Session 2: *Lessons Learned from State Value-Based Care Models That Have Implemented Multi-Payer Alignment: Part 1*

Presenters:

Subject Matter Experts

- **Katie Wunderlich, MPP** – Principal, KKW Consulting
- **Joseph DeMattos, MA** – Senior Vice President Public Affairs, Marquis Health Consulting Services
- **Ena Backus, MPP** – Senior Consultant, Freedman Healthcare
- **Carrie Weigand, MD** – Chief Medical Officer, and **Tom Borys, MBA** – Chief Executive Officer and Chief Financial Officer, OneCare Vermont

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Katie Wunderlich, MPP

Principal,
KKW Consulting

Advancing Multi-payer Alignment in Total Cost of Care Models: Lessons from Maryland Total Cost of Care Model

Katie Wunderlich, MPP

KKW Consulting

Learning Objectives

1

Identify strategies used during Maryland's Total Cost of Care Model that facilitated multi-payer alignment and contributed to the success of the Model

2

Examine how those strategies were used to enhance certain parts of the Model

3

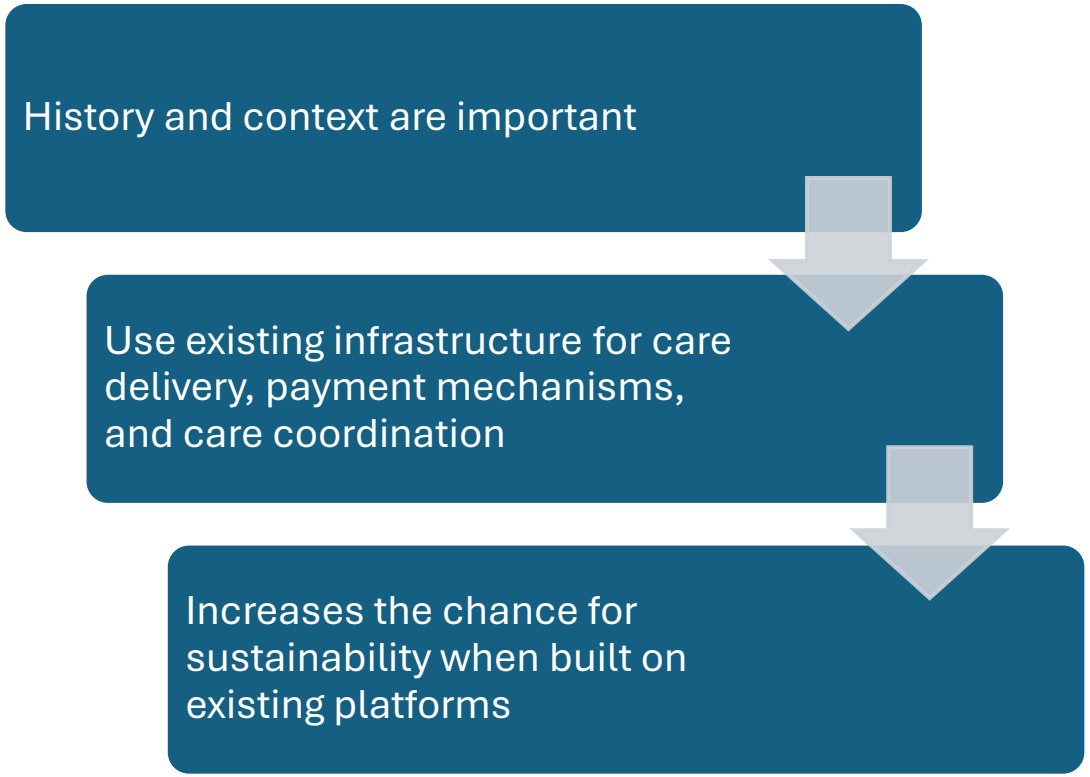
Understand how these lessons can inform future models that align multi-payers in CMS Value-Based Care models

Success Under Maryland's Total Cost of Care Model

- Operational from 2019-2025, preceded by the All-Payer Model 2014-2018
- Demonstrated success in reducing total cost of care, unnecessary utilization, enhanced primary care, coordinated statewide population health interventions
- Met or exceeded all contractual goals and led to evolution under AHEAD
- Contract with CMS included Medicare-focused metrics, but alignment with Medicaid and commercial payers was crucial for maximum impact
- Strategies that supported alignment and engagement include:
    1. Utilize existing infrastructure to build on successful care delivery models
    2. Create Governance Structures that are inclusive of all health care entities
    3. Generate buy-in and stakeholder engagement in Model implementation and methodology development
    4. Identify shared objectives for statewide priorities to leverage resources and improve chances for long-term sustainability

