How Does Participation in MA Risk-Based Contracts Create Synergies for Success in CMMI New Advanced Payment Models?

Better Medicare Advantage Summit 2019
Speakers

• Jennifer Jackman (Moderator), Vice President, Business Development, America’s Physician Groups

• Clive Fields, MD, President, Village Family Practice & Co-Founder and Chief Medical Officer, VillageMD

• Mark Foulke, Executive Vice President, Transformational Value-Based Care, Privia Health

• Don Rebhun, MD, Regional Medical Director, HealthCare Partners Inc.
America’s Physician Groups (APG)

• Leading professional association of physician groups and health systems with decades of experience in risk-based, coordinated care

• Representing over 300 medical groups, IPAs, and integrated health systems across the nation

• Our members receive advocacy, education and leadership opportunities and information key to managing in a risk-based environment
New Primary Care Centered Models

**Primary Care First (PCF)**
- PCF General
- PCF Seriously Ill Population (SIP)
- PCF General & PCF SIP

**Direct Contracting**
- Professional
- Global (Primary Care or Total Cost of Care)
- Geographic
Primary Care First

• Eligibility Criteria and Beneficiary Alignment
  – 26 Regions for 2020 – intend to expand (CPC+ cannot participate until 2021)
  – Groups must provide care to minimum of 125 attributed Medicare Beneficiaries per location
  – Primary care services must count for 75% or greater of practice revenue for Eligible PCPs
  – Beneficiaries are attributed based on Primary Care visits but can also opt to be assigned to an ACO
Payment Model

• Population Based Payment (PBP)
  – Risk Adjusted $24 - $175 PBPM
• Flat Fee for Primary Care Visits
  – ~$50 + copay regardless of E & M code
    • Will adjust up for SIP population
• Performance-Based Adjustment
  – Max upside 50% of revenue, downside 10% of revenue
  – Based on Acute Hospital Utilization (AHU) performance
  – Must exceed quality gate to be eligible for upside
  – Assessed and paid quarterly
Direct Contracting

• Eligibility Criteria
  – Submit non-binding LOI by 8/2/19
  – RFA out this fall with more details on:
    • Eligibility requirements
    • Payment methodology
    • Available benefit enhancements
    • Selection criteria

• Voluntary Alignment
## Payment Model Options

<table>
<thead>
<tr>
<th>Professional PBP</th>
<th>Global PBP</th>
<th>Geographic PBP (proposed)</th>
</tr>
</thead>
</table>

- **Professional PBP**
  - ACO structure with Participants and Preferred Providers defined at the TIN/NPI level
  - 50% shared savings/shared losses with CMS
  - Primary Care Capitation equal to 7% of total cost of care for enhanced primary care services

- **Global PBP**
  - ACO structure with Participants and Preferred Providers defined at the TIN/NPI level
  - 100% risk
  - Choice between Total Care Capitation or Primary Care Capitation

- **Geographic PBP (proposed)**
  - Would be open to entities interested in taking on regional risk and entering into arrangements with clinicians in the region
  - 100% risk
  - Would offer a choice between Full Financial Risk with FFS claims reconciliation and Total Care Capitation

Timeline for Professional/Global

August 2, 2019
- LOI (non binding) is available on CMMI website. LOI required in order to submit RFA

Summer/Fall 2019
- RFA due (Form not yet available)

Fall/Winter 2019
- Participants selected by CMMI

2020 January
- Performance Year 0 (Only available if new to Medicare FFS)

2021 January
- Performance Year 1 for applicants new to Medicare FFS
### At A Glance

**8 Existing Markets**

**9+ Emerging Markets**

**2,500+ Contracted PCPs**
(253% YoY Growth)

**~430k Total Value-Based Lives**

**$2.8B Total Medical Spend Under Management (“MSUM”)**

**~110k Attributed MA and Medicare FFS Lives**

#### Footprint

- **Existing market**
- **Emerging Market**
## QUADRANT VIEW OF VBC SUCCESS

### PANEL MANAGEMENT

<table>
<thead>
<tr>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>- 100% Medicare patients seen annually</td>
</tr>
<tr>
<td>- 100% MA patients seen by June 30th</td>
</tr>
<tr>
<td>- &gt;90% Commercial patients seen in last 24 months</td>
</tr>
<tr>
<td>- High-risk patients (Medicare and commercial) have average of ≥4 PCP visits/year</td>
</tr>
<tr>
<td>- Specific visit frequency goals for CHF, COPD, DM, and patients IDd for active care management (q 90 days to start)</td>
</tr>
</tbody>
</table>

### RISK CAPTURE

<table>
<thead>
<tr>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Achieve RAF within targeted range of max potential HCC score (based on known/suspect codes)</td>
</tr>
<tr>
<td>- AWV completion rates:</td>
</tr>
<tr>
<td>- 85% MA patients</td>
</tr>
<tr>
<td>- 75% MSSP patients</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operational Enablement KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Push dropped/suspect codes to pre-visit planning process for 100% of scheduled encounters</td>
</tr>
<tr>
<td>- Report weekly capture rate of IDd codes by provider</td>
</tr>
<tr>
<td>- Establish post-encounter review process in mature markets (including KPIs)</td>
</tr>
</tbody>
</table>

