Building Better Bundled Payment Models in an Era of Value-Based Care

MPH Practicum: Vanderbilt University Medical Center Episodes of Care Office
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Background & Significance
- Our healthcare system in the US is flawed and fragmented primarily, due to misaligned, convoluted incentives in current healthcare payment models.
- In a transforming national health economy away from fee-for-service toward value-based care payment models, the Vanderbilt University Medical Center Episode of Care (EOC) office redesigns care delivery through innovative, direct to employer prospective payment models that improve quality of care delivery and provide predictable costs.

What is a Bundled Payment?
- Single payment for all services for a defined episode
- Can be retrospective or prospective
- Center for Medicare & Medicaid Services (CMS) mandated (top-down) or private payer and health system initiated (bottom-up)

Examples of Bundled Payment Models

CMS Bundled Payments for Care Improvement-Advanced (BPCI-A) Voluntary Models

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<thead>
<tr>
<th>Examples of Bundled Payments</th>
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<tbody>
<tr>
<td>Cardiovascular Episodes</td>
<td>- Acute myocardial infarction - Cardiac arrhythmia - Cardiac deblander - Outpatient cardiac catheterization replacement - Ventricular assist device replacement</td>
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<td>Cancer Episodes</td>
<td>- Leukemia, lymphoma - Thyroid cancer - Breast cancer - Prostate cancer</td>
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<td>Radiation Oncology Episodes</td>
<td>- Colorectal cancer - Melanoma - Bladder cancer</td>
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<td>Medical Episodes</td>
<td>- Inflammatory bowel disease - Urinary tract infection - Simple pneumonia and respiratory infections - Sepsis - Renal failure - Gastrointestinal hemorrhage - Cirrhosis Or Alcoholic Hepatitis - Disorders Of Liver Except Malignancy, - Chronic obstructive pulmonary disease, - Cellulitis</td>
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<td>Orthopedic Episodes</td>
<td>- Fractures of the femur and hip or pelvis - Hip &amp; knee procedures - Minor joint prosthesis replacement - Major joint prosthesis replacement - Total knee replacement - Total hip replacement</td>
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<td>Spine Episodes</td>
<td>- Transforaminal lumbar interbody fusion - Disc herniation - Degenerative disc disease - Degenerative spondylosis with stenosis - Degenerative spondylolisthesis - Degenerative spondylolisthesis - Degenerative spondylolisthesis - Degenerative spondylolisthesis</td>
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Proposed CMS Radiation Oncology (RO) Model Payment

What’s included?
- Conveying service with a dedicated Patient Navigator
- Return to course of care during and after radiation
- Continuity of primary care through the entire course of treatment
- Access to the primary patient portal for self-care management with the care team
- Conversion of health visits for qualified patients
- Free educational classes, including wildfire and home safety programs
- Rapidly developed and unannounced labor and delivery and trauma facilities
- Dedicated room service for mom and partner during hospital stay
- Enhanced postpartum care
- No out of pocket costs

Outcomes
- Partnering with commercial payers, such as employers facing rising healthcare costs, the EOC team aims to establish value-based care contracts.
- With a commitment to appropriateness of care delivery and transparency in pricing, the bundles program adds significant value for both the employer as the payer and the patients as participants in enhanced care pathways.
- Garnering wide institutional support, the EOC office partners with clinical and administrative divisions across the medical center to implement and develop patient-centric, value-based care pathways.

Interpretation
- The innovative care models championed by the EOC office are the future of value-based care delivery.
- Upsetting the current payment system presents complexity that the multidisciplinary EOC team must constantly creatively address.
- The task is monumental, but the promise of transforming our fragmented healthcare system motivates all stakeholders in the push toward redesign of clinical care and accompanying payment models.