Dear Primary Care Provider,

Thank you for joining us on this journey to transform Hawaii’s health care system from a fee-for-service, volume-based reimbursement model to one that bases your payment on the care and value you provide to your patients.

HMSA began this payment transformation (PT) journey in April 2016 with 120 pioneering primary care providers (PCPs) managing 110,000 HMSA members. Over the past nine months, we’ve worked closely with physician organizations to gather feedback, analyze input, and make significant changes to our PT pilot program, all in the spirit of improving it for future participants.

Because of the knowledge, expertise, and willingness of these PCPs to work with us, we believe we’re well on our way to achieving our shared vision of a healthier Hawaii. Here are a few of the improvements we’ve made to the program based on provider feedback:

- **Gradual implementation:** Pilot program PCPs told us that changing to a global payment model and implementing new quality measures takes time and requires support. As a result, we’re phasing in the transition to make it easier for you and your staff to prepare for and succeed in PT. Some PCPs will start receiving global monthly payments in January; others will receive theirs in April or July. The same will be true for adopting new performance measures.

- **Understanding how PMPM bands work:** PMPM bands and calculations can be confusing. So we’ve revised the worksheets that we give to PCPs to include more details on calculation, context about payments for attributed and non-attributed patients, and a forecast of the overall revenue stream. We’ve also developed a PMPM band overview sheet to help you and your biller verify our numbers.

- **Patient surveys:** We originally wanted to provide real-time feedback to doctors and their staff from patients about their office visits, but we learned that the amount of effort required to do the survey outweighed the benefits. So after three months, we stopped the surveys. We may resume them later when we can figure out an easier and more efficient way to administer them and collect actionable feedback from patients.

- **Resources and training:** Our pilot program PCPs said they needed more help with the “nuts and bolts” of PT. In response, we created a PCP tool kit that explains PT in simple terms and provides resources, tools, and coding tips. We’ve also developed training webinars that we’ve posted in the HMSA Provider Resource Center to help you.

We know that change can be difficult. We want you to know that we’re committed to supporting you, your staff, and your physician organization through this transition and appreciate all of your hard work on this transformation journey. When you succeed, we succeed. It’s why we hope to work together to give you the financial security to operate your business and the flexibility to provide the best possible care for your patients, our members, and all of Hawaii.

Thank you for your support.

Sincerely,

Mark M. Mugiishi, M.D., F.A.C.S.
Senior Vice President and Chief Medical Officer