Comprehensive ESRD Care (CEC) Model

Welcome to Today's Webinar

Overview of the CEC Alignment, Finance, and Quality Methodologies

We will begin promptly at 4 PM EST

Dial-in: 1-800-832-0736

Meeting Room: *6291628#

Note: All attendee phone lines are muted to prevent audio feedback.

June 29, 2016 4-5 PM EST

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

Overview of the CEC Alignment, Finance, and Quality Methodologies

Center for Medicare & Medicaid Innovation (CMMI)

Centers for Medicare & Medicaid Services (CMS)

U.S. Department of Health and Human Services (HHS)

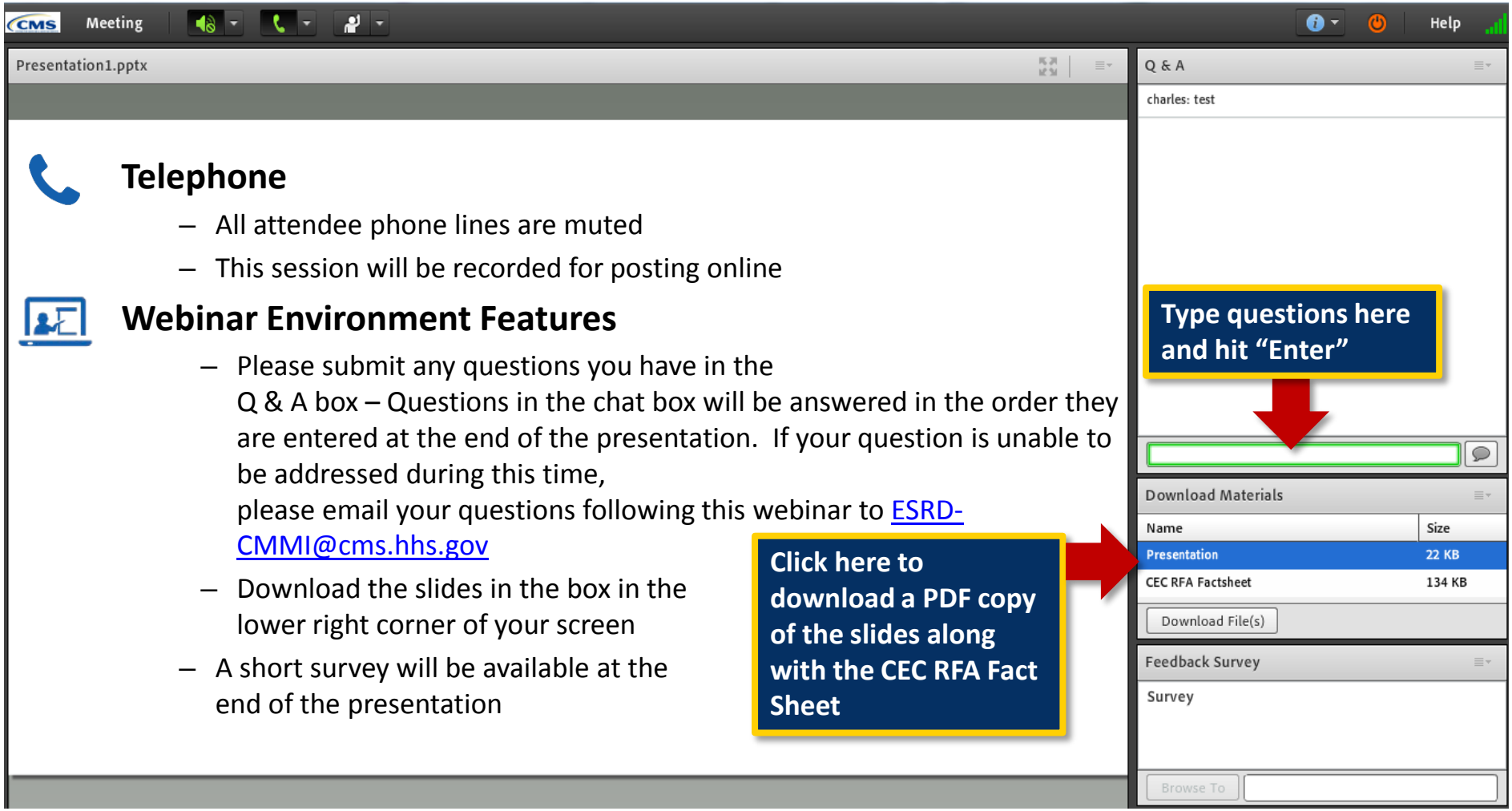
June 29, 2016

Disclaimer

The comments made on this call are offered only for general informational and educational purposes. As always, the agency's positions on matters may be subject to change. CMS's comments are not offered as, and do not constitute legal advice or legal opinions, and no statement made on this call will preclude the agency and/or its law enforcement partners from enforcing any and all applicable laws, rules and regulations. ACOs are responsible for ensuring that their actions fully comply with applicable laws, rules and regulations, and we encourage you to consult with your own legal counsel to ensure such compliance.

Furthermore, to the extent that we may seek to gather facts and information from you during this call, we intend to gather your individual input. CMS is not seeking group advice.

Tips for a Successful Event



Agenda for Today's Discussion

Overview of CEC Alignment Methodology

– Q&A

Overview of CEC Financial Methodology

– Q&A

Overview of CEC Quality Methodology

– Q&A

Our Experts from the Innovation Center

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CEC Alignment Methodology

What is Beneficiary Alignment?

