

Direct Contracting Model Application Webinar

Application Overview for Implementation Period Global and Professional Options

CMS/CMMI
January 7, 2020



Model Participants

A Direct Contracting Entity (DCE) is an Accountable Care Organization (ACO)-like organization, comprised of health care providers and suppliers, operating under a common legal structure, which enters into an arrangement with CMS and accepts financial accountability for the overall quality and cost of medical care furnished to Medicare fee-for-service (FFS) beneficiaries aligned to the entity.

Standard DCEs	DCEs that have experience serving Medicare FFS beneficiaries.
New Entrant DCEs	DCEs that have not traditionally provided services to a Medicare FFS population. Beneficiaries are aligned primarily based on voluntary alignment.
High Needs Population DCEs	DCEs that serve Medicare FFS beneficiaries with complex needs employing care delivery strategies, such as those used by Program of All-Inclusive Care for the Elderly (PACE) organizations.

Provider Relationships

Direct Contracting Entity (DCE)

- Must have arrangements with Medicare-enrolled providers or suppliers, who agree to participate in the Model and contribute to the DCE's goals pursuant to a written agreement with the DCE.
- DCEs form relationships with two types of provider or supplier:

DC Participant Providers

- Used to align beneficiaries to the DCE
- Required to accept payment from the DCE through their negotiated payment arrangement with the DCE, continue to submit claims to Medicare, and accept claims reduction
- Report quality
- Eligible to receive shared savings
- Have the option to participate in benefit enhancements or patient engagement incentives

Preferred Providers

- Not used to align beneficiaries to the DCE
- Can elect to accept payment from the DCE through their a negotiated payment arrangement with the DCE, continue to submit claims to Medicare, and accept claims reduction
- Eligible to receive shared savings
- Have the option to participate in benefit enhancements and patient engagement incentives

Implementation Period (IP) Application and Selection Timeline

Milestone	Date
Application Open	December 20, 2019
Application Due	February 25, 2020
DC Participant Provider List Due, with Preferred Provider List, if applicable	With application
Finalists Identified	May 2020
Agreements Signed	June 2020
Start of Implementation Performance Year	June 2020

Note: Dates are subject to change

Application Process

A Letter of Intent (LOI), due December 12, 2019, is required in order to apply for the Implementation Period (IP) and/or performance year one (PY1).

- Participation in the IP is optional; if you wish to apply to PY1, you do not need to apply to the IP.
- If you are awarded and defer to participate in the IP, you **MUST** submit an application for PY1.

Application Materials

The following documents MUST be included in your application, due February 25, 2020:

- A copy of a certificate of incorporation or other documentation that the Applicant DCE is recognized as a legal entity by the state in which it is located
 - Organizations who have not yet formed a legal entity will need to provide this information prior to executing a participation agreement to CMS
- DC Participant Provider List and Preferred Provider List, if applicable
- DC Participant Provider Notification Attestation Form
- Preferred Provider Notification Attestation Form, if applicable
- Legacy Taxpayer Identification Number (TIN) Acknowledgement Form, if applicable
- Paper-Based Voluntary Alignment template letter, if applicable

Application Materials, Continued

The following documents MUST be included in your application, due February 25, 2020:

- Proposed Organization Chart
- A sample contract or an amendment or addendum to a current contract between the DCE and proposed DC Participant Providers and Preferred Providers
- A sample contract or an amendment or addendum to a current contract between the DCE and any other partners or entities that will provide health-related services on behalf of DCE, if applicable

Applicant Selection Criteria and Scoring

Criteria	Score
Organizational Structure	10 Points
Leadership and Management	20 points
Financial Plan and Risk Sharing Experience	20 points
Patient Centeredness and Beneficiary Engagement	25 points
Clinical Care	20 points
Data Capacity	5 points

The complete scoring criteria can be found in Appendix D of the RFA.

