

Social Risk Adjustment in Value Based Care

Health Safety Net Symposium

October 16, 2023

Dr. Marti Walsh, Senior Medical Director and Associate CMO, BCBSM

Autumn Fick, Senior Healthcare Analyst, Value Partnerships Programs, BCBSM

What is Value in Healthcare?

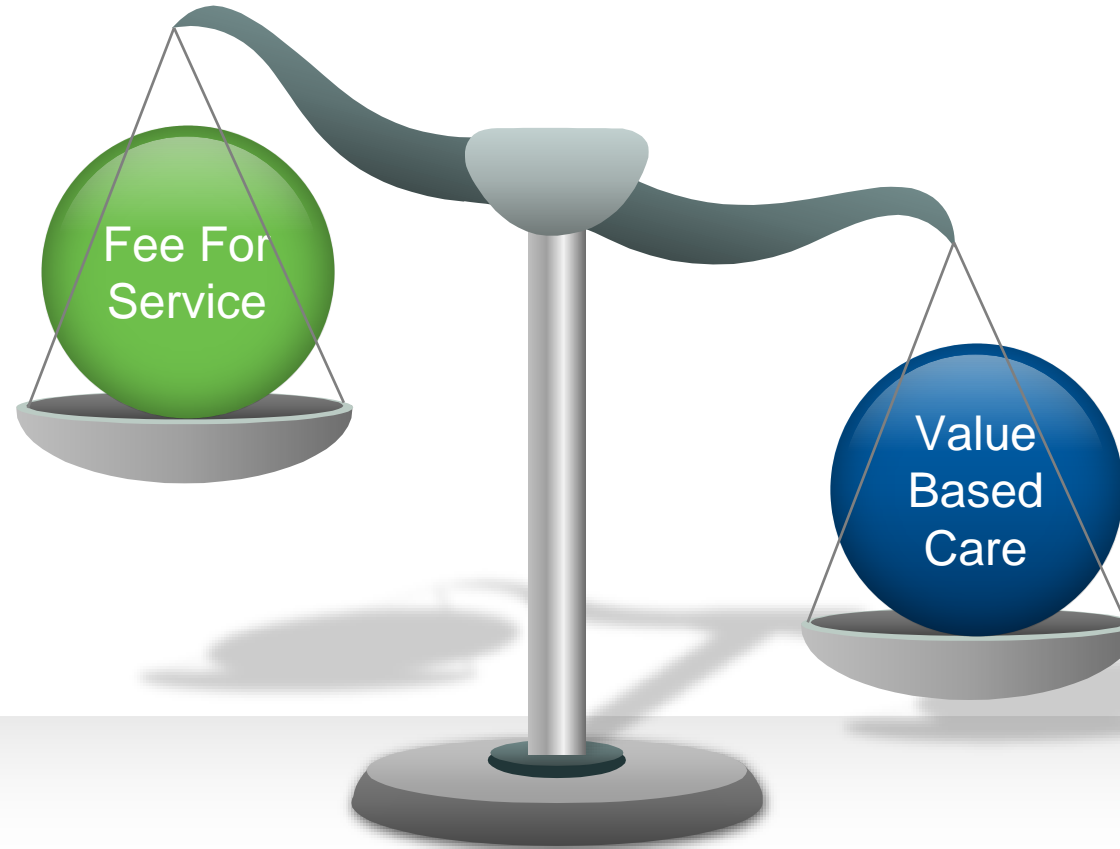


Blue Cross Blue Shield of Michigan and Blue Care Network are nonprofit corporations and independent licensees of the Blue Cross Blue Shield Association

What is value-based care?

Fee-for-service

- Payment is based on the number of services provided.
- Based on volume of care and can result in increased cost.
- No rewards for improved outcomes, quality of care or patient experience.



Value-based care

- Payment is based on the outcomes and quality of care for a population.
- Allows for innovations in care not associated with fee for service payment.
- Incentivizes keeping patients healthier and improving the patient experience.

What do we need to know about our patients?



Blue Cross
Blue Shield
Blue Care Network
of Michigan

Medical risk: What are the patient's chronic conditions?



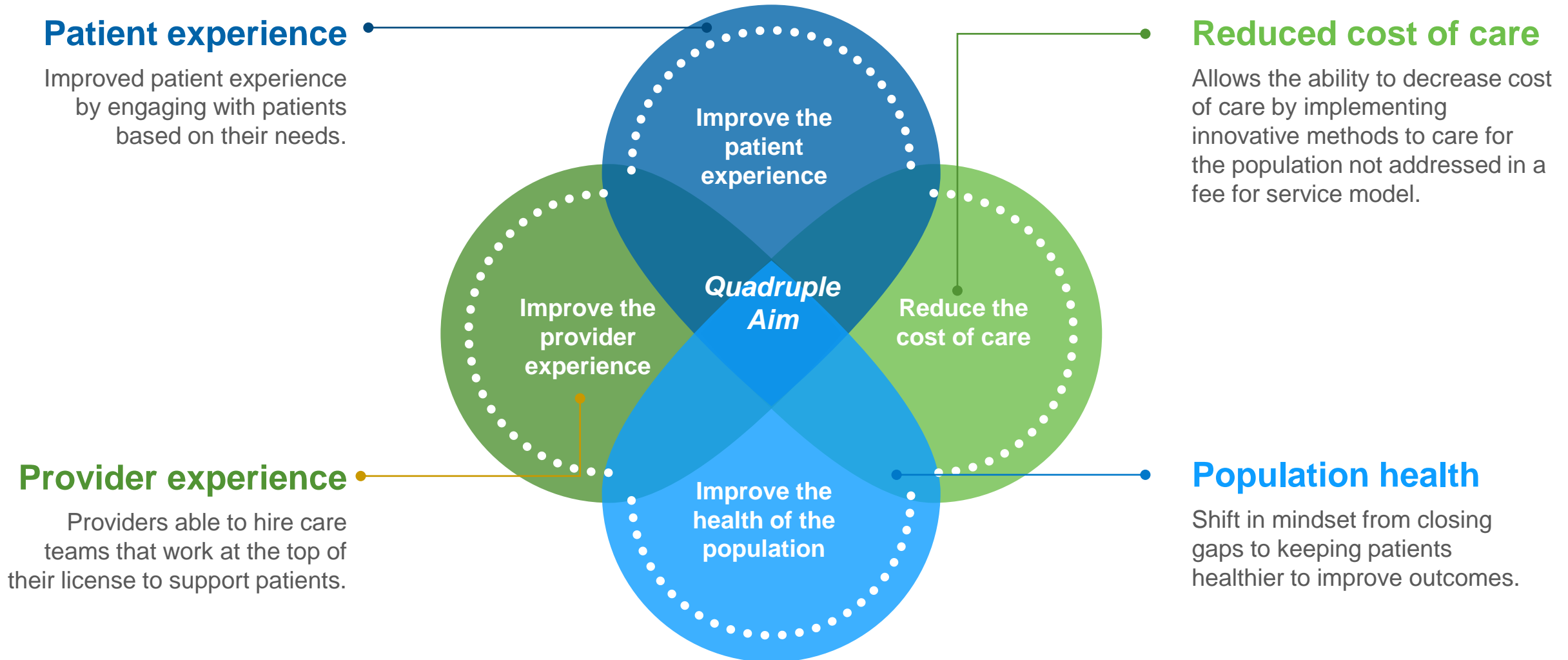
Behavioral health: What behavioral health issues does the patient need to have addressed?



Social risk: What are the patient's social risk factors?

Patient engagement: How can we more actively engage patients in their care?

