Bundled Payments for Care Improvement Advanced (BPCI Advanced) Model Application Process Webcast Transcript

Welcome to the Bundled Payments for Care Improvement Advanced webcast in which we will focus on the model application process. Let's get started. We'll cover the following topics: timeline for model launch, who can apply and participate, various sections of the application and submission process, and, lastly, where to find answers to all your questions. Let's dive in.

BPCI Advanced is a new voluntary bundled payment model that will test bundled payments for clinical episodes. It will align incentives for reducing cost with those for improving coordination and quality of care to Medicare beneficiaries. The model has a single payment and risk track structure with a 90-day episode period. In addition to 29 inpatient clinical episodes, there are for the first time three outpatient clinical episodes as well. Because BPCI Advanced is an Advanced APM, payment under the model will be tied to performance on a number of quality measures. CMS will provide preliminary target prices in advanced of the performance period of each model year subject to adjustment for actual patient case mix, a key change from BPCI.

BPCI Advanced seeks to improve the quality of care furnished to Medicare beneficiaries and reduce costs by focusing on five areas. Care redesign, by supporting and encouraging participants, participating practitioners and episode initiators who are interested in continuously re-engineering care. Data analysis and feedback, to decrease the cost of each clinical episode by eliminating unnecessary or low value care, increasing care coordination and fostering quality improvement. Financial accountability, by developing and testing the payment model that creates extended financial accountability for the outcomes of improved quality and reduced spending in the context of acute and chronic clinical episodes. Healthcare provider engagement will create an environment that stimulates the rapid development of new evidence-based knowledge. Patient and caregiver engagement increase the likelihood of better health at lower cost through patient education and ongoing communication throughout the clinical episode.

Let's review the BPCI Advanced timeline. There are a number of steps that are required for participants to begin participation in the model. The selected participants will start on October 1, 2018. You will want to pay careful attention to the deadlines for each step of this process. The request for applications or RFA is available now on the CMS Innovation Center website. You will find the website address at the end of this presentation. Applications must be submitted via a web-based portal. The BPCI Advanced Application Portal opened on January 11 and will close on March 12, 2018. For detailed guidance on the application process, we encourage you to download the RFA. Between March and June 2018, CMS will review submitted applications. CMS plans to distribute target prices to applicants in May.

In June 2018, CMS will distribute participation agreements for applicants to review and sign. Prior to the go live date, CMS will execute participation agreements for those applicants that successfully completed the program integrity and law enforcement screenings. Applicants will have several weeks to review the agreements and target prices, decide on whether they want to participate and return the signed agreement to CMS by August. Applicants will have to submit a participant profile that identifies their clinical episode selections in August. A variety of required deliverables will have to be submitted by applicants 60 days before the start of the model also due in August. We'll provide more guidance on this topic and distribute the templates for the various deliverables well in advanced. The

selected participants will officially kick off on October 1, 2018. CMS will provide an additional application opportunity for model year 2020. The model is schedule to run until December 31, 2023.

I hope that by reviewing the timeline it will help you to better plan ahead for completing and submitting your application. Let's take a look at who can apply to become part of the BPCI Advanced model. CMS seeks participation in the model from healthcare providers who are already implementing care redesign under a bundled payment model, as well as with those eager to experiment with transforming their care delivery system from one reliant on Medicare fee-for-service or FFS to one that is more focused on efficiently optimizing outcomes of care.

The model is open to entities that are either Medicare-enrolled or not Medicare-enrolled providers or suppliers. We'll provide more details about the two types of participants later on in this webcast.

Throughout this webcast, you'll hear me talk about and/or refer to the applicant. Who exactly is the applicant? The applicant is the potential non-convener participant or convener participant. We'll define the different types of participants further in the presentation. CMS will seek applicants that demonstrate the ability to successfully participate in BPCI Advanced by working towards the goals we've mentioned at the beginning of the webcast.

At this point, I'm sure that you're beginning to wonder what CMS is looking for in their applicants. Is my organization a good fit for the model? What will be expected of us if we are accepted in the BPCI Advanced model? CMS is seeking applicants that intend to build upon the success of current and previous CMS models and private sector initiatives. There are some key considerations that will help all applicants become successful in the application process. First, applicants should have experience with cross provider care improvement efforts of this type. Second, the applicant has already begun to redesign care or is prepared to redesign care. Additionally, the applicant must be able to enter into a participation agreement with CMS that imposes financial and performance accountability for clinical episodes. Finally, the applicant must be capable of meeting or exceeding the threshold for quality measures reporting to be required under the BPCI Advanced model participation agreement.

There are multiple key partners that the applicant will be working with in this model and therefore does not stand alone such as participating practitioners who may be a physician or a non-physician practitioner, for example, a nurse practitioner, physician assistant, or physical therapist which are paid separately by Medicare for their professional services, episode initiators, which may be a physician group practice, or an acute care hospital.

Let's take a closer look at the two types of participants: convener participants and non-convener participants. Both participant types bear financial risks under the model. A convener participant is a type of participant that brings together multiple downstream entities, referred to as episode initiators. Convener participants facilitates coordination among its episode initiators and bears and apportions financial risks under the model. A non-convener participant is a participant that must itself be an episode initiator and, therefore, bears financial risk only for itself rather than on behalf of multiple downstream episode initiators.