Paper-Based Voluntary Alignment Process

By application deadline of February 25, 2020

- Submit a description of how your DCE will conduct its Voluntary Alignment activities during PY 2020, including your proposed criteria for determining which beneficiaries will receive targeted outreach, as well as any changes to the Voluntary Alignment template letter for CMS approval to CMS via the application portal, following the rules in the Application FAQ document.

Upon the DCE signing the IP Participation Agreement

- CMS will review and approve the submitted Voluntary Alignment template letter prior to the DCE conducting paper-based voluntary alignment.

Legacy TINs or CCNs

A Legacy TIN or CMS certification number (CCN) is a number that was used by a proposed DC Participant Provider when billing for primary care services during the 24-month Alignment Period but will not be used to bill for primary care services during the PY.

- Legacy TINs and CCNs are submitted via the Provider List Submission Tool (PLST) provided in the application.
- Submission of Legacy TINs and CCNs can help ensure that services furnished during the Alignment Period are accurately reflected during beneficiary alignment.
- Legacy TINs or CCNs are only submitted once a year, prior to the start of the performance year, on the Proposed DC Participant Provider List.
- This approach is intended to ensure that DCEs treated as new entrants are not more properly treated as Standard DCEs in relation to the number of beneficiaries that can be aligned to a DCE based on claims.
- The Alignment Period for the IP is 7/1/2017 – 6/30/2019.

Legacy TIN Types

There are two types of Legacy TINs:

- **Sunsetted Legacy TIN** - a TIN that was used by a DC Participant Provider to bill for services during the Alignment Period but is no longer used by any Medicare providers/suppliers.
- **Active Legacy TIN** - a TIN that was used by a DC Participant Provider to bill for services during the Alignment Period but will no longer be used by that same DC Participant Provider to bill for services during the IP. However, that TIN is still used by other Medicare providers/suppliers to bill for services.
 - For example, in the past, a DC Participant Provider billed using TIN 123. The DC Participant Provider now bills under TIN 456, but TIN 123 is still used by a group of Medicare providers and suppliers that are not DC Participant Provider Providers. This Legacy TIN would be considered an “active Legacy TIN.”

Submitting Legacy TIN and CCNs on the Provider List Submission Tool

- You should submit TWO records on behalf of the provider in question on your proposed PLST, which is uploaded to the application portal: one record with the old TIN or CCN marked as “Y” in the “Legacy Record” column (B) and another record with the currently active TIN or CCN.
- If you are submitting a legacy TIN or CCN on behalf of multiple providers on your proposed IP/calendar year (CY) 2020 DC Participant Provider list who billed under the same legacy TIN, you should populate one Legacy TIN/CCN Acknowledgment Form with the names and individual National Provider Identifiers (NPIs) of each of those providers for signature by an authorized or delegated official from that legacy TIN or CCN. You do not need to submit a separate form for each provider under the same legacy TIN or CCN.

Example of Legacy TIN Field in the PLST

Step 1 - Enter data or copy data from your source system

Step 2 - Fix any cell that is highlighted red. Hover over header (row 5) for each data field's validation rules

Step 3 - Once all red highlights are addressed, save the file

PROVIDER DATA							
Provider Class	Legacy Provide	Billing TIN	Organization NPI	Organization CCN	Individual NPI	Organization Name	La
	<div style="border: 1px solid black; padding: 2px;"> Y N </div>						



Implications of Submitting Legacy TINs on Proposed IP/CY 2020 DC Participant Provider List

- If one individual or entity under a TIN or CCN is an approved DC Participant Provider, then all individuals/entities who bill under that TIN are prohibited from participating in a Shared Saving Program ACO as an ACO participant, ACO provider/supplier, and/or ACO professional.
- If a DCE chooses to submit a legacy TIN (either sunsetted or active) on behalf of a proposed IP/CY2020 DC Participant Provider, then all providers who bill under the legacy TIN will be excluded from joining a Shared Savings Program ACO for CY2020.
- In addition, providers/supplier who bill under an active legacy TIN submitted on a proposed, IP/CY2020 DC Participant Provider List may not be listed as an active participant TIN in the Medicare Shared Savings Program in the current PY, as the Medicare Shared Savings Program has full TIN exclusivity.

