Value-Based Health Care Reimbursement Programs
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Introduction to Florida Blue Value-Based Health Care Programs

Florida Blue is the state’s leader in provider payment innovation.

Florida Blue is collaborating with physicians, hospitals and other health care providers to deliver innovative, new value-based programs that reimburse providers for keeping their patients healthy. Initial results show positive experiences for our members, such as increased quality scores, lower medical cost and improved patient satisfaction. This document provides you with an overview of Florida Blue’s value-based reimbursement programs. Value-based health care is consistent with the Florida Blue mission of helping people and communities achieve better health.

After this section you will find frequently asked questions as they relate to activities around Patient Centered Medical Home, Accountable Care Programs and Bundled Payments.

This guide will focus on the following six value-based health care programs:

1. The Patient Centered Medical Home (PCMH) & Comprehensive Primary Care Programs (CP2)
2. Performance-based Hospital Contracting
3. Blue Distinction Specialty Program(s)
4. Bundled Payments
5. Condition Specific and Population Based Accountable Care Organizations (ACOs)
6. Collaborative Care Model Medicare Advantage Program (CCM)

Florida Blue Patient Centered Medical Home (PCMH) & Comprehensive Primary Care (CP2) Programs:

Florida Blue members have access to the industry’s largest PCMH program in the state and nationally through the Blue Cross Blue Shield system of Plans. Our PCMH Program is recognizing and rewarding primary care physicians for delivering high quality care and excellent service to our members. PCMH physicians are accredited, or nationally recognized by a third-party PCMH program, or agree to obtain such status within two (2) years of joining the Florida Blue PCMH program. The program focuses on clinical quality, cost efficiencies and process improvements. Initial results show PCMH providers are more cost efficient than non PCMH providers with lower trend in key medical cost areas such as emergency room use. PCMH providers also scored higher in overall quality metrics than non participating PCMH physicians.

The PCMH primary care physician serves a pivotal role in care delivery, disease prevention, wellness and treatment plan compliance. In addition to extended office hours, the physician office must utilize an e-prescribing tool with decision support. Patients are cared for by a personal physician who leads a medical team that coordinates all aspects of patient’s care using...
the best available evidence and appropriate technology, offering patients convenience and optimal health.

Florida Blue continues to expand physicians' participation in the PCMH program. The participating physicians welcome the data, analytical tools and resources that Florida Blue provides in support of their patient needs and this strengthens Florida Blue relationships and builds loyalty. By becoming a collaborative partner with PCMH physicians, Florida Blue has realized improvements in streamlined processes such as provider access to online information (i.e., administrative processes, medical coverage guidelines, code editing) and educational events.

Florida Blue’s PCMH program is delivering savings, enhanced quality of life from health screenings for early diagnosis and treatment of cancer and other diseases, and improved coordination of health care services. Data and tools assist physicians in assuring members with one or more of the following chronic diseases receive the recommended services and preventive screenings:

- Diabetes
- Chronic Obstructive Pulmonary Disease (COPD)
- Coronary Artery Disease
- Asthma
- Congestive Heart Failure

Similar to PCMH, the Comprehensive Primary Care Program (CP2) is offered to family practice, internal medicine and pediatric physicians in groups of 15 physicians or less that do not want to obtain PCMH recognition at this time.

Florida Blue will continue to expand our PCMH Program across the state. Nationally, there are dozens of PCMH models through other Blue plans and the Blue Cross and Blue Shield Association (BCBSA) is currently working with all Blue plans to establish common measures and criteria across PCMH programs.

Blue plans have established more PCMH programs and touched more members in PCMH than all other health plans combined.

**Performance-Based Hospital Contracting:**

Florida Blue is rewarding hospitals for improving the quality of care and lowering costs for consumers. To date, more than 40 percent of the eligible Florida health systems have agreed to participate in pay for performance agreements. Within these arrangements, Florida Blue and hospitals work together to coordinate care for the patients they serve, and share in the measurement and tracking of performance metrics and track and analyze costs. Measurement tracking and improvements correspond to metrics such as reducing hospital-acquired infections, readmissions rates and ensuring evidence-based guidelines are followed for surgical care and
discharge management. These are just a few of the established metrics for collaborative measurement. Payment is aligned to quality performance and better management of costs through greater collaboration and coordination of all health services.

