

Model Overview and Request for Applications Model Year 7 Webinar

March 9, 2023

Housekeeping & Logistics



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Participate



If you have questions for the Model Team, please use the Q&A box on the bottom of your screen.



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Please complete a short survey, available at the end of the event.

Agenda

This webinar will provide an introduction to the Bundled Payments for Care Improvement Advanced Model and the application opportunity for Model Year 7. The following topics will be discussed:

- 1** | Welcome Remarks
- 2** | Model Highlights
- 3** | Model Design Elements
- 4** | Pricing Methodology
- 5** | Application Process & Who Can Apply?
- 6** | Questions and Answers Session

Welcome Remarks

Today's Presenters



Amy Giardina
*Director, Division of
Payment Models*



Jen Lippy
*Deputy Director, Division
of Payment Models*



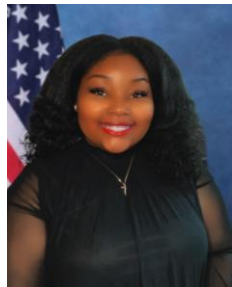
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Analyst*



Jessica Dawson
*Social Science
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Tom Ensor
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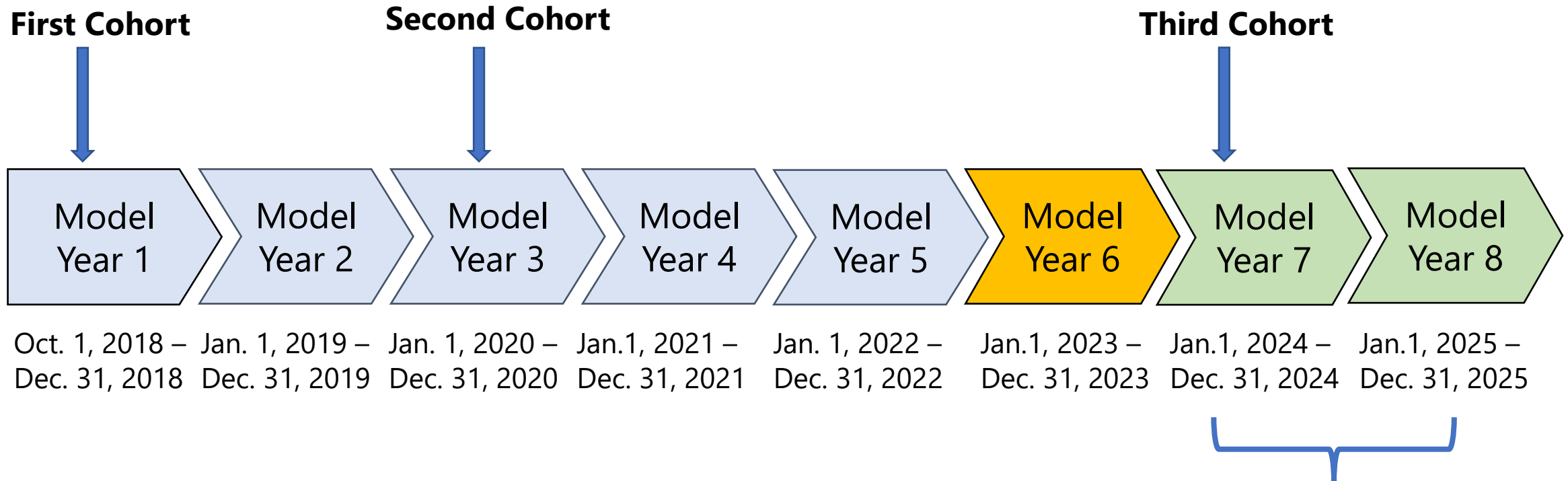


Naa Minnoh
*Public Health
Analyst*

Model Highlights

BPCI Advanced Model Performance Periods

The Model began on October 1, 2018



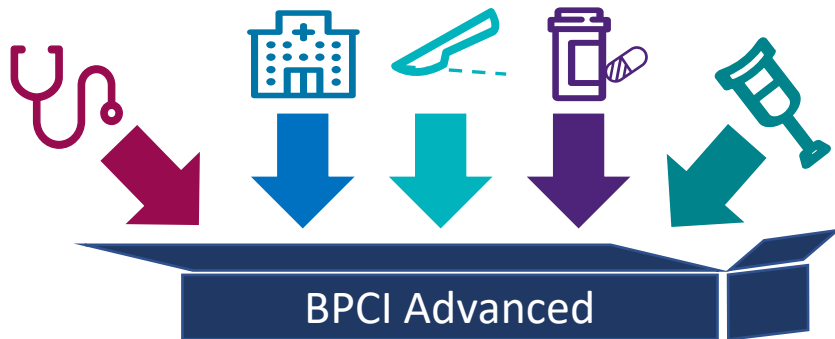
Model Extension

and will continue until December 31, 2025

Voluntary Episode Payment Model

Included fee-for-service claims, paid by CMS, will be bundled together to calculate the total expenditures and compared against the Target Price during the retrospective reconciliation process.

