## Reference Page: Advanced Payment Models and Healthcare Reform Programs

- Global Payment: a fixed payment to providers for all or most of the care that patients may require over a contract period, such as a month or a year, which is adjusted for illness severity; CHWs can tailor interventions and help coordinate care in a cost effective manner that assists the provider to better contain costs.<sup>1</sup>
- <u>Bundled Payment:</u> a single payment to providers or health care facilities (or jointly to both) for all services to treat a given condition or provide a given treatment. Providers assume financial risk for the cost of services for a particular treatment or condition, as well as costs associated with preventable complications.<sup>1</sup>
- <u>Value-Based Payment:</u> a shift from fee-for-service, which rewards providers according to service volume, to value-based payment, which rewards providers for delivering high-quality care, positive consumer experience, and reduces waste and inefficiency. Connecticut is proposing two value-based payment program options: 1) Pay-for-Performance (P4P); and 2) SSP. Most providers who are new to value-based payment will be paid according to P4P methods, which rewards performing well on quality and care experience targets. As providers achieve the scale and capabilities, eventually they should migrate to a SSP, which introduces accountability for overall care cost.<sup>1</sup>
- <u>Enhanced-Fee-for-Service</u>: provider organization is given set amount of money each month known as per-member-per-month (PMPM) payment; provide an agreed upon range of services for the patients for the coverage period.<sup>1</sup>
- Accountable Care Organization: are groups of doctors, hospitals, and other health care providers, who come together voluntarily to give coordinated high quality care to their Medicare patients. The goal of coordinated care is to ensure that patients, especially the chronically ill, get the right care at the right time, while avoiding unnecessary duplication of services and preventing medical errors. When an ACO succeeds both in both delivering high-quality care and spending health care dollars more wisely, it will share in the savings it achieves for the Medicare program.<sup>1</sup>
  - o **CHW Role:** CHWs can contain costs through their community-based roles, especially with underserved populations, which include coordination-of-care, drug compliance, patient navigation, dispersing educational health information, and helping patients so the provider can focus on other critical medical issues. These activities result in overall improved patient care and reduced healthcare costs, which means payers and providers receive greater share of savings.
- <u>Patient-Centered Medical Homes (PCMH):</u> Coordination-of-care occurs across a team of medical practitioners with intent of providing a more comprehensive medical approach.<sup>1</sup>
  - O CHW Role: CHWs can help improve coordination-of-care in acute and chronic settings, drug compliance, patient navigation, disperse educational health information, help with patient follow-up, hence, serves the role of helping patients so the provider can focus on critical medical issues. Specifically, CHWs can coordinate and facilitate healthcare information throughout a patient's care because primary care and specialty physicians frequently do not communicate well with each other and patients.

1. Rabbani R, Grasso J, Wang R, Malik A. Achieving the Triple Aim through Community Health Workers: Advanced Payment Models Recommended through the PPACA and SIM-CT. Expected August 2015.