

# Physician-Focused Payment Model Technical Advisory Committee

## ***Session 3: Lessons Learned from State Value-Based Care Models That Have Implemented Multi-Payer Alignment: Part 2***

### **Presenters:**

#### ***Subject Matter Experts***

- [Janice Walters, MSHA](#) – Chief Executive Officer, Rural Health Redesign Center
- [John Bulger, DO, MBA](#) – Chief Medical Officer, Geisinger Health Plan
- [Dawn Stehle, DrPH, MPS](#) – Director, Early Childhood Systems, Policy, and Planning, ZERO TO THREE
- [Alicia M. Berkemeyer](#) – Executive Vice President and Chief Health Management Officer, Arkansas Blue Cross and Blue Shield

***Session 3: Lessons Learned from State Value-Based Care  
Models That Have Implemented Multi-Payer Alignment: Part 2***

**Janice Walters, MSHA**

Chief Executive Officer,  
Rural Health Redesign Center



# Lessons Learned from the PA Rural Health Model

Janice Walters, Chief Executive Officer, RHRC

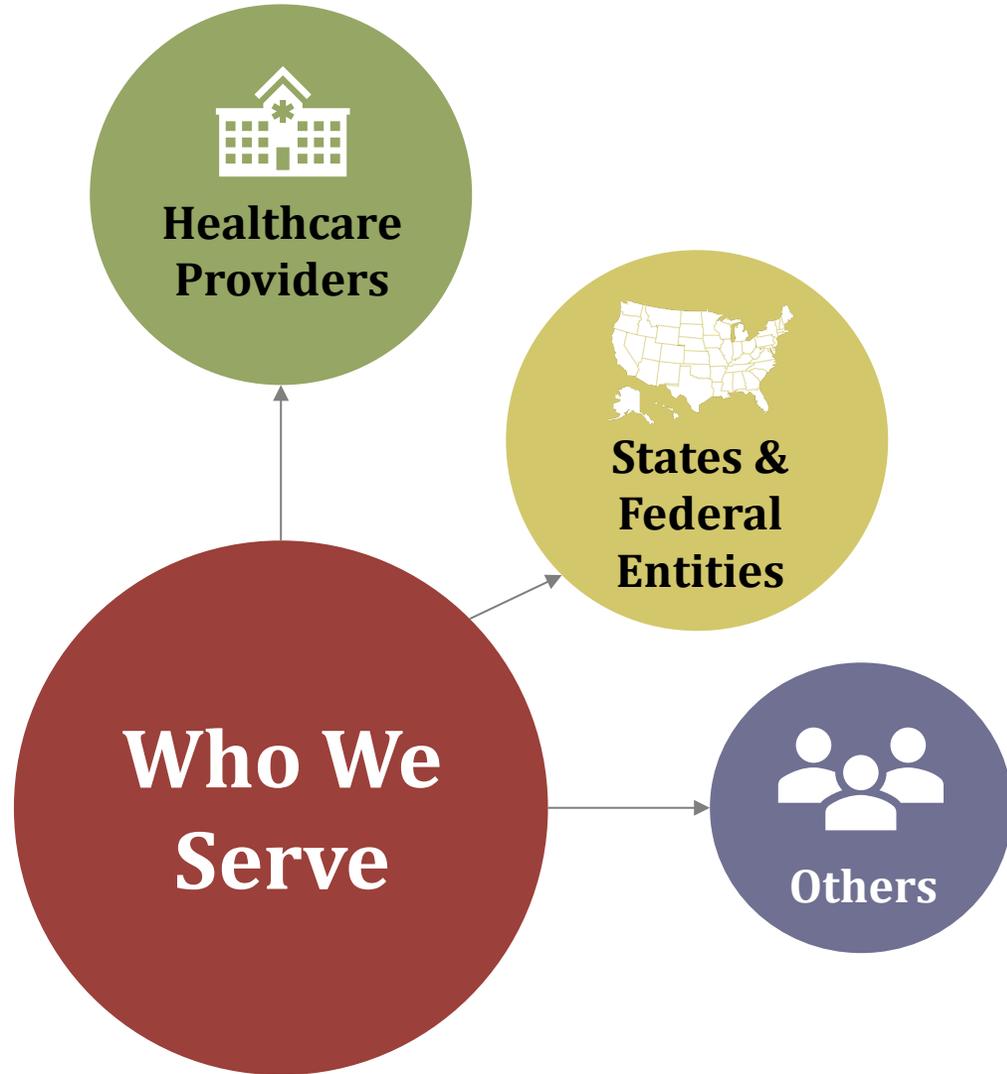


**Janice  
Walters**  
*CEO, Rural Health  
Redesign Center*

## Biography

- Rural health expert with 20+ years of leadership and healthcare finance experience
- National leader supporting quality access to healthcare in rural communities across the US
- Leads rural-focused technical assistance programs and initiatives such as:
  - Pennsylvania Rural Health Model (PARHM)
  - Rural Emergency Hospital (REH)
  - Appalachian Region Technical Assistance Centers (ARH/ARISE)

# Who We Are



## MISSION

To protect and promote access to high-quality health care in rural Pennsylvania and the nation.

## VISION

Through partnership, improve the health and wellness of rural communities.

## OUR TEAM

Our team comprises former rural residents and healthcare leaders with over 200 years of combined rural-relevant expertise.

# Foundation and Goals of PARHM

## Global Budget

The Model stabilizes cashflow from all participant payers.

## Transformation Plan

The hospital is incentivized to invest in community health to retain revenue.



Improve rural hospital financial stability



Improve population health outcomes



Reduce total cost of care over time

Moving away from FFS to value-based payment.

