CHI SNAC LABS 2015

Food for Thought

Updates from the Safety Net Advisory Committee (SNAC)

Expand, Explore, Evaluate

The Accountable Care Collaborative's Big Initiatives

JANUARY 22, 2015

Introduction

The Accountable Care Collaborative (ACC) represents Colorado's signature effort to reform how primary care is delivered to Medicaid enrollees. Nearly 793,000 people had been enrolled as of February 1.

Budget numbers from its third year of operation show a net savings — even after administrative costs — of between $29 million and $33 million.

Efforts are underway to measure how well the ACC is achieving its goals, in both cost savings and quality of care.

Participants in the Colorado Health Institute's Safety Net Advisory Committee (SNAC) Learning Lab on January 22 discussed progress in implementing the ACC. Attending the lab were representatives of more than 20 organizations, including safety net providers, consumer advocacy groups, academic institutions, foundations and state government.

Primary Themes

- The ACC is iterative: The program continues to evolve to include new populations and develop new strategies.
- Increased use of services among ACC members enrolled less than six months may suggest pent-up demand.
- The ACC achieved the greatest net savings among members with disabilities.

Background

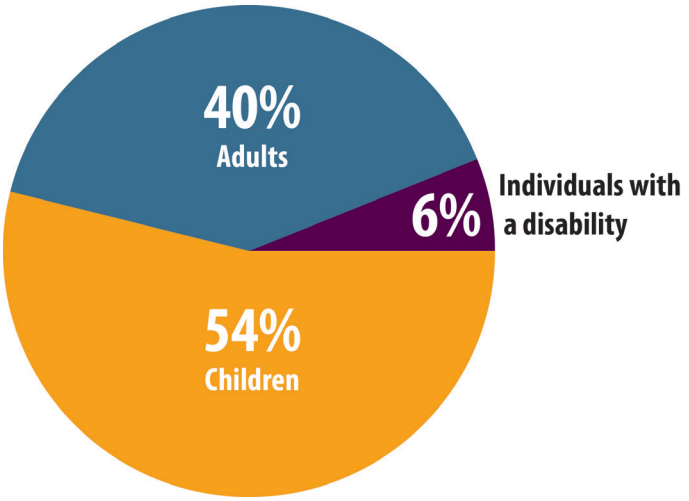
The ACC has many components. The idea is to get patients connected with a medical home where they build a relationship with a provider and have all the benefits of primary care and preventive medicine. Their care is also coordinated among different types of providers, such as primary care physicians, specialists and behavioral health experts.

The entire system is based on a foundation of data and analytics to track use and ensure quality.

Seven Regional Care Collaborative Organizations (RCCOs) are responsible for all ACC members in their region. The RCCOs ensure care is coordinated, develop networks of providers, support these providers with clinical tools and data, and report progress to the state.

The ACC is still a fee-for-service system, but it includes payments to RCCOs and providers for medical home

ACC Enrollment



Source: CO Department of Health Care Policy and Financing, Legislative Information Request No. 4 (November 1, 2014)

and care coordination, as well as a variety of incentives for meeting performance goals. In the next year, RCCOs and primary care providers will receive a portion of the savings on medical expenses resulting from the ACC.

The enrollment of more than 609,000 people accounts for about 58 percent of Colorado's Medicaid population. The approximately 400,000 Medicaid recipients who are not enrolled include people who have opted out and managed care clients (including Medicaid clients in Denver, who are automatically enrolled in Denver Health's managed care system). In addition, people in nursing homes and residential treatment centers and anyone receiving both Medicare and Medicaid benefits were not actively enrolled in the ACC until September 2014.

In the 2013-14 fiscal year, the ACC recorded gross savings of $98 million to $102 million and administrative costs of $69 million, according to the Department of Health Care Policy and Financing (HCPF). This resulted in a net savings of $29 million to $33 million. The greatest savings — $67 million — were realized by ACC members with disabilities. Adults who are newly eligible for Medicaid and children showed no net savings.

There is some evidence to suggest a spike in emergency department visits and high-cost imaging for adults and children during the first six months they are enrolled compared with patients who are not enrolled in the ACC. Medical use decreases for people enrolled more than six months. This may indicate a pent-up demand for services by people who had been uninsured — an idea that provoked a good deal of discussion in the learning lab.

