BUNDLING PROGRESS

Medicare

Acute Care Episode (ACE), 2009-12: Focus on orthopedic, cardiac procedures.

Bundled Payment for Care Improvement (BPCI), 2013-: Focus on joint replacements: acute and post-acute care (PAC) providers.

Comprehensive Care for Joint Replacement (CJR), 2016-: Mandatory initiative based on BPCI Model 2; 4800 hospitals in bundles for hospital, physician, PAC services.

Commercial Payer

Nation’s largest private payer: United Health Group expanding bundling initiatives that saved $10k+ per orthopedic procedure.

New Penn Medicine peer-reviewed research provides an unprecedented look into where joint replacement bundling savings come from and what future bundling participants could set as aspirational targets.

Industry-first study combining internal hospital cost + PAC claims data to identify drivers of acute and post-acute joint replacements; (ACE), 2009-12: Focus on orthopedic, cardiac procedures.

Bundled payments – single, fixed payments for services by 2+ providers during an episode of care – incentivize providers for care quality, efficiency and coordination improvements.

CONCLUSIONS

Cost savings didn’t come at the peril of quality or patient selection.

Improvements were sustained across multiple programs over 6 years, mitigating the chance of other factors driving results.

PAC savings were achieved once post-acute providers had “skin in the game” during BPCI, suggesting physicians/hospitals likely to redesign care when financially incentivized.

Bundling experience to guide Medicare, commercial payer and provider bundling savings.

These strategies – developed in partnership with Navigant – can be implemented immediately with or without bundling experience to guide Medicare, commercial payer and provider bundling savings.

This study offers guidance for providers, payers and a new administration considering decisions that will impact the health of patients and communities nationwide.

RELEVANCE

Healthcare lacks an evidence-based blueprint for joint replacement bundled payment care design.

New Penn Medicine peer-reviewed research provides an unprecedented look into where joint replacement bundling savings come from and what future bundling participants could set as aspirational targets.

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