective deliveries prior to full gestation	20
	% of eligible patients who receive intrapartum antibiotic prophylaxis for GBS and/or Antenatal Steriods	5
Postpartum Care	Postnatal Care Visit (HEDIS)	0
	BP Monitoring	15
	Random fingerstick testing; patients with results that exceed a certain threshold required to have a 2 hour fasting glucose test	10
	Depression screening	10
Baby Care	% of babies who were exclusively breast fed during stay	10
	% of babies receiving Hep B vaccine prior to discharge	10
Total Points		100

Category	Data Field	Format	Member 40	Measure	Numerator	Denominator	Ratio	Threshold	Points	Score	Notes
	Member ID	Alphanumeric									
	Member Last Name	Alphanumeric									
Pre-natal care	Was the patient identified as at Risk for Gestational Diabetes	1=YES; 0=NO;	1				135				
Pre-natal care	Did the patient receive gestational diabetes pre-screening testing	1=YES; 0=NO;		Pre-natal Gestational diabetes screening	91		135 0.6741		5	3.3704	Denominator: all patients (per providers); Numerator: sum of 1's (yes); Points: Achieve all points for ratio of 1 (all screened), receive points according to ratio (% screened times points)
Pre-natal care	Date of Gestational Diabetes Screening	MM/DD/YYYY									
Pre-natal care	Did patient participate in documented shared decision making discussion(s)	1=YES; 0=NO		Shared decision making	129		135 0.9556		5	4.7778	Denominator: all patients (per providers); Numerator: sum of 1's (yes); Points: Achieve all points for ratio of 1 (all screened), receive points according to ratio (% screened times points)
Pre-natal care	Date of shared decision making in patient record/patient refusal	MM/DD/YYYY									
Delivery care	Was the delivery an elective delivery	1=YES; 0=NO; N/A		% elective deliveries (of babies between 37 and 39 weeks)	0		55 0.0000	20%	15		Denominator: Babies >=37 and <39 weeks gestation; Numerator: sum of 1's; Points: Receive all points for 0 elective deliveries, receive points according to inverse of 15.000ratio (number not elective) on a scale within the threshold of 0% = 15 points and >20% = 0 points
Delivery care	Was the delivery a c-section	1=YES; 0=NO; N/A			1						
Delivery care	If C-Section delivery, was the delivery a primary c-section	1=YES; 0=NO; N/A		Primary c-section rate	17		135 0.1259	20%	13	4.8148	Denominator: All patients; Numerator: sum of 1's; Points: Receive all points for 0 primary c-sections, receive points according to inverse of ratio (number not primary c-section-- includes vaginal deliveries and c-sections (not primary)) on a scale of 0% = 13 points and >20% = 0 points.
Delivery care	Patient at risk for pre term delivery?	1= YES; 0=NO			0						
Delivery care	Intrapartum antibiotic prop. For GBS and/or Ante steriods	1=YES; 0=NO; N/A	N/A	% of patients receiving antibiotic prophylaxis	24		28 0.8571		5	4.2857	Denominator: patients "eligible" to receive antibiotics (not N/A); Numerator: sum of 1's; Points: receive all points for 100% compliance, receive points according to ratio (% with antibiotics times points)
Delivery care	Obstetric Trauma: with Instrument	1= YES; 0=NO	N/A	Obstetric trauma with instrument	0		2 0.0000	10%	5	5.0000	Denominator: vaginal deliveres with instrument; numerator: sum of 1's; Points: Achieve all points for no trauma; receive points according to inverse of ratio. On a scale of 0% = 5 points to >10% = 0 points.
Delivery care	Obstetric Trauma: without Instrument	1= YES; 0=NO		Obstetric trauma without instrument	1		88 0.0114	10%	7	6.2045	Denominator: vaginal deliveres without instrument; numerator: sum of 1's; Points: Achieve all points for no trauma; receive points according to inverse of ratio. On a scale of 0% = 7 points to >10% = 0 points.

Patient Reported Outcome Measures

- PROMs and how they differ from Patient Satisfaction Surveys was first discussion

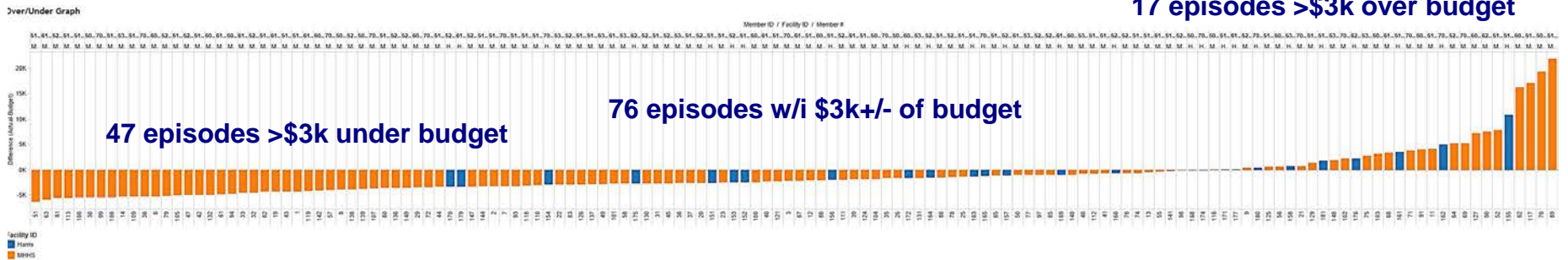
How was the food in the hospital or how long did you wait for your appointment in the physician office?

VS.

Were you given enough time to ask questions during office visits or do you feel you were involved enough in decisions about your care?

- Modified Childbirth Connection PROM Survey
 - Birth Information
 - Prenatal Care
 - Birth Experience
 - Postpartum Care

Distribution of Costs Over/Under Budget for Q1



Key Year 1 Takeaway

- Nursery level determination may be less objective than previously thought and may not be best indicator of ultimate cost
 - Significant differences in level distribution across providers and over time
 - Correlations of LBW and/or preterm with nursery level is uneven
 - Birth defects can be costly but are not necessarily dealt with in Level 4 nursery.
- Recommendation: to protect both provider (from extreme outlier episodes) and plan (from arbitrary placement), keep all babies in but use stop loss aimed at true outliers

Devil in the Details

Year 1

- Upside only

Year 2

- Downside risk added using quality metrics set based on year 1 scorecard benchmarks

Year 3 and beyond

- Move away from current contractual payments to flat dollar payments with periodic reconciliation

Year 2 Draft Risk Sharing

% Share in Loss (over budget)	Change in Score (PPT)	% Share in Gain (under budget)
... 0.50	... -0.20	... 0.0
0.45	-0.05	0.35
0.44	-0.04	0.37
0.43	-0.03	0.39
0.42	-0.02	0.41
0.41	-0.01	0.43
0.40	0	0.45
0.39	0.01	0.47
0.38	0.02	0.49
0.37	0.03	0.51
0.36	0.04	0.53
0.35	0.05	0.55
... 0.25	... 0.20	... 0.75

Scalability

- No other bundle comes close to Maternity bundle for our Medicaid line of business
- 40,000 Marketplace lives in 2015 – only now getting enough data to see where opportunities lie
- What other alternative payment plans make sense for us?

Questions & Answers

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