What is in a Bundle?



What is not in a Bundle?

All claims are included unless they are specifically excluded

Items and Services Included in a BPCI Advanced Clinical Episode

- ✓ Inpatient or outpatient hospital services that comprise the Anchor Stay or Anchor Procedure (respectively)
- ✓ Clinical laboratory services
- ✓ Durable medical equipment
- ✓ Inpatient hospital readmission services
- ✓ Other hospital outpatient services
- ✓ Physicians' services
- ✓ Part B drugs
- ✓ Skilled nursing facility services
- ✓ Inpatient rehabilitation facility services
- ✓ Long-term care hospital services
- ✓ Home health agency services
- ✓ Hospice services

Who is a BPCI Advanced Beneficiary?

A patient enrolled in Medicare Parts A and B for the duration of the 90-day Clinical Episode qualifies as a BPCI Advanced Beneficiary.



Exceptions

In the following circumstances, a Medicare Beneficiary is not included in BPCI Advanced:

- If covered under United Mine Workers or managed care plans
- If eligible for Medicare on the basis of End Stage Renal Disease (ESRD)
- If Medicare is not the primary payer, at any time during the Clinical Episode
- If beneficiary dies during the Anchor Stay or Anchor Procedure



Protections for Beneficiaries

The following outlines protections for Beneficiaries:

- Required Beneficiary Notification Letter
- Participants may not:
 - Restrict Beneficiary access to medically necessary care
 - Limit the Beneficiary choice of providers or suppliers
- The Beneficiary's Medicare benefits will remain the same
- Cost sharing responsibility for services will not be different than if Beneficiary where not in the Model

Beneficiary Incentives

Participants in the Model may provide items and services that are reasonably connected to the medical care provided, or preventive care items that advance a clinical goal, under a special waiver.

Participation Requirements

Certain structural and process improvement activities are cornerstones for success in episode-based payment models. See below for BPCI Advanced Participation Requirements.

- Submission of required deliverables – PP, CRP, QPP List, FAL prior to the start of the Model Year
- Organizational Readiness on Day 1 - January 1, 2024
- Engaged in BPCI Advanced Activities with Participating Practitioners
- Financial responsibility to CMS – Secondary Repayment Source (SRS)
- Ensure Beneficiary Notification Letter is presented prior to discharge
- Actively participate in Learning System activities
- Comply with requests for Evaluation, Monitoring and Compliance activities
- May enter into Financial Arrangements¹
- May furnish items and services to BPCI Advanced Beneficiaries²

Participants may terminate their participation from the Model at any time with 90-day written notice in accordance with the BPCI Advanced Participation Agreement.

1 - Must comply with the Fraud and Abuse Waivers requirements.

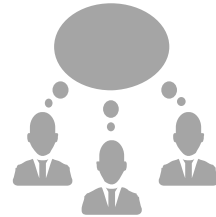
2 - Must comply with the CMS Payment Policy Waivers and Fraud and Abuse Waivers requirements.

Strategies for Success

Below are strategies that have been identified as “Best Practices” for Participants in the BPCI Advanced Model.



