CSB CASE STUDY BRIEF

Designing A Self-Funded Rewards Program to Engage Physicians in Risk Adjustment

Summit Medical Group's Approach

Domain: Financial Readiness
Competency: F19 Align care provider compensation and incentives with value-based performance measures

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BACKGROUND

In 2012, recognizing that approximately 4,000-5,000 of its 300,000 patients were aging into Medicare each year, Summit Medical Group's board decided to develop a more comprehensive clinical and financial strategy for managing its Medicare population. The strategy would focus on Medicare Advantage (MA) patients and would be Summit's first substantial step toward value-based payment. When educating physicians on the group's MA strategy, Summit leadership emphasized four elements: quality, expense, patient experience, and risk adjustment. To sensitize the physicians to the importance of risk adjustment, in 2015, Summit designed a one-year, pay-as-you-go Rewards & Engagement Program for physicians treating MA patients. The program rewarded providers for certain behaviors with bonus payments in the month immediately after the behavior was recognized. This brief details the creation of that program.

About Summit Medical Group

Summit Medical Group is a physician-owned and directed medical group with 349 providers, of which 165 are primary care physicians. With 47 primary care sites throughout 14 counties, the medical group is one of the largest primary care organizations in East Tennessee. Summit also includes four urgent care centers, a sleep lap, advanced imaging centers and a fully licensed laboratory.

Location: East Tennessee
Website: www.summitmedical.com
VBP Activity:

- MSSP ACO Track 1 from July 2012-Dec 2014 (~38k lives)
- Humana MA since Jan 2013 (~28k lives)
- Cigna/Healthspring MA since Jan 2013 (~2.4k lives)
- BCBST since Jan 2014 (~26k lives)
- United Dual Complete (DSNP) since Jan 2015 (~2.4k lives)
- Cigna since Jan 2016 (~26k lives)
- CPC+ since Jan 2017 (~12k lives)
- TennCare PCMH Medicaid (United Community, Blue Care & Amerigroup) since Jan 2017 (~19k lives)
- Humana since Jan 2018 (~8k lives)
- United since Jan 2018 (~19k lives)
- Next Generation ACO Model since Jan 2018 (~22k lives anticipated)

(60% of group's 300k active patients covered under some VBP arrangement)

APPROACH

Identifying the need to better educate and engage providers in accurate risk adjustment practices, Summit leadership formed a subcommittee to develop an incentive program. Members included physicians from the Managed Care Contracting Committee, the Decision Support Team, the Accounting Team, and the newly-formed Risk Adjustment Department within the Value-Based Care Division. Early on, the subcommittee established basic rules for developing program metrics, believing they should: 1) align incentives for contract success, 2) reward behaviors that positively impact the medical expense ratio, 3) be transparent, timely, credible, and quantifiable in provider-facing performance reports, 4) be fair (weighted by panel size or flat dollar amount), and 5) be calculated in time for inclusion in 2015 income. After determining the metrics, the subcommittee sought permission from the board to tie dollars to certain behaviors as part of the Rewards & Engagement Program. Summit leadership decided to make a significant investment of $5 PMPM with 20% for quality management, 25% for expense management, 20% for HCC education, and 35% for proper documentation of prior year chronic HCCs (35%). The total timeline for initial concept to implementation was three months.

Regarding the mandated risk adjustment educational sessions, Summit took learnings from previous education efforts to craft effective provider messaging that answered three simple questions related to HCC: "What, So What and, Now What?" Summit knew it was important to clarify the role of the providers in risk adjustment to instill a sense of ownership, also understanding that it would take several sessions before the new concepts would "stick." By the third or fourth session, providers understood the importance of HCC documentation and that proper coding would generate appropriate funding in the medical service pool. During each session–given to groups of 30–Summit educators were joined by a physician member of the Managed Care Contracting Committee and a member of the EMR team to help answer "how to" questions.

The second risk adjustment element and largest portion of the program funds were used to reward physicians for properly documenting prior year *chronic* HCCs. To do this, the Rewards & Engagement Program paid physicians for each chronic HCC *adequately documented* above certain thresholds. For example, each physician received $1X per HCC once over 60% completion, then $1.5X per HCC once over 90% completion. This design rewarded physicians for taking a thorough approach to documenting prior year chronic HCCs. Summit also reported each physician's HCC documenting results to the medical group, which greatly encouraged HCC documentation improvement through friendly competition. Prior to this initiative, the medical group had already embraced performance transparency in other areas, so it wasn't necessary to garner physician support for reporting the HCC documentation scores to the group.

RESULTS TO DATE

As a result of the Rewards & Engagement Program, Summit's physicians have gained an appreciation for proper HCC documentation which has manifested in year-over-year performance results. For example, between 2014 and 2015, Summit's average risk adjustment factor (RAF) increased by 0.08 for the MA population. This trend continued even after the incentive program ended, with the average RAF score increasing by 0.05 between 2015 and 2016. Additionally, Summit has experienced a consistent 5% increase in year-over-year improvement in the percentage of prior year chronic HCCs submitted and that is based on an ever-increasing denominator of chronic HCCs as the population ages and additional patients join MA.

TOOLS & VENDOR PARTNERS

For the Rewards & Engagement Program, Summit used a chronic conditions database from its MA plan partner which provided a list per PCP of chronic HCCs submitted in the prior year at the individual patient level. This enabled the physicians to consider all chronic HCCs documented across the care continuum, allowing them to address all of their patients' active problems. Using this data, Summit's intranet tool allows the physicians to find their name, expand to show a list of patients and every chronic HCC submitted on that patient. Summit later found it was necessary to include which physician submitted each HCC so that Summit's staff could contact the submitting physicians for any missing documentation. This feature became particularly important if the submitting physician had entered an incorrect diagnosis or inadequate documentation to support a diagnosis.

CHALLENGES WITH IMPLEMENTATION

Initially Summit found it "painful" to educate providers on risk adjustment. The medical group had already required its providers to participate in HCC education sessions prior to the incentive program and had even fined providers who failed to attend. Rather than fining, the Rewards & Engagement Program paid providers for attending the sessions in recognition that the physicians were giving up opportunities to earn income, which helped ease physician tensions.

Another important part of reducing initial physician resistance was separating the HCC documentation efforts into its own department. Prior to the creation of the Risk Adjustment Team in early 2015, Summit's Compliance Department had been responsible for a limited amount of HCC documentation work. Unfortunately, many physicians saw the Compliance Department as performing a punitive function. Summit found it necessary to create the Risk Adjustment Team to separate HCC documentation from the negative connotations associated with compliance. Summit focused its messaging to ensure physicians felt supported by the Risk Adjustment Team. For example, Summit named its coders Coding *Support* Specialists to emphasize that they were there to support rather than critique the physicians' work. By emphasizing that the Risk Adjustment Team is a provider-friendly support mechanism, Summit overcame much of the physician resistance to HCC documentation.

KEY LEARNINGS

- Establish basic rules/tenets to guide which activities should be incentivized.
- Provide financial rewards in close proximity to the desired behavior.
- Implement changes in a way that emphasizes physician support rather than physician policing.
- Use transparency and competition as a motivator in addition to financial rewards.

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