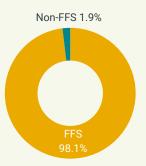


The results of the New Jersey Commercial Scorecard on Payment Reform are in, and 52% of all commercial payments are value-oriented—either tied to performance or designed to cut waste. Status-quo payments make up the remaining 48%. These data are from calendar year 2016 or the most recent 12 months.



Fee-for-Service (FFS) remains the dominant base method of payments to providers, even when the payment is value-oriented. Of all the value-oriented commercial payments health plans made in New Jersey in 2016, 98.1% are still based on FFS. Only 1.9% use a non-FFS based payment method. Value-oriented payment methods categorized as non-FFS include: bundled payment, full capitation, partial or condition-specific capitation, and payment for non-visit functions, while pay-for-performance, shared savings, and shared risk rely on FFS.



Very few value-oriented payments put providers at risk. About 95% of valueoriented payments offer providers a financial upside only, with no downside financial risk.

ACKNOWLEDGMENTS

The New Jersey Commercial Scorecard on Payment Reform 2.0 was made possible by the Laura & John Arnold Foundation and the Robert Wood Johnson Foundation, as well as the leadership of the New Jersey Health Care Quality Institute. CPR thanks the Quality Institute President & CEO, Linda Schwimmer, and former Chief of Staff, Amanda Melillo; CPR project leads Andréa Caballero and Alejandra Vargas-Johnson; CPR staff Lea Tessitore and Roslyn Murray; as well as the health plans that provided data for the Scorecard, for their significant contributions to this project.

NCQA's NOTICE OF COPYRIGHT AND DISCLAIMER

The source for certain health plan measure rates and benchmark (averages and percentiles) data ("the Data") is Quality Compass® 2017 and is used with the permission of the National Committee for Quality Assurance ("NCQA"). Any analysis, interpretation, or conclusion based on the Data is solely that of the authors, and NCQA specifically disclaims responsibility for any such analysis, interpretation, or conclusion. Quality Compass is a registered trademark of NCQA.

The Data is comprised of audited performance rates and associated benchmarks for Healthcare Effectiveness Data and Information Set measure ("HEDIS®") results. HEDIS measures and specifications were developed by and are owned by NCQA. HEDIS measures and specifications are not clinical quidelines and do not establish standards of medical care. NCQA makes no representations, warranties, or endorsement about the quality of any organization or clinician that uses or reports performance measures or any data or rates calculated using HEDIS measures and specifications and NCQA has no liability to anyone who relies on such measures or specifications.

NCQA holds a copyright in Quality Compass and the Data and can rescind or alter the Data at any time. The Data may not be modified by anyone other than NCQA. Anyone desiring to use or reproduce the Data without modification for an internal, non-commercial purpose may do so without obtaining any approval from NCQA. All other uses, including a commercial use and/or external reproduction, distribution, publication must be approved by NCQA and are subject to a license at the discretion of NCQA.

The Healthcare Effectiveness Data and Information Set (HEDIS®) is a registered trademark of NCQA.

© 2017 National Committee for Quality Assurance, all rights reserved.



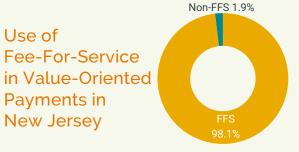






©2018 Catalyst for Payment Reform

2018 NEW JERSEY SCORECARD ON Commercial Payment Reform



Share of Value-Oriented Payments that Put Providers at Financial Risk

Provider Participation in **Value-Oriented Payments**

46% of all hospital payments (in-patient)

23% of all specialist payments

82% of all primary care provider payments are value-oriented

Share of Total Dollars Paid to **Primary Care Providers and Specialists**













11.2% PAY-FOR-**PERFORMANCE**

37.9% SHARED **SAVINGS**

of the total payments made to providers are

value-oriented.

"AT RISK"

"NOT AT RISK"

Economic Signals

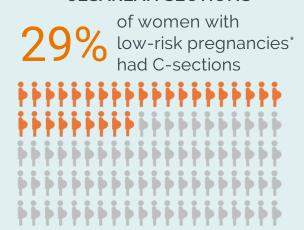
ATTRIBUTED MEMBERS

of health plan members were attributed to providers participating in a payment reform

contract

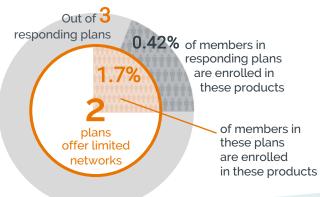
System Transformation

CESAREAN SECTIONS



Source: 2017 Leapfrog Hospital Survey

LIMITED NETWORKS



OF HEALTH PLANS OFFERING **ONLINE MEMBER SUPPORT TOOLS**

3 of 3 offer quality information



3 of 3 offer price information



treatment decision information



HBA1C POOR CONTROL



ALL-CAUSE READMISSIONS

of people with diabetes had poorly controlled blood sugar (HbA1c >9%)

PREVENTABLE ADMISSIONS

Out of every 100.000 people there were 1.484 preventable admissions among adults with

certain conditions**

Outcomes

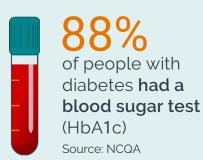




Payment Reform's Impact at a Macro-Level: **Leading Indicators to Watch**

Together, these metrics shed light on the impact of payment reform on the health care system in New Jersey.

HBA1C TESTING



UNMET CARE DUE TO COST

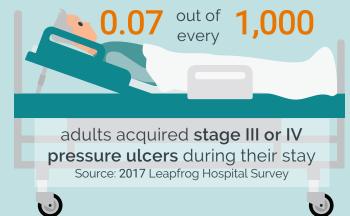


Source: BRFSS, cited by CMWF 2018

CHILDHOOD IMMUNIZATIONS

O/ of children ages 1.5 - 3 years old received all recommended doses of seven key vaccines Source: NIS, cited by CMWF 2018

HOSPITAL-ACQUIRED PRESSURE ULCERS



HEALTH-RELATED QUALITY OF LIFE



SHARED RISK CONTRACTS



Insufficient data to report*

Data withheld by CPR to preserve health plan confidentiality

HOME RECOVERY INSTRUCTIONS



of adults reported being

given information about how to recover at home

Source: HCAHPS, cited by CMWF 2018

CONTROLLING HIGH BLOOD PRESSURE

of people with hypertension had adequately controlled blood pressure

Source: NCQA



