

**Physician-Focused Payment Model Technical Advisory Committee  
Public Meeting Minutes**

**April 10, 2017**

**1:00 p.m. – 5:00 p.m. EDT**

**Hubert H. Humphrey Building  
200 Independence Avenue, SW  
Washington, DC 20201**

**Attendance**

**Physician-Focused Payment Model Technical Advisory Committee (PTAC) Members In-Person:**

Jeffrey W. Bailet, MD (PTAC Chair; Executive Vice President of Health Care Quality and Affordability, Blue Shield of California)

Robert Berenson, MD (Institute Fellow, Urban Institute)

Paul Casale, MD, MPH (Executive Director, New York Quality Care)

Tim Ferris, MD (Senior Vice President for Population Health Management, Partners HealthCare)

Harold D. Miller (President and CEO, Center for Healthcare Quality and Payment Reform)

Elizabeth Mitchell (PTAC Vice Chair; President and CEO, Network for Regional Healthcare Improvement)

Len M. Nichols, PhD (Director, Center for Health Policy Research and Ethics, George Mason University)

Kavita Patel, MD (Nonresident Senior Fellow, Brookings Institution)

Bruce Steinwald, MBA (Consultant, Bruce Steinwald Consulting)

Grace Terrell, MD, MMM (Founding Chief Executive Officer, Envision Genomics)

**PTAC Member Not in Attendance:**

Rhonda M. Medows, MD (Executive Vice President of Population Health, Providence Health & Services)

**Presenters: Project Sonar**

Lawrence Kosinski, MD, MBA (Managing Partner, Illinois Gastroenterology Group)

Bridget Gibbons (Chief Operating Officer, SonarMD)

**Public Commenters:**

James Gajewski, MD, MACP (American Society for Blood and Marrow Transplant; Professor of Medicine, Oregon Health Science University)

Leslie Narramore, CPC, MPA (Director of Reimbursement, American Gastroenterological Association)

Sandy Marks, MBA (Assistant Director Federal Affairs, American Medical Association)

**NOTE: A transcript recording all statements made by PTAC members, the proposal presenters and public commenters at this meeting is available on the PTAC website located at:**

**<https://aspe.hhs.gov/meetings-physician-focused-payment-model-technical-advisory-committee>**

**This website also includes copies of all presentation slides and a video recording of the meeting.**

**Opening Remarks from the Chair**

Jeffrey Bailet, PTAC Chair, called the meeting to order at 12:59 p.m. and thanked everyone for joining. The Chair began by stating the importance of public input for informing PTAC's processes and procedures. He reminded members of the audience to direct all communications for PTAC members to the PTAC.gov mailbox (PTAC@hhs.gov). In addition, the Chair reminded the public that the Preliminary Review Team (PRT) reports are not binding and that PTAC may reach different conclusions and

recommendations than the PRT during the deliberation and voting process. A summary of PTAC's deliberations and voting results will be reflected in the report to the U.S. Department of Health and Human Services [HHS] Secretary (the Secretary).

After additional welcoming remarks from Vice Chair Elizabeth Mitchell, the Chair informed the public that deliberations and voting would take place today on the first of three physician-focused payment models (PFPMs) scheduled for deliberation on this two-day meeting, and informed the public that deliberations would occur in the following order:

1. PTAC members will disclose any potential conflicts of interests and threats to impartiality.
2. The designated Preliminary Review Team (PRT) members will present their report to the full PTAC.
3. PTAC members will have an opportunity to ask PRT members questions concerning the reviewed proposal.
4. Submitters will be permitted to make a statement to PTAC, if desired.
5. PTAC will receive public comments.
6. PTAC will deliberate and vote on the extent to which the proposed model meets each of the Secretary's criteria.
7. PTAC will deliberate and vote on its final recommendation to the Secretary.

The PTAC proceeded with deliberation of the Project Sonar proposal.

### **Illinois Gastroenterology Group and SonarMD, LLC: Project Sonar**

#### **Committee Member Disclosures**

Jeffrey W. Bailet disclosed his transition from the President of the Aurora Health Care Medical Group to the Executive Vice President of health care quality and affordability with Blue Shield of California.

Grace Terrell disclosed her transition to Chief Executive Officer at Envision Genomics.

Kavita Patel disclosed hearing about the proposal at other meetings but did not identify any conflicts.