# All Payer Potentially Avoidable Utilization Trending

## READMISSION

Cohort	Baseline	2019	2020	2021	2022	2023	Favorable Trend
Cohort 1	6.5%	3.3%	5.9%	3.5%	5.1%	5.3%	Yes
Cohort 2	11.1%		7.4%	6.4%	6.0%	7.1%	Yes
Cohort 3	8.3%			6.9%	6.6%	5.7%	Yes
Cohort 4	13.6%				12.5%	7.4%	Yes

## EMERGENCY ROOM

Cohort	Baseline	2019	2020	2021	2022	2023	Favorable Trend
Cohort 1	39.9%	37.6%	36.2%	31.0%	33.2%	34.7%	Yes
Cohort 2	39.0%		33.8%	24.5%	31.7%	33.3%	Yes
Cohort 3	38.8%			25.0%	33.7%	34.3%	Yes
Cohort 4	46.4%				34.3%	34.6%	Yes

## AMBULATORY SENSITIVE CONDITIONS

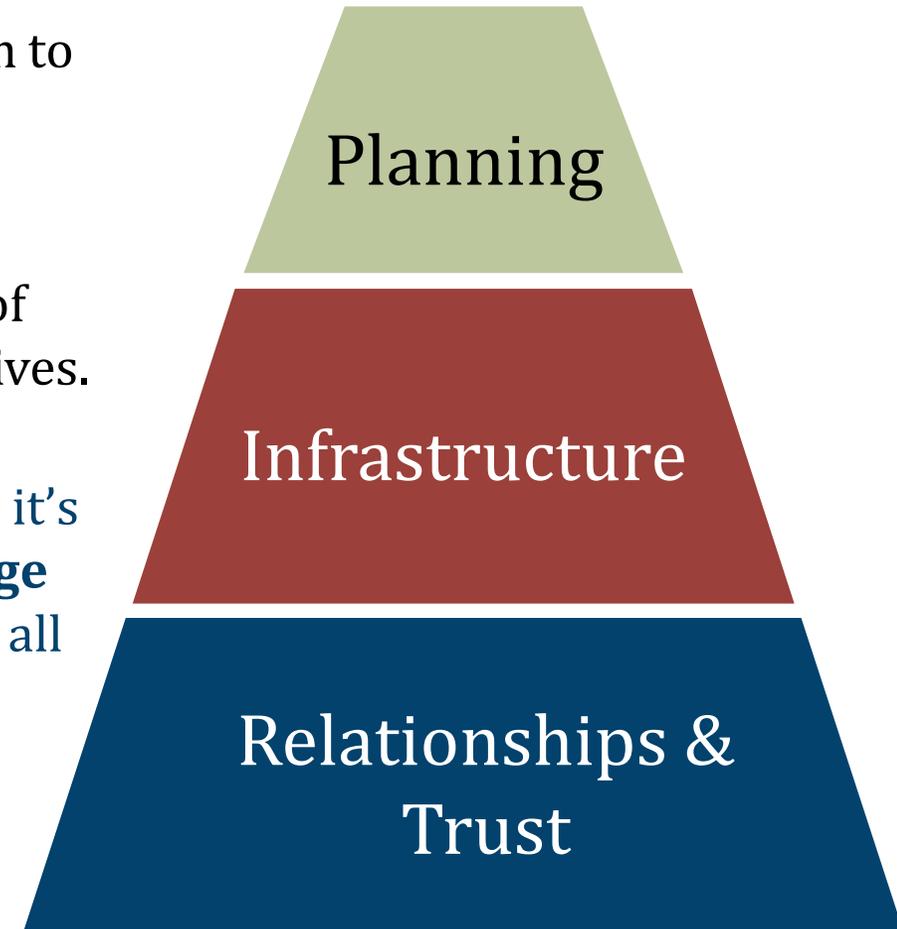
Cohort	Baseline	2019	2020	2021	2022	2023	Favorable Trend
Cohort 1	24.1%	23.4%	20.3%	20.9%	22.1%	21.4%	Yes
Cohort 2	16.8%		15.9%	15.2%	17.0%	17.4%	No
Cohort 3	16.9%			14.4%	16.3%	16.7%	Yes
Cohort 4	14.8%				13.0%	12.6%	Yes

Considering the PARHM was implemented in the midst of the COVID PHE, the RHRC counts these results as a huge success

# Reflecting on PARHM & What Comes Next

- The Model wasn't perfect, but it has provided a foundation to work from.
- Methodology for next-generation alternative payment strategies is evolving from the Model.
- All parties remain engaged, with workgroups comprised of hospital, community, payer, state, and federal representatives.

If we were to offer one lesson from all that has been learned, it's the emphasis on up-front investment to **authentically engage stakeholders** in a way that fosters trust and aligns value for all parties. **Without stakeholder alignment, no amount of infrastructure and planning would have succeeded.**



# Key Requirements Of Next Gen Program Based On Lessons Learned

01

Is palatable for both payers and hospitals.

Provides truly predictable revenue.

04

02

Preserves the right care within the local community.

Is easily understood by program participants.

05

03

Takes into consideration hospital costs.

Reduces burden of program administration.

06

# REH: Another Example of Alt. Payment In Action

## Helping Improve Hospital Sustainability

Fixed-facility payment offers predictable revenue for operations with 5% Medicare add-on for emergency and outpatient services.

The average pre-conversion operating margin was (-18%).

Average post-conversion operating margin improved to break-even.

Average days-cash-on-hand improved by 20 days for same REHs.

