Colleagues,

The coming year brings much change, including HMSA’s Payment Transformation. As many of you recently learned, we will enter that transition as a physician organization (PO) on Jan. 1, 2017.

As previously mentioned, HHP PCPs will not begin that change in January. Instead, they will see payment changes beginning in July 2017, with changes to the ambulatory quality measures following in January 2018.

We look forward to working closely with you and having a chance to further discuss the details around these major changes, but also wanted to take this opportunity to provide a high-level overview of what you can expect in 2017.

**Patient-Centered, High-Value Care**

HMSA’s Payment Transformation program for PCPs moves away from fee-for-service to a base per-member-per-month (PMPM) rate for each attributed patient. Eighty percent of the base PMPM payment will be guaranteed, with the other 20 percent at-risk but paid as long as PCPs meet HMSA’s engagement measures. PCPs can earn additional incentives based on performance measures, and those with high quality scores will be eligible to earn a shared savings bonus based on the total cost of care (TCOC) performance.

The TCOC performance will be scored at the PO level and paid annually to the PO for distribution to member PCPs. The following is an overview of the program’s compensation framework:

We have always understood our role to help you through the changes in health care delivery and payment. HMSA’s Payment Transformation is a large change, but not the last change we’ll see. We’ll continue to provide the support you need and make improvements as necessary, including placing a stronger emphasis on population health management, wellbeing and patient-centered care.

This is consistent with HMSA’s stated expectations of POs. According to HMSA, successful POs in the program should:

**POs in the program should:**

- Lead PO transformation, including management and sustainability.
- Plan for business needs to manage funds and resources.
- Ensure strong organizational communication.
- Address outlier physicians.
- Help providers use data to ensure patient-centered care and manage the total cost of care.
- Facilitate best-practice sharing and care coordination among providers.
- Develop innovative strategies and tools to manage the health and well-being of patients.

This enhanced role builds on the role created in the patient-centered medical home (PCMH) program. The PO measures for which we will be held accountable in 2017 are listed in the tables on the next page.
**Physician Organization Engagement Measures**

| Facilitating timely access for new members (access). |
| Description: POs will be responsible for facilitating timely access to PCPs for new members. POs will send a list of its member PCPs who will accept new members each month. |

| Facilitating timely access for existing members (access). |
| Description: POs will be responsible for facilitating timely access to PCPs for all attributed members. Data collected via monthly and quarterly patient surveys. |

| Facilitating timely access for members across all lines of business (access). |
| Description: POs will be responsible for ensuring access to PCPs for members in all lines of business (e.g., commercial, Medicare/ HMSA Akamai Advantage, and Medicaid/ QUEST Integration). |

| Providing 24/7 coverage for attributed members (access). |
| Description: POs will be responsible for ensuring 24/7 coverage for attributed members. This may include phone access to a live provider (PCP or another provider in the PO) or access to HMSA's Online Care. |

| Participation in HMSA PO meetings (collaboration). |
| Description: POs will be required to participate in quarterly PO leadership meetings. Social determinants of health data collection (population health). |

| Social determinants of health data collection (population health). |
| Description: POs will be responsible for collecting key demographic information for attributed members. Note: This measure will be introduced in Year One (2017). |

| Performance Measures (continued) |

### Children with Special Health Care Needs Screener® (CSHCN) – COMMERCIAL AND QUEST ONLY (population health).

**Description:** The percentage of members 3-17 years of age who were screened for special health care needs using the CSHCN Screener® during the measurement year or the two years prior.

| Controlling Blood Pressure (population health). |
| Description: The percentage of members 18-85 years of age who had a diagnosis of hypertension and whose BP was adequately controlled during the measurement year based on the following criteria: |
| • Patients 18-59 years of age whose BP was <140/90 mm Hg |
| • Patients 60–85 years of age with a diagnosis of diabetes whose BP was <140/90 mm Hg |
| • Patients 60–85 years of age without a diagnosis of diabetes whose BP was <150/90 mm Hg |

| PO Engagement with Ecosystem (population health). |
| Description: The percentage of a PO’s PCPs who report that their PO provided them with the information, training, resources, and support necessary to understand how to effectively use ecosystem programs. Measured via annual provider survey. |

| Accountability for PCP Communication (collaboration). |
| Description: The percentage of a PO’s PCPs who report that their PO provided them with the information, training, and support necessary to understand how to succeed in HMSA’s PT program. Measured via annual provider survey. |

**Hospitalization for Potentially Preventable Complications (HPC) – Chronic ACSC – COMMERCIAL AND AKAMAI ADVANTAGE ONLY (access and utilization).**

**Description:** For attributed members 65 years of age and older, the rate of discharges for chronic ambulatory care sensitive conditions (ACSC) per 1,000 members. An ACSC is a chronic health condition that can be managed or treated in an outpatient setting.

| Emergency Department Utilization (access and utilization). |
| Description: For all attributed members, the rate of emergency department (ED) visits per 1,000 members. |

HHP has been preparing for these changes throughout the year, taking the necessary steps to support you and your patients. We’ve spent a great deal of time validating the proposed compensation models/worksheets, strengthening our existing programs, and working to define the additional services we will provide to address care and workflow gaps.

In the coming weeks, I will be meeting with many of you. I believe you’ll be reassured and more confident in your and our potential for success once you’ve had a chance to learn more about these efforts. Thank you for your patience as we’ve done our due diligence. I look forward to our meetings and having a chance to further discuss our plans for a smooth transition.