Harold D. Miller disclosed having a professional relationship with Dr. Kosinski but stated that he had no involvement in the proposal development nor would receive any benefit from the proposal.

No other PTAC Committee members had disclosures.

#### **PRT Report to PTAC**

Paul Casale (Lead Reviewer), Kavita Patel, and Rhonda Medows served as the PRT for the Project Sonar proposal. Rhonda Medows was not present for this meeting and Paul Casale and Kavita Patel presented the PRT report to PTAC.

Paul Casale stated that the Project Sonar proposal described the model as a specialty-based intensive medical home intended to address "high-beta chronic diseases"— those associated with high cost, high risk and high variability in outcome and cost. The proposed model focused on Crohn's disease. He summarized the model as including: use of evidence based clinical care guidelines, clinical decision support embedded in electronic medical records, risk assessment, use of nurse care managers, patient monitoring via patient smart phone or other device of the patient's choosing, patient follow-up by the care manager and by the patient's specialty physician as needed. CMS would provide the alternative payment model (APM) entity a payment for the enrollment visit and a per-beneficiary, per month

payment. The APM entity would also be eligible for shared savings and losses based on a retrospective reconciliation against a risk-adjusted target price. Stop loss provisions and outlier protections are included in the model.

Paul Casale reviewed some of the key issues identified by the PRT's on the proposal overall and with respect to the Secretary's ten criteria. The PRT concluded that the proposed model met three of the ten Secretary's criteria. The seven criteria that the Project Sonar proposal did not meet included: Scope of Proposed PFFM, Quality and Cost, Payment Methodology, Value over Volume, Integration and Care Coordination, Patient Choice, and Health Information Technology (HIT). The PRT concluded that the PTAC should not recommend the proposed payment model to the Secretary.

[The PRT presentation slides and full report are available at PTAC's website at: <https://aspe.hhs.gov/proposal-submissions-physician-focused-payment-model-technical-advisory-committee>.]

### **Clarifying Questions from PTAC**

The Chair opened the floor for questions from PTAC members to the PRT. This discussion included the following issues:

- The incidence and prevalence of Crohn's disease (CD) in the older, Medicare population.
- The proprietary nature of the system used for patient contacts, the extent to which proprietary products might be supported by CMS, and the potential health information technology (HIT) infrastructure burdens.
- Care integration with regard to chronic disease management especially since care for CD is driven by specialists.
- The method and accuracy of diagnosing CD.
- Examination of CD incidence and other comorbidities, and whether CD patients would have the comorbidities required to bill for a chronic care management (CCM) fee.
- The model's emphasis on hospital admissions, ER visits, and care management and what was in the model that could not be done in current Medicare fee-for-service.
- How the model might work in the Medicare population, especially in terms of achieving behavior change in patients and practices.
- The lack of linkages between shared savings and the proposed quality and outcome measures.
- The scalability of the model, especially as related to interoperability of the technology proposed for use.
- Patient choice in the model.
- The appropriateness of accountability for total cost of care in a model focused on inflammatory bowel disease (IBD).

### **Submitter Statements**

The Chair invited the submitters, Lawrence Kosinski, Managing Partner, Illinois Gastroenterology Group and Bridget Gibbons, Chief Operating Officer, SonarMD, to make a statement to PTAC.

The submitters introduced themselves and discussed how Project Sonar developed and has been in operation for the last two years. The submitters spoke about the model's success and the implementation across gastroenterology practices in Illinois. The submitters also commented on issues discussed by PTAC, including the limited scope of the project, lack of adequate quality measures to drive

changes in reimbursement, and the payment methodology including why the current chronic care management codes cannot be used for this model.

### **PTAC and Submitter Q&A and Discussion**

PTAC proceeded with a number of questions to and discussion with the submitters including the following topics:

- The operations of the care management model with regard to (a) the role of the nurse care manager, (b) the “pinging” technology, and (c) the importance of patient engagement.
- Care coordination and integration approach in caring for patients with comorbidities.
- Estimation of costs of care and the model’s approach for utilizing risk assessment to better identify the base price.
- The manner in which the Sonar platform is used to track risk assessments, costs, and CD measures.
- Characteristics of patients who are recognized as “pingers” or “non-pingers” with regard to social needs and social determinants of health, including the implementation of an early depression analysis among patients.
- The financial operations of the model to-date since physicians have been participating in the model without reimbursement, and how participants are primarily larger physician practices that have adequate infrastructure and funding.
- The submitter stated that Sonar would not remain entirely proprietary and that Sonar would assist entities in collecting data from the initiatives and disseminate data to help inform guidelines and allow others to replicate the platform.
- The identification of patients with CD, and what is the “trigger” for inclusion of patients in the model.
- The examination of total cost of care associated with the model and what that means for considering the various ICD codes and illness progression in the aging population.