## Service Line Expansion to Meet Community Needs

### Harper County, OK

Cardiac & Pulmonary Rehabilitation

Diabetic Education

Evaluating Pain Management Services

### Mercy Hospital, KS

Walk-in Clinic

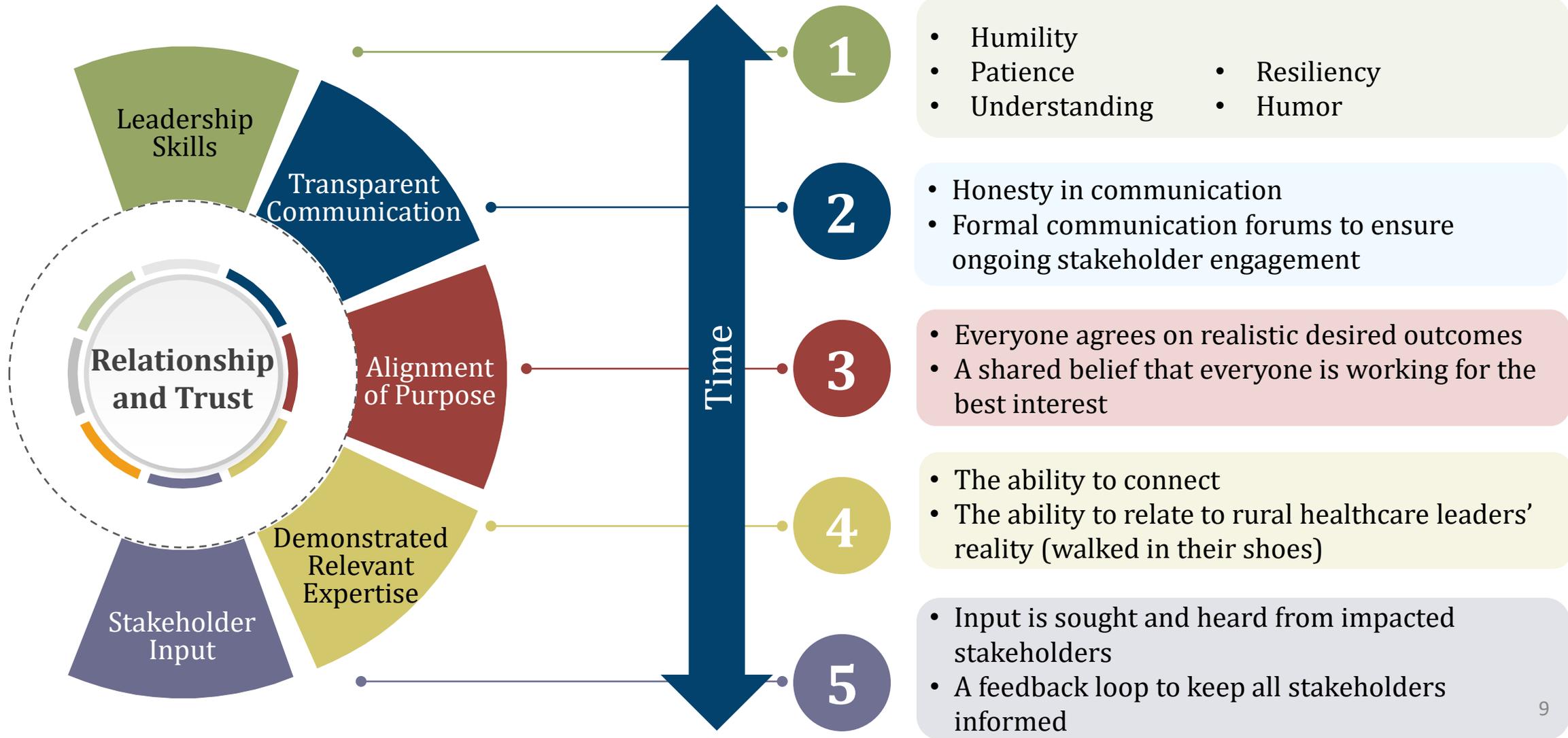
General Surgeon

Mental Health Counseling

Evaluating Pain Management Services

# Essential Elements for Implementing APMs

*How it all works together to build relationships and trust*



# Contact Information



Reach out to RHRC if you have questions or would like to learn more.

[Support@rhrco.org](mailto:Support@rhrco.org)



Visit our website directly to learn more and subscribe to our newsletter.

[RHRCO.org](http://RHRCO.org)

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***Session 3: Lessons Learned from State Value-Based Care  
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**John Bulger, DO, MBA**

Chief Medical Officer,  
Geisinger Health Plan



# Payer Perspective of the PA Rural Health Model

Dr. John Bulger, Chief Medical Officer, Geisinger Health Plan

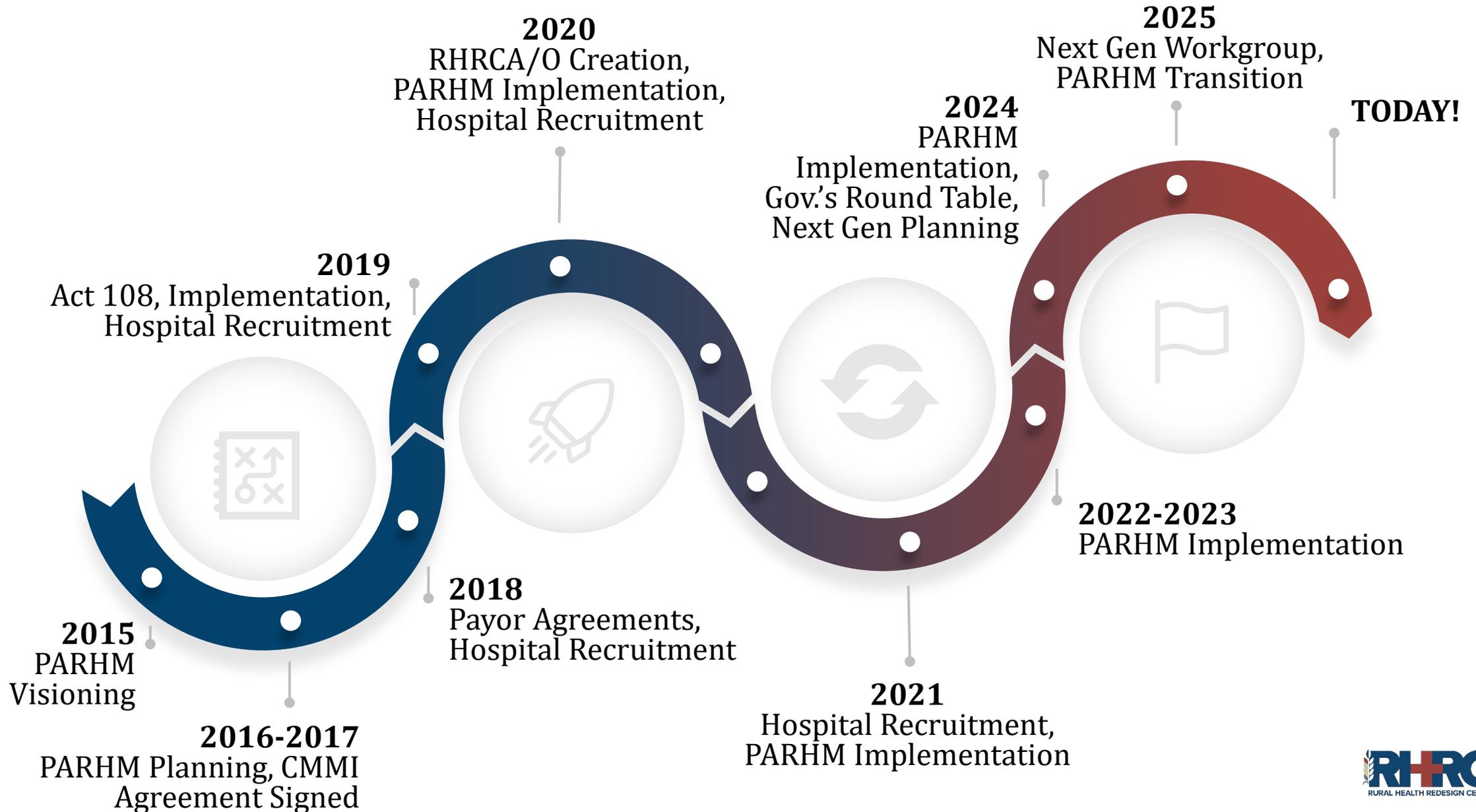


**Dr. John  
Bulger**  
*CMO, Geisinger  
Health Plan*

## Biography

- Over 27 years of experience as a physician and 10 years as Chief Medical Officer at Geisinger Health Plan
- Recognized leader in quality and patient safety, and serves on regional and national groups aimed at improving the quality of medical care.
- Expertise in financial performance, government programs, and health plans, with a mission to advance value-based care and integrated healthcare delivery.
- Dedicated advocate for community health and rural healthcare initiatives