**Care
Navigation**



**Post-Acute Care
Preferred Provider
Networks**



**Data and
Dashboards**



**Patient and
Caregiver
Education**



**Changing or
Standardizing
Care Protocols**

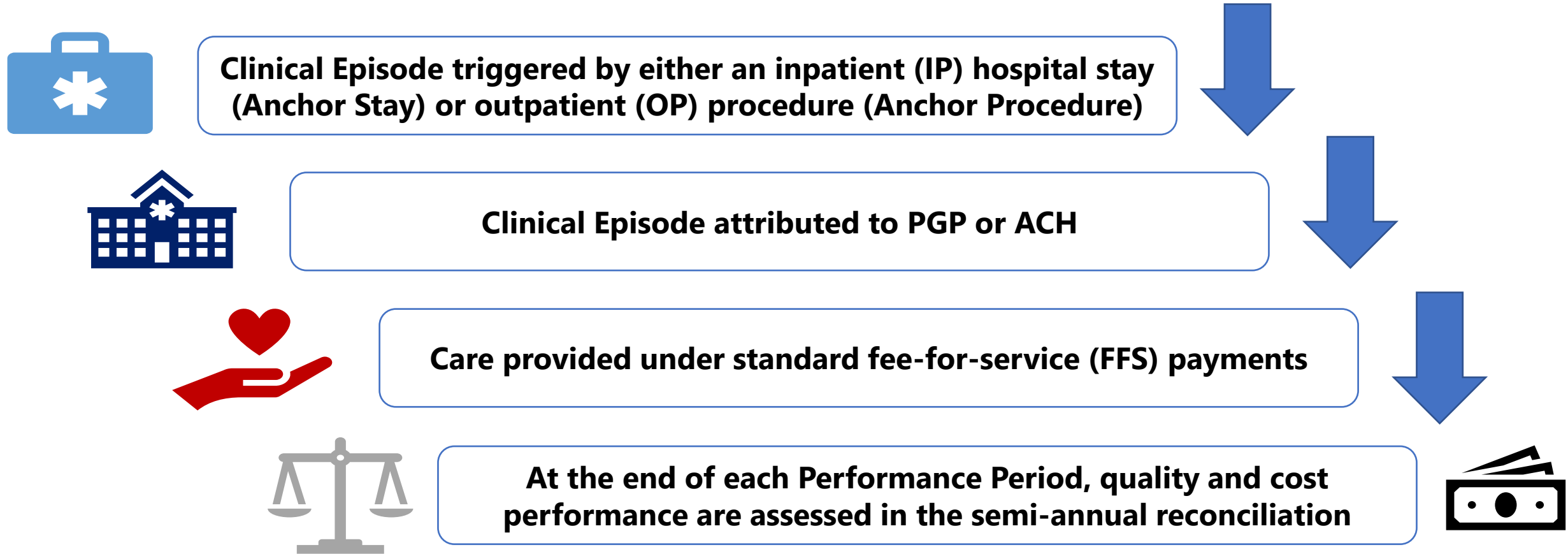


**Multidisciplinary
Steering
Committees**

Model Design Elements

How Does BPCI Advanced Work?

BPCI Advanced bundles the payments for physician, hospital, and other health care provider services into a single target price for an episode of care to reduce Medicare expenditures while preserving or enhancing the quality of care.



Financial Risk for Participants

A Participant is an entity that enters into a BPCI Advanced Model Participation Agreement with CMS, accepting to bear financial risk for Clinical Episodes under the Model for the Agreement Performance Period.

Reconciliation is based on comparing actual Medicare FFS expenditures to the final Target Price

POTENTIAL SAVINGS TO PARTICIPANT



If all non-excluded Medicare FFS expenditures for the 90-day Clinical Episode are less than the final Target Price, there will be a Positive Reconciliation Amount, and a **Net Payment Reconciliation Amount – NPRA** from CMS to the Participant

POTENTIAL REPAYMENT AMOUNT TO CMS



If all non-excluded Medicare FFS expenditures for the 90-day Clinical Episode are greater than the final Target Price, there will be a Negative Reconciliation Amount, and a **Repayment Amount** from the Participant to CMS

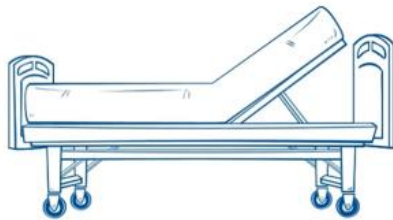
SHARING SAVINGS AND RISK WITH PARTNERS - FINANCIAL ARRANGEMENTS

NPRA Sharing Partners Might Be: Participating Practitioners, PGP, ACH, ACO, PAC Providers

Clinical Episode Triggers

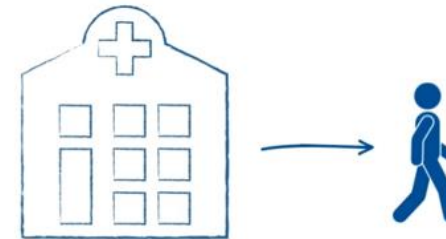
A Clinical Episode in the BPCI Advanced Model is the defined period of time triggered by the submission of a claim for an Anchor Stay (for inpatient Clinical Episodes) or Anchor Procedure (for outpatient Clinical Episodes) by an Episode Initiator.

Inpatient CE - Anchor Stay



Inpatient stay at an Acute Care Hospital with a **qualifying MS-DRG** claim billed to Medicare FFS by an EI

Outpatient CE - Anchor Procedure



Outpatient procedure (**identified by a Healthcare Common Procedure Coding System (HCPCS) code**) on an associated Hospital Outpatient (HOPD) facility claim billed to Medicare FFS by an EI

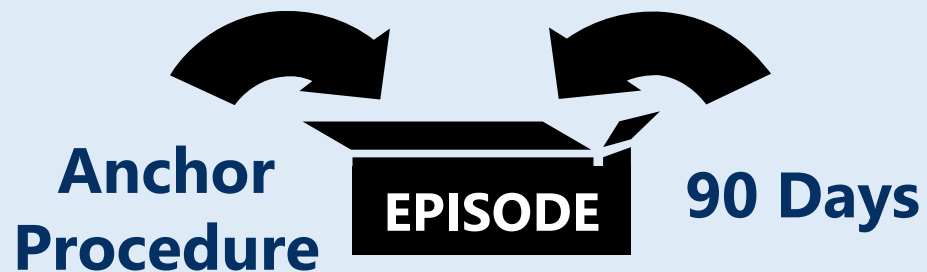
Clinical Episode Length



Inpatient Clinical Episode:

Anchor Stay (day 1 up to day 60)

+ 90 days beginning the day of discharge



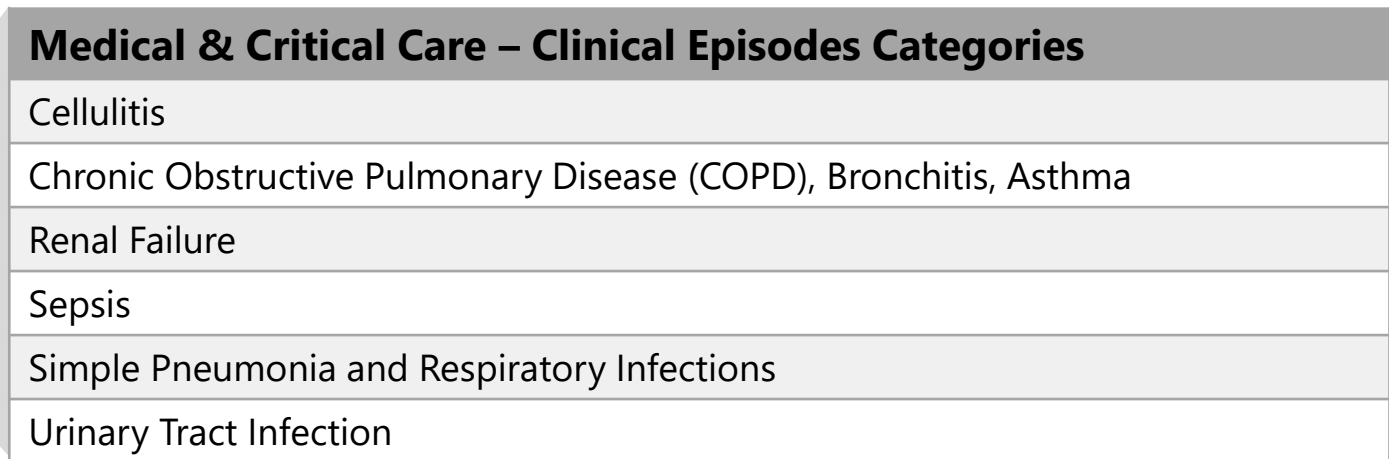
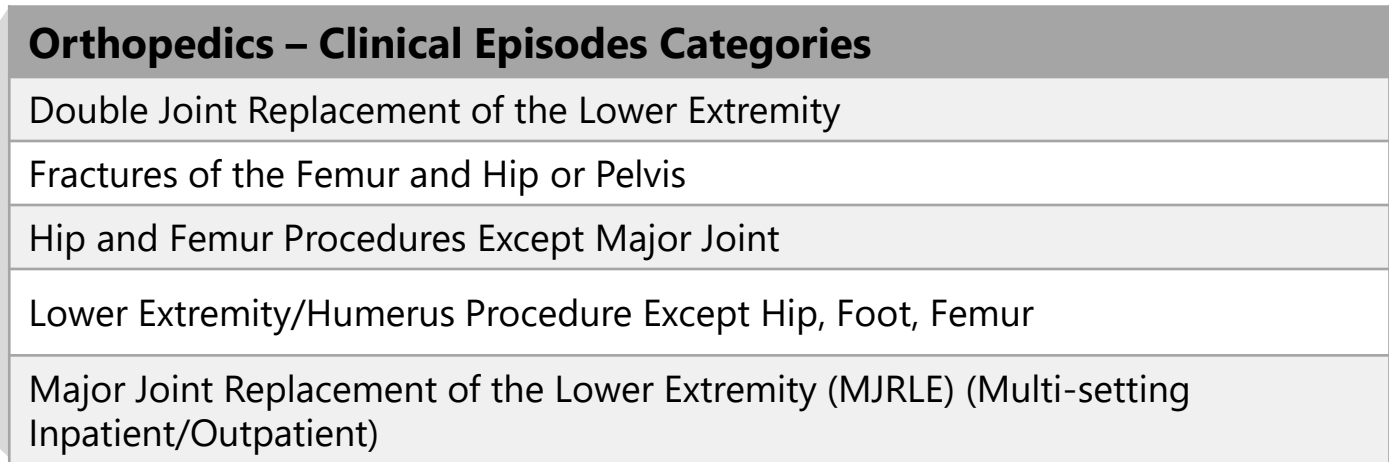
Outpatient Clinical Episode:

Anchor Procedure

+ 90 days beginning on the day of completion of the outpatient procedure

Clinical Episodes Service Line Groups (CESLGs)

BPCI Advanced has a total of 34 Clinical Episode (CE) Categories, including 29 Inpatient CE Categories, 3 Outpatient CE Categories, and 2 Multi-Setting CE Categories. These 34 CE Categories are grouped into eight Clinical Episode Service Line Groups (CESLGs).



What are the Precedence Rules in BPCI Advanced?