### **Public Comments**

The Chair thanked the submitters and opened up the floor for public comment. Comments were received from:

1. Sandy Marks of the American Medical Association,
2. James Gajewski of the American Society for Blood and Marrow Transplant, and
3. Leslie Narramore of the American Gastroenterological Association.

A transcript of these commenters’ remarks is available on the PTAC website located at:

<https://aspe.hhs.gov/proposal-submissions-physician-focused-payment-model-technical-advisory-committee> .

### **PTAC Criterion Voting**

The PTAC then voted on the extent to which the Project Sonar proposal meets each of the Secretary’s criteria. Prior to voting on each criterion, PTAC members had the opportunity to comment on the extent to which the proposal meets each criterion. Individual member comments are located in the meeting transcript located at: <https://aspe.hhs.gov/meetings-physician-focused-payment-model-technical-advisory-committee> . The distribution of PTAC member votes and the full PTAC’s decision are presented in the table below. The table shows the distribution of member votes on the 1 to 6 voting scale; PTAC

member votes on criteria are anonymous. PTAC’s “Processes for Reviewing and Evaluating Proposed Physician-Focused Payment Models and Making Recommendations to the Secretary for the Department of Health and Human Services” call for a simple majority vote to determine the Committee’s decision. Given that 10 PTAC members were present for the proposal deliberation and voting, six PTAC votes constituted a simple majority.

**PTAC Member Votes on Project Sonar**

| <b>Criteria Specified by the Secretary (42 CFR§414.146)</b> | <b>PTAC Vote Categories</b>                                | <b>PTAC Vote Distribution</b> |
|---|--|-------------------------------|
| 1. Scope of Proposed PFPM (High Priority)                   | 1 – Does not meet criteria                                 | 1 vote                        |
|   | 2 – Does not meet criteria                                 | 0 votes                       |
|   | 3 – Meets the criteria                                     | 3 votes                       |
|   | 4 – Meets the criteria                                     | 4 votes                       |
|   | 5 – Meets the criteria and deserves priority consideration | 0 votes                       |
|   | 6 – Meets the criteria and deserves priority consideration | 2 votes                       |
| DECISION OF PTAC: Proposal Meets Criterion 1.               |  |                               |
| 2. Quality and Cost (High Priority)                         | 1 – Does not meet criteria                                 | 1 vote                        |
|   | 2 – Does not meet criteria                                 | 2 votes                       |
|   | 3 – Meets the criteria                                     | 3 votes                       |
|   | 4 – Meets the criteria                                     | 2 votes                       |
|   | 5 – Meets the criteria and deserves priority consideration | 1 vote                        |
|   | 6 – Meets the criteria and deserves priority consideration | 1 vote                        |
| DECISION OF PTAC: Proposal Meets Criterion 2.               |  |                               |
| 3. Payment Methodology (High Priority)                      | 1 – Does not meet criteria                                 | 3 votes                       |
|   | 2 – Does not meet criteria                                 | 3 votes                       |
|   | 3 – Meets the criteria                                     | 3 votes                       |
|   | 4 – Meets the criteria                                     | 0 votes                       |
|   | 5 – Meets the criteria and deserves priority consideration | 1 vote                        |
|   | 6 – Meets the criteria and deserves priority consideration | 0 votes                       |
| DECISION OF PTAC: Proposal Does Not Meet Criterion 3.       |  |                               |
| 4. Value over Volume  | 1 – Does not meet criteria                                 | 1 vote                        |
|   | 2 – Does not meet criteria                                 | 3 votes                       |
|   | 3 – Meets the criteria                                     | 4 votes                       |
|   | 4 – Meets the criteria                                     | 1 vote                        |
|   | 5 – Meets the criteria and deserves priority consideration | 1 vote                        |
|   | 6 – Meets the criteria and deserves priority consideration | 0 votes                       |
| DECISION OF PTAC: Proposal Meets Criterion 4.               |  |                               |
| 5. Flexibility  | 1 – Does not meet criteria                                 | 0 votes                       |
|   | 2 – Does not meet criteria                                 | 0 votes                       |
|   | 3 – Meets the criteria                                     | 4 votes                       |
|   | 4 – Meets the criteria                                     | 3 votes                       |
|   | 5 – Meets the criteria and deserves priority consideration | 2 votes                       |
|   | 6 – Meets the criteria and deserves priority consideration | 1 vote                        |
| DECISION OF PTAC: Proposal Meets Criterion 5.               |  |                               |

