
BUNDLED PAYMENTS FOR CARE IMPROVEMENT APPLICATION MODEL 3

Please complete the Bundled Payments for Care Improvement application for Model 3 as instructed. All documents must clearly identify the Bundled Payments for Care Improvement applicant. Throughout this application form, you will be asked to provide various documents, which you should attach as separate files. In this application form, “you” or “your” refers to the applicant submitting this application.

CMS may verify your organization’s eligibility and readiness to participate in the Bundled Payments for Care Improvement initiative and compliance with Medicare requirements throughout the application process, as well as at any time prior to and after the start of the performance period.

CMS considers all information submitted in the Letter of Intent and Application as exempt under the Freedom of Information Act. Therefore, CMS will not release this information to the general public. If you are selected to participate in the Bundled Payments for Care Improvement initiative, CMS may release publicly available demographic information (e.g. name, location, etc.) for informational purposes.

CMS may request modifications to your application before the final award selection process, including, but not limited to, adjustments to the episode of care definition, target price and level of discount, quality measures and/or gainsharing methodology.

INSTRUCTIONS FOR APPLICATION SUBMISSION

This application is provided to you in a fillable PDF format. Please complete it, save it, and submit it in a searchable PDF format to the email box listed below. No handwritten or scanned applications will be accepted. Please submit all appendices in a searchable digital format (e.g., Microsoft Word document, Microsoft Excel spreadsheet, searchable PDF). Submit this application form and all appendices via email, with each attachment encrypted. Applications and appendices will only be accepted via email. All applications must be received by 5:00 pm EDT March 15, 2012, and sent to BundledPayments@cms.hhs.gov.

Attachments

Please submit all narrative appendices in a searchable digital format, such as a searchable PDF or a Microsoft Word document. Please use the following format in the header of each document as well as for the file name:

Header: Applicant Organization Name_SectionXX_QuestionXX

File Name: Applicant Organization Name_SectionXX_QuestionXX

For example, using “Innovation Center” as the applicant organization:use InnovationCenter_A_8 in both the header and the file name for Section A, question 8.

In all instances when a spreadsheet appendix is requested, please use the pre-formatted Microsoft Excel table shells available on the Bundled Payments for Care Improvement website: <http://www.innovations.cms.gov/areas-of-focus/patient-care-models/bundled-payments-for-care-improvement.html>. Please include the applicant organization name in the file name, and indicate the section and question numbers in the worksheet name.

Worksheet Name: Table_SectionXX_QuestionXX

File Name: Applicant Organization Name_Application_Tables

For example, using “Innovation Center” as the applicant organization: use InnovationCenter_Application_Tables in the file name; and the first worksheet describing participants in the application would be titled Table_A_6.

If your application requires multiple tables for any single question, such as separate tables for each episode definition, please indicate the difference between these tables in the worksheet name (e.g., Table_B_3_hip, Table_B_3_knee).

Certification and Digital Signatures

In place of a written signature, please use a digital signature with a third-party certificate. All digital signatures must be third-party certified for verification purposes. A scanned written signature pasted into the signature box will not be accepted. If you cannot provide a digital signature with a third-party certificate, please attach a scanned copy of the signed certification section of your application (Section F).

Email Encryption

Attachments sent by email, including the application form and all appendices, must be encrypted. You must send the encryption key in a **separate email** from the application and appendices to:

BundledPayments@cms.hhs.gov. Encryption must comply with AES 256 encryption guidelines.

File Size

- The total application package, including the application form and all attachments and appendices, must be **no more than 90 pages in length**, excluding letters of agreement from participating providers.
- The required narrative appendices described in the application below, must be double-spaced, using standard letter-sized pages, one-inch margins, 12-point font size, and Times New Roman font or a similarly sized font.
- Facilitator conveners are allowed an additional 10 pages per proposed awardee for appendices, beyond the additional copies of sections A and E for each proposed awardee.
- The required spreadsheet attachments described in the application should include data cells free from leading zeros, dashes, or other placeholder content. To submit an application, the encrypted email including the application form and all attachments and appendices must be **no more than 25 MB in size**. The BundledPayments@cms.hhs.gov mailbox will not receive emails larger than this. If you submit your attachments as a compressed zip file, the compressed zip file must be less than 25 MB. The uncompressed files that make up the compressed file must be less than 100MB total.

