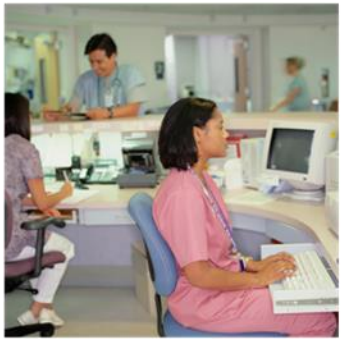
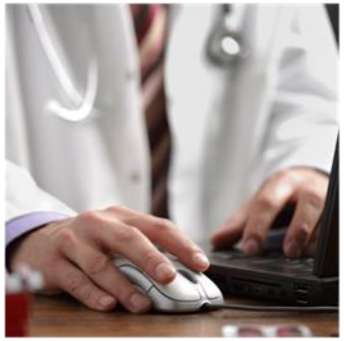


# Transforming VA Community Care

IT Industry Day

March 7th, 2016

VA COMMUNITY CARE

VA | U.S. Department of Veterans Affairs

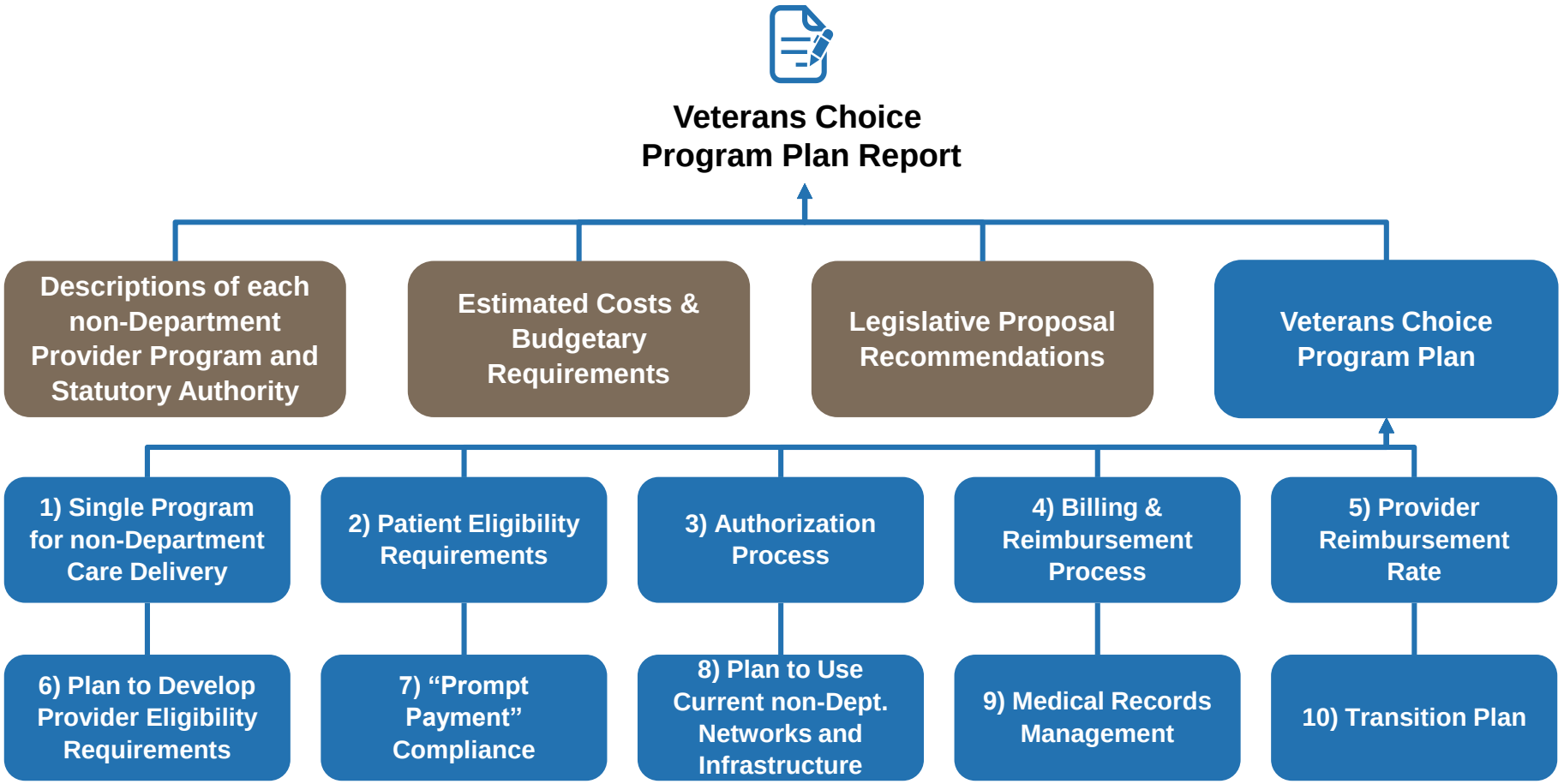
# How We Got Here

- The VA Budget and Choice Improvement Act called for improving Veteran access to care by consolidating community programs into one, standardized New Veterans Choice Program (New VCP)
- We gathered key stakeholder feedback from VSOs, VA staff and clinicians, Federal partners, and healthcare industry leaders
- We included industry best practices, financial modeling, and ensured alignment with VA's future vision for healthcare
- Our goal is to deliver a program that is easy to understand, simple to administer and meets the needs of Veterans, community providers and VA staff
- Transformation of this scale and impact will require a phased implementation and systems approach
- VA submitted our Plan to Consolidate Care in the Community in October 2015

# Developing the Plan

# Veterans Choice Program Plan Requirements

*The Veterans Choice Program Plan Report, as part of the "VA Budget and Choice Improvement Act," contains several components. The plan will begin implementation in FY17.*



# Stakeholder Feedback - Highlights & Key Themes

*VA gathered insights from VSOs, health care leaders, Federal partners, VA clinicians and staff, feedback on the Choice Program, and VACAA Independent Assessments Report*

## Veteran Service Organizations

VSOs emphasized the voice of Veterans, including:

- VA provides a **unique environment** and culture for Veteran health care
- Some Veterans are **willing to travel** farther to see VA providers
- Current processes for accessing community care are **confusing**
- Concerns the current VA provider system would be **underfunded to purchase care in the community**
- VA should be the face of **care coordination** for Veterans
- Procedures for filling claims (for payment or reimbursement of emergency care) are **restrictive and burdensome**

## Health Care Leaders

Leaders from across health care emphasized the:

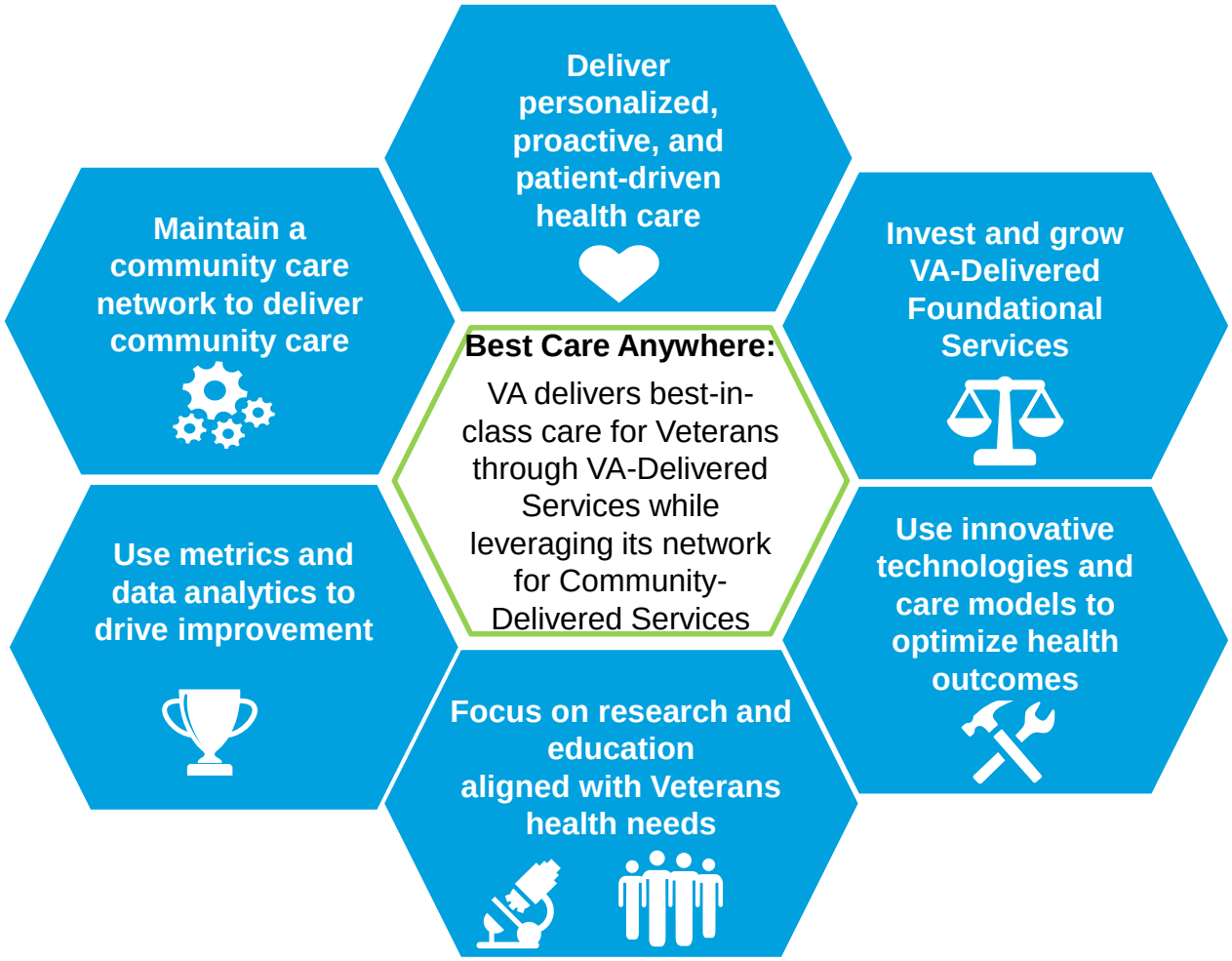
- Use of **data and metrics** to drive decision-making
- Use of **new technologies** to advance care delivery
- Need to build a **sound technology infrastructure**
- VA's opportunity to lead the field in **care coordination**
- Importance of a **community care network** to provide the care and services Veterans require

