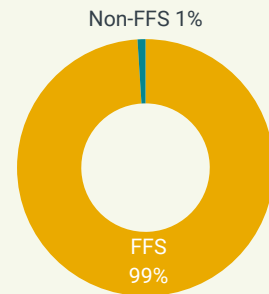
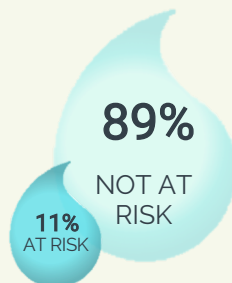




The results of the Virginia Commercial Scorecard on Payment Reform are in, and 67% of all commercial payments are value-oriented—either tied to performance or designed to cut waste. Status-quo payments make up the remaining 33%. These data are from calendar year 2016 or the most recent 12 months.



Fee-for-Service (FFS) remains the dominant base method of payments to providers, even when the payment is value-oriented. Of all the value-oriented commercial payments health plans made in Virginia in 2016, 99% are still based on FFS. Only 1% use a non-FFS based payment method. Value-oriented payment methods categorized as non-FFS include: bundled payment, full capitation, partial or condition-specific capitation, and payment for non-visit functions, while pay-for-performance, shared savings, and shared risk rely on FFS.



Very few value-oriented payments put providers at risk. About 89% of value-oriented payments offer providers a financial upside only, with no downside financial risk.

ACKNOWLEDGMENTS

The Virginia Commercial Scorecard on Payment Reform 2.0 was made possible by the Laura & John Arnold Foundation and the Robert Wood Johnson Foundation, as well as the leadership of the Virginia Center for Health Innovation and the Virginia Association of Health Plans. CPR thanks Beth Bortz, President & CEO of VCHI and Douglas Gray, Executive Director of VAHP; CPR project leads Andréa Caballero and Alejandra Vargas-Johnson; CPR staff Lea Tessitore and Roslyn Murray; as well as the health plans that provided data for the Scorecard, for their significant contributions to this project.

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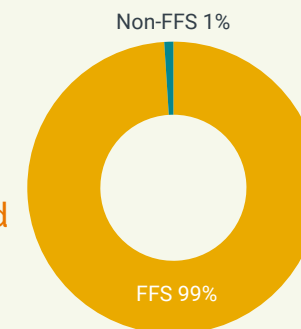
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2018 VIRGINIA SCORECARD ON Commercial Payment Reform

Use of
Fee-For-Service
in Value-Oriented
Payments in
Virginia



Share of Value-Oriented
Payments that Put Providers
at Financial Risk



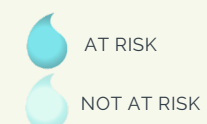
Provider Participation in
Value-Oriented Payments

80% of all hospital payments (in-patient)

47% of all specialist payments

45% of all primary care provider payments are value-oriented

Share of Total Dollars Paid to
Primary Care Providers and Specialists



FULL
CAPITATION **0.0%**

0.1% OTHER

NON-VISIT
FUNCTIONS **0.1%**

PARTIAL OR
CONDITION
SPECIFIC
CAPITATION **0.1%**

BUNDLED
PAYMENT **0.5%**

SHARED
RISK **6.8%**

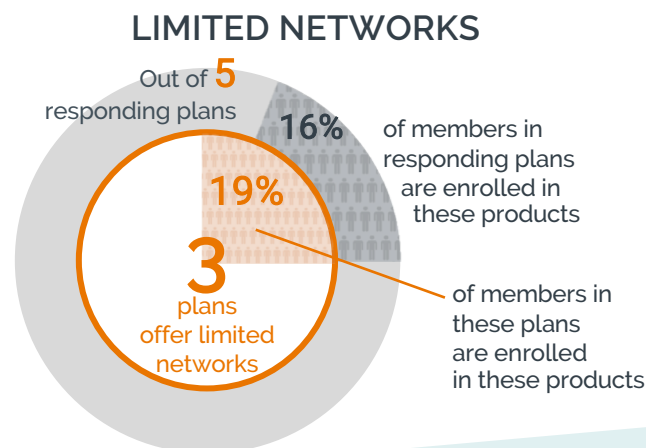
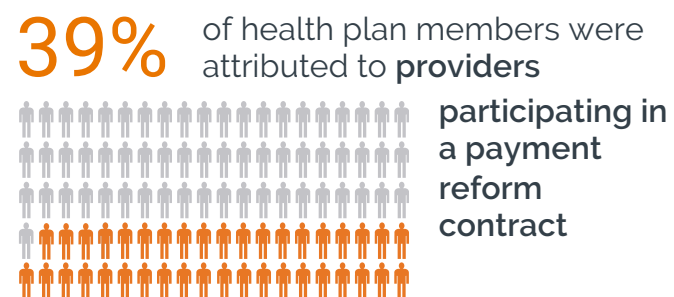
26.0%
PAY-FOR-
PERFORMANCE

33.7%
SHARED
SAVINGS

67.3%
of the total payments made to providers are value-oriented.

