

Quick Links

Q1: What has CMS announced?.....	2
Q2: How will BPCI Advanced support the goals of reducing Medicare expenditures and improving the quality of care for Medicare beneficiaries?.....	2
Q3: Who can participate in BPCI Advanced?.....	3
Q4: Who cannot participate in BPCI Advanced?	3
Q5: Where will BPCI Advanced be implemented?.....	3
Q6: When will BPCI Advanced start and how long will it run?.....	3
Q7: Will there be multiple opportunities for organizations to start participation in BPCI Advanced?	3
Q8: How can organizations apply to participate in BPCI Advanced?	3
Q9: What are the main design features of the BPCI Advanced model?	4
Q10: What are the Clinical Episodes included in BPCI Advanced?	4
Q11: Why did CMS narrow the number of Clinical Episodes to 29 inpatient and 3 outpatient offered for participation under BPCI Advanced from the 48 inpatient Clinical Episodes offered under BPCI?	5
Q12: What does it mean to be a Convener Participant?	5
Q13: What does it mean to be a Non-Convener Participant?	5
Q14: What does it mean to be an Episode Initiator?	5
Q15: How will CMS determine when a Clinical Episode is triggered?	5
Q16: When will a Medicare beneficiary be excluded from a Clinical Episode?	6
Q17: What data may Applicants request to help them prepare for their participation in BPCI Advanced?	6
Q18: What learning and technical assistance support will be offered to Applicants and Participants in BPCI Advanced?.....	6
Q19: How will this model be evaluated?	6
Q20: Why is there no version of BPCI-Advanced that initiates with the post-acute period?	6
Q21: Are Post-Acute Care providers excluded from participating in BPCI Advanced?.....	7
Q22: How is BPCI Advanced different from BPCI?.....	7
Q23: Is BPCI Advanced an Advanced APM?.....	7
Q24: How will the model affect beneficiary cost-sharing?.....	7
Financial Methodology	7
Q25: How will Target Prices be calculated by CMS?.....	7
Q26: When will Target Prices be provided to Participants?	8
Q27: How often will CMS make payments to BPCI Advanced Participants?	8

Q28: How is the financial methodology different from BPCI? 8

Q29: Why does BPCI Advanced set the level of risk exposure to 20% of the Target Price (stop-loss protection), inclusive of all spending during the episode, rather than limiting risk for PGP’s to the 8% revenue-based nominal amount standard or the 3% expected expenditure standard? 8

Quality Measures 8

Q30: How will BPCI Advanced measure the improvement in the quality of care for and experience of care by patients? 8

Q31: How will performance on the quality measures impact payment in BPCI Advanced? 8

Waivers 9

Q32: Will there be any Medicare Payment Policy Waivers offered to BPCI Advanced Participants? 9

Overlap with Other CMS Models 9

Q33: Can entities participate in both BPCI Advanced and other CMS Innovation Center models? 9

Q34: How will precedence rules be applied between the various episode payment models? 9

How to Contact us / More Information 10

Q35: How can I contact the BPCI Advanced Team if I have additional questions? 10

Q36: Where can I find more details about BPCI Advanced? 10

Q37: What resources are available to Applicants to guide them in the Application process for BPCI Advanced? 10

General

Q1: What has CMS announced?

A1: The Centers for Medicare & Medicaid Services (CMS) announced the launch of a new voluntary episode payment model called Bundled Payments for Care Improvement Advanced (BPCI Advanced). BPCI Advanced aims to support healthcare providers who invest in practice innovation and care redesign, to better coordinate care, improve quality of care, and reduce expenditures. BPCI Advanced is built on the foundation of the Bundled Payments for Care Improvement (BPCI) initiative, which began in April 2013 and is scheduled to run through September 30, 2018. The Model Performance Period of BPCI Advanced will start on October 1, 2018 and run through December 31, 2023.