**Blue Distinction Specialty Program(s):**

The Blue Distinction Specialty program is a designation provided by the Blue Cross and Blue Shield Association (BCBSA) for certain providers who have sought the designation and have met the program criteria. Its focus is on high-volume, high-risk and high-cost specialty care, including: bariatric surgery, cardiac care, transplants, complex and rare cancers, knee and hip replacement, and spine surgery. The BCBSA worked with physicians and other health care organizations to develop a set of quality measures, which are designed to indicate the facilities that deliver quality and overall patient results. These measures include: patient outcomes, treatment expertise, procedure volume, and set structures and processes that support patients. This gives employees comfort in knowing that Blue Distinction is a reliable resource for finding specialty care.

**Bundled Payment:**

Bundled Payment arrangements are aimed at providing a predictable cost for certain procedures or patients in Florida. Florida Blue has contracted with Mobile Surgery International (Miami) for radical prostatectomy as well as Florida Orthopedic (Tampa) and The Mayo Clinic (Jacksonville) to create bundled payment agreements specific to orthopedic procedures. These bundled services are provided at one cost. Some of the primary procedures that may be in the bundled package include: all related surgical procedures; anesthesia services; injections or drugs administered during the surgical procedure, including antibiotics; radiology/imaging services; cost of the implant and surgical supplies; discharge planning and nursing care; and pre and post office visits. Bundled payment strategies are not a major focus for Florida Blue but will be implemented in areas where they make the most sense.

**Accountable Care Programs:**

Accountable Care Arrangements (ACOs) are collaborations between Florida Blue and providers in which providers agree to be accountable for a specific patient population. The programs are patient centric and are comprised of hospital systems, independent provider groups and/or multi-specialty groups. Florida Blue’s ACO goals are to improve member satisfaction, improve the health of populations and reduce costs. Our focus has been on identifying willing partners that can develop and execute a collaborative care enhancement program that can improve preventive care and chronic diseases while achieving a cost efficient strategy for their defined populations. Accountable care arrangements give providers an opportunity to receive payments for improving the overall patient experience through measured quality outcomes and a reduced medical cost. The sharing of the resultant savings aligns incentives for hospitals,
physicians and health plans to work together. Florida Blue has made significant investments in tools that analyze provider performance and review condition/procedure specific efficiencies. Our providers are measured against a variety of benchmarking tools and metrics that are publicly reported in the industry; we also use internal benchmarks and regional peer groups averages to monitor performance and measure success. We have invested in staffing resources dedicated to these ACOs such as practice transformation specialists, diabetic educators, nurse educators, care management nurses and compliance specialists. Our practice transformation tools support and focus providers on where they have cost savings opportunities and provide them with specific metrics and data that will aid them in identification of members at risk. In order to receive an incentive payment, the provider must achieve positive patient outcomes as reflected in their cost of care and meet quality and efficiency targets.

*Florida Blue current ACOs now include:

Cancer Care Programs:
- Baptist Health South Florida/Advanced Medical Specialties (Miami-Dade County)
- H. Lee Moffitt (Hillsborough County)

Population-Based Programs:
- Naples Community Hospital (Collier County)
- Holy Cross Physician Partners (Broward County)
- BayCare Physician Partners (Hillsborough, Pinellas, and Pasco Counties)
- Cleveland Clinic Weston (Broward County)
- Wuesthoff (Brevard County)
- Orlando Health Physician Partners (Lake, Orange, Osceola, and Seminole Counties)
- First Coast Health Alliance (Flagler, St. Johns, Putnam Counties)
- Memorial Health Network (Broward, Miami-Dade, Palm Beach Counties)
- Baptist Health Quality Network (Broward and Miami-Dade Counties)
- Physician Health Partners at Munroe Regional (Marion County)
- Advantage Health Network (Broward, Miami-Dade, and Palm Beach Counties)
- Baptist Health Care Corporation (Escambia, Okaloosa, and Santa Rosa Counties)
- University of Florida Health – Jacksonville (Duval, Clay, Nassau, and St. John’s Counties)
- Hospital Corporation of America North and Central (Duval, Alachua Counties)
- University of Florida Health – Gainesville (Alachua, Levy, Marion, Dixie, Columbia & Gilchrist Counties)
- Integrated Care of Sarasota (Sarasota and Manatee Counties)

*More than 10,000 providers are participating in these programs. Additional accountable care collaborative relationships throughout the state are targeted for completion by 2016.

