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November 10, 2016 Meeting to Discuss SETMA's Model of Care

In preparation for our meeting..., I am sending the following information to all attendees. The critical issue for our discussion is that SETMA has prepared for over twenty-years to be ready for the new initiatives in healthcare. Rather than being in consternation over the value-based payment system, SETMA is ready. Our system is sound, stable, scalable and can be migrated to any and all practices with little disruption. It is hardly coincidental that SETMA purchased the NextGen EMR system in 1998 and has continually developed it to meet the demands of evidenced-based medicine, quality demands, meaningful use of electronics and cost effectiveness in our care decisions.

Between 2000-2005, SETMA developed a Healthcare Model of Care (see: SETMA's Model of Care Patient-Centered Medical Home: The Future of Healthcare Innovation and Change) defined by four standards of care. When CMS and HHS announced the Medicare Access and CHIPs Reauthorization Act (MACRA) in 2015, the Merit-Based Incentive Payment System (MIPS) was defined. On October 8, 2016, after extensive study of MACRA and MIPS, SETMA realized that our four standards which are deeply imbedded in our design and deployment exactly parallel the four categories of MIPS (see: Four Categories Defined by MIPS Correlate with SETMA's Four Strategies for Transforming SETMA and Healthcare). The following compares the CMS value-based model of care and SETMA's model which has been in place for over 16 years.

SETMA's Strategies for Healthcare Transformation - MIPS Categories of Scoring System

- 1. The **methodology** of healthcare must be electronic patient management MIPS **Advancing** Care Information (an extension of Meaningful Use with a certified EMR)
- 2. The **content and standards** of healthcare delivery must be evidenced-based medicine MIPS **Quality** (This is the extension of PQRI which in 2011 became PQRS and which in 2019 will become MIPS -- evidence-based medicine has the best potential for legitimately effecting cost savings in healthcare while maintaining quality of care)
- 3. The **structure and organization** of healthcare delivery must be patient-centered medical home MIPS **Clinical Practice Improvement** activities (This MIPS category is met fully by Level 3 NCQA PC-MH Recognition).
- 4. The **payment methodology** of healthcare delivery must be that of capitation with additional reimbursement for proved quality performance and cost savings MIPS **Cost** (measured by risk adjusted expectations of cost of care and the actual cost of care per fee-for-service Medicare and Medicaid beneficiary)

This preparation puts SETMA in an ideal position to lead a larger community into the future of healthcare successfully.

It will expedite our discussion on November 10th, if each of you will review this material before we begin.

- 1. SETMA's Development: Automation and Model of Care Which Prepared For Medicare Access and CHIPS Reauthorization Act (MACRA) and the Merit-Based Incentive Payment System (MIPS) -- QIN-QIO Sharing Call -- this material was presented on October 18, 2016 to a national audience for the CMS QIOs a shorter version of this presentation has been prepared for our meeting on the 10th.
- 2. Jameshollymd.com | Accreditations | SETMA's Accreditation, NCQA, AAAHC, TMF Health Quality Institute, URAC and Joint Commission -- SETMA's Accreditation, NCQA, AAAHC, TMF Health Quality Institute, URAC and Joint Commission -- As we will discuss on the 10th, 25% of the score for the Merit-Based incentive Payment System (MIPS) of the Medicare Access and CHIPS Reauthorization Act of 2015 (MACRA) is fulfilled by a practice being accredited as a Patient-Centered Medical Home. SETMA is accredited by all four agencies and has been from 2010-2019.
- 3. Jameshollymd.com | Letters | Complete Summary and Annotated List of All 24
 Articles Discussing SETMA's Work in Thinking About and Preparing for MACRA
 and MIPS -- Complete Summary and Annotated List of All 24 Articles Discussing
 SETMA's Work in Thinking About and Preparing for MACRA and MIPS -- Between
 August and October, 2016, SETMA has studied MACRA and MIPS and prepared tools
 and methods for meeting the new standard of payment model. This link is an annotated
 list of the twenty-four articles which SETMA has produced in that effort. SETMA
 providers have been "practicing" on patients from October-December, 2016 so that in
 2017, we will be ready for maximum efficiency and effectiveness in meeting cost and
 quality metrics. The following link is to the tutorial for SETMA providers fulfilling the
 MIPS quality metrics which is the successor to PQRI (2006, voluntary) and PQRI (2011,
 mandatory):
 - SETMA's Merit-Based Incentive Payment System (MIPS) Quality Metric Tool Tutorial.
- 4. Jameslhollymd.com | The SETMA Way | SETMA's Model of Care Patient-Centered Medical Home -- SETMA's Model of Care Patient-Centered Medical Home: The Future of Healthcare Innovation and Change -- This is a description of SETMA's Model of Care which was developed between 1996-1999. Interestingly, SETMA four standards of care developed in 2000-2005 anticipated exactly the four categories of MIPS.
- 5. Jameslhollymd.com | Medical Home | Display and Explanation of SETMA's
 Patient- Centered Medical Home Tools -- Display and Explanation of SETMA's
 Patient- Centered Medical Home Tools -- this material describes and illustrates
 SETMA's PC- MH deployment.
- 6. Overview and the Philosophical Underpinnings to SETMA's Website (www.jameslhollymd.com) which is SETMA's "Offer" to the Center for Medicare and

Medicaid Services' (CMS) Transforming Clinic Practice Initiative (TCPI) -- <u>Transforming Your Practice</u> -- This describes SETMA's offer to CMS' TCPI program which is intended t effectively change 140,000 primary care healthcare providers.

SETMA is accredited by The Joint Commission for Ambulatory Care, Reference Laboratory and Patient-Centered Medical Home. SETMA is also a participant in the Robert Wood Johnson Foundation's Learning from Exemplar Ambulatory Practices' Study (LEAP). Out of 400 nominated practices, 30 where chosen for participation in this study. SETMA is one of those. The following comments from these two organizations are a helpful introduction to SETMA.

The Joint Commission Accreditation for Ambulatory Care and PC-MH Conclusion about SETMA

Both the surveyors and one of the executives at The Joint Commission commented about the philosophical foundation of SETMA's work. Wednesday afternoon (March 5, 2014) I called my executive contact at The Joint Commission. He said "I was just talking to one of my colleagues and showing him SETMA's notebook which was prepared in response to The Joint Commission's Standards and Requirements Chapter Seven on leadership." The executive said:

"Look at this; everything they do is founded upon a philosophical foundation. They know 'what they are doing,' but more importantly, they know why they are doing it.""

SETMA is not the result of random efforts but of innovations and advances which are consistent with a structured set of ideals, principles and goals. It is helpful that The Joint Commission recognized this and commented upon it. It is one of the strengths of SETMA and it is one of the principle guides to SETMA's developmental history, i.e., what caused SETMA to become what it is.

Robert Wood Johnson Foundation LEAP Study conducted by the MacColl Institute

The fifth area of uniqueness of SETMA identified by the RWJF team was a surprise to them; it was SETMA's IT Department. The RWJF team felt that SETMA has approached healthcare transformation differently than anyone they have seen. They related that uniqueness to the decision we made in 1999 to morph from the pursuit of "electronic patient records" to the pursuit of "electronic patient management." They were surprised to see how centrally and essentially electronics are positioned into SETMA and how all other things are driven by the power of electronics. They marveled at the wedding of the technology of IT with clinical excellence and knowledge. The communication and integration of the healthcare team through the power of IT is novel, they concluded.

Conclusion

The transformation and innovations which SETMA has achieved from 1995 through 2016 are scalable and applicable to a much larger enterprise. The skills SETMA has learned and implemented can be applied to new practices which will allow them to leap frog into the future,

achieving Patient-Centered Medical Home status, utilizing proved clinical decision support and disease management tools and fulfilling all requirements of MACRA and MIPS in 2017.

Sincerely yours

SETMA Partners

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