Medicaid Innovation Accelerator Program

Medicaid Value-Based Payment Approaches for Children’s Oral Health

October 19, 2017
2:00 PM– 3:00 PM ET
Webinar Logistics

• All lines will be muted
• To participate in a polling question, exit out of “full screen” mode
• Use the chat box on your screen to ask a question or leave a comment
Learning Objectives

• Summarize the importance of payment reform in children’s oral health
• Describe Medicaid Value-Based Payment (VBP) approaches that states can use to improve children’s oral health outcomes
• Provide examples of Medicaid VBP approaches in the children’s oral health field
Agenda

• Overview of Medicaid Innovation Accelerator Program (IAP) and VBP Webinar Series
• Importance of Payment Reform in Children’s Oral Health
• Medicaid VBP Approaches in Children’s Oral Health
• State Perspectives
  – Oregon Health Authority
  – Texas Medicaid and CHIP
• Resources
Today’s Presenters

- Mark Smith, Senior Director, IBM Watson Health
- Katherine Griffith, Senior Advisor, Medicaid IAP, CMCS
- Amanda Peden, Health Policy Analyst, Oregon Health Authority
- Sara Kleinschmit, Policy Advisor, Oregon Health Authority
- Matthew Ferrara, Director of Healthcare Quality, Texas Health and Human Services Commission
- Shannon Turner, Vice President of Operations, MCNA Dental
- Rebekah Mathews, Director of Business Consulting, DentaQuest
- James Burns, Director, Business Processes and Quality Programs, DentaQuest
Overview of Medicaid IAP and VBP Webinar Series

Katherine Griffith

Medicaid Innovation Accelerator Program
Medicaid IAP

- Commitment by the Centers for Medicare & Medicaid Services (CMS) to build state capacity and support ongoing innovation in Medicaid through targeted technical support\(^1\)
- A program funded by the Center for Medicare and Medicaid Innovation (CMMI) that is led by and lives in the Center for Medicaid and Children’s Health Insurance Program (CHIP) Services (CMCS)
- Supports states’ Medicaid delivery system reform efforts:
  - The IAP goal is to increase the number of states moving toward delivery system reform across program priorities
- Not a grant program; provides targeted technical support

\(^1\) IAP refers to technical support as general support, program support, or technical assistance.
VBP Webinar Series

- Medicaid VBP Approaches and Key Design Considerations

- Medicaid VBP Approaches for Children’s Oral Health

- Medicaid VBP Approaches for Substance Use Disorders
  October 26, 2017, 2:00-3:30 PM ET

- Medicaid VBP Approaches for Maternal and Infant Health
  November 2, 2017, 2:00-3:00 PM ET
Importance of Payment Reform in Children’s Oral Health

Mark Smith

IBM Watson Health
Poll Question 1

How would you describe your familiarity with VBP? (Select all that apply)

1. I am well-versed in VBP approaches.
2. I am aware of VBP approaches but don't consider myself an expert.
3. I am new to the term VBP.
4. I have only participated in the introductory Medicaid IAP VBP Approaches and Key Design Considerations webinar in October 5th.
Tooth Decay in Children

• Tooth decay is the most prevalent chronic disease of children in the United States
  – Includes both cavities and caries
  – Five times more common than asthma
  – Results from poor diet and lack of access to preventive care\(^1\)

• Tooth repair does not stop caries, but it does fix cavities to relieve symptoms and restore function

## Untreated Cavities

### By Race/Ethnicity

<table>
<thead>
<tr>
<th>Children Ages 5 to 9 Years With Untreated Tooth Decay¹</th>
<th>2011–2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic children</td>
<td>25%</td>
</tr>
<tr>
<td>Black children</td>
<td>24%</td>
</tr>
<tr>
<td>White children</td>
<td>15%</td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>American Indian and Alaska Native children, ages 2 to 5</td>
<td>41%²,³</td>
</tr>
</tbody>
</table>

¹ American Dental Association Health Policy Institute. Presentation at the National Child Health Policy Conference. Washington, DC; February 2016.
² Indian Health Service, Early Childhood Caries Collaborative. [https://www.ihs.gov/doh/index.cfm?fuseaction=ecc.display](https://www.ihs.gov/doh/index.cfm?fuseaction=ecc.display)

