

The Transformation of OneCare's Health Care Spending to Fixed Payments and Value Based Care

This infographic gives a horizontal step by step transformation of the OneCare Network's health care spending over four stages. Along the bottom of the infographic, there is an arrow showing the transformation from 100% fee-for-service to 100% fixed payments and value-based care over time.

In stage 1, before OneCare, healthcare was 100% fee for service and volume based. Health care providers billed for each test, office visit, procedure, etc. There was no link to quality and value.

In stage 2, OneCare forms and participates in Medicare, Medicaid, and Commercial Shared Savings programs. PMPM paid for Medicaid and commercial care management. Earned shared savings were tied to quality and distributed to the network providers.

In stage 3, fixed payment infrastructure launched with the Vermont Medicaid Next Generation Program. This was followed with Medicare Next Generation AIPBP payments. Providers still receive PMPM payments for care management and earn in shared savings.

In stage 4, there is full integration of fixed flat payments to providers across all payers for a majority of Vermonters. Reaching scale for both payments made and numbers of lives is critical so providers do not need to rely on fee-for-service reimbursement. Fee-for-service should be the second or even third type of payment methodology utilized.

OneCare is currently between stage 3 and stage 4 as highlighted with a yellow box between the stages. It should be noted that OneCare works with/oversees multiple programs (e.g. Medicare, Medicaid), some of which are at the end of stage 3, and some of which are in stage 4; the placement of OneCare between stages 3 and 4 represents an approximate combined average of where these programs currently are in this transition to value-based care.