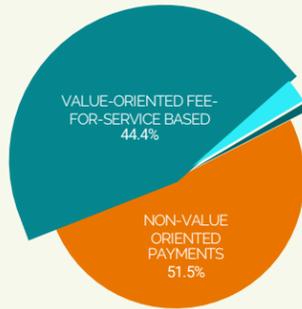


48.5%

OF THE TOTAL PAYMENTS MADE TO PROVIDERS ARE VALUE-ORIENTED

Using health plan data from calendar year 2016, the National Scorecard on Commercial Payment Reform found that 48.5% of all commercial payments were value-oriented—either tied to performance or designed to cut waste. Status-quo payments made up the remaining 51.5%.



VALUE-ORIENTED NON-FEE-FOR-SERVICE BASED 3.0%
VALUE-ORIENTED FEE-FOR-SERVICE BASED 44.4%
NON-VALUE ORIENTED PAYMENTS 51.5%

In 2016, most value-oriented payments to providers maintained a fee for service (FFS) foundation (44.4% of total dollars flowed through fee-for-service based value-oriented methods), while only 3% of payments flowed through value-oriented methods that did not involve any FFS payment. 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 are FFS-based.

23% AT RISK
77% NOT AT RISK

About 77% of value-oriented payments in 2016 offered providers a financial upside only, with no downside financial risk. The remaining value-oriented payments (23%) put providers at financial risk for their performance and spending.

ACKNOWLEDGMENTS

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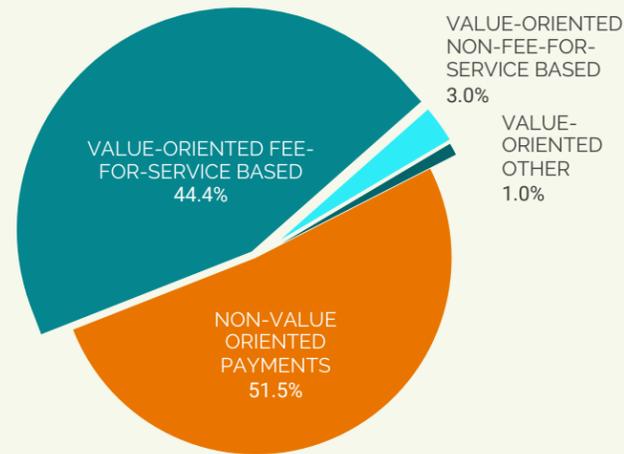
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2017 NATIONAL SCORECARD ON Commercial Payment Reform

PUBLISHED DECEMBER 2019

USE OF FEE-FOR-SERVICE IN VALUE-ORIENTED PAYMENTS



VALUE-ORIENTED NON-FEE-FOR-SERVICE BASED 3.0%
VALUE-ORIENTED FEE-FOR-SERVICE BASED 44.4%
NON-VALUE ORIENTED PAYMENTS 51.5%

23% AT RISK
77% NOT AT RISK

PROVIDER PARTICIPATION IN VALUE-ORIENTED PAYMENTS

53% of all hospital payments (inpatient)