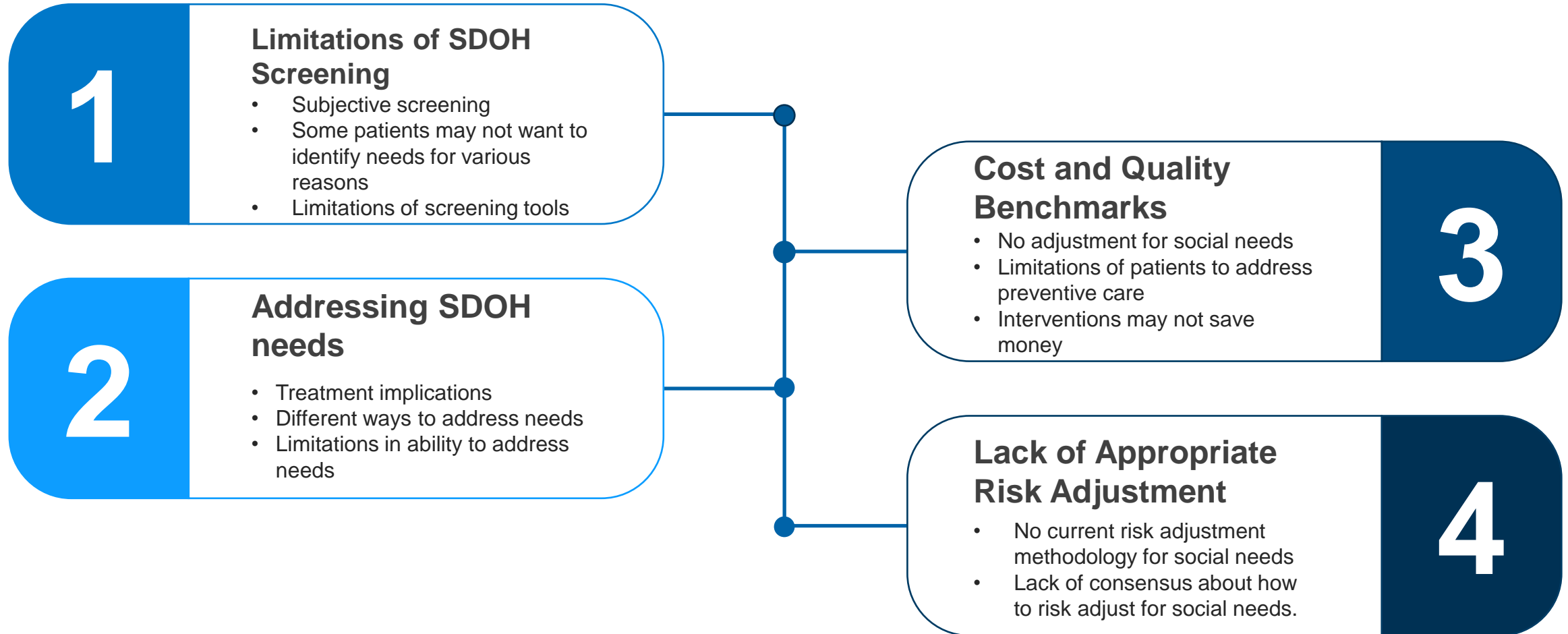
Why would providers want to move into value-based care



What are the problems in current Value Based Care Models for providers who care for patients with social needs



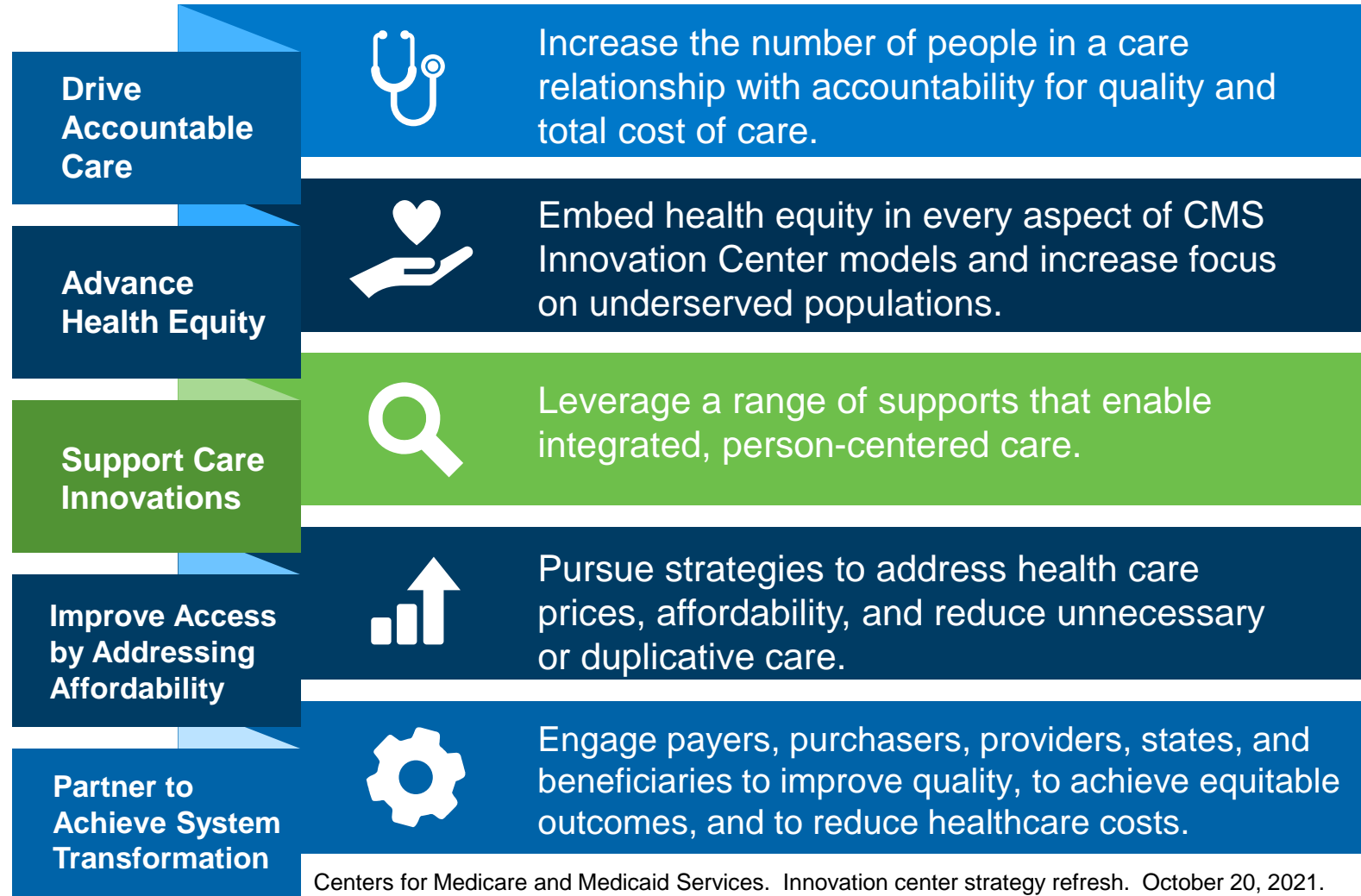
Blue Cross
Blue Shield
Blue Care Network
of Michigan



CMS Innovation Center strategy refresh and goals to address equity



Blue Cross
Blue Shield
Blue Care Network
of Michigan



Centers for Medicare and Medicaid Services. Innovation center strategy refresh. October 20, 2021. Accessed September 10, 2023. [INNOVATION CENTER STRATEGY REFRESH \(cms.gov\)](https://www.cms.gov/innovationcenter/strategyrefresh)

CMS Innovation Center focus on Health Equity

01

Develop new models and modify existing models to address health equity and SDOH

02

Increase the number of beneficiaries from underserved communities that receive care through value-based payment models