One key difference between BPCI Advanced and BPCI is that there will be no facilitator conveners in the new model. All conveners will be required to sign participation agreements with CMS.

Now that you know the difference between a convener participant and a non-convener participant, let's take a more in depth look at who can participate in each category. The following entities may participate in BPCI Advanced as a non-convener participant: physician group practices and acute care hospitals.

Who can participate in BPCI Advanced as a convener participant? Eligible entities that are either Medicare-enrolled or not Medicare-enrolled providers or suppliers. Therefore, post-acute care providers may participate in BPCI Advanced as convener participants. Remember that convener participants must enter into agreements with downstream episode initiators that must be acute care hospitals and/or physician group practices.

Let's identify those specific organizations that are not eligible to participate in BPCI Advanced. Critical access hospitals are not subject to the inpatient prospective payment system or outpatient prospective payment system making it difficult to calculate target prices and leading to potential double payment by CMS. Also, PPS-exempt cancer hospitals, inpatient psychiatric facilities, hospitals in Maryland, hospitals participating in the Rural Community Hospital Demonstration and the hospitals in the Pennsylvania Rural Health Model are all excluded from the definition of an acute care hospital for purposes of BPCI Advanced. This is because of their unique payment methodologies and, thus, may not participate in the model in any capacity.

You might be wondering what an episode initiator is and how it relates to BPCI Advanced. An episode initiator is a Medicare provider that can trigger a clinical episode under BPCI Advanced. In this model, episode initiators are limited to physician group practices or acute care hospitals including those who were outpatient procedures included in the clinical episodes list are performed in hospital outpatient departments.

A participant's episode initiators cannot be changed until the next application opportunity in model year three in 2020. That means that episode initiators cannot be added or withdrawn during the 2019 model year. In addition, clinical episode selections cannot be changed either until 2020.

Because BPCI Advanced is an Advanced APM, eligible clinicians who meet the patient count or payment thresholds under the model may become qualified APM participants and be eligible to receive the 5% APM incentive payment. The first date for QP determination will be March 31, 2019.

For hospital participants, eligible clinicians who are employed by the hospital and NPRA sharing partners and are included on the financial arrangement screening list will be considered affiliated practitioners in the model and will be assessed individually for purposes of QP determinations. For PGP participants, eligible clinicians who have reassigned his or her rights to receive Medicare payments to a PGP participant and are included on the PGP list will be considered participants in the model and will be assessed as a group for purposes of QP determinations. For convener participants who will have hospitals and PGPS as episode initiators, the QP determinations for eligible physicians will happen as a group.

In order to avoid this action for hospital physicians, convener participants may choose to enter into separate agreements with CMS for hospital episode initiators and PGPs episode initiators. If a convener participant chooses to do this, they must submit separate applications to CMS.

While preparing to complete your application for BPCI Advanced, you may find it helpful to use the request for application as a reference. The RFA outlines the different elements of the model in detail and explains how the applications will be reviewed. You can download a copy of the RFA from the CMS Innovation Center website.

The application template and all required attachments are available for download at the CMS Innovation Center website. Since the actual submission of the application must be made via the BPCI Advanced Application Portal, we encourage you to work on the different sections of the application offline. At the beginning of the application process, you will receive an application ID number. You will need to use that number whenever you communicate with CMS regarding your application. Paper applications submitted via US Mail or email will not be accepted.

The application is divided into several sections. Each section will require you to answer a variety of questions relating to your organization and your plans for participation in the initiative. But, first, you must select what type of participant you would like to be. There are two types of participant to select from: non-convener participant or a convener participant.

BPCI Advanced is an Advanced APM. Therefore, to participate in this model, participants must use Certified Electronic Health Record Technology to document and communicate clinical care with patients and other healthcare professionals. For non-hospital participants, at least 50% of eligible clinicians in an entity must use the definition of certified health IT functions to participate in this initiative.

The second question on the application is will you be able to attest to the use of Certified Electronic Health Record Technology as described at the time that you would begin participating in this initiative?

The first section of the application, organization information, as you might expect ask for basic information about the applicant. As you are working through this section, please use the drop-down menus when applicable and complete all fields carefully. We are collecting certain data to better understand the characteristics of the pool of applicants. We want to know if you are a current or past awardee in BPCI. Please tell us your BPID and if you are currently or planning to participate in any other Medicare model or program.

There are two attachments that some applicants must complete. Convener applicants must download and populate the Participating Organizations attachment to provide information on all of their episode initiators. As a reminder, if selected to participate in BPCI, the episode initiators included on this attachment cannot be changed until 2020. Applicants who are PGPs and convener applicants that have PGPs as participating organizations must download and populate the PGP Practitioners List attachment. You must provide information on all physicians who are in the practice at any time during calendar years 2013, 2014, 2015, 2016 as well as in which hospitals you expect to trigger clinical episodes.

