



CPR Launches Effort to Assess the Impact of Growth in Alternative Payment Models Across the U.S.

Berkeley (October 26, 2016)—With hundreds of experiments in health care payment reform underway across the country, Catalyst for Payment Reform (CPR) announced today a groundbreaking effort to answer the question: Is it having a positive impact?

“After years of effort to catalyze change, there is now widespread effort to pay health care providers in ways that incentivize improvements in quality, efficiency and cost,” said Suzanne Delbanco, executive director of the Berkeley-based non-profit. “Now we need to find out if this vast array of experiments is improving health care for those who use and pay for it.”

The announcement of the new Scorecard on Payment Reform initiative--or Scorecard 2.0--comes after the Health Care Payment Learning and Action Network (LAN) released its findings on the use of alternative payment models (APMs) in the United States. The October 25th release illustrated that about 25% of payments across commercial, Medicaid and Medicare Advantage plans meet the LAN’s definition of APMs. This finding illustrates significant expansion in new ways of paying for health care.

In addition to knowing the proportion of payments in APMs, employers and other health care purchasers are anxious to understand what specific models are taking off and which are struggling, as well as how they are likely to evolve and the impact they are having together.

“Employers and other health care purchasers need key indicators and supportive evidence that reforms are adding value,” noted Dr. Robert S. Galvin, CEO of Equity Healthcare, a health management and advisory company that negotiates for health care services on behalf of 50 companies invested in by Blackstone and other private equity firms. “This effort will help purchasers work with their health insurers to make mid-course corrections as needed.”

CPR’s new Scorecard on Payment Reform will continue to identify how much and what types and combinations of payment reforms are being implemented by the commercial and Medicaid sectors, and potentially also by Medicare Advantage plans; but it will go further than previous efforts by identifying whether payment reform, as a whole, is having its intended large-scale effect on the quality, efficiency and cost of health care. The revised scorecard will achieve this by adding key quality, efficiency and



economic impact measures to the existing metrics, and by drawing from both health plan data and other sources.

Dr. Mark McClellan, co-chair of the LAN Guiding Committee and director of the Robert J. Margolis Center for Health Policy at Duke University, said, “Alongside further efforts to track the growth of new payment models, we need to learn more about how these changes are affecting health care and costs.”

CPR will pilot the scorecard at the state level in up to three states and produce public results by September, 2018. CPR was the first organization to track implementation of new payment methods, issuing [National Scorecards on Payment Reform in 2013 and 2014](#), along with various state scorecards. Since then, CPR has been providing technical assistance to the LAN for its national survey of health plans on their use of APMs.

The effort, which is being co-funded by the Laura and John Arnold Foundation and the Robert Wood Johnson Foundation, will benefit from the advice and direction of a [group of expert advisers](#). Those interested in following the progress of the project, should sign up for alerts [here](#).

About Catalyst for Payment Reform

Catalyst for Payment Reform is an independent, non-profit organization working on behalf of large employers and other health care purchasers to catalyze employers, public purchasers and others to implement strategies that produce higher-value health care and improve the functioning of the health care marketplace.