03

Evaluate models for their impact on health equity

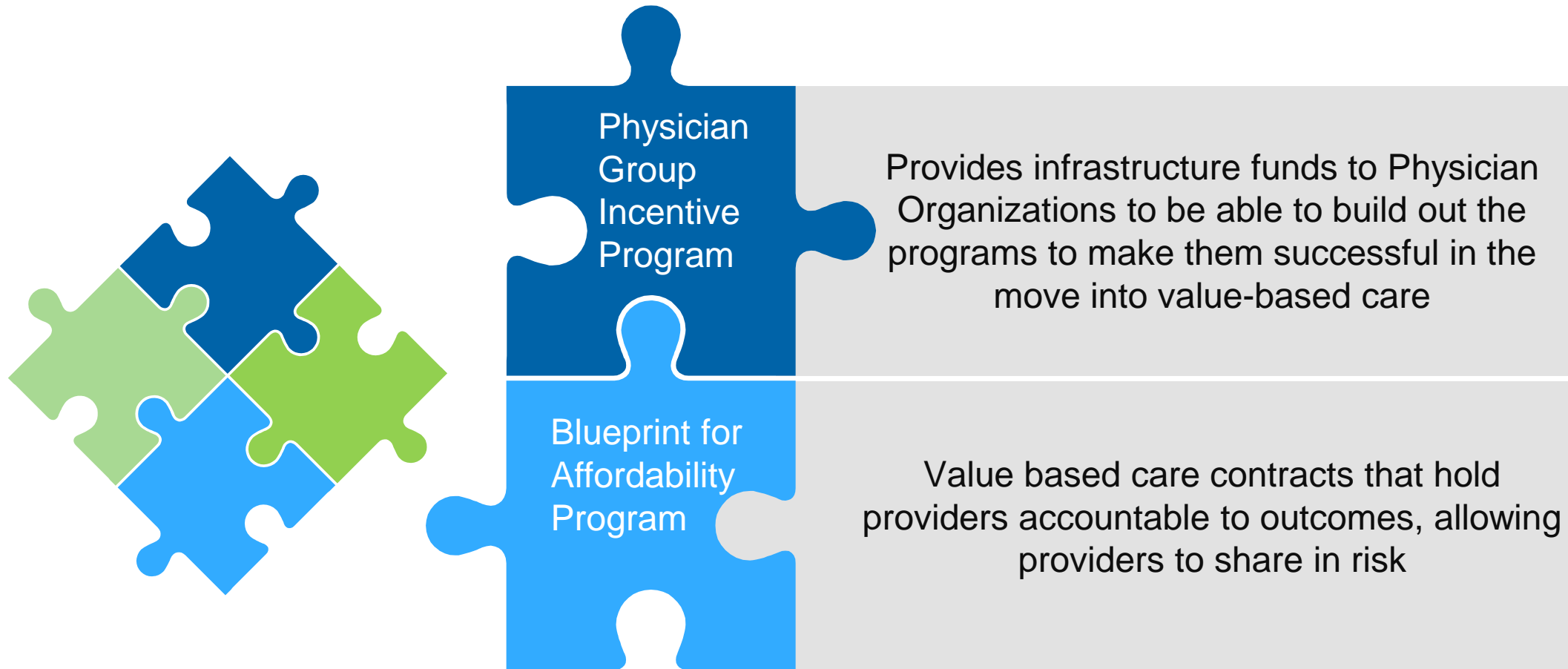
04

Strengthen data collection and analysis based on demographic factors like race, ethnicity, language, geography and disability

Centers for Medicare and Medicaid Services. Innovation center strategy refresh. October 20, 2021. Accessed September 10, 2023. [INNOVATION CENTER STRATEGY REFRESH \(cms.gov\)](https://www.cms.gov/innovationcenter/strategyrefresh)



BCBSM Approach to Value Based Care

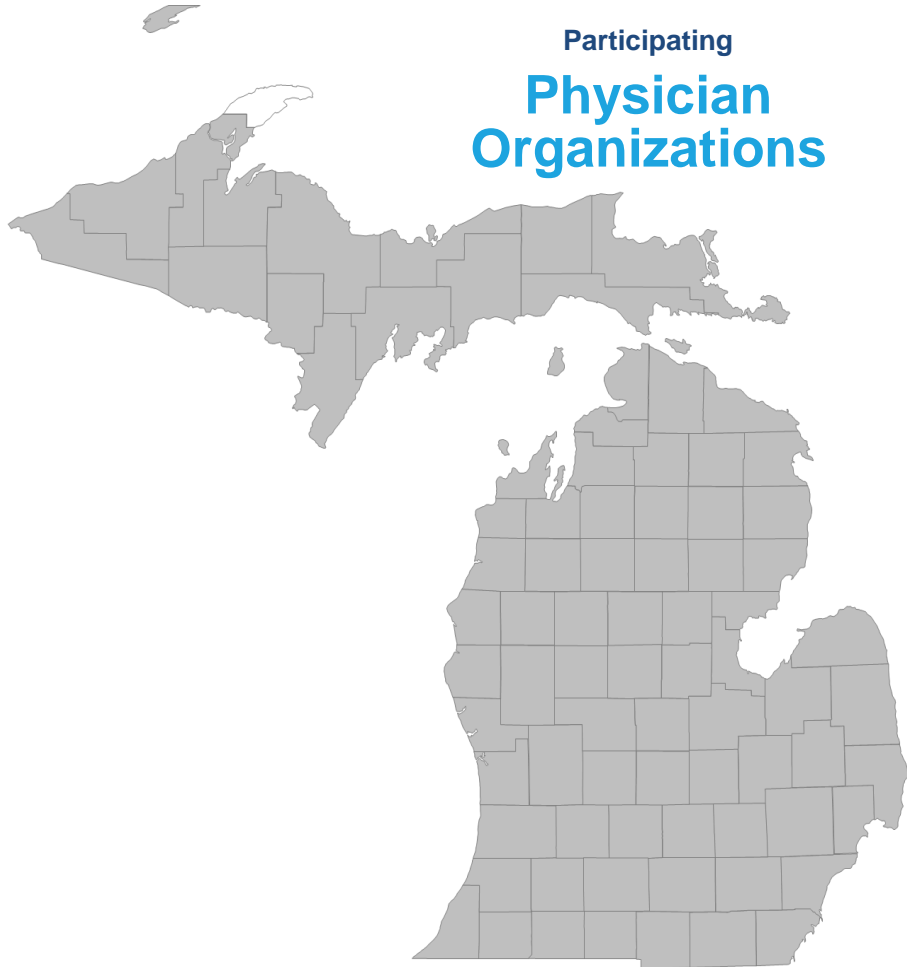


Physician Group Incentive Program engages Michigan's physician community to transform care statewide.



