

EQIP Episode-Based Payment Resource List

All resources in this table are open-access and freely available.

Resource	Topic	Specialty	Description	Findings/Recommendations
<p><u>Transition to New Payment Models: Start Here</u> [Source: American Medical Association]</p>	Introduction to episode-based payment	n/a	This guide from the American Medical Association (AMA) provides a high-level overview of episode-based payment, along with a step-by-step guide for providers newly participating in episode-based payment (EBP). The guide includes concrete tips on setting a practice up for success, including how to work with a health plan to get detailed information.	<ul style="list-style-type: none"> Health systems should draft a highly detailed utilization budget that includes an exhaustive list of every service included in the bundle, including all CPT, HCPCS, ASA, CDT, ICD-10-CM codes and any modifiers that might be used along with those codes. Working closely with the health plan to get information on employer groups enrolled, marketing information, and patient copayment information may help health systems get a deeper understanding of the populations who will be covered by the bundle.
<p><u>Bundled Payments: What Physicians Need to Know</u> [Source: Physicians Practice]</p>	Introduction to episode-based payment	n/a	Offering tips for transitioning beyond fee-for-service, this blog post covers the basics of EBP, including operational considerations, patient education, and practice engagement.	<ul style="list-style-type: none"> Before implementing a bundle, practices should analyze claims and evaluate existing processes to screen for opportunities to decrease costs and increase quality.
<p><u>Evaluating Bundled or Episode-Based Contracts</u> [Source: American Medical Association]</p>	Introduction to episode-based payment	n/a	The American Medical Association walks through how to read, interpret, and enter a contract for EBPs with a payer. The AMA includes a list of key questions providers should ask when entering a contract and provides guidance on how to successfully implement an EBP.	<ul style="list-style-type: none"> Providers should ensure they have a thorough understanding of all aspects of an EBP contract, including the implications of patient assignment, covered services, claim submission, and more. Providers should negotiate with payers to ensure their practices have access to timely data that can be easily understood and allow for actionable change.

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<p>CMS Innovation Center Episode Payment Models</p> <p>[Source: Centers for Medicare and Medicaid Services]</p>	Best practices for episode-based payment	n/a	Since 2013, the Centers for Medicare and Medicaid Services (CMS) Innovation Center has tested seven models of episode payment initiatives, including tests of the four Bundled Payments for Care Improvement (BPCI) models and the Comprehensive Care for Joint Replacement (CJR) model. This resource from CMS presents the results of these tests, including common themes, lessons learned, and best practices.	<ul style="list-style-type: none"> Providers who successfully implemented bundled payments focused on patient-centered care, including investing in care coordination, developing care plans, and improving hospice care.
<p>Navigating Bundled Payments: Strategies to Reduce Costs and Improve Health Care</p> <p>[Source: Deloitte]</p>	Best practices for episode-based payment	n/a	This white paper outlines key strategies learned by providers who participated in Medicare’s BPCI model. Investing in increased data capabilities, care coordination, and full team engagement were important for successful participation in a bundled payment.	<ul style="list-style-type: none"> Providers and health systems need access to timely and accurate internal data—not just CMS data—to monitor referrals, discharges, and service utilization. Pre-surgery patient and family education may encourage patients to make healthier choices and decrease unnecessary service utilization.
<p>How One Hospital Has Succeeded in a World of Bundled Payments</p> <p>[Source: Harvard Business Review]</p>	Best practices for episode-based payment	n/a	This article showcases how one hospital has successfully participated in CMS’s BPCI Advanced model since 2018. To improve quality of care and lower costs, the hospital identified six key practices outlined in this article, including investing in rigorous analytics, gaining physician buy-in, and ensuring timely coding.	<ul style="list-style-type: none"> A home-based care model for post-discharge care proved more beneficial for patients than an on-campus post-discharge clinic. To ensure timely diagnosis-related group assignment and proactive patient identification, hospitals should review patient documentation every day.
<p>It’s Not Just Risk: Why the Shift to Value-Based Payment is Also About Provider Flexibility</p> <p>[Source: Center for Health Care Strategies]</p>	Best practices for episode-based payment	n/a	Adopting alternative payment models, like EBPs, is more about embracing provider flexibility than it is about risk. In this article, the Center for Health Care Strategies highlights how EBPs can allow for greater provider autonomy by allowing health systems to invest in services that are sometimes difficult to bill for, like care coordination.	<ul style="list-style-type: none"> Health systems should embrace the flexibility EBPs allow by providing the type of high-value, culturally competent services that are generally excluded on traditional fee schedules—services like home visits, personalized discharge planning, and peer educators.