## VA Staff and Clinicians

VA staff/clinicians emphasized the need to:

- Identify, use, and disseminate **existing best practices at VA**
- Improve **efficiency/timeliness of business processes and clinical pathways** so that Veterans are successfully connected to care in the community
- **Simplify and consolidate** various programs to reduce confusion
- **Increase staffing** and dedicate VA employees to care coordination
- Implement **technologies to replace manual processes** and increase **information sharing**
- Establish **quality metrics**/review processes for community care

# Integration of VA and Community Providers




We are working to integrate care delivered by VA and community providers

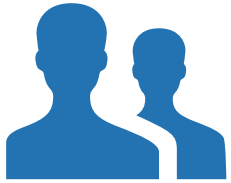
# Impact on Veterans

Provide expedited access to VA's centers of excellence and medical care

Ensure access to private sector's best providers

Connect Veterans with a care team in-person or virtually

**VA's promise to our Veterans…**



Provide personalized tools and treatment plans to help manage the Veteran's health

Seek individualized help from VA when needed

Coordinate care across the system, whether within or outside VA

Oversee and ensure outcomes of care and experience

# Current Community Care Programs Are Confusing

Community Care today is complicated and consists of multiple programs that cause confusion for Veterans, Community Providers, and VA staff.


To address this issue, VA proposed a plan to Congress to consolidate community care. We recognize this will be a long journey, but we are making immediate improvements where and when we can.

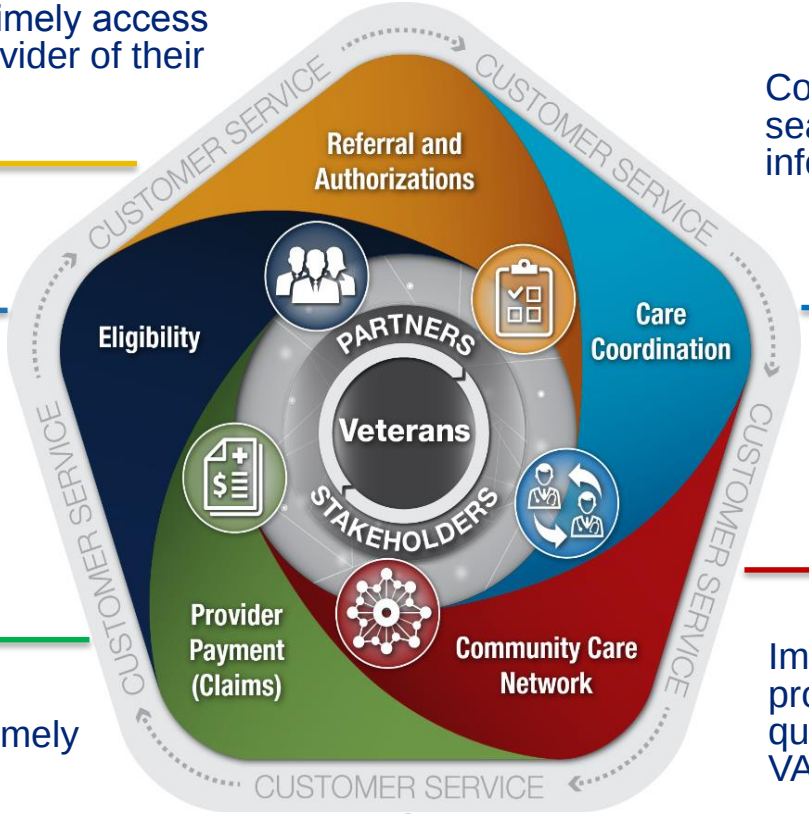
# Our Goal for VA Community Care

**Deliver a program that is easy to understand, simple to administer, and meets the needs of Veterans, community providers, and VA staff**

# Five Key Components Trace the Veteran Community Care Journey

Provide Veteran's timely access to a community provider of their choice

Coordinate care through seamless health information exchange




Provide easy-to-understand eligibility information to Veterans, Community Providers, and VA staff

Implement a network that provides access to high quality care inside and outside VA

Support accurate and timely payment of community providers

Provide quick resolution of questions and issues for Veterans, Community Providers, and VA staff

# Eligibility

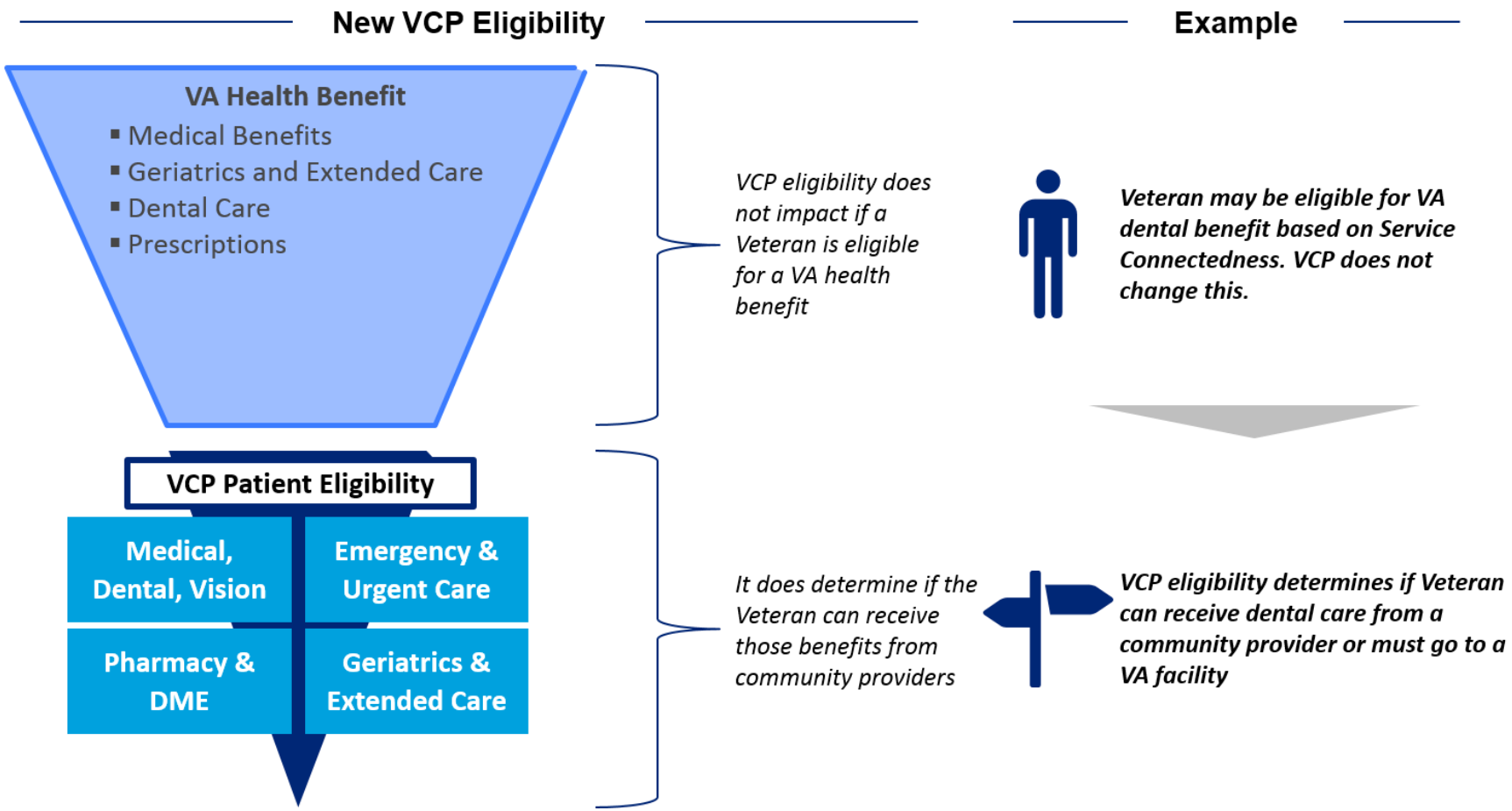
# Clarify and Automate Eligibility

What we want to hear from Veterans*: **“With the New VCP I understand when and where I am eligible for care.”***

We are working to streamline, consolidate and automate our eligibility processes so that Veterans, community providers and VA staff have a clear, consistent understanding of eligibility.

