

RESEARCH SPOTLIGHTS

Independence at Home

Demonstration:

Lessons learned from a
shared savings model

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#AGS18



Project Collaborators



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The background consists of a dark blue field with several overlapping circles of varying shades of blue. A small, semi-transparent circle is centered on the left side. A larger, semi-transparent circle is centered on the right side. The text "No financial disclosures" is written in white, bold, sans-serif font, positioned between the two larger circles.

No financial disclosures

Independence At Home (IAH) Demonstration



Section 3024 of the Affordable Care Act,
Independence At Home Demonstration
Program:



- Target high-risk, high-cost, homebound beneficiaries
- Longitudinal home-based primary care (HBPC)
- Align quality metrics and payment incentives

Lesson 1: Things often don't go as planned...

- Target spending level for IAH patients should be equal to the amount of money that would be spent on 'similar' beneficiaries in the absence of IAH.
- However, spending for some patients qualified for IAH is higher than spending predicted by the PACE model.
- Medicare A&B = (HCC(v21) + PACE frailty) x FFS county rate.

	HCC Risk Score	Mortality
Medicare Advantage	~1	~4%
PACE	2.5	15%
IAH population	3.6	18%

Identify
Patient
Cohorts

- 100% Medicare (RIF) data (2010-2014)
- Beneficiaries with hospitalization and episode of post-acute care
- Define 'enrollment month'
- Determine HBPC