### By Household Income

<table>
<thead>
<tr>
<th>Children Ages 5 to 9 Years With Untreated Tooth Decay¹</th>
<th>2011–2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;100% FPL</td>
<td>25%</td>
</tr>
<tr>
<td>100% – 199% FPL</td>
<td>22%</td>
</tr>
<tr>
<td>200% – 399% FPL</td>
<td>15%</td>
</tr>
<tr>
<td>400%+ FPL</td>
<td>Not available</td>
</tr>
</tbody>
</table>

¹ American Dental Association Health Policy Institute. Presentation at the National Child Health Policy Conference. Washington DC; February 2016.
² Assistant Secretary for Planning and Evaluation. Poverty Guidelines. [https://aspe.hhs.gov/poverty-guidelines](https://aspe.hhs.gov/poverty-guidelines)

**Federal Poverty Level (FPL):** also termed *poverty guidelines*; version of the federal poverty measure annually issued in the Federal Register by the Department of Health and Human Services (HHS) and used for administrative purposes (e.g., determining financial eligibility for certain federal programs).²
The Triple Aim in Children’s Oral Health

Population Oral Health

Dental Patient Experience

Cost of Oral Health Care

The Triple Aim
# Dental Reimbursement

## Preventive Care
- Routine office visits
- Cleanings
- Topical fluoride
- Sealants

**Less Expensive**

## Diagnostic Care
- X-rays—bitewing, full-mouth
- Intraoral occlusal film

**Less Expensive**

## Basic Care
- Fillings
- Extractions

**More Expensive**

## Major Care
- Crowns
- Bridges
- Root canals
- Periodontics
- Oral surgery

**Most Expensive**

---

Fee-for-service (FFS) reimbursement does not reward preventive care based on typical payment rates

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Medicaid VBP Approaches in Children’s Oral Health

Mark Smith

IBM Watson Health
# Health Care Payment Learning and Action Network Alternative Payment Model Framework

<table>
<thead>
<tr>
<th>CATEGORY 1</th>
<th>CATEGORY 2</th>
<th>CATEGORY 3</th>
<th>CATEGORY 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FEE FOR SERVICE – NO LINK TO QUALITY VALUE</strong></td>
<td><strong>FEE FOR SERVICE – LINK TO QUALITY &amp; VALUE</strong></td>
<td><strong>APMS BUILT ON FEE - FOR-SERVICE ARCHITECTURE</strong></td>
<td><strong>POPULATION – BASED PAYMENT</strong></td>
</tr>
<tr>
<td>A</td>
<td>A</td>
<td>B</td>
<td>A</td>
</tr>
<tr>
<td>Foundational Payments for Infrastructure &amp; Operations</td>
<td>Upside Rewards for Cost of Utilization</td>
<td>Upside &amp; Downside Risk for Cost or Utilization</td>
<td>Condition-Specific Population-Based Payment</td>
</tr>
<tr>
<td>B</td>
<td>B</td>
<td>C</td>
<td>B</td>
</tr>
<tr>
<td>Pay for Reporting</td>
<td>Comprehensive Population-Based Payment</td>
<td>Integrated Finance &amp; Delivery System</td>
<td></td>
</tr>
</tbody>
</table>

Key VBP Foundational Design Elements

- Patient population of focus
- Services included in the VBP approach
- Financial performance measurement and benchmarking
- Quality performance measurement and alignment
- Attribution of patients
- Risk adjustment
- Data sharing
The Crystal Ball: Payment and Delivery

Payment for Value
Global payments/budgets and shared financial “risk”

Dental Carve-out:
Payment for Outcomes and shared financial “risk”

Fee-for-Service (prevention focus)

Fee-for-Service (surgical focus)

Solo Practice

Efficient Dental Practice Groups

Regional Dental Networks/Large Groups w/outreach and case

Fully Integrated

Commercial

Dental Practice P4P

Patient Centered Health Homes

Colocation Facilitated referral

Dental “ACO’s”

Shared Financing; Separate delivery system

Health ACO’s

Shared Financing; Full Integration

Medicaid

Integration of Care Delivery

ADA American Dental Association®

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Medicaid Innovation Accelerator Program
Levels of Integration for VBP and Dental Care