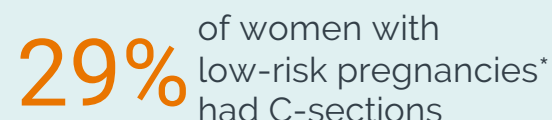
Economic Signals

ATTRIBUTED MEMBERS



System Transformation

CESAREAN SECTIONS



*NTSV measure.
Source: Analysis by VHI.

OF HEALTH PLANS OFFERING ONLINE MEMBER SUPPORT TOOLS

3 of 5 offer quality information



5 of 5 offer price information



4 of 5 offer treatment decision information



HBA1C POOR CONTROL



Outcomes

PREVENTABLE ADMISSIONS



ALL-CAUSE READMISSIONS



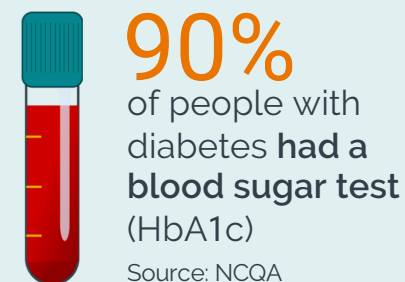
Source: NCQA. *Based on VA's case mix. See Methodology for details.

Source: AHRQ, analysis by VHI. ** See Methodology for details.

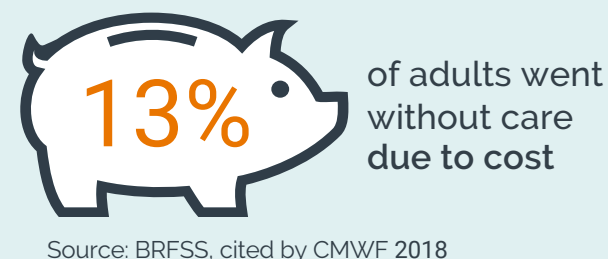
Payment Reform's Impact at a Macro-Level: Leading Indicators to Watch

Together, these metrics shed light on the impact of payment reform on the health care system in Virginia.

HBA1C TESTING



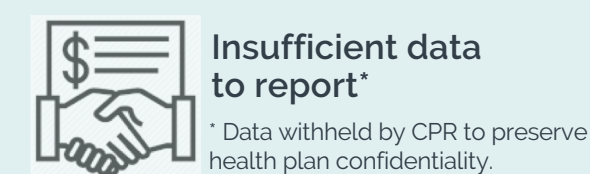
UNMET CARE DUE TO COST



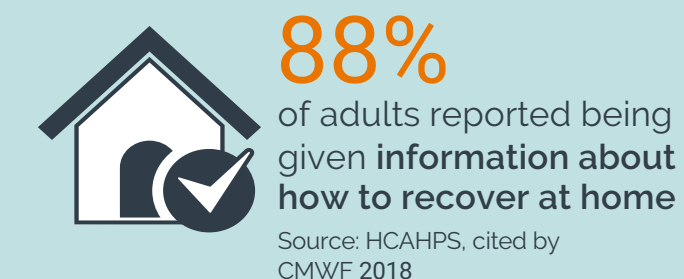
HEALTH-RELATED QUALITY OF LIFE



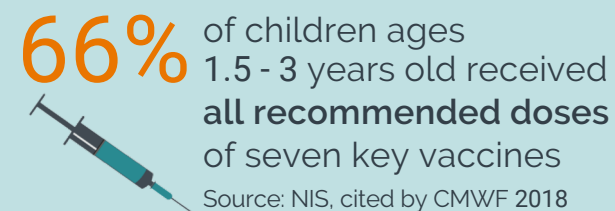
SHARED RISK CONTRACTS



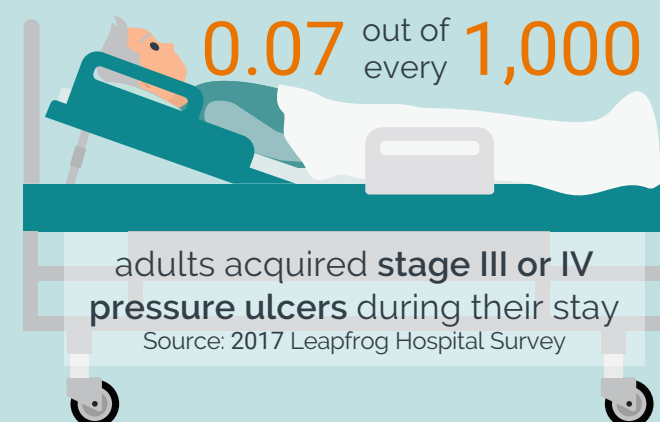
HOME RECOVERY INSTRUCTIONS



CHILDHOOD IMMUNIZATIONS



HOSPITAL-ACQUIRED PRESSURE ULCERS



CONTROLLING HIGH BLOOD PRESSURE