# Patient Eligibility Criteria – Future State

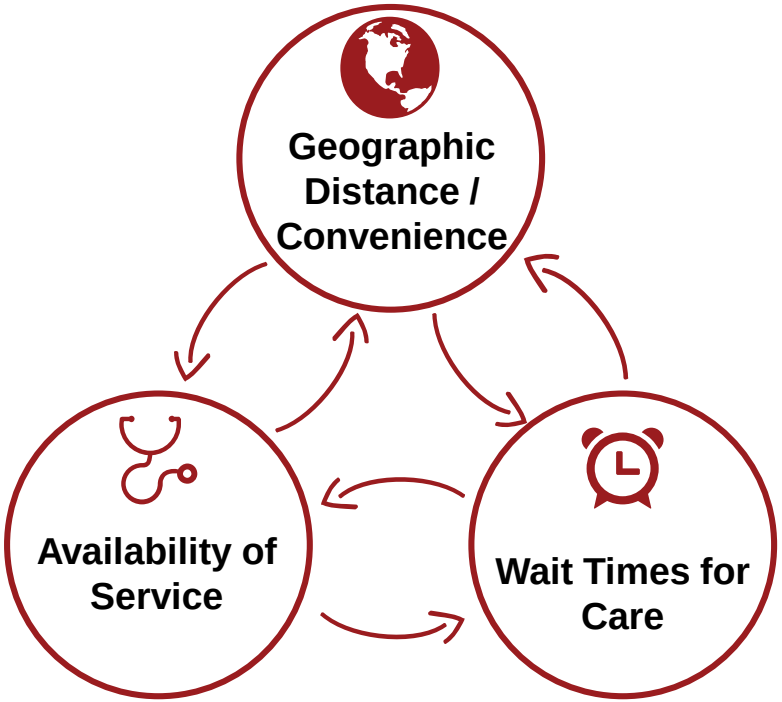
*The New VCP will not change what services Veterans are eligible to receive under the VA Health Benefit. It will determine if Veterans can seek that care from community providers.*



# Considerations for Eligibility Criteria

## Current Criteria for Community Care

*VA determines eligibility for community care through a number of mechanisms focused on:*




## Unique Considerations for VA

*Unique considerations when defining a single set of eligibility criteria:*

**VA is required to provide coverage in areas where it has no physical assets or provider network**

**~80% of enrolled Veterans have other health insurance (OHI) and often use VA when cost shares are more advantageous than OHI**

**The need to support VA's education and research missions**

# Eligibility Criteria: Medical, Dental, and Vision

| Eligibility Category | Proposed Criteria Veterans Choice Program | Change to Eligible Population |
|---|---|---|
| Wait Times for Care | An appointment cannot be scheduled within VA wait-time goals for providing the service or within the clinically necessary time frame indicated by the provider if that time frame is less than VA wait-time goals | ⟷ |
| Geographic Distance / Convenience | Veteran lives 40 miles or farther driving distance from their PCP as designated by the VA<br>OR<br>Veteran faces excessive burden in accessing care at a VA facility, including:<br>▪ Geographical challenges<br>▪ Environmental factors<br>▪ Medical conditions that affect travel<br>▪ Other factors (nature of care, frequency of care, and need for an attendant) | ⟷ |
| Availability of Service | Facility does not provide the service or has chosen to 'buy' service from the community<br>OR<br>There is a compelling reason why the Veteran needs to receive the service outside a VA facility (e.g., female victims of MST unable to be seen by a female provider). | ⟷ |

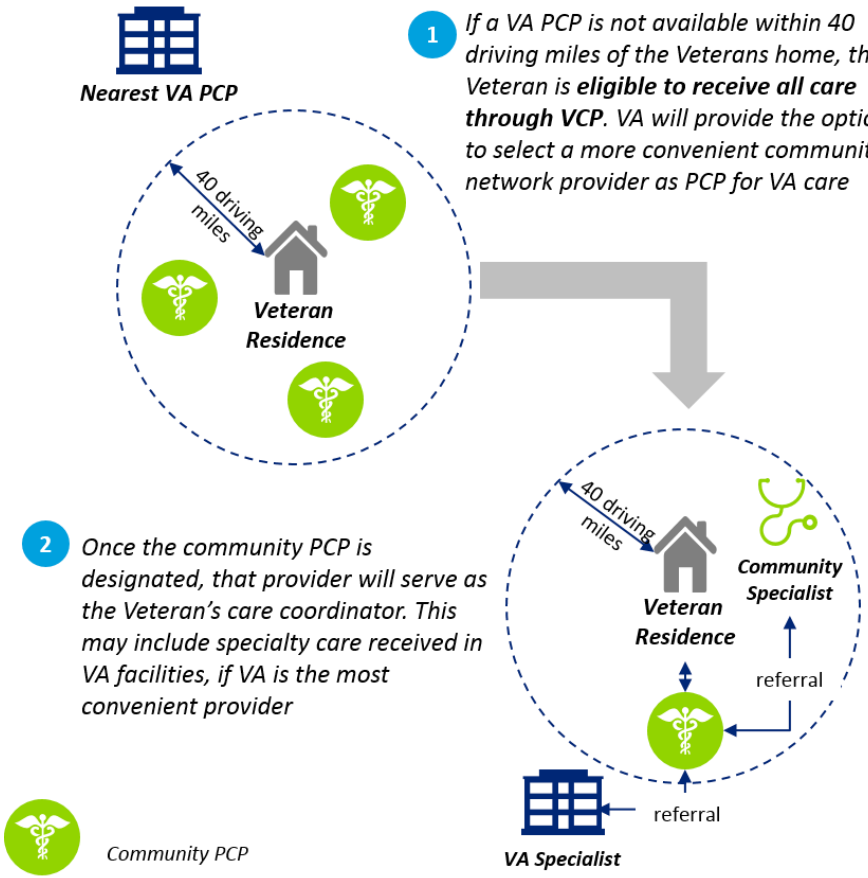
↑ *Provides more access to community care than is available today*

⟷ *Does not significantly change access to community care*

□ *New eligibility criteria that does not exist today*

# Eligibility Criteria: Geographic Distance/ Convenience

*PCPs play a critical role in coordinating care and providing preventative care, so the new VCP will focus on providing all Veterans with convenient access to a PCP.*




### Rationale for Focus on the PCP

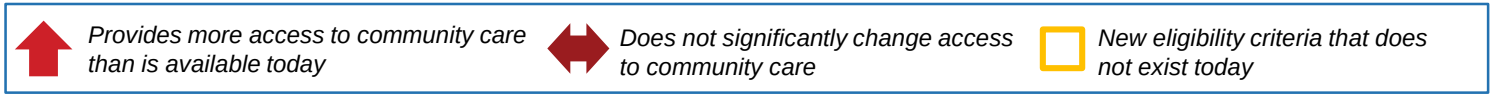
- **Care Coordination:**
  - PCPs are the provider seen most frequently
  - PCP is overall coordinator of care
  - Convenient access supports better health outcomes
- **Preventative Care:**
  - Convenient access encourages use of preventative care
- **Health Care Utilization**
  - Use of PCPs reduces high cost admissions and emergency and urgent care
- **Consistent with Industry**
  - Health plans typically have a tighter access standards for PCPs
  - Geographic access to specialty care is more difficult to establish

# Eligibility Criteria: Emergency and Urgent Care

| Eligibility Category | Proposed Criteria for Veterans Choice Program (Future State) | Change to Eligible Population |
|---|---|---|
| Emergency Care | 1. Veteran is enrolled in the VA.<br>2. Veteran has received care through the VA within the last 24 months.<br>3. Symptoms satisfy the "prudent layperson" definition of emergency<br>4. There is no authorization requirement (preservice or post service) for emergency care. |  |
| Urgent Care | 1. Veteran is enrolled in the VA.<br>2. Veteran has received care through the VA within the last 24 months.<br>3. Access care at a VA designated Urgent Care Center |  |

**Definitions:**

- **Emergency:** *"A medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in placing the health of the individual (or with respect to a pregnant woman or her unborn child) in serious jeopardy, serious impairment to body functions or serious dysfunction of any bodily organ or part."*
- **Urgent:** *"'Urgent medical condition' shall mean a condition which, if not treated within 24 hours could lead to serious impairment of bodily function or serious dysfunction of any bodily organ or part."*



# Referral and Authorization

# Standardize the Referral & Authorization Process

What we want to hear from Veterans: ***"I was easily and quickly referred to a community provider for my care."***

**Veteran is referred for community care**

**Veteran receives care from a community provider**

We are working to streamline the referral and authorization process, to include a standard referral template and remove unnecessary steps. These improvements will allow Veterans to get care more quickly.