Beneficiary alignment includes:

- Identifying beneficiaries eligible for the CEC Model
- Aligning eligible beneficiaries to ESCOs
- Identifying reference group beneficiaries
- Transmitting beneficiary alignment information to ESCOs

Eligibility Criteria

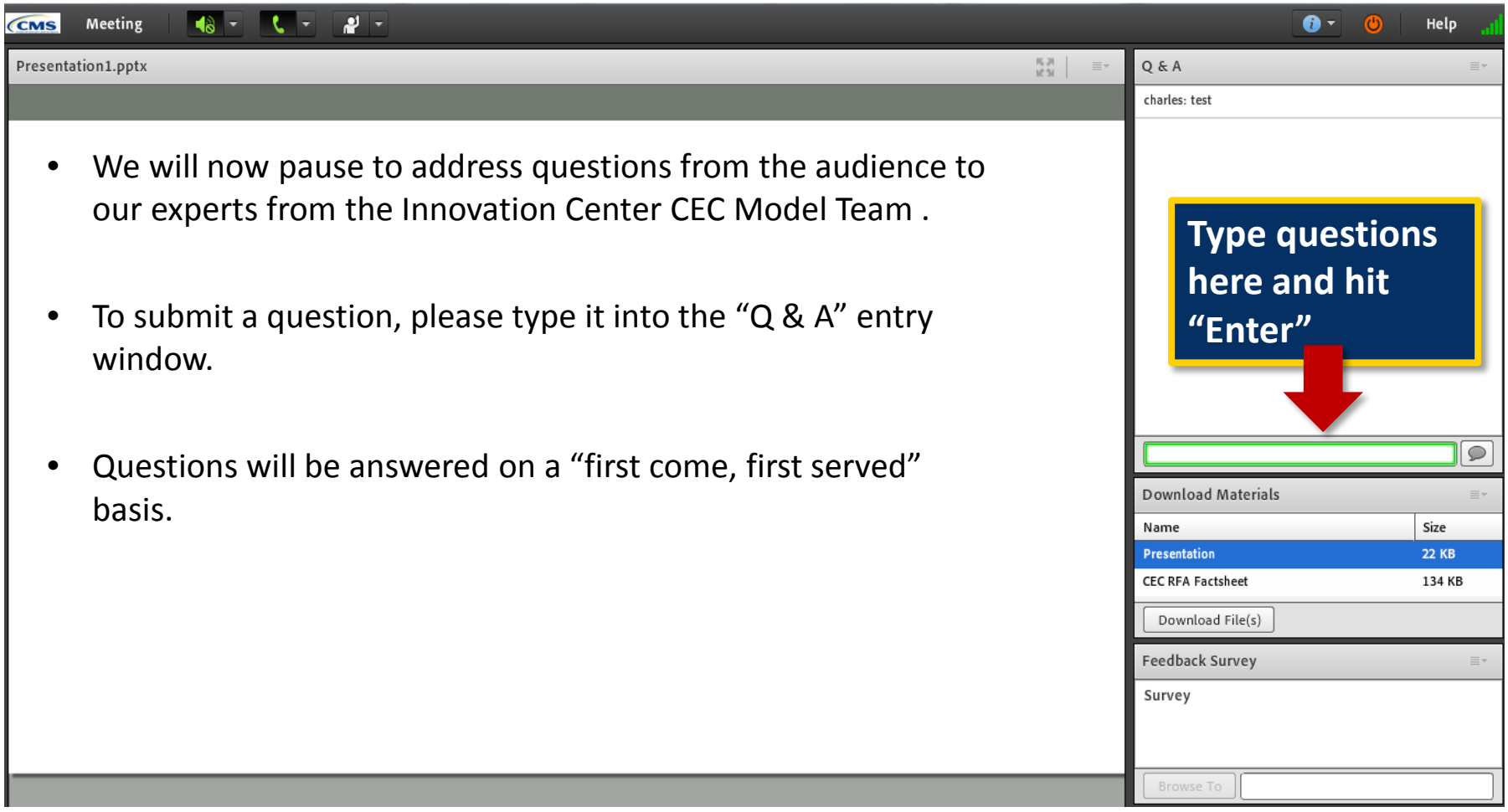
- **Central role of dialysis providers**
  - Align to an ESCO based on 72x claims
- **Accountability for aligned beneficiaries and patient centeredness**
  - "First touch" prospective alignment
  - One visit to an ESCO dialysis facility means a beneficiary is aligned for the rest of the year
- **Eligibility criteria**
  - Beneficiary must be enrolled in Medicare FFS (both Parts A and B)
  - Medicare must be primary payer
  - No Medicare Advantage
  - No transplant in the previous twelve months
  - Over 18
  - Residence in the United States
  - Not enrolled in another CMS shared savings program

CEC gets alignment priority at the start of the year over other ACO models, but beneficiaries in Managed Care Duals Models are excluded from CEC

Key Points on Alignment

- **The alignment algorithm is designed to be as accurate as possible, by only holding ESCOs accountable for beneficiaries who visit their dialysis clinics**
- **Alignment through the dialysis facility does not necessarily align with nephrology practice**
  - Try to bring in nephrologists who see the patients at your clinics
- **Alignment criteria means that a significant fraction of beneficiaries in your clinics will not be aligned to your ESCO**
  - Especially significant for beneficiaries transitioning onto Medicare during first 90 days
- **Alignment list grows during the year**
  - At the end of the year, CMS removes beneficiaries who have moved, died, undergone transplant, or who have not visited an ESCO clinic
  - Only the final list is used for financial reconciliation

Question and Answer Session



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- To submit a question, please type it into the "Q & A" entry window.
- Questions will be answered on a "first come, first served" basis.