Collaborative Care Model (CCM) Medicare Advantage Program:

The CCM Medicare Advantage Program uses a prospective, risk-adjusted revenue shared savings approach with an emphasis on addressing high-risk conditions. The program aligns
incentives between the payer, physician and patient. Information transparency is critical for effective management of this population and Florida Blue has incorporated this information through an online tool connected to physician offices. Physicians are moved from activity-based medicine to performing prevention and management of high-risk members. The CCM includes:

- Capitation for primary care
- Designated medical expense funding from revenue
- Shared savings with physicians/physician groups based on performance metrics
- Quarterly financial settlements based on results against performance metrics
- Technology for providing up-to-date member cost and utilization data through the Maestro/Lumeris TM online tool
- Education and training with an assigned Florida Blue representative
- Health risk assessment program
- Clinical care coordination programs

**Florida Surgical Care Initiative:**

The Florida Surgical Care Initiative (FSCI) was created by the American College of Surgeons (ACS) and the Florida Hospital Association (FHA), and supported in large part by a grant from Florida Blue. This initiative is aimed at helping Florida hospitals improve the quality of surgical care, prevent complications and reduce costs in a collaborative environment. The 2011 initiative was developed based on the ACS National Surgical Quality Improvement Program (NSQIP), a program that uses risk-adjusted, clinical, 30-day outcomes data to review and assess outcomes and complications related to surgical care. More than 67 hospitals throughout the state participated in the program, making it the largest statewide hospital collaborative utilizing NSQIP to focus on improving outcomes in key areas of surgical care. During the pilot period more than 50,000 surgical procedures occurred. The FSCI performed a post-operative occurrence report that compared two, seven-month periods of time (March 2011 through September 2011, compared with October 2011 through April 2012), and found the following improvements: surgical site infections—down 37 percent; wound disruptions (failure of the healing process)—down 31 percent; pulmonary embolisms (blockage in the lung)—down 35 percent; and total postoperative occurrences—down 11 percent. These dramatic improvements in quality outcomes have now led to an additional three-year commitment of support to the FSCI by all three organizations.
General Questions and Answers Regarding Patient Centered Medical Home (PCMH), Accountable Care Program and Bundled Payment

Q1. Why create value-based reimbursement programs?

Industry experts agree that current reimbursement models are fragmented and need to move away from traditional fee for service and toward value-based coordinated care. Florida Blue is committed to innovation and an alternative system of provider payment aimed at rewarding high quality, patient centered coordinated care that effectively collaborates with providers to slow the growth of rising health care costs. The Florida Blue transformation is underway and developing through delivery systems such as Patient Centered Medical Home and Accountable Care Programs.

The traditional fee for service payment model does not incent care plan development, coordination of care between specialties and facilities, or collaboration between patient, family and physicians. This often results in fragmented care. Movement to these patient centered models should result in better coordinated care with improved outcomes.

Patient Centered Medical Homes and Accountable Care Programs provide a foundation for collaborative and innovative relationships between facilities, physicians, and payers to improve patient outcomes.

Q2. How is Florida Blue creating a new health care delivery model?

Florida Blue has a long history of working collaboratively with our primary care physicians in quality and efficiency focused programs including our Recognizing Physician Excellence (RPE) program. This provided a foundation to launch the Patient Centered Medical Home in October of 2011. In order to achieve a broader level of provider collaboration, Florida Blue, hospitals and multi-specialty group physicians began developing Accountable Care Programs in 2012, with seven ACOs in place by the beginning of 2013. Florid Blue expanded the Accountable Care footprint to ten ACOs by the beginning of 2014 and looks to have three to five more by 2015.

Q3. Why does Florida Blue want our ASO clients to participate in value-based contracting arrangements?

Our clients expect us to develop and maintain contracts with a network of providers who will promote high-quality and affordable care. That is what our Florida Blue customers trust us to do every day. Our provider contracts outline the health care services that providers will deliver to our members and how we will pay them for those services. Value-based payment is one of the ways we compensate providers for their work.

This type of payment moves away from today’s traditional fee for service compensation model in which providers are paid based on the volume of services they deliver to a
model in which providers are paid based on the outcome and value of the services they deliver.

In response to clear customer feedback we moved in this direction. Based on the positive past results we have seen in the PCMH program and other pay for performance programs, we believe that paying providers based on health outcomes and the value they deliver is a better way to align incentives.

**Q4. What is a Patient Centered Medical Home (PCMH)?**

The Patient Centered Medical Home provides a foundation for accountable care. Florida Blue established the Patient Centered Medical Home program to promote better care coordination through increased investment in primary care. Within these primary care physician practices, Florida Blue pays physicians an incentive payment through their traditional fee schedule on a prospective basis after the physicians have met certain quality and efficiency performance metrics which have resulted in cost of care improvements.