Blue Cross
Blue Shield
Blue Care Network
of Michigan

40
Participating
**Physician
Organizations**

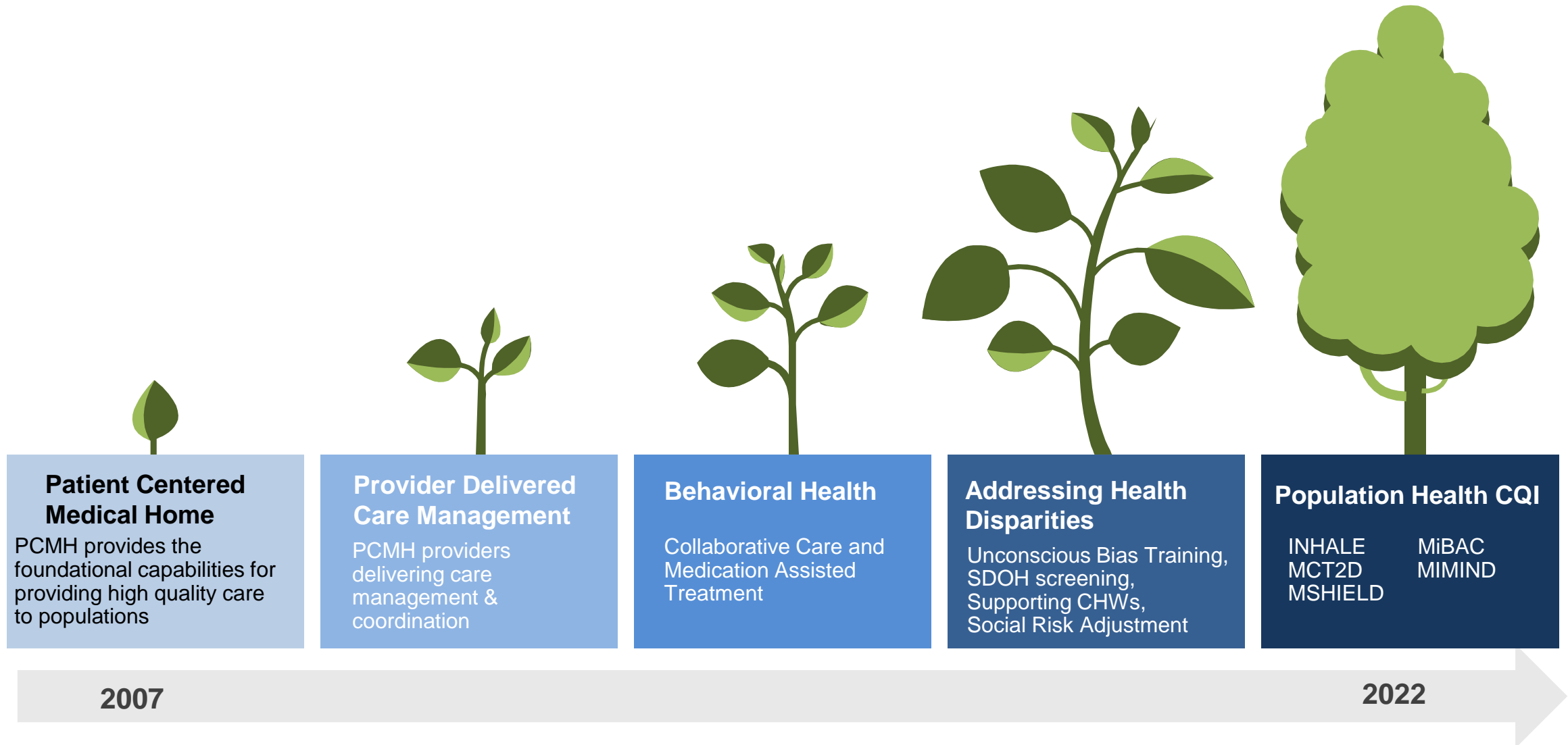


5,700+
Participating
**Practice
Units**

~20,000
Participating
Physicians

- PGIP has over 5,300 PCPs and more than 14,500 specialists
- Participation of physicians located in 82 of Michigan's 83 counties
- The Patient Centered Medical Home (PCMH) designation program is the hallmark of the PGIP program. PCMH has fueled statewide movement of primary care into a team-based, proactive model of efficient, cost-effective care centered around the patient
- PCMH practitioners care for approximately 2.9 million Blue Cross patients across Michigan

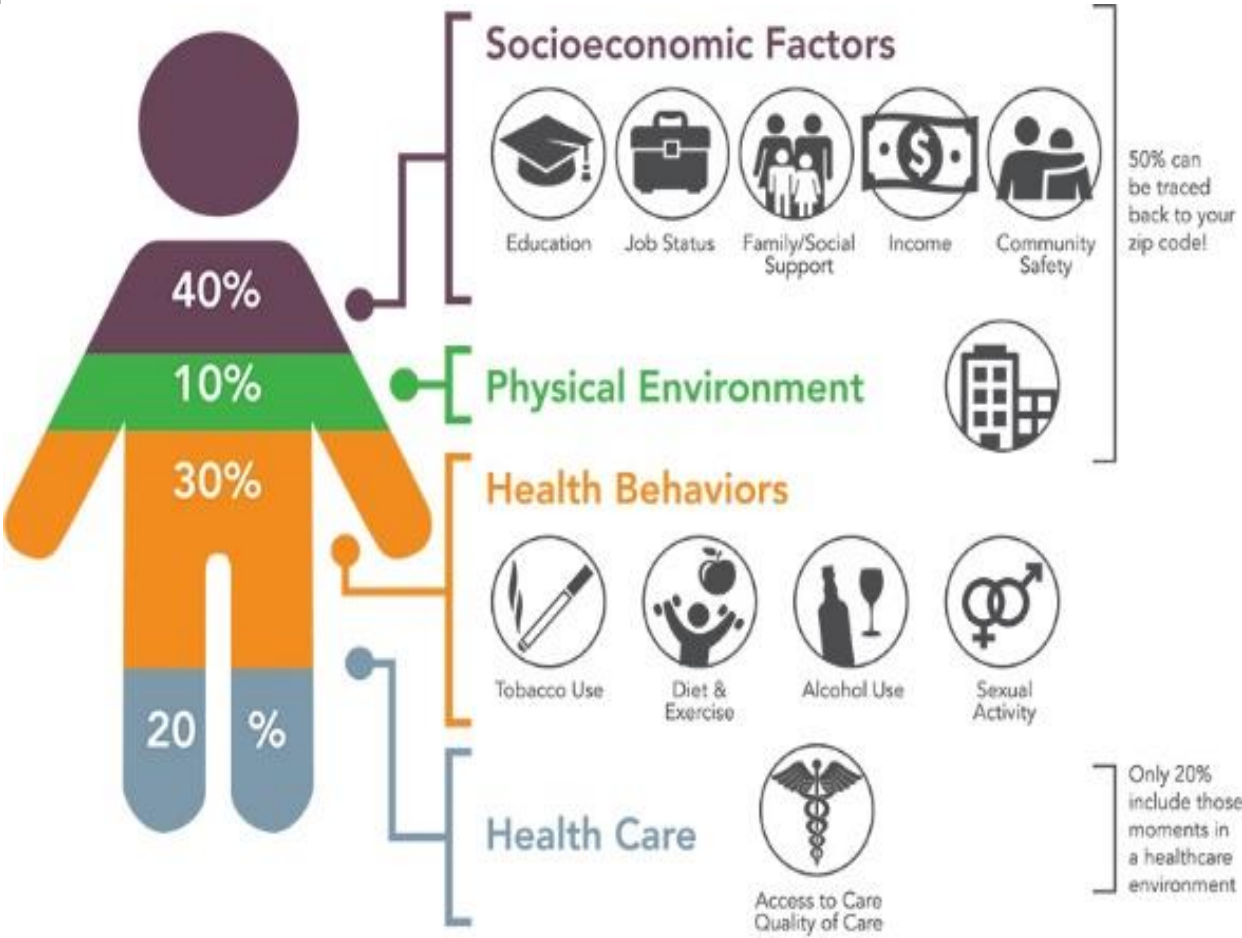
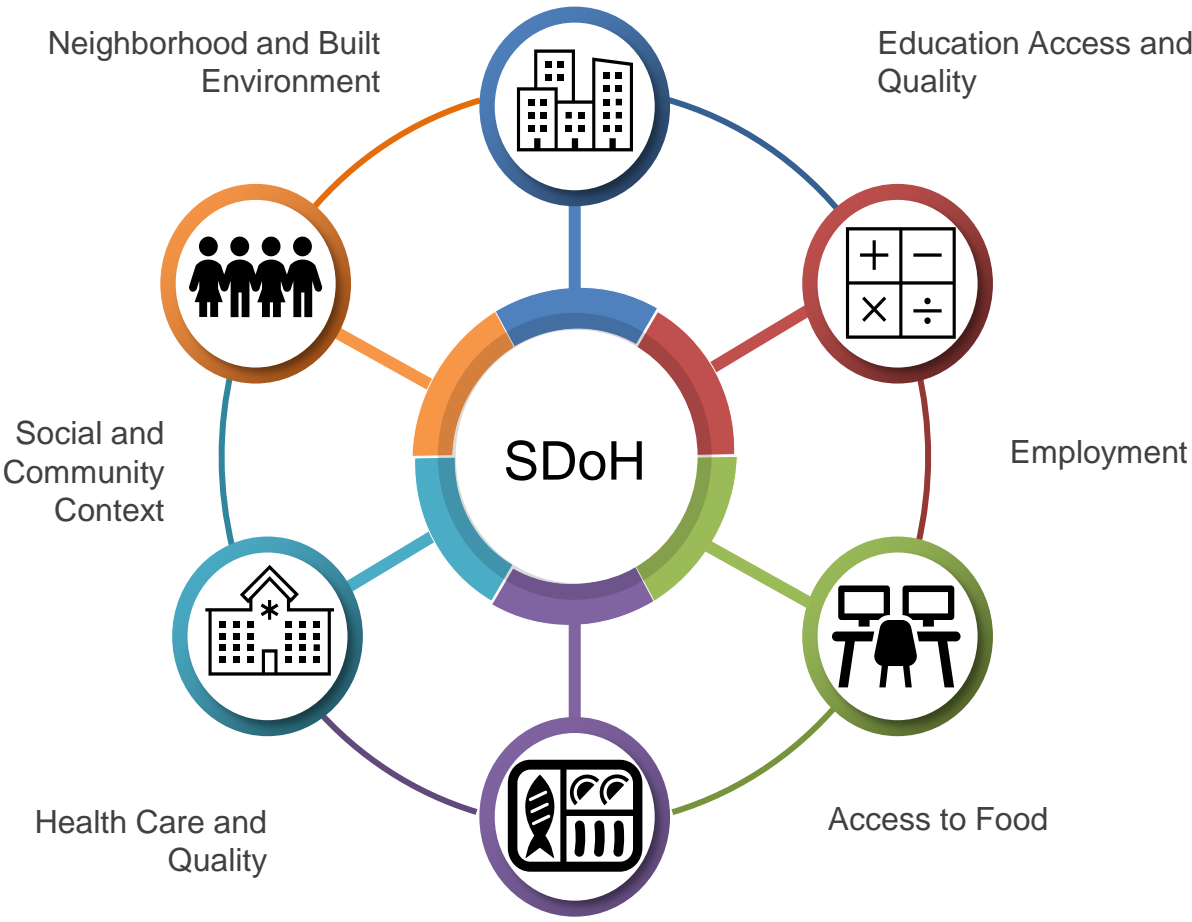
The PGIIP portfolio continues to evolve, developing capabilities that are interdependent and built upon one another