Q2: How will BPCI Advanced support the goals of reducing Medicare expenditures and improving the quality of care for Medicare beneficiaries?

A2: BPCI Advanced will contribute to these goals through retrospective bundled payments for Clinical Episodes under a single payment and risk track. In this model, the Participant will be expected to bear financial risk and redesign care delivery to reduce Medicare FFS expenditures while maintaining or improving performance on specific quality measures.

Q3: Who can participate in BPCI Advanced?

A3: There are two categories of Participants under BPCI Advanced: Convener Participants and Non-Convener Participants. A Convener Participant is a type of Participant that brings together multiple downstream entities referred to as “Episode Initiators”—which must be either Acute Care Hospitals (ACHs) or Physician Group Practices (PGPs)—to participate in BPCI Advanced, facilitates coordination among them, and bears and apportions financial risks. Eligible entities that are either Medicare enrolled or not Medicare enrolled providers or suppliers may be Convener Participants. ACHs and PGPs may be Convener Participants or Non-Convener Participants. A Non-Convener Participant is any Participant that is not a Convener Participant because it bears financial risk only for itself and does not bear financial risk on behalf of multiple downstream Episode Initiators. Only PGPs and ACHs may participate in BPCI Advanced as a Non-Convener Participant.

Q4: Who cannot participate in BPCI Advanced?

A4: Prospective Payment System (PPS)-Exempt Cancer Hospitals, Inpatient Psychiatric facilities, Critical Access Hospitals, hospitals in Maryland, and hospitals participating in the Rural Community Hospital Demonstration and Participant Hospitals in the Pennsylvania Rural Health model are all excluded from the definition of an ACH for purposes of BPCI Advanced. Because of their unique payment methodologies, they may not participate in the model in any capacity.

Q5: Where will BPCI Advanced be implemented?

A5: CMS is committed to supporting the development and testing of innovative healthcare payment and service delivery models throughout the country, so participation is open to organizations in all states, territories, and the District of Columbia.

Q6: When will BPCI Advanced start and how long will it run?

A6: The Model Performance Period of BPCI Advanced will start on October 1, 2018 and the Model is scheduled to run through December 31, 2023.

Q7: Will there be multiple opportunities for organizations to start participation in BPCI Advanced?

A7: Yes. After the model is launched on October 1, 2018, there will be one additional application opportunity for Model Year 2020.

Q8: How can organizations apply to participate in BPCI Advanced?

A8: Applications will only be accepted via the BPCI Advanced Application Portal. The Portal can be accessed here - <https://app1.innovation.cms.gov/bpciadvancedapp>. We encourage all Applicants to review the RFA and the application template offline before logging into the Portal. The application template is available for download at <https://innovation.cms.gov/initiatives/bpci-advanced>.

The deadline for submission of applications for the initial enrollment period is March 12, 2018, at 11:59 PM EST.

Q9: What are the main design features of the BPCI Advanced model?

A9: BPCI Advanced is defined by four main characteristics: [1] it has a single payment and risk track with a Clinical Episode that includes the triggering inpatient stay or outpatient procedure, as well as the 90-day period starting the day of discharge from the inpatient stay or day of completion of the outpatient procedure; [2] it has 29 inpatient Clinical Episodes and 3 outpatient Clinical Episodes; [3] it qualifies as an Advanced Alternative Payment Model; and [4] preliminary Target Prices will be provided for each Clinical Episode in advance of the first Performance Period of each Model Year.

Q10: What are the Clinical Episodes included in BPCI Advanced?