These incentive payments are a form of compensation for the providers receiving them and have been included in their traditional fee schedule. In most cases, these payments actually replace fee schedule increases.

**Q5. How many practices are currently available in the Florida Blue Patient Centered Medical Home Program?**

At this time, Florida Blue has over 2,200 physicians in 230 groups representing over 644 provider locations. This translates into over 600,000 Florida Blue members currently being treated by Patient Centered Medical Home participating physicians. You may easily identify these practices on the Florida Blue Provider Online Directory or ask your Account Representative for a map outlining information about the Patient Centered Medical Home programs available throughout the state.

**Q6. What are the initial results of the Patient Centered Medical Home program?**

Florida Blue’s preliminary Patient Centered Medical Home results are favorable. Florida Blue members treated by Patient Centered Medical Home physicians have lower total medical costs on a risk adjusted basis. They also have better quality scores as they relate to obtaining preventive care services and management of chronic disease than members treated by Non- Patient Centered Medical Home practices. Our initial results show the Patient Centered Medical Home program has created a good foundation for value-based payment for performance around quality and efficiency metrics as measured on the PCMH performance scorecard.

To learn more about Florida Blue’s PCMH program, visit floridablue.com.
Q7. What are Accountable Care Programs?

Accountable Care Programs are collaborations between Florida Blue and providers in which providers agree to be accountable for a specific patient population. The programs are patient-centric and may be comprised of hospital systems, independent provider groups and/or multi-specialty groups. The design of the program allows providers to share in savings if quality metrics are met and financial targets are surpassed. Accountable Care Programs shift payments and incentives toward a reimbursement methodology that has substantial financial rewards to physicians and hospitals for keeping their members in good health. The goals are to improve member satisfaction, improve the health of a population and reduce cost.

Q8. Does Florida Blue currently have any Accountable Care Programs?

Yes, Florida Blue launched its first Accountable Care Program for cancer care in South Florida with Baptist Health South Florida and was one of the first of its kind in the country.

Throughout Florida, Florida Blue continues to collaborate with providers and has contracts in place with 19 Accountable Care Programs listed below. Additional integrated hospital/physician ACO’s will be rolled out in the future.

Accountable Care Organizations (ACO’s)
1. Baptist Miami/AMS (Oncology)
2. NCH Healthcare (Naples)
3. BayCare Physician Partners
4. Holy Cross Physician Partners
5. H. Lee Moffitt Cancer Center (Oncology)
6. Cleveland Clinic
7. Broward APO
8. Orlando Health Physician Partners
9. First Coast Health Alliance (Flagler Hospital)
10. Memorial Health Network (Memorial SFG)
11. Baptist Health Quality Network (Baptist Miami)
12. Physician Health Partners at Munroe Regional
13. Advantage Health Network (Tener)
14. Baptist Health Care Corporation (Pensacola)
15. University of Florida Health (Jacksonville)
16. University of Florida Health (Gainseville)
17. Hospital Corporation of America (Northeast Florida)
18. Integrated Care of Sarasota (SMH)
19. Florida Physicians Integrated Healthcare Network

Medicare Collaborative Care Models (CCM)
1. Blue Water Doctors
2. Bond & Stoakl Clinic
3. Diagnostic Clinic
4. Florida Medical Clinic
5. Gugler Clinic, PA
6. Gulf Coast CHS Management
7. Holy Cross Physician Partners
8. InterAmerican Medical Centers
9. Intercoastal Medical Group
10. Internal Medicine Associates
11. Martin Memorial Physician Corp
12. Melbourne CHS Management
13. Millennium Physician Group
14. North Broward Hospital District
15. Orlando Family Physicians
16. Osler CHS Management
17. PBC, Plus LLC
18. Physician Associates
19. Physician Trust MBO
20. Prime Health Physicians
21. Professional Health Choice
22. ProHealth MBO
23. Richard Hays
24. Rockledge CHS Management
25. Senior Medical Associates
26. South Florida MultiSpecialty
27. Total Medical Management
28. Shands and University of Florida Health Care Network (SUFFHNC)
29. My Medical Access
30. Mario Almeida Seoane, MD
31. St. Lucie Medical Specialists (HCA)
32. Ocala Health Primary Care (HCA)
33. West Florida Physician Network (HCA)
34. West Florida Primary Care
35. vHFMED IPA
36. Santa Rosa CHS Mgmt.
37. Lakeland Internal Medicine
38. Health Point Medical Group
39. Morton Plant Primary Care
40. SC Physicians
41. St. Anthony’s Primary Care
42. Baptist Health Quality Network

Medical Homes (PCMH, CPCP, & BPCP)
• >500 Physician groups
• >2,000 Physicians Participating PCPs

Bundled Payments
1. Mobile Surgical Services
2. Florida Ortho Institute
3. Mayo Clinic
4. Coastal Orthopedics and Sports Medicine

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Q9. **How are Accountable Care Programs different than the Patient Centered Medical Home?**

Patient Centered Medical Homes are comprised of only primary care physician practices. Accountable Care Programs often incorporate larger integrated delivery systems of physicians, hospitals and/or ancillary services working together to deliver care to a population.