Factors which impact health and health care go beyond the physician office

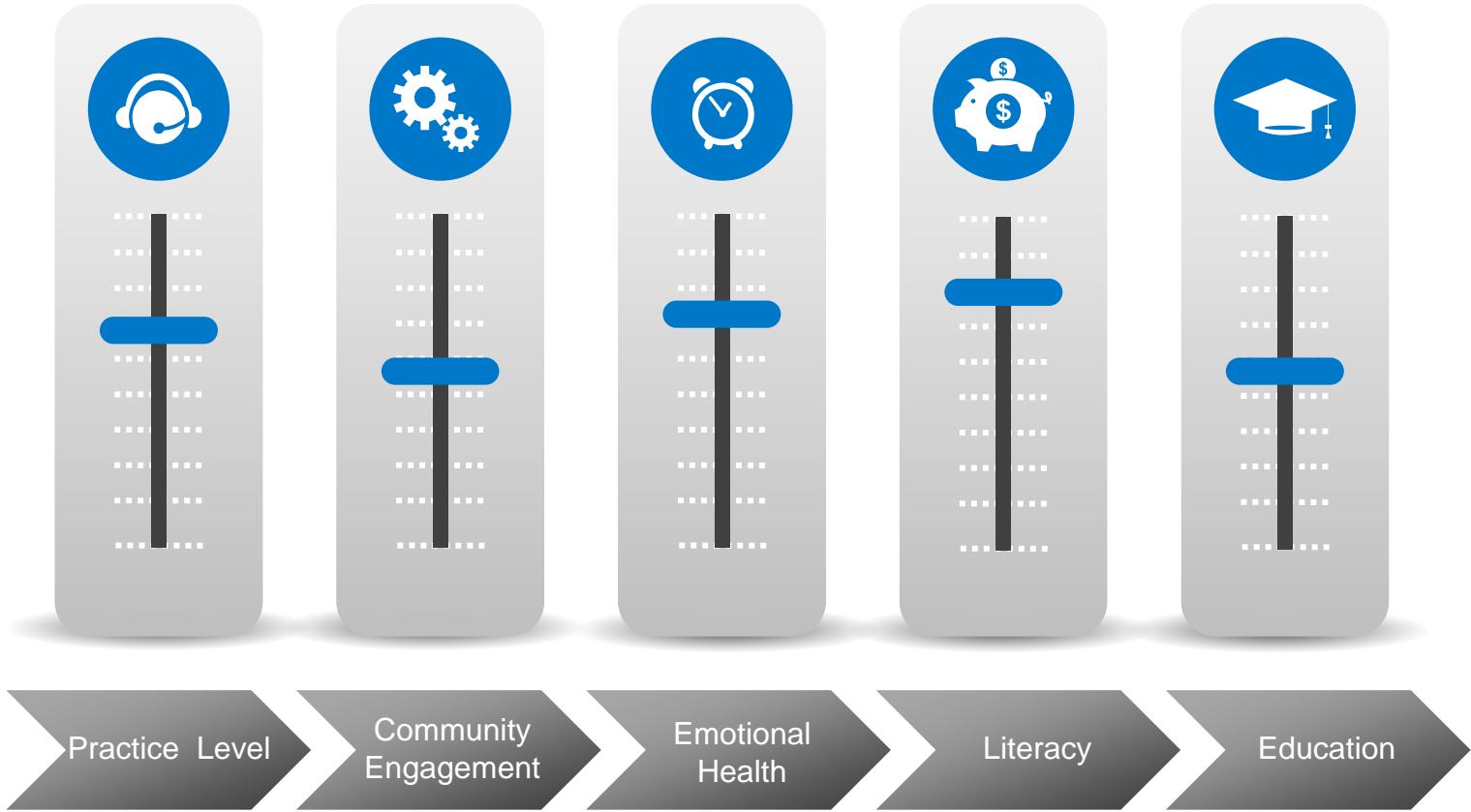


Blue Cross
Blue Shield
Blue Care Network
of Michigan



Source: Institute for Clinical Systems Improvement, Going Beyond Clinical Walls: Solving Complex Problems (October 2014)

Blue Cross Blue Shield of Michigan and Blue Care Network are nonprofit corporations and independent licensees of the Blue Cross Blue Shield Association



If you could address social needs of patients, where would you focus your efforts?





Unconscious Bias Training

Required for all Primary Care Physicians to have training in Unconscious Bias Awareness to receive Value Based Reimbursement



Screen for Social Determinants of Health

Incentive to support increased SDoH screening and infrastructure for data aggregation



Community Health Worker Initiative

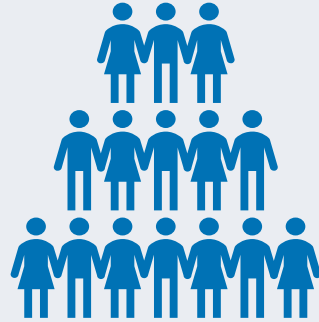
Funding CHWs to work with patients to support needs identified through additional screening efforts



Social Risk Adjustment Initiative

Engage POs using the Area Deprivation Index score to support practices caring for patients with high levels of social needs impacting their overall health

When social needs are not addressed there can be an adverse effect on the **health outcomes** of individuals



The current methodologies of risk adjustment **underestimate** the total cost of care of patients who have socially complex issues. These patients also often have higher healthcare utilization

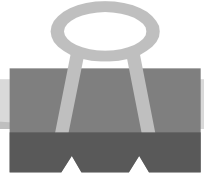
BACKGROUND

As we work to obtain subjective assessments of social needs from members, using an **objective area level measure of social risk** as a proxy for individual social needs is a good option



Directing payments to providers who care for more socially disadvantaged patients would provide additional resources that would help in closing social need gaps

What are social risk indices and why did we align on ADI



ADI

Area
Deprivation
Index

SVI

Social
Vulnerability
Index

HPI

Healthy
Places
Index

SDI

Social
Deprivation
Index

Social risk indices use social risk factors that include a broad range of characteristics, assessed at the individual, group, or area level, that reflect inequitable social conditions and are associated with health-related outcomes

Social risk factors encompass social determinants of health (SDoH) as well as health-related social needs (HRSN), two related concepts currently used in the health equity literature

WHY ARE WE USING ADI?