A10: 29 Inpatient Clinical Episodes:

- Disorders of the liver excluding malignancy, cirrhosis, alcoholic hepatitis (New episode added to BPCI Advanced)
- Acute myocardial infarction
- Back & neck except spinal fusion
- Cardiac arrhythmia
- Cardiac defibrillator
- Cardiac valve
- Cellulitis
- Cervical spinal fusion
- COPD, bronchitis, asthma
- Combined anterior posterior spinal fusion
- Congestive heart failure
- Coronary artery bypass graft
- Double joint replacement of the lower extremity
- Fractures of the femur and hip or pelvis
- Gastrointestinal hemorrhage
- Gastrointestinal obstruction
- Hip & femur procedures except major joint
- Lower extremity/humerus procedure except hip, foot, femur
- Major bowel procedure
- Major joint replacement of the lower extremity
- Major joint replacement of the upper extremity
- Pacemaker
- Percutaneous coronary intervention
- Renal failure
- Sepsis
- Simple pneumonia and respiratory infections
- Spinal fusion (non-cervical)
- Stroke
- Urinary tract infection

3 Outpatient Clinical Episodes

- Percutaneous Coronary Intervention (PCI)
- Cardiac Defibrillator
- Back & Neck except Spinal Fusion

Q11: Why did CMS narrow the number of Clinical Episodes to 29 inpatient and 3 outpatient offered for participation under BPCI Advanced from the 48 inpatient Clinical Episodes offered under BPCI?

A11: BPCI Advanced aims to build upon knowledge gained under BPCI. Under BPCI Advanced, certain Clinical Episodes categories had consistently high volume and participation, which allowed for a robust evaluation, while others did not. Consequently, we removed Clinical Episodes with low participation rates from the BPCI Advanced repertoire. In addition, some Clinical Episodes included too many clinically diverse procedures or conditions, which makes it difficult to for clinicians to improve due to the broad array of processes involved. The goal is to focus on the specific diagnosis that has sufficient volume and clarity to result in greater uptake and engagement from the specialist(s) participating, as they are in the best position to influence change in this model.

For example: Heart Failure episodes might involve a strategy of creating SNF protocols (low sodium diet, daily weights, trigger consult if weight increases by more than 5 lbs.). That approach would not be relevant for an orthopedic episode, but both are sufficiently specific that improvement can be made and clearly understood and documented.

Q12: What does it mean to be a Convener Participant?

A12: A Convener Participant is a type of Participant that brings together multiple downstream entities, referred to as “Episode Initiators.” A Convener Participant facilitates coordination among its Episode Initiators and bears and apportions financial risk under the Model. Convener Participants must enter into agreements with downstream Episode Initiators, which may be either Acute Care Hospitals (ACHs) and/or Physician Group Practices (PGPs), under which the ACH or PGP agrees to participate in BPCI Advanced and to comply with all of the applicable requirements under the Model.

Q13: What does it mean to be a Non-Convener Participant?

A13: A Non-Convener Participant is a Participant that must itself be an Episode Initiator. A Non-Convener Participant bears financial risk only on behalf of itself, and not on behalf of multiple downstream Episode Initiators.

Q14: What does it mean to be an Episode Initiator?

A14: An Episode Initiator is a Medicare-enrolled provider or supplier that can trigger a Clinical Episode under BPCI Advanced. In this Model, Episode Initiators are limited to PGPs and ACHs, including those ACHs where outpatient procedures included in the Clinical Episodes list are performed in hospital outpatient departments (HOPDs).

Q15: How will CMS determine when a Clinical Episode is triggered?

A15: Clinical Episodes are triggered by the submission of a claim for either an inpatient hospital stay (Anchor Stay) or an outpatient procedure at an ACH (Anchor Procedure) by an Episode Initiator.

Q16: When will a Medicare beneficiary be excluded from a Clinical Episode?

A16: A Medicare beneficiary entitled to benefits under Part A and enrolled under Part B for the entirety of a Clinical Episode on whose behalf an Episode Initiator submits a claim to Medicare FFS for the Anchor Stay or Anchor Procedure associated with the Clinical Episode for which a Participant has committed to be held accountable. The term BPCI Advanced Beneficiary specifically excludes: (1) Medicare beneficiaries covered under United Mine Workers or managed care plans (e.g., Medicare Advantage, Health Care Prepayment Plans, or cost-based health maintenance organizations); (2) beneficiaries eligible for Medicare on the basis of end-stage renal disease (ESRD); (3) Medicare beneficiaries for whom Medicare is not the primary payer; and (4) Medicare beneficiaries who die during the Anchor Stay or Anchor Procedure.

