



MaineCare's Value-Based Purchasing Strategy

Value-based purchasing means holding providers accountable for both the quality and cost of care, through:

- Increased transparency of cost and quality outcomes;
- Rewards for performance; and
- Payment reform.

The Department has developed a three-pronged value-based purchasing strategy to achieve target savings and improved health outcomes.

1. Emergency Department Collaborative Care Management Initiative

Over the past year, MaineCare conducted a collaborative care management pilot with MaineGeneral to reduce non urgent use of their Emergency Department (ED) by MaineCare members. The pilot saved an estimated \$100,000 in reduced ED costs from working with approximately 35 members. MaineCare is expanding the pilot statewide in response to increasing ED costs and many hospitals' desire to bolster their care management capacity. This summer, MaineCare has met with all of Maine's hospitals to discuss the initiative and to assess the care management capacity of their respective hospital systems, the members' primary care provider offices or patient centered medical home, and community care teams, where available. MaineCare will utilize the identified care management resources as the first line and, where care management services are not available, MaineCare will provide the care management resources.

8/11: Hospital visits

9/11: ID priority areas & allocate resources

10/11: Statewide implementation

2. Accountable Communities Initiative

MaineCare will build off its work with hospital EDs and the current Patient Centered Medical Home (PCMH) Pilot to enter into alternative, risk-based contracts with qualified health systems, hospitals, and other provider groups that will align financial incentives for those providers to work together to improve value and decrease avoidable costs. MaineCare plans a tiered approach to the Accountable Communities program, creating different levels of risk-sharing agreements so that the state may partner with providers at varying levels of capacity and readiness to assume risk and meet specified benchmarks. MaineCare plans to phase in alternative payment models for all levels of the Accountable Communities program over time, such as shared savings, bundled episode of care payments, or global payments.

9/11: Stakeholder engagement

12/11: Issue RFP

7/12: Implementation

3. Leveraging and/or expansion of current initiatives and federal opportunities

Patient Centered Medical Homes + Community Care Teams = Health Homes: MaineCare currently has 26 multi-payer PCMHs, initiatives which have gained national recognition for the “promising trends” they show on cost and quality, as well as “greatly improved access to care.”¹ Medicare is joining the PCMH Pilot in October 2011 under the Medicare Multi-Payer Advanced Primary care practice (MAPCP) demonstration, at which point Community Care Teams (CCT) will be introduced as a strategy to improve care and reduce avoidable costs for PCMH patients, especially those with complex or chronic conditions. MaineCare plans to leverage the PCMH and CCT partnership to take advantage of the Affordable Care Act’s (ACA) Health Homes option for enrollees with chronic conditions. Implementation of Health Homes will enable Maine to receive an enhanced 90/10 federal match for care coordination services to enrollees with chronic conditions for the first eight quarters post implementation. This enhanced match could in turn fund the expansion of Health Homes to underserved areas.



Pay for Performance: MaineCare is conducting an analysis of its Primary Care Case Management (PCCM) and Primary Care Provider Incentive Payment (PCPIP) programs to identify opportunities to better incent providers to deliver quality, cost efficient care. Reforms under consideration include a more stringent baseline for providers to qualify for incentive payments, and increased payments for providers who do qualify. We are also looking at shifting the payment criteria emphasis from access, where significant progress has already been made, to reduced ED utilization, attainment of clinical quality benchmarks, and the provision of cost efficient care.



Transparency & Reporting: MaineCare will continue to provide quality and utilization reports to its PCCM providers. In addition, MaineCare plans to learn from the efforts of the State Employee Health Commission, the Maine Health Management Coalition and Quality Counts! to develop provider rankings to share with MaineCare members and the general public.



For more information:

- See our website at: http://www.maine.gov/dhhs/oms/mgd_care/mgd_care_index.html
- Contact Michelle Probert, Director of Strategic Initiatives at michelle.probert@maine.gov or 207.287.2641.

ⁱ Mary Takach, Reinventing Medicaid: State Innovations to Qualify And Pay For Patient-Centered Medical Homes Show Promising Results, *Health Affairs*, 30, no.7 (2011):1325-1334