

**Subcommittee: Payment Reform**

**Date: August 26, 2014**

**Time: 3:00 to 5:00 pm**

**Location: MaineGeneral Medical Center, CR 2**

**Chair:** Frank Johnson

**Core Member Attendance:** Shaun Alfreds, HealthInfoNet (remote); Mark Biscone, Waldo County General Hospital (remote), Pat Denning, Harvard Pilgrim Health Care; Fran Jensen, CMMI (remote); Kevin Lewis, Maine Community Options; Wanda Pelkey, First Atlantic Health Care (remote); Michelle Probert, BIW; Joanne Rawlings-Sekunda, Bureau of Insurance; Ted Rooney, Maine Quality Counts (remote); Cheryl Rust, consumer; Jeff Smorczewski, Aetna.

**Ad-Hoc Members:**

**Interested Parties & Guests:** Randy Chenard, SIM Project Director; Barbara Leonard, MeHAF; David Hanig, Lewin (remote); Joan Klayman, USM (remote); Katie Fullam Harris, MaineHealth (Remote); Nate Morse, Maine CDC (remote); Lisa Tuttle, Maine Quality Counts (remote).

**Staff:** Ellen Schneiter, MHMC; Michael Delorenzo, MHMC, Nancy Morris, MHMC.

| **Topics** | **Lead** | **Notes** | **Actions/Decisions** |
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| 1. **Total Cost of Care and Relative Resource Use** | Michael Delorenzo | Michael Delorenzo presented the Total Cost of Care and Relative Resource Use methodology that has been endorsed by the MHMC’s Pathways to Excellence Steering Committees for public reporting. Michael outlined the key features such as attribution, risk adjustment, reliability and validity testing and the conversion to indices. Michael further provided preliminary results to demonstrate variability and the relationships to selected quality measures. | The Subcommittee was advised that Total Cost of Care and Relative Resource Use have been endorsed by the PTE Steering Committees for public reporting. Once the Subcommittee members have been sufficiently briefed on the methodology, it is the intent to seek endorsement from the Subcommittee and subsequent endorsement by the SIM Steering Committee. |
| **Value Based Insurance Design (VBID)** | Nancy Morris | Nancy provided the Subcommittee with an update on the VBID initiative including the sub-groups that have been assigned relative to clinical issues, administrative efficiencies, and implementation. Nancy shared the VBID chart outlines the interaction between the delivery system, payment, and patient engagement. | No action was required as this was an update on current progress. The Subcommittee will continue to be updated periodically. |
| **Healthcare Cost of Care Work Group** | Lisa Nolan | Lisa briefed the Subcommittee on developments since the last update in April. Lisa outlined the initiatives underway including the Work Group’s current focus on a growth cap for risk-based contracts, the upcoming CEO summit, and the Health Care Cost Data Book in development. Lisa’s briefing included an overview of the key elements of the first iteration of the Data Book. | No action was required as this was an update on current activities. The Subcommittee will continue to be briefed periodically. |
| **Measure Alignment Work Group** | Frank Johnson | Frank provided a very brief status report on the ongoing Measure Alignment Work Group project. | No action is required yet however the Subcommittee will ultimately be asked to consider the recommendations of the work group upon completion of the first phase of its project expected in later October. |
| 1. **Risk/Dependencies**     **Expected Action** | **All** | A discussion of Risk #24 was scheduled but the limited availability of the Delivery System Reform Subcommittee chair due to other commitments and the time allocated the Total Cost of Care discussion precluded this dialogue. | This item will be considered at the next Subcommittee meeting. |
| 1. **Interested Parties Public Comment** | **All** | No public comment other than questions posed during the presentations/updates. | None. |
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| **Next Meeting**  Subsequent project updates and discussion of advancing primary care payment reform strategies. |  |  |  |

**Next Meeting: October 21, 2014, 3:00 to 5:00 pm**

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| **Subcommittee Risks Tracking** | | | | |
| **Date** | **Risk Definition** | **Mitigation Options** | **Pros/Cons** | **Assigned To** |
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| **Dependencies Tracking** | | |
| **Payment Reform** | **Data Infrastructure** | **Delivery System Reform** |
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