Q17: What data may Applicants request to help them prepare for their participation in BPCI Advanced?

A17: CMS will provide Applicants the opportunity to request certain summary beneficiary claims data and line-level beneficiary claims data prior to signing BPCI Advanced Model Participation Agreements. To receive the data, Applicants will have to complete a Data Request and Attestation (DRA) form during the application process specifying the requested data elements, as well as the time period for which such data are requested. Applicants must also specify the legal basis that justifies the disclosure of the requested claims data under the Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule, where indicated on the DRA. The DRA template form and further instructions can be downloaded from the CMS Innovation Center website: <https://innovation.cms.gov/initiatives/bpci-advanced>

Q18: What learning and technical assistance support will be offered to Applicants and Participants in BPCI Advanced?

A18: BPCI Advanced will offer Applicants and Participants a variety of learning opportunities to support their transformation needs with virtual, web-based learning and on-demand events and information. Learning events and materials will orient BPCI Advanced Participants to the model characteristics and compliance requirements. Online collaboration tools and web-based portals will facilitate knowledge sharing among Participants. The BPCI Advanced Team will also provide technical assistance by responding to questions submitted to the inbox: BPCIAdvanced@cms.hhs.gov.

Q19: How will this model be evaluated?

A19: Like all models tested by CMS, there will be a formal, independent evaluation using quantitative and qualitative data to assess the quality of care and changes in spending under BPCI Advanced.

Q20: Why is there no version of BPCI-Advanced that initiates with the post-acute period?

A20: During development of the next generation episode payment model, we sought to build upon the successes of the BPCI initiative Models 2 (includes inpatient stay) and 3 (initiates with post-acute services). We knew that the next generation episode payment model would require a well-developed risk adjusted prospective pricing mechanism, would be an Advanced APM, and, as such, would require payments be tied to quality. We also wanted model pricing to recognize and not penalize the efficiency achievements of current BPCI participants. Incorporating all of this into a pricing approach proved challenging. We concentrated our efforts on Clinical Episodes that include the inpatient stay. Finally, BPCI evaluation findings (see 3rd annual report) also suggested that in Model 3, there were significant shifts in

patient-mix for some of the clinical episodes. Findings raised the possibility that some of these patient-mix shifts may not be adequately captured by the claims data which the risk adjustment will rely on.

At this time, there are no plans for a model that initiates with delivery of post-acute services. CMMI continues to explore episode payment models for Post-Acute as well as other Medicare services and is always interested in stakeholder input. We also are interested in a model in the post-acute space that could support the IMPACT Act of 2014 goal of payment reform for post-acute services.

Q21: Are Post-Acute Care providers excluded from participating in BPCI Advanced?

A21: No, Post-Acute Care providers can participate as Convener Participants.

Q22: How is BPCI Advanced different from BPCI?

A22: BPCI Advanced introduces prospective pricing, simplified precedence rules, risk adjustment at both the provider and beneficiary level, and annual re-basing of Target Prices that will generate more accurate pricing. By having more accurate pricing up front, Participants will be better informed and are expected to participate in more episodes

Q23: Is BPCI Advanced an Advanced APM?

A23: Yes, BPCI Advanced meets the criteria to qualify as an Advanced APM. The first criterion is the model must require Participants to bear risk for monetary losses of more than a nominal amount under the model. In BPCI Advanced, Participants will be financially at risk for up to 20% percent of the final Target Price for each Clinical Episode in which they have selected to participate, which exceeds the minimum requirement (3 percent) for the benchmark-based standard under the Quality Payment Program. Second, the model must require Participants to use Certified Electronic Health Record Technology (CEHRT). In BPCI Advanced, Participants must attest to their use of CEHRT as a condition for participation in the Model. And third, payment under the model for covered professional services must be linked to quality measures comparable to Merit-Based Incentive Payment System (MIPS) quality measures In BPCI Advanced, payments under the Model will be adjusted based on performance on a number of quality measures comparable to MIPS quality measures.

