


Piloting New Payment Systems



Work Session 6
Recommendations

General Discussion

- Cost and quality should hold hands
 - Agreement that both important, not clear agreement on which is priority for pilots: societal crisis is cost, but current quality is unacceptable.
- Initial focus should be on ideas with “win-win” potential (e.g., reduce cost and increase quality) for maximum chance of adoption, replication out of pilot. *Prioritize areas of care where we have good reason to believe we can make a difference.*
- What evidence do we need from pilots: Are we doing rigid, peer-review tests in a vacuum, or are we real-world testing business models for replication?

5.1 What should be the goals of pilot projects?

□ **High Support**

- Lower/manage cost and improve quality (option 1&2)
- Gain experience with care improvements that support payment changes (option 4)

□ **Some Support**

- Gain experience with changes in patient information, incentives (option 5)
- Develop and test administrative systems (option 7)

□ **Discussion**

- ALL pilots should measure costs, quality, implementation costs, unintended consequences (good research)

5.2 What types of patients/conditions should be targets for pilot projects?

- Core investments that serve all patients (option 1)
- Special focus of intervention and evaluation on areas/populations of high cost, high consumption with likelihood of impact (options 3,4 and 7)

5.3 How many providers should be included in a pilot project?

□ **Recommendation**

- Start with willing participants (option 2)
- Phase in more providers serving population (option 1) and diverse set of providers for comparison and evaluate trends (option 3)

□ **Discussion**

- Want healthy complement of thought leaders with social standing to encourage replication among peers

5.4 To what extent should pilot projects be “budget-neutral”?

- 2-3 year timelines are reasonable (option 2)
 - Should report intermediate outcomes
- Special funding for one-time costs needed (option 4)
- 1 year timeline is too short (option 1)

5.5 and 5.6 How many payers need to participate?

- **Ideal is all stakeholders (payers, providers, purchasers) at the table**
 - Often brought there by one leader
- **Practical answer is specific to market, nature of intervention**
 - Many or few payers in the market?
 - Is it practical for the provider to have parallel systems in place? (e.g., electronic systems no, but chronic care management yes)
 - Where is the tipping point? (payer -> group -> payer)