

## TCPI APM Faculty Workshop: Specialists and Alternative Payment Models—the Business Case

Thursday, July 11<sup>th</sup>, 2019 2:00 PM to 3:00 PM EDT

[Recording](#)

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### Event Summary and Key Takeaways

The July 11<sup>th</sup> event, the third in a series of TCPI National Faculty-led Office Hours around Alternative Payment Models (APMs), discussed common specialist APM scenarios and outlined the business case for specialists to join APMs, and featured three panelists who spoke about their practices' involvement in APMs.

#### *Introduction*

Dr. Kirsten Meisinger, a TCPI Faculty member, opened the meeting by explaining the intent of the call and introducing two speakers, Dr. Carol Greenlee, TCPI Faculty Co-Chair, and Dr. Lisa Lewis, a TCPI Faculty member.

#### *Specialty Care Business Case for APMS*

Dr. Greenlee reviewed the business case for why specialty care practices should participate in an APM and discussed the opportunities and benefits available to specialty care practices through an APM. Dr. Greenlee explained that current volume-based payment models do not reward high performance in value-based care. She noted that TCPI encouraged practices to change their care delivery from volume-based to value-based in order to succeed in the new value-based payment models.

Dr. Greenlee then provided a case study on participation in the Merit-based Incentive Payment System (MIPS), a LAN Category 2 APM which rewards value over volume. Participating eligible clinicians can receive an upward adjustment in their Medicare fee-for-service (FFS) rate based on their MIPS performance score. Dr. Greenlee emphasized practices' potential to receive a 1.7 percent increase and avoid a seven percent decrease.

However, participation in an APM offers even greater rewards, including the potential for shared savings, additional financial rewards such as bonus payments, FFS adjustment, and per member per month (PMPM) payment, and reduction in MIPS “burden.” Current APM options available to specialty care practices include:

- End-Stage Renal Disease APM (ESCO)
- Oncology Care Model
- Bundled Payment
  - Bundled Payments for Care Improvement Advanced (BCPi Advanced)
  - Commercial Bundles

Dr. Greenlee mentioned if specialty practices cannot find an APM that works for them, they can continue participation in MIPS or reach out to commercial payers using their value proposition. Specialty care practices can also collaborate with primary care practices already in APMs to

increase their referrals. Lastly, Dr. Greenlee mentioned a new proposed medical neighborhood APM which combines specialty care APMs with primary care APMs.

### *Specialty Care Practice Participation in APM*

Cathy Higgins, CEO and CFO of BoulderCentre for Orthopedics & Spine, discussed her practice's participation in the Comprehensive Joint Replacement (CJR) and BPCI Advanced APMs. Ms. Higgins explained the importance of partnering with the correct convener, partnering with select post-acute care providers, identifying BPCI patients in advance, employing a care coordinator, and standardization. Ms. Higgins advised practices to choose to participate, analyze historical data along with current data, interview and evaluate at least three conveners, and facilitate physician buy-in.

### *Work with Payer to Design Specialty APM*

Dr. Lawrence Kosinski, founder and CMO of SonarMD, spoke about how his practice worked with a payer to design a specialty APM focused on gastroenterology. Dr. Kosinski's project began in 2012 as a result of his interest in moving away from dependence on procedural revenue and towards value-based care. Dr. Kosinski studied a data set from Blue Cross Blue Shield (BCBS) and concluded they spent \$40,000 per capita on procedures. Due to these findings, BCBS partnered with Dr. Kosinski to establish the first intensive medical home entered by a specialty group.

BCBS attributed patients to the practice, required the practice to pay a management fee and make appointments with each patient once a month, and provided them with quarterly claims data. They lowered the hospitalization costs by over 50 percent and lowered emergency room costs by over 70 percent. In order to spread this practice throughout Illinois and in their own practice, Dr. Kosinski founded SonarMD, which regularly connects with patients via their web platform, correlates their responses with symptom intensity, known as a Sonar Score, and organizes appointments between patients and their specialists when they need an intervention. Dr. Kosinski emphasized the importance of guaranteeing the payer savings upfront when engaging in a successful partnership with them.

Dr. Lewis reiterated how specialty practices can develop a value proposition for insurance companies. She emphasized the importance of communicating the uniqueness of the practice, detailing current activities which center on value-based care for patients, and outlining future goals to the payer.

### *Moving into a Medical Neighborhood*

Lastly, Dr. Donald Klitgaard, CEO of MedLink Advntage and President/Board Chair of Heartland Rural Physician Alliance spoke about his specialty practices' participation in Accountable Care Organizations (ACOs). Dr. Klitgaard stated specialty care practices who participate in an ACO receive a high MIPS score without the burden of reporting, which the ACO manages. Specialty care practices also gain access to quality data, which aids in better patient management. Dr. Klitgaard encouraged specialists to join APMs to prepare for proactive and population-based care. He also emphasized the importance of physician buy-in to actively

engage leaders in the work of both improving patients' care and developing sustainable business models.

*Reminders*

Dr. Meisinger informed the Community of Practice (CoP) of the [APM Virtual Toolkit](#) on the Healthcare Communities portal, which contains recordings, slides, and shared documents from the Faculty Office Hour events, in addition to other relevant materials.

*Closing Comments from CMS*

Dr. Paul Rosen provided final thoughts from CMS leadership. He noted while it is important that practices focus on developing successful business models, it is also important to restore the joy of practice and provide better care for patients. Dr. Rosen reflected on the event and thanked speakers for the knowledge and expertise they shared as it contributes to the legacy of TCPI.