

# The Rural Bridge to Value and Population Health: Care Coordination's Role

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Rural Health Innovations (RHI), LLC, is a subsidiary of the National Rural Health Resource Center (The Center), a non-profit organization. Together, RHI and The Center are the nation's leading technical assistance and knowledge centers in rural health. In partnership with The Center, RHI connects rural health organizations with innovations that enhance the health of rural communities.





The National Rural Health Resource Center (The Center) is a nonprofit organization dedicated to sustaining and improving health care in rural communities. As the nation's leading technical assistance and knowledge center in rural health, The Center focuses on five core areas:

- Transition to Value and Population Health
- Collaboration and Partnership
- Performance Improvement
- Health Information Technology
- Workforce



# Current Health System Results



- High cost
- Low quality
- High chronic illness
- Low access



### It's Changing!

### Triple Aim

- Better health
- Better care
- Lower cost

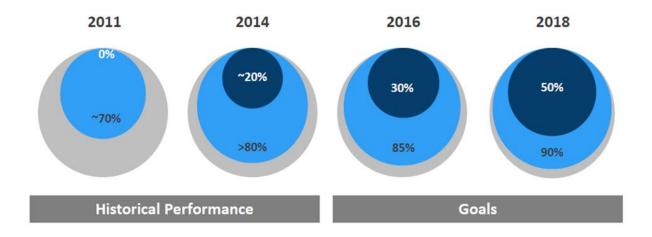
- Better care
- Smarter spending
- Healthier people





# Target percentage of payments in 'FFS linked to quality' and 'alternative payment models' by 2016 and 2018

Alternative payment models (Categories 3-4)
FFS linked to quality (Categories 2-4)
All Medicare FFS (Categories 1-4)

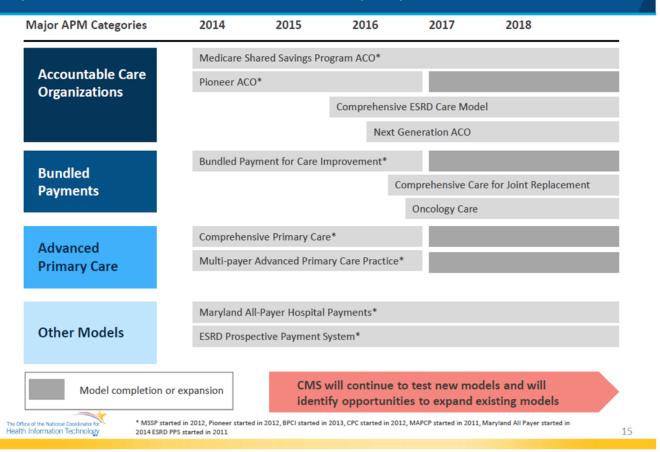




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# HHS/CMS will achieve Goal 1 through alternative payment models where providers are accountable for both cost and quality



Alternative Payment Models and Sustainability, Advance Interoperable HIE Program Senior Leader Call, February 24, 2016, John Rancourt, Deputy Director, Office of Care Transformation,



# Accountable Care Organizations (ACO's)

- A mechanism to monetize value by increasing quality and reducing cost
- A group of health care providers that takes responsibility for the cost and quality of care for a group of patients or individuals





# Accountable Care Organizations (ACO's)

- Rapid growth
  - August 2012: 154
  - January 2015: 747
  - January 2016: 1,000+ (41 new in rural)
- Both hospital and physician led
- Medicare and private insurance models



#### **ACO** Results

According to a 2014 Leavitt Partners survey for *Modern Healthcare* magazine:

- \$417 million in savings
- 19% improvement in quality
- 2013 growth in health spending lowest since 1960





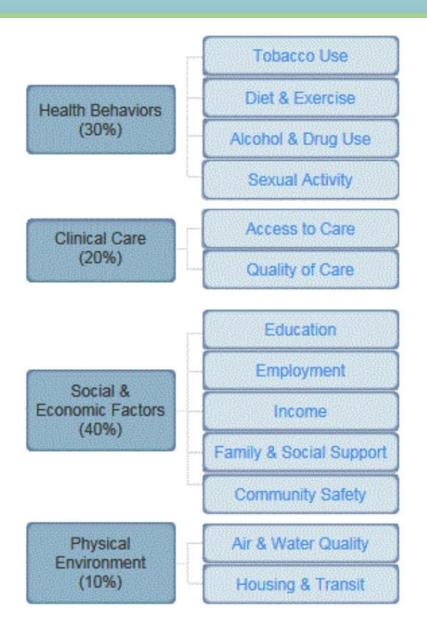
#### What is Health?

"Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity."

Source: Preamble to the Constitution of the World Health Organization as adopted by the International Health Conference, New York, 19-22 June, 1946: signed on22 July 1946 by the representatives of 61 States (Official Records of the World Health Organization, no. 2, p. 100) and entered into force on7 April 1948.



# Population Health as Many Determinants



Rural Health Value, "Understanding the Social Determinants of Health: A Self-Guided Learning Module for Rural Health Care Teams.", RUPRI, Stratus Health

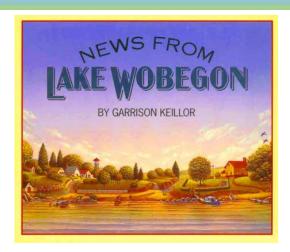


#### Social Determinants of Health

The conditions and circumstances in which people are born, grow, live, work, and age. These circumstances are **shaped by** a set of forces beyond the control of the individual: economics and the **distribution of money**, **power**, **social policies**, **and politics** at the global, national, state, and local levels.

WHO and CDC (adapted)







Garison Keillor, born on August 7, 1942

Minnesota! Where the women are strong, The men are good looking, And all our health statistics are above average -Unless you are a person of color or an American Indian.

From Assistant Commissioner, Jeanne Ayers speech to the MN Community Health Workers Alliance Meeting, May 23, 2016



# Health Inequities in MN

Health inequities in Minnesota are significant and persistent, especially by race:

In Minnesota, an African American or Native American infant has **more than twice** the chance of dying in the first year of life as a white baby.



# Tip of the Societal Disparities Iceberg





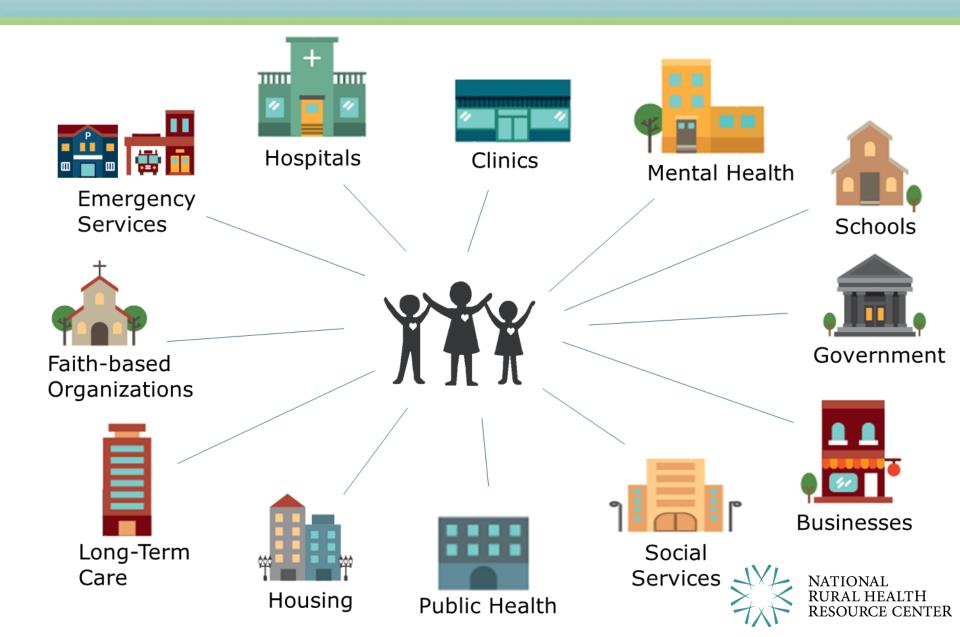
#### Our Aim



- Narrative: align the narrative to build public understanding and public will.
- People: directly impact decision makers, develop relationships, align interests.
- Resources: identify/shift the resourcesinfrastructure- the way systems and processes are structured.



### Population Health has Many Partners



# Rural Reasons for Optimism

- Revenue stream of the future tied to primary care providers
- Lower beneficiary costs in rural
- CAHs, RHCs, FQHCs have reimbursement advantages in the old payment system
- Rural can change more quickly
- Rural is more community-based
- Rural is more collaborative



#### **Networks**

- Networks make these models work
  - Create infrastructure
  - Build trust and collaboration
  - Share and analyze information
  - Creating collective volume
  - Creating economies of scale
- Rural Health Providers have often overlooked the importance of the <u>network development</u> <u>process</u>.



