



# MVC Component of the BCBSM P4P Program PY26/27: Program Changes

The background of the slide features a close-up, low-angle shot of three white darts. The darts are positioned vertically, with their white flights at the top and their white barrels pointing downwards. They are all embedded in the center bullseye of a white target, which has several concentric circles visible. The lighting is soft and even, highlighting the smooth texture of the darts and the target.

# **MVC Component of the BCBSM P4P Program: Quick Recap**

# MVC Component of the BCBSM P4P Program

## *Guiding Principles*



Use high-quality data to drive improvement



Ensure a fair, simple, and transparent measure



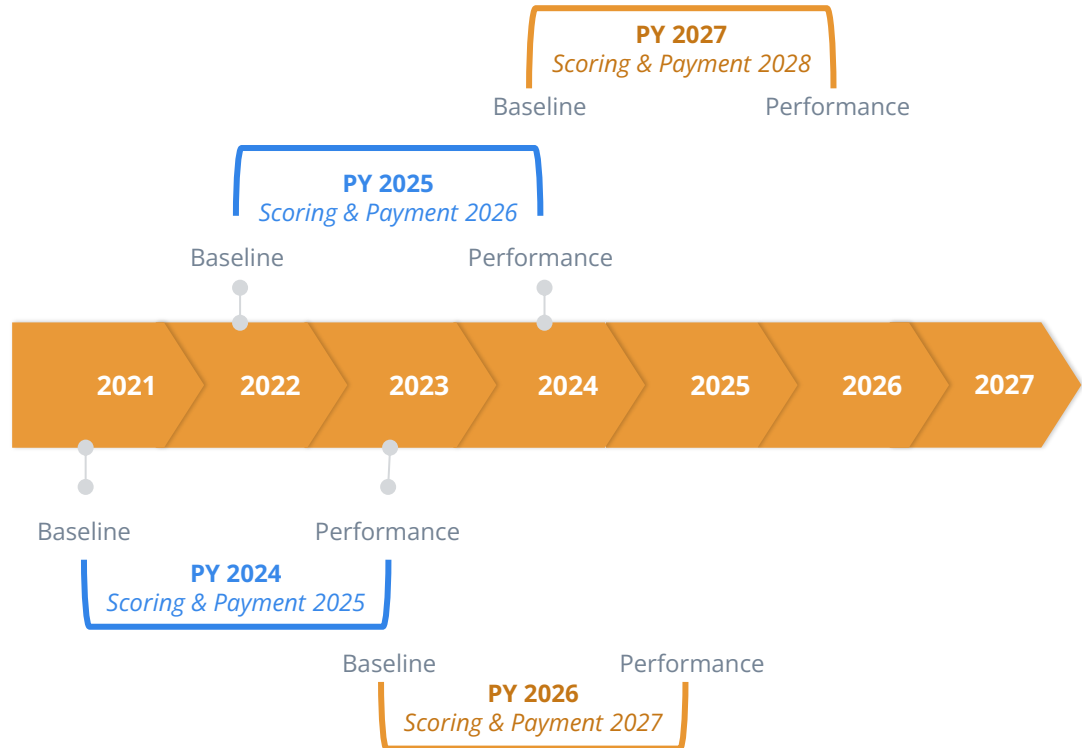
Encourage the use of MVC data to inform QI activity



Align, where possible, with BCBSM & CMS quality measures

# MVC Component of the BCBSM P4P Program

## *Timeline*



# Program Structure

**Program Years 24/25**

**Program Years 26/27**

**Maximum Score = 10 Points**

**Episode  
Spending  
(4 points)**

**Value  
Metrics  
(4 points)**

**Engagement  
Activities  
(2 points)**

**How will this change for PY26/27?**



# **MVC Component of the BCBSM P4P Program: PY26/27 Changes**



# Looking to the Future

## PY26/27 Changes

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- MVC's changes for PY26/27 can be summarized into four key areas:
  1. Payer mix
  2. Episode spending condition menu
  3. Value metric alignment
  4. Health equity measure
- Each change has been reviewed and approved by MVC's Advisory Committee and the BCBSM Hospital P4P Quarterly Workgroup
- We'll step through each of these changes in detail and open the floor at the end of the presentation for questions

