

Progress toward completion of original GHIP goals and pathway to new goal development

Goal: Addition of at least net 1 value-based care delivery (VBCD) model by end of FY2018

FY18 Result

Met through introduction of AIM¹ HMO model with CareVio risk sharing arrangement

- Since this original GHIP goal was established, there have been gradual shifts at the national level in:
 - Medical providers' willingness to opt into value-based contracting arrangements with commercial insurance carriers
 - Plan sponsors' interest in steering plan participants to high quality providers, which tend to also be more willing to enter into value-based contracts
 - Efforts to standardize the framework of provider payment models that are alternatives to fee-for-service reimbursement

¹ AIM = Alternative Innovation Model.

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Goal: Addition of at least net 1 value-based care delivery (VBCD) model by end of FY2018 (continued)

- At the local level, interest in provider adoption of alternative payment models in Delaware also grew
 - SEBC continued to receive periodic updates on Highmark and Aetna efforts to contract with medical providers via alternative payment models
 - Broader use of the Health Care Payment Learning & Action Network's Alternative Payment Model (APM) Framework to track progress toward payment reform
 - Opportunity to align updated strategic framework with this construct

New goal established February 2020:

Using the APM Framework and FY2021 medical spend as a baseline¹, increase GHIP spend through advanced APMs² to be at least the following by the end of FY2023 (as % of total spend):

- Category 3: 40%
- Category 4: 10%

¹ Estimated FY21 baseline medical spend in advanced APMs: Category 3 – 17%, Category 4 – 0%. Based on GHIP-specific data provided by Highmark and Aetna.

² Defined by the APM Framework as Category 3 and Category 4 models.