AHARO RETREAT ~ Saturday, July 19, 2014

How do you integrate population health into Healthcare Transformation? Designing a Medicaid Payment Methodology Around Shared Savings and Community Development

Ko'olauloa Community Health & Wellness Center
Total Patients: **6,027**
Uninsured Patients: **17%**
Medicaid Patients: **14%**
Top two ethnic groups served:
Native Hawaiian = **29%**
Other PI = **24%**

Hamakua Health Center:
Total Patients: **7,723**
Uninsured Patients: **11%**
Medicaid Patients: **31%**
Top two ethnic groups served:
White = **35%**
Asian = **28%**

Our AHARO Member Health Centers

AHARO

Accountable Healthcare Alliance of Rural Oahu (or Organizations)

Waianae Coast Comprehensive Health Center:
Total Patients: **32,905**
Uninsured Patients: **3,328**
Medicaid Patients: **59%**
Top two ethnic groups served:
Hawaiian/Part Hawaiian = **52%**
White = **16%**

Waimanalo Health Center:
Total Patients: **4,312**
Uninsured Patients: **30%**
Medicaid Patients: **50%**
Top two ethnic groups served:
Native Hawaiian = **47.4%**
White = **15.7%**

Bay Clinic, Inc.:
Total Patients: **18,314**
Uninsured Patients: **29%**
Medicaid Patients: **51%**
Top two ethnic groups served:
Native Hawaiian = **32%**
Asian = **18%**

Recognizing we must be constructive partners with healthcare payers in containing healthcare costs and creating better value for our patients and payers.

Expanding the Healthcare Home Concept

An AHARO Goal:

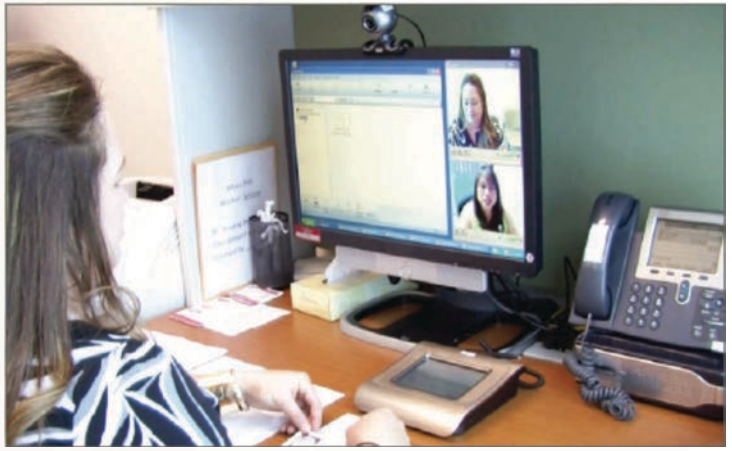
Expanding the model of the Patient Centered Healthcare Home to include four additional areas valued by our community:

Community Involvement

Workforce and Economic Development

Cultural Proficiency

Care Enabling Services

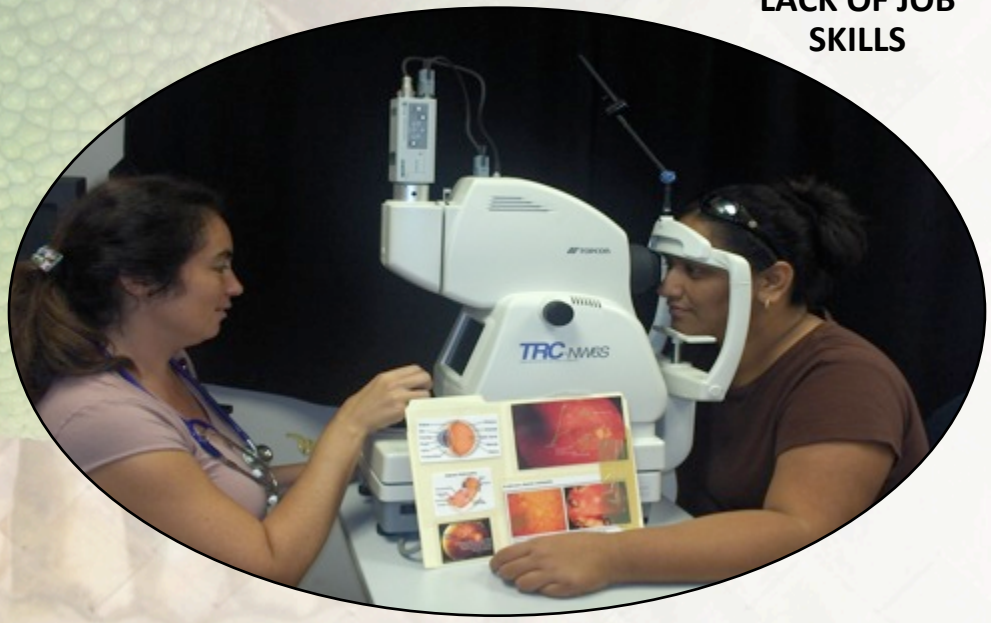


Addressing Social Determinants of Health
The Link Between Employment & Health

POVERTY → OFTEN SUBSTANDARD EDUCATION ONLY OPTION

OFTEN SUBSTANDARD EDUCATION ONLY OPTION → COMMUNITY BASED INNOVATIVE JOB TRAINING → SUCCESS/HOPE → MOTIVATED FOR WELLNESS