# 1. P4P Payer Mix

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Addition of Michigan Medicaid



# MVC P4P Payer Mix

## Addition of Michigan Medicaid

- MVC Component of the BCBSM Program began in 2018
  - Original payer mix: BCBSM PPO and Medicare FFS
- Additional payers were added to better represent patients served by members
  - Added in 2020/21: BCBSM MA, BCN HMO, BCN MA
- MVC recently added Michigan Medicaid to its data portfolio, representing an additional 1.8 million covered lives
- For PY26/27, we will be incorporating Medicaid beneficiaries

Program Years 24/25	Program Years 26/27
<ul style="list-style-type: none"><li>• BCBSM PPO</li><li>• BCBSM MA</li><li>• BCN HMO</li><li>• BCN MA</li><li>• Medicare FFS</li></ul>	<ul style="list-style-type: none"><li>• BCBSM PPO</li><li>• BCBSM MA</li><li>• BCN HMO</li><li>• BCN MA</li><li>• Medicare FFS</li><li>• <b>Medicaid</b></li></ul>

- Benefit: adding Medicaid takes us a lot closer to a P4P program with a more diverse, representative population

# Adding Medicaid

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How can I see Medicaid data?

- **MVC Registry**

- Medicaid registry report pages added in April 2023, showing rates and spending among Medicaid beneficiaries.
- Multi-payer registry pages show rates across all payers, including Medicaid.
- Reports can also be filtered by selected payer groups.

- **MVC Custom Analytics**

- MVC offers custom analytic reports that investigate outcomes of interest and areas for improvement.
- Custom report analyses can be stratified by beneficiary characteristics, including payer.

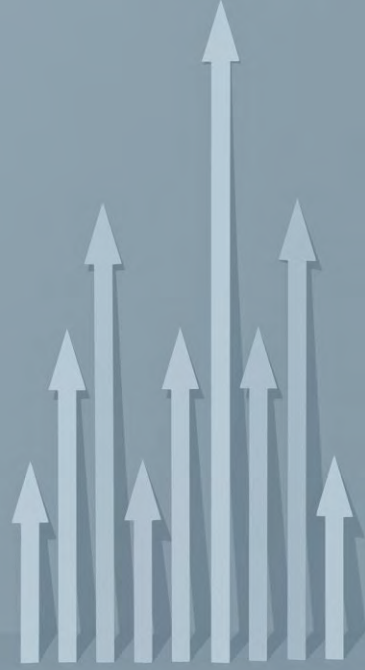
- **PY26-27 Selection Reports**

- Medicaid will be reflected in the baseline measures provided in PY26-27 selection reports.

## 2. Episode Spending Condition Menu

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PY26/27 Changes



# P4P Episode Condition Menu

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## Changes to PY26-27:

- Retire colectomy
- Retire pneumonia
- Retire joint replacement
- Add Percutaneous Coronary Intervention (PCI)

Program Years 24/25		Program Years 26/27	
• CABG	• Colectomy	• CABG	• <b>PCI</b>
• COPD	• Pneumonia	• COPD	
• CHF	• Joint	• CHF	

# MVC Episode Condition Menu

## Our Rationale

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- Removal of **colectomy** and **pneumonia** due to lack of interest
  - No hospitals selected colectomy for PY24/25
  - Only six hospitals selected pneumonia for PY24/25



# Service Line Achievement Across the Collaborative

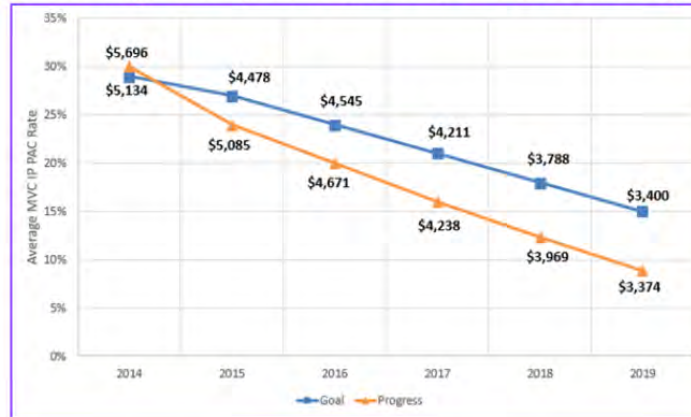
## MVC JOINT REPLACEMENT VALUE COALITION CAMPAIGN: A CQI SUCCESS STORY

MVC and MARCQI Help Hospitals  
Reduce Inpatient Post-Acute Care  
Spending Following Joint Replacement