Sincerely,

Gerard Livaudais, MD, MPH, FACP
NIA Provides Guidance on ‘Clinically Urgent’ Requests

While requests for ‘clinically urgent’ MRIs, CT scans and other advanced imaging and cardiac services receive an upfront authorization number and do not require preauthorization, exercise caution when making such requests. Routine requests that do not follow NIA’s definition of ‘clinically urgent’ may be subject to audit if concerns arise, says NIA.

According to NIA, clinically urgent requests are for conditions that require prompt intervention to prevent additional health issues for the patient. Conditions that require urgent intervention include those that:

- Cannot be postponed for 24 hours without risking progression to an emergent condition.
- Cannot be postponed for 24 hours without risking loss of life or limb or permanent disability.
- In the opinion of a physician with knowledge of the patient’s medical condition, a delay would subject the patient to severe pain that cannot be adequately managed without the care or treatment that’s the subject of the case.

Urgent Case Process
For an upfront authorization number of a clinically urgent case, follow these steps:

- Call 866-842-1776 toll-free and state that the patient’s case is clinically urgent. If using RadMD.com, select the clinically urgent indication.
- The phone line is also open Saturdays from 8 a.m. to 2 p.m. Hawai‘i time for urgent cases.
- The Magellan representative (or RadMD) will ask a few demographic and clinical questions. If you state that the case is clinically urgent, you’ll receive an upfront authorization number without a preservice clinical review. Keep in mind that you don’t have to wait to perform services for a clinically urgent patient. Requests can be submitted retroactively for medical necessity review, but should be submitted as soon as possible.
- The ordering physician’s office will be asked to attest and provide clinical reasons for the urgency. The attestation must include the definition of clinically urgent and requires the provider to agree that the case meets the urgent criteria to prevent an emergent situation. This attestation won’t delay the upfront authorization number, but is essential to the process.
- Magellan and HMSA will monitor the urgent case review process to make sure that requests meet the definition of clinically urgent. Cases may be subject to audit if concerns arise about this process. Any provider using this process for non-urgent cases may not be permitted to use the urgent review process in the future.

HHP Welcomes New Medical Director!

We’re excited to report that Dr. Andy Lee has formally accepted the role of HHP medical director. He has already begun his onboarding and will transition to his new role on a part-time basis until he joins us full time on Jan. 6, 2017.

Lee is a graduate of Mililani High School here on ‘Oahu. After earning his undergraduate degree at the University of California, Irvine, he earned his medical degree at the University of Hawai‘i John A. Burns School of Medicine. He completed his emergency medicine residency at the Medical College of Pennsylvania-Hahnemann University/Allegheny General Hospital in Pittsburgh and is board certified in Emergency Medicine. He is currently the assistant director for U.S. Acute Care Solutions and was just recently elected chief of staff at Pali Momi Medical Center.

Lee brings a lot of local experience and credibility, and his familiarity with HHP as a board member will serve us well. He has served in numerous leadership roles beyond HHP, including past president of the American College of Emergency Physicians Hawai‘i Chapter. He also has experience working on Kauai, where he lived early in his career.

“This new position affords me the opportunity to look at creative ways to improve local health care in Hawai‘i,” says Lee. “We need to center our transformation around both patients and physicians. We can no longer afford to focus on just one or the other. We need to collaborate and find ways to improve and streamline our health care delivery for both. If we make that our primary focus, it will help us solve many of the problems we face as we move forward with transforming health care in Hawai‘i and will allow us to truly create and sustain a healthier Hawai‘i.”

Lee’s experience and credibility, along with his energy and active interest in health care reform, will be instrumental in expanding patient and physician engagement. Please join us in welcoming him as the newest member of the HHP team!
HHP Welcomes New Members

HHP would like to welcome the following individuals who were recently appointed by the HHP board of managers as new members to the organization:

- **Jeffrey M. Bender, MD**, Cardiology  
  Pali Momi Medical Center
- **Brian R. Buchner, NP**, Nurse Practitioner  
  Straub Medical Center
- **Diane L. Ching, MD**, Pediatrics  
  Kapiolani Medical Specialists
- **Kate E. Deans, NP**, Nurse Practitioner  
  Pali Momi Medical Center
- **Cheryl Giese, NP**, Nurse Practitioner  
  Straub Medical Center
- **Anna C. Grundstrom, MD**, Ophthalmology  
  Straub Medical Center
- **Joelle Y. Kikukawa, PA-C**, Physician Assistant  
  Straub Medical Center
- **Nikki L. Neumann, NP**, Adult Gerontology  
  Acute Care – Hospitalist, Straub Medical Center
- **Robin V. Pacson, NP**, Palliative Care  
  Straub Medical Center
- **Vera R. Vieira, NP**, Family Nurse Practitioner  
  Kaua‘i Medical Clinic
- **Donna K. Yamada, MD**, Gynecology  
  Independent

Member Satisfaction Survey: Your Feedback Wanted!

In an effort to help us better identify what is needed by our membership, please take a few minutes to take this short, anonymous survey.

Click [here](#) to take the survey now. Mahalo for your time!

Telemedicine Survey

On July 7, 2016, Governor David Ige signed into law a telehealth bill that provides a framework for the regulation of, and compensation for, telemedicine within the State of Hawai‘i. Our HPH leadership is interested in learning more about how HHP members are already using telemedicine in practice and how telemedicine may enhance our capabilities to provide the best possible care to our patients into the future. Please take a few minutes to share your experiences and ideas about the use of telemedicine with our HPH telemedicine workgroup in [this brief survey](#).

Mahalo!