The SNAC Lab Discussion

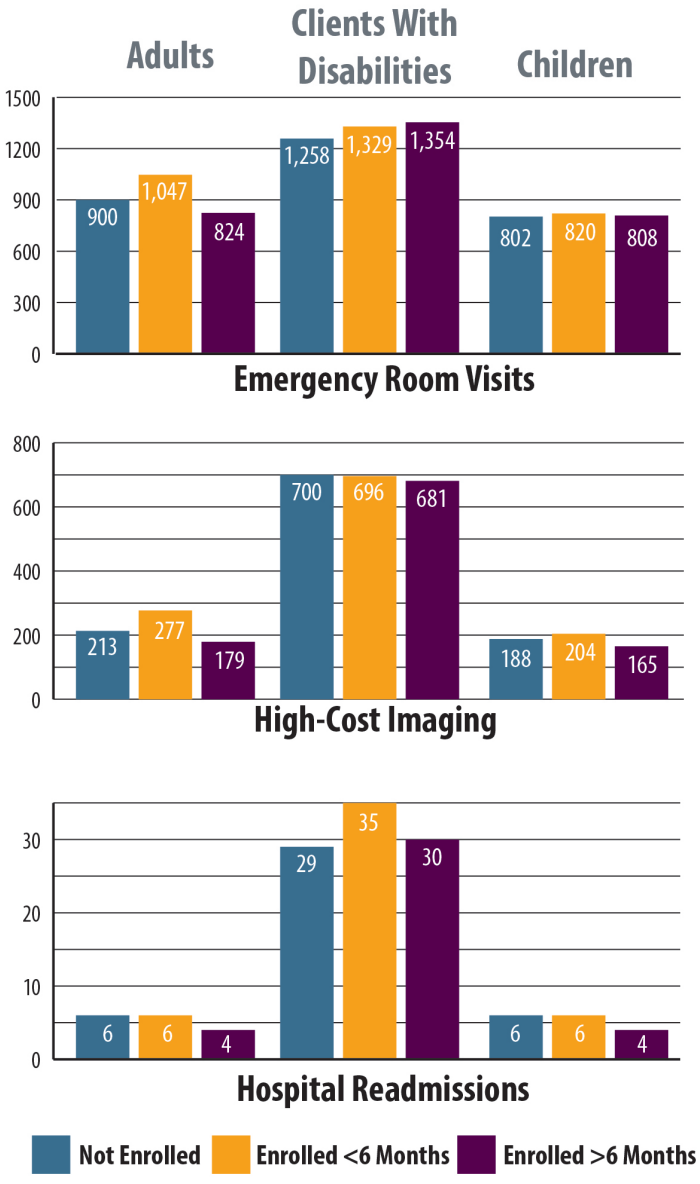
Some SNAC lab attendees said they have seen no evidence to support the theory of pent-up demand, but others have noticed that newly covered people tend to use medical services more often. Some participants noted there does not seem to be a demand spike, saying the appetite for services is always growing.

Although it's frequently thought that Medicaid patients have a harder time getting access to specialists, one SNAC lab attendee said this is a myth, because even people with private insurance have to wait to see a specialist.

Participants also said they don't necessarily expect to see savings from children enrolled in Medicaid. On average, children tend to be relatively inexpensive compared with adults, and the costs associated with preventive care as children should be recouped later in life.

A Pent-Up Demand Spike?

Number per 1,000 Colorado Medicaid ACC members



Source: Colorado Department of Health Care Policy and Financing, 2014 ACC Annual Report

From the Field: A Panel Discussion

January's SNAC lab featured a presentation by three experts involved in implementing and evaluating elements of the ACC: Patrick Gordon of Rocky Mountain Health Plans, Greg Tung of the Colorado School of Public Health, and Van Wilson of the Department of Health Care Policy and Financing.

Moving Towards Shared Risk and Community Health

Rocky Mountain Health Plans (RMHP), the RCCO for the Western Slope, is conducting a pilot ACC program called Medicaid Prime in six counties: Mesa, Garfield, Gunnison, Montrose, Pitkin and Rio Blanco.

Gordon, associate vice president of RMHP, said Prime launched in 2014, and is open to adults, pregnant women and Medicare-Medicaid enrollees — but not children — in the six counties. Members are assigned to a primary care practice and are encouraged to see their provider at least once a year. Primary care providers receive a monthly global payment for each patient. Practices receive higher reimbursements when they see more Medicaid patients and take on clients with more complex health needs. The broader community is involved in providing care, including behavioral health organizations, community mental health centers, hospitals, social services departments, and public health departments.

Patrick Gordon, Rocky Mountain Health Plans

Under the program, RMHP is accountable for cost overruns. It also can share in savings, but only if quality benchmarks are met. Primary care medical providers have a strong incentive because they can keep 60 percent of the earned savings under the global budget. Community mental health centers can keep 30 percent of the earned savings.

Gordon said the ACC is absolutely the right direction for Colorado, although implementing it has presented challenges. Among them: finding enough providers to serve a growing Medicaid population. Following the state's decision to expand Medicaid eligibility, some western Colorado counties went from having one in six residents enrolled in Medicaid to one in three.