March 2021



Figure 1. Average MVC Inpatient Post-Acute Care Rate Following Joint Replacement, Goal vs. Progress



21%



Average IP  
PAC Rate:  
8.8%

40%

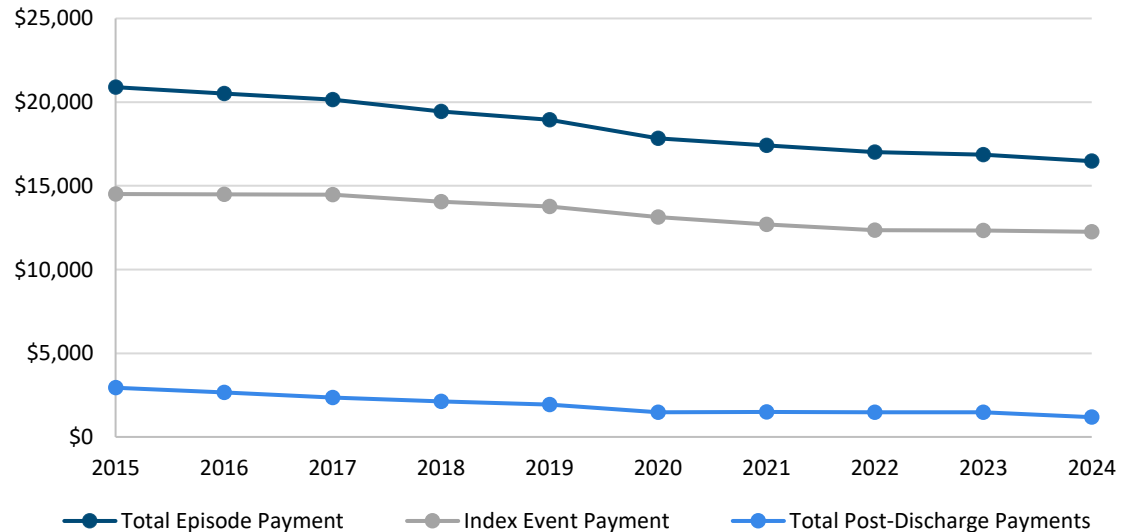


Average  
Discharge  
Spending:  
\$3,374

# Removing Joint

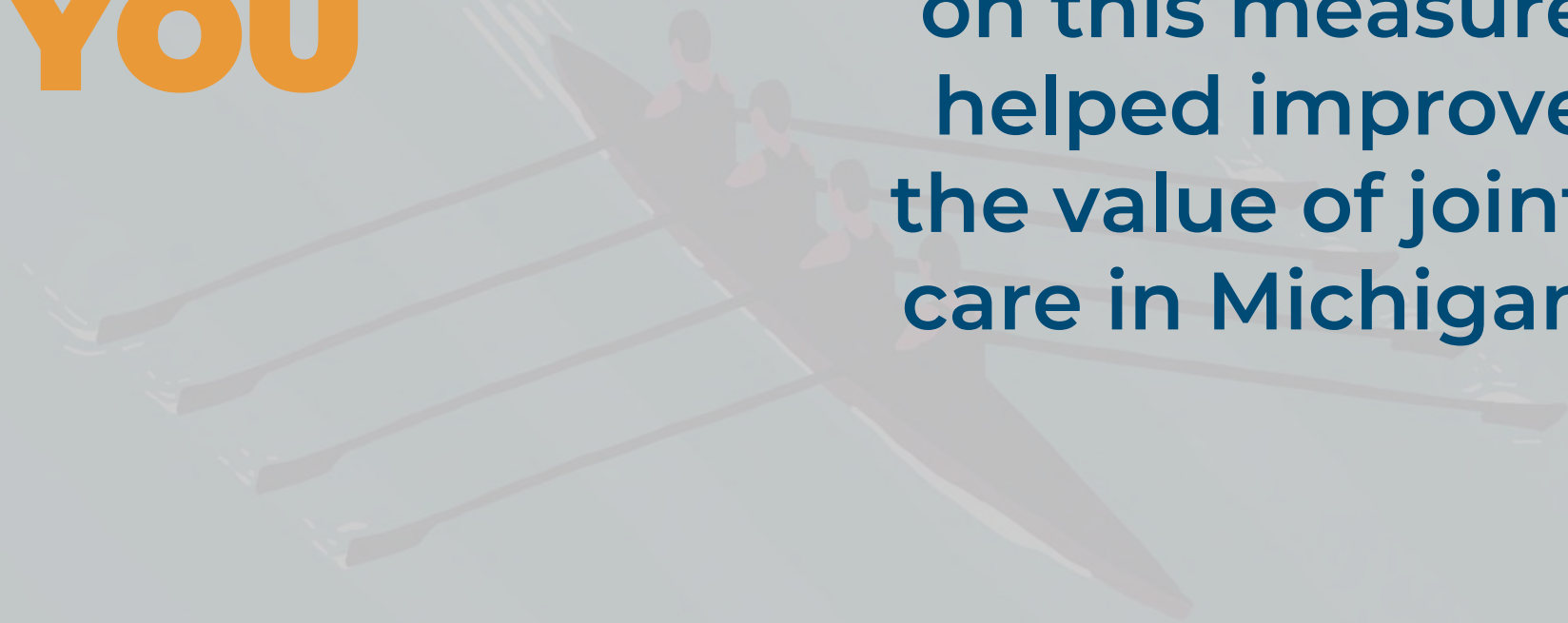
## Supporting Evidence

Risk-Adjusted, Price-Standardized Payments and Payment Components



# THANK YOU

Your partnership  
and collaboration  
on this measure  
helped improve  
the value of joint  
care in Michigan



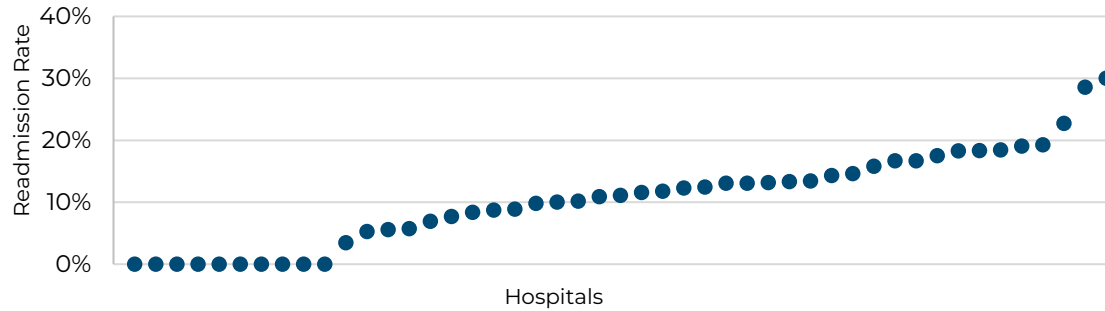


# Adding PCI

## Supporting Evidence

\*Each hospital on these figures is representative of  $\geq 20$  cases in 2023 data

### 30-Day Readmission Rates After Inpatient PCI



# PY26-27 Episode Spending Menu

Hospitals participating in the MVC Component of the BCBSM P4P Program will select one episode spending condition for PY26/27 scoring

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## PY26-27 EPISODE SPENDING MENU

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**CABG**

**CHF**

**COPD**

**PCI**

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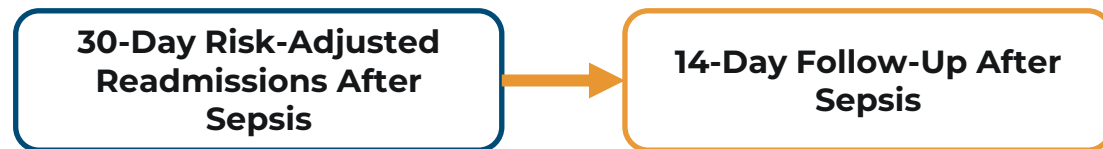
# 3. Value Metric Alignment