CEC Financial Methodology

Goals of the Financial Methodology

1. Calculate aligned beneficiaries' actual expenditures during a given performance year

2. Calculate benchmark using expenditures of beneficiaries aligned to the ESCO in historical period and trending forward to performance year

3. Calculate shared savings or shared losses

Three Risk Tracks

- **Large Dialysis Organizations (200 or more dialysis facilities, following USRDS definition)**
  - Two-sided risk
  - Financial guarantee required
  - May select a variable MSR/MLR of between 1-2% (inclusive) at the start of each performance year

- **Non-Large Dialysis Organizations (fewer than 200 dialysis facilities, following USRDS definition) – Two-Sided Track**
  - Two-sided risk
  - Financial guarantee required
  - Performance is aggregated with other two-sided Non-LDOs if beneficiary alignment numbers are too low or if ESCO elects to have its beneficiaries grouped in an Aggregation Pool
  - May select a variable MSR/MLR of up to 1-2% at the start of each performance year

- **Non-Large Dialysis Organizations (fewer than 200 dialysis facilities, following USRDS definition) – One-Sided Track**
  - One-sided risk
  - No downside, so financial guarantee is not required
  - Performance is aggregated with other one-sided Non-LDOs if beneficiary alignment numbers are too low or if ESCO elects to have its beneficiaries grouped in an Aggregation Pool
  - Minimum savings rate is based off of the number of beneficiaries in the ESCO or aggregation pool

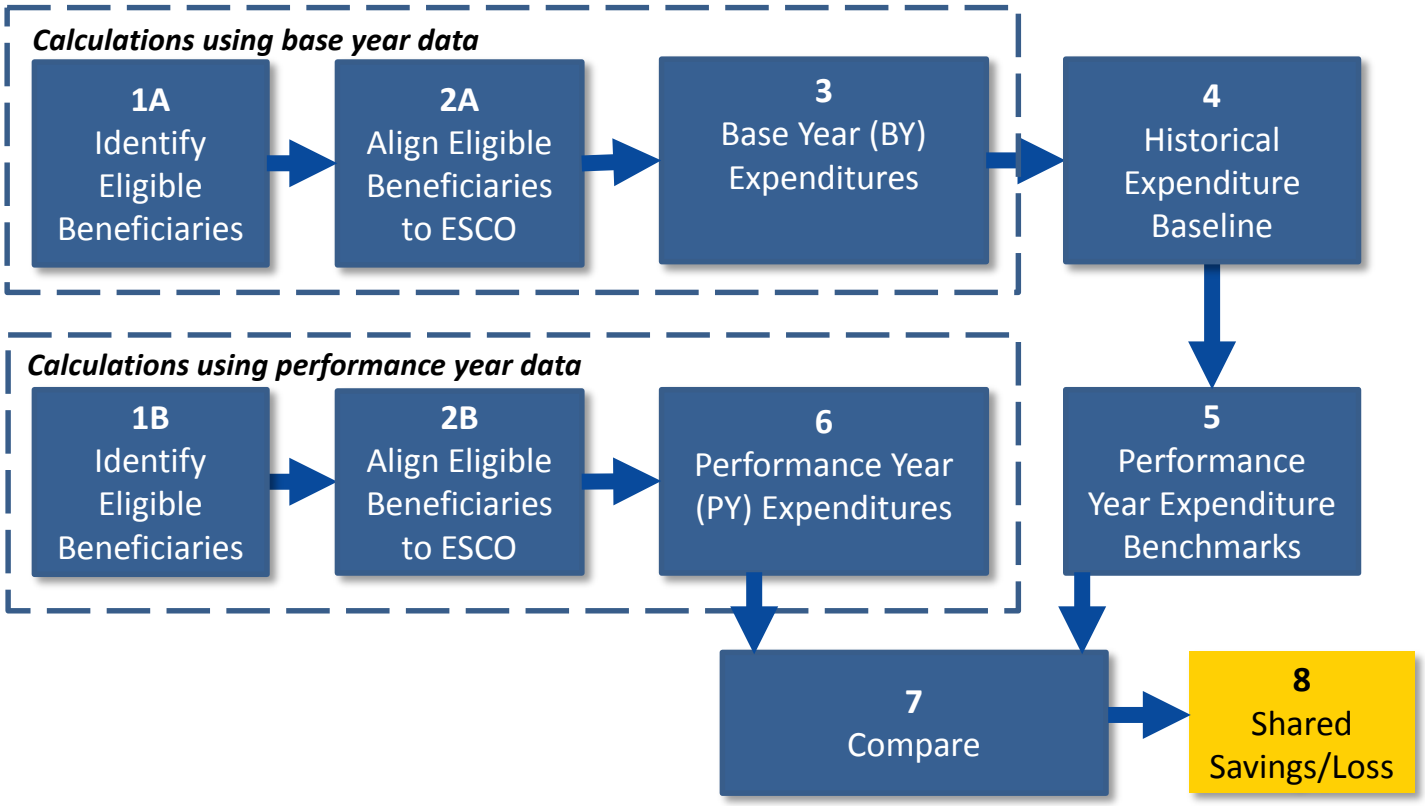
ESCO Financial Responsibility

- **ESRD Seamless Care Organizations (ESCOs) are accountable for their *aligned beneficiaries' Medicare Parts A and B care,* regardless of where that care is delivered**
  - Does not include Part D costs or costs from other payers including Medicaid

