NEW YORK SCORECARD ON Commercial Payment Reform

How Much Does New York Still Rely on FFS?

- Traditional FFS: 63.2%
- FFS Shared Risk: 2.8%
- FFS Shared Savings: 4.6%
- FFS-based Non-Visit Function: 23.1%
- Other: Payment Type Unknown: 0.6%

What Portion of Value-Oriented Payments Places Doctors and Hospitals at Financial Risk for Their Performance?

- 15% “at risk”
- 85% “not at risk”

- 47% of all hospital payments are value-oriented
- 15% of all outpatient specialist payments are value-oriented
- 46% of all outpatient primary care physician payments are value-oriented

- 34.1% of the total payments made to doctors and hospitals are value-oriented

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Of the total outpatient payments made to physicians, 77% are paid to specialists and 23% are paid to PCPs. Over time, this figure will show if there is a rebalancing of payment between primary and specialty care.

### Is Payment Reform Reaching Patients? 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.

**13% COMMERCIAL AVERAGE**

### Share of Total Dollars Paid to Primary Care Physicians and Specialists

Of the total outpatient payments made to physicians, 77% are paid to specialists and 23% are paid to PCPs. Over time, this figure will show if there is a rebalancing of payment between primary and specialty care.

**77% Paid annually to specialists**

**23% Paid annually to PCPs**

### Non-FFS Payments and Quality

Quality *is* a factor in 61% of non-FFS payments.

Quality *is not* a factor in 39% of non-FFS payments.
of hospital admissions are readmissions for any diagnosis within 30 days of discharge, for members 18 years of age and older

8% of hospital admissions are readmissions

Hospital Readmissions*

9 out of 10 health plans offer or support a cost calculator

4 out of 10 health plan tools on hospital choices have integrated cost calculators

4 out of 10 health plan tools on physician choices have integrated cost calculators

6 out of 10 plans reported that cost information provided to members considers the members’ benefit design relative to co-pays, cost-sharing, and coverage exceptions

* Derived from data submitted to eValue8 using NCQA’s all-cause readmission measure. Not an official NCQA Benchmark.
The results of the New York Commercial Scorecard on Payment Reform are in, and 34% 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 66%. These data are from calendar year 2013 or the most recent 12 months. The use of value-oriented payment is growing rapidly; now we need to determine whether it makes health care better and more affordable.

FFS remains the dominant base method of payments to providers, even when it contains a quality incentive. Of all the commercial in-network payments made in New York, 94.3% are still based on FFS. Only 4.5% use a non-FFS based payment method. The payment type is unknown for 1.2% of payments.

Payment reform can take many forms, whether it is based on FFS or not, but tracking the degree to which FFS is still used as a base method of payment can help us understand where we are in the evolution of payment reform. In New York a little over 63% of payments are still traditional FFS, without any quality components. An additional 31% of payments are still based on FFS but include some quality component, and only 4.5% are not based on FFS. Payment methods categorized as non-FFS include: bundled payment, full capitation, partial or condition-specific capitation, and payment for non-FFS non-visit functions. All of these may or may not have quality components.

Of the 34% of payments that are value-oriented, most do not put providers at financial risk for their performance. Over 80% of payments offer providers a financial upside only, with no downside financial risk.

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