Lesson 1: Utilize Existing Infrastructure

Why it's important



Examples in Maryland

- In Maryland, history of all-payer system and global budgets set the TCOC Model up for success
- State-designated Health Information Exchange, through CRISP, enables data to be shared across providers and settings

Lesson 2: Inclusive Governance Structure

Why it's important

Governance structures are used to guide implementation of TCOC model and inform methodology development

Engaging multi-sector representation- including payers, providers, health systems, and state agencies – can ensure that implementation is feasible and sustainable

Creates methodology that is transparent and can evolve over time as necessary

Examples in Maryland

- **Governor's Stakeholder Group** – Broad stakeholder group meant to guide high level implementation of TCOC Model
- **Payment Models** – Develops innovative payment and delivery models that bridge primary care, specialty care, inpatient, post-acute, and long-term care
- **Performance Measurement** – Identifies appropriate quality and cost measurements to monitor model progress
- **Total Cost of Care** – Monitors adherence to all-payer total cost of care goals

Lesson 3: Generate Buy-In through Strategic Engagement

Why it's important

- ✓ Strengthens provider participation and model stability by getting crucial feedback and buy-in
- ✓ Improves fragmentation by engaging payers and providers in model development
- ✓ Increases the chance of long-term viability
- ✓ Early engagement in methodology development increases the chances for success
- ✓ Creates consistent quality and financial targets for providers to work towards, thus improving population-wide impacts

Examples in Maryland

- Two key programs were developed with strategic engagement
  - **MD Primary Care Program** – Enhanced primary care intended to reduce high-cost hospital care and slow the growth of total cost of care by incentivizing preventive and primary care, using statewide health information exchange to improve quality outcomes
    - Developed for Medicare FFS enhanced payment, but aligned with CareFirst private carrier
  - **Episode Quality Improvement Program (EQIP)** – Bundled payment program for specialists
    - Episodes built with grouper codes that align with private payers to foster alignment

Lesson 4: Identify Statewide/Regional Priorities that include shared objectives

Why it's important

- Enables broader population impact by identifying shared objectives
- Existing priorities have underlying programs and funding, increasing feasibility and long-term success
- Limited resources can be leveraged and not duplicated

Examples in Maryland

- **Statewide Integrated Health Improvement Strategy**
  - Population health and quality strategy assembled with cooperation from payers and partners
  - Diabetes management and control was identified as a driver of poor quality and increased cost
- **Regional Partnerships and Care Transformation Initiatives**
  - Developed to encourage and support public-private partnerships that build on shared objectives and goals to improve the health of Marylanders

Why Multi-Payer Alignment Matters

- Reduces administrative burden for providers
- Creates consistent incentives across payers
- Strengthens provider participation and model stability
- Enables broader population impact and more reliable evaluation
- Supports long-term sustainability of value-based care

Take-Aways from Maryland's Multi-Payer Alignment Strategies

- **Clear, shared goals across payers**
- Standardized quality and performance metrics
- Transparent data exchange and timely reporting
- Transparent quality and financial methodologies
- Strong state or regional conveners
- Provider engagement early and often

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Joseph DeMattos, MA

Senior Vice President Public Affairs,
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Bending the Chronic Disease Curve: Maryland vs. United States

Joseph DeMattos, MA (JHU)
Senior Vice President Public Affairs,
Marquis Health Consulting Services

About Marquis Health Consulting Services

Marquis Health Consulting Services provides administrative and consulting services to **118** skilled nursing facilities and senior housing communities across the East Coast. The company is a third-generation, family-owned organization with corporate offices in Brick, New Jersey. Marquis operates eight campuses in Maryland and delivers more than 300,000 days of post-acute and long-term care annually.

Center-Based Post-Acute and Long-Term Care in Maryland

Maryland has **226** skilled nursing facilities supporting a direct workforce of approximately 50,000 and an indirect workforce of 22,000. These facilities provide significant annual volumes of Medicaid and Medicare care.