<table>
<thead>
<tr>
<th>Tier</th>
<th>Level of Value-Based Reimbursement</th>
<th>Dental Delivery Organizations’ Integration of Care Delivery</th>
<th>Health Care Structures</th>
<th>LAN Framework Category</th>
<th>Integration Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fee-for-service (surgical focus)</td>
<td>1 to 3 dentists practicing together</td>
<td>None</td>
<td>1</td>
<td>None</td>
</tr>
<tr>
<td>2</td>
<td>Fee-for-service (prevention focus)</td>
<td>Efficient dental practice groups</td>
<td>Patient-Centered Health Homes</td>
<td>1 or 2</td>
<td>• Dental Practice P4P • Colocation • Facilitated referrals</td>
</tr>
<tr>
<td>3</td>
<td>Dental carve-out: payment for outcomes and shared financial risk</td>
<td>• Regional dental networks • Large groups with outreach and case management</td>
<td>Dental Accountable Care Organizations (ACOs)</td>
<td>3</td>
<td>• Shared financing • Separate delivery system</td>
</tr>
<tr>
<td>4</td>
<td>• Payment for value • Global payments • Budgets and shared financial risk</td>
<td>Fully integrated</td>
<td>Health ACOs</td>
<td>4</td>
<td>• Shared financing • Full integration</td>
</tr>
</tbody>
</table>
Key Steps to Incorporate VBP into Children’s Oral Health

• Engage providers
• Coordinate payment and care delivery systems
• Define and operationalize quality measures
  – Use appropriate data architecture and elements
• Improve coordination between oral health and medical health models
Poll Question 2

What challenges do you face with your current dental payment model? (Select all that apply)

1. Lack of access to oral health care and/or dental providers
2. Suboptimal use of services (e.g., primarily providing emergency oral surgery vs. preventive care)
3. Lack of implementation of evidence-based practices
4. Lack of integration or coordination of medical and dental care
5. Other
Audience Questions or Comments?
State Perspectives

- Oregon Health Authority
- Texas Medicaid and CHIP
Incentivizing Oral Health Integration in Oregon’s Coordinated Care Organizations

Amanda Peden
Oregon Health Authority

Sara Kleinschmit
Oregon Health Authority
Oregon’s Coordinated Care Model

Better Health
Better Care
Lower Costs

Best Practices to manage and coordinate care

Paying for outcomes and health

Sustainable rate of growth

Measuring Performance

Shared responsibility for health

Transparency in price and quality
Overview of CCOs

• Sixteen Coordinated Care Organizations (CCOs), similar to ACOs
  – Responsible for physical, mental, and dental care needs
  – Smaller and geographically based
  – Emphasis on Patient-Centered Medical Homes

• Different from fee-for-service
  – Global budgets
  – Quality incentive payments
  – Encouraged to use Alternative Payment Methodologies (VBP)

• Community-based
  – Community Health Assessments developed by Community Advisory Councils and Public Health

• Quality Improvement through the Transformation Center and regular CCO quality meetings
Oregon’s Performance Incentive Metrics Program

• Goals that produce incentive payments to CCOs from the “Quality Pool” (4.25% of payments to CCOs)
• 17 CCO Incentive Metrics – two are dental metrics
  – Children ages 6-9 and 10-14 who received a sealant on a permanent molar
  – Physical, mental, and dental health assessments within 60 days for children in DHS custody
Dental Sealants on Permanent Molars for Children

Dental sealants for children ages 6-14, statewide.
Data source: Administrative (billing) claims
Benchmark source: Metrics and Scoring Committee consensus

2014: 11.2%
2015: 18.5%
2016: 21.5%
2016 Benchmark: 20.0%
Assessments for Children in Department of Human Services (DHS) Custody

Percentage of children in DHS custody who received health assessments, statewide.

Data source: Administrative (billing) claims + ORKids
Benchmark source: Metrics and Scoring Committee consensus

- 2014: 27.9%
- 2015: 58.4%
- 2016: 74.4%

Benchmark: 90.0%
Oregon Health Authority

• Amanda Peden, Health Policy Analyst, Oregon Health Authority
  – amanda.m.peden@dhsoha.state.or.us

• Sara Kleinschmit, Policy Advisor, Oregon Health Authority
  – sara.kleinschmit@dhsoha.state.or.us
Texas Medicaid and CHIP Efforts to Address Children’s Oral Health through VBP

Matthew Ferrara  
*Texas Health and Human Services Commission*

Shannon Turner  
*MCNA Dental*

Rebekah Mathews  
*DentaQuest*

James Burns  
*DentaQuest*
Texas Contracting Approach for Children's Oral Health

Matthew Ferrara

Director, Quality Oversight

Texas Health and Human Services Commission
Dental Managed Organization (DMO) Pay-for-Performance (P4P)