# The Challenge: Crossing the Shaky Bridge



Source: <a href="http://www.flickr.com/photos/67759198@N00/2974261334/sizes/o/in/photostream/">http://www.flickr.com/photos/67759198@N00/2974261334/sizes/o/in/photostream/</a>



#### Plank One

# Leadership

- Educate & Align Key Leaders:
  - Boards
  - Providers
  - CEO/CFO/CNO/Managers
- Develop a compelling strategic plan to achieve value



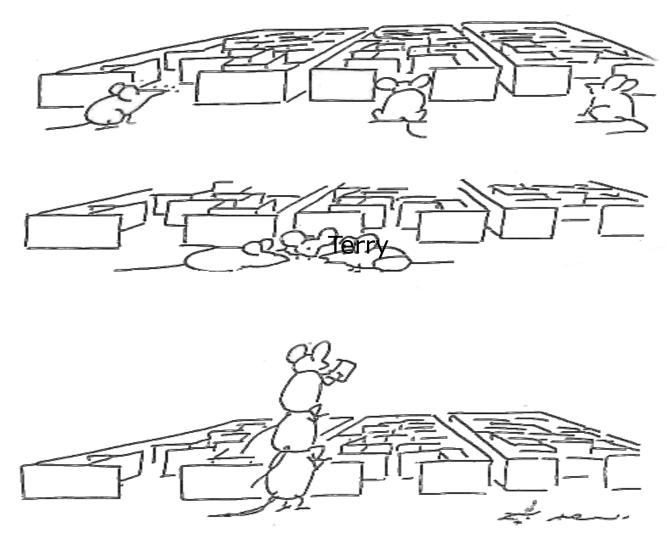
#### Plank Two

# Collaboration/ Partnerships

- Partner with:
  - Primary care providers
  - Other community services
  - Businesses
  - Payers
- Join Networks/Systems
- Engage Community and Patients



### A Collaborative Effort





#### Plank Three

# Maximize Finances/Quality

- Maximize Financial and Quality Performance
  - Optimize revenue cycle management, coding and cost accounting
  - Improve customer satisfaction and quality
  - Develop LEAN processes



#### Plank Four

# Care Management

- Develop care coordination capabilities
- Redesign care processes
- Focus on high cost patients
- Focus on chronic illness management



#### Plank Five

# Information Management

- Develop access to shared patient databases
- Gain access to in-depth data analysis
- Use information to improve value of services
- Use information to improve patient outcomes



#### Plank Six

# Technology

- Develop effective:
  - Telehealth applications
  - Websites and social media
  - Handheld technology applications
  - Educational technology



#### Plank Seven

# Workforce Preparation

- Help staff understand the "why" of change
- Develop a culture of continuous improvement
- Teach staff new value-based and population health skills and knowledge
- Maximize teamwork and customer focused services



### Plank Eight

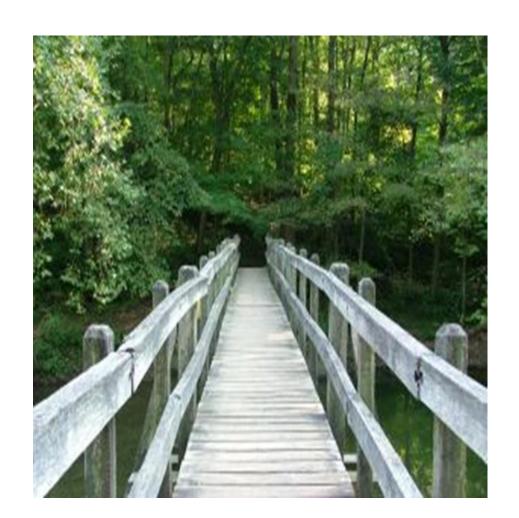
# Population Health Management

- Develop new wellness and disease prevention services – start with hospital staff
- Engage and enlist partnerships with patients and their families
- Lead/join initiatives to address community health needs and issues



#### The Destination. . . .

A health system that links health care with community stakeholders to create a network of organizations working together to improve population health.





#### What Can You Do Now?

- Determine the most important things to do now to prepare for ACOs and other value models
- Determine where providers are now in preparation for value – readiness
- Develop strategies to bridge the gap between current and future payment systems
- Work together to maximize efficiency and shared volume
- Participate in value-based models







"Even if you're on the right track, you'll get run over if you just sit there."
-Will Rogers



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