



To: Melissa Miles, Green Mountain Care Board
From: Tom Borys, Director of Finance OneCare Accountable Care Organization, LLC.
Date: April 22, 2019
Subject: OneCare Vermont ACO 2019 All Inclusive Population Based Payment (AIPBP) Monitoring Plan

OneCare Vermont

2019 AIPBP Monitoring Plan

In 2019 OneCare Vermont intends to continue monitoring the Medicare AIPBP in a similar fashion to 2018. The process relies upon inputs from a number of sources, and aims to validate the results by reconciling between reports from CMS, CMMI, and the monthly claims feed.

The first source used to monitor the AIPBP is called the Monthly Expenditure Report and is delivered by CMS on a monthly basis. This report shows on a service-month basis the aggregate Population Based Payment (PBP) Reduction, or the amount of claims that have been zero-paid in relation to the AIPBP arrangement. This amount can be compared to the monthly AIPBP amount that is paid in cash to OneCare each month to identify the materiality of any variance. Because this report is segmented by service month, an IBNR factor can be applied to complete the data, or incomplete months can be excluded from the analysis. The benefit of this particular perspective is that it is an aggregate look and closely aligns with the way in which CMS/CMMI would be monitoring the AIPBP overall.

The second source used is the monthly claims feed. As a regular measure, the claims feed data is reconciled to the Monthly Expenditure Report to ensure alignment between the two sources. Typically these two sources align very closely, but the size of any slight variance does depend on the amount of claims runout applied to the report and the timing of the claims feed. After reconciling these two sources, there is confidence that the claims feed can be accurately divided up by Health Service Area (HSA), provider, beneficiary, etc. and delivered to the network accordingly. This data source is used to develop year-to-date HSA-specific AIPBP variances that are components of reports that showcase overall program performance and current economic outcomes.

To communicate the findings to the network, the OneCare Finance Team prepares and disseminates monthly Risk Settlement Status Reports. These reports have HSA spending breakdowns for each payer program and reconcile to the total ACO performance to date. One of the components of this report, particularly important for Medicare, is the estimated AIPBP reconciliation amount. Knowing this information allows each provider to make any necessary accruals, and prepare for any reconciling payment to or from OneCare. These reports are shared with the network financial leaders, the Board of Managers, and discussed at Finance



Committee regularly. At the discretion of the finance committee, the monthly payment to the providers can be adjusted to minimize the amount of any year-end reconciliations that may take place.

Lastly, CMMI has developed a standard AIPBP reporting package that will be sent to OneCare each month. The contents of this report will be another source against which to reconcile and validate that the analysis produced from the claims feed data tie to overall program performance and reports generated directly by CMS/CMMI.

It must be noted that the ability to rely upon any of these analyses is dependent on a fully functioning claims processing system. If claims are being improperly paid fee-for-service, the variance between the AIPBP payment to OneCare and the value of the zero-paid claims is invalid until the system has been corrected and any improperly paid claims have been reprocessed. This has been a recurring problem over the past two years and has thus affected the ability to accurately monitor the AIPBP.

If you have any questions or thoughts about this process, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Tom Borys". The signature is written in a cursive, flowing style.

Tom Borys
Director of Finance