



# WHAT IS NEEDED FOR THORACIC HEALTH TO FIT INTO POPULATION HEALTH?

1. How Measurement Drives the Population Health Models of the Future
2. Technology, existing and new, and how they can fit into population health

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# 1. How Measurement Drives the Population Health Models of the Future

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# The Thoracic Health Straw Dog

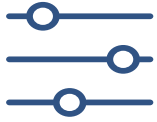
Implementing widespread Lung Cancer Screening will have large health benefits for at-risk populations—including identifying lung cancer at early, curable stage, diagnosing COPD and cardiac conditions earlier.

Will provider organizations or communities be willing to take risk for successful lung cancer screening in their population?

# Taking Risk for Lung Cancer Screening Success. What Might This Mean?



Reaching a **target** percentage of people who need LCS



Reaching a **target** for the portion of incident lung cancers that are screen detected (today likely < 5%)



Reducing the spending on lung cancer treatment for a defined population (eg, state of Delaware) —and sharing in the savings/loss



Reporting on what led to success/failure



Having an organization that is accountable for the above

# Medicare Program Takes Lead in Population Health

Most Medicare beneficiaries are in some form of Population Health

## US Medicare Program

- About 60 million lives in 2021
- Mostly over age 65. <65 with disability.

Sources: <http://www.medpac.gov/> ,  
<https://www.naacos.com/>

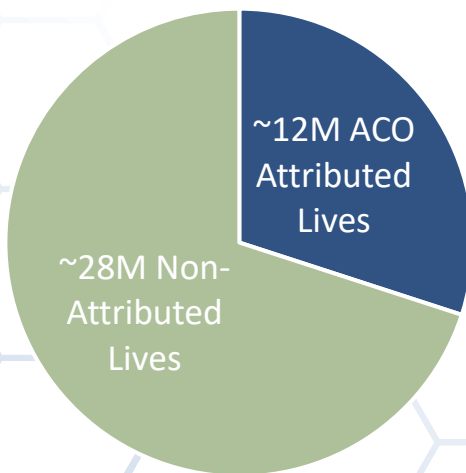
## Population Health in Medicare

- 24 million lives in Medicare Advantage (private insurance)
- 36 million lives in Fee for Service (original Medicare)
  - 12 million lives in Accountable Care

# HISTORY OF MEDICARE ACO MODELS

Since 2012, CMS/CMMI have operated various population-based payment models allowing organizations to take financial risk for Medicare FFS patients. Over time, the number of Medicare lives covered under these models has steadily grown and the models have evolved – requiring more risk (with more reward) and offering participants additional tools for managing their attributed lives.

2018 Medicare FFS Population (Millions)



2012



## Medicare Shared Savings Program / Pioneer ACO

Medicare launched the Pioneer ACO program in January 2012 and the Medicare Shared Savings Program (MSSP) in April 2012

2016



## Next Generation ACO

New ACO model offering more risk (and more reward) as well as introducing additional care management tools to help ACOs control costs.

2021



## Direct Contracting

Expansion of Next Generation model to include Health Plans and other entities as well as focusing on contracting as an avenue to generate savings.

# What is a Medicare ACO?

- A group of providers who voluntarily work together to provide high quality managed care to Medicare Fee-for-service (FFS) beneficiaries
- ACOs that meet cost and quality benchmarks can share in the savings (or losses) that they generate for the Medicare program
  - Savings/Losses = Benchmark – Claims
    - If Benchmark > Claims then Shared Savings = Savings \* Shared Savings Rate
    - If Benchmark < Claims then Shared Losses = Savings \* Shared Loss Rate

# What is a Medicare ACO?

- Members are attributed to an ACO based on where the member has a plurality of primary care services
- The ACO is responsible for managing the health care cost of their members
- Members do not know they have been attributed to an ACO



# Why do Medicare ACOs exist?

- Improve quality of care for beneficiaries
- Reduce health care inefficiencies
- Shift risk to providers
- Save money for beneficiaries, providers, and CMS

## Medicare Shared Savings Program



Better  
Care for  
**Individuals.**



Better  
Health for  
**Populations.**



Lowering  
Growth in  
**Expenditures.**

# The Medicare Innovation Center (CMMI) sponsors innovative population health programs as pilots

- Defined populations
- Administrative support through Medicare claims systems
- Gain/loss sharing with organizations
- Sometimes “start-up” financing
- Measurement / reconciliations

## The Straw Dog:

Does it make sense for advocates to attempt a Thoracic Health Pilot through CMMI?

# Context of Lung Cancer Screening in Medicare

## Even if fully implemented, LCS would be a tiny piece of Medicare spending

- Suppose 10 million beneficiaries are eligible for LC Screening (round number)
- \$300 per annual scan (the biggest expense item in LCS, high reimbursement)
- \$2.4 billion in annual spending if 80% are scanned ( $10,000,000 \times \$300 \times .8$ )
- \$800 billion Medicare Part A & Part B Spending in 2021
  - LCS would be ~0.3% of Medicare spending, even at 80% adherence
- **What would be the financial and outcomes proposition for a Thoracic Health Population Health measure?**

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