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Sepsis

# Value Metric Alignment


## PY26/27 Change: Sepsis



- We hear you, alignment with other CQIs is key
- HMS incentive for increasing post-discharge care coordination identified as a key opportunity area
- Opportunity to extend methodology of other MVC follow-up measures (CHF, COPD, pneumonia)
- Only five participants selected risk-adjusted readmissions after sepsis in PY24/25

# Value Metric Options

Reward *high* rates of  
*high-value* services

- 
- Follow-up rates after COPD hospitalization
  - Follow-up rates after pneumonia hospitalization
  - Follow-up rates after CHF hospitalization
  - **Follow-up rates after sepsis hospitalization**
  - Cardiac rehab utilization after PCI
  - Cardiac rehab utilization after CABG

Reward *low* rates of  
*low-value* services

- Preoperative testing rates for low-risk surgeries

Hospitals participating in the MVC Component of the BCBSM P4P Program will select one value metric for PY26-27 scoring

## 4. MVC Health Equity Measure

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New Metric

# Health Equity Defined

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**MSHIELD**

MICHIGAN SOCIAL HEALTH INTERVENTIONS  
to ELIMINATE DISPARITIES

- *“The ability of each individual to experience the full potential of their health, without encountering barriers that are based upon one’s social standing or other perceived limitations.”*
- Definition endorsed by MSHIELD and the other CQIs
- We receive guidance, training, and individualized consultation from MSHIELD to support MVC’s equity-centered quality improvement



# MVC Component of the BCBSM P4P Program

## *Guiding Principles*



Use high-quality data to drive improvement



Encourage the use of MVC data to inform QI activity



Ensure a fair, simple, and transparent measure



Align, where possible, with BCBSM & CMS quality measures



# Incorporating Health Equity

## Guiding Principles



### Complementary

New measure should leverage existing infrastructure and focus areas



### Reliable

New measure must have sufficient volume to support assessment



### Intuitive

Measures must be direct (i.e., not inferred) and leverage common SDOH variables



### Inclusive

Coverage should be for all patients, not just certain payers

# What's Preventing Equity Efforts?

The top barriers preventing hospitals from developing and implementing health equity initiatives according to 2024 MVC hospital health equity survey



**49%**

**Insufficient  
Financial  
Investment**



**24%**

**Insufficient  
Data**



**20%**

**No Clear  
Business  
Case**



**16%**

**No Defined  
Strategy**



**16%**

**Lack of  
Training &  
Expertise**



24%

Insufficient  
Data



20%

No Clear  
Business  
Case



49%

Insufficient  
Financial  
Investment

# Health Equity Measure

## New Addition

- Adding Medicaid takes us a lot closer to having a P4P program with a more diverse patient population
- However, we will also introduce a **new claims-based health equity measure**, which will:
  - Generate opportunities for regular MVC hospital-level equity data reporting
  - Demonstrate the cost of equity gaps
  - Offer hospitals a financial incentive to invest in equity-related initiatives

# Evaluating Equity in All-Cause Readmissions

## Race

Low case counts would  
necessitate grouping



## Gender

No significant  
variation found



## Dual-Eligibility

Applies to very limited  
scope of patients treated  
by participating members



## Payer Groups

Inclusive of most patient groups,  
sufficient case counts, lots of  
variation within and across hospitals



## IODs in the Literature

- CDC Fact Sheet: Health Disparity Measures
- American Journal of Public Health
- American Journal of Epidemiology
- Public Health Reports
- JCO Clinical Cancer Informatics
- Children and Youth Services Review

# Measuring Equity Gaps via an Index of Disparity

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## What is an index of disparity?

A composite measure of an outcome (e.g., readmissions) for specific populations compared to the outcome for a reference population

# Measure Details

Using administrative claims data, MVC will calculate an *index of disparity (IOD)* that indicates the **extent of differences in risk-adjusted all-cause readmission rates by payer** within a hospital

