Top Strategies and Pitfalls to Avoid in Achieving Multi-Payer Alignment
Historical context and today

The past
- Historically public and private payers have used fee-for-service payment models
- Limited use of value-based approaches beyond limited pay-for-performance (P4P) programs by some payers

The present (and likely, future)
- Payers are rapidly moving towards value-based payment models
- Designed independently, these payment models send different and confusing signals to providers regarding performance expectations
What happens when payment models aren’t aligned?

- 2013 study of 48 state measure sets identified 509 distinct measures across the measure sets¹
  - Only 20% of the measures were used by more than one program
  - Only 19 measures were shared by at least 1/3 of the measure sets

- “We are being held accountable for 546 performance measures from different payers.”
  - Massachusetts integrated health system

- “We have limited resources; we prioritize.”
  - California IPA (on differing performance incentives offered by different payers)

Is multi-payer alignment easy?

- Easy? No!
- Doable? Yes.
Challenges to multi-payer alignment

1. Participants need a reason to collaborate.
   - Competing payers resist surrendering autonomy and a perceived means of distinguishing themselves.

2. Participants need a trusted convener and facilitator
   - Non-profit multi-stakeholder organizations and QI organizations can be ideal candidates. States are more challenged given the regular turnover in leadership and changing priorities.

3. It can be hard to hold together the coalition.
   - Changes in payer leadership in particular can lead to changed priorities; commitments by prior leaders aren’t viewed as relevant.

4. Collaboration is not a part of every state’s culture.
   - In some states there is simply not a history of coordination.
Top strategies to affect alignment

1. Convince leading payers that alignment is necessary.
   - Multiple possible arguments; will vary by state environment

2. Identify a trusted convenor
   - State can and often does play this role initially; may not always be a stable long-term strategy

3. Design and administer a process that is perceived and experienced as open, fair and productive
   - Credibility is essential to short and long-term success