How to Fill Out this Application

With the exception of facilitator conveners, applicants should complete this application form using information about the proposed awardee. Many of the questions in this application require information about the health care providers that will participate in the initiative. For the purposes of this initiative, these providers fall into two categories:

1. Bundled Payment physicians/practitioners who are expected to participate, including suppliers who may be separately paid by Medicare for their professional services (e.g., physicians, nurse practitioners, physician assistants, physical therapists); and
2. Bundled Payment participating organizations, including all other providers or suppliers with whom the awardee plans to partner (e.g., hospitals, skilled nursing facilities, inpatient rehabilitation facilities, home health agencies).

For questions marked with one asterisk, applicants should answer the question in the application form using information about the proposed awardee, and then attach an appendix in a searchable digital format answering these marked questions for each Bundled Payment participating organization the proposed awardee is bringing together in this application. For questions marked with two asterisks, applicants should attach an appendix in a searchable digital format answering these marked questions for all providers who are expected to participate, including Bundled Payment participating organizations and Bundled Payment physicians/practitioners.

Facilitator conveners should complete the application in a manner that summarizes information about the proposed overarching model, with the following exceptions:

- Complete Sections A and E with information about the convener organization, and attach separate appendices for Sections A and E for each proposed awardee.
- Complete separate Section C tables for each proposed awardee.

Wherever possible, conveners are expected to standardize the proposed model. If the answer to an application question deviates significantly from the overarching model, you should highlight the differences in the text of the application form. For example, a facilitator convener completing the application on behalf of twenty skilled nursing facilities would respond to the questions in the application form directly for Sections B, C, and D, denoting in the responses any significant deviations from the overarching model. The facilitator convener would attach an appendix with the responses for Sections A and E for each of the twenty skilled nursing facilities, with questions grouped by organization (i.e., all of the responses for skilled nursing facility one, followed by all of the responses for skilled nursing facility two, etc.).

Questions

If you have any questions regarding the Bundled Payments for Care Improvement initiative or application process, please email your questions to: BundledPayments@cms.hhs.gov. Responses to questions will be shared publicly to ensure that all applicants have access to clarifying information regarding the initiative and the application process. Questions and answers will be posted on the Bundled Payments for Care Improvement website, <http://www.innovations.cms.gov/areas-of-focus/patient-care-models/bundled-payments-for-care-improvement.html>.

SECTION A: APPLICANT ORGANIZATION INFORMATION

Facilitator conveners should complete this section with information about the convener organization and attach separate appendices for each proposed awardee for this section.

1. Applicant organization trade name

Applicant organization trade name:

"Doing Business As" if different from applicant organization trade name:

2. Applicant contact person at applicant organization:

Name:

Title:

Street Address:

Address line 2:

City:

State:

Zip code:

Telephone:

Fax:

Email:

3. Type of Applicant organization (check only one):

- Acute care hospital
 - Hospital system
 - Physician group practice
 - Network of individual practices (e.g., IPA)
 - Partnership of hospital system(s) and medical practices, (e.g., Physician-Hospital Organizations)
 - Integrated delivery system
 - Skilled nursing facility
 - Inpatient rehabilitation facility
 - Long-term care hospital
 - Home Health Agency
 - Convener of health care providers, please describe
 - Other, please describe
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4. Please describe if you are or plan to become an Accountable Care Organization.¹

¹ Under the theory that healthcare transformation requires some synergy between new payment methods and care improvement strategies, and the premise that the Bundled Payments for Care Improvement initiative is not a shared savings program with Medicare, CMS encourages entities to participate in the Bundled Payments for Care Improvement initiative and the Medicare Shared Savings Program, the Innovation Center Pioneer ACO and medical home initiatives, and other shared savings initiatives. However, CMS reserves the right to potentially subject these entities to additional requirements, modify program parameters, or ultimately exclude participation in multiple programs based on a number of factors, including the capacity to avoid counting savings twice in interacting programs and to conduct a valid evaluation of interventions.