# Background of PA's 10-Year Journey Together



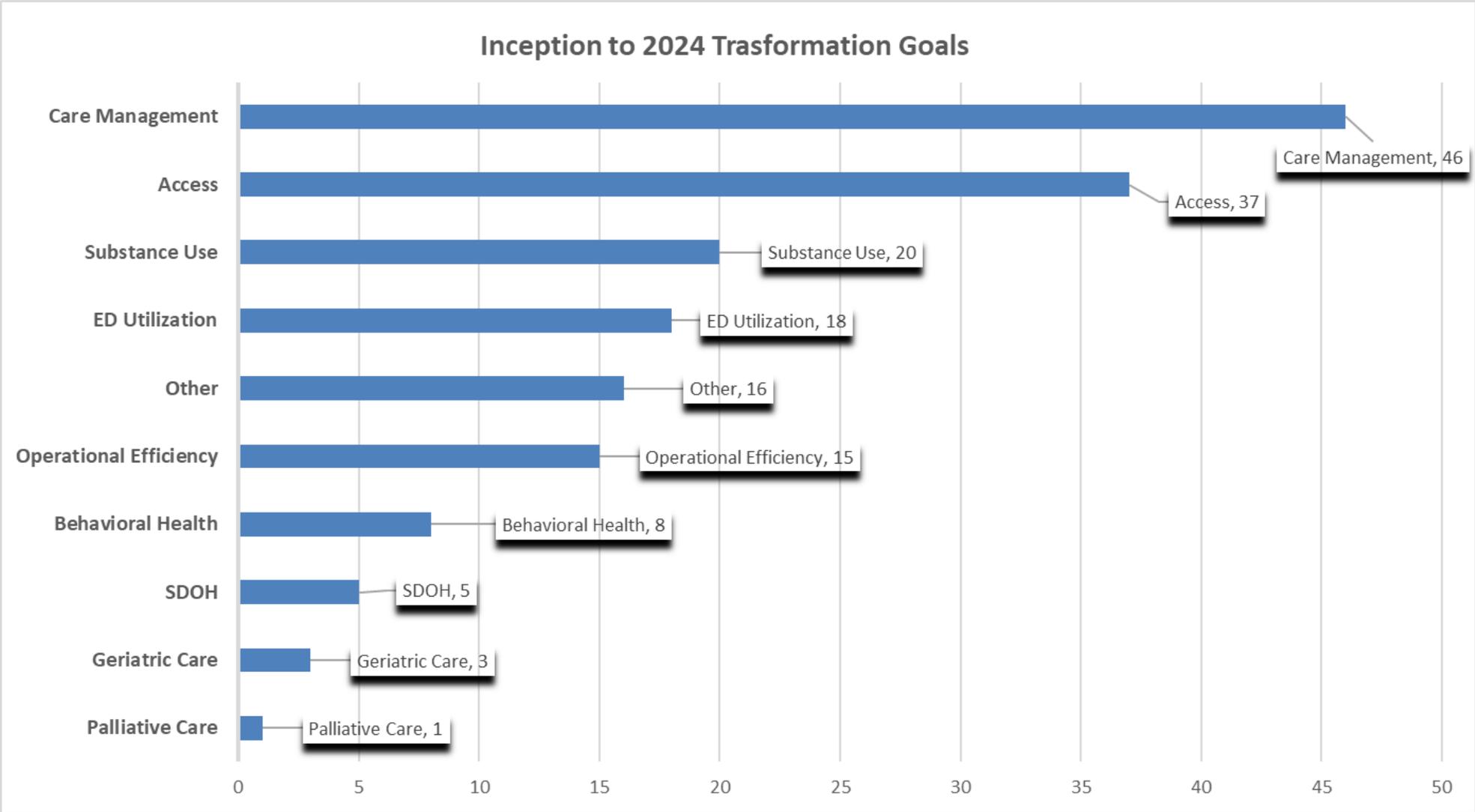
# PARHM Stakeholder Value Proposition

## Mutual Benefit

Value Proposition	Hospitals	Payers
Access to care for PA rural residents (employees, employers, commercial membership, MCO beneficiaries, uninsured, etc.)	X	X
Improved population health within controlled spending and the reduction of avoidable utilization	X	X
Maintenance of Rural Employment and Economic Benefit	X	X
Learning by actively participating in rural health payment reform, identifying what works and what doesn't work to inform policy decisions	X	X



# Hospitals were required to put together transformation plans each year. This is illustrative of the focus areas of the program





While the program provided benefits, payers began asking,  
and hospitals agreed with the question,

*“How do we know we are preserving the right  
care in our rural communities through the  
global budget program?”*