## THE TARGET:

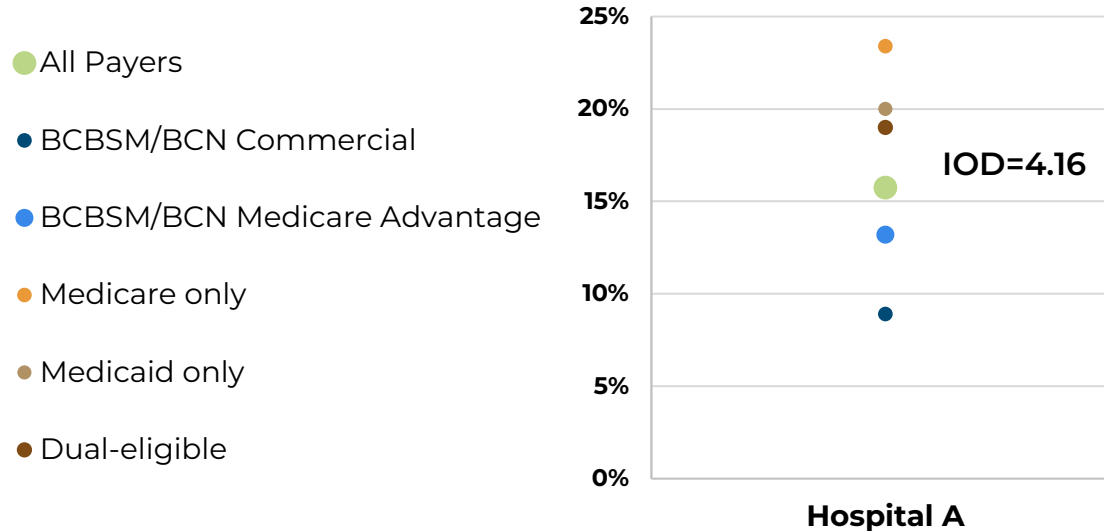
A lower index of disparity represents a smaller spread of risk-adjusted all-cause readmission rates across payers.

## THE PAYER GROUPS:

- BCBSM and BCN Commercial
- BCBSM and BCN Medicare Advantage
- Medicare FFS
- Medicaid
- Dual-Eligibles (*these individuals are pulled out of Medicare and Medicaid*)

# The IOD in Action

## Risk-Adjusted Readmission Rates



When the IOD is calculated, each payer-specific difference from the hospital's all-payer readmission rate is weighted proportionally to the share of the hospital's patients insured by that payer. The size of each dot is proportionate to the size of each payer-specific population.

# What Does Success Look Like?

*Hospitals can earn the health equity point by  
improving relative to their own baseline  
or by performing well relative to their peers*

**IMPROVEMENT:** A hospital's index of disparity decreases by at least 10% from a hospital's baseline year to its performance year.

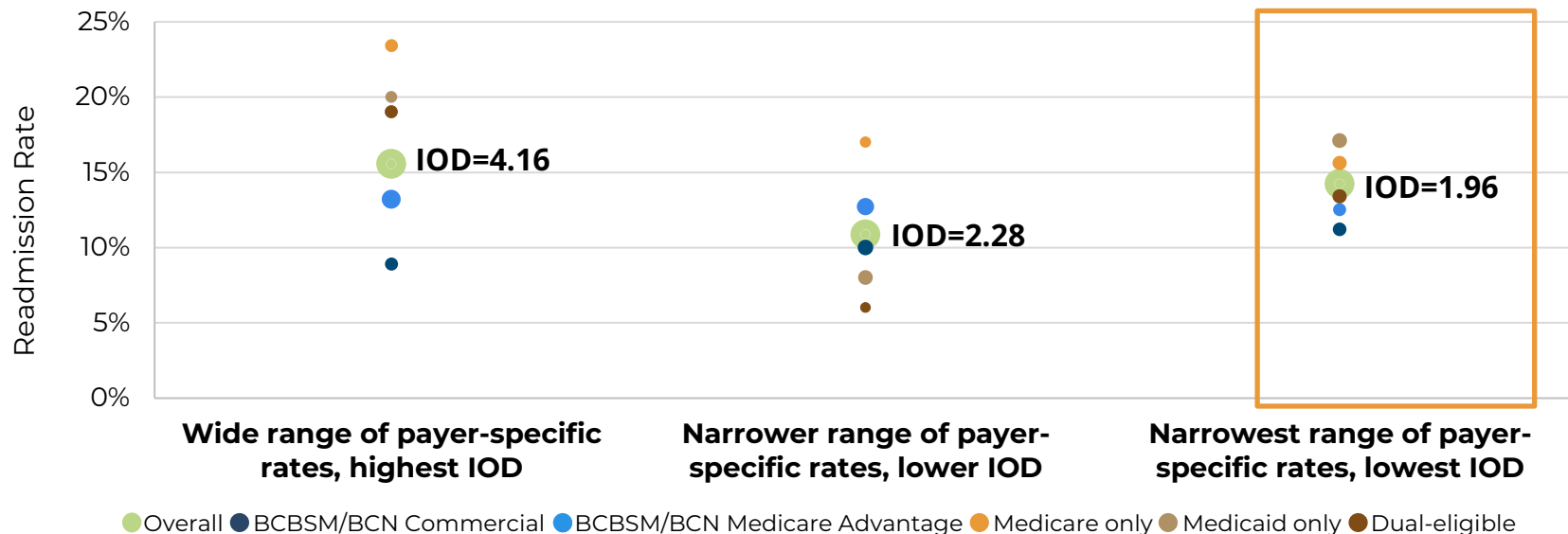
**ACHIEVEMENT:** A hospital's index of disparity in the *performance year* is at or below the collaborative-wide median index of disparity.