The hierarchy for attribution of a Clinical Episode is listed below in descending order of precedence.

- 1** Attending PGP 
- 2** Operating PGP 
- 3** Acute Care Hospital 

Clinical Episodes will be attributed at the Episode Initiator level during the Reconciliation Process.

There is no time-based precedence in BPCI Advanced.

Episode Initiators and CESLGs Selection for MY7 & MY8 – Participant Profiles (PP)

Potential Cohort 3 Applicants should keep the following considerations in mind:

1

CMS will allow potential Episode Initiators to appear in multiple applications

Episode Initiators may only participate with either ONE Convener Participant or as a Non-Convener Participant

2

Participant Profile template will include all the potential Episode Initiators that were listed in the application

When the Participant Profiles are submitted to CMS, the EI appears in only ONE Participant Profile with a status of "Active"

3

Selection of Clinical Episode Service Lines Groups (CESLGs) made in the submitted MY7 Participant Profiles

Will be binding until the end of the Model on December 31, 2025

Pricing Methodology

Data, Baseline Prices, and Target Prices

The model baseline periods are used to create benchmark prices for each year of the BPCI Advanced Model.

Data Request and Attestation (DRA) and Baseline Prices

If an Applicant wishes to receive historical claims (baseline data), prior to deciding whether to participate in the Model the proper selection must be made in the DRA section of the Application.

Two individuals designated as Data POCs for the Applicant will be granted access to the BPCI Advanced Data Portal where the historical claims and Target Prices data files will be made available to Applicants.

Target Prices

All Applicants and Active Model Participants will receive MY7 Target Prices for all Clinical Episodes Categories within a CESLG for which they meet the minimum baseline threshold.

- For hospital Episode Initiators (EIs) the minimum baseline threshold is at least 41 Clinical Episodes in the baseline period.
- For physician group practice EIs, the hospital(s) where they will initiate Clinical Episodes must meet the 41 Clinical Episode threshold in the baseline period.

Pricing Methodology

BPCI Advanced calculates a Target Price specific to each hospital, based on a Benchmark Price and a discount. Participants aim to treat Medicare beneficiaries at a cost below this Target Price.

$$\text{Target Price (TP)} = \text{Benchmark Price (BP)} \times (1 - \text{CMS Discount})$$

- ✓ **CMS Discount** = 2% for Medical Clinical Episodes
3% for all Clinical Episodes
- ✓ **Preliminary Target Prices** will be provided before the start of the Model Year
- ✓ **Final Target Price** will be set retrospectively at the time of Reconciliation by replacing the historic Patient Case Mix Adjustment with the realized value in the Performance Period

Target Prices

CMS provides Participants with preliminary Target Prices for each Clinical Episode Category for each Episode Initiator prior to the start of each Model Year.



Final Target Prices will be constructed during reconciliation and will include updated patient case mix and realized trends



Conveners will receive Target Prices for all their Episode Initiators (EIs)



Non Conveners will receive only their own Target Prices

For the technical specifications on: Clinical Episode Lists, Exclusions Lists, Clinical Episode Construction, Target Price, and Reconciliation for each Model Year, visit the Participants Resources webpage – Technical Resources section.

<https://innovation.cms.gov/innovation-models/bpci-advanced/participant-resources>

Quality Measures

Participants will have the flexibility to be assessed on quality by selecting either the Administrative Quality Measures Set or the Alternate Quality Measures Set, for each CE within a CESLG for which they have committed to be held accountable.

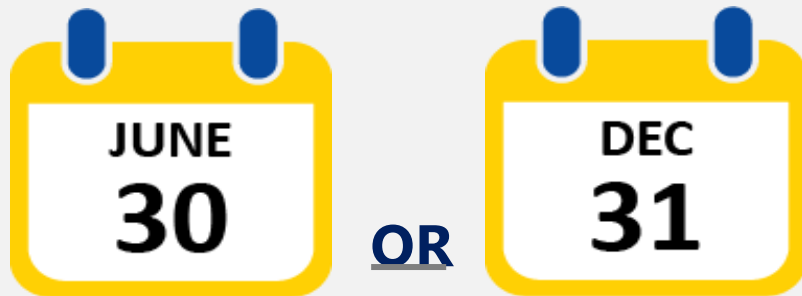


The **Composite Quality Score (CQS)** calculation methodology will apply to both measure sets and will adjust the reconciliation results by up to 10% in either direction (up or down).

Reconciliation

During Reconciliation, the actual Medicare FFS expenditures for all Clinical Episodes attributed to the Participant and, for Convener Participants, to the Participant's Downstream Episode Initiators, are compared to the final Target Price for those Clinical Episodes.

