Flex Reverse Site Visit, Bethesda, MD, July 20, 2017

Flex Monitoring Team

University of Minnesota
University of North Carolina at Chapel Hill
University of Southern Maine

Supporting CAH Focus on Value: The Role of State Flex Programs

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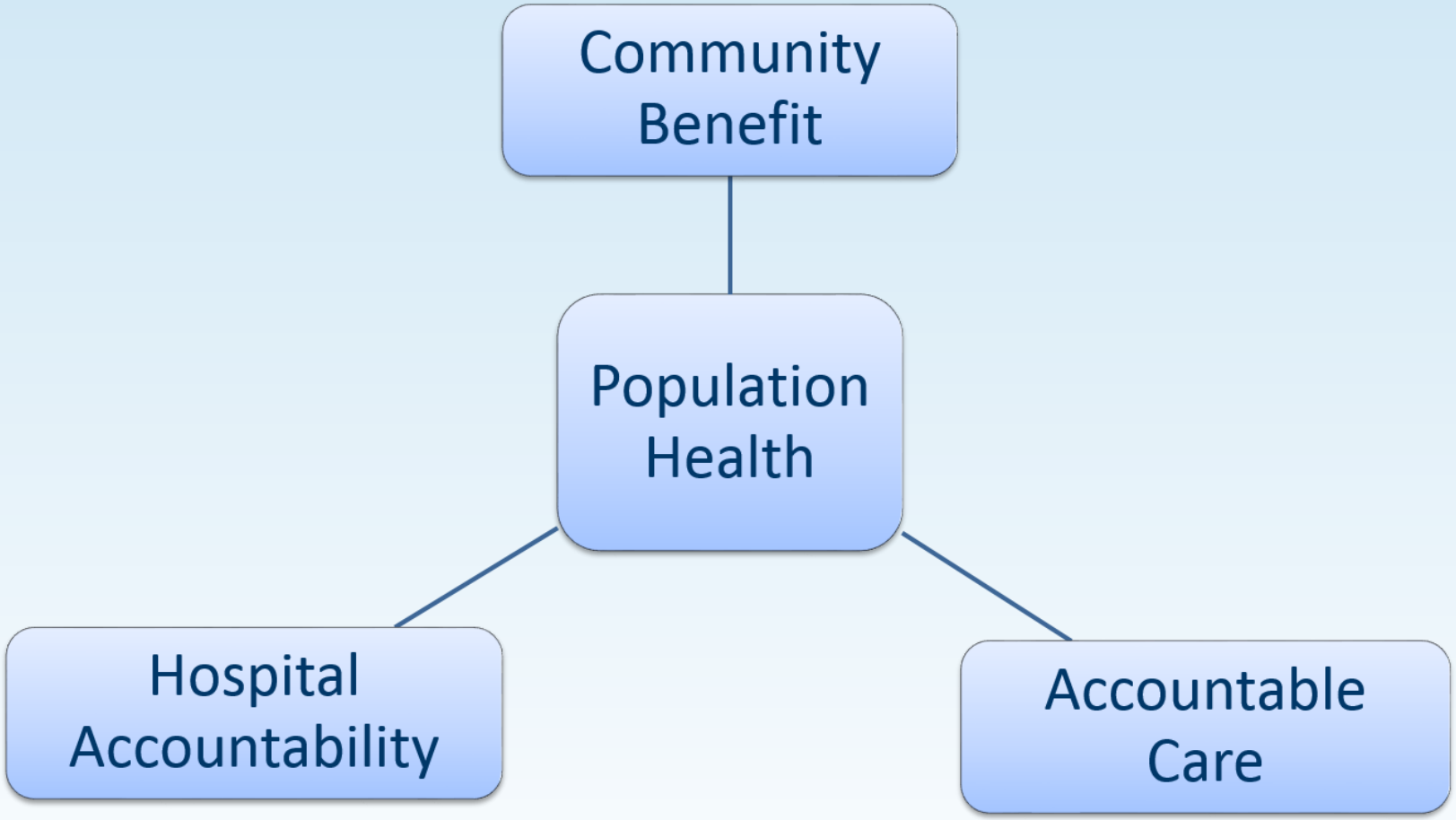
Value Proposition for Population Health

