

2014: 40%

NATIONAL SCORECARD

on Payment Reform

Catalyst for Payment Reform has set a target of **20%** of payments proven to improve value by 2020. How are we doing in 2014? The results of the second annual Scorecard are in and **40%** of all commercial in-network payments are value-oriented – either tied to performance or designed to cut waste. Traditional fee-for-service (FFS), bundled, capitated and partially capitated payments without quality incentives, make up the remaining **60%**. The use of value-oriented payment is growing rapidly; now we need to determine whether it makes health care better and more affordable.

What portion of value-oriented payments place doctors and hospitals at financial risk for their performance?

Of the 40% of payments that are value-oriented, most put providers at financial risk for their performance, though almost 50% only offer a potential financial upside only.

53%

OF VALUE-ORIENTED PAYMENTS

are “at risk”

47%

OF VALUE-ORIENTED PAYMENTS

are “not at risk”

Only

38% of all hospital payments

10% of all outpatient specialist payments

24% of all outpatient PCP (primary care physician) payments

are value oriented

CPR 2020 GOAL **20%**

2014 **40.0%**

BUNDLED PAYMENT **0.1%**

.2%

NON-FFS SHARED SAVINGS

NON-FFS NON-VISIT PAYMENTS **.6%**

1.0%
SHARED RISK

1.6%

PARTIAL OR CONDITION SPECIFIC CAPITATION

2%
FFS + SHARED SAVINGS

12.8%
FFS-BASED PAY + P4P

6.7%
OTHER

15.0%
FULL CAPITATION



CATALYST FOR PAYMENT REFORM

Benchmarks for Future Trending

Attributed Members



Percent of commercial plan members attributed to a provider participating in a payment reform contract, such as those members who choose to enroll in, or do not opt out of, an Accountable Care Organization, Patient Centered Medical Home or other delivery models in which patients are attributed to a provider.

15% NATIONAL AVERAGE

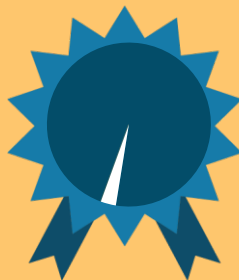
Share of Total Dollars Paid to Primary Care Physicians and Specialists

Of the total outpatient payments made to primary care physicians and specialists, 71% is paid to specialists and 29% is paid to PCPs. Over time, this figure will show if there is a rebalancing of payment between primary and specialty care.



Non-FFS Payments and Quality

Quality *is* a factor in
Only 97%
of non-FFS payments



Quality is *not* a factor in
3%
of non-FFS payments

Transparency Metrics

97% of plans offer or support a **cost calculator**

63% of **hospital choice tools** have integrated cost calculators

74% of **physician choice tools** have integrated cost calculators

82% of plans reported that cost information provided to members considers the members' benefit design relative to **copays, cost sharing, and coverage exceptions**

Hospital Readmissions*



* Derived from data submitted to eValue8 using NCQA's all-cause readmission measure. Not an official NCQA Benchmark.

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