Legacy TIN/CCN Acknowledgment Forms

- If you are submitting a legacy TIN or CCN on behalf of multiple providers on your proposed, IP/CY2020 DC Participant Provider List, who billed under the same legacy TIN or CCN, you should populate one Legacy TIN/CCN Acknowledgment Form with the names and individual NPIs of each of those providers for signature by an authorized or delegated official from that legacy TIN or CCN.
- You do not need to submit a separate form for each provider under the same legacy TIN or CCN.
- Submit the Legacy TIN/CCN Acknowledgement Form via the application portal.
- Do not submit via the Direct Contracting inbox.

Valid Provider Identifiers

When submitting DC Participant Providers and Preferred Providers, if applicable, please submit the correct provider identifiers as identified by their provider type.

Provider Type	Taxpayer ID Number	Individual NPI	Organizational NPI	CCN
Individual Practitioner Professional Provider/ Supplier	Required	Required	Prohibited	Prohibited
Organizational Provider	Required	Prohibited	Required	Prohibited
Practitioner at a FQHC ¹ , RHC ² , or CAH ³	Required	Required	Required	Required
Facility or Institution	Required	Prohibited	Required	Required

¹ Federally Qualified Health Center

² Rural Health Center

³ Critical Access Hospital

DCE Service Area

- The DCE Service Area, used for beneficiary alignment, consists of a Core Service Area (CSA) and an Extended Service Area. DCEs can operate in multiple, non-contiguous service areas including in the same state or in multiple states.
 - **Core Service Area** includes all counties in which DC Participant Providers have office locations.
 - **Extended Service Area** includes all counties contiguous to the Core Service Area.
- Service area is distinct from a DCE's region, which is used to determine the DCE's Performance Year benchmark; a DCE's region includes all counties where DCE-aligned beneficiaries reside.
- Submission of service areas is mandatory
- To submit, select the "CSA" worksheet of the PLST, provided in the Application tool, and mark "CSA" using the drop down arrow for each corresponding county in the state the DCE practices. Please make sure that this worksheet is completed at the time the PLST is uploaded to the application portal.

Live Application Portal Demo

Model Timeline

Timeline	Implementation Period (IP) DCE Applicants	Performance Period (PY1) DCE Applicants
Application Period	November 25, 2019 – February 25, 2020 (Application tool opened December 20, 2019)	March 2020 – May 2020
DCE Selection	May 2020	September 2020
Deadline for applicants to sign and return Participant Agreement (PA)	June 2020 (IP PA) December 2020 (Performance Period PA)	December 2020
Initial Voluntary Alignment Outreach and start of IP or PY	June 2020	January 2021

This timeline may be subject to change. Please check the Directing Contracting webpage for webinar and office hour dates and times.

Upcoming Webinars

Webinar	Date
Office Hour Session for Benefit Enhancement and Application Webinar	January 8, 2020
Payment – Part 1 (Risk sharing, Risk Mitigation, Cash Flow)	January 15, 2020
Payment – Part 2 (Risk Adjustment, Benchmarking, Quality)	January 22, 2020
Office Hour Session for Payment Webinar Part 1 (Risk sharing, Risk Mitigation, Cash Flow)	January 28, 2020
Office Hour Session for Payment Webinar Part 2 (Risk Adjustment, Benchmarking, Quality)	February 11, 2020

This timeline may be subject to change. Please check the Directing Contracting webpage for webinar and office hour dates and times.

Contact Information

Direct Contracting webpage (includes link to application):

<https://innovation.cms.gov/initiatives/direct-contracting-model-options/>

Email: DPC@cms.hhs.gov

Salesforce Support: CMMIForceSupport@cms.hhs.gov

Questions