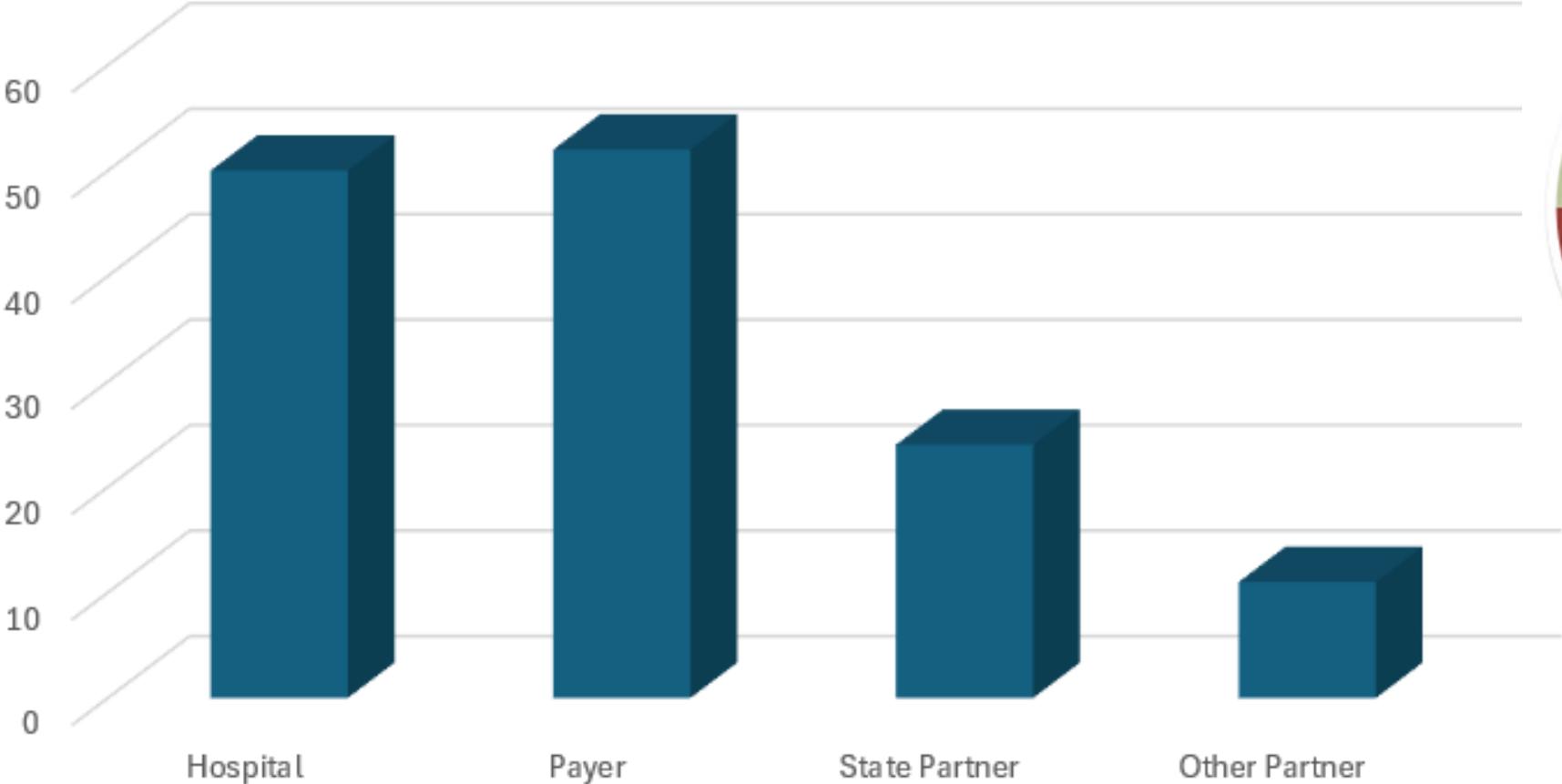
# The starting point of the conversation was lessons learned from the current PARHM

<b>▣ What Worked Well</b>	<b>23</b>
Improved Payer / Provider Collaboration	7
Hospital Stabilization	7
Transformation Planning Process	4
Shared Learning	3
Budget Process	1
CMS Engagement	1
<b>▣ What Needs Improvement</b>	<b>36</b>
Budget Methodology Improvement / Simplification / CAH Considerations	12
Payer participation / collaboration	6
Transformation Planning / Quality Focus	4
Cost / Expense Consideration	4
Aligned Incentives	3
Essential Rural Service Definition	2
Enhanced Clinical / Pop Health Support	2
Data Sharing	1
Regulatory Protections	1
Eligibility Definitions	1



# Stakeholders are collectively working together to determine what comes next and iterate on a next-generation solution

Aggregated Attendance by Organization Type



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**Alicia M. Berkemeyer**

Executive Vice President and Chief Health Management Officer,  
Arkansas Blue Cross and Blue Shield

**Dawn Stehle, DrPH, MPS**

Director, Early Childhood Systems, Policy, and Planning,  
ZERO TO THREE



# Arkansas Value Journey

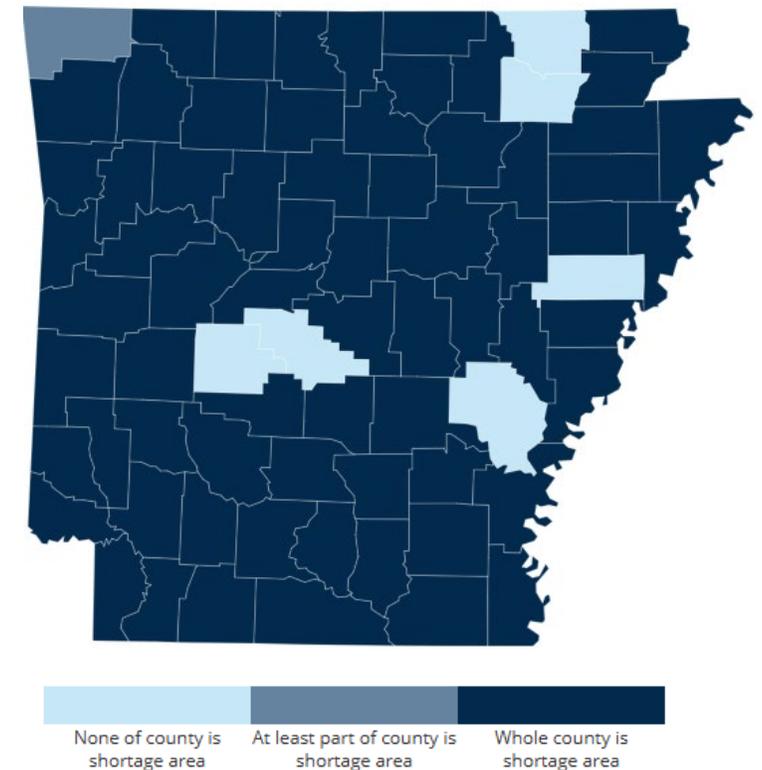
Alicia Berkemeyer and Dawn Stehle  
PTAC  
February 2026



# Profile of Arkansas

- 3.1 million people
  - 22% under the age of 18
  - 18% over the age of 65
- 44% live in a rural area
  - 54 / 75 counties
- 16% are at or below the poverty line
  - Compared to 13% for the United States
- 9.4 active primary care physicians per 10,000 residents

