

Bundled payments signify the future of value-based care, so how can your organization champion participation in the approaching BPCI Advanced model? And how can you equip your organization for success?

If your organization applied for BPCI Advanced on March 12<sup>th</sup> and you're wondering what's next — or if you'll be considering application in 2020 — check out these highlights.

## **What You Need to Know About BPCI Advanced**

### *The basics*

BPCI Advanced (BPCI-A) was announced by CMS on January 9th and is set to launch in October 2018. It is an episodic payment model for acute care hospitals (ACHs) and physician group practices (PGPs) aimed at providing higher quality, more cost-effective care to Medicare fee-for-service beneficiaries.

### *A new definition of episodes*

Under BPCI-A, an episode is an inpatient hospital stay plus a 90-day post-discharge window or an outpatient hospital procedure plus a 90-day period following procedure. There are 32 total clinical episodes included in this new definition.

### *What triggers an episode*

- for an inpatient stay: a Medicare Severity-Diagnosis Related Group (MS-DRG) in 1 of the 29 Inpatient Clinical Episodes.
- for an outpatient hospital procedure: a Healthcare Common Procedure Coding System (HCPCS) code in 1 of the 3 Outpatient Clinical Episodes.

It's also important to note that most Medicare services within the episode period are included, with fewer exclusions than BPCI 1.0.

## **New Model, New Opportunities**

Though BPCI Advanced is not a huge departure from the inaugural BPCI program, there are five main areas where the new model can drive unique opportunities to increase the impact that participants can have on the patients served and the value delivered across the care cycle:

1. *Model Design and Care Redesign*— participation in BPCI Advanced is a true commitment to care redesign, beyond simply speaking to it or opining on how one might approach it. CMS is looking for participants to demonstrate that they have the

organizational readiness, change management prioritization and capacity to deliver on the care redesign they are proposing.

- The absence of PAC providers as episode initiating providers still presents a unique opportunity for them to be part of the care continuum and it is to be expected that BPCI-A will foster stronger collaboration of PAC providers, likely through the formation and management of high-performing networks. We've seen in our experience, whatever the arrangement, there is a real coalescence around the mission behind a program like BPCI-A that is shared across the continuum by all providers that we can continue to do better in patient outcomes, patient quality and in driving value.
2. *Episode Inclusions and Exclusions*— some of the interesting changes around BPCI-A that are likely to drive care redesign include the addition of hospice services within the episode of care and we've seen greater inclusion of Part B services in BPCI-A than we have in the past meaning that participating organizations might discover costs that were otherwise in a bit of a blind spot or seem unrelated.
- With the addition of hospice services and the broader inclusivity around Part B services, the need for new or strengthened capabilities or even partnerships with hospice providers will ramp up.
  - It also means that participating organizations will have to strengthen those relationships within the community. A 90-day episode of care may seem short but there is actually a lot of time within that episode for patients to engage in the outpatient setting or with home health providers, for example. Episode initiators will need to make sure those relationships with primary care physicians, community-based health clinics, or home health agencies, are strong to be able to account for and anticipate those Part B services and ideally ensure those services are both necessary and high-quality for those patients that need them.
3. *Quality Measurement and Quality Improvement*— seven quality measures are now required in BPCI-A and CMS has made it clear that they may add more quality measures later. BPCI-A is a testament to continuous quality improvement and will require that providers commit to it rather than observe it.
- Though quality measures may seem like an easy measure to check the box for and some are not required, including the Advanced Care Plan as a required measure in BPCI-A speaks volumes toward those patients' goals, care plans and decision-making throughout the process. Participants will need more resources for robust quality and patient experience programs that go beyond 'checking the box' and that really put the full patient forward.

- Coding is a big component here and will need to be in place to require accuracy in claims-based reporting and making sure organizations have met the spirit of that measure in delivering that patient care.
  - There is also financial impact based on adherence to measures outlined in the model. It will be important to align quality initiatives with program economics so that performance can be improved both in terms of quality and outcomes.
4. *Pricing Methodology, Benchmark, and Risk*— BPCI-A still ties quality to payment as an incentive and is employing that notion through its benchmarking approach to be rewarded upon your historical care and by being a high-quality and efficient provider compared to others around you.
- Continuous process improvement will be critical here – in the way that these prices are going to be set through annual rebasing, providers will essentially be competing against themselves and continuously improving upon prior performance.
5. *Aligning with Other VBC Initiatives and APMs*— as BPCI-A qualified as an Advanced Alternative Payment Model, and there is overlap in other models of which participants can participate in concurrently, there are additional incentives for providers to participate.
- This flexibility does require an investment in technical expertise on value-based care and alternative payment models and deeper experience in managing risk and enhanced analytic to manage the overlap. It also requires strong relationship building to make sure the patient is fully supported and coordination with physician leaders and improved forecasting of quality payment opportunities will be recommended.

## What's the Timeline?

You've either applied for BPCI Advanced already or you're considering application submission in January 2020. Whatever the case, important dates are to come. This timeline offers a visual overview of the implementation stages to come:



## An Investment in Better Care

BPCI Advanced participants can expect a great opportunity for savings under BPCI Advanced. Redesigning the continuum of acute and post-acute care to be more tailored to patient needs can generate significant savings for Medicare and substantial payments for providers.

However, with a new model comes new changes that may require a significant amount of time, resources, and expertise — and some organizations may not feel equipped for the challenge.

If you've opted to wait until the 2020 deadline, use this time to further explore and consider the benefits of BPCI Advanced. If you've already applied but are curious about the changes and opportunities ahead, support is available in the form of a convener. An experienced convener offers shared risk, expertise in the facilitation of care redesign, data processing benefits, completion of the lengthy CMS application, and a CMS advocate liaison going forward.

[Learn More](#)