• Period of Measurement: 2018
• Percentage of DMO Premium Dollars at Risk: 1.5%
• Measures:
  – Dental Quality Alliance Oral Evaluation
  – Dental Quality Alliance Topical Fluoride
  – Dental Quality Alliance Sealants for children aged 6-9 years
  – Dental Quality Alliance Sealants for children aged 10-14 years
DMO P4P

• Redistributive model, focused on improvement
  – If DMO performance decreases beyond a certain threshold amount overall on the dental P4P measures, Texas will recoup from the original baseline capitation
  – The other DMO would only be able to earn recouped money if its performance improves beyond a threshold amount
DMO Contract Provision for Value-Based Contracting

• Contractual Targets for VBP (current incentive-based payment efforts count toward targets)
  – Overall VBP target (25% in CY2018 increasing to 50% in CY2021)
  – Risk-Based VBP target (subset of overall target) (2% in CY2018 increasing to 50% in CY2021)

• Other requirements for DMOs to support effort
• Exceptions if targets are not achieved
• Potential penalties if targets are not achieved and exception criteria is not met
• DMOs will likely focus on measures identified in P4P
Stellar Treatment and Recognition Rewards Program

Shannon Turner
MCNA Dental
Stellar Treatment and Recognition Rewards Program

• MCNA’s Stellar Treatment and Recognition Rewards (STARR) program outlines VBP approach
• P4P model that utilizes a fee-for-service approach with a bonus amount based on performance
• Qualifying main dental home/primary care providers receive a bonus for providing timely preventive care including:
  – Exams and recall visits
  – Fluoride
  – Sealants
  – First Dental Home visits
  – Prophylaxis
Stellar Treatment and Recognition Rewards Program

• Providers must treat at least 150 MCNA members in their practice during the measurement year to qualify

• Program design encourages:
  – Open panels by having a qualifying number of members treated
  – Delivery of key preventive services

• Unlike other bonus programs, scoring is tiered based on the number of assigned patients receiving the targeted services

• Thus, bonuses are not based purely on service volume, but on each provider’s member panel compliance with recommended services and periodicity protocols
Preventive Dental Visit Growth Outcomes Data

Please note these results have been validated by the State’s EQRO and 2016 data will not be finalized until 12/31/17.
Texas P4P Provider Incentive Program

Rebekah Mathews  
_DentaQuest_

James Burns  
_DentaQuest_
## P4P Accomplishments

### P4Q Measure - Medicaid

<table>
<thead>
<tr>
<th>Measure</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Graph</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preventive Dental Service</td>
<td>75.44%</td>
<td>75.32%</td>
<td>76.94%</td>
<td>77.73%</td>
<td></td>
</tr>
<tr>
<td>THSteps Care - Composite Rate</td>
<td>53.00%</td>
<td>58.60%</td>
<td>60.48%</td>
<td>60.41%</td>
<td></td>
</tr>
<tr>
<td>THSteps One Dental Checkup 90 Days</td>
<td>25.50%</td>
<td>26.11%</td>
<td>27.73%</td>
<td>29.96%</td>
<td></td>
</tr>
<tr>
<td>Sealant Measure 6-9</td>
<td>22.13%</td>
<td>28.32%</td>
<td>27.70%</td>
<td>27.33%</td>
<td></td>
</tr>
<tr>
<td>Sealant Measure 10-14</td>
<td>14.76%</td>
<td>16.64%</td>
<td>15.91%</td>
<td>16.09%</td>
<td></td>
</tr>
</tbody>
</table>

