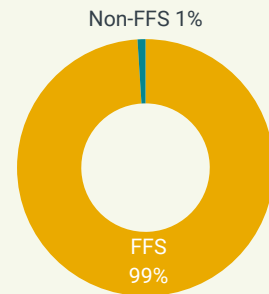




The results of the Virginia Commercial Scorecard on Payment Reform are in, and 67% of all commercial payments are value-oriented—either tied to performance or designed to cut waste. Status-quo payments make up the remaining 33%. These data are from calendar year 2016 or the most recent 12 months.



Fee-for-Service (FFS) remains the dominant base method of payments to providers, even when the payment is value-oriented. Of all the value-oriented commercial payments health plans made in Virginia in 2016, 99% are still based on FFS. Only 1% use a non-FFS based payment method. Value-oriented payment methods categorized as non-FFS include: bundled payment, full capitation, partial or condition-specific capitation, and payment for non-visit functions, while pay-for-performance, shared savings, and shared risk rely on FFS.



Very few value-oriented payments put providers at risk. About 89% of value-oriented payments offer providers a financial upside only, with no downside financial risk.

ACKNOWLEDGMENTS

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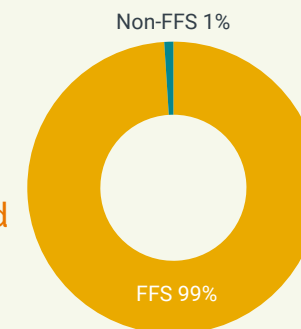
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2018 VIRGINIA SCORECARD ON Commercial Payment Reform

Use of
Fee-For-Service
in Value-Oriented
Payments in
Virginia



Share of Value-Oriented
Payments that Put Providers
at Financial Risk



Provider Participation in
Value-Oriented Payments

80% of all hospital payments (in-patient)

47% of all specialist payments

45% of all primary care provider payments
are value-oriented

Share of Total Dollars Paid to
Primary Care Providers and Specialists



FULL
CAPITATION 0.0%

0.1% OTHER

NON-VISIT
FUNCTIONS 0.1%

PARTIAL OR
CONDITION
SPECIFIC
CAPITATION 0.1%

BUNDLED
PAYMENT 0.5%

SHARED
RISK 6.8%

26.0%
PAY-FOR-
PERFORMANCE

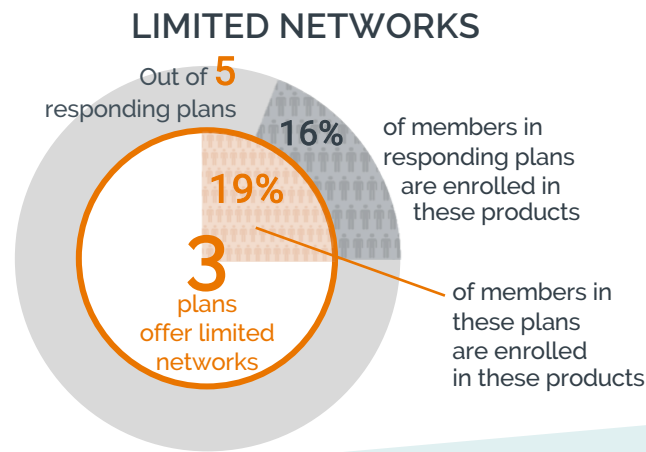
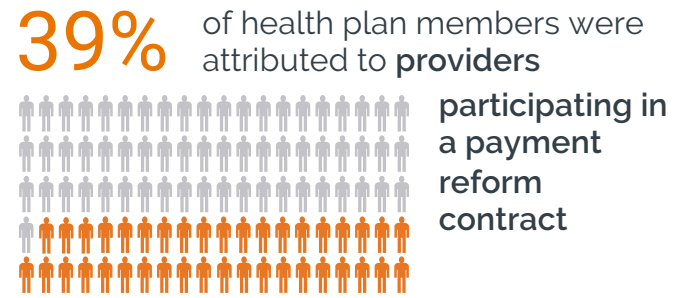
33.7%
SHARED
SAVINGS