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<p>Effects of Health Care Payment Models on Physician Practice in the United States</p> <p>[Source: RAND Corporation]</p>	Best practices for episode-based payment	n/a	RAND published this report in 2015 evaluating the effectiveness of alternative payment models, including EBPs, from physicians' perspectives. The lengthy report includes recommendations for physician leaders on how to participate in episode-based payment.	<ul style="list-style-type: none"> • Many physicians reported frustration and burnout when taking on the nonclinical work needed to begin implementing EBPs. Health systems should compensate physicians and other clinicians for their time spent on care redesign, implementation strategies, and documentation. • Physicians reported appreciation for additional support and resources related to EBPs. In the beginning stages of adopting EBPs, health systems should invest in educational resources and tools for physicians and other staff.
<p>Bundled Payment and Care of Acute Stroke: What Does It Take to Make It Work?</p> <p>[Source: American Heart Association Journal – Stroke]</p>	Best practices for episode-based payment	Cardiology	This review of bundled payments offers a potential framework for applying them to episodes of care for acute stroke. The authors predict that EBPs will become increasingly common in cardiology.	<ul style="list-style-type: none"> • When working on care redesign for an EBP, health systems should use published clinical guidelines to develop actionable, clearly defined care processes. • Care coordination is particularly relevant for acute stroke patients, as rehabilitation is associated with improved patient outcomes in the post-acute period.
<p>Four Goals for Bundled Payment: How a Hospital Succeeded Under BPCI-A</p> <p>[Source: Healthcare Financial Management Association]</p>	Best practices for episode-based payment	Cardiology	In this article, a community hospital in Pennsylvania shares how they successfully participated in an EBP model for congestive heart failure and stroke episodes. The hospital purposefully opted to only participate in EBP models where they identified both a clinical champion and appropriate opportunities to reduce costs and increase quality.	<ul style="list-style-type: none"> • Cardiology practices should engage nurse navigators to establish a relationship with patients early on, collaborate across both inpatient and outpatient teams, and follow up with patients throughout the 90-day discharge period. • Health systems should invest in in-person continuing education for all providers involved in the episode—including skilled nursing facilities and community partners—to ensure providers are aware of and implementing the most recent evidence-based care guidelines.

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<p>Case Study: Delivery and Payment Reform in Congestive Heart Failure at Two Large Academic Centers</p> <p>[Source: Healthcare]</p>	Best practices for episode-based payment	Cardiology	This article follows Duke University Health System and University of Colorado Hospital as they implement alternative payment models. Colorado's case study focuses on participation in the BPCI model congestive heart failure bundle.	<ul style="list-style-type: none"> • Robust care coordination helps hospitals successfully implement bundled payments, but it also requires reimagining the hospital's business model. • Clinical leadership buy-in is critical for pursuing bundled payment.
<p>Shifting Away From Fee-for-Service: Alternative Approaches to Payment in Gastroenterology</p> <p>[Source: Clinical Gastroenterology and Hepatology]</p>	Best practices for episode-based payment	Gastroenterology	This overview of various alternative payment models, including EBPs, offers insight into how each model can be implemented in gastroenterology practices. The authors identify several episodes that may be a good fit for EBPs, as well as components of each episode that present opportunities for standardization and cost savings.	<ul style="list-style-type: none"> • Gastroenterology practices should identify high-use, high-cost components that have the potential to be cut or reduced. For example, practices should consider the facility site (ambulatory surgical centers vs. hospitals) and anesthesia care as two key drivers of potentially unnecessary high costs. • Patient communication and education is critical for successful participation in EBPs for GI practices. Practices should standardize post-procedure treatment and patient communication to decrease the likelihood of repeat procedures due to poor preparation.
<p>Bundled Payments Are Here to Stay: Are You Ready?</p> <p>[Source: Cardinal Health]</p>	Best practices for episode-based payment	Orthopedics	Dr. Clay Ackerly, a leader in episode-based payment, outlines ways to succeed in the Comprehensive Care for Joint Replacement (CJR) model. Strategies include proactive preparation prior to agreeing to an EBP, focusing on discharge planning, and active patient-family engagement.	<ul style="list-style-type: none"> • Providers should partner with patients and their families to understand the patient's ideal care path prior to surgery. • Health systems should develop a network of high-quality post-acute care providers and develop referral plans.
<p>How This Cleveland Clinic Hospital Achieved Bundled Payment Success</p> <p>[Source: Advisory Board]</p>	<p>Health care staff buy-in</p> <p>Best practices for episode-based payment</p>	n/a	This short, informal briefing summarizes a New England Journal of Medicine Catalyst article on essential factors for successful participation in bundle payment programs. Key lessons learned in redesigning care for bundled payment include prioritizing active physician engagement, hiring formal care coordinators, and investing in patient education.	<ul style="list-style-type: none"> • Establishing and hiring formal care coordinators can help streamline care and speed up discharge. Care coordinators act as a single point of contact for clinicians and staff and play a critical role in patient and family education. • Health systems should prioritize building relationships with post-acute providers to reduce care fragmentation, increase interprofessional communication, and improve long-term patient outcomes.