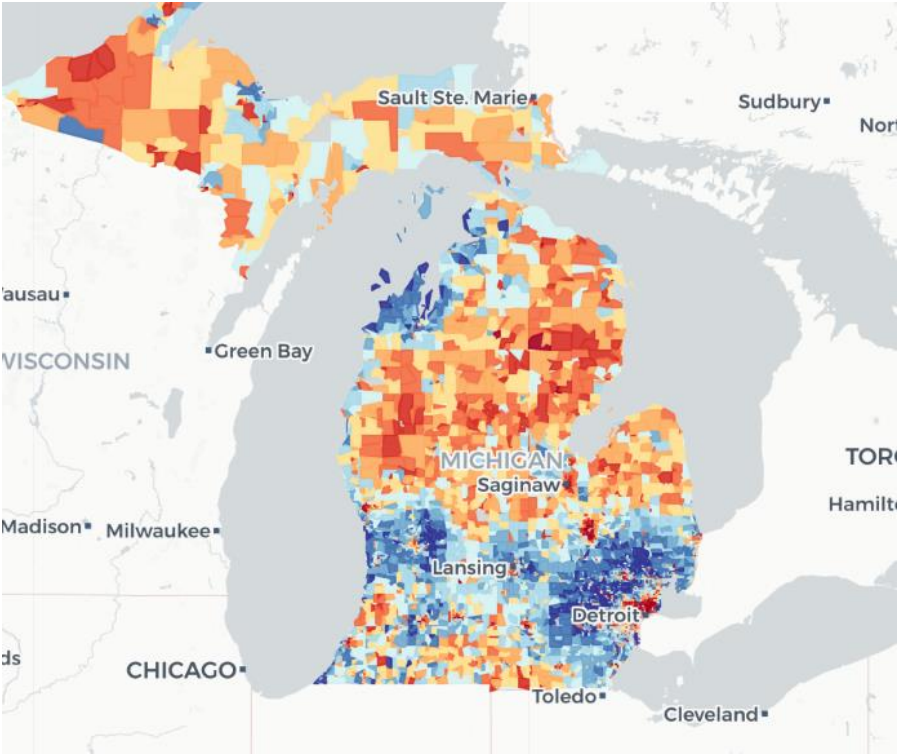
- ADI predicts health outcomes. Patients in higher ADI areas are shown to have **worse outcomes and higher costs**.
- ADI is measured at a block level for adjustment based on a small area where the member lives.
- ADI is updated annually to account for neighborhood changes at a regular cadence.
- CMS is using ADI in ACO REACH model to adjust for social needs.

ADI on the Michigan map



Blue Cross
Blue Shield
Blue Care Network
of Michigan

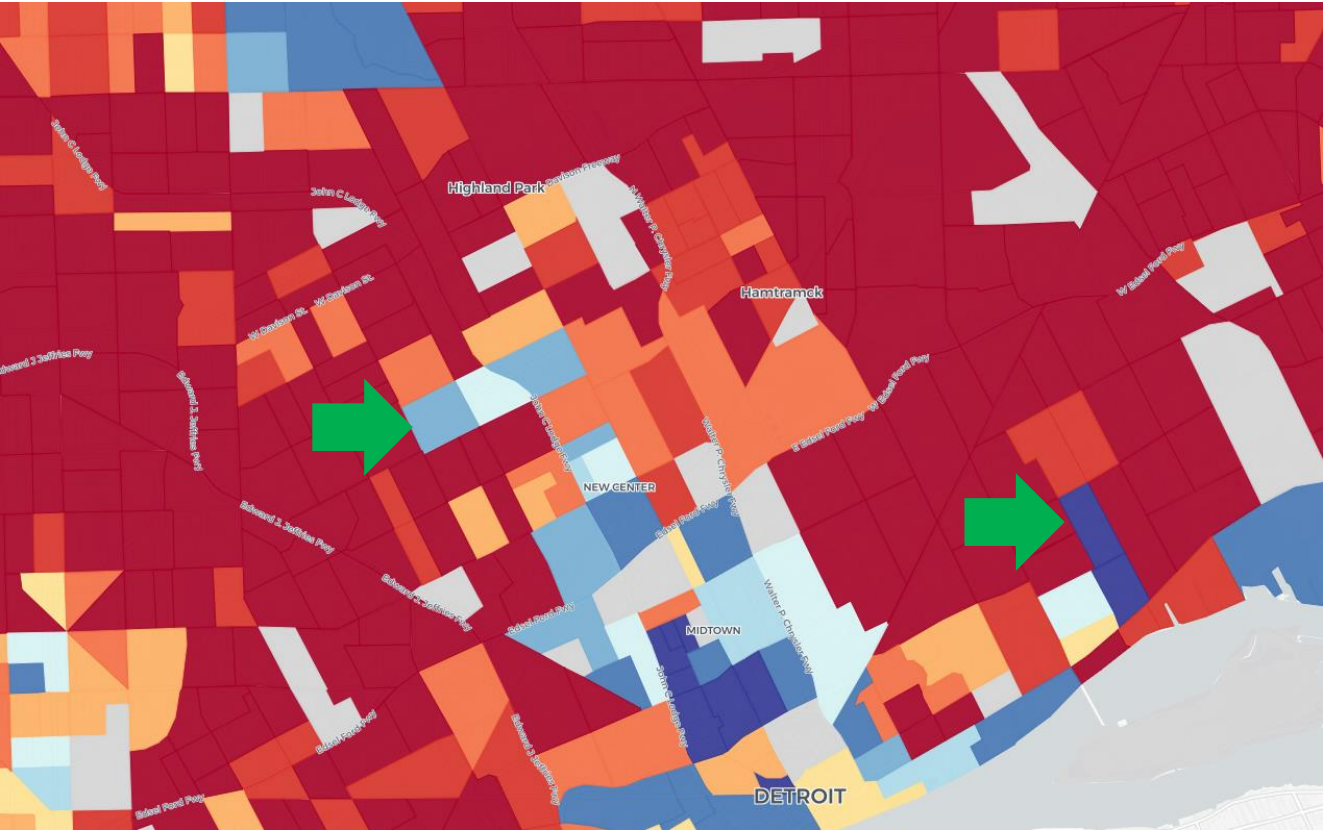
Based on State of Michigan ADI



ADI scores from within this state alone are ranked from lowest to highest, then divided into deciles (1-10).



