

Beginning October 1st, providers across the country embark on Day 1 of BPCI Advanced – the successor to BPCI “1.0,” and a promising innovation on the road to value-based care. As providers gear up for the new voluntary bundled payments program, we’re taking a brief look at some of the lessons learned in BPCI, before highlighting some key differences between the two programs. Then, we’ll discuss an updated timeline released by CMS for participants and those considering participation in the 2020 BPCI Advanced cohort. It’s time for providers to bundle up to advance value-based care.

Leveraging the Success of BPCI

BPCI, designed to increase provider collaboration, care quality, and patient experience across an episode of care has seen significant indications of success for both quality improvement and cost savings. For providers gearing up for BPCI Advanced, this may offer yet another source for optimism and value-based impact.

For instance, recently released federal data¹ showed that the Comprehensive Care for Joint Replacement (CJR) program had total cost savings, helping hospitals to decrease average total episode payments by \$1,127, or 3.9%, compared to hospitals not participating in the program. Despite that this mandatory CRJ program has been scaled back, it is significant that it demonstrated an impressive, positive impact over a short timeframe.

Even more encouraging from a clinical perspective, two recent JAMA studies help to further solidify the success of bundled payments. [The first](#), led by MIT economist Amy Finkelstein, found that the CJR program for lower extremity joint replacement (LEJR) surgery helped lower the number of discharges to institutional post-acute care by 2.9%, a “significant difference,” while lowering average total payments by \$910 for CJR episodes, compared to control groups.

[The second study](#), led by Ezekiel Emanuel and Amol Navathe, at the University of Pennsylvania, helped ease fears that hospitals would try to “game” the program by shifting toward healthier patients or increasing the overall volume of surgeries. The study found no strong evidence for either scenario (only 1 in 20 case-mix factors was associated with a lower likelihood of undertaking LEJR with a participating provider). These studies, in summary, paint a much clearer picture of the potential for success, for providers participating or considering participating in BPCI Advanced.

What Distinguishes BPCI Advanced?

While BPCI and BPCI Advanced are quite similar in ideology and mission – both reward providers who invest in practice innovation and care redesign to better coordinate care, improve quality and lower costs — the latter introduces notable changes. Unlike 1.0, BPCI Advanced qualifies, under MACRA, as an Advanced Alternative Payment Model (APM) in the Quality Payment Program (QPP), providing hospitals and physician practices with additional incentive to participate. BPCI Advanced also introduces a quality component, as up to 10% of payments will be adjusted based on performance quality measures.

In general, BPCI Advanced streamlines a number of measures from BPCI, with changes to episode duration. For instance, the program requires participants to be responsible for 90-

day episodes (inpatient stay or outpatient procedure plus 90-days post-discharge), where BPCI gave providers a choice between 30, 60 and 90 days. There are also fewer excluded services, fewer opportunities to exclude episodes with outlier costs and only 28 of the original 48 inpatient clinical episodes are included. However, one inpatient episode, as well as three outpatient episodes, have been added.

Recent Timeline Tweaks

The first BPCI Advanced cohort will begin participation Monday, October 1st. From there, with the recently updated CMS schedule, they will have six months to determine whether or not to continue with their selected episodes; in March 2019, for one time only, participants can retroactively withdraw all or some episode initiators and clinical episodes in the model, from the October 1st start date. This flexibility may encourage more hospitals and physician group practices to participate in additional episode groups.

Then, in the Spring of 2019, the next application period will open for providers to participate in the 2020 cohort, which will begin in January of that year. A snapshot of more key dates are below:

- October 1, 2018 - Program Launch; Model Year 1 Begins
- January 2019 - Model Year 2 Begins
- March 2019 - Retroactive Withdrawal Opportunity
- Spring 2019 - CMS to Announce Enrollment Opportunity for Model Year 3
- Fall 2019 - Expected Performance Period 1 Reconciliation

Given the demonstrated success of bundled payments thus far, investing in innovative programs like BPCI Advanced may drive new opportunities for providers to increase the impact they can have on the patients they serve and the value they bring to their partners and the system.

¹ CMS, <https://innovation.cms.gov/Files/reports/cjr-firstannrpt.pdf>