### UTILIZATION

<table>
<thead>
<tr>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>- YOY improvement by LOB in core utilization statistics and/or sustained below market performance</td>
</tr>
<tr>
<td>- ADK &lt; 180 (MA), &lt; 275 (MSSP), &lt; 50 (Comm)</td>
</tr>
<tr>
<td>- 30-day readmission (MC &lt; 12% ; Comm &lt; 8%)</td>
</tr>
<tr>
<td>- SNF LOS &lt;23d</td>
</tr>
<tr>
<td>- 100% f/u &gt;65 ED or Hospital in &lt; 30d (HR &lt; 14d)</td>
</tr>
<tr>
<td>- 100% f/u &lt;65 for HR, ACS admit, avoidable ED</td>
</tr>
<tr>
<td>- Active CM for top 5% Medicare and top 1-2% Commercial</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Village @ Home, home health engagement, site of service tactics</td>
</tr>
</tbody>
</table>

### QUALITY

<table>
<thead>
<tr>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>- ≥ 4 star performance for MA contracts</td>
</tr>
<tr>
<td>- &gt;85% achieved quality score for contracts with quality gates to achieve gainshare</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operational Enablement KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Push quality/ care gaps to pre-visit planning process for 100% of scheduled encounters</td>
</tr>
<tr>
<td>- Report weekly gap closure rate by provider</td>
</tr>
<tr>
<td>- Report number of visits to close gaps by patient</td>
</tr>
</tbody>
</table>
Significant Track Record of Success in Delivering High Quality Care While Reining in Costs Across Multiple Geographies and Products

(1) Performance compared to other in-market managed lives, not to the general market.
Note: Data reflective of composite performance across three established markets: Houston, Primaria, & New Hampshire.

Annual PCP Visit Completion Rate

<table>
<thead>
<tr>
<th></th>
<th>Medicare Advantage</th>
<th>Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td>97%</td>
<td>88%</td>
<td></td>
</tr>
</tbody>
</table>

% of Diabetics w/ an A1C < 8.0

<table>
<thead>
<tr>
<th></th>
<th>Target</th>
<th>VillageMD</th>
</tr>
</thead>
<tbody>
<tr>
<td>71%</td>
<td></td>
<td>80%</td>
</tr>
</tbody>
</table>

Inpatient Admits per 1,000 (% better than market)

<table>
<thead>
<tr>
<th></th>
<th>Medicare Advantage</th>
<th>Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 - 44%</td>
<td>2 - 14%</td>
<td></td>
</tr>
</tbody>
</table>

All information in this deck is confidential – property of VillageMD
Securing the Future of INDEPENDENT PROVIDERS
National physician organization meeting providers where they are to transform the healthcare delivery experience.
Growth
One of the Fastest Growing Independent Medical Groups in the U.S.

2,400+
Privia Health Providers

4X
HFMA MAP Award Winner For High Performance in Revenue Cycle 2015, 2016, 2017, 2018

$117M
Total Savings Generated in 2017

2.6M
Patients 615K Attributed Patients

98%
Privia Provider Renewal Rate
TRANSFORMATIONAL JOURNEY
Moving providers and the market to value

Practice Fundamentals
Stabilize the practice to create a successful base

Enhanced Experience
Upgrade the patient experience

Fundamentals of Value
Execute on the fundamentals of value-based care

Comprehensive Care
Greater responsibility for the totality of patient care

Advanced Clinical Model
Redesign practice to succeed in mature value models

PRIVIA CAPABILITIES | PROVIDER EXPECTATIONS | KEY METRICS
FFS – Quality/Documentation – Surplus Share Upside – Surplus Share at Risk – Professional Capitation – Total Capitation

Revenue Cycle
EHR/Tech Platform
Contracting
Alignment
Reporting

Patient Experience
Online Experience
Virtual Visits
Patient Outreach

Attribution Growth
Appropriate Documentation
Quality Focused
White Coat Management

Total Cost of Care
Referral Management
Care Management
Clinical Programs

Network Delegation
Inpatient Management
Risk Positioning
Our Journey

- **California**
  - 1993

- **Florida**
  - 2006

- **New**
  - 2012 DaVita Acquisition

- **Nevada**
  - 2015

- **Colorado**
  - 2016

- **Washington**
  - 2019
  - Optum acquisition closed
  - Divested NV
Delivering Care Across The Country

12,540 Team Members

1,890 Employed Clinicians

15,400 IPA Clinicians

1.6M+ Patients

As of Q1 2019 Quantitative and Enrolment Reports by DMG Finance/Analytics
Clinical North Star

Our Guiding Principles
Physician-led
Patient-centered
Clinically focused

Clinically Focused

Physician-Led

The Fundamentals
Quality
Patient Experience
Chronic Condition Management
Utilization Management

Triple Aim
+1
Individual Care
Population Health
Stewardship of Resource
Clinician Partnership

Patient-Centered
Patient & Family

High Risk Programs

Hospitalist Programs

Primary Care Specialists

Urgent Care

SNF Programs

Disease Mgmt Programs

24/7 Patient Support Center

Care Management

Invested in Patient Centered Care
Our Approach to Population Health Management

Value Based Health Care

- Focus on quality and appropriate level of care
- Use technology and data to address gaps of care
- Reduce unnecessary utilization
- Build trust and create value for patients
- Differentiate patient experience: online portal, 24 hour access, coordinated and team care
- Differentiate Physician experience: better tools, resources, and support

Value Based Health Care
Thank you!
Questions?