

CJR – BUNDLED PAYMENT SERVICES

experience **guidance** // At BKD, we recognize the need to prepare for new health care payment models. The Comprehensive Care for Joint Replacement (CJR) Model proposal is a strong signal from the Centers for Medicare & Medicaid Services (CMS) that fundamental change to the current fee-for-service model is well under way. These changes bring the need for high-quality, data-driven reviews of preparedness. **Experience how our guidance can help your organization navigate the complexities of the bundled payment model.**



The new CJR model is designed to promote financial accountability for the two most common surgical episodes: DRG 469 and DRG 470 (lower extremity joint replacement, or LEJR). The program targets approximately 800 hospitals paid under the inpatient prospective payment system but will affect all providers involved in these episodes of care, including swing bed providers, skilled nursing homes, home health agencies and physicians. CJR will test bundled payments for an episode of care beginning with the inpatient anchor stay and concluding 90 days post-discharge. Both Part A and Part B services related to the episode would be included in the retrospective reconciliation. In general, target prices for hospitals would include an automatic 3 percent discount. BKD's health care advisors have developed solutions designed to enhance your organization's ability to understand and prepare for outcomes-based reimbursement. Here are some of the services we can provide:

1. BKD OUTCOMES COMPASS

BKD has entered into a Data Use Agreement with CMS to access and analyze beneficiary-level claims data for the entire United States. Our Forensics & Valuation Services team has partnered with BKD industry experts to analyze clinical and financial risk created when target prices are fixed for episodes of care. The BKD Outcomes Compass is a custom report showing how your organization may perform under CMS mandatory bundled payments. It includes:



UPSIDE & DOWNSIDE FINANCIAL MODELING // When entering into outcomes-based reimbursement, it's crucial to thoroughly understand potential risks and rewards as well as best- and worst-case scenarios. BKD can use your data to model the CJR program, offering insight into the risk landscape.

LONGITUDINAL VIEW OF PROVIDER PAYMENTS // It's essential to visualize Medicare payments across an entire episode of care. Post-acute payments can outweigh inpatient payments and produce unfavorable outcomes against a target price. Forward-thinking providers can redesign care pathways to realize significant savings. BKD can analyze provider payments across an episode and benchmark trends that help lead to effective care pathways.

USING DATA TO MANAGE RISK // A deep dive into your organization's Medicare LEJR payments is critical for success—one can't manage what one doesn't measure. BKD has the data set CMS will use to implement and reconcile CJR payments. Our forensic data analytics team can provide a comprehensive picture of CJR risks and opportunities. BKD has identified volumetric and financial data critical for understanding complex patient and provider trends, e.g., avoidable complications.

COLLABORATORS, QUALITY & GAINSHARING // CMS has granted providers a unique opportunity to create alignment through gainsharing. BKD can help you find potential gainsharing opportunities. Our data-driven approach can help you evaluate which providers offer the highest probability for low-cost, high-quality outcomes. BKD can suggest the ways your organization can participate in the CJR program's upside opportunities.

590 **ADVISORS**

Experience expertise from approximately 590 professionals focused on the health care industry.

2. PROJECT MANAGEMENT

Having the right organizational governance and oversight to receive and act on the data analytics is a next logical step. BKD's team of health care consultants is prepared to help your hospital identify appropriate leadership and clinical teams necessary for adopting best practices in care redesign. We can provide an actionable work plan to document and track implementation progress. To encourage timely adoption, we will facilitate on-site meetings in accordance with the work plan.

3. CONSULTING SERVICES: PHYSICIAN SERVICES, SKILLED NURSING & HOME HEALTH

CMS anticipates increased coordination and communication between CJR collaborators, such as physicians, skilled nursing facilities and home health agencies. Identifying and aligning key providers to manage an episode of care against a fixed target price is essential for success. BKD's deep experience with physician services and operational consulting with both skilled nursing

and home health care entities will provide insight into the risks and opportunities of the CJR program. We also will assist in evaluating appropriate incentives to encourage collaborative efforts, such as gainsharing and waivers.

4. CARE REDESIGN

To assist in the care redesign process, BKD will analyze Medicare claims data and help identify best practices for delivering a complete episode of care. We will compare your organization's data with regional averages to help identify the outliers for each care setting and drill down to reveal factors that may lead to savings opportunities and improved patient outcomes.

5. MONITORING FUNCTIONS & REVIEW OF CMS RECONCILIATION

BKD is ready to assist your organization with ongoing monitoring and data analytics once CJR-specific claims data is made available. We are well-suited to serve as your data custodian and provide meaningful reports on the Medicare savings accrual and the reconciliation process.

3400 CLIENTS 

Experience insight with a health care group that works with approximately 3,400 providers and has professionals trained in the industry.

BKD THOUGHTWARE®  // articles  // emails  // presentations  // videos  // webinars

bkd.com

BKD
CPAs & Advisors

FOR MORE INFORMATION // For a complete list of our offices and subsidiaries, visit bkd.com or contact:



Eric Rogers // Managing Consultant
erogers@bkd.com // 417.865.8701