|   |  |         |
|---|--|---------|
| 6. Ability to be Evaluated                            | 1 – Does not meet criteria                                 | 0 votes |
|   | 2 – Does not meet criteria                                 | 0 votes |
|   | 3 – Meets the criteria                                     | 4 votes |
|   | 4 – Meets the criteria                                     | 5 votes |
|   | 5 – Meets the criteria and deserves priority consideration | 1 vote  |
|   | 6 – Meets the criteria and deserves priority consideration | 0 votes |
| DECISION OF PTAC: Proposal Meets Criterion 6.         |  |         |
| 7. Integration and Care Coordination                  | 1 – Does not meet criteria                                 | 3 votes |
|   | 2 – Does not meet criteria                                 | 6 votes |
|   | 3 – Meets the criteria                                     | 1 vote  |
|   | 4 – Meets the criteria                                     | 0 votes |
|   | 5 – Meets the criteria and deserves priority consideration | 0 votes |
|   | 6 – Meets the criteria and deserves priority consideration | 0 votes |
| DECISION OF PTAC: Proposal Does Not Meet Criterion 7. |  |         |
| 8. Patient Choice                                     | 1 – Does not meet criteria                                 | 1 vote  |
|   | 2 – Does not meet criteria                                 | 1 vote  |
|   | 3 – Meets the criteria                                     | 3 votes |
|   | 4 – Meets the criteria                                     | 5 votes |
|   | 5 – Meets the criteria and deserves priority consideration | 0 votes |
|   | 6 – Meets the criteria and deserves priority consideration | 0 votes |
| DECISION OF PTAC: Proposal Meets Criterion 8.         |  |         |
| 9. Patient Safety                                     | 1 – Does not meet criteria                                 | 0 votes |
|   | 2 – Does not meet criteria                                 | 0 votes |
|   | 3 – Meets the criteria                                     | 5 votes |
|   | 4 – Meets the criteria                                     | 2 votes |
|   | 5 – Meets the criteria and deserves priority consideration | 2 votes |
|   | 6 – Meets the criteria and deserves priority consideration | 1 vote  |
| DECISION OF PTAC: Proposal Meets Criterion 9.         |  |         |
| 10. Health Information Technology                     | 1 – Does not meet criteria                                 | 0 votes |
|   | 2 – Does not meet criteria                                 | 1 vote  |
|   | 3 – Meets the criteria                                     | 5 votes |
|   | 4 – Meets the criteria                                     | 4 votes |
|   | 5 – Meets the criteria and deserves priority consideration | 0 votes |
|   | 6 – Meets the criteria and deserves priority consideration | 0 votes |
| DECISION OF PTAC: Proposal Meets Criterion 10.        |  |         |

### PTAC Vote on Recommendation to the Secretary

Prior to voting on the overall recommendation to the Secretary, the Chair asked for any additional comments from members on this proposed model. In response, several members called attention to the issue of technical assistance to proposal developers by citing Project Sonar as an example of a proposal that could benefit from the provision of technical assistance.

PTAC member votes on the PTAC's recommendation to the Secretary are presented below. PTAC's *"Processes for Reviewing and Evaluating Proposed Physician-Focused Payment Models and Making Recommendations to the Secretary for the Department of Health and Human Services"* state that a 2/3 majority vote will determine the PTAC's recommendation to the Secretary. Further, if two-thirds of the votes cast are for one or more of the three categories of recommending the model to the Secretary, the Committee shall determine which of the three recommendations shall be made to the Secretary by aggregating votes cast for the following categories in the following order: First, Implementation of the proposed payment model as a high priority; Second, Implementation of the proposed payment model,



/ Jeffrey Bailet /  
Jeffrey Bailet, Chair  
PTAC

                                  7/19/2017  
Date