Gordon thinks better cost control is needed in the health care delivery system. "You can't achieve the Triple Aim if you're not addressing cost. It's a two-legged stool if you're not addressing cost," he said.

Eventually, the fee-for-service model must be changed.

Although the RCCOs exist to coordinate care, Gordon worries that the proliferation of care coordinators is creating a "care coordination industrial complex."

Next Up for SNAC Labs

2015 Learning Labs:
CHI plans to conduct five more SNAC lab meetings this year on two tracks, Access to Care and the ACC. Please contact Kathy Helm at HelmK@coloradohealthinstitute.org if you would like to stay apprised of future meetings.

On the Road:
In addition, CHI is planning to take SNAC lab on the road for people who cannot make it to Denver.

Summit:
Finally, an Access to Care summit meeting is in the works later this year to capitalize on the ideas generated at SNAC labs the past few years. Stay tuned for details.

Evaluation Plans

Tung, an assistant professor at the Colorado School of Public Health, is working with a team led by Associate Professor Rich Lindrooth to evaluate the ACC. Sponsored by the Colorado Health Foundation and Rose Community Foundation, the evaluation will include both quantitative and qualitative performance measures.

Greg Tung, Colorado School of Public Health

Primary care providers will be ranked on key performance indicators, including hospital readmission rates. All the RCCOs and a sample of clinics representing different levels of performance will be selected for key informant interviews. The interviews will include open-ended questions to solicit providers' opinions on the effectiveness of the ACC.

So far, Tung has sensed great interest among stakeholders in having an independent and rigorous examination of the ACC.

"It's our hope that at the end of the evaluation, we will have a nice picture of the ACC," Tung said.

CHI anticipates inviting the evaluation team to present preliminary findings at a future SNAC lab.

Working with Medicare-Medicaid Clients

Wilson, a project manager at HCPF, discussed his department's pilot program under the ACC for Medicare-Medicaid enrollees. (This was the subject of the September 2014 SNAC lab and Food for Thought.)

Van Wilson, Colorado Department of Health Care Policy and Financing

To qualify for both Medicare and Medicaid, people must have low incomes and either have a disability or be at least 65 years old. HCPF's pilot is part of an initiative by the federal Centers for Medicare & Medicaid Services to let states explore better and more efficient ways of caring for this population. A dozen states are participating, mostly using a managed care model. Colorado, Washington and Connecticut are the only states to opt for a managed fee-for-service approach.

Colorado stands out among the states for a low opt-out rate, which Wilson put at about five percent. (People are automatically enrolled in the program, but it is not mandatory.) Many other states have opt-out rates exceeding 30 percent, and California's has reached 43 percent. Wilson said many people opt out because they do not want to switch doctors, noting that Colorado was careful to minimize disruptions during enrollment.

Enrollees in Colorado's Medicare-Medicaid program will receive care coordination and medical home services like other enrollees, but with an additional element of care and service planning.

Colorado's goal is to enroll 32,000 people. The last cohort will be enrolled in March. The federal demonstration ends on December 31, 2017, giving Colorado three years to work out the kinks.

Conclusion

The ACC serves as Colorado's main initiative on Medicaid reform. A number of programs fall under the ACC umbrella, and the whole program continues to evolve and expand. Evaluations now in progress should provide valuable feedback on how well the ACC is serving clients and how much money it can save.

Organizations Represented at the January 22, 2015 SNAC Lab

- 3M Health Information Systems
- Bell Policy Center
- ClinicNET
- Clinica Tepeyac
- Colorado Access
- Colorado Association of Local Public Health Officials
- Colorado Community Health Network
- Colorado Consumer Health Initiative
- Colorado Department of Health Care Policy and Financing
- Colorado Health Foundation
- Colorado Rural Health Center
- Colorado School of Public Health
- Inner City Health Center
- Integrated Community Health Partners
- Jefferson Center for Mental Health
- Kaiser Permanente Colorado
- North Colorado Health Alliance
- Rocky Mountain Health Plans
- Rocky Mountain Youth Clinics
- Rose Community Foundation
- S.E.T. Family Medical Clinics
- Steadman Group
- Telligen
- University of Colorado School of Medicine

Colorado Health Institute is a trusted source of independent and objective health information, data and analysis for the state's health care leaders. Colorado Health Institute is funded by the Caring for Colorado Foundation, Rose Community Foundation, The Colorado Trust and the Colorado Health Foundation.

303 E. 17th Ave., Suite 930, Denver, CO 80203 • 303.831.4200 • coloradohealthinstitute.org