- **Shared savings if aligned beneficiaries' expenditures are below benchmark outside the MSR (minimum savings rate)**

- **If in two-sided risk, shared losses if beneficiaries' expenditures are above benchmark outside the MLR (minimum loss rate)**

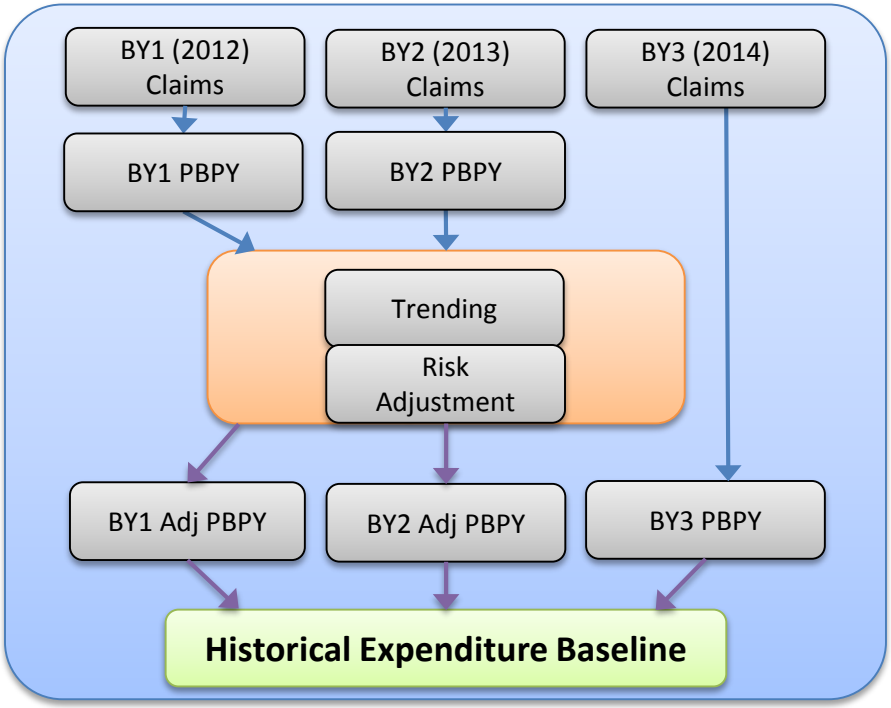
Overview of Financial Methodology



Key Features of CEC Financial Methodology

- **Historical Expenditure Baseline**
- Performance Year (PY) Expenditure Benchmark
- Comparing PY Expenditures to PY Benchmark
- Determining ESCO Shared Savings/Losses
  - LDO
    - Discount
  - Non LDO
    - Aggregation

Historical Expenditure Baseline



Calculations are performed separately for five eligibility categories:

- Aged dual
- Aged non-dual
- Disabled dual
- Disabled non-dual
- ESRD only

Adjustments to BY1 and BY2 Per Bene Per Year (PBPY) Expenditures

Trending: Multiply BY1 and BY2 PBPY by the growth rate in the national ESRD population's per capita expenditures

Risk adjustment: Multiply BY1 and BY2 PBPY by the growth rate in the aligned population's HCC or demographic risk scores

Key Features of CEC Financial Methodology

- Historical Expenditure Baseline

- **Performance Year (PY) Expenditure Benchmark**

- Comparing PY Expenditures to PY Benchmark

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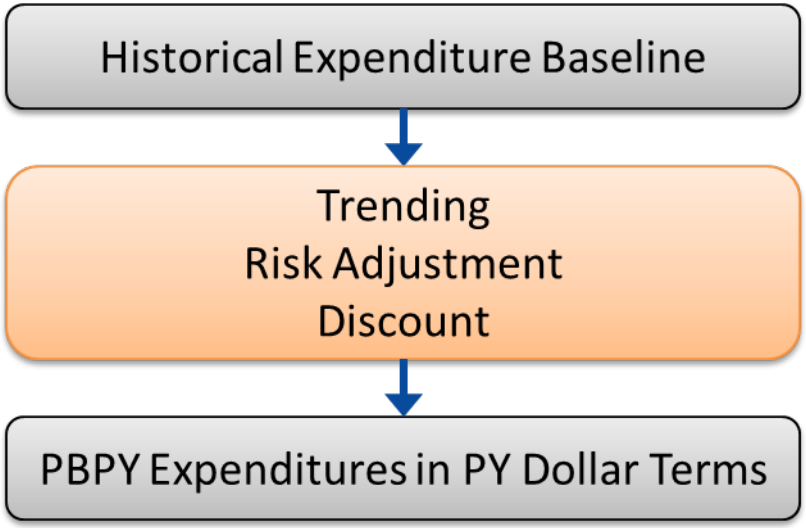
Performance Year Expenditure Benchmarks



This produces eligibility category PY benchmark expenditures.

