

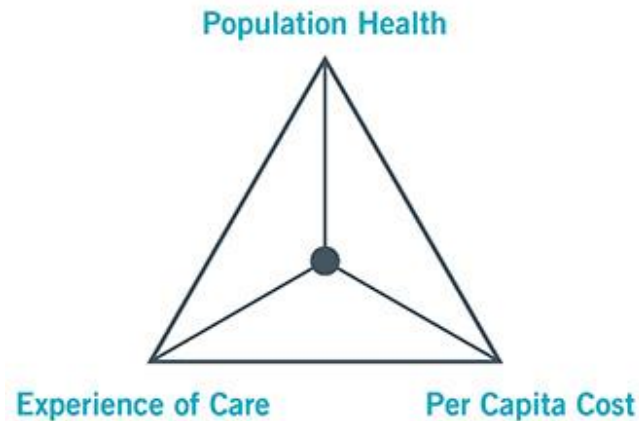


DEALING WITH DSRIP AND SHIP: PLAN APPROACHES TO PAYMENT REFORM

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President & CEO
MVP Health Care
November 19, 2015

What Are We Trying to Achieve?

The IHI Triple Aim



New York State Medicaid Value-based Goals

80% by 2019-20



Medicare Payments Tied to Quality or Value

85% by 2016



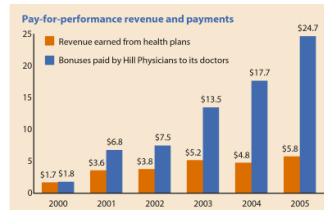
90% by 2018



National Results to Date

Pay for Performance

- Modest effect on quality
- Questionable patient-centered measures



Accountable Care Organizations

- 11 of 23 Pioneer ACOs saved \$
- Reduced increase by \$35.62MPM in 2012 & \$11.18 in 2013 compared to Medicare FFS

\$417 million

Combined savings in first 5 years by more than 400 Medicare ACOs participating in the Shared Savings Program and the Pioneer ACO Model.

Patient-Centered Medical Homes

- Improvement in patient & provider satisfaction
- Early evidence suggests quality improvement, but no savings yet



Bundled Payments

- Promising cost reductions
- Economic outcomes limited by number of bundles vs. cost per

Total Knee Replacement Surgery

Multiple Insurance Payments		Bundled Payment
1. Consultation	\$200	
2. Anesthesia	\$1,259	
3. Surgery	\$1,500	
4. Implants	\$4,500	
5. Physical Therapy	\$925	
6. OR, Recovery Rm, Hospital	\$16,000	
Total	\$26,384	

Guiding Principals