19% of all outpatient specialist payments

43% of all outpatient primary care provider payments are value-oriented

SHARE OF TOTAL DOLLARS PAID TO PRIMARY CARE PROVIDERS AND SPECIALISTS



72% Paid annually to specialists

28% Paid annually to PCPs



NON-VISIT FUNCTIONS 0.1%

PARTIAL OR CONDITION SPECIFIC CAPITATION 0.4%

1.1% OTHER

BUNDLED PAYMENT 1.3%

FULL CAPITATION 1.5%

SHARED RISK 3.7%

SHARE OF VALUE-ORIENTED PAYMENTS THAT PUT PROVIDERS AT FINANCIAL RISK

PAY-FOR-PERFORMANCE 17.0%

23.7% SHARED SAVINGS

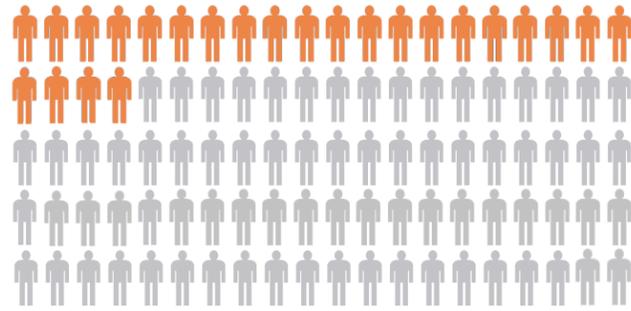
48.5%

OF THE TOTAL PAYMENTS MADE TO PROVIDERS ARE VALUE-ORIENTED

AT RISK
NOT AT RISK

Economic Signals

ATTRIBUTED MEMBERS



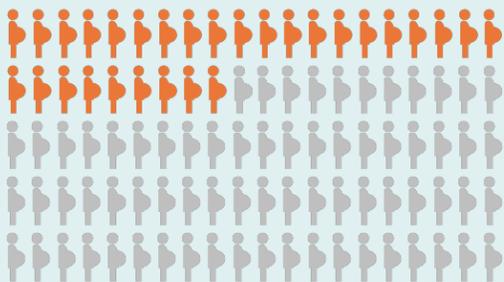
24%

of commercial plan members were attributed to providers participating in a payment reform contract

System Transformation

CESAREAN SECTIONS

26% of women with low-risk pregnancies* had C-sections



*NTSV measure.
Source: The Leapfrog Group, 2019

ONLINE MEMBER SUPPORT TOOLS

100% of plans offered or support a cost calculator.

66% of plans reported that cost information provided to members considers member benefit design relative to co-pays, cost-sharing, and coverage exceptions.

11% of hospital choice tools had integrated cost calculators.

11% of physician choice tools had integrated cost calculators.

Outcomes

PREVENTABLE ADMISSIONS

Out of every 1,000 people with employer-sponsored insurance, there were 5.3 preventable admissions among adults with certain conditions



8% of hospitalizations were followed by another hospitalization within 30 days*

ALL-CAUSE READMISSIONS



Source: NCQA. *Custom calculation. See Methodology for details.



38% of commercial plan members with diabetes had poorly controlled blood sugar (HbA1c >9%)
Source: NCQA

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 the United States in 2016.

HBA1C TESTING



90%

of commercial plan members with diabetes had a blood sugar test (HbA1c)

Source: NCQA

HEALTH-RELATED QUALITY OF LIFE



16%

of adults with commercial coverage reported fair or poor health

Source: BRFS, analysis by CPR 2019

UNMET CARE DUE TO COST



9.5%

of adults with commercial coverage went without care due to cost

Source: BRFS, analysis by CPR 2019

HOME RECOVERY INSTRUCTIONS



87%

of adults reported being given information about how to recover at home

Source: HCAHPS, cited by CMWF 2019

CHILDHOOD IMMUNIZATIONS

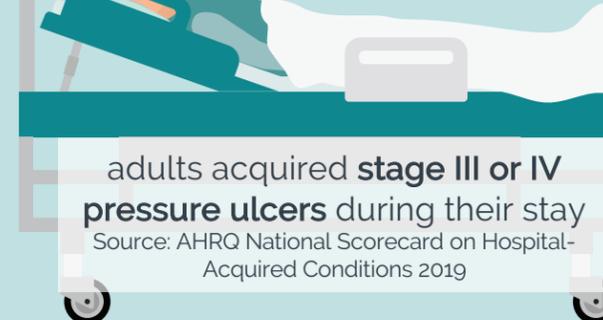
71%

of children ages 1.5 - 3 years old received all recommended doses of seven key vaccines

Source: NIS, cited by CMWF 2019

HOSPITAL-ACQUIRED PRESSURE ULCERS

23 out of every 1,000



adults acquired stage III or IV pressure ulcers during their stay

Source: AHRQ National Scorecard on Hospital-Acquired Conditions 2019

CONTROLLING HIGH BLOOD PRESSURE

58%

of commercial plan members with hypertension had adequately controlled blood pressure

Source: NCQA