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<p><u>Bundled Payments for Care Improvement: Preparing for the Medical Diagnosis-Related Groups</u> [Source: Journal of Nursing Administration]</p>	<p>Health care staff buy-in</p> <p>Best practices for episode-based payment</p>	n/a	<p>Nursing leadership is uniquely positioned to encourage interprofessional collaboration. Early engagement of nurses and other medical colleagues is a critical component to successful participation in episode-based payment. This article outlines the role nursing leadership plays in implementing EBPs, from identifying areas of high utilization to managing population health.</p>	<ul style="list-style-type: none"> • Nursing leadership should be engaged early in the implementation process to lead staff education efforts, identify eligible patients, and map out the ideal care path. • To avoid overwhelming nurses and other providers with changing expectations, nursing leadership should work to integrate EBP-related initiatives with the health care system’s overall strategy to improve care.
<p><u>How to Get Health Care Employees Onboard With Change</u> [Source: Harvard Business Review]</p>	<p>Health care staff buy-in</p>	n/a	<p>Implementing change and getting staff buy-in in health care is harder than in most other industries. While not EBP specific, this article offers insights from the CEO of a large health care system who shares what has worked for him to encourage change in hospitals and other health care settings.</p>	<ul style="list-style-type: none"> • Health care leadership should listen to the needs and concerns of clinical and administrative staff before deciding what change to implement. • Leadership should identify champions for improvement and innovation across teams and give those champions freedom to implement solutions that they believe will improve patient care.
<p><u>Bundled Payments: Using Data to Drive Intentional Action</u> [Source: American Hospital Association]</p>	<p>General data analytics</p>	n/a	<p>This two-page memo highlights the role that data plays in bundled payment models. The memo includes key questions for health systems to consider when adopting bundled payment.</p>	<ul style="list-style-type: none"> • Hospitals and health systems should leverage both internal data (EHR, financial reports) and external data (Medicaid administrative claims) to identify episodes of care. • Hospitals and health systems should consider patient volume, current costs, organizational buy-in, and operational readiness when implementing a new bundled payment.

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<p><u>A Pragmatic Method for Costing Implementation Strategies Using Time-Driven Activity-Based Costing</u></p> <p>[Source: Implementation Science]</p>	Data analytics using time-driven activity-based costing (TDABC)	n/a	Time-driven activity-based costing (TDABC) is a micro-costing methodology that tracks health care activity and resource costs over the course of a care episode. This article outlines a step-by-step implementation process for using TDABC in clinical settings.	<ul style="list-style-type: none"> • Successful TDABC implementation requires gathering a team of staff who are familiar with the episode of care to create a process map, track costs, review data, and identify areas for improvement. • Creating and reviewing visual representations of episode costs can help involved stakeholders better understand resource allocation. Such visuals also allow decision-makers to identify low-value and high-value activities and resources.
<p><u>Using Time-Driven Activity-Based Costing as a Key Component of the Value Platform: A Pilot Analysis of Colonoscopy, Aortic Valve Replacement and Carpal Tunnel Release Procedures</u></p> <p>[Source: Journal of Clinical Medical Research]</p>	Data analytics using time-driven activity-based costing (TDABC)	Cardiology Gastro-enterology Orthopedics	Time-driven activity-based costing has great potential to help identify cost savings for health care systems participating in EBPs. This article demonstrates real-world applications for TDABC, using aortic valve replacement, colonoscopy, and carpal tunnel release procedures as examples.	<ul style="list-style-type: none"> • To best implement TDABC, health care systems should invest in IT platforms and staff that can manage and monitor the data associated with TDABC. • As a bottom-up costing methodology, TDABC is particularly useful for identifying opportunities to decrease operating costs while improving efficiency and quality. TDABC may also help leadership redesign care pathways to increase value.
<p><u>Getting Bundled Payments Right in Health Care</u></p> <p>[Source: Harvard Business Review]</p>	Data analytics using time-driven activity-based costing (TDABC) Best practices for episode-based payment	Orthopedics	This article highlights lessons learned from both a specialty orthopedic hospital and private-practice physician group that implemented a bundled payment program. By focusing on outcomes and cost data, proactively providing patient care management, and building financial alignment between clinicians and hospitals, both health care systems found success with EBPs.	<ul style="list-style-type: none"> • Both groups highlighted in the article leveraged time-drive activity-based costing to track costs more accurately for each episode of care. Comparing outcomes against national TDABC benchmarks helped leadership identify new areas for improvement. • Integrating social and psychological factors into pre-operative risk screening can help the care team better identify high-risk patients who may need greater post-op support. • Alignment between physicians and hospitals is associated with greater success in EBPs. For systems without strong alignment already, EBP programs create an opportunity for physicians and hospitals to develop financial contracts that promote accountability and shared interests.

