VALUE-BASED HEALTHCARE

PROFILE: BUNDLED FUNDING

Description: payments for specific procedures or integrated funding for groups of patients are designed to cross traditional organizational and/or budget silos.

ENABLING NEW INTEGRATED MODELS OF CARE

Sponsors: Ontario Ministry of Health and Long-Term Care
Participants: Wave 1 Integrated Funding Model (bundled care) teams: Connecting Care to Home, Integrated Comprehensive Care 2.0, Hospital 2 Home, Putting Patients at the Heart, One Client, One Team
Scope: Wave 1 involved specific Ontario communities and groups of patients

OVERVIEW

Under bundled or integrated payment models, a group of healthcare providers receives a pre-determined payment to cover all the services required for an episode of care. For instance, a bundled payment for patients receiving hip and knee replacement surgery might cover costs associated with preparing patients for the surgery, the surgery itself, the associated hospitalization, post-surgery rehabilitation, home care, and any complication-related readmissions. The intention is to align incentives to improve quality and the patient experience while controlling costs. Not all bundled payment models include all costs (e.g. fee-for-service payments to physicians and pharmaceutical costs are often omitted).

TARGET OUTCOMES

Improved integration of care in the hospital and community for specific groups of patients

STATUS/RESULTS

As part of its overall funding reform plans and building on experiences with integration of cancer care and a bundled care pilot at St. Joseph’s Health System in Hamilton, the Ministry supported five new “wave 1” integrated funding model teams in 2015, with a focus on defined patient groups that required care beyond their hospital stay.

In March 2015, the wave 1 teams were selected from 50 Expressions of Interest to pilot bundled payment models for patients who require short-term care in the community after leaving hospital. Teams began implementation in the fall of 2015. Based on early results, the Ministry of Health and Long-Term Care announced voluntary expansion of the program in 2017/18. This includes preparing to scale standardized bundled care models with the provincial Quality Based Procedures (QBP) model as a foundation in areas such as hip and knee replacement surgery and integrated dialysis care models for assisted peritoneal dialysis. Another stream of work will explore expanding bundled payment models to address a range of chronic diseases, beginning with chronic obstructive pulmonary disease and congestive heart failure.
FOR MORE INFORMATION