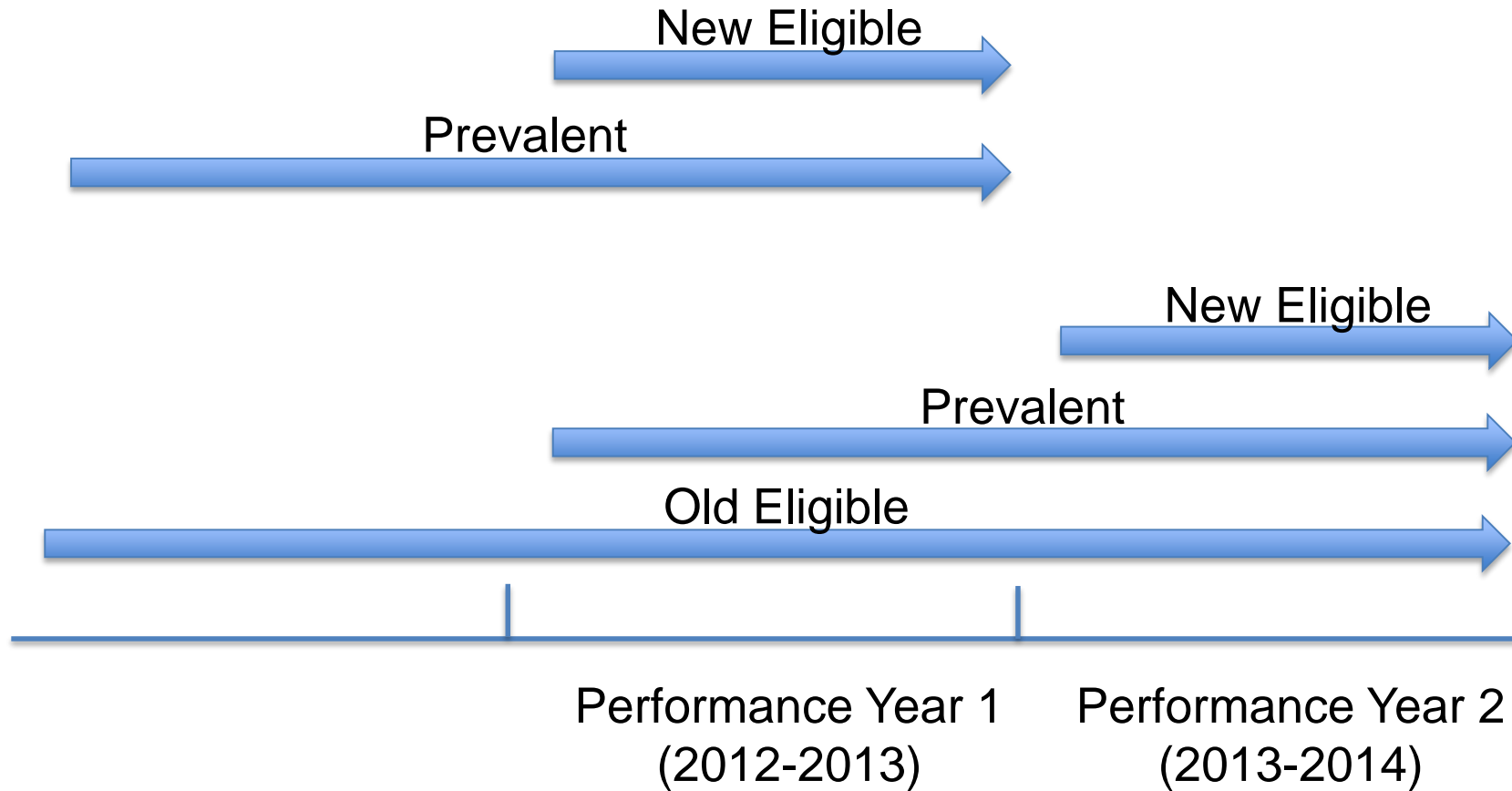
Calculate
Risk
Scores

- Determine CMS-HCC scores
- Number of chronic conditions
- ADL count from MDS/OASIS

Calculate
Costs

- Actual Medicare spend (Part A and Part B)
- Determine predicted spend (HCC * FFS)

Lesson 2: Timing is Important...