Clinical Episodes will be reconciled based on the Performance Period in which the Clinical Episode ends



Reconciliation occurs semi-Annually with two "True-Ups" to allow for claims run-out

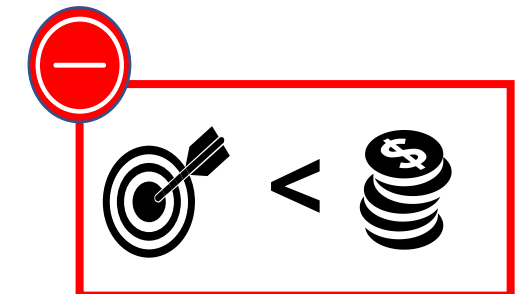
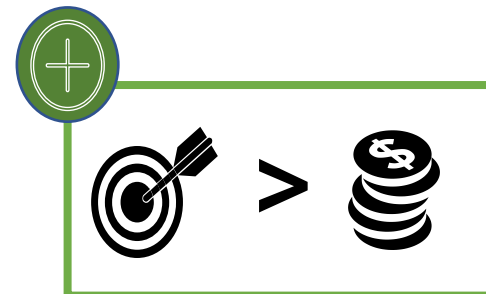
KEY POINTS:

Net Payment Reconciliation Amount (NPRA):

Payment by CMS to the Participant

Repayment Amount:

Payment by Participant to CMS



Limitations to the Financial Risk

CMS recognizes the financial risks associated with participation in the BPCI Advanced Model and has instituted limitations to the financial risk accepted by Participants.

Risk Track

- The risk cap is applied to Clinical Episodes at the 1st and 99th percentile of spending
- The risk cap is applied to Clinical Episodes in both the Performance Period and the Baseline Period

Stop-Loss / Stop-Gain Limits

- Reconciliation payments, both to Participants from CMS and from Participants to CMS, are capped at +/- 20% of the volume-weighted sum of final Target Prices across all Clinical Episodes netted to the EI level within the Performance Period
- Applied following the CQS adjustment

Application Process & Who Can Apply?

Poll #1

Are you representing a:

- a. Potential Applicant*
- b. Former Participant or Episode Initiator*
- c. Active MY6 Participant*
- d. Other*

Who Can Apply

Only Medicare-enrolled providers, suppliers, or a Medicare ACO, may apply as a NEW Convener Participant for Model Year 7 (2024).



New Convener Applicants

- Medicare-Enrolled ACHs, SNFs, IRFs, HHAs
- Medicare-Enrolled PGPs
- Medicare ACOs



Non-Convener Applicants

- Only ACHs or PGPs



Former Participants and Episode Initiators

- As a New Convener or Non-Convener
- As an EI



Active MY6 Participants

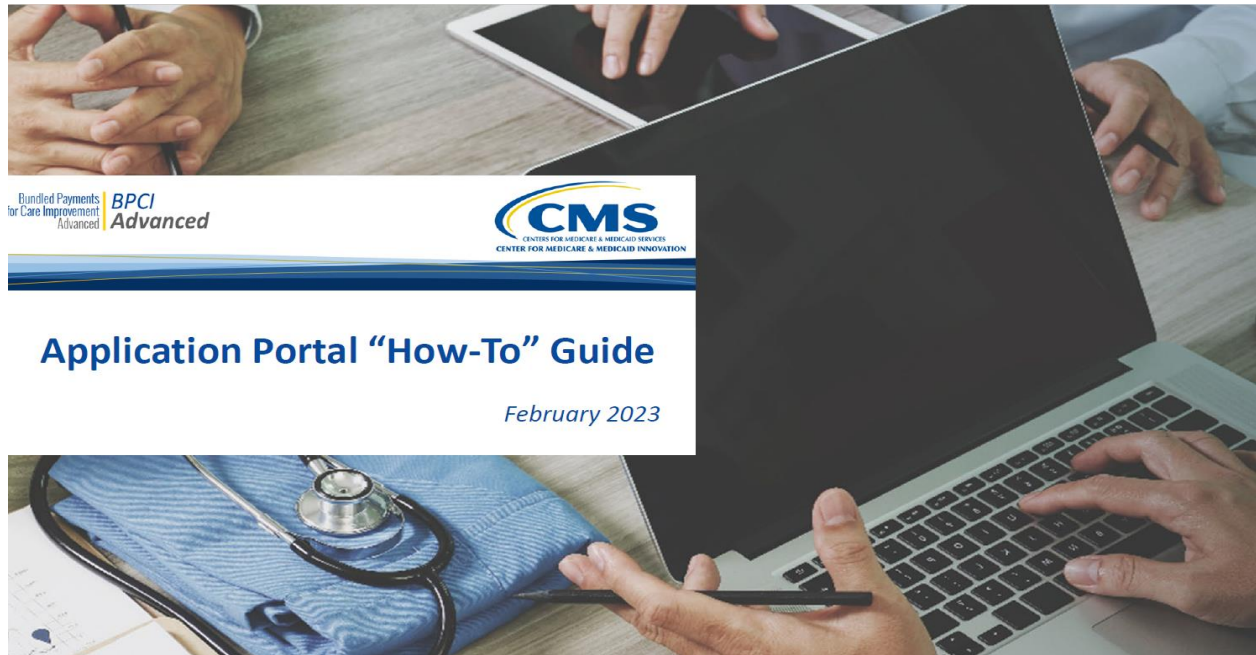
- Add EIs to Active BPIDs – Via Participant Portal
- New BPIDs – Via Application Portal

BPCI Advanced Application Portal

You may access the BPCI Advanced Application Portal “How-To” Guide on the model website.