Calculate total PY expenditure benchmarks by aggregating across eligibility categories, accounting for differing beneficiary-years in each of them

Final Benchmark will not be known until the end of the year when the correct risk adjustment and trending factors can be applied

Key Features of CEC Financial Methodology

- Historical Expenditure Baseline
- Performance Year (PY) Expenditure Benchmark
- **Comparing PY Expenditures to PY Benchmark**
- Determining ESCO Shared Savings/Losses
  - LDO
    - Discount
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Comparing PY Expenditures to PY Benchmark: Determining ESCO Shared Savings/Losses

Gross Savings/Losses =

total expenditure benchmark

– total PY expenditures

- If result is > 0, the ESCO is eligible for shared savings
- If result is < 0, the ESCO is eligible for shared losses

- **Shared Savings/Losses:**
  - Must satisfy Minimum Savings Rate (MSR)/Minimum Loss Rate (MLR)
  - Savings/Loss multiplier accounts for quality performance and adjusts accordingly
  - Savings/Loss cap applied

CEC's Financial Methodology Differs for LDOs vs. Non LDOs

	LDOs	Non LDOs (2-Sided Risk)	Non LDOs (1-Sided Risk)
MSR/MLR	+/-1% threshold for first-dollar shared savings or losses (option for higher threshold of up to +/- 2% if desired)	+/-1% threshold for first-dollar shared savings or losses (option for higher threshold of up to +/- 2% if desired)	4.75% MSR for first-dollar shared savings at 350 beneficiaries, decreasing to 4% at 500 beneficiaries, decreasing to 2% as number of beneficiaries increase to 2,000
Discount	Applied (PY2 – 1%, PY3 – 2%, PY4+ - 3%)	Not applied	Not applied
Shared Savings / Shared Loss Percentages	After locking in guaranteed discounts, 75%	50%	75%
Shared Savings/Loss Cap	Shared Savings/Loss Cap 10% to 15% depending on the PY	Shared Savings/Loss Cap 10% to 15% depending on the PY	Shared Savings Cap is 5% for all PYs
Rebasing	No rebasing	No rebasing	No rebasing

Aggregation

- **For Non-LDOs only**: **Process of combining financial performance to likely increase reliability of financial results and possibly reduce the Minimum Savings Rate:**
  - for non-LDOs who may not meet the 350 beneficiary threshold (required)
  - for non-LDOs that voluntarily opt to aggregate (optional)

- **Aggregated benchmark and aggregated PY expenditure figures are based on PBPY expenditures for all ESCOs that have their beneficiaries grouped in a particular aggregation pool**

- **CMS will determine makeup of aggregation pools based on number of non-LDOs in each risk track**
  - ESCOs may share preferences with CMS, but the makeup of the pools will be at CMS discretion

Types of Performance Year Financial Reports

- Baseline Report
- Monthly Expenditure and Claims Lag Reports
- Claims and Claim Line Feed (CCLF)
- Quarterly Expenditure Reports
- Reconciliation Report

General Caveats for Expenditure Reports

- Mid-year reports annualize partial years of expenditures
- Mid-year reports use trending based on a partial year of alignment eligible (i.e., reference) population expenditures
- Alignment reconciliation and exclusions occurs at the end of the year
- Only the final expenditure report at the end of the year will provide a comprehensive view of all relevant adjustments, including expenditure capping