DETROIT

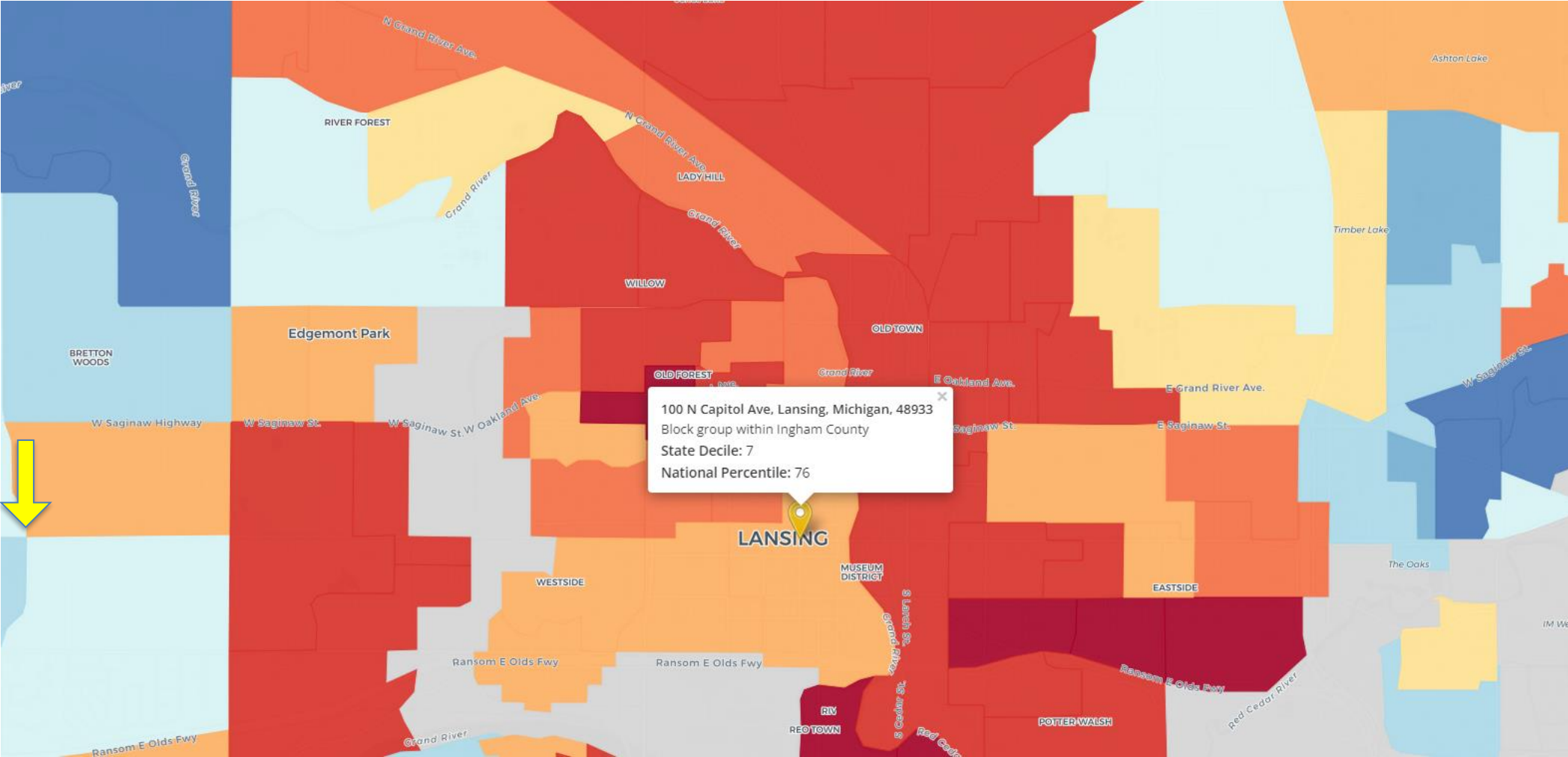


[Neighborhood Atlas - Mapping \(wisc.edu\)](http://wisc.edu/NeighborhoodAtlas)

Area of Deprivation Index: Lansing Area



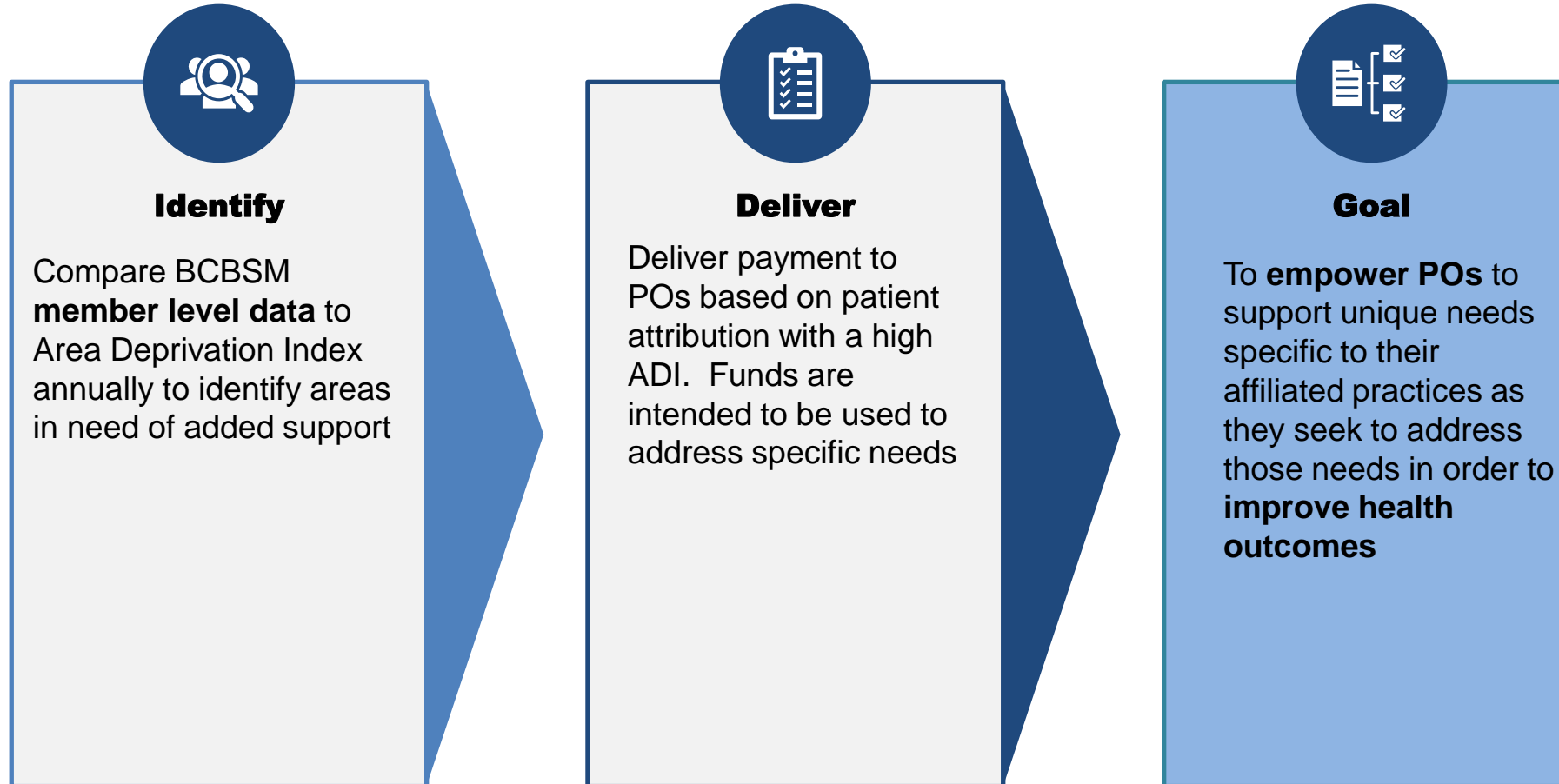
Blue Cross
Blue Shield
Blue Care Network
of Michigan