Q24: How will the model affect beneficiary cost-sharing?

A24: Beneficiaries will have the same cost-sharing responsibility for services received from a Medicare provider participating in BPCI Advanced. Providers will continue to submit Medicare FFS claims for clinical services furnished to beneficiaries.

Financial Methodology

Q25: How will Target Prices be calculated by CMS?

A25: Using claims based historical data and risk adjustment models to account for variation in the Clinical Episode's standardized amounts, CMS will calculate a Benchmark Price. A 3% discount will be applied to the Benchmark Price to calculate the Target Price for each Clinical Episode for each Episode Initiator. During the initial years of the Model, the CMS Discount is 3 percent. However, CMS may make slight adjustments to this amount in future Model Years.

Q26: When will Target Prices be provided to Participants?

A26: BPCI Advanced Participants will receive preliminary Target Prices prior to the start of each Model Year.

Q27: How often will CMS make payments to BPCI Advanced Participants?

A27: Every six months, CMS will do a retrospective reconciliation comparing the total of actual non-excluded Medicare Fee for Services expenditures for each Clinical Episode to the final Target Price for that Clinical Episode. Clinical Episodes will be reconciled based on the Performance Period during which the Clinical Episode was triggered, which is determined by the start of the Anchor Stay or Anchor Procedure.

Q28: How is the financial methodology different from BPCI?

A28: Specifically, in BPCI Advanced preliminary Target Prices are calculated and distributed to Participants prior to the first Performance Period of each Model Year. Further, in BPCI Advanced, the CMS Discount is 3 percent, reconciliation will happen semi-annually, and the risk cap is applied to Clinical Episodes at the 1st and 99th percentile of spending in both the performance period and the baseline period.

Q29: Why does BPCI Advanced set the level of risk exposure to 20% of the Target Price (stop-loss protection), inclusive of all spending during the episode, rather than limiting risk for PGP's to the 8% revenue-based nominal amount standard or the 3% expected expenditure standard?

A29: BPCI Advanced maintains the same level of risk exposure as its predecessor bundled payments program, BPCI, because it appropriately balances expected gains given overall spending during the Clinical Episode. Due to the unintended incentives it may create, CMS did not opt to implement various levels of risk based on the type of participant. CMS believes that options exist for PGPs to mitigate risk while still allowing them to qualify for the Advanced APM incentive payment: 1) Participation under a Convener Participant or 2) Participation as an NPRA Sharing Partner. Regardless, 8% revenue-based nominal amount standard was extended only through performance year 2020, which would lead to insignificant risk in performance years 2021 and beyond.

Quality Measures

Q30: How will BPCI Advanced measure the improvement in the quality of care for and experience of care by patients?

A30: This model aims to improve the quality and experience of care that beneficiaries receive and to decrease expenditures. In the first two model years, Participants will be responsible for seven claims-based quality measures, as applicable. In future model years, Participants may be responsible for additional claims-based quality measures or may have to report on additional non-claims-based quality measures.

Q31: How will performance on the quality measures impact payment in BPCI Advanced?