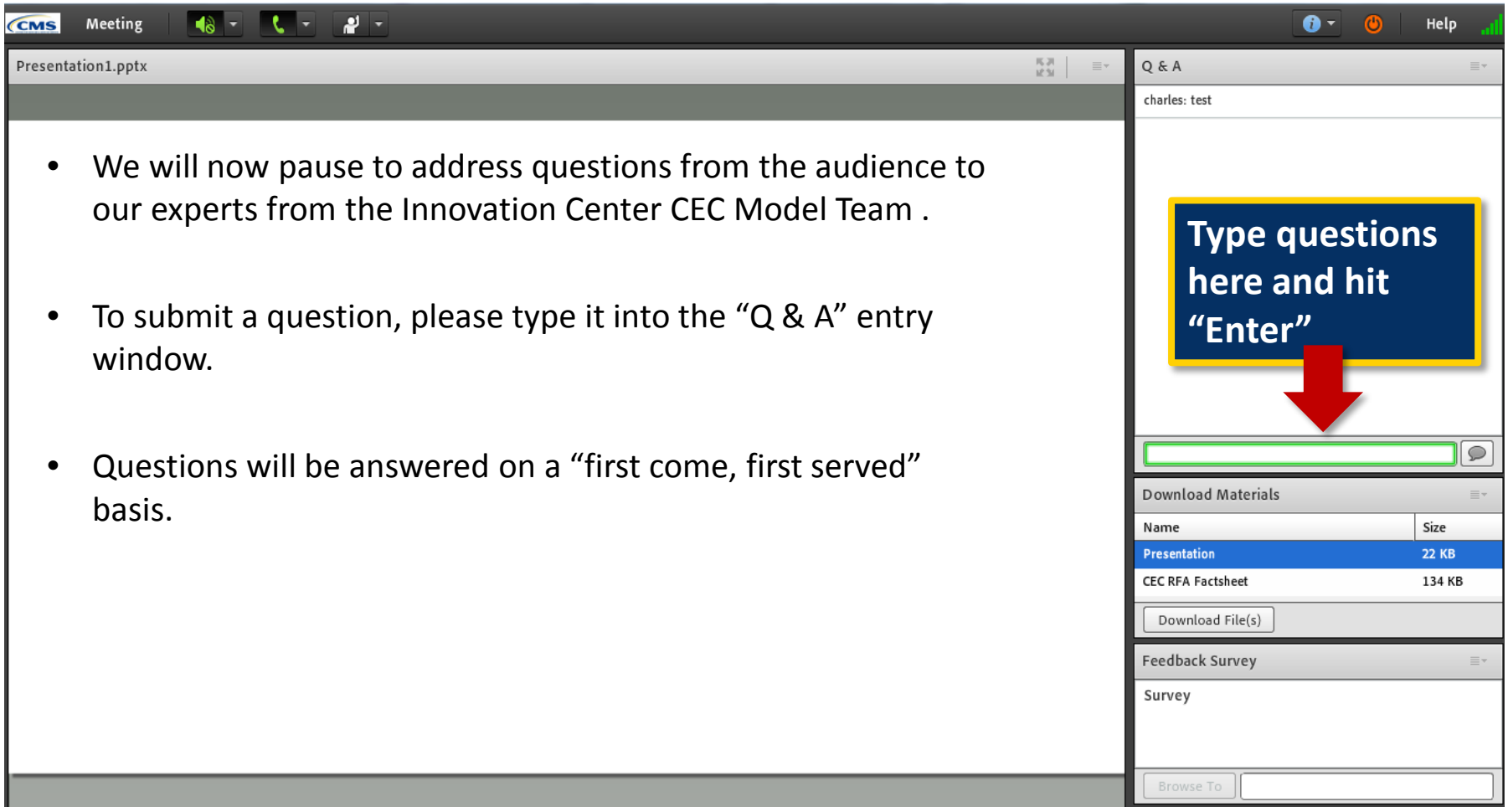
Key Takeaways

- **CMS strives for accuracy over prospectivity in the CEC model**
  - Interim finance reports are meant to provide a general idea of ESCO performance
  - Final expenditure figures and adjustments will occur at the end of the PY
  - Final benchmark will not be known at the end of the year

- **Alignment and Finance are inherently linked**
  - Won't know final costs or benchmark until after alignment reconciliation is performed
  - Any change in makeup of beneficiaries in baseline years or performance years will change savings/losses

- **CMS values partnership and transparency**
  - We understand the risk that you are taking
  - The CEC Finance Team seeks to provide clear communication and the tools necessary for understanding financial figures and the utility of the reports

Question and Answer Session



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CEC Quality Methodology

CEC Quality Strategy

- **Encourages ESCOs to meet clinical care standards, provide patient-centered care and coordinate care across settings**

- **Incentivizes quality performance against national benchmarks and year-to-year improvement whereby ESCOs receive the higher of the two scores.**

- **Create a financial incentive to perform well on quality by using the quality score to adjust savings/losses**

- **Phase-in pay for performance**
  - PY2 FOR NEW ESCOS ONLY: Pay for reporting for all measures
  - PY2 and beyond: Pay for performance for all measures

- **Utilizes a set of process, clinical outcome and patient experience/quality of life quality measures that align with the priorities of the National Quality Strategy (NQS)**
  - Patient Safety (4 measures)
  - Person- and Caregiver-Centered Experience and Outcomes (2 measures)
  - Communication and Care Coordination (2 measures)
  - Clinical Quality of Care (8 measures)
  - Population HealthCare (3 measures)

CEC Quality Measure Selection

- **Multi-Step selection process**
  - List of candidate measures
  - CEC Measure Evaluation Technical Expert Panel
  - Public comment
  - Measure feasibility research
  - Input from:
    - CMS Quality Measures Task Force
    - Medicare-Medicaid Coordination Office
    - NQF-organized MAP Dual Eligible Beneficiaries Workgroup
  - ➢ CMS determined final CEC Quality Measure Set

- **Opportunities for updates based upon ESCO feedback and CMS priorities in advance of each PY**

CEC Quality Measures

Measure Title	NQF #	Measure Steward	Domain
Diabetes Care: Eye Exam	0055	NCQA	Clinical Quality of Care
Diabetes Care: Foot Exam	0056	NCQA	Clinical Quality of Care
Advance Care Plan	Adapted from 0326	NCQA	Person- and Caregiver-Centered Experience and Outcomes
Medication Reconciliation Post-Discharge	0554	NCQA	Communication and Care Coordination
Influenza Immunization for the ESRD Population	Adapted from 0226	KCQA	Population Health
Pneumococcal Vaccination Status	Adapted from 0043	NCQA	Population Health
Screening for Clinical Depression and Follow-Up Plan	Adapted from 0418	CMS	Population Health
Tobacco Use: Screening and Cessation Intervention	Adapted from 0028	AMA PCPI	Population Health
Falls: Screening, Risk Assessment and Plan of Care to Prevent Future Falls	Adapted from 0101	NCQA	Patient Safety

- Data Source: Hybrid – Claims and Medical Records
- Measures that read "Adapted from …" in the "NQF #" column are those with changes from existing specifications such as expanded age ranges (e.g., 18 and older instead of 65 and older) or alternate data sources from the NQF-endorsed measure
- Measures with an age stratification (e.g., 18 and older instead of all ages) are not considered adaptations from the NQF-endorsed measures