### P4Q Measure - CHIP

<table>
<thead>
<tr>
<th>Measure</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Graph</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Dental Visit 2-3</td>
<td>68.76%</td>
<td>72.99%</td>
<td>77.01%</td>
<td>77.51%</td>
<td></td>
</tr>
<tr>
<td>Annual Dental Visit 4-6</td>
<td>75.53%</td>
<td>79.35%</td>
<td>81.94%</td>
<td>83.26%</td>
<td></td>
</tr>
<tr>
<td>Annual Dental Visit 7-10</td>
<td>76.80%</td>
<td>79.09%</td>
<td>83.19%</td>
<td>84.07%</td>
<td></td>
</tr>
<tr>
<td>Annual Dental Visit 11-14</td>
<td>71.70%</td>
<td>74.30%</td>
<td>79.53%</td>
<td>81.18%</td>
<td></td>
</tr>
<tr>
<td>Annual Dental Visit 15-18</td>
<td>62.40%</td>
<td>66.00%</td>
<td>71.60%</td>
<td>74.08%</td>
<td></td>
</tr>
<tr>
<td>Preventive Dental Service</td>
<td>68.59%</td>
<td>72.13%</td>
<td>76.99%</td>
<td>78.54%</td>
<td></td>
</tr>
<tr>
<td>Sealant Measure 6-9</td>
<td>18.34%</td>
<td>23.20%</td>
<td>24.31%</td>
<td>24.32%</td>
<td></td>
</tr>
<tr>
<td>Sealant Measure 10-14</td>
<td>11.05%</td>
<td>13.06%</td>
<td>13.35%</td>
<td>13.92%</td>
<td></td>
</tr>
</tbody>
</table>

Represents Improvement YOY
Changing the VBP Service Mix: Year Over Year (YOY) 2016 v 2015

- Preventive Services YOY 28%
- Diagnostic Services YOY 14%
- Restorative Services YOY 2.5%
- Endodontic Services YOY -4%
# VBP Experience Quantified

## LAN FRAMEWORK

<table>
<thead>
<tr>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
<th>Category 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fee for Service – No Link to Quality &amp; Value</td>
<td>Fee for Service – Link to Quality &amp; Value</td>
<td>APMs Built on Fee-for-Service Architecture</td>
<td>Population-Based Payment</td>
</tr>
</tbody>
</table>

## RELEVANT EXAMPLES

<table>
<thead>
<tr>
<th>Fee for Service</th>
<th>Incentive-based Pay for Quality</th>
<th>First Dental Home Initial Visit</th>
<th>Capitation</th>
</tr>
</thead>
<tbody>
<tr>
<td>DentaQuest Texas Experience in 2016</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7%</td>
<td>85%</td>
<td>8%</td>
<td>New Model in 2018</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>93%</td>
</tr>
</tbody>
</table>

*Graphic Source: HCPLAN*
Next Steps for VBP in Texas Market

• Focus on VBP with providers
  – Pathway for diversification of payment arrangements with providers
  – Applicable to MCOs and DMOs
  – Sets benchmarks for growth in use of VBP overall and in scaling of risk-based VBP

• DentaQuest introducing risk-based VBP during CY2018
  – Continues groundwork laid with P4P to focus on quality of care
  – Allows program partners to serve as care managers for assigned members
  – Supports ongoing efforts to foster care delivery improvements within the program
Texas Medicaid and CHIP

• Matthew Ferrara, Director of Healthcare Quality, Texas Health and Human Services Commission
  – matthew.ferrara@hhsc.state.tx.us

• Shannon Turner, Vice President of Operations, MCNA Dental
  – sturner@mcna.net

• Rebekah Mathews, Director of Business Consulting, DentaQuest
  – Rebekah.Matthews@dentaquest.com

• James Burns, Director, Business Processes and Quality Programs, DentaQuest
  – James.burns@dentaquest.com
Interviewer Questions and Next Steps
Audience Questions or Comments?
Summary

• Implementing payment reform in state Medicaid agencies can influence children’s oral health outcomes
• State Medicaid agencies have begun to successfully implement VBP approaches to address children’s oral health outcomes
• Implementing a VBP approach in this field requires engagement and coordination efforts across key stakeholders
• VBP stands to improve population oral health, improve dental patient experience, and reduce costs of oral health care
VBP Resource List

• Resource list includes general information and additional case studies on VBP and children’s oral health
  – VBP overview
  – Bundled payment
  – P4P
  – Population-based models
  – Supplemental reform strategies

• Resource list will be emailed to participants along with presentation slides
Thank You for Joining Today’s Webinar!

We hope to see you at the following Medicaid IAP VBP webinars, which will provide more information about VBP:

• Medicaid VBP Approaches for Substance Use Disorders- October 26\textsuperscript{th}, 2:00-3:30 pm ET
• Medicaid VBP Approaches for Maternal and Infant Health- November 2\textsuperscript{nd}, 2:00-3:00 pm ET

Please take a moment to complete a short feedback survey.