

Welcome

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NORTHERN MICHIGAN
**HEALTH
NETWORK**

NMHN.NET

Northern Michigan Health Network



- NMHN is in its 3rd year of a 3 year agreement
- Most of you have met with or will meet with Kris or Ed to discuss GPRO Results
- NMHN is waiting for data from CMS to know how we performed financially and what the Patient Satisfaction results are for year 2
- It is time to begin planning for 2017

Northern Michigan Health Network – 2017



- Apply for another 3 year agreement
 - Risk is an option for the first 2 years
 - Risk is required in year 3

Northern Michigan Health Network – 2017

- Next Generation ACO





Next Generation ACO

- The purpose of the Next Generation Model is to test whether strong financial incentives for ACOs can improve health outcomes and reduce expenditures for Medicare Fee-For-Service beneficiaries
 - Reward quality performance
 - Reward both attainment and improvement in cost containment
 - Ultimately transition away from reference to ACO historical expenditures



Next Generation ACO

- Unlike MSSP and Pioneer ACO Models, in which the final updated benchmark is determined at the end of each performance year, CMS will establish the Next Generation Model prospective benchmark prior to the start of each performance year.



Next Generation ACO

- Unlike MSSP and Pioneer ACO Models, the Next Generation Model will not utilize a minimum savings rate (MSR). Instead, CMS will apply a discount to the benchmark once the baseline has been calculated, trended and risk adjusted.

Next Generation ACO



- Payment Mechanisms
 - Normal Fee-For-Service payments
 - Normal Fee-For-Service payments + Monthly infrastructure payments
 - Providers receive normal FFS reimbursement, and the ACO receives an additional per-beneficiary per-month (PBPM) payment unrelated to claims. This allows the ACO to invest in the infrastructure required to support ACO activities.
 - Infrastructure payment will be at a rate of no more than \$6 PBPM.
 - Population Based Payments

MACRA – Medicare Access and CHIP Reauthorization Act of 2015



- MACRA repeals the SGR (Sustainable Growth Rate)
- CY 2019-2025 Medicare payment rates will be predicated or eligible in either
 - MIPS – Merit-based Incentive Payment Systems
 - APM – Alternative Payment Models

MACRA (continued)

- CY 2017 is proposed as the first performance period on which CMS plans to base the CY 2019 payment adjustments



Take a ways from today's webinar

- NMHN will be applying for both the MSSP and the Next Gen ACO
- June 1st is the due date for the next Gen ACO participant list
- By the end of summer we will evaluate both opportunities, if NMHN is approved as a Next Generation ACO and make a decision regarding which agreement to sign, since we can not be in both.





Thank you