5. Please indicate the role for which you are applying (see the RFA for more information about these roles):

- Risk-bearing awardee (non-convener)
- Risk-bearing awardee convener
- Facilitator convener

If facilitator convener, please designate the proposed awardee(s) in addition to attaching separate appendices for this section for each proposed awardee:

6. Please complete the Microsoft Excel table (Table A 6) identifying the Bundled Payment participating organizations you expect to partner with in this application, including the name and Medicare provider or supplier status for each Bundled Payment participating organization, and national provider identifier (NPI), tax identification number (TIN), and/or CMS certification number (CCN) for each organization, as applicable.

7. Provide a brief summary of your organization, the Bundled Payment participating organizations (if any), and the Bundled Payment physicians/practitioners you expect to partner with in this application.

For example:

- if you are a long-term care hospital, number of beds
- if you are a large multi-organization entity, describe the system
- region/geography
- when your organization was established

Enter response to #7 on top of next page 

Type response to #7 here:

8. Please attach an executive summary of your application. Include a summary of your approach to redesigning care to maximize coordination, patient-centeredness, efficiency, and high quality health care through accountability for an episode of care. *(Suggested: two pages, double-spaced)*

SECTION B: MODEL DESIGN

Model 3: Retrospective Post-Acute Care Only

Entities eligible to be awardees:	<ul style="list-style-type: none"> • Physician group practices. • Acute care hospitals. • Health systems. • Long term care hospitals (LTCH). • Inpatient rehabilitation facilities (IRF). • Skilled nursing facility (SNF). • Home health agency (HHA). • Physician hospital organizations. • Conveners of participating health care providers.
Episode definition	
Criteria for beneficiary inclusion in episode:	<ul style="list-style-type: none"> • Organized around reason for hospitalization (MS-DRG). • <i>Exact criteria to be proposed.</i>
Episode anchor:	<ul style="list-style-type: none"> • Initiation of SNF, IRF, HHA, or LTCH services with awardee or Bundled Payment participating organization within 30 days following discharge from an acute care inpatient hospital for an included MS-DRG.
End of episode:	<ul style="list-style-type: none"> • Minimum 30 days following the episode anchor. • <i>Exact duration to be proposed.</i>
Types of services included in bundle	<ul style="list-style-type: none"> • Physicians' services. • Inpatient hospital readmission services. • Long term care hospital services (LTCH). • Inpatient rehabilitation facility services (IRF). • Skilled nursing facility services (SNF). • Home health agency services (HHA). • Hospital outpatient services. • Independent outpatient therapy services. • Clinical laboratory services. • Durable medical equipment. • Part B drugs.
Payment from CMS to providers:	<ul style="list-style-type: none"> • Traditional FFS (ultimate reconciliation with predetermined target price).
Expected discount provided to Medicare:	<ul style="list-style-type: none"> • <i>To be proposed.</i>
Reconciliation, spending calculation, disbursement, and post-episode monitoring:	<ul style="list-style-type: none"> • <u>Episode reconciliation</u>: If aggregate FFS payments for included services during the episode are less than the predetermined target price, Medicare will pay the difference to awardee. If aggregate FFS payments for included services during the episode exceed the predetermined target price, awardee must repay Medicare. • <u>Post-episode monitoring</u>: Medicare Part A and Part B payment for included beneficiaries during the post-episode monitoring period that exceeds trended historical aggregate Part A and Part B payment beyond a risk threshold will be paid by the awardee to Medicare.
Post-episode monitoring period:	<ul style="list-style-type: none"> • 30 days following the end of the episode.
Gainsharing; Other payment arrangements between Bundled Payment participation organizations:	<ul style="list-style-type: none"> • <i>To be proposed.</i> • <i>To be proposed</i>
Quality measures:	<ul style="list-style-type: none"> • <i>To be proposed, but a standardized set will ultimately be required and agreed upon by CMS and awardee. These measures will be aligned with other CMS programs to the greatest extent possible.</i>

1. Are you or any of your Bundled Payment participating organizations interested in participating in multiple models of the Bundled Payments for Care Improvement initiative?

