

## Optum Bundled Payments



The health care industry is increasingly replacing pay-for-volume approaches like fee-for-service with pay-for-value approaches that reward effective and efficient care. One common pay-for-value approach is bundled payment, which is currently being used extensively by Medicare and Medicaid.

The basic premise of bundled payment is simple — healthcare providers are paid a fixed price for a collection of health care services related to an episode of care. However, the optimal structure of a bundle for various populations, clinical episodes, and hospital systems will vary. Bundled payment programs must accommodate different patient populations, variable provider readiness and unique market conditions. Optum<sup>®</sup> products and services can help payers and providers navigate these crucial decisions and technical obstacles in the development and implementation of a successful bundled payment program.

### **Manage bundled payments end-to-end — including creation, definition and pricing — while managing patients' episodes throughout the care continuum.**

With the Optum Bundled Payments solution, your organization can:

- **Create and define bundles.** Use pre-defined bundles, create custom bundles or edit existing bundles via user interface to adjust bundle costs for risk
- **Handle retrospective and prospective payments.** Supports administration and processing of both retrospective and prospective payment models.
  - a) Traditional fee-for-service payment with retrospective reconciliation to the target budgeted cost.
  - b) Single payment to participating providers of a prospectively established bundle cost.
- **Automate tracking of patients/members through episodes.** Tracks patients through the entire episode of care managing through the care continuum and allowing for standardization of care where appropriate.
- **Compare payments with claims.** Financial reconciliation reporting comparing the payments received to the claimed amounts.
- **Assess quality performance of bundled services.** Reports on patient care relative to evidence-based guidelines, reduction in complications, and post-discharge care coordination and readmissions.

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### **Questions to consider:**

- Which episodes of care make most sense for my organization based on my current performance?
  - Does my organization have opportunities to improve care delivery for most commonly implemented episodes of care?
  - How do I go about implementing a bundle in a way that will maximize the effectiveness and minimize provider and patient disruption?
  - Do you know which payment model, retrospective or prospective, is a better fit for your organization?
  - Can bundle and episode reporting help my organization get more effective and efficient?
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Optum has experience working with Medicare, Medicaid, Employer-based and commercial bundled payment programs. Optum manages bundled payment programs in partnership with hospitals, physician group practices, and post-acute care facilities.

Optum Bundled Payments solution delivers consulting services paired with a robust technology infrastructure to support the bundle definition, pricing, care management, operational, financial and quality improvement functions required in bundled payment method. Optum differentiates its Bundled Payment solution offering through total customer engagement and the integration of technology and the business processes.

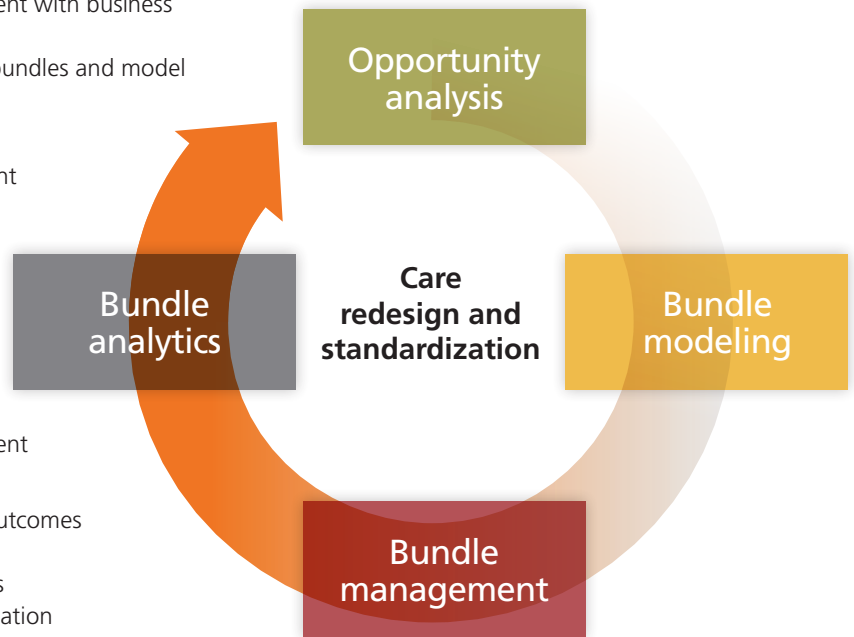
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Leverage our unparalleled expertise in building infrastructure and technological platforms with our innovative Bundled Payments solution.

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### Key features

- Opportunity analysis - Help guide where care redesign is needed
  - Identify episodes/procedures that are consistent with business objectives
  - Determine current performance in targeted bundles and model financial impact
- Bundle modeling - Define and price bundles
  - Episode Bundle definitions and risk adjustment
  - Bundle pricing and development of payment methodology
- Bundle management - Automate patient tracking and the distribution of payments to providers
  - Bundle case initiation, identification and notification
  - Claims aggregation and payment pricing
  - Interface with contract and claims management systems for payment distribution
- Bundle analytics - Measure clinical and financial outcomes
  - Reconciliation of payments
  - Understand financial performance and trends
  - Report transparency in cost, quality and utilization
  - Compare performance against peer groups



### Key benefits

Optum is poised to partner with you to provide either components of a solution, or an end-to-end suite of technology, services and experts.

- Manage patient episodes across the continuum of care
- Report on financial and care outcomes for bundle services
- Support timely filing and improved accuracy of claims
- Ensure appropriateness and standardization of care
- Improve population risk analysis and management

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**Seamlessly transition from fee-for-service to value-based care.**

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