Home Health Care News

Home-based care providers have long looked to both the Centers for Medicare & Medicaid Services (CMS) and Medicare Advantage (MA) to push forward value-based care, but that balance may be shifting.

CMS is driving value-based care growth more than MA, as federal models such as home health value-based purchasing (HHVBP) and the Transforming Episode Accountability Model (TEAM) create clearer paths toward risk-based partnerships, experts said in a panel at *Home Health Care News'* PAYER Summit in June.

"It's a combination of increasing outcomes, creating value and partnerships. That's really seen in the CMS space," **Devin Woodley**, vice president of managed care contracting at VNS Health, said during the panel. "When it comes to Medicare Advantage and managed Medicaid, we've actually seen the opposite."

New York City-based non-profit VNS Health provides home care, hospice and other healthcare services for more than 99,000 patients daily across the city's five boroughs and surrounding counties.

Devin Woodley, vice president of managed care contracting at VNS Health.

MA organizations tend to face higher costs and utilization, Woodley said. The increases in both MA reimbursement and per-member, per-month models have failed to keep pace with costs increases, and so higher MA utilization impacts medical loss ratios.

"We saw this in stock trading for all these organizations last year, taking massive hits. To recover from that, there's going to be less opportunity to do value-based [care]," Woodley said. "We are seeing, on the MA side and the Medicaid side, less value-based opportunity versus when it comes to CMS direct business, there's significantly more."

That pullback permeates the full healthcare continuum, including palliative care, where per-member, per-month support from some MA plans decline even as cost of providing interdisciplinary care for serious illnesses has grown, said Jennifer O'Neill, vice president of palliative care at VITAS Healthcare.

"I would not have predicted the decrease in per-member, per-month support that we're receiving now from some of the MA plans," O'Neill said. "Again, it's no fault of their own. It's just this is the nature of what's happening."

VITAS Healthcare, based in Miramar, Florida, provides hospice care both in the home and in inpatient settings, palliative care and home medical equipment across 15 states and Washington D.C.

Providers do not want to walk away from MA entirely, however. Instead, they view utility in broadening the strategy and defining the financial case more clearly.

“Where the excitement really lies is [in] continuing to educate the MA payers to bring them along on the journey with us,” O’Neill added. “But more specifically, there’s some exciting developments on the state level, where they are creating robust programming for their cohorts of seriously ill patients and reimbursing at a level that’s really sustainable for that full interdisciplinary team.”

Ultimately, whether the innovation stems from CMS or MA, value-based care contracts are growing more complex and taking total cost of care beyond hospital walls — which requires providers to keep up, said Janice Thorpe, senior vice president of value-based care and clinical programming at Genesis HealthCare.

Kennet Square, Pennsylvania-based Genesis HealthCare is a holding company for skilled nursing and senior living communities. “The shift in value-based care has really gone from infrastructure and participation to more accountability and producing sustainable outcomes,” Thorpe said. “The biggest shift at Genesis is really looking at value-based care, not as a side gig or a side hustle or something we participate in, but really having made it our core operating model.”

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