Continuing on the Road to Value

Presented to the
Indiana Rural Health Association's
18th Annual Public Policy Forum
Virtual
January 28, 2021

Keith J. Mueller, PhD
Gerhard Hartman Professor and Head
Director, Rural Policy Research Institute
University of Iowa

Phases of Transformation

- Squeeze the turnip
- Plant new seeds
- Water and fertilizer – change as needed
- Grow the new crop
- Linear but not mutually exclusive

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Squeeze the Turnip: Public Policy Manifestations

- Policy imperative to find “savings” in the Medicare and Medicaid programs
- Consequence: Sequestration, scrutiny of allowable cost, little to no give on expanding the latter
- Tight definitions of budget neutrality affect ability to demonstrate new approaches to sustaining services

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Squeeze the Turnip: Management Responses

- Service line expansion
- Network affiliation to share costs and expand service lines
- Addressing total cost of care in preparation for new models

- IS IT ENOUGH? -- NO

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Plant New Seeds: Policy Initiatives

- Perhaps a hybrid seed: Frontier Community Health Integration Program (still fee-for-service; extending cost-based reimbursement) – revived in the FY 2021 Appropriations
- New seed with basically untreated soil: Accountable Care Organizations (ACOs) with one-sided risk – limited time for new ACOs

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Plant New Seeds: Policy Initiatives

- New seed: ACOs with two-sided risk – pathway to success
- New seed: Global budgeting models (MD, PA)
  - Maryland: total cost of care
  - Pennsylvania: Rural hospitals seeking to gain savings through reducing potential avoidable utilization
- New seed: Changes in primary care payment – direct contracting, primary care first

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Plant New Seeds: Healthcare Organization Actions

- Think bold: Third Generation Hospitals (Paul Keckley report June 6, 2016: *health focused, consumer driven; clinical leadership of clinically integrated networks* --- ***operating a retail business***
- Hospitals without boundaries (Spectrum Health "Ecosystem of Health" *Hospitals and Health Networks*, Sept 14, 2016): hospital without walls waivers during public health emergency
- Begin to address social determinants of health
- Form and/or participate in community coalitions

Water and Fertilize: Changing the Models as they Grow

- Example of changes to ACO program, including nurturing new plants with demonstrations (water) and capital investments (fertilizer, could be in the same demonstrations)
- Infusions such as changes to wage index
- Evolution of physician payment to include chronic care code, PCP+ and now the new programs
- Inserting new services into Medicare Advantage and ACOs

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Water and Fertilize: Changing the Models as they Grow

- Parallel the policy changes with new strategies and efforts locally
- Working through local collaborations
- Working through regional collaborations

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Grow the New Crop

- Effective use of community health workers
- Addressing social determinants of health – Accountable Health Communities, projects in State Innovation Models,
- Working with Medicaid programs, managed care organizations

Source: Samantha Artiga and Elizabeth Hinton. Beyond Health Care: The Role of Social Determinants in Promoting Health and Health Equity. *Issue Brief*. Kaiser Family Foundation. May, 2018

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Elements of the ACO Model Contribute to Successful Transformation

- Lessons being learned by ICAHN in use of care coordination, use of data analytics, patient engagement
- In Michigan (another rural model) lessons in strong governance, investing the shared savings, data analytics, chronic disease management (participating under the Caravan Health umbrella)

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Top resources on the Rural Health Value website:

- Value-Based Care Assessment - Assess capacity and capabilities to deliver value-based care. Receive an eight category readiness report.
- Physician Engagement - Score current engagement and build effective relationships to create a shared vision for a successful future.
- Board and Community Engagement - Hold value-based care discussions as part of strategic planning and performance measurement.
- Social Determinants of Health - Learn and encourage rural leaders/care teams to address issues to improve their community's health.

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Rural Health Value UNDERSTANDING AND FACILITATING RURAL HEALTH TRANSFORMATION.

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New Resource from Rural Health Value

The Rural Health Value team recently released a new resource outlining eight commonly used change management methodologies that are rural-relevant. It is intended as a guide to help rural health care leaders identify which approach(es) might be most useful to them and their organizations.

Please share this resource as makes sense for your networks and stakeholders:

- **Management Methodologies and Value-Based Strategies: An Overview for Rural Health Care Leaders** - Offers rural health leaders an overview of eight commonly used management methodologies to help guide change, plus additional resources and references for further exploration. (June 2019)

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Additional New Resources

- How to Design Value-Based Care Models for Rural Participant Success: A Summit Findings Report

  Summary of a meeting of organizations participating in value-based models, including six themes that emerged, including considerations for program design

- Resource page on CHART, including presentations from webinars

- The Future of Rural Value-Based Health Care and Surge Capacity

  Essay with considerations for how address needs for surge capacity during events such as the current COVID-19 pandemic

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Rural Health Value Innovation Profiles