Yes No

If so, please fill out the Microsoft Excel table (Table B 1) indicating the specifics of your interest.

Episode Definition

2. Please complete the Microsoft Excel table (Table B 2) defining the MS-DRGs you propose to use to define the episode of care for your participation in this initiative. Indicate the volume of these MS-DRGs for you and each Bundled Payment participating organization experienced in calendar years 2008 and 2009. If you would like to propose multiple episode definitions to be included in this application, please complete a separate table for each episode definition.
3. Please complete the Microsoft Excel table (Table B 3) identifying the MS-DRGs you propose to use to exclude beneficiary readmissions to an acute care hospital from your episode of care. If a beneficiary eligible under your episode definition is readmitted to an acute care hospital during your defined episode window with an agreed-upon excluded MS-DRG, all Part A payment for the period of that readmission would be excluded from the episode reconciliation

Please describe your rationale for why each of these readmissions should be excluded, given your proposed episode definition.

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4. Please complete the Microsoft Excel table (Table B 4) identifying the principal ICD-9 diagnosis codes you propose to use to exclude unrelated Part B services from the episode. If a beneficiary eligible under your episode definition receives Part B services for an excluded principal ICD-9 diagnosis code between the episode anchor and the end of the episode, those Part B payments would be excluded from the episode reconciliation.

Please describe your rationale for why each of these services should be excluded when furnished for included beneficiaries with the specified principal ICD-9 diagnosis codes, given your proposed episode definition.

Enter response to #4 on next page 

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5. Define the end of the episode of care. This must be at least 30 days after the beginning of the episode (episode anchor), which is the initiation of post-acute care services (i.e., SNF, IRF, HHA, LTCH) with the awardee or a Bundled Payment participating organization within 30 days after discharge from an acute care inpatient hospital for included MS-DRGs.

Provider Engagement

6. Please attach letters of agreement from Bundled Payment physicians/practitioners or physician/practitioner representatives who may be separately paid by Medicare for their professional services indicating their willingness to participate in this model, including briefly describing any gainsharing agreements, if applicable.

How many physicians/practitioners are represented in these letters of agreement? _____

Estimate the proportion of physicians/practitioners regularly practicing in the care settings associated with this application represented in these letters of agreement. _____

7. Please attach letters of agreement from Bundled Payment participating organizations indicating their willingness to participate in this initiative. These organizations may include acute care hospitals, long-term care hospitals, inpatient rehabilitation facilities, skilled nursing facilities, home health agencies, or others.

How many organizations are represented in these letters of agreement? _____

8. Please attach written agreements from Bundled Payment participating organizations in this application demonstrating agreement that the awardee shall coordinate any distribution of gains resulting from care improvement under this initiative.
9. Describe your plan to disclose to physicians/practitioners practicing in your care settings or providing care to beneficiaries who will be eligible for this initiative that the post-acute care organization(s) associated with this application are participating in this initiative.

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10. Describe your plan to obtain widespread endorsement and engagement in this initiative by physicians/practitioners and other providers. Describe your plan to retain Bundled Payment physicians/practitioners and Bundled Payment participating organizations in care redesign activities related to this initiative.

Care Improvement

11. Describe the aspects of care that will be redesigned in order to achieve Bundled Payments for Care Improvement outcomes, including the areas of promoting evidence-based medicine, beneficiary/caregiver engagement, coordination of care, and care transitions. Include specific mechanisms and actions. *

Continue with response to #11 on next page 

Continue with #11 response here:

12. Describe how you and your Bundled Payment participating organizations plan to redesign processes to improve care in the areas listed in question B 11 and in others. *

13. Describe your and your Bundled Payment participating organizations' capacity and readiness to improve care. *

14. Describe how your and your Bundled Payment participating organizations' plans to conduct routine assessment of beneficiary, caregiver, and/or family experience of care will enable you to improve care throughout your participation in this initiative.*

Gainsharing

These questions refer to the distribution of any gains resulting from care improvement under this initiative, including any payments from episode reconciliation.

15. Does your proposal include gainsharing between or among your organization, other Bundled Payment participating organizations, and/or physicians/practitioners?

