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ACO INSIDER: NOT READY FOR AN ACO? THINK CPC+

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The Centers for Medicare & Medicaid Services in April announced its newest initiative, Comprehensive Primary Care Plus, to target primary care practices of varying capabilities to participate in an innovative payment model designed to support the delivery of comprehensive primary care that rewards value and quality.

“Strengthening primary care is critical to an effective health care system,” said Patrick Conway, MD, CMS deputy administrator and chief medical officer. “By supporting primary care doctors and clinicians to spend time with patients, serve patients’ needs outside of the office visit, and better coordinate care with specialists, we can continue to build a health care system that results in healthier people and smarter spending of our health care dollars.”

As readers of this column know, these are also the engines of accountable care organization success. So, if you and your patient-centered medical home are not in a Medicare ACO, this gets you going on high-value activities – and pays you monthly to do it.

The rub is that once you are in the Medicare Shared Savings Program, you can’t continue with this initiative. But, it’s a great “on ramp” to prep you for ACO success. You get monthly payments instead of waiting 18 months for shared savings that you may or may not get under the Medicare Shared Savings Program.

CPC+ is an advanced primary medical home model, created from lessons learned in the Comprehensive Primary Care Initiative and the Multi-Payer Advanced Primary Care Practice Demonstration. Similar to these programs, multi-payer engagement is an essential component of the model.

In the CPC+ model, the CMS intends to nationally solicit a variety of payers committed to strengthening primary care in up to 20 regions and accept up to 5,000 practices to participate in those regions. The CPC+ program is further evidence that primary care should not only be a fundamental component to moving our health care system to one that awards clinicians based on the quality, not quantity, of care they give patients, but that payment redesign must provide flexibility to accommodate the diverse needs of primary care practices.

What to know about payment

To provide this flexibility and to attract practices of varying capabilities and levels of experience, the CPC+ program offers two tracks with different payment options, which include a monthly care management fee, comprehensive primary care payments, and performance-based incentive payments.

In track 1, the CMS will pay practices a risk-adjusted prospective monthly care management fee ($15 per beneficiary per month [PBPM] average across four risk tiers), in addition to the fee-for-service payments under the Medicare Physician Fee Schedule for activities.

In track 2, the Medicare monthly care management fees will average $28 PBPM across five risk tiers, which includes a $100 care management fee to support care for patients with the most complex needs. Instead of full Medicare fee-for-service payments for evaluation and management services, track 2 practices will receive a hybrid of reduced Medicare fee-for-service payments and up-front comprehensive primary care payments for those services.

In addition, the CMS is providing incentive payments at $2.50 PBPM for track 1 and $4 PBPM for track 2, based on practice performance on utilization metrics and quality, measured at the practice level. While these payments are prepaid at the beginning of a performance year, they are subject to recoupment if the practice does not meet thresholds for quality and utilization performance.

What to know about participation

To participate, your practice must be located within 1 of the 20 regional geographic areas selected by the CMS and must serve not only Medicare beneficiaries, but patients covered by one or more additional participating payers.

You may apply for either track 1 or track 2, but participation for the entire 5-year period will be within a single track.

All practices will be expected to deliver a set of five comprehensive primary care functions and have certified electronic health record technology capabilities. Track 2 practices will be expected to focus on a core set of advance capabilities for health information technology and must submit a letter of support from their health IT vendors. The CMS may require a track 2 applicant to participate in track 1.

Participating in the CPC+ program limits your ability to fully participate in or utilize other CMS initiatives, models, or demonstrations, however – including the Medicare Shared Savings Program and Next Generation ACO, or bill for the chronic care management fee. This is a big trade-off for practices well down the value transformation path, but an opportunity for those getting started.

Although the shift to payment for improved population health can herald the golden age of primary care, you cannot default on this opportunity through inaction. It is urgent that you choose a path to value-care delivery. CPC+ provides the ability for greater cash flow and flexibility for primary care practices to deliver high-quality, whole-person patient-centered care.

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