Q10. **How is the reimbursement different than traditional fee for service?**

PCMH providers receive financial incentives in addition to their fee for service payment for meeting clinical quality metrics and for achieving positive patient outcomes as reflected in their cost of care.

Accountable Care Program providers receive incentive payments based upon a shared savings methodology. There will be an underlying fee schedule, with the ability to share in a bonus payment for meeting quality and cost efficiency targets. Currently, the accountable care program bears no risk for increased medical costs. In future years the incentive payments may evolve to a shared risk methodology.

Q11. **How are ACO shared savings incentive payments calculated?**

Florida Blue projects expected costs for an attributed population and establishes a financial target. This financial target is built using historical medical costs for the ACO’s attributed members and trends these costs forward. We then compare the actual costs incurred for the year with the financial targets.

If actual costs are less than the financial targets and the provider achieves mutually agreed upon quality metrics, then the provider becomes eligible to receive a portion of the savings, known as a shared savings incentive payment. If a provider does not meet the quality threshold, the provider is not entitled to any shared savings incentive payment, regardless of the savings generated.

Q12. **How does Florida Blue link members to ACO providers?**

Identifying a provider’s patient population is important for calculating shared savings. Florida Blue uses a method the industry calls “attribution”. Florida Blue uses one of two processes for attribution, depending on the type of plan in which the patient is enrolled:

- For products or plans that require PCP selection, such as Blue Care (HMO), patients will be attributed to the physician they select or who has been assigned for them.
- For products or plans that do not require PCP selection, such as Blue Options or Blue Choice, attribution is based on an algorithm that uses 12 months of claims data. Patients are attributed to the physician they’ve seen most frequently in the past year,
and in cases of a tie, priority will go to the physicians with the highest allowed amounts.

**Q13. What if a customer has a pharmacy carve-out?**

If a customer has a pharmacy carve-out, the financial targets are adjusted to reflect medical-only expenses. As a result, any shared savings bonus payments also excludes pharmacy spending.

**Q14. Are we changing the way we reimburse all providers?**

No, Florida Blue will collaborate and contract with providers and hospitals that are interested and have capable infrastructure to support reimbursement for quality based performance and total cost of care of a defined population.

**Q15. Are there financial concerns for providers in Accountable Care Programs?**

Initially, accountable care providers will participate in a shared savings reimbursement model, where there is no financial or downside risk. However, in order to receive an incentive payment the provider must meet quality and efficiency targets. Eventually, the model may evolve to a shared risk approach where providers would have some risk around total cost of care targets.

**Q16. Are other payors moving to alternative reimbursement programs?**

Yes, on a national level, most payors, including other Blue Plans and the Centers for Medicare and Medicaid Services, are developing Accountable Care Programs and Patient Centered Medical Homes across the country. Florida Blue is a leading innovator for these programs in the state of Florida.

**Q17. Is there a cost for such programs?**

Yes, employers will fund the incentive payments through the invoiced medical expenses on behalf of their group members utilizing providers in value-based programs. Here is a high level overview of the process:

1. Plan actuaries derive each program’s real-time savings for employees receiving care from value-based providers and apply a portion of the savings into the invoiced medical expense in order to fund provider shared savings incentive payments.
2. On a fixed time schedule defined in each provider program agreement, we determine if a shared savings payment is due per the contractual terms based upon quality and efficiency.
3. The funds are used to provide lump sum shared savings payments to providers.
4. Plan actuaries make ongoing adjustments to the invoiced medical expense amounts to reflect changes in program savings as well as incentive payments made.

Q18. If a self-funded client does not have any eligible members with participating ACO providers, does the client still have to pay?

No. The invoiced medical expense only applies for members receiving care from a value-based provider. Accordingly, if a self-funded client does not have any members that are receiving care from value-based program providers, they will not be charged.

Q19. Will the allowed amount change on the claim?