Yes No

If yes, please provide a high-level summary of your and your Bundled Payment participating organizations' gainsharing experience and methodology, highlighting any substantial differences across participants. Please provide more detail in later questions in this section. Facilitator conveners should summarize the overarching model methodology, highlighting any deviation from that model. *

16. Describe your and your Bundled Payment participating organizations' prior experience with any gainsharing or pay-for-performance initiatives, including with Medicare, Medicaid, or commercial purchasers. *

17. Describe how best practices and norms will be used to determine gainsharing payments, including the distribution of payments from episode reconciliation. *

18. Describe how gainsharing will support care improvement, and specify proposed safeguards and quality control mechanisms to ensure that medically necessary care is not reduced to achieve savings. *

19. Describe the methodology for sharing gains among Bundled Payment participating organizations and physicians/practitioners, including with whom gains will be shared, the proportion of gains to be shared with participating organizations and with physicians/practitioners, the mechanism for calculating gains, the timing and periodicity of payment determinations, and the timing and method of distributing gains. Specify your plan to ensure that gainsharing payments to physicians/practitioners do not exceed 50% of the amount normally paid by Medicare to physicians/practitioners for the episodes included in the initiative. Describe how the allocation of gains will incorporate quality, patient safety, patient experience, and efficiency measures. *

20. Describe the eligibility requirements, such as quality thresholds and quality improvement requirements, for physicians/practices to participate in gainsharing. Include a discussion of how a physician/practitioner may become eligible or ineligible to participate in gainsharing. *

SECTION C: FINANCIAL MODEL

1. Please complete the Microsoft Excel table (Table C 1) indicating historical payments for your proposed episode and a proposed target price for the episode for this initiative. If you would like to propose multiple episode definitions to be included in this application, please complete a separate table for each episode definition. Facilitator conveners should complete separate tables for proposed awardees. Please use data from calendar year 2009 for your historical payments, and propose a target price in calendar year 2009 dollars. CMS will trend proposed target prices to calendar year 2012 dollars in our application review and for purposes of final agreements with awardees.

The episode anchor is the initiation of post-acute care services at a skilled nursing facility, inpatient rehabilitation facility, long-term care hospital, or with a home health agency within 30 days of beneficiary discharge from an acute care hospital stay for an agreed-upon MS-DRG. All beneficiaries who initiate services with an awardee or a Bundled Payment participating organization will be included in the Model 3 episode. The episode will begin on the date eligible post-acute services are initiated with an awardee or Bundled Payment participating organization and continue through a minimum of 30 days following initiation of the episode. The episode will include all related Part A and Part B services furnished during the episode period, including all Part A services for related readmissions and all related Part B services for any readmissions.

This table should:

- list the total Part A and Part B payment for the post-discharge period, by service type for the proposed episode;
 - indicate the volume of episodes and average price per episode in calendar year 2009; and
 - propose a total target price for the episode, incorporating a discount on the historical payment for episodes.
2. Please complete the Microsoft Excel table (Table C 2) summarizing your proposed episode and target price with a brief narrative description. If you are proposing multiple episode definitions, please complete a separate table for each episode definition. Facilitator conveners should complete separate tables for proposed awardees.

3. Are you proposing a risk adjustment methodology? Yes No

If so, please describe your methodology with sufficient detail for replication, including formulas, data sources, years of data used, risk adjustment factor for your calendar year 2009 population, plans for updating risk adjustment on a yearly basis based on new information, etc.

If you are proposing multiple episode definitions, please describe your risk adjustment methodology for each with sufficient detail for replication, including formulas, data sources, years of data used, risk adjustment factors, plans for updating risk adjustment on a yearly basis based on new information, etc.

Continue with #3 on next page 

#3 Response continued here:

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4. Describe the data you used to analyze the historical payments for your defined episode and to estimate a target price if other than the data provided by CMS. The data used to construct a target price for the defined episode must be presented in a way that allows for CMS analysis.

