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Bundled Payments for Care Improvement (BPCI) Advanced

OVERVIEW

On January 9th, the Centers for Medicare and Medicaid Services (CMS) announced a new voluntary bundled payment model, BPCI Advanced. The new model will serve as the continuation of the existing BPCI Models 2-4, which are due to expire after September 30, 2018. BPCI Models 2-4 test retrospective bundled payments for 48 inpatient clinical episodes that participants may choose from. BPCI Advanced will abbreviate the list of eligible inpatient episodes to 29, but will add three outpatient episodes.

CMS will accept applications for BPCI Advanced from January 11th through March 12th. Please note that there will not be another application opportunity until January 2020. More information, including a link to the Application Portal, is available here.

MODEL DESIGN

Under BPCI Advanced, participants will be eligible to receive a retrospective performance payment for all of the services furnished to a Medicare fee-for-service (FFS) beneficiary during a 90-day episode of care for select clinical episodes. Each episode of care will begin with either an inpatient admission to an Acute Care Hospital for one of 29 select inpatient episodes or an outpatient procedure for one of three select outpatient episodes. Participants will be required to take on risk for at least one of the select clinical episodes and will not be eligible to add or drop selected episodes until January 1, 2020.

On a semi-annual basis, CMS will conduct a reconciliation to compare the actual FFS expenditures for all the episodes attributed to the participant to the final Target Prices for those episodes and make adjustments based on quality performance. Participants with expenditures below the Target Price and will be eligible to receive a Net Payment Reconciliation Amount (NPRA) payment, while those whose spending exceeds the Target Price will be subject to repayment. Reconciliation amounts will then be adjusted, by no more than 10%, based on quality performance. Final payment or repayment amounts will be subject to a 20% stop-gain and stop-loss provision.

Eligible Participants

All participants will be required to enter into a CMS Participation Agreement, which includes a commitment to taking on financial risk for at least one clinical episode. The following entities are eligible to become participants:

Participant Type	Eligible Entities	Participant Role
Non-Convener Participant	• Acute Care Hospitals • Physician Group Practices	Bear financial risk only for itself, as opposed to other Episode Initiators (EIs).
Convener Participant	• Acute Care Hospitals • Physician Group Practices • Medicare-enrolled providers/suppliers • Non-Medicare-enrolled entities	Coordinate, bear, and appropriate risk on behalf of multiple EIs.

Participants may enter into agreements with any practitioner paid by Medicare to deliver care during a BPCI Advanced episode. Such providers are referred to as Participating Practitioners. Participants may also enter into a more formal financial arrangement, referred to as an NPRA Sharing Agreement, to distribute BPCI payments and losses with an NPRA Sharing Partner. Entities eligible to be an NPRA Sharing Partner include:

- Participating Practitioners;
- Acute Care Hospitals;
- Physician Group Practices;
- Accountable Care Organizations (ACOs); and
- Post-Acute Care Providers,

NPRA Sharing Partners must be listed on the Financial Arrangement Screening list submitted to CMS.

Episode Attribution

Episodes will be attributed among EIs in the following order of precedence:

1. Physician Group Practices that submit a claim that includes the National Provider Identifier (NPI) for the attending physician;
2. Physician group Practice that submits a claim that includes the NPI of the operating physician; and
3. Acute Care Hospital where the services that triggered the episode were furnished.

Target Price

CMS will provide participants with preliminary Target Prices for each episode before the first performance period of each model year. CMS will calculate the Target Price by establishing the benchmark price and then applying a standard discount. The benchmark price is calculated based on historical FFS expenditures for items and services furnished during the episode. For the initial years of the program, the discount will be 3%.

Quality Measures

Payment for all episodes will be tied to performance on the following quality measures:

- All-Cause Hospital Readmission Measure; and
- Advanced Care Plan.

In addition, the following measures will apply to select episodes:

- Perioperative Care: Selection of Prophylactic Antibiotic;
- Hospital-Level Risk-Standardized Complication Rate Following Elective Primary Total Hip Arthroplasty;
- Hospital 30-Day, All-Cause, Risk-Standardized Mortality Rate Following Coronary Artery Bypass Graft Surgery;
- Excess Days in Acute Care after Hospitalization for Acute Myocardial Infarction; and
- AHRQ Patient Safety Indicators.

Excluded Services

Services to beneficiaries covered by managed care plans or beneficiaries for whom Medicare is not the primary payer will not be included in BPCI Advanced. Expenditures for the following FFS services will also be excluded from episode payment calculations:

- Services furnished during specific acute care hospital admissions and readmissions, including: admission assigned at discharge for organ transplants, major trauma, cancer-related, care ventricular shunts;
- New technology add-on payments under the Inpatient Prospective Payment System;
- Items and services with pass through-payment status under the Hospital Outpatient Prospective Payment System and providers that are eligible to be included in t;
- Blood clotting factors to control bleeding for hemophilia patients;
- Services to end-stage renal disease (ESRD) beneficiaries; and
- Services for beneficiaries aligned to Next Generation ACOs, the Vermont All-Payer ACO, an ESRD Seamless Care Organization, or a Track 3 Medicare Shared Savings Program (MSSP) ACO.

ALIGNMENT WITH OTHER CMS INITIATIVES

Advanced Alternative Payment Model (APM)

CMS anticipates that BPCI Advanced will qualify as an Advanced APM under the Quality Payment Program (QPP). As such, BPCI Advanced participants and NPRA Sharing Partners will be eligible to become Qualifying APM Participants (QPs), who are not subject to Merit-Based Incentive Payment System reporting requirements and are eligible to receive a 5% incentive payment under QPP.

Shared Savings Initiatives

BPCI Advanced is not a shared savings initiative, which means that entities may participate in both BPCI Advanced and Medicare shared savings initiatives (e.g. – Medicare Shared Savings Program, Next Generation ACO, etc.) or medical home initiatives.

CMS reserves the right to pose additional requirements on entities that participate in Advanced BPCI and other CMS initiatives.

Comprehensive Care for Joint Replacement (CJR)

Entities participating in CJR are allowed to also participate in BPCI Advanced, but could not select episodes for the orthopedic bundle or major joint replacement of the lower extremity episode.

Oncology Care Model (OCM)

Entities are eligible to participate in both BPCI Advanced and OCM, but CMS will adjust OCM performance payments that overlap with BPCI Advanced payments.

KEY DATES

Date	Action
January 11, 2018	Application Portal Opens
March 12, 2018	Application Portal Closes
May 2018	CMS Distributes Target Prices to Applicants
June 2018	CMS Offers Participant Agreements
August 2018	Signed Participation Agreements Due to CMS
August 2018	Episode Selections and Program Deliverables Due to CMS
October 1, 2018	Model Begins
March 31, 2019	QPP Determinations Released
January 1, 2020	Second Application Period Begins
January 1, 2020	First Round Participants Allowed to Add or Drop Episodes
December 31, 2023	First Performance Period Ends