

Payment Work Group – Session 1		
11.9.2015	1:00 – 4:00 PM	Harrisburg, PA
Meeting called by	Secretary Karen Murphy	
Type of meeting	Payment Work Group – Session 1	
Convener	Secretary Karen Murphy	
Introductions and work group overview		
1:00 – 1:30 PM	Secretary Karen Murphy	
Payment gallery walk 1: current state of PA payment		
1:30 – 2:10 PM	Secretary Karen Murphy	
Payment gallery walk 2: value-based payment innovation across states		
2:10 – 2:40 PM	Secretary Karen Murphy	
Discussion / Conclusions	Attendees were asked to walk through two consecutive gallery walks of posters on: 1) current state of PA payment and 2) value-based payment innovation across states. Attendees then regrouped and debriefed the gallery walks together as a full group	
<p>The discussion included a set of <b>themes</b>:</p> <ul style="list-style-type: none"> <li>▪ First we need a common definition for value-based payment so that we are grounded and consistent</li> <li>▪ The current pace of payment innovation is quite slow in PA and we should benchmark ourselves compared to the rest of the country</li> <li>▪ Different geographies may require different models given the amount of competition in urban settings compared to rural settings</li> <li>▪ The plan should be focused, impactful, and sustainable</li> <li>▪ Advanced primary care <ul style="list-style-type: none"> <li>○ How do we define advanced primary care: “Shift from primary care providers delivering the best care to their patient to delivering the best care to a population”</li> <li>○ There are many programs in process or that have been tried over time (these programs have varying levels of risk sharing, evaluation metrics, focus on data transparency, levels of infrastructure support / training, focus on consumer engagement)</li> <li>○ There is a need to really engage the consumer in the care delivery model</li> </ul> </li> <li>▪ Episode-based payments <ul style="list-style-type: none"> <li>○ A good potential place to start is by agreeing on a common set of metrics</li> <li>○ Specialist approach is focused on episode-based payments, but employed specialists present a complexity depending on the level of “reward” that reaches the employed specialist</li> </ul> </li> </ul>		
Emerging payment model considerations		
2:40 – 3:50 AM	Secretary Karen Murphy	
Discussion / Conclusions	Attendees discussed their experiences with and characteristics of different payment models within and outside of PA.	

The discussion lead to a set of **guiding principles for the work group:**

- Although the current pace of payment innovation is quite slow in PA, the work group should try to build upon existing payment innovation in PA.
- It was suggested that any new payment model / innovation initiative should incorporate a ramp-up (“reporting-only”) time period to allow providers ample time to prepare for the new payment model.
- Payment innovation and new payment models need to be sustainable so that providers (and payers) are willing to invest in developing the necessary capabilities to be successful; at the same time, payment innovation should be flexible enough so that it can adapt and improve over time.
- There is an understanding that different types (e.g., geography, size, demographics) of providers may require different types of payment models.
- The work group will focus on the level of alignment of stakeholders in terms of where to “standardize approach”, “align in principle”, and “differ by design”.
  - Standardization of quality (and cost) metrics across payers could help spur payment model innovation.
  - It was suggested that episode-based payment models should both provide incentives based on a relative (to other providers) threshold (e.g., top 25%) and also provide incentives for improvement from a year-to-year basis (so that all providers can theoretically benefit from improvement incentives) – this was discussed, but not necessarily aligned on.

Action Items	Person Responsible	Deadline
N/A	N/A	N/A
<b>Closing and next steps</b>		
3:50 – 4:00 PM	Secretary Karen Murphy	
Action Items	Person Responsible	Deadline
Participate in follow-up webinars or calls	Work Group Members	TBD
Participate in second work group meeting to test preliminary plan	Work Group Members	January 2016