- Makes better use of limited resources
- Reinforces the important community role of hospitals
- Reimbursements systems are moving in this direction
- Creates strong partnerships and engagement with public and private sectors
- Shares responsibility for health improvement
- Hospitals and partners can gain experience with value-based reimbursement
- Improve the health of two populations that hospitals are responsible for – hospital employees and low income/charity care patients

Adopting a Broad View of Value

- Common focus is on value-based payment models
  - Generally within the context of accountable care organizations (ACOs), pay for performance, and other transformation initiatives
  - Hospitals are also accountable for providing value to their communities
- Activities demonstrating community value:
  - Improving population and community health
  - Addressing the unmet needs of communities
  - Concentrating on the drivers of health (social determinants)
  - Serving vulnerable populations
  - Supporting public health
- These two perspectives are not mutually exclusive

Population Health: The Unifying Link



Community Benefit and National Health Reform

PAYMENT MODELS			
Fee for Service	Episode-Based Reimbursement	Partial---Full Risk Capitation	Global Budgeting
INCENTIVES			
Conduct Procedures Fill Beds	Evidence-Based Medicine Clinical PFP	Expanded Care Management Risk-adjusted PFP	Reduce Obstacles to Behavior Change Address Root Causes
METRICS			
Net Revenue	Improved Clinical Outcomes Reduced Readmits	Reduced Preventable Hospitalizations/ED Reduced Disparities	Aggregate Improvement in HS and QOL Reduced HC Costs

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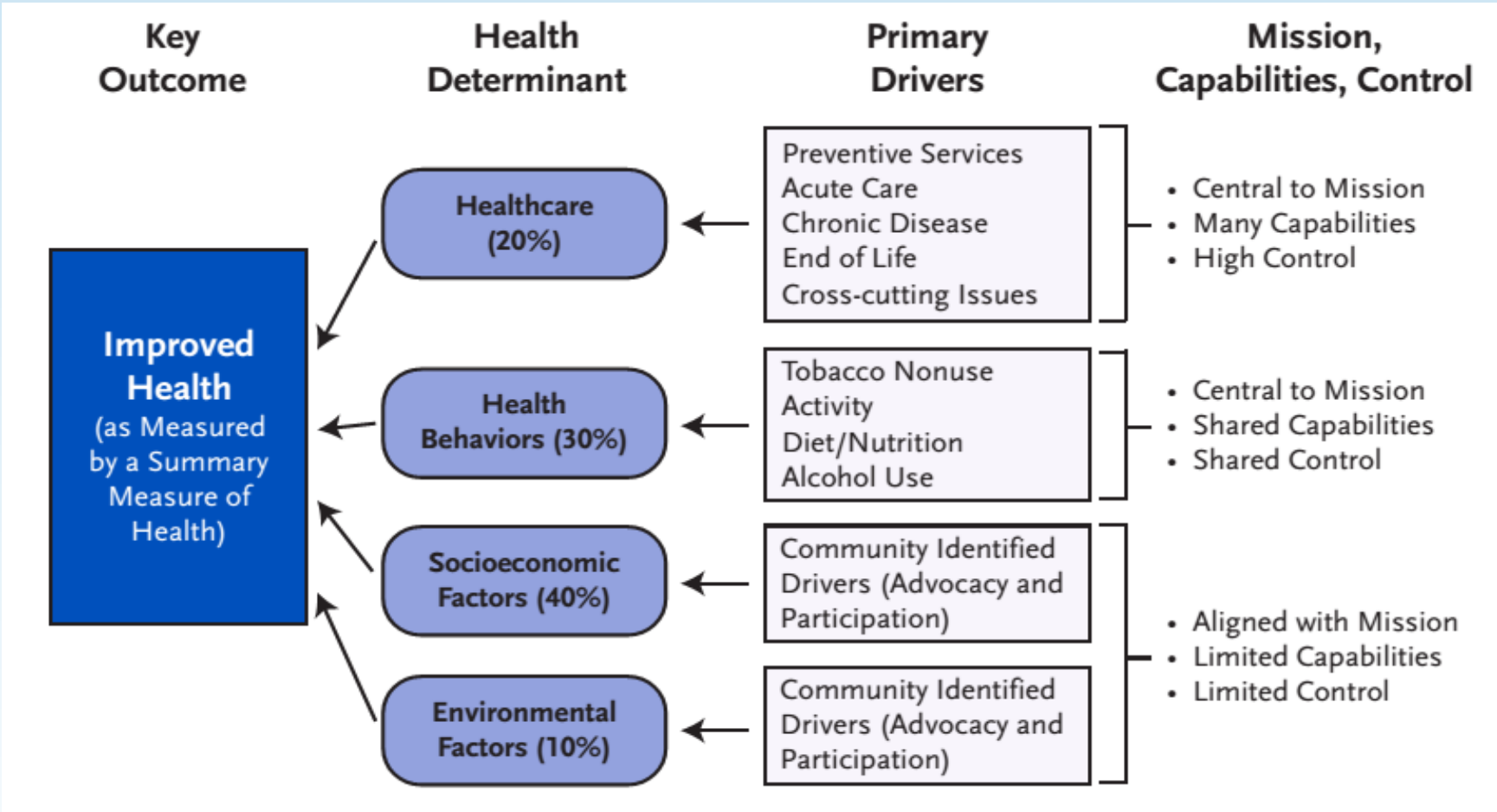
Two Paths to Accountability