A31: In BPCI Advanced, payment will be linked to quality using a pay-for-performance methodology based on a Participant's performance on specific quality measures, measured across the Participant and, if applicable, all of the Participant's downstream providers and suppliers. A quality performance raw score

will be calculated for each quality measure at the Clinical Episode level and rolled up to the Episode Initiator level. These scores will be scaled, benchmarked, and combined as a volume-weighted average to generate a Composite Quality Score (CQS) and associated CQS Adjustment Amount for each Clinical Episode attributed to an Episode Initiator. Relative performance will be used to adjust each Positive Total Reconciliation Amount and each Negative Total Reconciliation Amount, if any, by the applicable CQS Adjustment Amount. The resulting Adjusted Positive Total Reconciliation Amount or Adjusted Negative Total Reconciliation Amount will be used in calculating the NPRA payment amount to be paid by CMS or Repayment Amount owed by the Participant to CMS. For the first two Model Years, the amount by which any Positive Total Reconciliation Amount or Negative Total Reconciliation Amount may be adjusted by the CQS Adjustment Amount is capped at 10 percent.

Waivers

Q32: Will there be any Medicare Payment Policy Waivers offered to BPCI Advanced Participants?

A32: Separate from any fraud and abuse waivers, CMS intends to offer to BPCI Advanced Participants conditional waivers of certain Medicare payment rules related to the 3-Day SNF Rule, Telehealth, and post-discharge home visits services.

Overlap with Other CMS Models

Q33: Can entities participate in both BPCI Advanced and other CMS Innovation Center models?

A33: Rules regarding Medicare provider's participation in BPCI Advanced and other CMS initiatives, models, or demonstrations are outlined as follows:

- BPCI Advanced Participants that are also participating in the Comprehensive Care for Joint Replacement (CJR) will not be permitted to participate in BPCI Advanced for the Clinical Episodes included in CJR.
- Current Participants in the Oncology Care Model (OCM) will be allowed to participate in BPCI Advanced and BPCI Advanced will run concurrently with OCM. This means that one model will not take precedence over the other; rather, CMS will adjust OCM performance-based payments for BPCI Advanced NPRA payments based on the proportion of the BPCI Advanced Clinical Episode that overlaps with the OCM episode.
- Clinical Episodes in BPCI Advanced will be excluded for Medicare Beneficiaries aligned to –
 - Next Generation Accountable Care Organizations (ACOs)
 - ACOs participating in the Vermont Medicare ACO Initiative
 - Track 3 Medicare Shared Savings Programs ACOs
 - Comprehensive End Stage Renal Disease Care (CEC) Seamless Care Organizations with downside risk
- For additional details on how the overlap of the various CMS Models will be addressed, please refer to the BPCI Advanced Request for Applications (RFA) available on the CMS Innovation Center website - <https://innovation.cms.gov/initiatives/bpci-advanced>

Q34: How will precedence rules be applied between the various episode payment models?

A34: Clinical Episodes triggered under the Comprehensive Care for Joint Replacement (CJR) model will take precedence over Clinical Episodes in BPCI Advanced.

For a comparison table of the various CMS Bundled Payment Models, please visit the CMS Innovation Center website: <https://innovation.cms.gov/initiatives/bpci-advanced>.

How to Contact us / More Information

Q35: How can I contact the BPCI Advanced Team if I have additional questions?

A35: You can direct inquiries to BPCIAdvanced@cms.hhs.gov.

Q36: Where can I find more details about BPCI Advanced?

A36: The RFA document provides more detail about the Model and its requirements. You can download the RFA from the CMS Innovation website at: <https://innovation.cms.gov/initiatives/bpci-advanced>.

Q37: What resources are available to Applicants to guide them in the Application process for BPCI Advanced?

A37: CMS will make available to the public a variety of materials to educate them on the new model. Currently available on the BPCI Advanced webpage at the CMS Innovation Center website (<https://innovation.cms.gov/initiatives/bpci-advanced>) is timeline with the different milestones for the launch of the model; a Fact Sheet; an Application Process Handout; and a Comparison Table of CMMI Bundled Payment Models. In the very near future we will also post two webcasts, available on demand that will present a “Model Overview” and cover the “Application Process”. We encourage the public to visit the BPCI Advanced website on a regular basis for updates on the model and the announcement of upcoming deadlines.