About CPR

An independent non-profit corporation working to catalyze employers, public purchasers and others to implement strategies that produce higher-value health care and improve the functioning of the health care marketplace.

How much payment reform is there?

- 2010: 1-3% of payments tied to performance
- 2011: 11% of payment is value oriented
- 2013-2015: 40+% of payment is value oriented
- 2016-2017: 45-50%

Based on: CPR health plan progress reports, state scorecards, and national measurement efforts

Payment reforms have been steadily on the rise.
Momentum will continue

Commercial payers are going to **continue down the payment reform path** regardless of what direction the Federal government pursues.

**WHY?**

- They believe it is where the market is inevitably headed.
- Finding ways to improve the value of their spending is core to their business.
- Their self-insured employer customers asking for it.

Where do employers and other health care purchasers fit in?

Rising costs are **eating into company bottom lines**. It’s not sustainable.

Commonly, employers turn to **benefit design strategies** to curb growth in health care spending (e.g., consumer-directed health care).

**Very few purchasers** are engaged yet in payment reform.

CPR works with 30+ of the **most influential, progressive purchasers** who do push for payment reform either by:

1. Direct contracting with providers – rare
2. Pushing their health plans – more common

We need more **purchasers who understand their role in reforming provider payment** and who work together to align their asks of the marketplace to send a stronger signal.
Is payment reform working?

**Important realities of payment reform today:**

1. The bulk of payment reform still sits on top of FFS
2. There is no-one-size-fits-all solution
3. We don’t really know what’s working yet! We need more evaluation of commercial programs

---

What we do know

Sharp increase in the number of Accountable Care Organizations (ACOs)...

…..but almost no data on commercial ACO performance and mixed results from Medicare programs.

Excitement about bundled payments given positive results to date…

…but still only ~2% of provider payment in large part due to continued operational barriers.
The bottom lines

We need more purchasers pushing for payment reform together as they are key to advancement.

We need more objective evaluation of existing models before we try to determine what will work and for whom.

We still have a lot to learn about aligning provider payment, provider network design, and consumer benefit design.