No, the allowed amount will not change. Value-based program costs shall not affect the employee’s cost share.

Q20. Will the value-based program costs be applied to all of my claims?

No, the invoiced medical expense only applies to employees utilizing providers in these value-based program arrangements.

Q21. Why do we apply charges prospectively?

We evaluated several options and determined the prospective approach was desirable because it accrues the liability based upon the members utilizing the accountable care program, it can be run through as a medical expense, and it is tied to the actual value-based provider and employee receiving care in the program.

Q22. How will cost savings from Accountable Care Programs be shared with employers?

As providers reach quality and cost efficiency targets, employer cost savings will be realized in real time as they incur a reduction in their health care medical costs. Florida Blue will not provide incentive payments unless physicians and facilities meet or exceed quality goals, and cost efficiency thresholds.

Q23. Are there any financial concerns for employers to participate in Accountable Care Programs?

There is no downside financial risk for employers to participate in these reimbursement programs since no employer-fund dollars will be paid to accountable care provider unless the following criteria are met:

1. Provider organization must meet clinical quality targets

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2. Once quality indicators are met, we then measure providers on the total cost compared to a customized target based on attributed member total cost of care compared to trend.

3. Provider organizations are rewarded if medical costs are less than contractually agreed upon targets. The reward is a portion of the savings on medical costs as shared savings.

4. The incentive is only paid if savings are achieved. There is no downside risk to employers.

In the event that a program payment results in an incentive pool surplus, we will apply employer funds as a credit in the medical expense invoices during the next measurement period.

**Q24. How will accountable care contracts affect my discounts?**

We anticipate minimal impact since underlying fee schedules provide the foundation for shared savings arrangements. We expect this reimbursement method to have a positive impact on total cost of care for the accountable population.

**Q25. What type of employer reporting will be available for Accountable Care Programs?**

Florida Blue expects to have employer templates in the upcoming months that we can share with our employer groups. Here are some of the categories that will be included in ACO Employer Reporting Package:

- Membership Participation
- Clinical Scorecard Performance of ACO Providers
- Provider Program Savings
- Financial Reporting on Incentive Charges

**Q26. What are episode-based or bundled payment arrangements?**

As Florida Blue strives to collaborate with providers we may enter into cost-savings alternative payment methods that are episode-based or bundled payment arrangements. This single payment incorporates all the services needed by a patient across multiple providers and settings for a given treatment or condition (episode of treatment). Bundled payments require providers to collaborate effectively and take some risk for the efficient and effective delivery of the bundled service. The typical arrangement is as follows:

- Florida Blue will be responsible for making a single, bundled payment for an entire episode of care or an agreed upon bundle of services to a primary provider. The primary provider is responsible for payment to other downstream providers that are rendering services in support of the episode.
- As the primary provider is paid a bundled amount, the other associated providers' claims will be processed as encounters, but not reimbursed due to payment included
in the payment to the primary provider. The member’s benefits and cost share that apply to the primary claim will apply on the single bundled payment amount. As the supporting downstream service claims are included in the bundled amount, the member’s benefits and cost share that typically apply to these services will not be applied.

- Episode-based arrangements allow the primary provider of care to have comprehensive oversight of the episode of treatment and present opportunity to shift or eliminate unnecessary services while maintaining quality protocols and efficacy of care.
- Providers are responsible to submit claims for all services rendered to our members to Florida Blue.

**Q27. How can a self-funded customer be assured that the provider group produced savings?**

Measuring value is the foundation of our shared savings model. A provider group cannot earn an incentive without generating savings for our customers. Our shared savings model ensures that each savings pool contains a sufficient number of attributed members to create statistical reliability, so in turn the performance that drives provider incentive payments is real savings and not a coincidence due to a small sample size. The shared savings target allows for inflation or trend factor each year and incorporates this concept into the calculation.

Providers are only eligible to earn a portion of the savings that exceed a specified target. Also, when calculating a provider’s share of any savings, the level of payment is impacted by the provider’s performance against both quality and financial targets.

**Q28. Will patient-centered primary care be available nationally or will each state ultimately have a different patient-centered care solution?**

Florida Blue’s goal is to design programs that meet the local market needs but at the same time have some standard common components across other Blue Cross and/or Blue Shield plans. Ultimately, each plan will design its own value-based reimbursement programs. However, those programs that are designated through the Blue Distinction Total Care program will share in 18 common program features such as reimbursement design, care coordination and member attribution. We expect the benefits of value-based programs to be available to our national customers outside of our Florida market starting in 2015.