# Success via Achievement

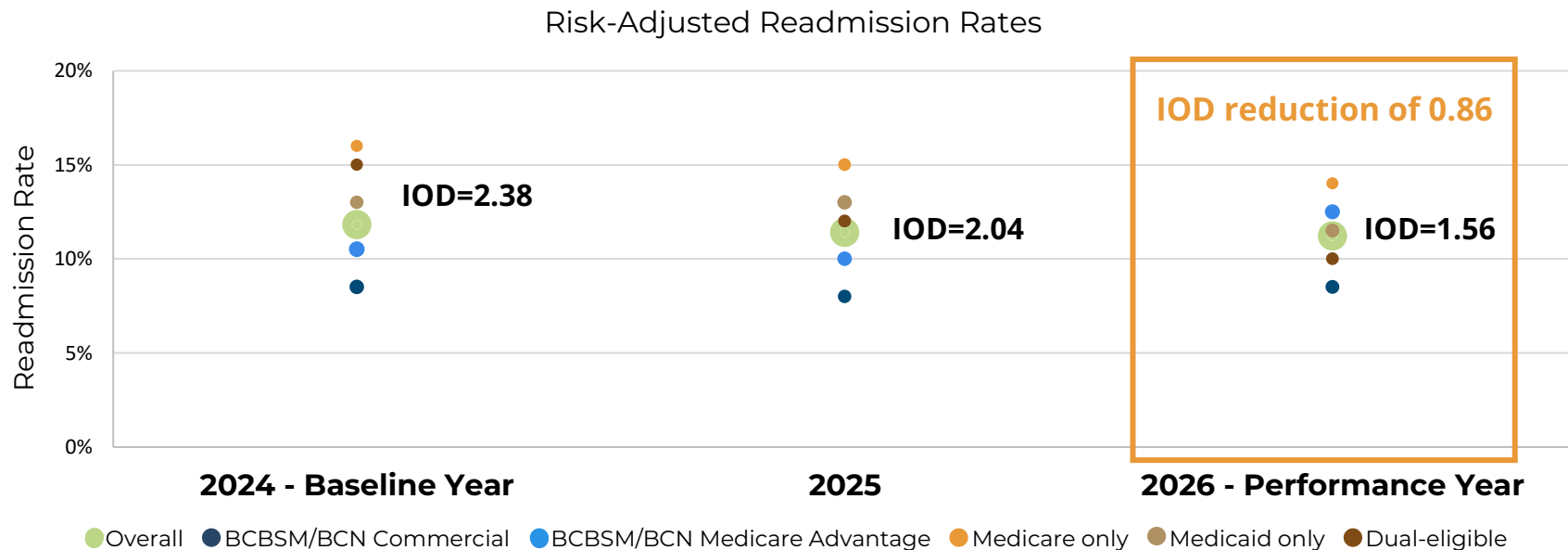
Hospitals can succeed by having an **IOD at or below the collaborative-wide median IOD** in the performance year.  
In the example below, the MVC median IOD is 2.0.