# Current and Future State

*Referrals and authorizations will follow an industry leading approach where fewer services require referrals and/or authorizations, allowing Veterans quicker access to care*

## Definitions

**Referral:** A written or electronic transfer of care initiated by a clinician that enables a patient to see another provider for specific care or to receive medical services.

**Authorization:** A decision that a health care service, treatment plan, prescription drug, or DME is medically necessary.

| Current State Service Categories | Description |
|---|---|
| **Referral Only (with or without an authorization)** | For all non-emergent services, a referral is required |

| Future State Service Categories | Description |
|---|---|
| **Referral Only (no Authorization)** | A clinician's referral is all that is required for most services and promotes coordination of care between the providers |
| **Referral and Authorization Required** | A defined, limited set of services requiring clinical review and approval after referral |

# Future State - Centralized Authorization Center

*For consistency, VA will move to centralized shared services to handle all authorization submissions.*

## Current State

- No standard or consistent process
- No consistent guidelines for approval
- Variance amongst regions
- Highly manual

## Future State

- Standardized, consistent process
- Guidelines for approval follow medical criteria
- Automated process and solution
- Highly trained staff

## Keys to Success

**People**

- Single team, working together in one location
- Skilled clinical team
- Regular training and certification

**Process**

- Streamlined process
- Reduced handoffs
- Reduced/eliminated redundancies

**Technology**

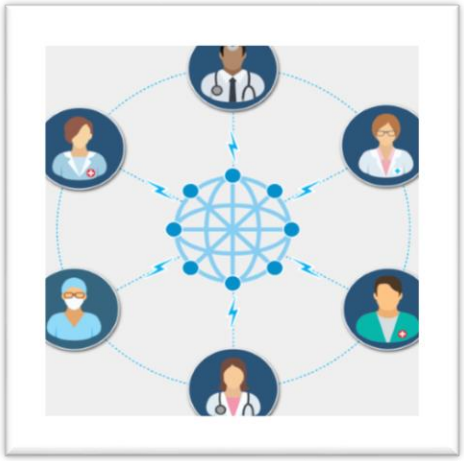
- Highly automated system that connects to the eligibility & claims systems
- Higher percentage of fully auto-processed items

# Community Care Network

# Offer Access to Excellent Community Providers

What we want to hear from Veterans: ***"I have options and I feel confident that there will always be a provider when and where I need one."***

What we want to hear from providers: ***"I am proud to serve Veterans and to be a part of the VA Community Care network."***



**Utilize our network of VA and community providers**

**Provide access to high-quality care**

We are working to build our network of providers to improve access to high-quality care.

# Current State

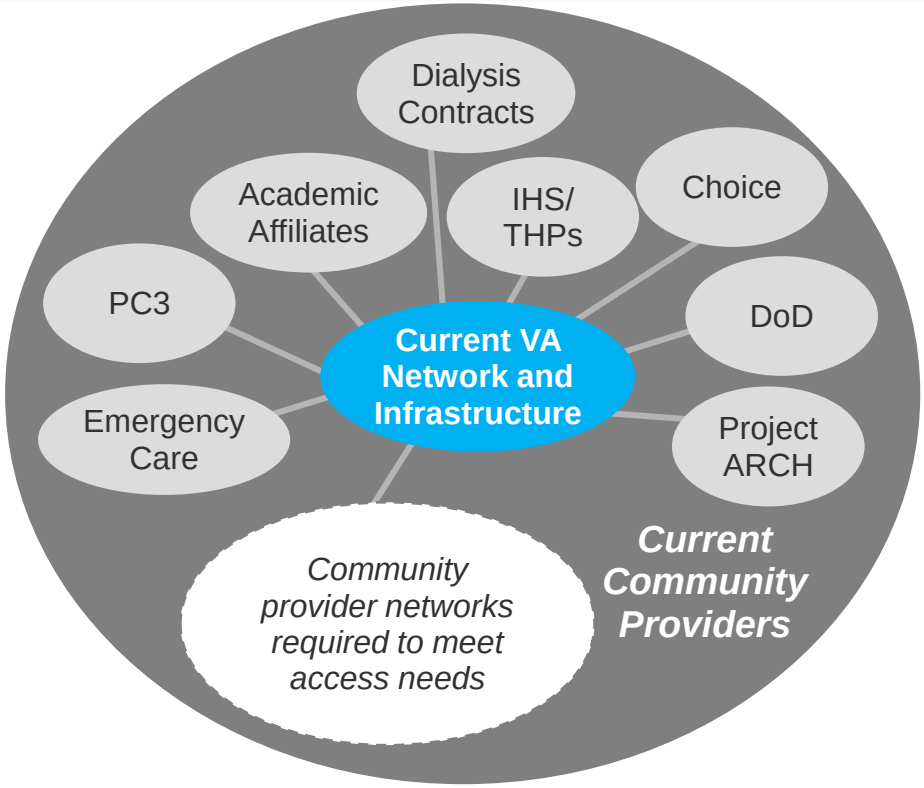
## Limitations

**Network**

- Limited visibility to network coverage gaps
- No ability to evaluate best in class providers

**Management**

- No active management of provider relationships
- No formal tracking mechanism for provider issues




## Industry Best Practices

- Tiered networks with designated preferred providers based on quality and cost
- Expands network using culturally aware providers based on population served
- Dedicated provider relations staff to manage on-going network development and relationships
- Analytic-driven decision making regarding contracting, claims payment, and issue resolution

VA Core Network  External Network

# Provider Network – Future State

## Provider Network Evolution

**Phase 1**

*Growth of VA Core Network through stronger relationships with Federal and academic teaching partners*

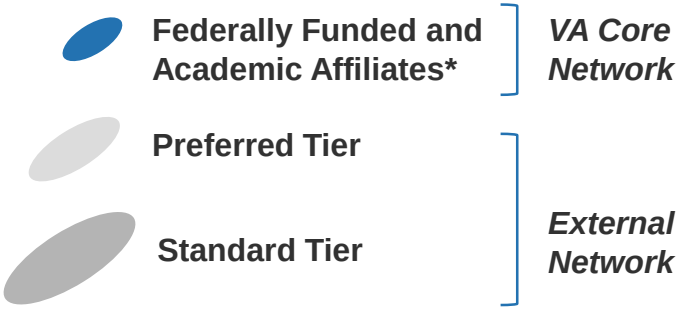
**Phase 2**

*Expansion of External Network and shift to complementary clinical services*

**Phase 3**

*Expansion of Preferred Tier Providers supplying complementary clinical services*

**Network actively managed and integrated with claims and customer service departments**




*"Academic affiliates" have active teaching relationships with VA (Directive 1663) and are in the Core Network. Remaining academic institutions without teaching relationships are in the External Network.*

## Preferred Provider Designation

- **Quality:** Adherence to evidence-based care guidelines
- **Value:** Delivery of high quality and appropriate care based on defined metrics and goals
- **Compact:** Pledge to serving US Veterans

# Provider Credentialing – Current and Future State

## Current State

### Limitations

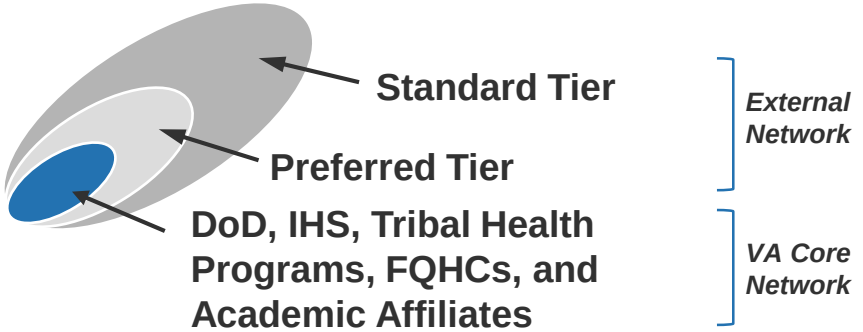
- ✕ Inconsistent process across TPAs and local contracts
- ✕ Basic participation standards

### Industry Best Practices

- Uniform set of standards for providers in an automated credentialing system with and defined processing time
- Re-credential at a minimum every 24-36 months, incorporating quality, cost, patient satisfaction, and Veteran complaint rates into the process

**VA will delegate credentialing to the network manager or appropriate Federal institutions, unless there are existing difficulties*

## Future State




### Delegation of Credentialing

*VA will delegate credentialing for Core / External Networks.* VA will audit compliance with credentialing standards.*