All attachments are available for download from the CMS Innovation Center website or from the application portal. If you download the template from the website and entered the required information, the completed document can be uploaded into the application portal. There is no requirement to use the template available within the application portal since they are identical.

In this section, you will be asked to develop an executive summary of the entire application. This will be a summary of the overall approach to redesigning care to maximize coordination and should cover the applicant's governing bodies oversight of participation in the initiative, key personnel assigned to the project and financial resources available to implement the initiative. As you answer this in the following questions, you will be asked to describe a single, universal approach for the applicant and their participating organizations as it applies to each question.

Let's move on to the next sections that will describes the applicant's plan regarding practitioner engagement and care improvement. Each question contains detailed guidance and is comprised of multiple components that must be included in your answer. In order to ensure practitioner engagement, describe your plan to educate and recruit participating practitioners and participating organizations to join your organization in the initiative. When developing your organization's plans for care redesign, be sure to address the following areas: evidence-based medicine, beneficiary and caregiver engagement, quality and coordination of care and care transitions.

In this section, you will be required to describe the proposed methodology for net payment reconciliation amount, NPRA sharing, among the participant and other organizations for sharing the gains from participating in the model. This used to be referred as gain sharing in BPCI. Describe prior or current experiences with any NPRA sharing or pay for performance initiatives. Describe how NPRA sharing will support care improvement and describe eligibility requirements for participating practitioners or participating organizations to participate in NPRA sharing. Keep in mind that there is a limit of 4,000 characters per answer.

In this section, you will be asked to answer questions that focus on quality improvement, quality assurance and beneficiary protections.

In the section regarding quality assurance, you will need to report any sanctions, investigations, probations or corrective action plans that the applicants, their participating practitioners and/or their participating organizations are currently undergoing or have undergone in the last five years. Additionally, applicants must report any outstanding debt to Medicare including the amount of the debt and the model or program to which the debt is attributed. If you have nothing to report, please select "not applicable."

If the applicant is selected to participate in the model, in addition to meeting the performance requirements for the applicable quality measures, the applicant must agree to accept some financial risk as participant in this initiative. Non-convener participants and convener participants must repay Medicare for expenditures that are above the clinical episode target price. In this section, you will describe any financial arrangements with participating organizations and participating practitioners to share or delegate the financial risk associated with the initiative. Prior to entering into a participation agreement with CMS, the applicant must provide proof of ability to bear risk. Convener participants who are not Medicare providers will be required to provide an irrevocable line of credit executable by CMS or a similarly enforceable mechanism as specified by CMS. After review of the applications, CMS will provide information regarding the amount of financial risk for which each participant would be accountable, as well as other details regarding this financial assurance. We encourage applicants to start soliciting guidance from a bank or other financial institution on the application processes and underwriting criteria for irrevocable letters of credit executable by CMS or other similarly enforceable mechanisms that could meet this requirement.

We're almost to the end. First, we will focus on organizational capabilities and readiness. Be prepared to answer: how does your participation in this initiative relate to your organization's overall strategic plan and what resources will be allocated to the implementation of the initiative? Second, we want to learn about past or current partnerships on care improvement and care redesign initiatives. Tell us about your organization's history with the participating organizations identified in the application and/or any partnerships with state Medicaid programs, private payers or multi-payer collaboratives.

CMS will provide preliminary target prices to applicants prior to the distribution of the participation agreements. In addition, CMS will provide the opportunity to request certain summary beneficiary claims data and line level beneficiary claims data to be described in greater detail on the data request and attestation or DRA form. In order to receive this data from CMS, applicants must submit a DRA form along with their completed application. The DRA template and further instructions can be downloaded from the CMS Innovation Center website. CMS expects to distribute preliminary target prices to applicants in May 2018. Applicants selected to participate in the model will need to complete another DRA form in order to continue to receive data as a participant.

The last section in the application is certification. An authorized CEO or senior executive of the applicant organization must certify that all the information and statements provided are true, complete and accurate. Since applications are going to be submitted via a web-based portal, digital signatures are acceptable.

Applications will only be accepted via the BPCI Advanced Application Portal. The application portal opened on January 11, 2018 and will close on March 12, 2018 at 11:59 p.m. Eastern Standard Time. Information about the next application opportunity for model year three 2020 will be posted on the CMS Innovation Center website in 2019.

Now that you have completed your application, you may be wondering how the applications will be reviewed. All applications will first be assessed to determine an applicant's eligibility to participate in this model based on the content of the application. In addition, CMS may deny an application on the basis of information found during the program integrity vetting and law enforcement screening process regarding the applicant and the proposed episode initiators, proposed participating practitioners, proposed participating organizations or any other relevant individuals or entities.

I hope that you found this webcast informative. If you have questions about this presentation or the application process, please contact the BPCI Advanced model team at bpciadvanced@cms.hhs.gov. We encourage you to visit the CMS Innovation Center website for additional information and educational resources plus updates on the model's timeline.

Thank you for taking the time to learn more about the new CMS bundled payment model. We would appreciate your feedback on this webcast and ask that you please complete a short survey. Click on the link to be taken directly to the survey. Have a great day.