67.3%
of the total payments
made to providers are
value-oriented

AT RISK
NOT AT RISK

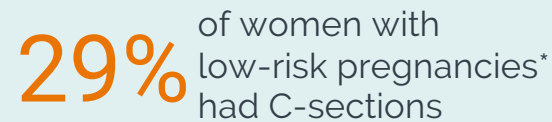
Economic Signals

ATTRIBUTED MEMBERS



System Transformation

CESAREAN SECTIONS



*NTSV measure.
Source: Analysis by VHI.

OF HEALTH PLANS OFFERING ONLINE MEMBER SUPPORT TOOLS

3 of 5 offer quality information



5 of 5 offer price information

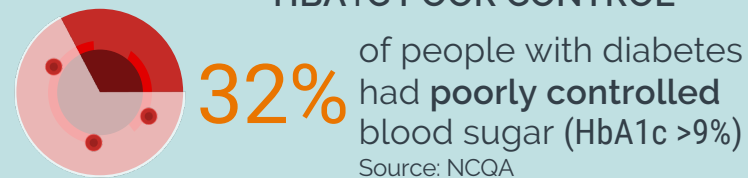


4 of 5 offer treatment decision information



Outcomes

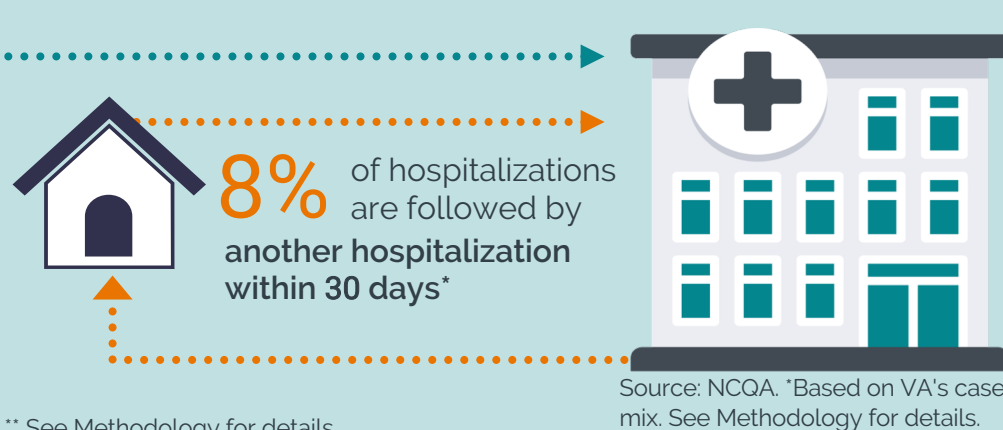
HBA1C POOR CONTROL



PREVENTABLE ADMISSIONS



ALL-CAUSE READMISSIONS

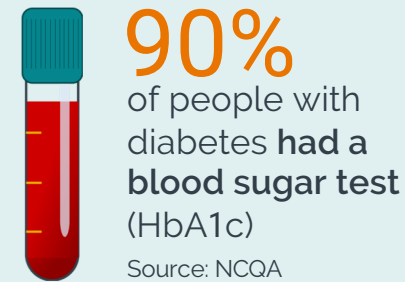


Source: AHRQ, analysis by VHI. ** See Methodology for details.

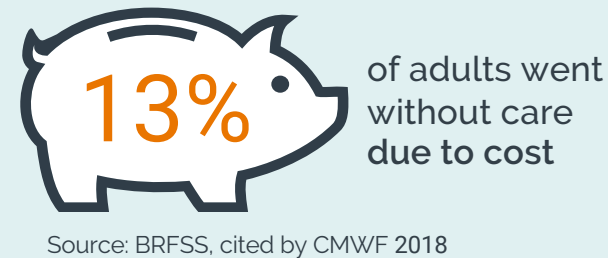
Payment Reform's Impact at a Macro-Level: Leading Indicators to Watch

Together, these metrics shed light on the impact of payment reform on the health care system in Virginia.