### Consistent Credentialing Processes

- Educational Credentials / Certifications / Licensure / Training & Experience
- Employment and Pre-Employment History
- Supplemental Attestation Questions / Disciplinary Screening / Sanctions
- Agreement to meet access standards and quality of care standards

Periodic re-credentialing

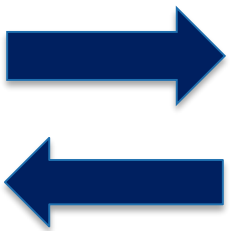
# Care Coordination

# Integrate and Streamline Care Coordination

What we want to hear from Veterans: ***"I knew what to expect and I had everything I needed from my doctor."***

What we want to hear from providers: ***"Sharing information between providers is easy, allowing for seamless care coordination for our patients."***

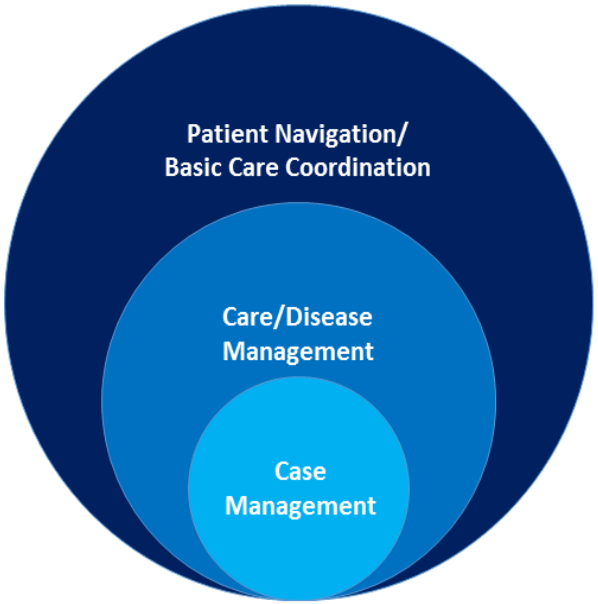
**VA Providers**



**Community Providers**

We are working to bridge the information gap between VA and community providers to ensure seamless care coordination through health information exchange.

# Future State Care Coordination Model & Components




**Within the continuum of care, there may be some overlap between levels of service**

**Patient Navigation/Basic Care Coordination**

- An intervention or a specific person who helps Veterans access care through medical data integration, referral coordination, and appointment scheduling assistance
- Services aimed at helping Veterans with multiple comorbidities and providers, but do not require complex care coordination
- The level of care coordination and patient navigation most Veterans will need
- Self-service options available to engage veterans

**Care/Disease Management**

- The oversight and management of a comprehensive care plan for a cohort of patients
- Condition-specific programs based on evidence-based guidelines
- Care Managers conduct Veteran outreach, monitor adherence, provide disease education, and engage the Veteran

**Case Management**

- Emphasizes a collaborative process that assesses, advocates, plans, implements, coordinates, monitors, and evaluates health care options and services so they meet the needs of the individual patient
- Multi-disciplinary team manages care for Veterans with complex conditions and coordinates across providers

**The levels of care are coordinated and governed at the enterprise level and executed locally.**

# Level of Care Coordination Provided

## Care Coordination Delivery

**VA PCP**
(Veteran Uses VA for All Care)

**VA PCP**

**VA PCP**
(Veteran Uses VA for All Care Except Access Challenges)

- Veteran receives full set of care coordination services
- When a Veteran needs to see a community provider, VA provides on-going care coordination

**Community PCP**
(Veteran Resides 40 Miles from VA PCP)

**Community PCP**

**OHI PCP**
(Veteran **Chooses** to Use Limited VA Services)

- Basic care coordination and patient navigation handled by community PCP for 40-milers
- Proactive care/disease management and case management available for complex conditions
- VA will have access to a lifelong patient record provided by health exchange for 40-milers to better provide care if Veterans choose to receive care via VA

## Operational Support for Care Coordination

***Health Information***
- *Collection of Clinical Info (Medical Records)*
- *Administrative Info (Claims, Referrals)*

***System Analytics***
- *Data mining to identify at risk and eligible populations for Care/Disease Management and Case Management*

***Call Center***
- *Support for Veteran /provider questions*
- *Clinical support*
- *Program-specific information*

***Governance***
- *Integration of care management programs across VA*
- *Training for coordinators and Care Providers*

## Goals of VA Care Coordination

- Focus on health and wellness to improve Veterans' health outcomes
- Maintain a lifelong record with access to claims, medications, referral, and treatment history
- Establish data-driven processes facilitating retrospective and real-time analyses of health information
- Ensure Veterans receive appropriate community care
- PCPs will sign a pledge to adhere to the tenants of care coordination

# Information Requirements

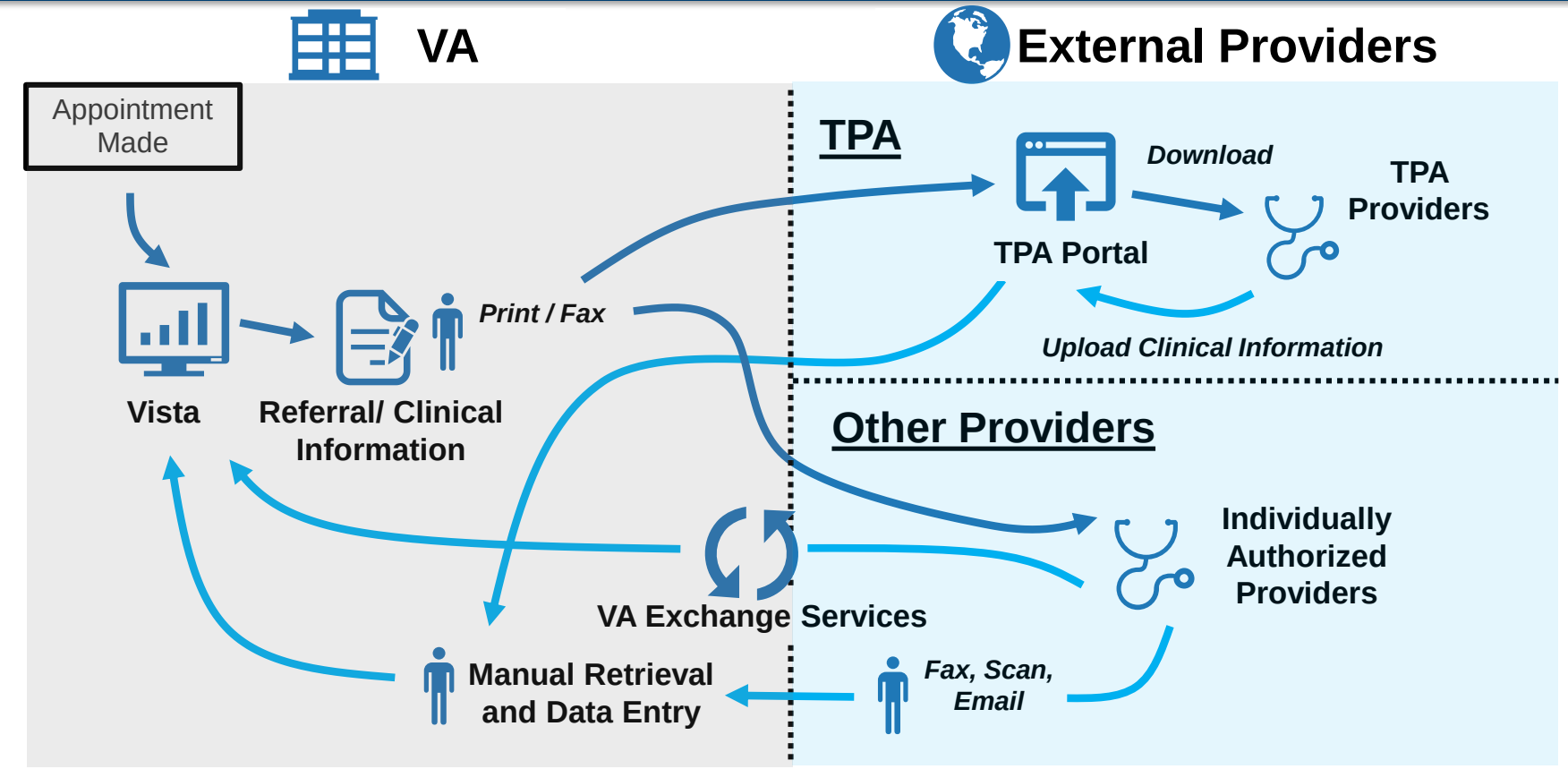
## VA

- Referral
- Authorization
- Clinical Information
- Formulary
- Claims
- VA Critical Pathways for Clinical Episodes
- Analytics Data

## Community Care Network

- Clinical Information
- Claims
- Analytics data

# Current State




## Pain Points

- Manual, paper-based process
- Slower processing time
- No clear ownership or coordination
- Many handoffs