## 2025 Arkansas Primary Care Shortage Areas



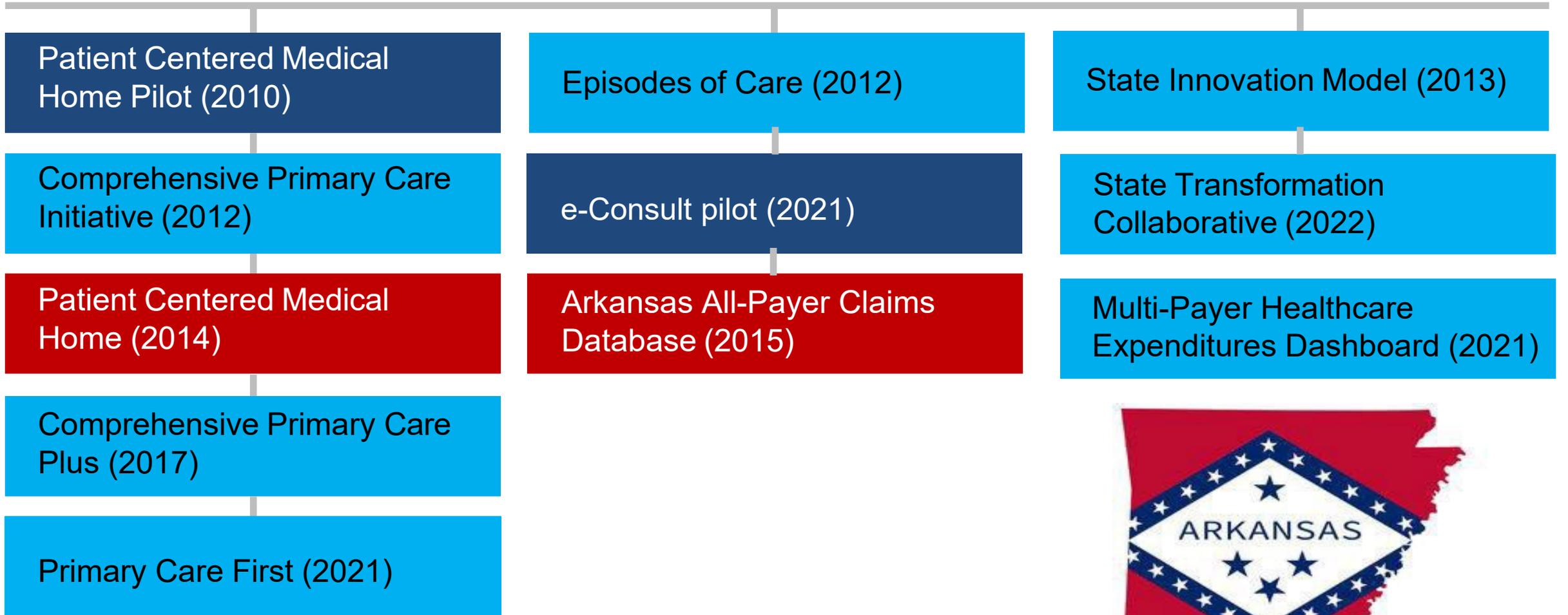
# WHY VALUE?

- Health status in Arkansas is poor
- The healthcare system is hard to navigate
- Healthcare spending is growing at an unsustainable rate

**Working through public and private sectors,  
we have begun to transform the  
healthcare system in Arkansas**

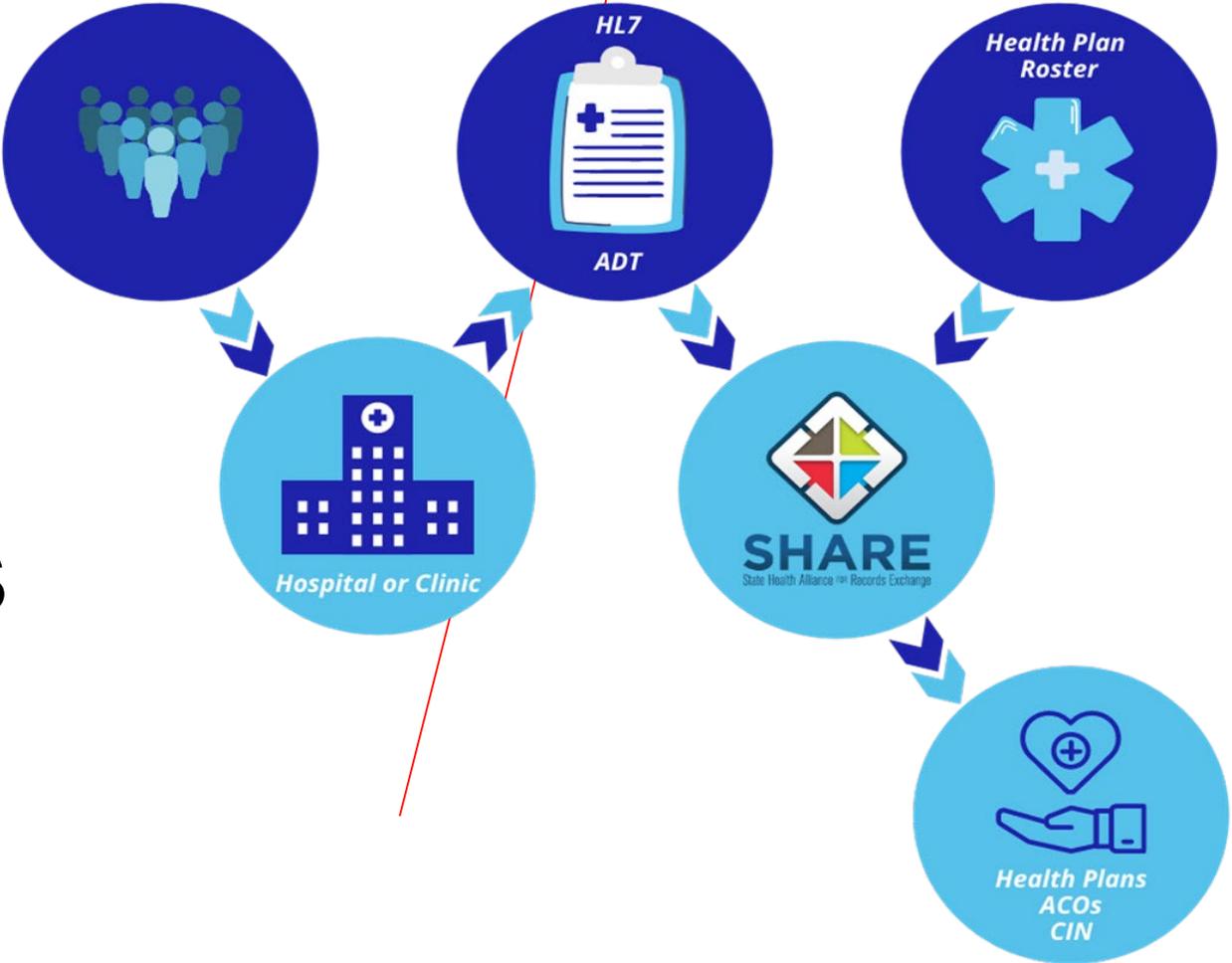


# Arkansas Value Journey



# SHARE

Subscription  
Services and  
Custom Pulls



# SHARE

## Payer Derived Notifications



- Health Plan provides monthly attribution roster including Primary Care Physician assigned
- Health Plan is source of truth for attribution
- Assists in alerting providers of new patient assignments
- Sets up foundation for current and future reporting