Maryland SNFs and the Total Cost of Care Model

Skilled nursing facilities are essential to hospital throughput and maintaining acute care capacity. They provide a lower-cost setting for rehabilitation and ongoing care and increasingly deliver specialty care for chronic conditions. Under the Total Cost of Care model, volume and outcomes matter across all settings, with hospitals, SNFs, physicians, and payers fundamentally engaged in chronic care.

Chronic Disease Burden

People with chronic conditions drive ninety percent of U.S. health care spending. Ten percent of Maryland adults have three or more chronic conditions, closely mirroring the national rate. Chronic disease risk accumulates across the lifespan, and the World Health Organization endorses a life-course framework as essential to bending the chronic disease curve.

Where Intervention Matters Most

More than half of U.S. adults ages 35 to 64 live with multiple chronic conditions, making midlife the most cost-effective window to alter long-term disease trajectories. Nearly 80 percent of adults age 65 and older live with multiple chronic conditions, underscoring the importance of effective management to reduce complications, disability, and hospitalizations. Maryland's chronic disease profile closely mirrors national trends.

Aging in Maryland

Maryland's population is approximately 6.26 million people. About 14.4 percent are ages 65 to 84, and 1.9 percent are age 85 or older. By 2030, adults aged 60 and older may account for more than 25 percent of the population.

Health Care Workforce Challenges

Maryland faces an estimated shortage of 5,000 registered nurses and 4,000 licensed practical nurses. Nursing assistant shortages are estimated at 10 percent across care settings. Nationally, shortages of nursing assistants are projected to reach 73,000 by 2028.

Final Realities

Federal entitlement reform has been delayed and is increasingly urgent. State budgets are becoming increasingly unstable, and fee-for-service Medicaid rates are facing mounting pressure. Demand for acute and chronic care will continue to rise as the population ages and diversifies.

Shared Goals

People, providers, and payers seek predictability, positive outcomes, and control. Achieving these goals requires quality, cost containment, care in the most appropriate, lowest-cost setting, and continued community engagement.

How does having multiple payers involved in the Maryland TCOC model help address the challenges raised?

- The TCOC model was a significant advantage during COVID-19, as providers already had aligned incentives, established relationships, and operational experience working across payers.
- It reinforces and strengthens the full continuum of care — from prevention to post-acute services.
- It elevates clinical acuity management across care settings, improving coordination, accountability, and outcomes.

How can multi-payer alignment in value-based care best address chronic disease and the needs of an aging population?

- Establish clear, shared parameters for quality, cost, utilization, and outcomes across all payers.
- Align financial incentives around measurable improvements in chronic disease management.
- Shift from transactional vendor relationships to long-term strategic partnerships across the continuum of care.

What lessons from the Maryland TCOC model can advance multi-payer alignment in value-based care?

- Provide a scalable framework for comprehensive chronic disease management.
- Integrate specialty care into value-based arrangements.
- Implement a proven shared-savings structure that aligns incentives across stakeholders.
- Identify and maximize the effective implementation of AI in workforce development, healthcare, and finance.

What role can stakeholders (providers, purchasers, and others) play in achieving long-term multi-payer alignment?

- Serve as true partners at the intersection of quality and cost.
- Commit in advance to shared opportunities and shared risks.
- Collaborate to define success metrics, financial accountability, and reinvestment strategies.

Methods and Sources

This analysis synthesizes peer-reviewed medical literature, federal public health data, and national and state health ranking datasets. Findings are organized using a life-course framework and directly compared to national benchmarks. All conclusions are drawn from publicly available authoritative sources cited in the references. Primary sources include the CDC, NIHCM Foundation, United Health Foundation, WHO, BMJ peer-reviewed research, American Health Care Association, Maryland Hospital Association, and the NHLBI Bogalusa Heart Study.