<https://app.innovation.cms.gov/bpciadvancedapp/IDMLogin>

Deadline for submission of applications → **May 31, 2023 at 5:00 PM EDT**

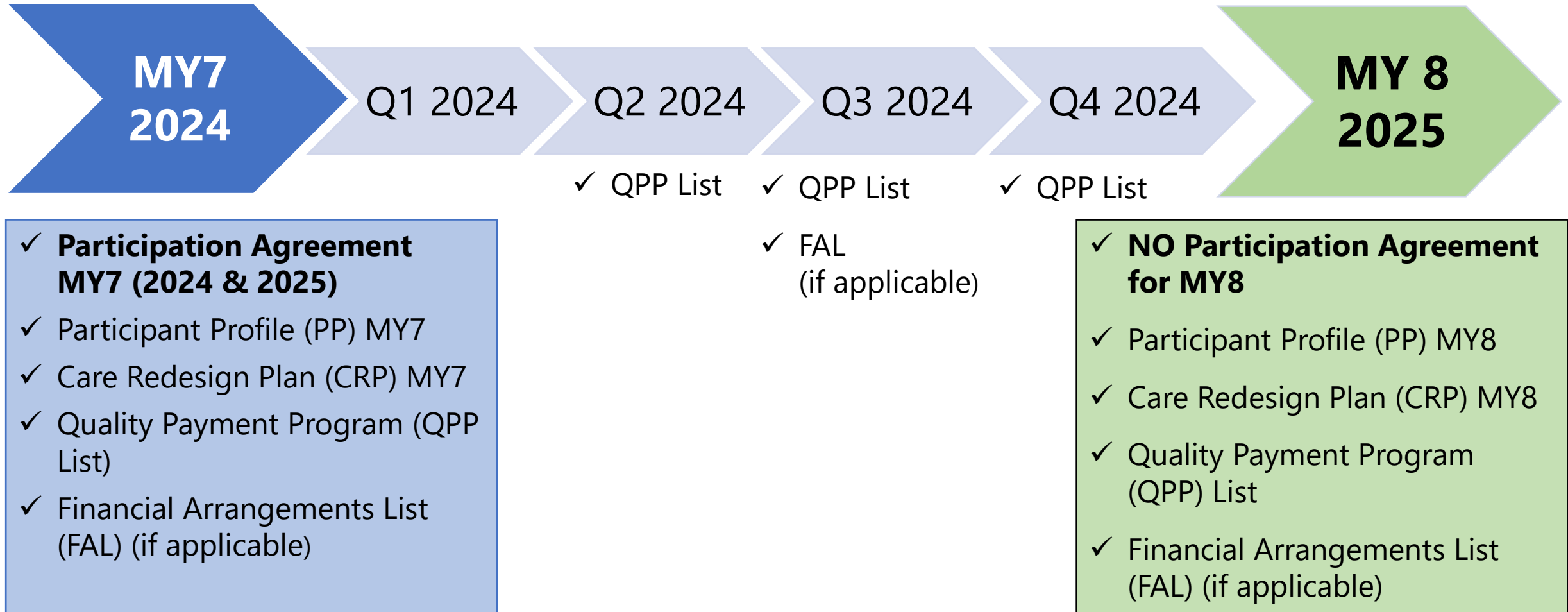


Section 1: Registering for the Application Portal

Section 2: Navigating the Application Portal

Required Deliverables for Model Year 7 Participants

After submitting an application, there are a number of deliverables that must be completed and submitted before CMS approves the submitted application and executes the MY7 Participation Agreement.



Applicant Resources

The BPCI Advanced Model team has created many resources to support Applicants. To access them, visit the Model's Applicant Resources webpage at <https://innovation.cms.gov/innovation-models/bpci-advanced/applicant-resources>.

- [MY7 Request for Applications \(RFA\)](#)
- [Timeline for Application Process in 2023](#)
- [Model Overview Fact Sheet MY6](#)
- [Model Overview Animated Video](#)
- [Application Portal "How-To" Guide](#)
- [How to Apply - New Applicants Job Aid](#)
- [MY7 Options for Active Model Participants](#)
- [Application Process Questions & Answers](#)
- [Why Should You Participate in BPCI Advanced?](#)
- [Physician Fact Sheet](#)

TEMPLATE
Do not submit as official application

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES**

**Bundled Payments for Care Improvement (BPCI) Advanced
Application for Model Year 7 (2024)**

In this application, all references to "applicant" or "participant" either mean the potential non-converger risk-bearing Participant or the potential risk-bearing Convener. For questions that require information about the applicant only, provide information about the potential Non-Converger Participant or Convener Participant organization only. Only Acute Care Hospitals (ACHs) and Physician Group Practices (PGPs) may apply as a Non-Converger Participant. With the exception to Active Convener Participants in Model Year 6, entities interested in applying as a new Convener Participant must either be a Medicare-enrolled provider or supplier, or an Accountable Care Organization (ACO). Please refer to the Model Year 7 BPCI Advanced Medicare-enrolled provider or supplier, and ACO.