# SHARE Hospitalization Report



The following patient(s) has presented with an encounter:

Last Name	First Name	DOB	Patient's Phone	Payer Relationship	Name of Hospital	Attending Provider	Primary Diagnosis	Description of Visit	Type of Visit	Date and Time
Ball	Lucille D	10/24/2008		Medicaid	Drew Memorial	Brian Beas	Crohn's disease, unspecified, with unsp	Discharge/End Visit	Emergency Room	04/27/2021 23:45
Taylor	Tim F	3/30/1965	(501) 555-6655		Drew Memorial	Charlie Russ	Major depressive disorder, recurrent, un	Discharge/End Visit	Inpatient	04/28/2021 00:45
Smith	John	9/1/2017	(479) 555-5555		Magnolia Hospital	Mary Moon	Type 2 diabetes with ketoacidosis	Outpatient to Inpatient	Outpatient to Inpatient	04/28/2021 02:30
Duck	Donald	2/4/1982			UAMS	John Smith	Back pain	Admission	Emergency Room	04/28/2021 03:17
Mouse	Minnie	3/15/1942	(870) 555-5555	Medicare PCF	UAMS	John Smith	Contact with exposure to covid-19	Discharge/End Visit	Emergency Room	04/28/2021 11:25
Mouse	Mickie	5/18/1942	(870) 123-4567		Drew Memorial	Jane Doe	Strain of unspecified muscle	Discharge/End Visit	Inpatient	04/28/2021 14:32
Gilmore	Lorelai	4/11/1935	(479) 123-4567		ACH	Ricky Ball	Shortness of Breath	Admission	Emergency Room	04/28/2021 16:45
Glitter	Poppy	9/19/1967			Baptist Health	Bill Silver	Acute viral hepatitis	Discharge/End Visit	Emergency Room	04/28/2021 19:00
VonSweet	Penelope	9/19/1937		Ark Health and Wellness	Drew Memorial	John Taylor	Unspecified pain	Admission	Emergency Room	04/28/2021 22:33
Wreck	Ralph	7/1/1962		Blue Cross	Mercy Health	Steve Emdee				
VonSweet	Penelope	9/19/1937		Ark Health and Wellness	Drew Memorial	John Taylor				

This report is a summary of your patient encounters who has had a Additional information can be found at :



# COVID19 Vaccine Report



Patient ID	Patient Name	DOB	Gender	Race	Vaccine Date	Manufacturer	Dosage #	Vaccine Given By
					1/23/2021	Moderna	1	Heartland Pharmacy
ported					2/1/2021	Moderna	1	Kroger Pharmacy #627
					1/15/2021	Pfizer	1	Cornerstone Pharmacy -Rodney Farham
					12/20/2020	Moderna	1	UAMS Health
					1/3/2021	Pfizer	1	Baptist Health
ported					2/20/2021	Moderna	2	Lackie Drug Store
					2/23/2021	Moderna	1	Harpis Pharmacy
					1/17/2021	Pfizer	1	Walmart Pharmacy #114
					1/17/2021	Moderna	2	Achor Family Pharmacy
ported					2/25/2021	Pfizer	1	UAMS Employee Health

ation can be obtained through Arkansas SHARE.  
<http://www.sharearkansas.com>



# Non-Vaccinated COVID Report



Patient ID	Last Name	First Name	DOB	Gender	Address	City	State	Zip	Phone
10790	Ball	Lucille	10/24/2008	F	123 Happy Ln	Citytown	AR	12365	4795550102
18133	Taylor	Mary	3/30/1965	F	9 Street Rd	Big Rock	AR	12354	5015550899
37596	Smith	Joe	9/1/2017	M	307 N Road	Faytown	AR	11762	4793123212
18133	Duck	Donald	2/4/1982	M	501 Main	Clark	AR	52465	5553213614
87664	Mouse	Minnie	3/15/1942	F	98 Epic Rd	Boggie	AR	12463	9991313223
18133	Loud	Laurie	5/18/1942	F	1170 Main st	Arktex	AR	31313	3163155555
87008	Gilmore	Rory	4/11/1935	F				150	
18133	Glitter	Poppy	9/19/1967	F				361	
90763	VonSweet	Penelope	9/19/1937	F				991	
18133	Wreck	Ralph	7/1/1962	M				432	

This report is a summary of your attributed Medicaid patients who have not received a temporarily increased its rates for administering the first or second dose of a COVID-19 vac your help getting eligible Arkansas Medicaid clients vaccin [www.sharearkansas.com](http://www.sharearkansas.com)



# Medicaid Beneficiaries at Risk of Losing Coverage



Patient ID	Last Name	First Name	DOB	Gender	Address	City	State	Zip	Phone
10790	Ball	Lucille	10/24/2008	F	123 Happy Ln	Citytown	AR	12365	4795550102
				F	9 Street Rd	Big Rock	AR	12354	5015550899
				M	307 N Road	Faytown	AR	11762	4793123212
				M	501 Main	Clark	AR	52465	5553213614
				F	98 Epic Rd	Boggie	AR	12463	9991313223
				F	1170 Main st	Arktex	AR	31313	3163155555
				F	1501 College	Citytown	AR	32156	unidentified
				F	36 Road Ct	Big Rock	AR	91311	5015558979
				F	99 City st	Clark	AR	13469	4795558797
				M	432 Happy Ln	Faytown	AR	65456	5015558987

risk of losing Medicaid coverage at the end of the Public Health Emergency. Loss of ip making sure Medicaid has the most up to date contact information on your patients oy: calling 1-844-872-2660, at [Access.arkansas.gov](http://Access.arkansas.gov), or by visiting their local DHS county