- *Accountable Health Communities Model – Two Rural Participant's Experiences:* Description of successes and challenges of two AHCs serving rural populations
- *Predictive Analytics Shape Care Processes*: Identify patients with highest risk and plan interventions to support care management, using predictive analytics software in a health information exchange
- *Rural Health Network Thrives on Innovation in Whole-Person Care*: centralize coordination of efforts to ensure health and social services are available and benefit the public

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Carry Over of Framing Rural Health Policy and Action

- CMS Rural Health Strategy
- HHS Rural Action Plan
- Health Care Payment Learning & Action Network (LAN)

CMS Rural Health Strategy

- Apply rural lens to CMS programs and policies
- Improve access to care through provider engagement and support
- Advance telehealth and telemedicine
- Empower patients in rural communities to make decisions about their health care
- Leverage partnerships to achieve the goals of the CMS Rural Health Strategy

HHS Rural Action Plan

- Released September 2020: https://www.hhs.gov/about/news/2020/09/03/hhs-releases-rural-action-plan.html
- Build a sustainable health and human services model for rural communities, including: Rural Healthcare Providers Transition Project; Community Health Aide Program; Funding Integrated Rural Community Care project
- Leverage technology and innovation: improve screening and management of post-partum depression; Telehealth Network Grant Program; flexibility for Medicare Advantage plan network adequacy assessment

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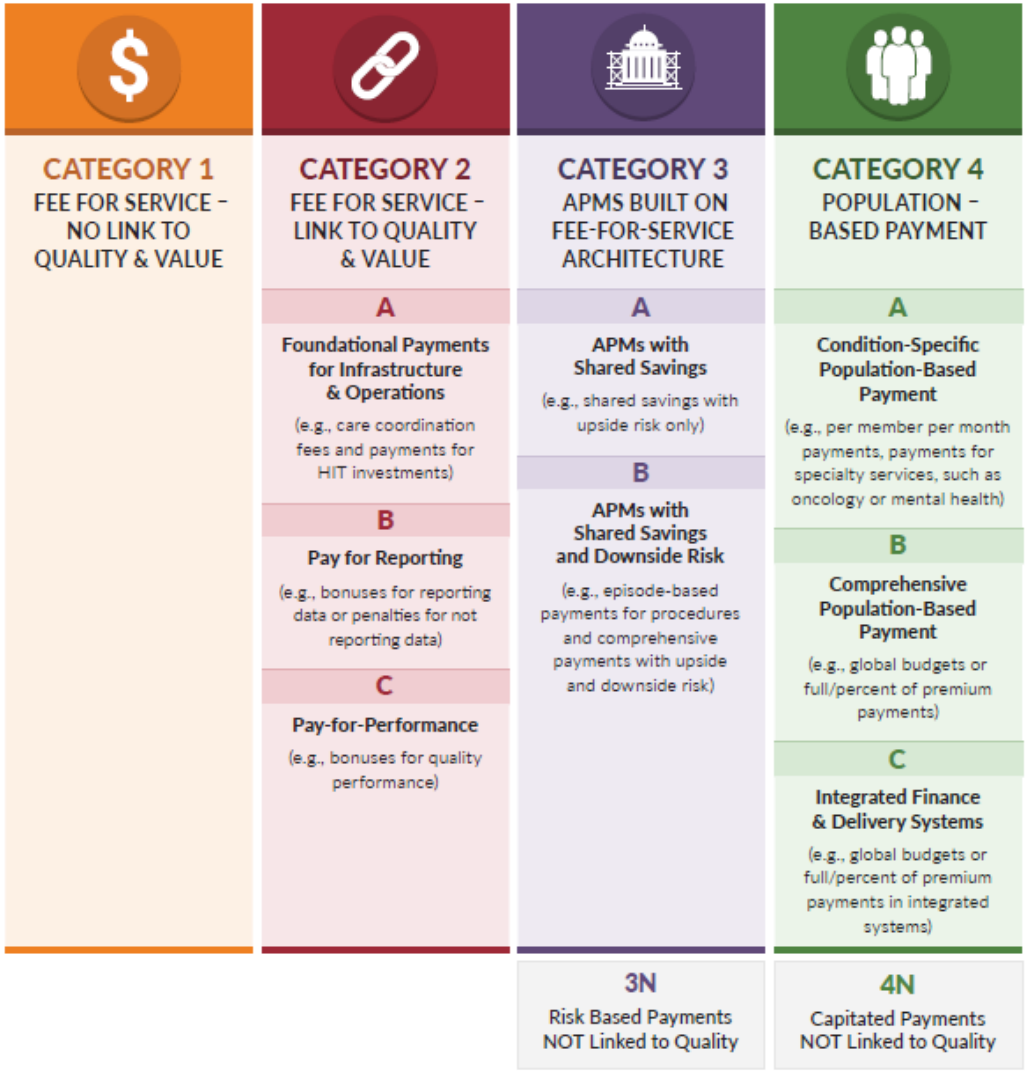
HHS Rural Action Plan