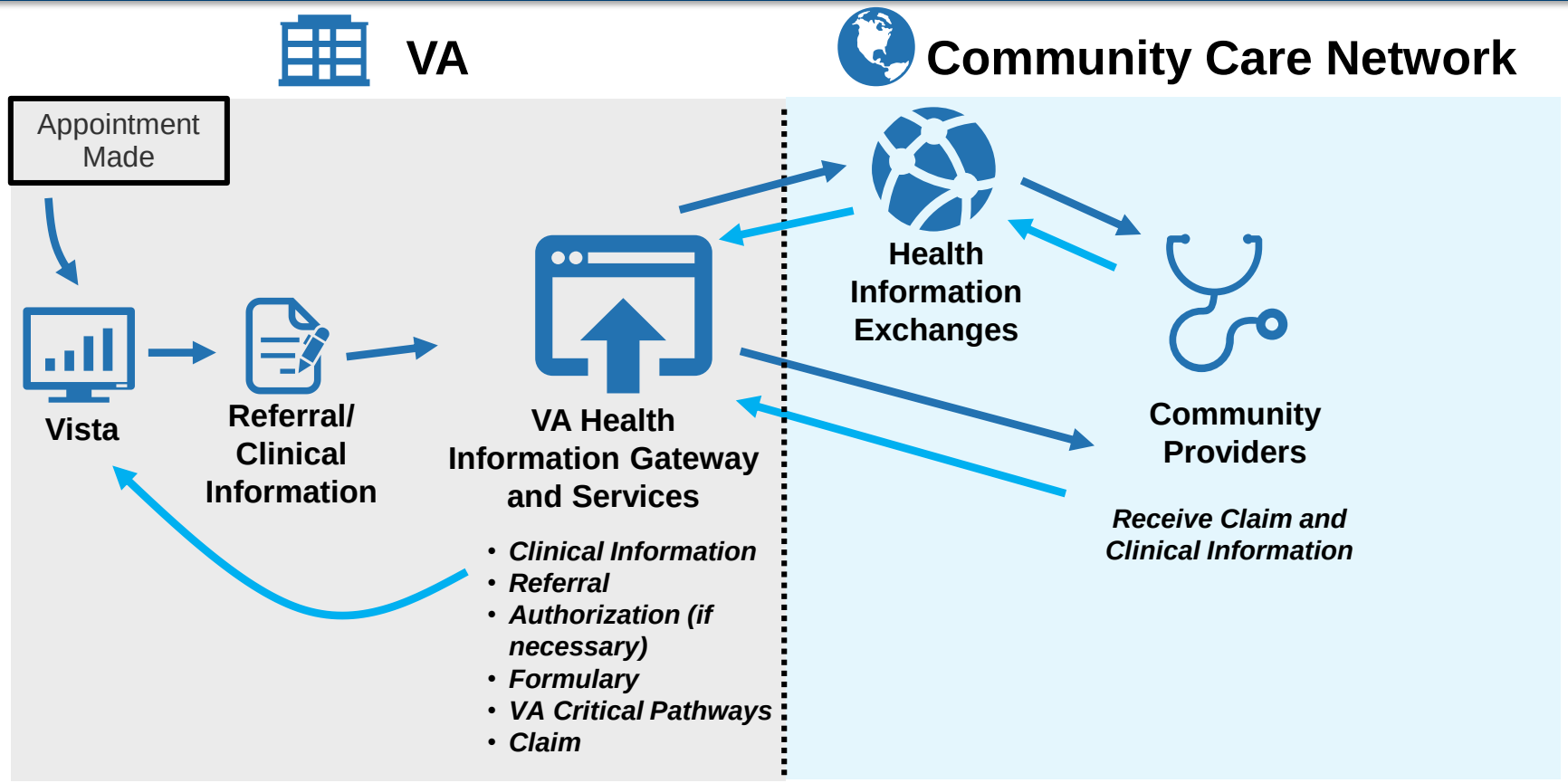
*Incoming Information* → *Outgoing Information* *Manual VA Process*

## Industry Best Practices

**Health Information Exchange:** Growing community of exchange partners, who share information under a common security framework and ruleset.

*VA Exchange Services*

# Future State




## Future State Improvements

- Supports PCP care coordination
- High Electronic Data Interchange (EDI) and less paper involved in transfer of health information
- Quicker processing time and clearer definition of information ownership at each step
- Consistent and more user-friendly process

*Incoming Information* *Outgoing Information* *Health Information Exchanges*

# Provider Payments

# Automate and Improve Provider Payments

What we want to hear from Veterans*: "**I understand my financial responsibility and I am billed accurately."***

What we want to hear from providers: **"*It is easy to work with VA. They have adopted industry standards, pay promptly and are a good partner*."**

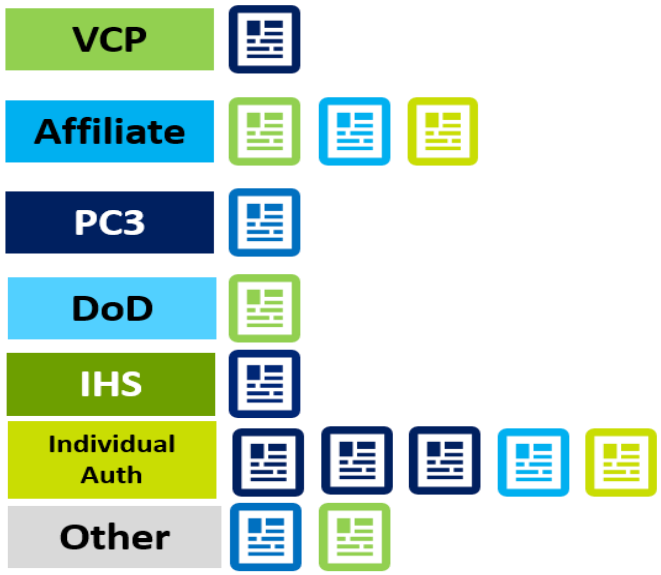


We are working to reduce the current medical claims backlog and automate our claims and administrative processes to enable accurate and timely payments to our community partners.

# Reimbursement Rates – Current State

*The current process is complex and inconsistent resulting in a confusing, inefficient and error-prone system.*

**Programs with Multiple Fee Schedules**




**Pain Points**

- Different reimbursement rates for the same service, both locally and regionally
- Billed charges paid for some services, rather than a negotiated rate
- VA likely overpaying for some services
- Adds time to billing & reimbursement process

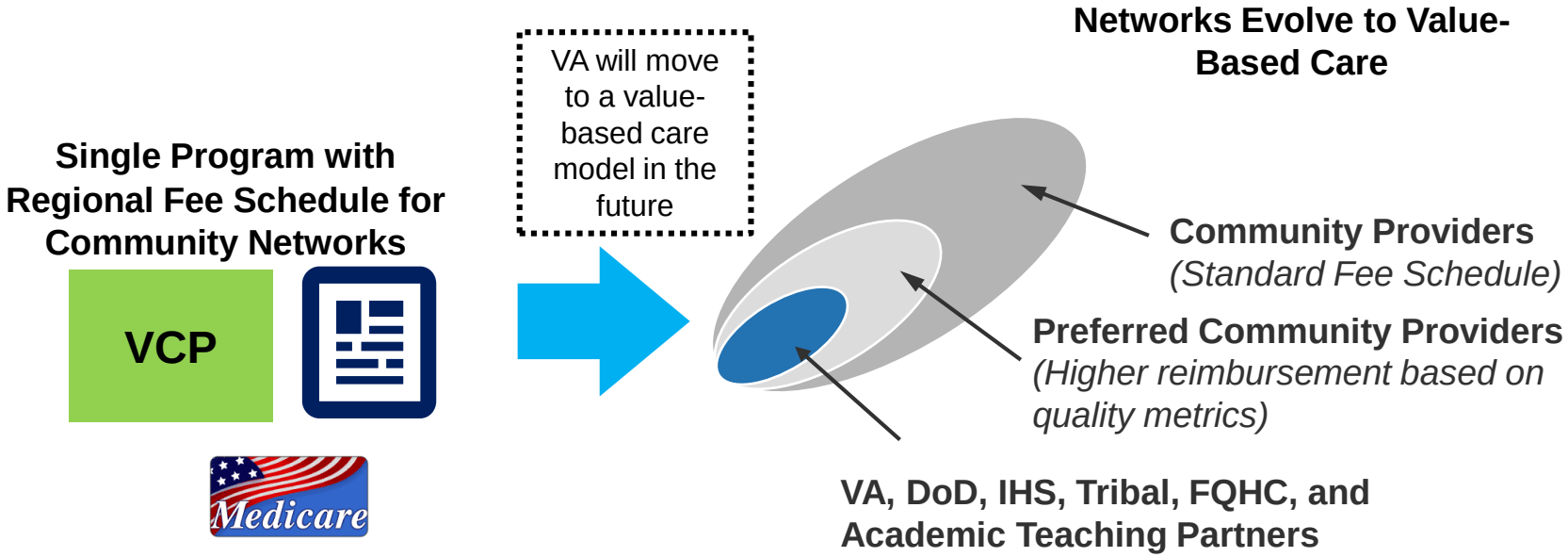
**Industry Best Practices**

- Health plans generally tie reimbursement to regional Medicare rates
- Shift to value-based care arrangements
- In the absence of a fee schedule for a particular service, generally pay usual and customary (U&C). If no U&C rate exists, contact the hospital/provider to negotiate the payment
- Reimbursement schedules centralized and used nationally with regional contracting