CEC Quality Measures (Continued)

Measure Title	NQF #	Measure Steward	Domain
Kidney Disease Quality of Life (KDQOL) Survey	N/A	RAND	Person- and Caregiver-Centered Experience and Outcomes
ICH CAHPS: Nephrologists' Communication and Caring	0258	AHRQ	Person- and Caregiver-Centered Experience and Outcomes
ICH CAHPS: Quality of Dialysis Center Care and Operations	0258	AHRQ	Person- and Caregiver-Centered Experience and Outcomes
ICH CAHPS: Providing Information to Patients	0258	AHRQ	Person- and Caregiver-Centered Experience and Outcomes
ICH CAHPS: Rating of Kidney Doctors	0258	AHRQ	Person- and Caregiver-Centered Experience and Outcomes
ICH CAHPS: Rating of Dialysis Center Staff	0258	AHRQ	Person- and Caregiver-Centered Experience and Outcomes
ICH CAHPS: Rating of Dialysis Center	0258	AHRQ	Person- and Caregiver-Centered Experience and Outcomes

- Data Source: Survey

CEC Quality Measures (Continued)

Measure Title	NQF #	Measure Steward	Domain
Bloodstream Infection in Hemodialysis Outpatients	1460	CDC	Patient Safety
Hemodialysis Adequacy: Minimum Delivered Hemodialysis Dose	0249	CMS	Clinical Quality of Care
Proportion of Patients with Hypercalcemia	1454	CMS	Clinical Quality of Care
Peritoneal Dialysis Adequacy: Delivered Dose of Peritoneal Dialysis Above Minimum	0318	CMS	Clinical Quality of Care
Hemodialysis Vascular Access: Maximizing Placement of Arterial Venous Fistula	0257	CMS	Clinical Quality of Care
Hemodialysis Vascular Access: Minimizing Use of Catheters as Chronic Dialysis Access	0256	CMS	Clinical Quality of Care
Standardized Mortality Ratio	0369	CMS	Patient Safety
Standardized Hospitalization Ratio for Admissions	1463	CMS	Communication and Care Coordination
Standardized Readmission Ratio	2496	CMS	Communication and Care Coordination

- Data Source: Dialysis Facility Measure Results
- The ESRD QIP generates measures results from Medicare claims, the Consolidated Renal Operations in a Web-Enabled Network (CROWNWeb), and the National Healthcare Safety Network (NHSN)

CEC Quality Performance Score

Performance Scale	Quality Points Earned	Improvement Scale
90+ percentile national performance	2.0	Not applicable
75+ percentile national performance	1.5	Greater than 10%
50+ percentile national performance	1.0	Greater than 5% up to 10%
30-49 percentile national performance	0.5	Up to 5%
<30 percentile national performance	No points	Less than or equal to previous year's rate

- **Performance Year 2: New ESCOs will receive 2 points for each measure completely and accurately reported**
  - ESCO meets all reporting requirements including timing and reporting requested data for all measures
- **Performance Year 3: All ESCOs will earn points on a sliding scale, based on either**
  - Performance compared to national benchmark
  - Improvement from previous year's results
  - ESCOs earn the higher of two scores
- **ESCOs must maintain the minimum QIP TPS threshold to qualify for shared savings**

CEC Total Quality Score

- **CEC Total Quality Score (TQS) will be derived by adding the individual measure scores for all required measures**
  - Each measure's score will be derived by determining the quality and improvement points, and multiplying the higher of the two by the measure weight. The sum of the individual measure scores will be used to calculate the ESCO TQS
  - ESCOs that do not meet the minimum level for a given measure will get zero points for that particular measure. Under improvement scoring, ESCOs receive points for the percentage improvement from the previous year's results