# DCFS Custody Change Report



Patient ID	Last Name	First Name	DOB	Gender	Child Removal	Child Return Date	Custodian	Case Worker	Email
10790	Ball	Lucille	10/24/2008	F	8/12/2022		DCFS	Carol Tim	<a href="mailto:carol.tim@dhs.arkansas.gov">carol.tim@dhs.arkansas.gov</a>
18133	Taylor	Mary	3/30/2005	F	7/1/2022	8/12/2022		Susie Taylor	<a href="mailto:john.doe@dhs.arkansas.gov">john.doe@dhs.arkansas.gov</a>
37596	Smith	Joe	9/1/2017	M	8/13/2022		DCFS	Jane Doe	<a href="mailto:jane.doe@dhs.arkansas.gov">jane.doe@dhs.arkansas.gov</a>
18133	Duck	Donald	2/4/2022	M	8/13/2022		DCFS	Mary State	<a href="mailto:mary.state@dhs.arkansas.gov">mary.state@dhs.arkansas.gov</a>
87664	Mouse	Minnie	3/15/2015	F	8/12/2022		DCFS	Carol Tim	<a href="mailto:carol.tim@dhs.arkansas.gov">carol.tim@dhs.arkansas.gov</a>
18133	Loud	Laurie	5/18/2020	F	12/15/2020	8/12/2022		Lloyd Loud	<a href="mailto:john.doe@dhs.arkansas.gov">john.doe@dhs.arkansas.gov</a>
87008	Gilmore	Rory	4/11/2016	F	8/10/2022	8/13/2022		Julie Jane	<a href="mailto:jane.doe@dhs.arkansas.gov">jane.doe@dhs.arkansas.gov</a>
18133	Glitter	Poppy	9/19/2007	F	8/12/2022		DCFS	Mary State	<a href="mailto:mary.state@dhs.arkansas.gov">mary.state@dhs.arkansas.gov</a>
90763	VonSweet	Penelope	9/19/2010	F	8/12/2022	8/12/2022		pre-adoptive parents	<a href="mailto:jane.doe@dhs.arkansas.gov">jane.doe@dhs.arkansas.gov</a>
18133	Wreck	Ralph	7/1/2012	M	7/5/2018	8/12/2022		Adopted	<a href="mailto:mary.state@dhs.arkansas.gov">mary.state@dhs.arkansas.gov</a>

This report is a summary of your attributed patients that have had a DCFS custody change. It lists the date the custody change took place as well as the DCFS Primary Health Service Worker's contact information. Please note, custody change may affect patient's future scheduled appointments. Please be mindful of encryption when sharing PHI. DCFS has a Direct Secure Messaging address: [dcfs@ohit.sharear.net](mailto:dcfs@ohit.sharear.net). If you do not receive a response from the assigned case worker within 48 business hours, please contact Foster Care Manager [daisy.duck@dhs.arkansas.gov](mailto:daisy.duck@dhs.arkansas.gov) or at 501-555-5555. If you have any questions about this new report, please contact [SHAREHealth@arkansas.gov](mailto:SHAREHealth@arkansas.gov)

# HIE Multipayer reports



# VALUE MOVES

All Value Programs must begin by asking the question

What is best for the patient?



# PRIMARY CARE STAKEHOLDERS

- Focus on **population health** in Arkansas
- **Stakeholders**
  - Arkansas Blue Cross Blue Shield
  - Arkansas Department of Human Services (DHS)
  - Arkansas Community Health Worker Association
  - Arkansas Hospital Association
  - Arkansas Medicaid
  - Centene / QualChoice
  - Health system-affiliated practices
  - Independent practices
  - Employers
- **Focus**
  - Voted on top priorities for the state
  - Data & interoperability
  - Invest in programs that empower patients
  - Promote quality in health care
  - Remove red tape
  - Behavioral health integration



*First Arkansas CPC+ Primary Care Stakeholder Meeting (2017)*

**Behavioral Health Integration** – Formed  
501(c)(3) Arkansas Behavioral Health Integration  
Network (ABHIN)  
**Social determinants of health & Population  
Health**

# Collaboration



# Value Legislation

- Episodes of Care
- PCMH
- SHARE-HIE
- Primary Care Spend



# Challenges

- Payer participation/ Spillage
- Employer buy in
- Simplification
- Metric requirements
- Resources for HIT
- Antitrust issues



# Lessons Learned

- Value changes take time
- Critical Mass
- CMS participation
- Measurement/Reporting
- Stakeholders
- Legislative impact



# Arkansas Success

- Collaboration/ Communication
- State Health Information Exchange-SHARE
- Practice Participation
- Learning and Diffusion
- Quality Metric alignment/reporting
- Multi-state alignment & training



# Questions



# Milbank PCP ROI

<https://www.milbank.org/publications/value-based-primary-care-insights-from-a-commercial-insurer-in-arkansas/>

Issue Brief  
July 2020

Milbank  
Memorial Fund   
Using evidence to improve population health

## Value-Based Primary Care: Insights from a Commercial Insurer in Arkansas

By Clare C. Brown, PhD, MPH, and J. Mick Tilford, PhD  
Contributors: Alicia Berkemeyer, Victor Davis, and Adam Whitlock

### Policy Points

- > Primary care transformation initiatives involving Arkansas Blue Cross and Blue Shield show reductions in average beneficiary spending and a 2:1 return on investment
- > Savings in beneficiary spending appear to increase over time for value-based primary care programs involving Arkansas and Blue Cross Blue Shield

### ABSTRACT

Public and private primary care transformation initiatives aim to strengthen primary care and lower costs by using value-based payments for care delivered in innovative care models like patient-centered medical homes (PCMHs). This issue brief examines whether there were changes in health care spending and utilization (years 2011 through 2018) associated with practice-level participation in one of the three Arkansas Blue Cross and Blue Shield value-based primary care programs. Health care spending and utilization were evaluated for a commercially insured population of beneficiaries attributed to practices that participated in either the federal Comprehensive Primary Care (CPC) Classic program, the Arkansas Blue Cross PCMH program, or the federal Comprehensive Primary Care Plus program. Average beneficiary spending decreased by approximately \$30 per member per quarter for the CPC Classic and Arkansas Blue Cross PCMH programs, compared to practices that did not participate. Estimated savings suggests a 2:1 return on investment, which indicates that each dollar spent on care management fees among this commercially insured adult population resulted in a \$2 savings in beneficiary spending. Reductions in acute inpatient stays and emergency department use likely account for the program savings. Savings were greater for participating practices in later years for each of the programs, suggesting that return on investment may increase over time.

[Ark\\_PrimaryCare\\_issue\\_brief\\_v6.pdf](#)

# ECONSULTS - SPECIALIST CARE

- Center for Medicare and Medicaid Innovation (CMMI)
- The Peterson Center on Healthcare
- CPC+ & PCF Practices



# Mathematica paper

<https://www.mathematica.org/news/econsults-can-lower-costs-and-improve-access-to-specialty-care>



- **\$195 savings** per member per eConsult



- **Decrease in unnecessary specialist visits** and related testing
- **Increased access to specialists** for those that need it



- **Reduced** out-of-pocket expenses
- **Timely care**
- **Reduced** travel time
- **Reduced** time off work



- **Patients receive the appropriate level of care** for their needs
- **PCPs gain knowledge** from the specialists

<https://www.mathematica.org/projects/project-arkansas-econsultations-bridging-primary-and-specialty-care-through-econsults>