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<p><u>Prometheus Payment: Pilot Assessment and Implementation Toolkit</u> [Source: Robert Wood Johnson Foundation]</p>	PROMETHEUS	n/a	This toolkit provides local health care cooperatives, employers, physicians, and health plans with information on PROMETHEUS Payment model assessment.	<ul style="list-style-type: none"> The toolkit defines PROMETHEUS Payment and describes how the model works, how to conduct initial data analysis, how to build support with CEO leadership and champions, engaging providers and payers, defining scope, health plan contracting, launching the pilot, and additional resources.
<p><u>The PEBTF Total Joint Bundled Payment Pilot: A Best Practices Summary</u> [Source: Health Care Incentives Improvement Institute]</p>	PROMETHEUS	Orthopedics	Using PROMETHEUS-based estimates to define total knee replacement and total hip replacement episodes, a hospital and orthopedic group in Pennsylvania successfully piloted a bundled payment arrangement. The case study highlights the areas for process improvement identified by the orthopedic group, from preoperative risk-factor screening and nurse-led care coordination to instituting warm hand-offs and standardized postoperative rehabilitation practices.	<ul style="list-style-type: none"> Health systems should develop a screening process to identify patients that may need additional support and care coordination. Partnering with an outpatient physical therapy group helped the orthopedic practice improve patient outcomes. Continuity of care between patients and the post-discharge provider reduces inpatient lengths of stay.

Note: n/a = not applicable

Additional Resources

All resources listed below require a subscription.

Resource	Topic	Specialty	Description	Findings/Recommendations
<p><u>Emerging Lessons From Regional and State Innovation in Value-Based Payment Reform: Balancing Collaboration and Disruptive Innovation</u></p> <p>[Source: Millbank Quarterly]</p>	<p>Best practices for episode-based payment</p> <p>PROMETHEUS</p>	n/a	<p>This journal article presents the results of an independent evaluation of efforts by seven grantees funded by Robert Wood Johnson Foundation to design and implement value-based, multistakeholder payment reform projects in six states and three regions of the United States.</p>	<ul style="list-style-type: none"> • Payment reform closely reflected the environmental context of each project. For example, federal and state support for patient-centered medical homes and accountable care organizations encourage value-based payment innovation. • Examples of barriers to reducing costs and improving quality include incompatible information systems, technical difficulties and transaction costs of altering existing billing and payment systems, and competing stakeholder priorities.
<p><u>How to Succeed in Bundled Payments for Total Joint Replacement</u></p> <p>[Source: NEJM Catalyst]</p>	<p>Best practices for episode-based payment</p>	Orthopedics	<p>This article describes one hospital's early experiences with Medicare's bundled payment for CCRJ.</p>	<ul style="list-style-type: none"> • Findings showed improvements in both clinical and financial performance. The authors credit their Complete Care program for the success at Euclid Hospital, which prompted them to expand the initiative to nine more Cleveland Clinic hospitals.
<p><u>Physicians With Defined Clear Care Pathways Have Better Discharge Disposition and Lower Cost</u></p> <p>[Source: Journal of Arthroplasty]</p>	<p>Best practices for episode-based payment</p>	Orthopedics	<p>This journal article compares orthopedic cohort groups with and without defined post-acute care pathways and the effects of care pathways on service utilization and cost for Medicare patients in the BPCI program.</p>	<ul style="list-style-type: none"> • Orthopedic physicians with defined post-acute care pathways had greater reductions in cost and utilization compared with physicians without defined post-acute care pathways.

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<p><u>Bundled Payment Arrangements: Keys to Success</u></p> <p>[Source: Journal of the American Academy of Orthopedic Surgeons]</p>	Best practices for episode-based payment	Orthopedics	This review article describes the Centers for Medicare & Medicaid Services' CJR model, a mandatory agency program that bundles lower extremity joint arthroplasties into episodes of care. The model is built around seven principles that orthopedic surgeons should be familiar with to maximize participation.	<ul style="list-style-type: none"> The article describes bundled payment programs, modification of patient risk, adoption of evidence-based clinical pathways, establishment of a data collection and dissemination infrastructure, control of post-discharge care and costs, maximization and demonstration of quality, identification, and alignment of stakeholders.

Note: n/a = not applicable