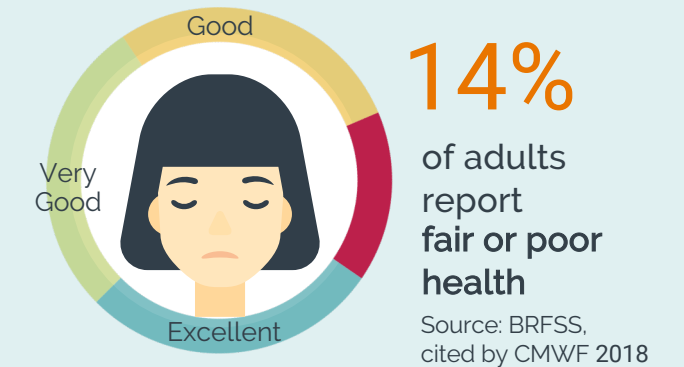
HBA1C TESTING



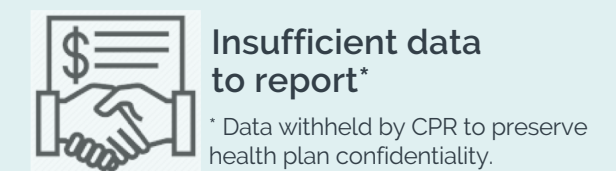
UNMET CARE DUE TO COST



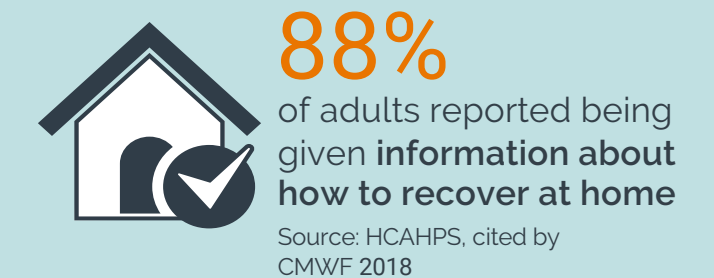
HEALTH-RELATED QUALITY OF LIFE



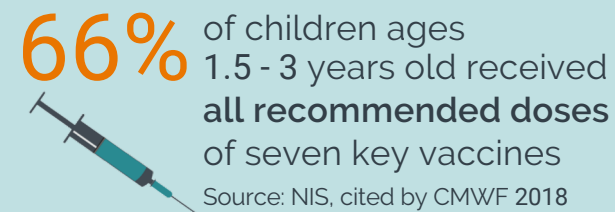
SHARED RISK CONTRACTS



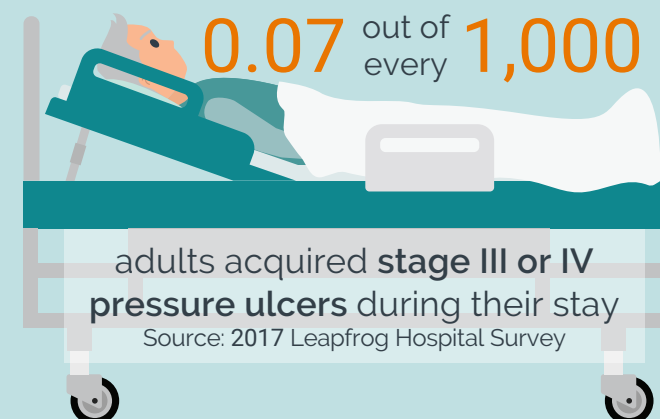
HOME RECOVERY INSTRUCTIONS



CHILDHOOD IMMUNIZATIONS



HOSPITAL-ACQUIRED PRESSURE ULCERS



CONTROLLING HIGH BLOOD PRESSURE

