

Workgroup II: Perinatal Care

The second session of the Arkansas Healthcare Payment Improvement Initiative Perinatal Care Workgroup convened on December 7, 2011 to discuss payment innovation in Arkansas, with an emphasis on episode-based payment for Perinatal care.

Approximately 50 Arkansas healthcare professionals and patients were in attendance, representing perspectives of patients, providers, hospital administrators, nonprofit administrators, and government administrators.

Workgroup materials and an overview of the payment model can be accessed online at <<http://humanservices.arkansas.gov/director/Pages/Pregnancy-and-NICU.aspx>>. Key components of the second Perinatal workgroup discussion are summarized below.

KEY COMPONENTS OF WORKGROUP II DISCUSSION

- The second workgroup session focused on:
 - Reviewing the principles and preferred payment structure for administering episode-based payment
 - Discussing the care components and outcomes to include within the perinatal episode
- The workgroup discussed the range of options for episode-based payment, with an emphasis on the episode-based retrospective reconciliation model in which the principal accountable provider(s) share in the difference between the episode target price and total accrued cost of care
- Workgroup members provided input on the approach to payment innovation, noting that:
 - The current system can be fragmented and the proper resources, data infrastructure, and incentives may not be in place to enable clinical innovation and collaboration among OB/GYNs, neonatologists, pediatricians, and other perinatal care providers
 - The new payment model should support clinical innovation and patient-centered services (e.g. preventive services, patient education), some of which are in existence in Arkansas today
 - Participants suggested considering payment model options other than episode-based payment that may better address target opportunities,

Arkansas providers' differing needs and levels of integration, and/or may be more feasible (e.g., pay-for-performance)

- Principal accountable providers will need enhanced IT capabilities and data systems to properly manage the patient throughout the episode under the new payment model
- The workgroup discussed the scope of services within the perinatal episode: services pertaining to prenatal care, delivery, and postpartum care and select neonatal outcomes known to be clinically modifiable
- Workgroup members provided input on the scope of services within the perinatal episode, highlighting that:
 - The episode's principal accountable provider should be responsible for selected neonatal outcomes and coordination of neonatal care
 - Episode should take into consideration the roles of the patient and other providers in outcomes and total cost of care (e.g., instances when a provider other than the prenatal care provider performs the delivery, cases in which patient choices have significant impact on outcomes)
 - The episode's target price should be fair and transparent
 - Provider/ patient exclusions or adjustments to the target price should be made to insulate providers from statistical risk and patient mix risk, particularly with regard to providers with small practices