- Shifting focus from volume to value encourages hospitals to re-conceptualize their missions:
  - Transformation programs - hospitals assume risk for the health and health care costs of an enrolled population
  - Evolution of traditional community benefit programs into strategies for improving community health
- If integrated and aligned, the two paths to accountability can build on and support each other

Health Partners Drivers Program

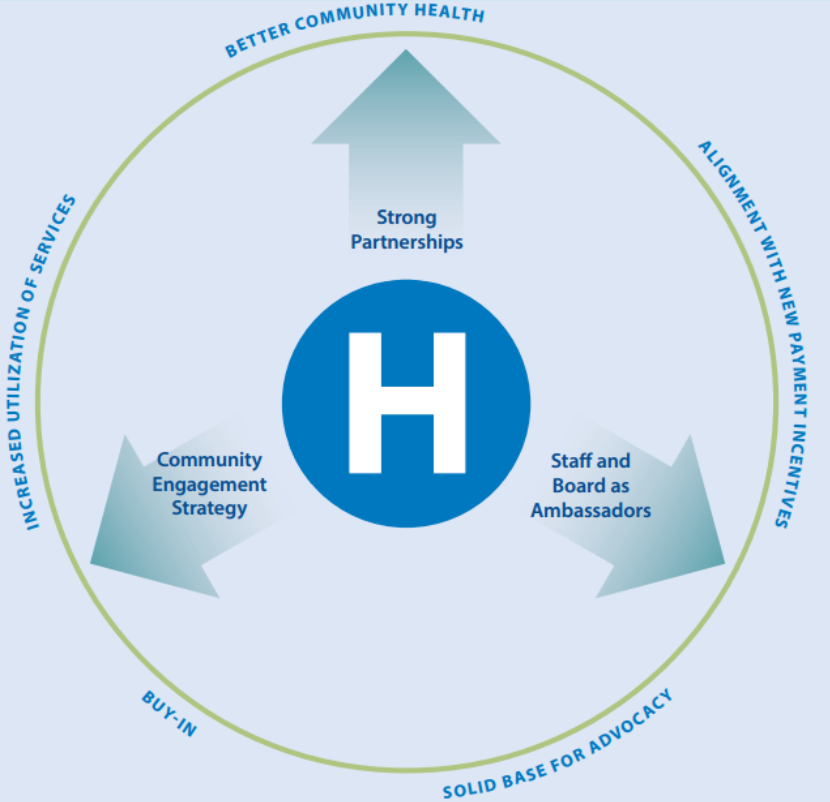


Source: Kindig, D. A., & Isham, G. (2014). Population health improvement: A community health business model that engages partners in all sectors. Frontiers of Health Services Management, 30(4), 3-20.

