

● BPCI Advanced Risk Protection Risk-Based Solutions



Solution for Provider Participants

The Bundled Payments for Care Improvement Advanced (BPCI Advanced) Model is an iteration on the original voluntary BPCI Model. The Model is focused on supporting healthcare providers who invest in practice innovation and care redesign to better coordinate patient care and reduce expenditures. The Model provides a single retrospective bundled payment based on a 90-day clinical episode of care duration.

In the BPCI Advanced Model, there are eight clinical episode service lines groups, each with payment tied to defined quality measures and target prices. These groups include:

- Cardiac Care
- Cardiac Procedures
- Gastrointestinal Care
- Gastrointestinal Surgery
- Neurological Care
- Medical and Critical Care
- Orthopedics
- Spinal Procedures

Our Focus on Specialized Risk Protection

Coverys can provide specialized financial risk protection for healthcare providers who plan to participate in value-based programs developed by the Centers for Medicare and Medicaid Services (CMS). These CMS programs have the potential for downside financial risk as well as financial benefits.

BPCI Advanced Model for Innovation: Fast Facts

Time Frame	Model began in October 2018 and runs through December 2023.
Participants	There are approximately 1,700 participants including physician group practices (PGPs) or hospitals. Participants can participate on their own or with a convener.
Performance Period	A six-month performance period is used with Medicare reconciling the provider's financial performance every six months (retrospectively).
Program Enrollment	At this time, CMS is not planning any additional application opportunities to allow for new participants in this Model.

Assessing the Options & Alternatives

Participating providers in the BPCI Advanced Model have options and alternatives for handling the potential for downside financial risk. In BPCI Advanced, CMS provides a 20% stop-loss and stop-gain policy that is applied at the Episode Initiator (EI) level. Our coverage, if elected by the participant, can provide stop-loss protection at the aggregate level. Our team will illustrate how these unique and distinct coverage methods work and the manner in which they reduce participants' downside financial exposure and affect their CMS reconciliation and costs of participating in the Model.

Downside Risk Insurance for Provider Financial Protection

For providers who participate in the BPCI Advanced Model, it is important to note that if the provider's costs exceed the target price, the provider is responsible for paying back losses to CMS. If provider costs stay below the target price, the provider can retain savings based on quality performance.

Key Coverage Highlights

- Coverage aligns with CMS program design and rules, and accounts for potential program changes during the performance period (e.g., CMS COVID waivers, program amendments).
- Premiums developed through experience rating models which account for existing CMS protections.
- Coverage protects from both technical and programmatic risk.
- Stop-loss claim payments align with shared losses determination and reconciliation schedule, with claims paid in full at time of reconciliation.
- Medicare's reconciliation calculation is validated; contestable errors are identified.
- Flexible Coinsurance & Deductible options with high, medium, and low deductible options tailored to risk tolerance and experience.
- Up to 100% coinsurance in excess of aggregate deductible.
- Flexible payment options—monthly, quarterly, semi-annual, paid in full—all available.
- Performance reporting.

Why Coverys?

Coverys is a proven leader in providing specialized coverage in the healthcare marketplace for over 45 years. With our Value-Based Care team, Coverys provides downside financial risk protection for healthcare provider participants working in CMS value-based care programs.

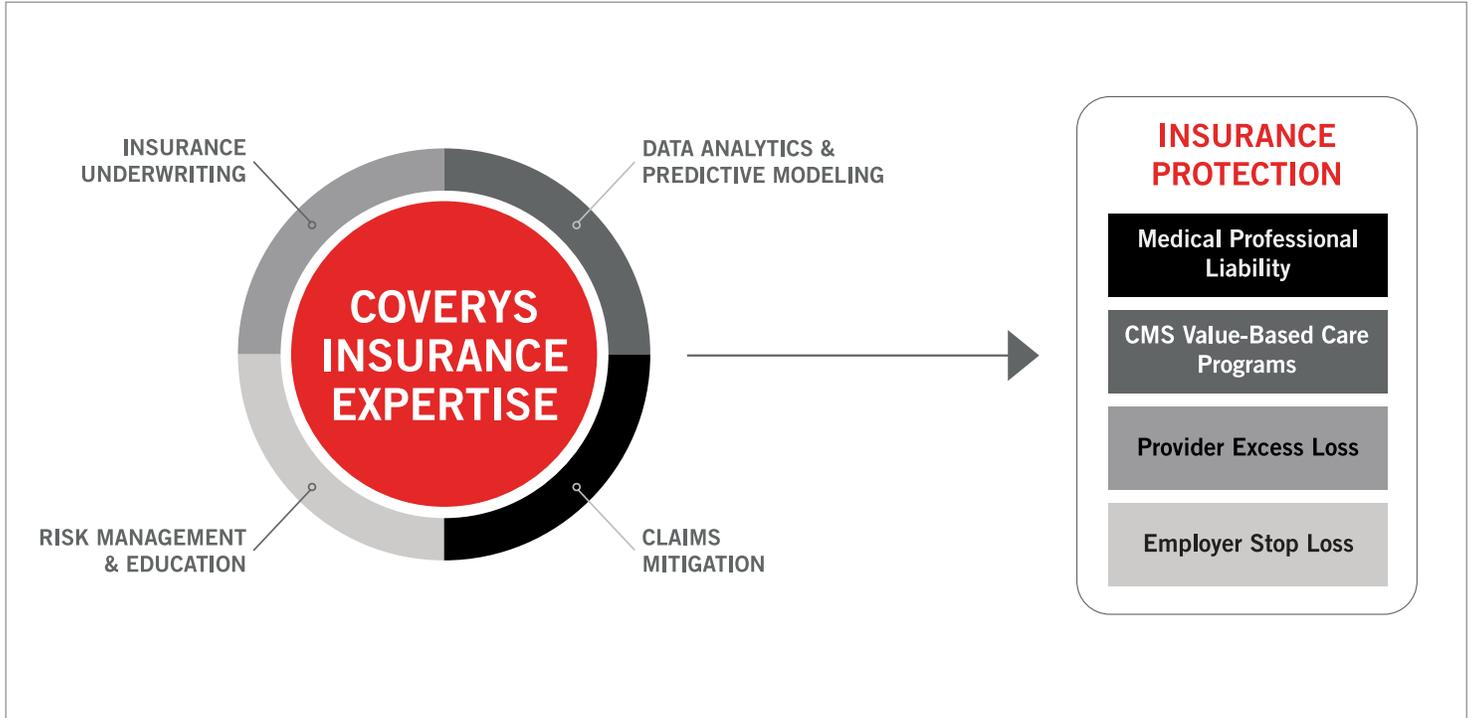
45+ years of protecting
the healthcare community



*Rating held by Medical Professional Mutual Insurance Company and its insurance subsidiaries as of 12/31/2020

Our Unique Capabilities Reduce Risk Across Product Categories

Our focus on the healthcare marketplace supports providers with data-driven risk-based solutions, including our value-based care solution for the BPCI Advanced Model.



For more information, contact:

Dan O'Brien • dobrien@coverys.com • 860.920.7438

Beth Hackett • bhackett@coverys.com • 617.880.4410

Jessica Perez • jperez@coverys.com • 617.428.9833

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