5. How will your and your Bundled Payment participating organizations' planned care improvement interventions described in Section B result in improved efficiency, cost savings, and/or reduced Medicare spending? *

6. Describe any other cost-saving approaches you and your Bundled Payment participating organizations plan to use, such as protocols for discharge, formularies, or other approaches.*

SECTION D: QUALITY OF CARE AND PATIENT CENTEREDNESS

Quality Improvement

1. How will your and your Bundled Payment participating organizations' planned care improvement interventions described in Section B result in improved quality and patient experience of care? Describe specific mechanisms and actions that will lead to quality improvement. *

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2. Please complete the Microsoft Excel table (Table D 2) proposing measures to assess quality performance, patient functionality, patient and caregiver experience, care coordination and transitions, and patient safety. Include the source and evidence of the reliability of each measure (e.g., endorsed by the National Quality Forum), as well as proposed descriptions of numerators and denominators.

3. Describe your, your Bundled Payment participating organizations', and your Bundled Payment participating physicians'/practitioners' experience reporting quality measures.**

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4. If any acute care hospitals are participating in your application, please describe your and your Bundled Payment participating organizations' experience with the Medicare Hospital Inpatient Quality Reporting (Hospital IQR) Program and the Hospital Outpatient Quality Data Reporting Program (HOP QDRP). Include whether all organizations have received full IPPS (since at least FY 2007) and OPSS (since at least CY 2009) annual payment updates for reporting measures, and a description of achievements in quality improvement. Describe your and your Bundled Payment participating organizations' past performance with the Hospital IQR program and the HOP QDRP. CMS expects that awardees and any Bundled Payment participating organization that are acute care hospitals will maintain or improve performance on the measures reported through the Hospital IQR program and the HOP QDRP; decreased performance during the period of this initiative may result in termination. *

5. Please describe your and your Bundled Payment participating organizations' experience with other mandatory CMS quality measurement and improvement initiatives, such as Nursing Home Compare, as applicable. Include a description of past performance and achievements in quality improvement. CMS expects that awardees and Bundled Payment participating organizations will maintain or improve their performance on the measures reported in any mandatory CMS quality measurement and improvement initiatives; decreased performance during the period of this initiative may result in termination. *

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6. Please describe your and your Bundled Payment participating organizations' experience with voluntary Medicare quality measurement and improvement initiatives, including the Physicians Quality Reporting System (PQRS). Include a description of past performance and achievements in quality improvement. Please describe the extent and percentage of physicians/practitioners who are included in these programs. Please include whether physicians not currently participating in PQRS will participate for the duration of the project and discuss plans to encourage physician participation if selected. Physician participation and performance in PQRS should remain steady or improve during this initiative. If participation or performance shows a marked decline, CMS may terminate the agreement. **

7. Please describe your and your Bundled Payment participating organizations' experience using health information technology (HIT) to measure and improve quality of care, enable care redesign, and coordinate care across multiple providers. *

8. Please add any additional comments about your and your Bundled Payment participating organizations' participation in the initiatives listed here, and/or describe your participation in quality improvement initiatives not listed here, including HHS or private sector care improvement, quality improvement, and care coordination activities. *

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9. Please describe your and your Bundled Payment participating organizations' experience with assessment tools, including the Continuity Assessment Record and Evaluation (CARE) tool (or comparable tool). Please describe how you plan to use such a tool during the initiative. *

Quality Assurance

10. Describe your and your Bundled Payment participating organizations' internal quality assurance and continuous quality improvement processes and strategies. Include physician and other practitioner standards for quality, quality improvement, patient experience of care, and care coordination. How would your participation in this initiative fit with your existing quality assurance and continuous quality improvement processes, standards, and strategies? *

11. Describe the internal monitoring you and your Bundled Payment participating organizations will use to ensure clinical quality, patient experience of care, and appropriateness of quality throughout your participation in this initiative. Include plans to monitor: *

- inappropriate reductions in beneficiary care,
- clinical and functional outcomes in each Bundled Payment participating organization, and
- clinical and functional outcomes across the course of an episode of care.