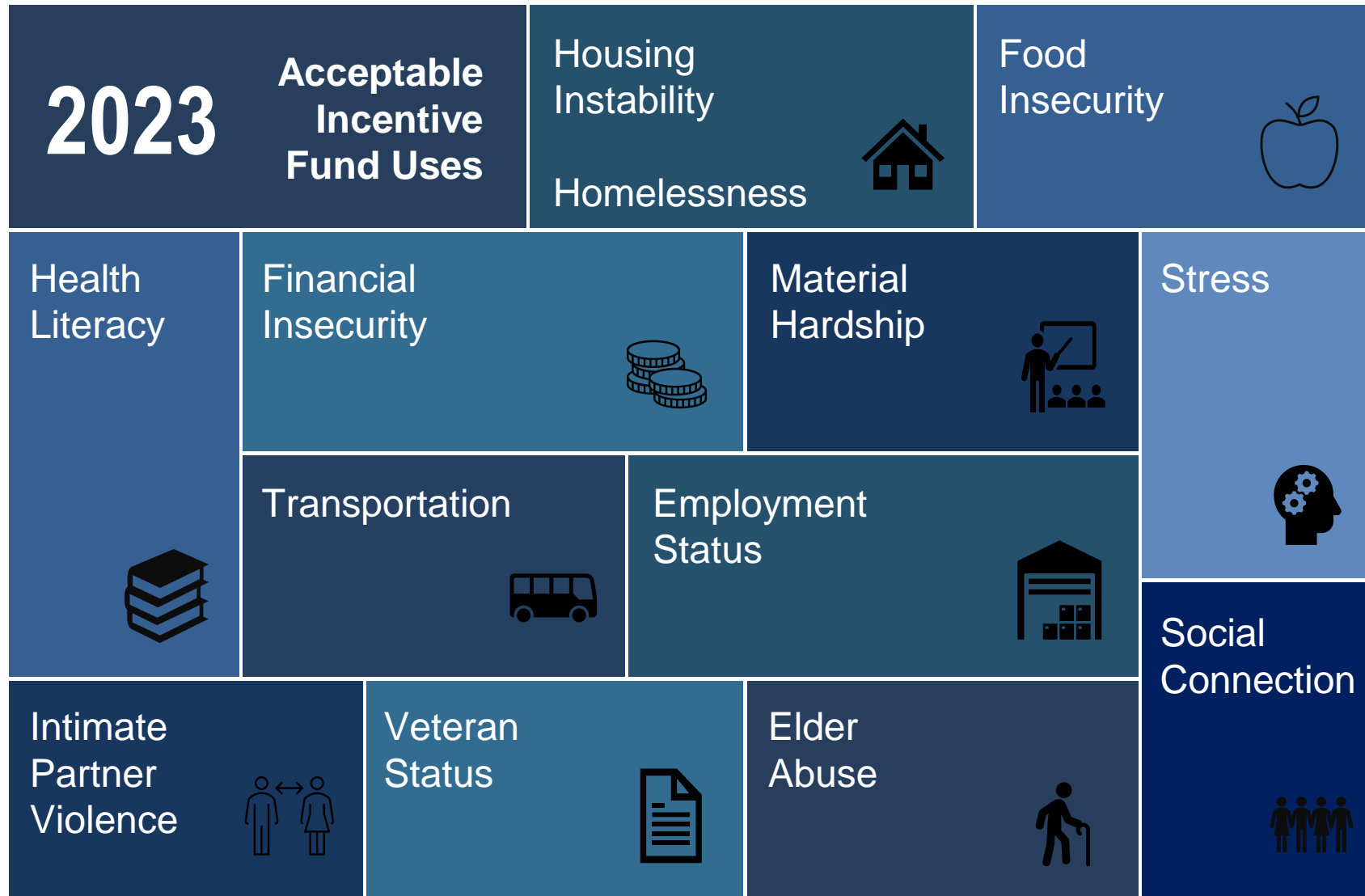
Using ADI to address patient's social needs



Blue Cross
Blue Shield
Blue Care Network
of Michigan

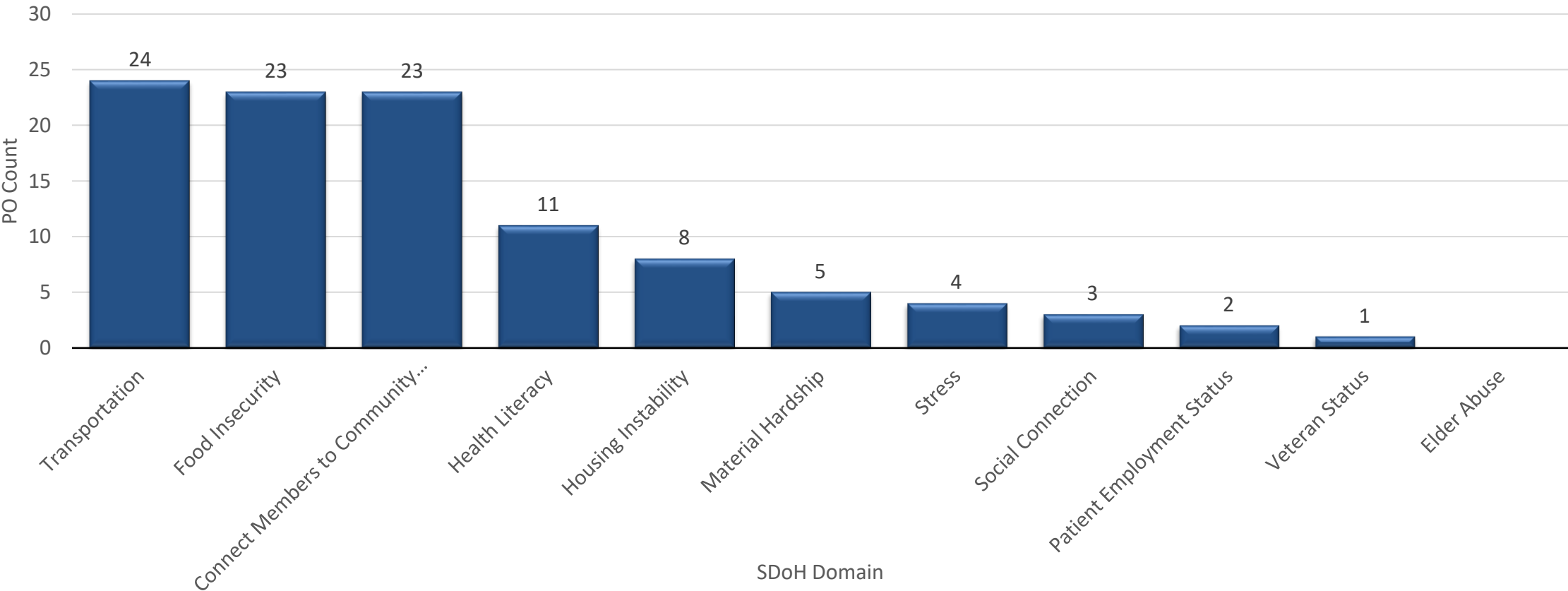


Social risk adjustment funding use



- Prohibited Uses
- Insurance copayment
 - Insurance deductible
 - Insurance premium payment
 - Copay for medication
 - Any insurance benefit that is covered in members plan but has copay or deductible
 - Ambulance services
 - To pay for the purchase of drugs, biologics or other medications
 - To pay for CME or training

Social risk adjustment opportunity-How the PO's will use it



What's next in PGI's health care Disparities efforts?



Blue Cross
Blue Shield
Blue Care Network
of Michigan



Measure and Learn

- Hold Best Practice sharing meeting for POs participating in SRA initiative
- Evaluate impact of SRA on utilization and outcomes



Report

Aggregate SDOH screening data by PO and geographic regions to inform SDOH needs and gaps



Build and Improve

Build and improve programs to support improving health equity for patients in Michigan

BCBSM approach to health equity and value-based care



BCBSM is the first commercial health plan to institute a payment adjustment methodology to **support providers who care for patients with social needs.**



As we work towards **improving outcomes and delivering value in healthcare**, it is important to consider **how we address social needs** as these are many times a patient's biggest risk factor for poor health outcomes.



The PGIP Social Risk Adjustment Initiative will provide funding to Physician Organizations to **address specific patient needs and improve health outcomes.**

What is Value in Healthcare?



Thank you

Dr. Marti Walsh
MWalsh@bcbsm.com

Autumn Fick
AFick@bcbsm.com