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Ena Backus, MPP

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Cultivating Multi-Payer Alignment: Vermont's All-Payer Accountable Care Organization Model Agreement

Ena Backus

February 23, 2026

Ena Backus, MPP
Senior Consultant, Freedman HealthCare

Former Director of Health Care Reform, State of Vermont

Former Chief of Health Policy, Green Mountain Care Board, Vermont

Presentation Overview

Vermont All-Payer Accountable Care Organization Model Agreement

State Innovation Model Grant: Groundwork for All-Payer Model

Challenges and Opportunities Implementing Multi-Payer Alignment

Vermont All-Payer Accountable Care Organization Model Agreement: Statewide Transition to Value-Based Care

Structural Pillars

- Move away from fee-for-service reimbursement
- Align payer programs for ACOs in value-based model
- Scale Targets: Majority of Vermont residents attributed by 2022
- All-Payer and Medicare Total Cost of Care Targets

Population Health Outcomes

Increase Access to Primary Care	• Expand availability of frontline healthcare services
Decrease Deaths	• Reduce fatalities from drug overdose and suicide
Reduce Chronic Disease	• Lower prevalence and morbidity across: COPD, diabetes, hypertension

Groundwork for All-Payer ACO Model:

Vermont State Innovation Model Initiative 2013-2017

Payment Reform & Incentive Structures

- ACO infrastructure development
- Shared savings programs
- Value-based payment models
- All-payer ACO model evolution

Care Integration & Coordination

- Practice transformation support
- Care coordinator capacity building
- Regional infrastructure strengthening
- Blueprint for Health integration (PCMH)

Clinical & Economic Data

- Health data infrastructure expansion
- EHR adoption & interfaces
- Analytics capacity building
- Data standardization efforts

Vermont ACO Pilot Standards Development

Management and governance framework for ACOs participating in Vermont's Shared Savings Programs with commercial insurers and Medicaid, aligned with Medicare program requirements.
State supervised multi-stakeholder meetings to arrive at aligned standards across payer types.

Commercial ACO Standards and Medicaid ACO Standards

Incorporated into commercial payer ACO agreements; serves as foundation for commercial pilot programs with comparable standards incorporated into Medicaid ACO program.

Governance Requirements
ACO organizational structure and leadership accountability

Payment Methodology
Calculation methods for shared savings and risk-based payments

Patient Attribution
Process for assigning patients to ACOs for accountability

Financial Stability Provisions
Requirements ensuring ACOs maintain fiscal soundness

Quality & Performance Measures
Process for review and modification of quality metrics

Implementing Multi-Payer Alignment

Challenges

Fidelity to FFS
Medicare payment model more rigid than expected

Stakeholders and Scale
Inconsistent multi-payer/stakeholder engagement

Scope Creep
All-payer ACO model not a panacea

Patient Perception
Changes in care delivery not well understood

Opportunities

Appetite for Alignment
8 of 14 hospitals participated across all payer programs

Primary Care Sustainability
Aligned multi-payer payment reform for predictability and flexibility

Data and Analytics
Improved data and analyses for transformation

More Appropriate Care
Better access to appropriate levels of care (SNF, telehealth, post-discharge)

Questions?

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Thank you!

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Carrie Weigand, MD

Chief Medical Officer and

Tom Borys, MBA

Chief Executive Officer and Chief Financial Officer,
OneCare Vermont

OneCare Vermont

Physician-Focused Payment Model Technical Advisory Committee Presentation

Lessons Learned from State Value-based Care Models That Have Implemented Multi-Payer Alignment

Carrie Weigand, MD – CMO
Tom Borys – CEO & CFO

OneCare Vermont

onecarevt.org

Background Context

OneCare Vermont is an administrative entity that manages multiple accountable care organization (ACO) contracts on behalf of provider organizations

- Formed in 2012
- Simultaneously managed Medicare, Medicaid, and commercial arrangements
- Statewide reach

In 2018, the Vermont All-Payer ACO Model (APM) initiative began

- Test of scale: If ACO participation is spread across a region, will cost growth slow and quality improve?
- OneCare positioned itself as a “come one, come all” ACO in spirit of the APM's goals
  - Technically not a signatory to the Vermont All-Payer Model agreement/contract

The Vermont All-Payer ACO Model ran through the end of 2025

- OneCare is now in the process of winding down operations

Multi-Payer Alignment

Is it worth the effort?

- YES!

Primary benefit of aligned ACO or other value-based care arrangements:

- Gives participating providers a more holistic operating paradigm
  - ★ **When initiatives are aligned, care delivery approaches will be patient-centered, rather than insurance-centered**

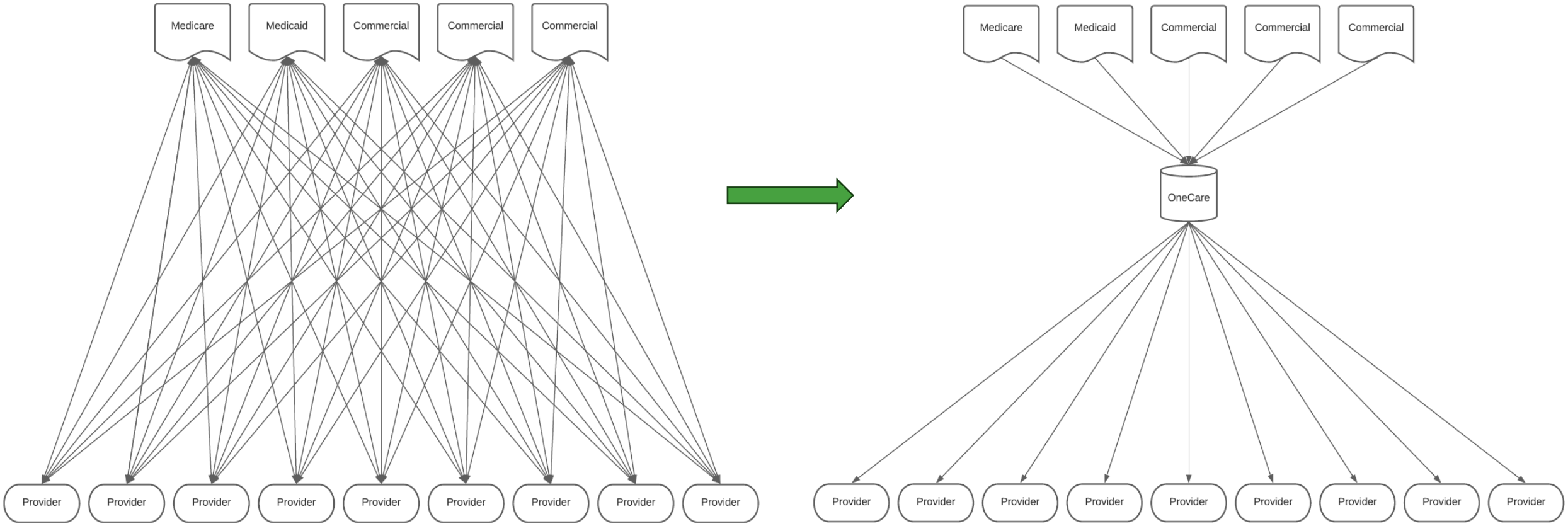
Many other opportunities

- Collaboration and relationship-building between separate provider organizations
- Pilots and innovations
- Opportunities for payment reforms
- Ability to redirect funding within the system (requires ACO or ACO-like protections)

Structure for Success

A centralized entity is recommended, if not essential

- Responsible for negotiating and managing the alignment efforts with insurers and providers
- Alleviates practices from intense administrative and contracting burden



Primary Challenges of Aligned ACO or other Value-based Care Arrangements:

Takes significant administrative effort

- Workload should not fall to small practices/organization delivering the care

Requires broad willingness to commit, invest, innovate, and collaborate

- Funding model needed for start-up and sustainability
- Insurers need to flex and customize in spirit of alignment
- Requires buy-in from all sectors
- ★ **May require a "push" from state or federal policymakers**

Necessitates consistency/stability over time

- Constant change is a distraction and hinders progress

Lessons and Concepts to Build From

Gaining alignment is big lift

- Payers, provider network, attributed patients, government must work together
- Building trust and relationships is extremely important

Attribution/assignment: Which patients are in? How do providers know?

- Attribution is a frustration area
- ★ **Aligned models should try to deemphasize attribution nuances where possible**

Data and analytics platform: governance, expense, PHI security – who does it and who pays for this?

- Shared data/analytics is extremely valuable, but expensive and complicated

Oversight support/lack of support matters: Board of Managers, Green Mountain Care Board, parent company/companies

- "If you're explaining, you're losing."

Benefits and Value

Alignment

- Provider collaboration
- Payer buy-in
- Patient confidence
- Quality efforts

Efficiency

- Data and analytics maximization and efficiency
  - Potential cost savings using a shared infrastructure/platform
- Quality effort consolidation
- Unified payment streams

Innovation

- Efficiency and alignment allows space/energy to try new things
  - Examples: waiver projects, creating Population Health Model (PHM)

Thank you!

Questions/Comments/Thoughts