12. Describe how your organization and your Bundled Payment participating organizations will use this quality information to continuously monitor and improve the project design, resolve any identified deficiencies, and constantly improve beneficiary care and satisfaction. *

13. Describe a detailed plan for implementing your and your Bundled Payment participating organizations' proposed quality assurance procedures, with a description of what aspects are already in use and what steps would be needed to implement new measures. Describe the feasibility of this plan based on ongoing operations and past experience. *

14. Please complete the Microsoft Excel table (Table D 14) describing the certifications and accreditations that you and your Bundled Payment participating organizations have earned.
15. Please describe the role of beneficiaries, physicians, hospital staff, and post-acute care staff on your and your Bundled Payment participating organizations' quality assurance and quality improvement committees. *

16. Summarize the results from any specific quality assurance studies you or your Bundled Payment participating organizations have conducted for the target patient population(s) in your proposal. *

Beneficiary Protections

17. Please describe your and your Bundled Payment participating organizations' plan for beneficiary protections beyond those components outlined above. *

18. Please describe your and your Bundled Payment participating organizations' plan to ensure beneficiary freedom of choice of providers. *

19. Please describe your plan for beneficiary notification of your participation in this initiative.

20. Please describe your plan for beneficiary engagement and education.

SECTION E: ORGANIZATIONAL CAPABILITIES, PRIOR EXPERIENCE, AND READINESS

Facilitator conveners should complete this section with summary information about the convener organization, and attach separate appendices for each proposed awardee and any Bundled Payment participating organizations for this section.

Financial Arrangements

1. If your application is selected, you or the proposed awardee must agree to accept some financial risk for participating in the initiative. First, the awardee must repay Medicare for expenditures for the episode above the agreed-upon episode target price. Second, CMS or its contractor will monitor and measure care provided to included beneficiaries during a post-episode monitoring period of 30 days following the end of the episode. Aggregate Medicare Part A and Part B expenditures for included beneficiaries during the post-episode monitoring period will be compared to a trended baseline historical payment, which will include a risk threshold. If spending exceeds the risk threshold, the awardee must pay Medicare for the excess.

Please attach a letter of commitment from you or the proposed awardees (in the case of facilitator conveners) ensuring the awardee's ability to bear the financial risk associated with this initiative.

Convener awardees will be required to provide an irrevocable line of credit executable by CMS or a similarly enforceable mechanism for the total amount of potential financial liability for the performance period of this initiative, based on a methodology to be agreed upon prior to final agreement. If you are applying as a convener awardee, please describe all financial arrangements with Bundled Payment participating organizations and Bundled Payment physicians/practitioners that will allow you to bear financial risk, and describe the mechanisms that will allow you to repay Medicare if need be.

2. Please describe any financial arrangements with Bundled Payment participating organizations and Bundled Payment physicians/practitioners to share or delegate the financial risk associated with this initiative. Facilitator conveners should describe the financial arrangements between each proposed awardee and its Bundled Payment participating organizations and Bundled Payment physicians/practitioners.


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3. Describe the financial and logistical mechanisms for distributing any gains resulting from care improvement under this initiative. Facilitator conveners should describe these financial mechanisms between each proposed awardee and its Bundled Payment participating organizations and Bundled Payment physicians/practitioners.

4. If you are applying as a facilitator convener, please describe all financial arrangements between you and each proposed awardee.

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5. Please complete the Microsoft Excel table (Table E 5) detailing the percent of your and your Bundled Payment participating organizations' (or the proposed awardees' in the case of facilitator conveners) total revenues in calendar year 2010 from Medicare FFS payments, Medicare Advantage, commercial health plans, Medicaid, self-pay patients, and any additional sources. Facilitator conveners should complete a separate spreadsheet for each proposed awardee. *

History and Experience

6. Describe your history with the individual Bundled Payment participating organizations identified in question A 6, including prior business relationships and collaboration on care improvement initiatives.

