

Hospital-level Total Cost of Care Guardrails and Geographic Model

TCOC Workgroup Charge

The Progression Plan for Maryland's All-Payer Model outlines a high-level strategy to support improved care delivery, patient outcomes, and population health, while controlling growth in TCOC. As part of this work, the HSCRC is convening a Total Cost of Care (TCOC) Workgroup to determine the technical aspects of TCOC for the Care Redesign programs and the State's All-Payer Model. The CMS-approved Care Redesign Amendment provides tools to develop innovative and flexible approaches to payment and delivery reform that align with Maryland's vision. The two Care Redesign Amendment programs are the Hospital Care Improvement Program (HCIP) and the Complex and Chronic Care Improvement Program (CCIP), which focus on improving care coordination and transitions, especially for complex and chronically ill Marylanders.

The success of the All-Payer Model and the Care Redesign programs will be measured, in part, by reductions in potentially avoidable utilization, readmissions, and ultimately reduced costs due to higher quality healthcare and improvements in patient health. Determining the technical aspects of TCOC for the Care Redesign programs and the State as a whole will be crucial to meeting the State's obligations under the All-Payer Model.

Further, the State recognizes physician providers play a key role in healthcare delivery transformation and improving patient health and is working to create the opportunity for Maryland physicians to become eligible for the 5% MACRA bonus under the CMS Quality Payment Program. The State aims to meet this goal by ensuring the State's Care Redesign programs (and potentially the Geographic Payment Model) meet CMS criteria to qualify as Advanced-Alternative Payment Models. The TCOC Workgroup will play a key role in developing the TCOC methodology such that these criteria are met.

The initial charge of the TCOC workgroup is to provide feedback to HSCRC on the development of specific methodologies and calculations while considering implications to avoid cost-shifting for:

1. Hospital-level Medicare TCOC guardrails for the Amendment Care Redesign Programs
2. The Hospital-level Incentive Pool for the Complex and Chronic Care Improvement Program (CCIP)
3. Value-based payment modifiers based on Medicare TCOC
4. The development of a Geographic Population Model (Medicare and potentially others)

The workgroup will meet starting in December 2016 and during calendar year 2017.

Background documentation

1. 2016 Advisory Council Report
2. 2016 Advisory Council Summary Slides
3. Draft Progression Plan
4. Care Redesign Amendment Summary
5. CMS MACRA Quality Payment Program Deck