OFTEN SUBSTANDARD EDUCATION ONLY OPTION → CONTINUING LACK OF JOB SKILLS → STRESS/ HOPELESSNESS → DISEASE & RISK TAKING BEHAVIOR



The original concept of a Medical Home extends care into community networks that impact on well being

Examples of Supplemental Patient-Centered Healthcare Home Standards

Element B: Cultural Proficiency				
The practice addresses the cultural background of consumers in its policies, procedures and practices through the following:		YES	NO	N/A
1.	Assesses the diversity of consumers and trains staff, providers, and others about the diversity.			
2.	Has a panel of cultural advisors engaged in developing and evaluating cultural practices.			
3.	Has an established plan for cultural sensitivity training and professional development for staff.			
4.	Providers follow culturally specific protocols based on patient background and demographics.			
5.	Buildings and facilities that reflect the patient population's culture and background (e.g. male family planning clinic design to make men feel welcome).			
6.	Provides and/or promotes complementary and/or alternative healing practices in alignment with primary and preventive health services.			

Goal for 2013/2014: Reengineer employee orientation and Medicaid student training to include cultural proficiency training.

Element C: Community Involvement				
The practice is an integrated part of the community, encouraging participation and elevating the level of health education and organization through the following:		YES	NO	N/A
1.	Has a panel of patients or Consumer Board that reviews and approves an annual plan that identifies health care needs and disparities within the community; establishes an action plan to address these issues.			
2.	Reviews adequate data to measure performance to promote access, quality, cost effectiveness and makes recommendations for consideration.			
3.	Has a systematic process in place to measure patient satisfaction and performs any remedial actions deemed necessary.			
4.	Has a volunteer program that involves community members and various activities to promote a healthier community.			
5.	Conducts outreach with community participation through health fairs, etc.			
6.	Engages in Community Based Participatory Research with patients trained as the investigator (PI).			
7.	Has patients sitting on internal committees, (for example, Quality Improvement Committee or Cultural Competency Committee.)			

Goal for 2013/2014: Contract with Waianae High School to engage students in design of new adolescent clinic at Waianae Mall.

AHARO Payment Reform as Component of a Healthcare Home

Transformation from Medical Model to Healthcare Model to Community Development Model

- ✓ Value Based with Emphasis on *Addressing Preventable Cost* in transparent risk pools.
- ✓ Accountable to and Driven by Patients and Community in *Partnership* with Medicaid Managed Care Plans using 360° evaluation tools.
- ✓ Co-Investment in health information technology (HIT) and Care Coordination.
- ✓ Requires *Aligned Incentives and Shared Savings* through Risk Adjusted Healthcare Home Based Risk Pools.
- ✓ Reinvests risk pool savings into population health.

Designed to produce MORE VALUE for the state, patients and low income communities
ALL WITH NO ADDITIONAL COST TO THE STATE

Addressing Preventable Costs

Targeted at these goals:

Facility Costs:

- Decrease hospitalizations
- Decrease hospital days
- Decrease 30-day hospital re-admissions
- Decrease inappropriate ER use

Drug Costs:

- Increase generic medication dispensing rate
- Improve medication adherence

Other:

- Increase Advance Health Care Directives on file

Medicaid Managed Care Risk Pool $$ Flow

State pays plans Medicaid Capitation to plans with HEDIS based incentives withheld

Health Plans Deduct
- 10% Admin Fee
- Incurred but not reported claims

$200 PMPM

State auto assigns 35% of Plan Enrollees.

Plans set up Risk Pools & Incentivize Health Homes

$175 PMPM

Health Home Based Risk Pool Jointly Managed By Plans & Health Home

Outside Pharmacy

Payments to Pharmacy Benefit Manager

Payments to Health Home
- Primary Care
- Some Specialists
- Lab/Radiology
- Evening Hours
- Pharmacy
- Behavioral Health
- Care Enabling

Payments to Hospitals

Payments to Specialists

Cooperation with Plans and Choices for FQHCs

HEALTH PLAN
$$$

HEALTHCARE HOME

How far along do you Push the needle?

Risk Management (& assumption) & Claims Processing	Vertical Network Formation including Secondary & Tertiary Care	Care Coordination HIT System Development	Care Enabling Social Services & Community Engagement	Pharmacy, Specialty & Behavioral Health Services	Primary Care Medicine & Ancillary Services
NO THANKS	SOME	SOME	WE DO IT	WE DO IT	WE DO IT

How much do we do: Form specialty networks, build our own HIT systems, use our own care coordinators. (We already integrate our own pharmacy and behavioral health services into primary care.)

A virtual ACO because HRSA never produced regulations for basic health plans or safety net ACOs.

Where Is AHARO Today?

- Welcome Molokai Community Health Center.
- We need to reaffirm our care values and membership responsibilities.
- We need to achieve clinical integration to begin to operate as a network (see AlohaCare proposal).
- We need to expand the healthcare home model and payment reform model to address needs of Aged Blind and Disabled and Medicare Dual Eligibles.
- We need to continue to refine our health home standards, performance metrics and quality improvement activities in partnership with our consumer boards.