NB1: Each sheet icon represents a different fee schedule
NB2: The icons are an example, and there may be more or less fee schedules for each program

# Reimbursement Rates – Future State

*VA will pay up to Medicare rates and shift to a value-based care model.*




**Improvements**

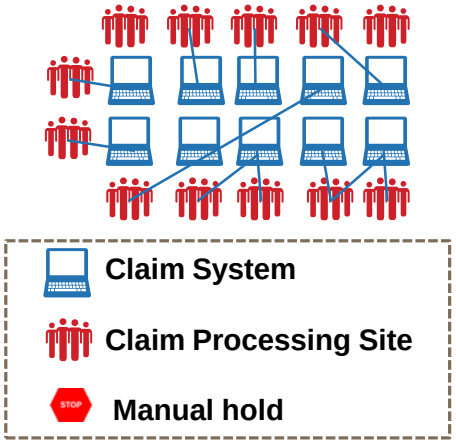
- Use negotiated network rates
- Tie to regional Medicare rates
- Exceptions for specific geographic areas with particularly few providers (e.g. Alaska, Hawaii, Guam, Puerto Rico, and the Philippines)
- Negotiate rates for services not covered by Medicare, not paid billed charges
- Provides a clear basis for business rules in claims systems
- Maintains existing relationships with DoD, IHS, Tribal, FQHC partners

VA Core Network  Community Networks

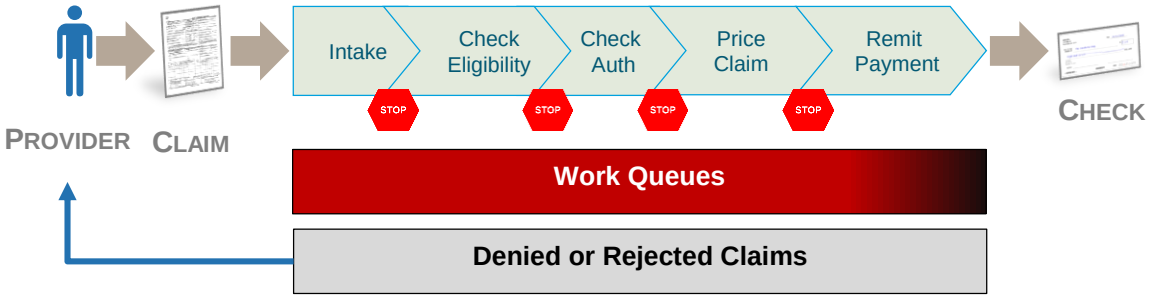
# Billing and Reimbursement – Current State

*Claims infrastructure and process is complex, leading to significant inefficiencies.*

## Claims Infrastructure




## Claims Process




## Pain Points

- 30+ disparate claims systems
- Lack of standardization with 70+ claims processing sites
- Completely manual, mostly paper based process
- Confusing and inconsistent processes and rules

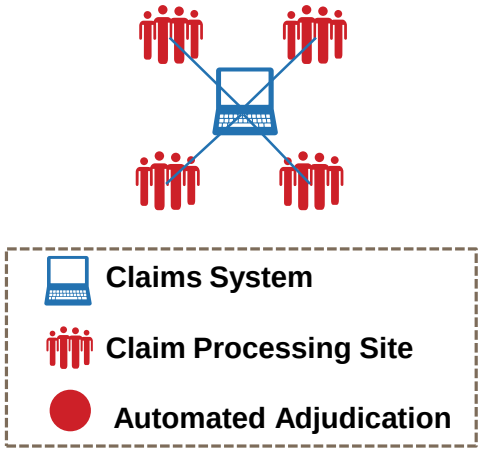
## Industry Best Practices

- Auto-adjudication of clean claims
- Investments to flexible systems enable organizations to quickly respond to regulatory/industry changes
- Transition to shared service model to take advantage of scale, standardization, and processing efficiency
- Focused effort to manage patient and provider data and integration with claims platform

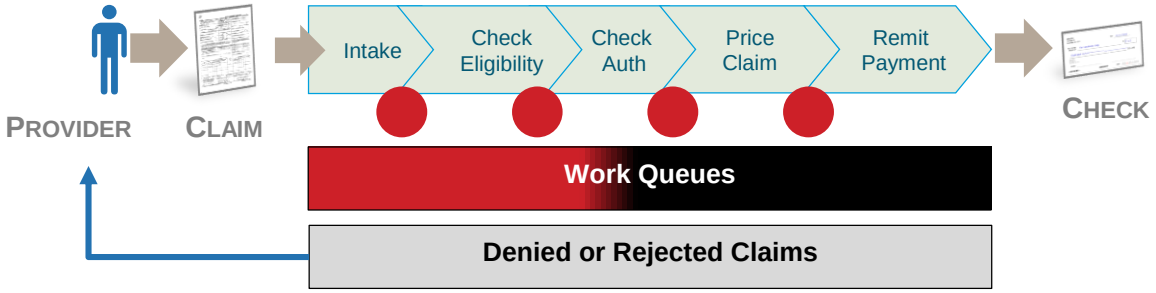
# Billing and Reimbursement – Future State

*The future process will be centralized with significant automation. VA will transition to a shared service model over time that may involve outsourcing claims processing to a third party.*

## Claims Infrastructure




## Claims Process




## Improvements

- Auto adjudication rules defined and deployed
- Significant investments to purchase/deploy a consolidated claims system
- Shared service model deployed with centralized locations (~ 4-7) to process claims or outsourced model with claims processing managed by a contractor
- No requirement for return of medical record to pay claims

# Prompt Pay – Current and Future State

*The increase in community care claims coupled with lack of auto adjudication has limited VA's ability to comply with Prompt Pay rules.*

## Current State

| Mechanism | Adheres to Prompt Pay Standards |
|---|---|
| Contracts | Yes |
| Fee-Based | No |

### Pain Points

- VA does not use industry standard for clean and unclean claims, rather using authorized and unauthorized claims
- VA is noncompliant with the Prompt Pay Standard
- VA is at risk of large financial penalties if/when industry standards are adopted
- Reimbursement is a manual process

## Future State

- Industry standard definitions
- Applies to all Community Providers
- Standardized business rules
- Implemented claims system
- Compliance with 30 Day Prompt Pay Standard

### Industry Best Practices

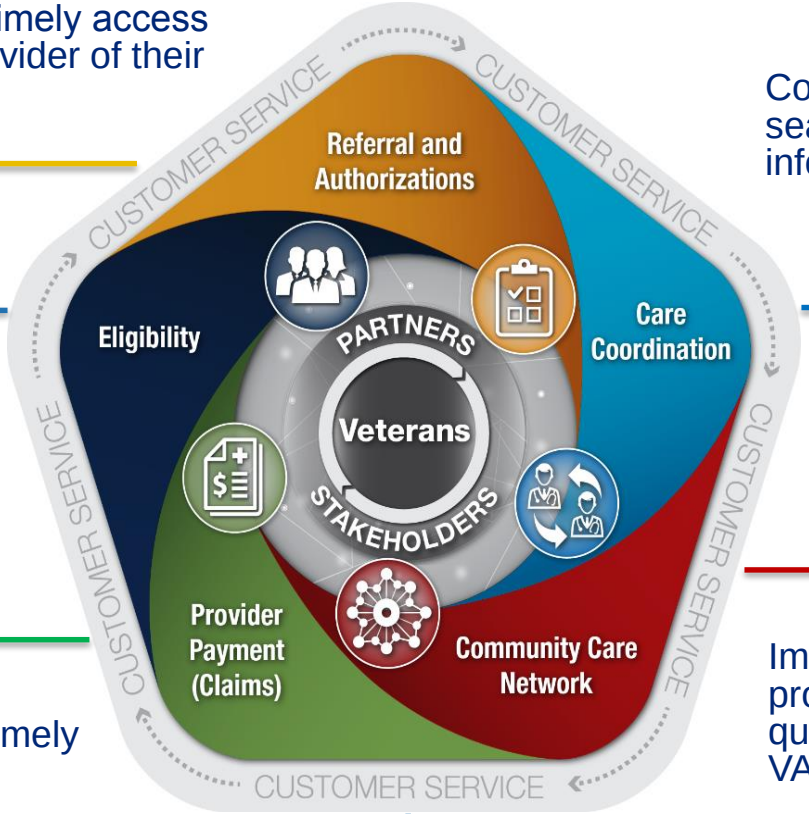
- No Federal Prompt Pay legislation for claims. States have enacted legislation to monitor claims processing. State interest varies (from 1% a month to 18% annually)
- A "clean claim" has no defect, impropriety or special circumstance, including incomplete documentation that delays timely payment
- Prompt Pay Standard is 30 days for clean claims (range 14 to 45 business days) and 45 - 60 days for non-clean claims