- Focus on preventing disease and mortality: Healthy Rural Hometown Initiative; additional funding for rural cancer control grants; invest in project to identify evidence-based interventions that can reduce health risks faced by rural American
- Increase rural access to care: new policy brief examining workforce shortage challenges state-based licensure restrictions create; invest in recruiting and training EMS personnel in rural areas; award grants top 11 communities who develop new rural residency programs

Health Care Payment Learning and Action Network (HCP LAN) Alternative Payment Model Framework



Source: http://hcp-lan.org/workproducts/apm-framework-onepager.pdf

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Specific Initiatives Carrying Forward

- CHART initiative
- ACO Pathway to Success
- Global Budgeting
- Other: see Catalog of value-based initiatives: https://ruralhealthvalue.public-health.uiowa.edu/files/Catalog%20Value%20Based%20Initiatives%20for%20Rural%20Providers.pdf

CHART Demonstration Programs

Community Health Access and Rural Transformation Model

- *Community:* Engagement of broad community (beyond health care organizations)
- *Health Access:* Address priority health needs of the residents of the community (drivers of morbidity and mortality)
- *Rural*: Federal Office or Rural Health Policy list of counties and census tracts; in any combination
- *Transformation*: Changes to delivery system based on community needs; achieved by implementing a plan developed by lead Organization in collaboration with Advisory Council, Participant Hospital, and State Medicaid Agency

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CHART Demonstration Programs

Community Transformation Track

- Due March 16, 2021
- Requires: lead organization, transformation plan, at least one participating hospital, state Medicaid organization
- For much more discussion of lead organization and transformation plan: https://ruralhealthvalue.public-health.uiowa.edu/InD/CHART/index.php

ACO Transformation Track

- Will begin January 2022
- Advanced shared savings payments: up front payment for t-year participation; is repaid from savings

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ACO: Pathway to Success

- Shared Savings Program in Medicare
- Basic track: Upside only will automatically progress to next level of risk annually (two-sided risk with different levels of downside risk)
- Push is to higher downside risk (up to 15% of total cost) in exchange for higher upside share (75%)

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Global Budgeting

- PA model includes transformation plans, developed by hospitals (not an independent lead organization as is true in CHART)
- Challenge to identify and act on avoidable utilization
- Ability to redirect revenue, assumes an element of shared savings
- PA is hospital-specific; MA is now total cost of care – inpatient and outpatient settings

Directions from New Teams

Administration

- Department of Health and Human Services under Xavier Becerra (former member of Congress, Attorney General in California)
- USDA (broadband and rural development) under Tom Vilsack
- Next level appointees

Congress

- New committee chairs in the Senate: Wyden (OR) for Finance, Murray (WA) for HELP
- Watch to see if Rural Health Caucus (Senate) and Rural Health Coalition (House) are active
- Rural and Underserved Task Force in House Ways & Means Committee

Further Expectations: Federal Policy

- Transparency will continue to be a theme
- Focus on total expenditures will continue
- Changes based on amending the Patient Protection and Affordable Care Act
- Further development of new models: Medicare Payment for Rural Emergency Hospital Services (Section 125 of the Consolidated Appropriations Act, 2021) creating Rural Emergency Hospital
- Resurgence of multi-agency approach to rural policy (remember the White House Rural Council of Obama administration)

Further Expectations: State Policies

- Continued pressure on budgets
- Medicaid as a driver of innovation: working with Managed Care Organizations in many states
- Behavioral health a focus of attention – bring rural perspective to that, RUPRI Health Panel paper on this topic: https://rupri.org/2020/01/16/new-from-rupri-health-panel-behavioral-health-in-rural-america-challenges-and-opportunities/
- Health professions policies, including non-clinical personnel

Conclusion

- May be a few more seeds to plant (new programs, new provider types)
- Generally in a mode of developing hybrids and nurturing
- Include lessons learned from waivers granted during public health emergency (recent call for input by CMS across more than 380 changes made during the pandemic – *Federal Register* Vol 85, No 228, November 25, 2020)

CONCLUDING COMMENTS

- Exciting times of transforming finance, delivery organizations
- All the while benefitting from advances in science of medicine
- And benefitting from understanding of social determinants of health and actions to take
- We can move to a system focused on health that draws the best talent from multiple disciplines and perspectives
- Policy actions can facilitate (or inhibit) progress toward a high-performance rural health system

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For further information

The RUPRI Center for Rural Health Policy Analysis
http://cph.uiowa.edu/rupri

The RUPRI Health Panel
http://www.rupri.org

Rural Telehealth Research Center
http://ruraltelehealth.org/

The Rural Health Value Program
http://www.ruralhealthvalue.org

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Keith Mueller, PhD

Gerhard Hartman Professor and Head
Director, Rural Policy Research Institute (RUPRI)
Department of Health Management and Policy
University of Iowa College of Public Health
145 Riverside Drive, N232A, CPHB
Iowa City, IA 52242
Office: 1-319-384-3832
keith-mueller@uiowa.edu

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