Redefining the Blue H – 2014

- Washington Department of Health and Washington State Hospital Association
- Objectives:
  - Ensure access to prevention, 24/7 ER, primary care, behavioral health, oral health, long term care, home care, hospice, social services
  - Enable aging in place
  - Address rural health disparities
  - Achieve the triple aim in rural communities

Redefining the Blue H



What Hospitals Put Into and Get Out of Community Engagement

Redefining the Blue H – Strategies

- Promote comprehensive local community assessment, planning, and system development
  - Traditional health care and "non-traditional partners – schools, employers, economic development agencies
  - Align incentives and plans,
  - Develop tools for community engagement and planning
  - Incorporate patient navigator concepts
  - Require joint assessment and planning for Department of Health programs

What Can Flex Programs Do?

- Work with CAHs to develop infrastructure to move to value
  - Develop substantive strategy plans based on CHNA data
  - Enhance health information capacity to share data, develop and use patient registries, etc.
  - Support care management/coordination capacity
  - Use technology to expand services and capacity
  - Support meaningful community engagement and partnership development
  - Support the development of CAH-based learning collaboratives to target common health issues – chronic disease issues, behavioral health, substance use
  - Identify and implement appropriate evidence-based strategies

Examples from the Innovative Models Program Area

- Value-based, transformative models involving CAHs
- Use of technology to expand capacity/access to care
  - Telehealth, Project ECHO: Hawaii, Idaho, Massachusetts, Nevada, Oregon
- Preparing for value-based models of care
  - Care coordination and management: Colorado, Illinois
  - Readiness assessments, global budgeting, supporting vulnerable CAHs, exploring new models: Alaska, Montana, Pennsylvania, Washington

Examples from the Innovative Models Program Area (cont'd)

- Quality reporting and improvement – Primary care and EMS
  - Michigan, North Dakota/Illinois, Tennessee
- Population health
  - New Mexico, South Carolina

Collaborative Leadership

- Building a foundation of substantive partnerships
  - Understand the needs of the community
  - Think broadly about potential partners
  - Understand the interests/motivation of potential community partners
  - Identify strengths and resources of the hospital and potential partners
  - Mutually establish priority areas to collaborate
  - Share leadership among the partners
  - Share data among the partners
  - Give away credit

Target Priority Issues

- Base activities on a current needs assessment
- Review utilization data and base initiatives around the data
- Focus on expanding access to care and vulnerable populations
- Engage board, staff, docs, clinicians, and community
- Establish leadership and accountability
- Work collaboratively to identify priorities and solutions
- Plan, manage, and measure
- Establish business case for programs where possible
  - Value to the community
  - Reduction in local health care delivery costs

Delivery System Transformation

- Identify/track target populations and community health needs
- Align interventions
- Leverage local resources
- Develop new skills needed to meet the challenge
- Move from ACOs to Accountable Health Communities
- Address the "drivers" of health
- Add population-level measures
- Move outside of the hospital walls:
  - More than a nice mission statement: requires action
  - Strategic priority, leadership, resource commitment, and new partnerships within the community

Conclusions & Implications

- Take a more holistic approach
  - Not all population health activities must be charitable or community benefit activities
- A broad-based population/community health improvement strategy can build community support and demonstrate hospital commitment
- From value to outcomes: measure benefits/ROI
- Building successful partnerships and achieving results takes time and effort
- Hospital and community champions are critical

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Thank You!

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