

Blue Cross Blue Shield of Massachusetts Pilots New Value-Based Payment Program For Independent Primary Care Practices

**Makes AQC model, designed to improve quality and lower costs, available to smaller practices
Also offers immediate support payment to practices that adopt model**

BOSTON, July 15, 2020 /PRNewswire/ -- [Blue Cross Blue Shield of Massachusetts](#) (Blue Cross) is launching an innovative program to improve the quality of patient care, slow the rise of health care costs and change the way independent medical practices are paid. Blue Cross is the state's largest not-for-profit health plan and a national leader in payment innovation.

"We want to extend our nationally recognized value-based payment approach—which rewards providers for the *quality* of the patient care they deliver instead of the *quantity* of tests and health care services they provide—to more clinicians along the health care continuum," said Blue Cross Senior Vice President of Network Payment Innovation and Contract Management Matthew Day. "By doing so, we hope to help more of our members reap the benefits of this model regardless of where they seek care."



Independent primary care practices will be given a pool of money based on the number of patients they care for, and the authority to decide how to spend it to improve patient care, as opposed to the traditional "fee for service" model of paying clinicians for each visit, test and procedure. Practices also can earn incentive payments if they meet targets for quality care—such as the percentage of children receiving vaccinations or the management of chronic conditions—with lower costs.

The program was developed in collaboration with primary care practices and gives physicians the flexibility to innovate and deliver care in a way that is best suited to their patients. For example, they may decide to communicate with patients via telehealth when an in-person office visit is not needed, or to hire health coaches and case managers to help patients manage chronic conditions.

"Many independent primary care physicians want to practice medicine in a way that's more patient-centered and less focused on tests and procedures, but they have never had a payment arrangement that encouraged it. Now they do," Day said.

The program also will provide a reliable revenue stream for practices to care for patients even in the event of disruptions in care, such as the drop in office visits during the COVID-19 pandemic. The three elements of the program—a patient-based payment model, robust incentives for efficiency and quality performance, as well as an immediate support payment for practices that sign on—offer a compelling response to the impact of COVID-19 on independent primary care.

The new program builds on Blue Cross' history of innovative partnerships with physicians, including its nationally recognized [Alternative Quality Contract](#), which launched more than a decade ago as a new way to reimburse providers for the value—rather than the volume—of care.

Today, more than 80% of Blue Cross' network of physicians and hospitals participate in the AQC, and a recent [long-term study](#) by Harvard Medical School found the AQC has achieved its twin goals of slowing the rise in health care costs while improving the quality of patient care, including health outcomes related to diabetes, cholesterol and hypertension.

Currently, the AQC is available to practices that treat more than 10,000 Blue Cross members each year. The new program is intended for practices with 1,000-20,000 Blue Cross members.

Blue Cross will launch the new program on a pilot basis with a select group of physician practices so it can monitor results and make improvements.

About Blue Cross Blue Shield of Massachusetts

Blue Cross Blue Shield of Massachusetts (bluecrossma.com) is a community-focused, tax-paying, not-for-profit health plan headquartered in Boston. We are committed to the relentless pursuit of quality, affordable health care *with* an unparalleled consumer experience. Consistent with our promise to always put our members first, we are rated among the nation's best health plans for member satisfaction and quality. Connect with us on [Facebook](#), [Twitter](#), [YouTube](#), and [LinkedIn](#).

About the AQC

Launched in 2009, the AQC now includes more than 80 percent of the physicians in the Blue Cross HMO network. It is an innovative way to pay for care that focuses on promoting quality and rewards positive health

outcomes. It is a crucial component of Blue Cross' agenda to make quality health care affordable for its members and employer customers and is the predominant contract model between Blue Cross and its network of physicians and hospitals. The alternative payment model fosters shared responsibility for both improving care and moderating the unsustainable rate of increase in health care costs. The AQC is currently one of the largest private payment reform initiatives in the United States. Read more [about the AQC](#).

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