# A Phased Approach

# Five Key Components Trace the Veteran Community Care Journey

Provide Veteran's timely access to a community provider of their choice

Coordinate care through seamless health information exchange



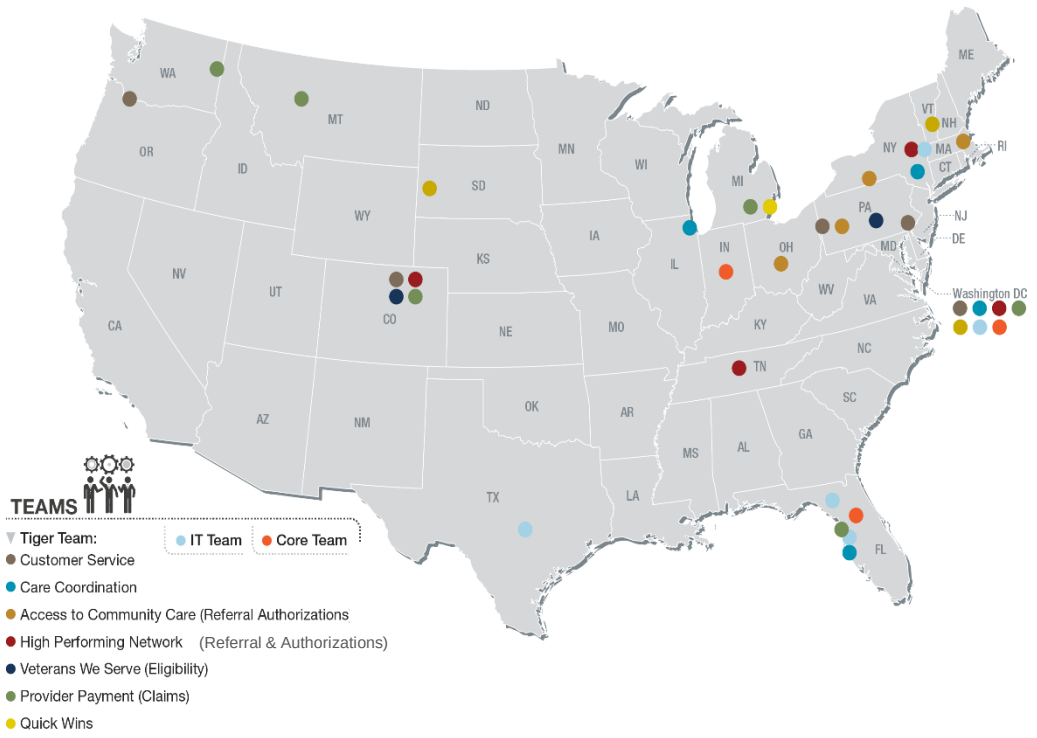

Provide easy-to-understand eligibility information to Veterans, Community Providers, and VA staff

Implement a network that provides access to high quality care inside and outside VA

Support accurate and timely payment of community providers

Provide quick resolution of questions and issues for Veterans, Community Providers, and VA staff

# Core Team and Portfolio Teams




## Portfolio Teams

- 120 applicants
- 28 members and 24 SMEs selected across 7 Portfolio Teams
- Diverse membership including physicians, nurses, a social worker, Chief Medical Officers, Industrial Engineers, Project Managers, Business Office Chiefs, Purchased Care Staff, among others

## IT Team

- 7 representatives from the Office of Information and Technology (OIT) and Office of Analytics and Business Intelligence (OIA)
- Roles ranging from architects to information security officers

## Core Team

- 8 representatives from OIA, OIT, PMO, VERC, physicians, communications and change management, among others

# Collaborative Approach

# Short and Long Term Improvements

*To successfully consolidate VA's community care programs, VA is taking immediate steps to improve stakeholders' experiences while also planning and implementing the new community care program.*

# Long-Term Improvements

# Community Care Experience

## Plan

**Understand stakeholders needs to develop detailed implementation plan**

- Obtain stakeholder input and identify industry best practices
- Develop future business processes
- Define the business capabilities needed
- Develop project plans and timelines
- Plan acquisition of the network and systems

**2016**

## Design

**Develop requirements to support project delivery**

- Define new organization roles and responsibilities
- Design detailed staff-level processes and procedures
- Define the business requirements
- Build or acquire new systems

**2016 - 2018**

## Implement

**Roll out new clinical and administrative systems**

- Communicate changes to stakeholders
- Conduct VA staff training to support new processes, procedures and systems
- Deploy new processes, procedures and systems
- Manage deployment and address issues

**2017 - 2020**

## Optimize

**Monitor program results and metrics to identify and execute improvements**

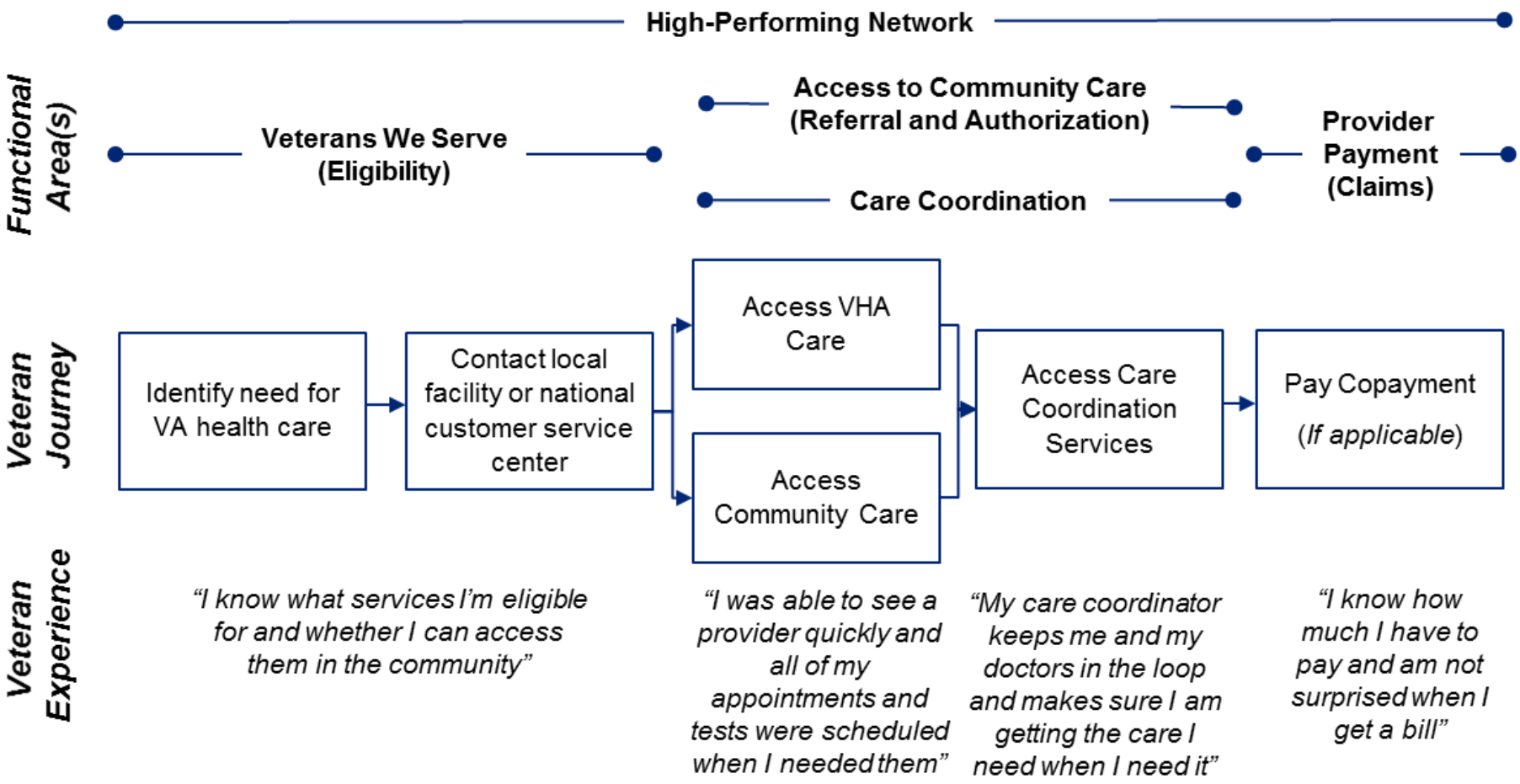
- Conduct regular stakeholder surveys
- Measure and monitor performance
- Identify improvement opportunities
- Address improvement opportunities

**2020+**

Project Management, Change Management and Communication

Congressional Action – Legislation and Budget

# Business Process Flows And Capabilities



# Closing Remarks

**Thank you and we look forward to potential collaboration with you in the future.**