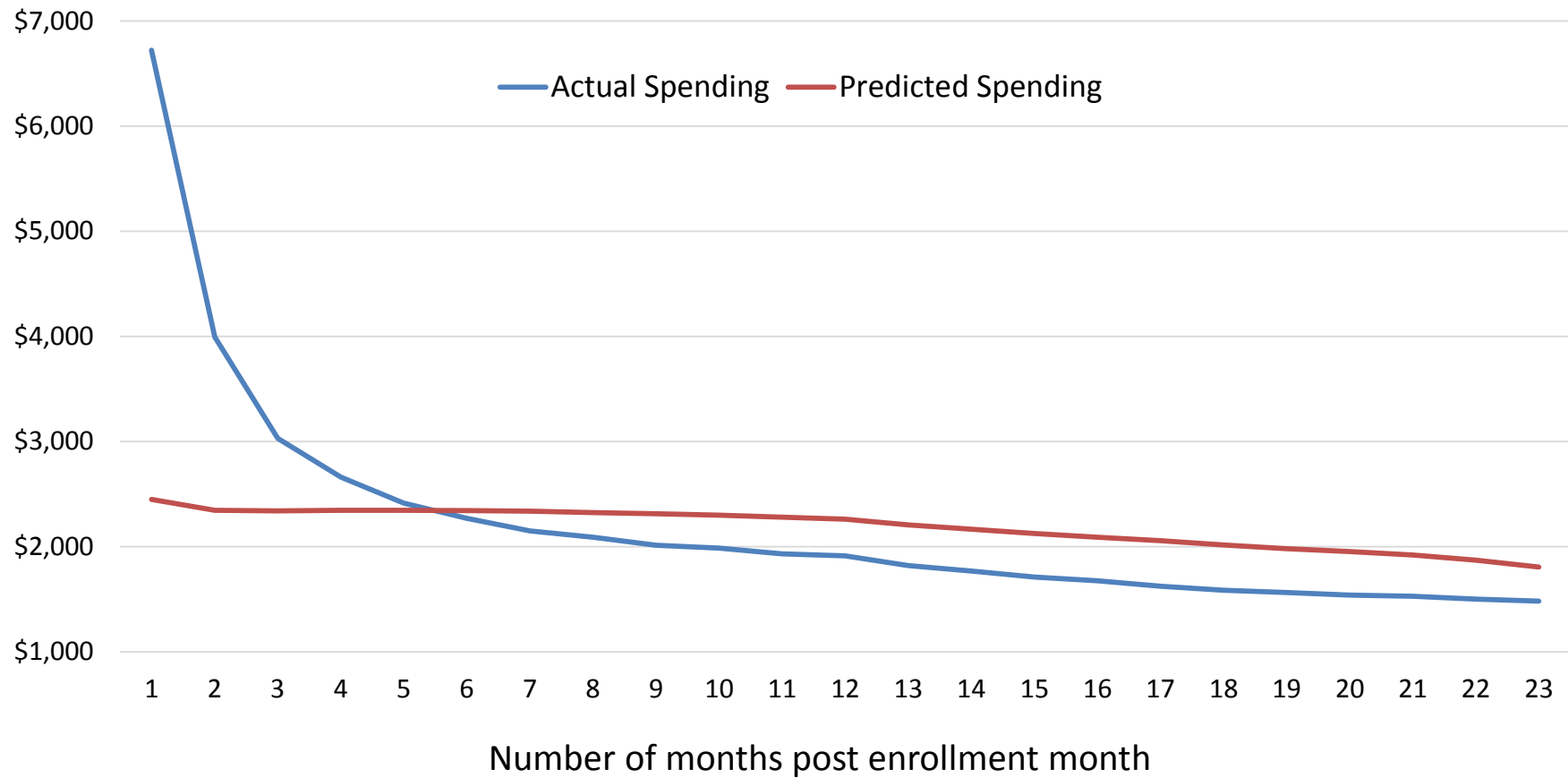


Performance Year 1 Subgroups

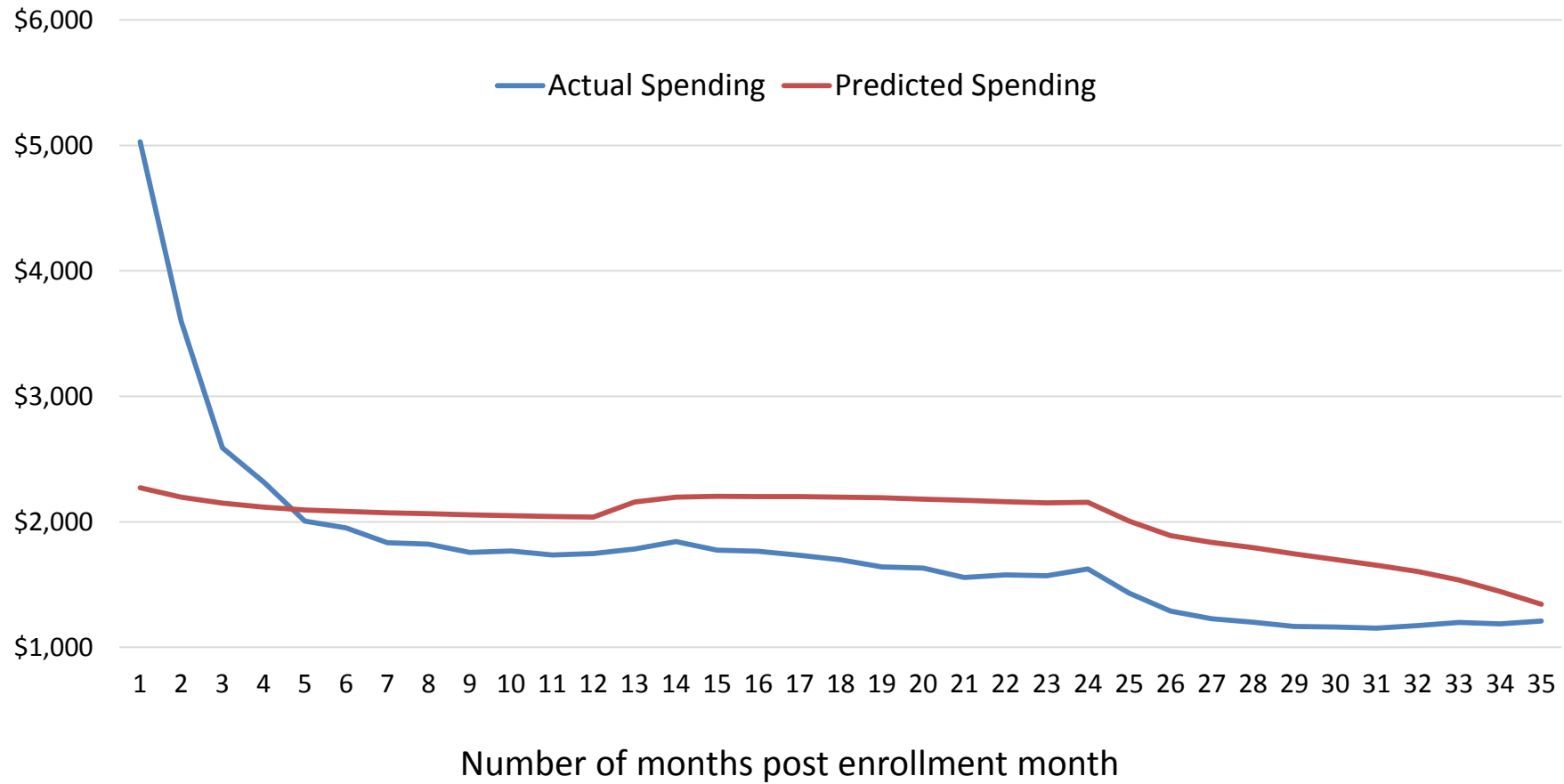


	IAH-Q	
	New Eligible	Prevalent
Total Beneficiaries	1,382,415	1,553,238
Actual PBPM Spending	\$2,973	\$2,109
Predicted PBPM Spending	\$2,171	\$2,311
Residual	\$802	\$(202)
Mortality	19.6%	15.3%
Hospitalizations (per 100 beneficiary months)	8.0	6.7
HCC score	3.0	3.1
Chronic condition count	7.1	7.6
ADL count	5.0	4.7

PY1 Predicted and Actual Spending: IAH-Q



PY2 Predicted and Actual Spending: IAH-Q



Lesson 3: Being IAH-Q ≠ Being in HBPC

	PY1			PY2		
	IAH-Q	HBPC		IAH-Q	HBPC	
Total Beneficiaries	2,935,653	215,687		3,399,869	254,566	
Actual PBPM Spending	\$2,377	\$3,026		\$1,918	\$2,626	
Predicted PBPM Spending	\$2,268	\$2,787		\$2,113	\$2,584	
Residual	\$109	\$239	119%	(\$195)	\$45	150%
Mortality	17.3%	18.8%	8.4%	13.5%	15.9%	17.8%
Hospitalizations (per 100 beneficiary months)	7.1	8.4	18.3%	5.4	7.0	30%
HCC score	3.1	3.5	12.7%	2.9	3.6	12.2%
Chronic condition count	7.4	8.2	11.4%	7.1	7.9	10.1%
ADL count	4.9	5.2	6.2%	4.9	5.2	5.9%

Lesson 4: You can't always get what you want...

- CMS is making several changes to the actuarial payment model including a risk adjustment for new enrollees.
- February 12, 2018 – two-year extension of the Independence at Home (IAH) demonstration passed in the Bipartisan Budget Act of 2018.
- An accurate payment model is needed to scale the demonstration and to allow small and growing practices to participate.
- The IAH demonstration shows the challenges of shifting to value-based care.