

Community Health Access and Rural Transformation (CHART) Model

Office Hour Session: Community Transformation Track

The Centers for Medicare & Medicaid Services (CMS)
Innovation Center

October 27, 2020



Today's Speakers



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Agenda

This Office Hour session will address frequently asked questions on key topics of the CHART Model Community Transformation Track.

- 1 | CHART Model Review
- 2 | Application Timeline
- 3 | Eligibility
- 4 | Payment
- 5 | Benefit Enhancements
- 6 | Program Overlap
- 7 | Medicaid Participation

CHART Model Review

CHART Model Review

The **CHART Model** is a voluntary model that will test whether **aligned financial incentives, operational & regulatory flexibilities, and robust technical support** will help rural providers **transform care** on a broad scale.

The CHART Model consists of **two tracks** for rural communities to **implement Alternative Payment Models (APMs)** to improve access to high quality care and reduce costs:







Community Transformation Track

Communities receive **upfront funding, financial flexibilities** through a predictable capitated payment amount, and **operational flexibilities** through benefit enhancements and beneficiary engagement incentives.



ACO Transformation Track

Rural Accountable Care Organizations (ACOs) receive **advance shared savings payments** to participate in the Medicare Shared Savings Program (Shared Savings Program).

- Goals:
-  Improve access to care in rural areas
 -  Improve quality of care and health outcomes for rural beneficiaries
 -  Increase adoption of APMs among rural providers
 -  Improve rural provider financial sustainability

ACO Transformation Track: Request for Applications Upcoming Spring 2021 – Anticipate Awarding Up to 20 ACOs

Application Timeline

Application Timeline



CMS anticipates selecting up to 15 Award Recipients (Lead Organizations) for the Community Transformation Track.

———— **Milestone** ————— — **Approximate Date*** —

Community Transformation Track	
NOFO / Application portal opens[†]	September 15, 2020
Application deadline	February 16, 2021
Participant selection	June 2021
Pre-implementation period	July 2021 – June 2022
Performance periods	July 2022 – June 2028

The [NOFO](#) is available now on the [CHART Model website](#).

*Dates are subject to change.

†NOFO stands for Notice of Funding Opportunity.

Eligibility



Community

Lead Organization

Participant Hospital

Lead Organizations will be responsible for defining the parameters of their Community. Each Community must meet the following criteria:

1. Encompass **either** (a) a single county or census tract or (b) a set of contiguous or non-contiguous counties or census tracts. Each county or census tract must be classified as rural, as defined by the Federal Office of Rural Health Policy's list of eligible counties and census tracts used for its grant programs.*
2. At the time of application submission, include a **minimum of 10,000 Medicare fee-for-service (FFS) beneficiaries** whose primary residence is within the Community.

*Health Resources and Services Association. "List of Rural Counties And Designated Eligible Census Tracts in Metropolitan Counties." Available: [HRSA website link to tools](#)



Community



Lead Organization

Participant Hospital

A **Lead Organization** is a CHART Model award recipient under the Community Transformation Track. A potential Lead Organization must submit, as part of its application, documentation that demonstrates it meets each of the following requirements for selection:

1. A **presence in the Community** one year prior to the publication date of the NOFO. Examples of “presence” include advocating for (e.g. a representative organization), providing services to, or otherwise serving beneficiaries within the Community. While a physical presence in the Community is not required, a relationship with the Community is required.
2. Expertise in **rural health issues**, in particular specific diseases, health disparities, barriers to accessing care, policy, and other key factors that significantly influence health outcomes, particularly those prevalent in the Community.
3. Experience, either through direct management or through a partnership, in **designing and implementing APMs**.
4. Received and successfully managed one or several **health-related grant(s) or cooperative agreement(s) totaling at least \$500,000** over the last three years.
5. Experience in each of the following areas:
 - a. Engaging and maintaining **provider participation in APMs** or CMMI demonstration projects/models.
 - b. Establishing, modifying as needed, and maintaining **agreements between health care providers**.
 - c. Conducting outreach, developing, and managing relationships with **diverse health care-related stakeholders**.



Community

Lead Organization

 Participant Hospital

Lead Organizations will be expected to recruit Participant Hospitals for the Community Transformation Track. A **Participant Hospital**, identified by its CMS Certification Number (CCN), is an acute care hospital (defined as a “subsection (d) hospital” in section 1886(d)(1)(B) of the Act) or Critical Access Hospital (CAH) that either:

1. Is physically located within the Community and receives at least 20% of its Medicare FFS revenue from Eligible Hospital Services provided to residents of the Community;
- Or -
2. Is physically located inside or outside of the Community and is responsible for at least 20% of Medicare expenditures for Eligible Hospital Services provided to residents of the Community.

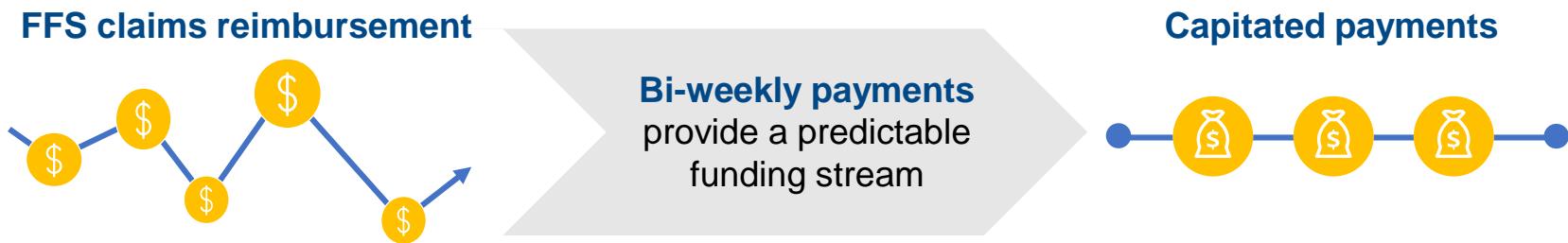
See the full requirements in section **A.4.4.2. Participant Hospitals** of the [NOFO](#).