Risk-Adjusted Readmission Rates



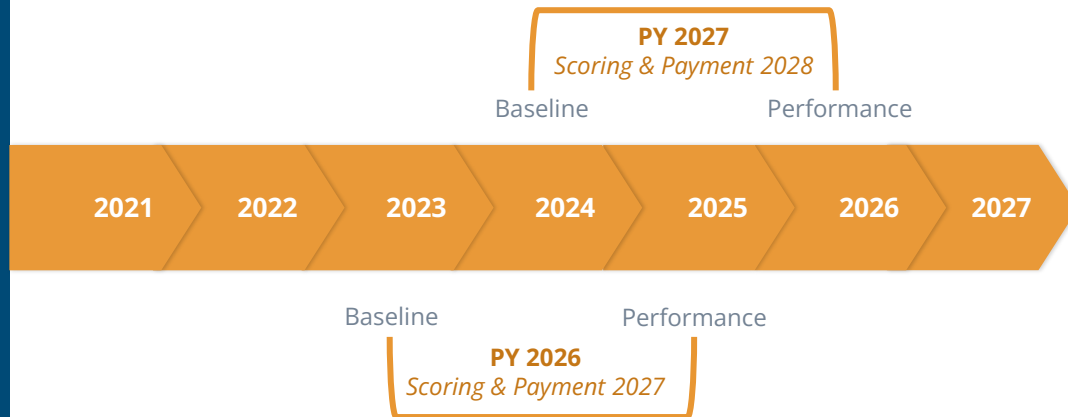
# Success via *Improvement*

Hospitals can succeed by **decreasing their baseline IOD by 10%** in the performance year. The example hospital below would need to decrease its IOD by 0.24 to score the point.



# Measure Rollout

When will data on this measure be implemented?



- Feedback from sites: we need time to become familiar with this measure
- **MVC Preview:** the measure will first appear in PY 2025 mid-year and end-of-year scorecards (*no scoring tied to it*)
- Measure will be scored for a total of 1 point (out of 10) in PYs 2026 and 2027
  - Hospitals will receive MVC reporting on their hospital- and payer-level risk-adjusted readmission rates to highlight opportunities to impact their IOD score



**Bringing It All Together**

# PY26-27 Program Structure

## Program Years 24/25

Maximum Score = 10 Points

Episode  
Spending  
(4 points)

Value  
Metrics  
(4 points)

Engagement  
Activities  
(2 points)

## Program Years 26/27

Maximum Score = 10 Points

Episode  
Spending  
(3 points)

Value  
Metrics  
(4 points)

Engagement  
Activities  
(2 points)

Health  
Equity  
(1 point)

- Add Michigan Medicaid data to payer mix.
- Retire Colectomy, Joint, Pneumonia. Add PCI.
- Align sepsis value metric: 14-day follow-up after sepsis
- Introduce new health equity measure



# Looking Ahead

# MVC P4P Roadmap

MVC PY24 Mid-Year  
Scorecards Released  
(10/17)

Oct  
2024

MVC PY26-27 Selection  
Reports Released

Nov  
2024

MVC PY24 Final  
Scorecards Released

Mar  
2025

WE  
ARE  
HERE

Nov  
2024

MVC Registry data  
updates: will no longer  
match PY24 scorecards

Nov  
2024

MVC PY26-27  
Selection Report  
Webinars and 1:1  
meetings

Mar  
2025

PY24 Final  
Scorecard  
Webinars and 1:1  
Meetings

**Register for the MiCR  
Meeting by Oct. 31:**



**Register for the MVC  
Rural Health Networking  
Lunch by November 5:**



# Remaining One-Time PY24 Engagement Events

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- **Rural Health Networking Event (0.25 pts)**
  - Networking luncheon at conclusion of Michigan Rural Health Conference
  - Fri., Nov. 8, 12:30-2 pm, Minervas Restaurant & Bar, inside Park Place Hotel, Traverse City
- **Michigan Cardiac Rehab Network (MiCR) Events**
  - **MiCR In-Person Fall Meeting (0.25 pts) - NEW**
    - Fri., Nov. 8, 10am-3pm, H Hotel, Midland
  - **MiCR Pre-Meeting Networking Event (0.25)**
    - Thurs., Nov. 7, 5:30-7 pm, MyMichigan Vascular Center, Midland





# Questions?

**PY26/27 Selection Report Webinars: 11/19 & 11/21**