Many questions require information more broad than this initiative, these partners fall into two categories:

1. Participating practitioners, including suppliers of professional services (e.g., physicians, nurse practitioners, etc.)
2. Participating organizations, providers or suppliers (e.g., acute care hospitals, physician groups, etc.)

In each question, we will specify whether to answer as a participating practitioner, its participating organization, or as an organization.

Complete all questions. If a question is not applicable, you may leave it blank. There is a limit of 4000 characters for each answer.

Timeline - Application Process for 2023

In October 2023, CMS announced a two-year extension of the BPCI Advanced Model which launched on October 1, 2018 and was set to end on December 31, 2023, will now conclude on December 31, 2025. There is now a Request for Applications (RFA) for Medicare-enrolled providers, suppliers, or Medicare Accountable Care Organizations (ACOs) to start participation in the Model on January 1, 2024 (Model Year 7). Existing Convener Participants that do not meet the new requirements will be permitted to remain in the Model during the extension years.

The Application Portal opened on February 21, 2023, will stay open for 100 days and close on May 31, 2023 at 5:00 pm EDT.

Are you a current Participant? Existing Convener Participants and Non-Converger Participants would not need to apply for participation in the two-year extension period; these Participants can continue to participate in the Model by signing an Amended and Restated Participation Agreement for Model Year 7 (2024), provided that neither the Participant nor CMS has terminated the entity's participation in the Model during 2023. **Are you a former Participant?** As a POP, ACH or Medicare ACO you will have the opportunity to apply for Model Year 7 as either Convener, Non-Converger, or as an Episode Initiator under a Convener.

Questions? Contact us at: BPCIAdvanced@cms.hhs.gov | More information at: <https://innovation.cms.gov/initiatives/bpci-advanced> February 2023

Need Help?

For more information and/or technical assistance, please access the resources below.

If you have trouble with the Registration process of the Application Portal



Contact the Salesforce IT Help Desk at **CMMIForceSupport@cms.hhs.gov** or call **1-888-734-6433, option 5**

If you fail the IDM Identification process, during the initial registration for the Application Portal



Contact **Experian** (1-866-578-5409)

If you have questions about BPCI Advanced



Contact the **Model Team** at BPCIAdvanced@cms.hhs.gov

For information about the Model, Clinical Episodes, Pricing Methodology, Quality Measures, and Evaluation Reports



Visit the **BPCI Advanced Model General webpage**:
<https://innovation.cms.gov/innovation-models/bpci-advanced>

For a variety of materials to help educate the public interested in applying to the Model



Visit the **Applicant Resources webpage**:
<https://innovation.cms.gov/innovation-models/bpci-advanced/applicant-resources>

Questions and Answers Session



Please submit questions via the Q&A pod to the right of your screen.

**Question
#1**

- **How many applications an organization may submit?**

**Question
#2**

- **If a Medicare Shared Savings Program (MSSP) ACO decides to participate, are all the providers under the ACO required to join the Model as Downstream Episode Initiators?**

**Question
#3**

- **Client billing is complicated as it is, I'm concerned that patient billing will be impacted and the Beneficiary may or may not be balance billed correctly if they are in the Model. Please provide guidance.**

**Question
#4**

- **What type of data will we receive when we apply?**
- **Will we get the same data if we are an Active Model Participant?**

Baseline Periods Used to Create Benchmark Prices

In BPCI Advanced, the baseline periods shift forward every Model Year.

- For Model Years 1 and 2, the baseline period includes all Anchor Stays/Anchor Procedures ending between January 1, 2013, and December 31, 2016
- For Model Year 3, the baseline period is between October 1, 2014, and September 30, 2018
- For Model Year 4, the baseline period is between October 1, 2015, and September 30, 2019
- For Model Year 5, the baseline period is between October 1, 2016, and September 30, 2020
- For Model Year 6, the baseline period is between October 1, 2017, and September 30, 2021
- For Model Year 7 we anticipate the baseline period will be between October 1, 2018, and September 30, 2022

Questions and Answers Session



Please submit questions via the Q&A pod to the right of your screen.

Closing Remarks

Thank You for Attending this Webinar



We appreciate your time and interest!

Please take the survey following this webinar so we can learn how to make our events better.

Do you have questions?

Email the Model Help Desk: BPCIAdvanced@cms.hhs.gov

Thank You