Payment

Payment



CMS will replace Participant Hospitals' FFS claim reimbursement with bi-weekly payments that equal the annual capitated payment amount (CPA)* over the course of the Performance Period.



CMS will administer each Participant Hospital's CPA through **5 steps**:

1	2	3	4	5
Determine baseline revenue using historical expenditures	Apply prospective adjustments	Apply a discount	Apply mid-year adjustments	Apply end-of-year adjustments

*The CPA financial methodology is included in the [NOFO](#) for informational purposes only and may change at the CMS Innovation Center's sole discretion. The final CPA financial methodology will be detailed further in a time and manner to be specified by the CMS Innovation Center (see [Appendix XI. CPA Financial Methodology](#) in the [NOFO](#) for full methodology).

Benefit Enhancements

Benefit Enhancements



The CMS Innovation Center plans to offer benefit enhancements, which may include but are not limited to the Medicare waivers below.



Skilled Nursing Facility (SNF) 3-Day Rule Waiver
(Section 1861(i) of the Act)



Telehealth Expansion
(Section 1834(m) of the Act)



Care Management Home Visits
(Section 1835(a)(2)(A) of the Act)



Waiver of certain Medicare Hospital and/or CAH Conditions of Participation (CoPs)



CAH 96 Hour Certification Rule
(Section 1814(a)(8) of the Act and 42 C.F.R. §424.15).

Program Overlap

Program Overlap

The below addresses overlap that is allowed versus not allowed for both tracks.

Both Tracks



Track overlap: CMS will not allow the same entity to be both a Lead Organization in the Community Transformation Track and an ACO participating in the ACO Transformation Track.



State overlap: **Maryland, Vermont, and Pennsylvania** are currently testing state-wide, multi-payer Models: The Maryland Total Cost of Care Model, the Vermont All-Payer ACO Model, and the Pennsylvania Rural Health Model. **CHART will not accept applications for either track from communities or ACOs that propose implementation within these states**, unless...

- The performance period of the applicable state-based Model has ended;
- The performance period of the applicable state-based Model is anticipated to end prior to the start of CHART's Performance Period 1 (2022); or
- CMS and the state amend the applicable state agreement or CMS Participation Agreement, as necessary, to permit Lead Organizations in the relevant state to apply and to permit rural hospitals located within the state to participate in the CHART Model.

Program Overlap



The below addresses overlap that is allowed versus not allowed specific to the Community Transformation track.

Community Transformation Track



Participant Hospital Overlap: Subject to CMS approval, Participant Hospitals may simultaneously participate in the Community Transformation Track and other Medicare value-based programs, models or demonstrations.*

*If a Participant Hospital participates in a Medicare program, demonstration or model, CMS may, in its sole discretion, make adjustments to the Participant Hospital's CPA to avoid duplicative accounting of, and payment or penalties for, amounts received by the Participant Hospital under such Medicare program, demonstration, or model. See section **A.4.4.2. Participant Hospitals** of the [NOFO](#).

Medicaid Participation

Medicaid Participation



State Medicaid Agency (SMA) participation is **required under the Community Transformation Track.**

Role: If the Lead Organization is not the SMA, it must partner with the SMA to implement the CHART Model. The SMA must participate in the Advisory Council and serve as an Aligned Payer.

Application: As a component of the Community Transformation Track application, SMAs must submit a Memorandum of Understanding (MOU) with the potential Lead Organization.

Funding Flow: To ensure that the SMA has the capacity to carry out CHART's program requirements, the SMA must be a subrecipient of cooperative agreement funding.

Medicaid alignment may be achieved through alignment of Medicaid FFS, Medicaid managed care plans, or both. Lead Organizations, in collaboration with their SMA, will be required to meet the Medicaid participation targets to the right.



Performance Period	Medicaid Participation Target (% of each Participant Hospital's Medicaid revenue under a Capitated Payment Arrangement)
1	0%
2	50%
3	60%
4	75%
5	75%
6	75%

Open Q&A

CHART Model Open Q&A



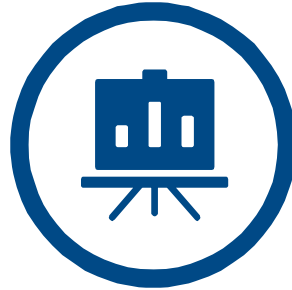
Open Q&A

Please **submit questions via the Q&A pod** to the right of your screen.

Specific questions about your organization can be submitted to
CHARTmodel@cms.hhs.gov

Not all questions submitted to the Q&A pod will be addressed during this time. Please look out for an updated FAQ document on the CHART Model website, which will be informed by questions submitted during today's session and questions sent to the CHART mailbox.

Audience Poll



What topics of the Community Transformation Track (or NOFO) would you like to learn more about?

- a) Eligibility
- b) Payment
- c) Benefit Enhancements
- d) Application
- e) Quality Measurement
- f) Program Overlap
- g) Medicaid Participation
- h) Other – please specify in the Q&A pod to the right

Additional Resources

Resources and Contact Info

For more information about the CHART Model and to stay up to date on upcoming model events:

Visit

<https://innovation.cms.gov/innovation-models/chart-model>

Follow

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Email

CHARTmodel@cms.hhs.gov

Listserv

[Sign up for the CHART Model listserv](#)

Coming Soon: **APPLICATION SUPPORT WEBINAR**