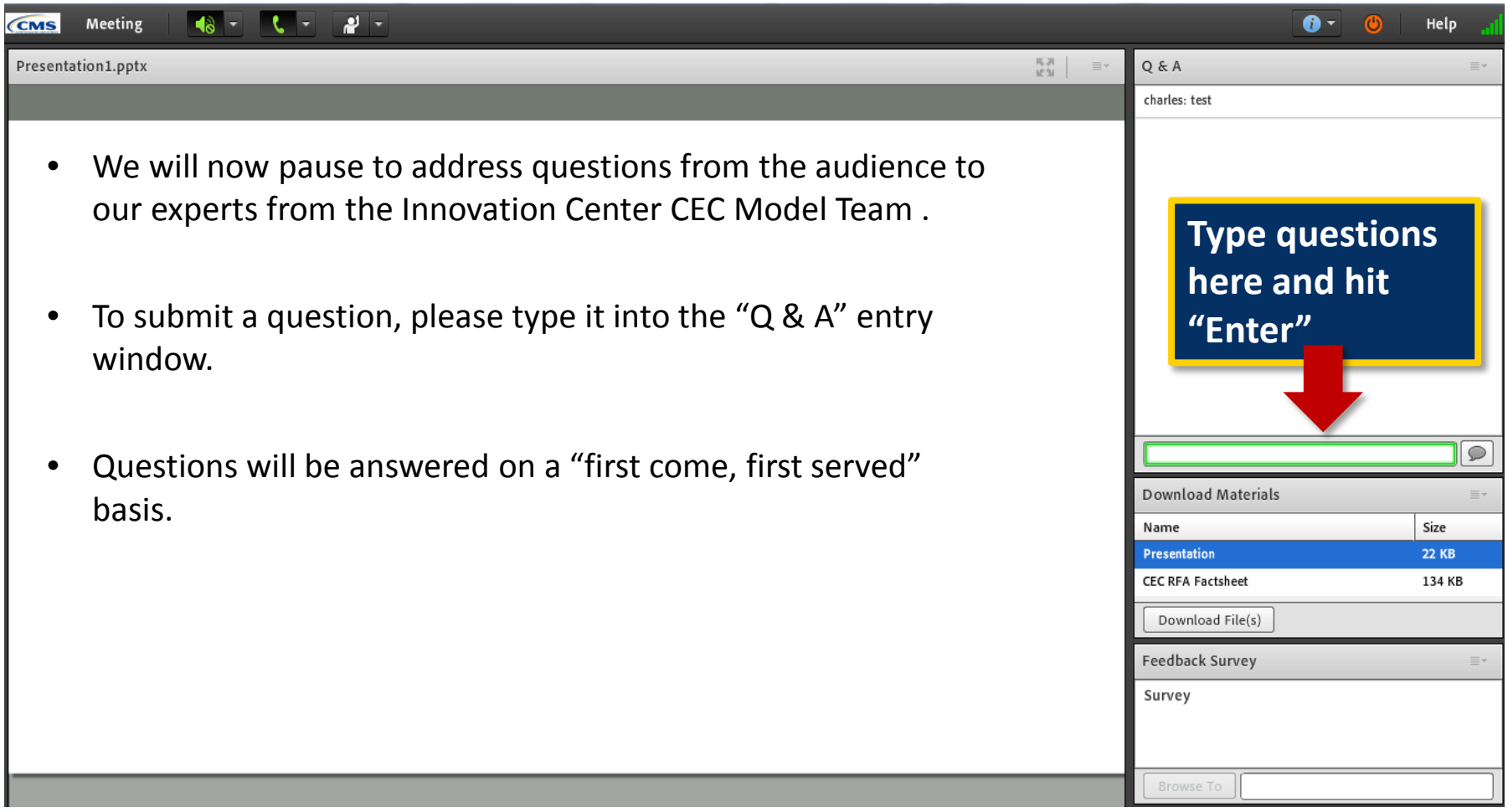
- **CEC Operations Contractor will develop annual TQS reports for each ESCO**

- **Total quality score will then be used to adjust shared savings or losses**

Kidney Disease Quality of Life (KDQoL) Survey

- **36-item questionnaire developed by the RAND Corporation to measure**
  - Physical and mental well-being
  - Burden of kidney disease
  - Treatment-associated symptoms and problems
  - Effect of kidney disease on daily life
- **7 questions about dialysis modality and personal situation**
- **CMS is currently considering options for analyzing and scoring the KDQOL survey measure beginning in 2018**
- **CMS has administered the survey to ESCO-aligned beneficiaries in 2016**
- **A survey to the full census of aligned beneficiaries is planned for early 2017**
- **A final approach will be determined after reviewing 2016 and 2017 data**

Question and Answer Session



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Upcoming Learning Events

- **Webinar:** ***Clinical Providers and the CEC Model***
  - July 7 (6 – 7 pm ET)

- **Office Hours:** ***Application Questions & Support***
  - July 6 (1 – 2 pm ET)
  - July 12 (3 – 4 pm ET)
  - July 14 (12 – 1 pm ET)

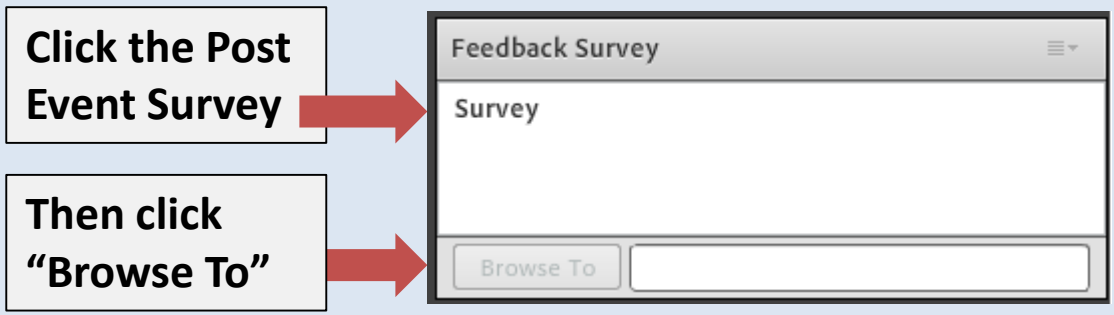
** Registration links for the above webinars, as well as the link to connect to office hours during the above times will be emailed to the email address you used to register for this webinar.*

Thank You for Participating in Today's Learning Event!

- The recording, transcript and slides from today's event will be available on the CMMI website: https://innovation.cms.gov/initiatives/comprehensive-esrd-care/
- Also visit the CEC model website to access model-specific details, including, recordings and slides from previous learning events, a copy of the updated RFA and the new RFA fact sheet

We appreciate your feedback on this webinar! Please complete a brief survey by either clicking this link: https://www.surveymonkey.com/r/CECJun29

Or, use the Survey Pod that is on your screen:



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For future questions pertaining to today's event or regarding the CEC model, please email: *ESRD-CMMI@cms.hhs.gov*. Thank you!