Continue response to #6 on next page 

Continue response to #6 here:

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7. Describe your and your Bundled Payment participating organizations' geography, years of operation, and market share for delivery of services related to your proposed episode. Indicate whether the market share for delivery of services related to your proposed episode has changed in the past five years and/or is expected to change during the term of this initiative (e.g., major additions or expansions of particular services). *

8. Describe your and your Bundled Payment participating organizations' experience with care redesign efforts across care settings, and experience achieving medical expenditure targets in such arrangements. *

9. Describe any partnerships that you, your Bundled Payment participating organizations, and the physicians/practitioners you expect to participate, have entered into with state Medicaid programs, private payers, or multi-payer collaboratives to redesign care. **

10. Describe your and your Bundled Payment participating organizations' participation in Medicare demonstration programs and Innovation Center initiatives. Include your application status if you or your Bundled Payment participating organizations have applied to participate in a Medicare demonstration program and/or an Innovation Center initiative but do not know your participation status as of the day you submit this application. *

11. Describe how participation in this initiative will relate to any other care improvement efforts you are undertaking or participating in. Include all Medicare, Medicaid, and private sector bundled payment, ACO, medical home, or other relevant initiatives.

12. Describe how your proposal differs from any other episode-based payment initiatives in which you or your Bundled Payment participating organizations participate. *

13. Describe your organization's and your Bundled Payment participating organizations' governing bodies, including a list of the members and positions of each governing body. Describe whether there is meaningful representation from consumer advocates, Medicare beneficiaries, and all participating organization types. *

14. Describe your organization's experience with process improvement efforts such as Six Sigma, Lean Enterprise, or other efforts.

Readiness and Partnerships

15. Please describe how participation in this initiative relates to your overall strategic planning. For convener applicants, please include the value added by your participation with the providers you are convening.

16. Are any private purchasers or payers interested in or planning to participate in this application?

Yes No

If so, please list them here and describe the nature of their participation.

17. What percentage of the eligible hospitals and professionals in your organization, your Bundled Payment participating organizations, and the physicians/practitioners you expect to participate will meet the standards for meaningful use of electronic health records in order to receive incentive payments by the end of 2012? * _____

18. Describe how your governing body will conduct oversight of your participation in this initiative.

19. List the 5–10 key personnel for your participation in this initiative, such as the Chief Operating Officer, Chief Medical Officer, Chief Quality Officer, etc. Identify the point person for this initiative. Attach information about these personnel, including educational background, professional experience, special qualifications, whether the person is an employee of yours (or the proposed awardee, as applicable) or a proposed subcontractor or consultant.

20. Describe how the key personnel will be integrated organizationally, their proposed responsibilities, and the percentage of their time to be dedicated to this project. Describe the financial resources that will be made available to key personnel to implement this initiative and improve care processes.

21. Describe the HIT resources you and your Bundled Payment participating organizations will use to implement this initiative. Include availability of and access to systems and facilities, including personnel, computer systems, and technical equipment. Include information on what types of IT vendors/software you use, if applicable, and discuss whether any components of your participation in this initiative (e.g., tracking beneficiary care across care settings; distributing gains to participants) will require additional hardware and software beyond current infrastructure. *

22. Describe any new data needs you will have once this initiative begins. Identify CMS data that is not regularly available to you that would benefit your participation.

23. Please attach a detailed implementation plan including:

- milestones, how tasks will be sequenced, and in what timeframe;
- the management control and coordination tools that will be used to ensure the timely and successful conduct of this project;
- descriptions of the processes in place to handle tasks occurring simultaneously;
- resource allocations (e.g., staff, systems, related departments);
- designation of the tasks to be performed by an employee, subcontractor, or consultant; and
- evidence of the feasibility of this plan based on your ongoing operations and past experience.

(Suggested: two pages, double-spaced)

24. Discuss how your implementation plan and model design allow for rapid scaling and/or replication at other care sites if this program is successful

25. A key component of the Bundled Payments for Care Improvement initiative will be the learning networks, including technical assistance for awardees and a wide range of peer-to-peer learning opportunities. Describe your past experience with learning network activities and the types of learning network activities you plan to engage in as part of this initiative, such as participation in webinars, presenting in webinars, hosting site visits at your care settings, and sharing processes and lessons learned about redesigning care through case studies or presentations.

SECTION F: CERTIFICATION

I certify that all information and statements made in this application are true, complete, and current to the best of my knowledge and belief, and are made in good faith.

Signature of CEO/President/Executive Director:

Name of CEO/President/Executive Director:

Organization Name:

Date:
