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Preparing for the New Managed Care Environment

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Presented by:
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PEAK Conference - March 20, 2013

Session outline

I. **Why the Managed Care Toolkit was needed?**

II. **Explaining the Toolkit Contents and How to Use It**

III. **Positioning for a changing environment**

IV. **Group Toolkit Exercises**

   I. Readiness Assessment

   II. Defining Your Organization's Value Proposition

V. **Questions**

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“A leader takes people where they want to go. A great leader takes people where they don't necessarily want to go, but ought to be.”

— Rosalynn Carter

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Why the toolkit was needed?

Cheryl Phillips, LeadingAge

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Why does all this Matter? And why NOW?

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Forces at Play

- Affordable Care Act and the "Triple Aim"
- States' struggles with unpredictable Medicaid budgets
- Move to "population-based" models
- Desire to integrate Federal payments to reduce cost and inefficiencies

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Two Competing Forces to Control Health Care Costs

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Finance Reform

Delivery Reform

Financial Alignment Initiative : CMS Seeks to Test Two Payment Models for Dual Eligibles

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Capitated Integration Model

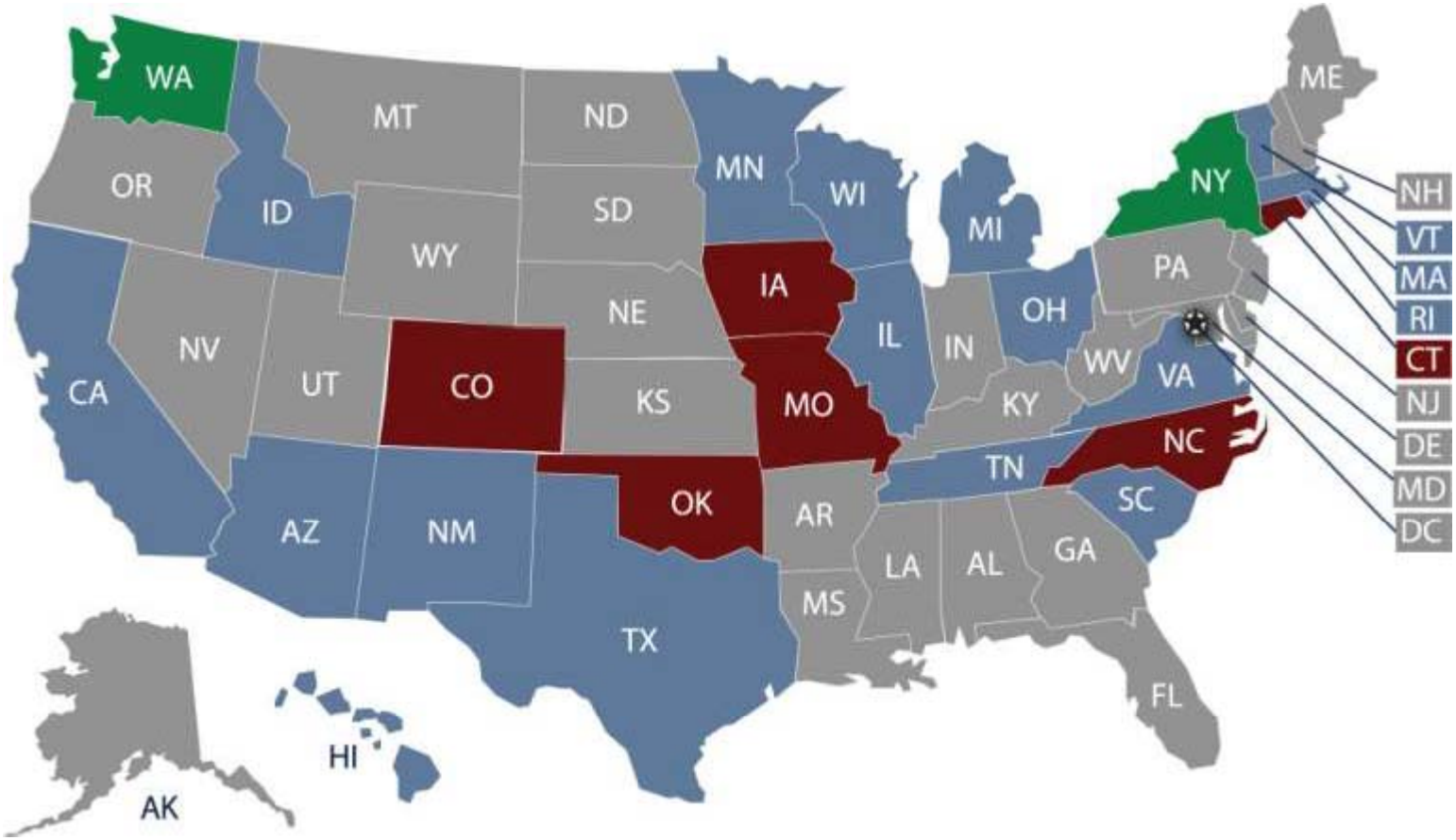
- Three-way contract between state, CMS and health plans
- Plans paid prospective blended rate for all primary, AC, behavioral, and LTSS
- CMS and state share savings
- Passive enrollment of duals with opt out
- Simple, unified rules

Managed FFS Model

- State eligible for retrospective performance payment for achieving estimated level of Medicare savings
- Providers continue to get paid FFS by CMS & State
- Other state flexibility may be granted around benefits and to target duals in certain geographies.

38 States and Washington, DC submitted Letters of Intent to participate in these demonstrations

26 States Submitted FAD Proposals



6 MFFS

13 CAPITATED

2 MFFS & CAPITATED

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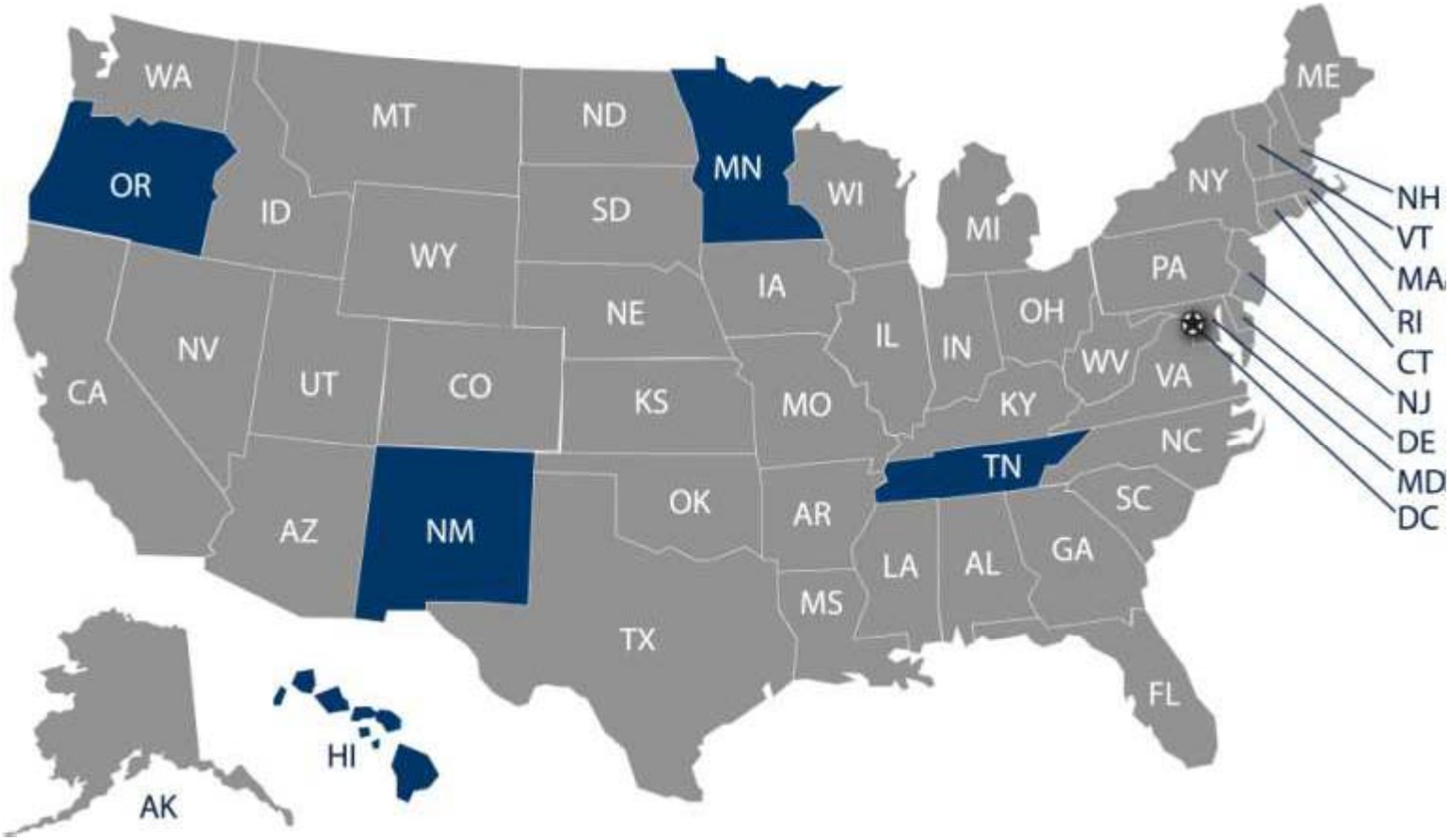
Five states have withdrawn or Paused FAD Proposals



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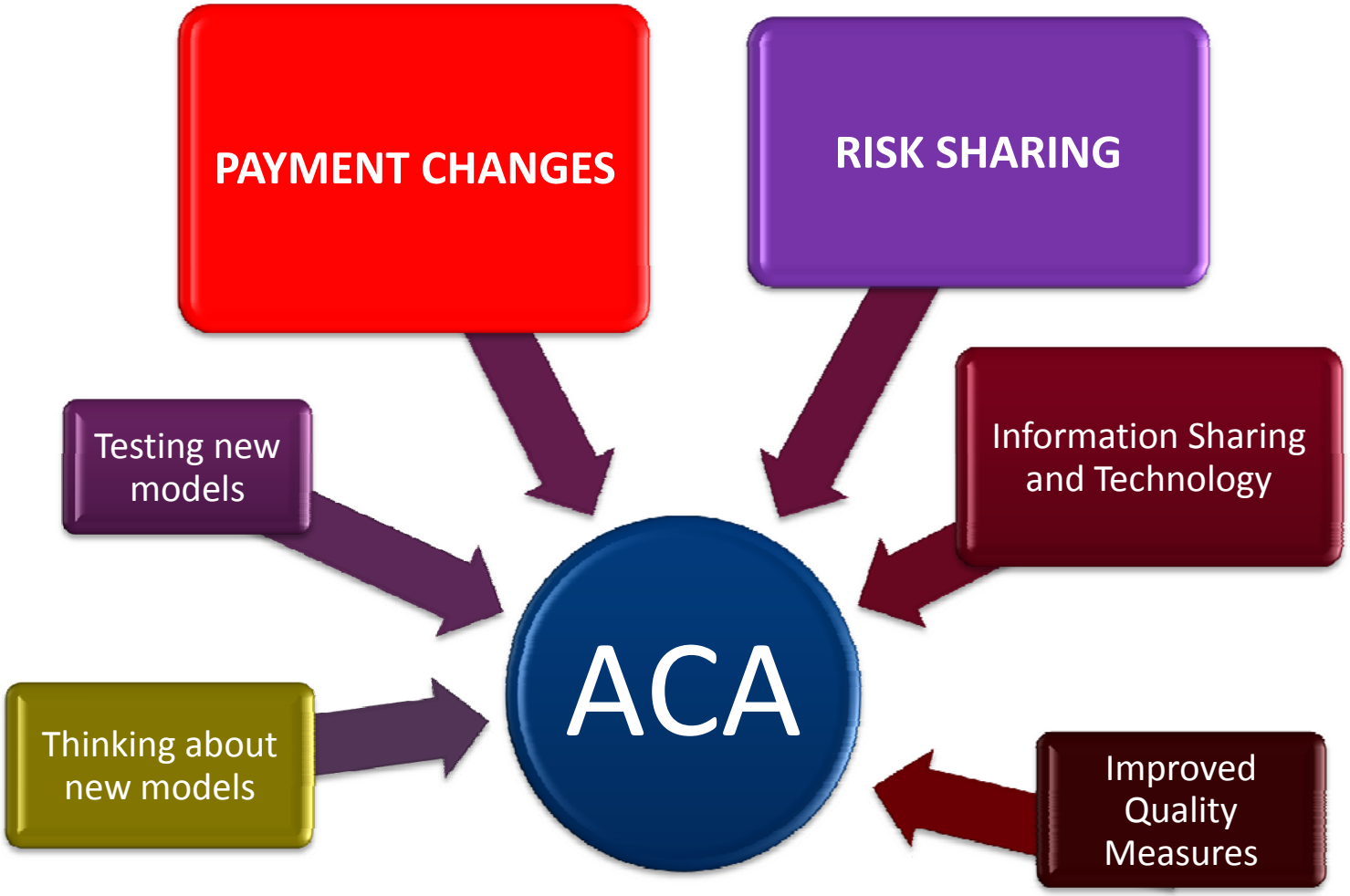
Current Priorities of Health Care Reform



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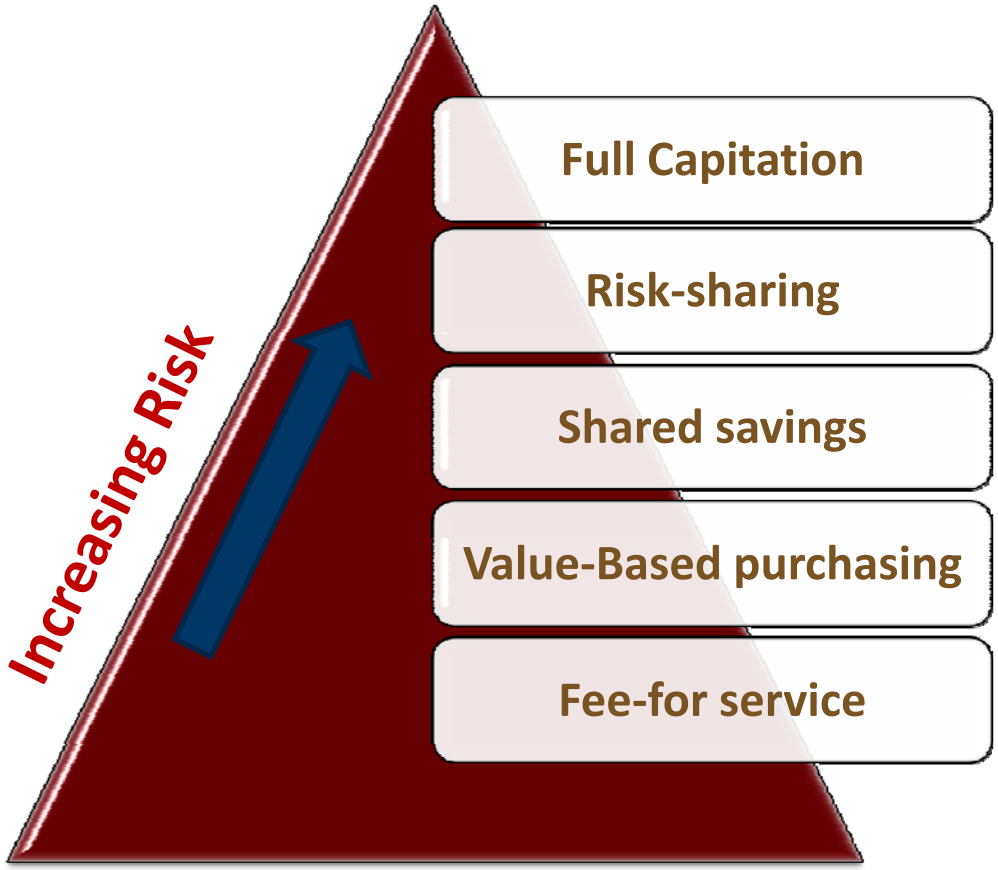
Learning New Tolerance for *Risk*



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Explaining the Toolkit and How to Use It

Ruth Gulyas, LeadingAge Oregon

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The LeadingAge/CliftonLarsonAllen Managed Care Toolkit

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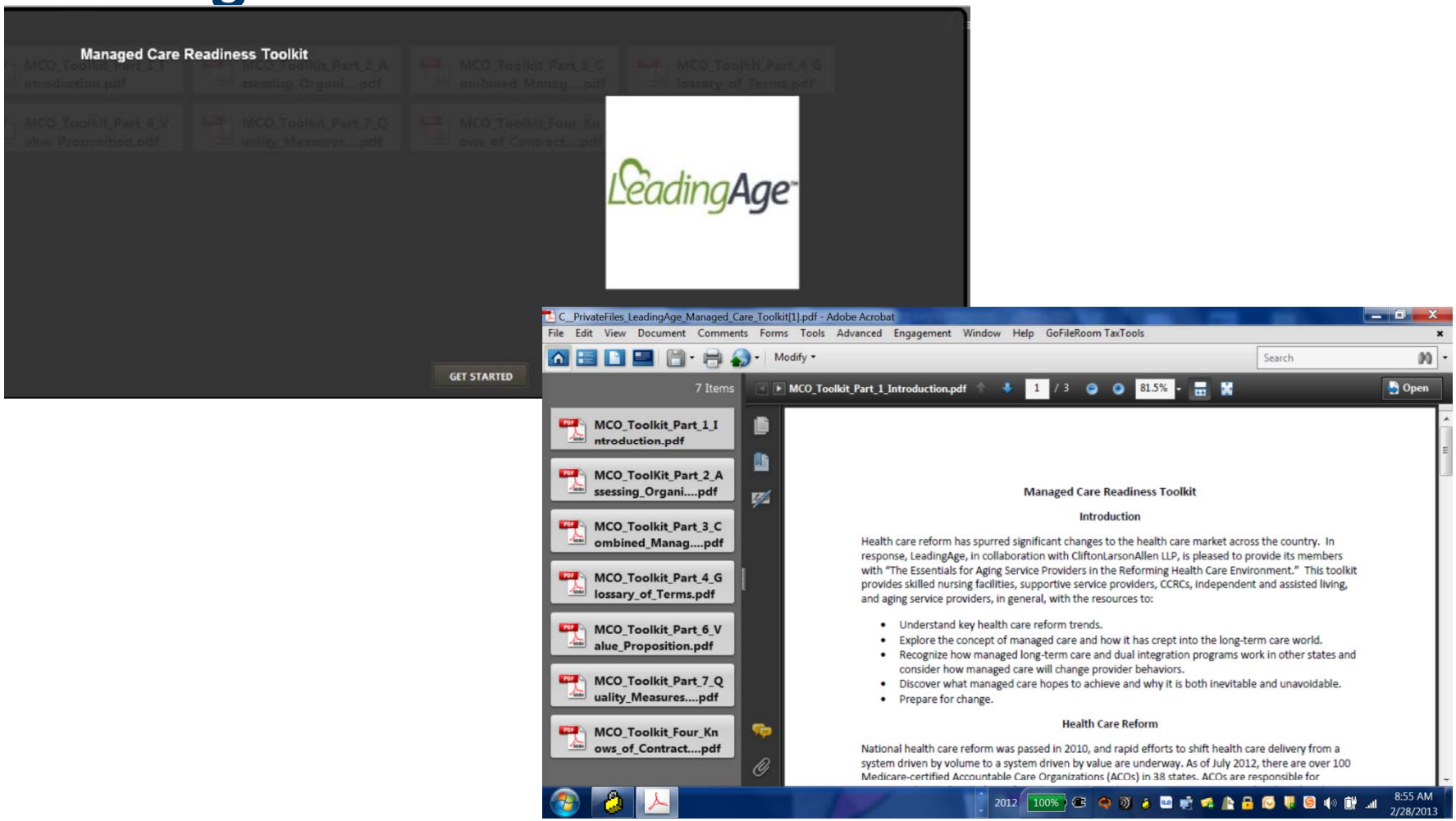

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The tools in the toolkit

- Introduction
- Readiness assessment
- Potential impacts by provider type
- Glossary of terms – need to speak the language
- Value Proposition
- Quality measures
- Four Knows of Contracting

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What is your experience with managed care?

- **No past experience**
  - Start with the Introduction Paper
  - Complete the Readiness Assessment
  - Review Potential Impacts by Provider type
  - Access Glossary to understand terms used, as needed

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What is your experience with managed care?

- **My state is implementing a new Managed Medicaid Long Term Care or Dual Eligible program**
  - Complete Readiness Assessment
  - Access Glossary, as needed
  - Review Developing Your Value Proposition and begin preparing
  - Use Quality Measures and compare to information your organization tracks today to identify any gaps and target next steps
  - Look at first Two "Knows" in the Four Knows of Contracting

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What is your experience with managed care?

- **Our State has had MMLTC for several years but now it is expanding to …new populations, providers, or the program is changing**
  - Consider re-examining your Value Proposition using the Developing Your Value Proposition document
  - Use Quality Measures and compare to information your organization tracks today to identify any gaps and target next steps
  - Review the advice in the Four Knows of Contracting and share with your Board
    - ◊ For tips on how to approach contracting

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Readiness Assessment

7 Items

- MCO_Toolkit_Part_1_Introduction.pdf
- MCO_ToolKit_Part_2_Assessing_Organi....pdf
- MCO_Toolkit_Part_3_Combined_Manag....pdf
- MCO_Toolkit_Part_4_Glossary_of_Terms.pdf
- MCO_Toolkit_Part_6_Value_Proposition.pdf
- MCO_Toolkit_Part_7_Quality_Measures....pdf
- MCO_Toolkit_Four_Knows_of_Contract....pdf

MCO_ToolKit_Part_2_Assessing_Organizational_Readiness.pdf 1 / 1 65.2%

ARE YOU READY?

ASSESSING YOUR ORGANIZATIONS READINESS TO OPERATE IN A REFORMED HEALTH CARE ENVIRONMENT

Do You Know Your Organization's Value Proposition?

TOP 10 QUESTIONS

1. Do you track the rate of readmission of residents to the hospital from your facility? (yes, no)
2. Do you know how you compare to other facilities in your area on readmission s? (yes, no)
3. Do you routinely review your organizations Nursing Home Compare Metrics? (yes, no)
4. Do you evaluate your organizations cost of care and know how you compare with peers with comparable quality? (yes, no)
5. Does your organization have electronic health records? (yes, no)
6. Do you partner with other providers in the community? (yes, no)
7. Do you have a relationship with the hospital(s) in your area? (yes, no)
8. Have you collaborated with your hospital on any programs or services? (yes, no)
9. Would you describe your organization as innovative and open to change? (yes, no)
10. Do you achieve high levels of resident satisfaction? (yes, no)

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Defining Your Organization's Value Proposition

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Element I: Tell Your Story and Care Delivery

- Tell your story: Explain what services you provide, the type of resident and geography you serve currently.
  - Discuss the non-profit difference and demonstrate through metrics how your outcomes prove your non-profit value.

- Care Delivery
  - What is your model of care? Discuss your staffing model
  - What best practice protocols or evidence-based medicine do you employ in your organization?
  - Describe any innovative care or payment delivery models you have used in the past.
  - Describe your approach to providing person-centered care.
  - Describe any care coordination or care transition programs/services you provide today

Element II: Quality/Performance

- Continuous quality improvement: Describe your quality improvement processes
  - Do you conduct root cause analyses when you identify a problem?
  - How do you identify and resolve issues?
- Share your performance on key quality and performance metrics? May include:
  - Resident satisfaction scores
  - Readmission rate for residents to the hospital
  - Falls rate
  - Medical errors resulting in hospitalization
  - Occurrences of pressure ulcers, weight loss and infections

Element III: Costs and Reimbursements

Outline of Common Quality Measures

Quality Measurement Domains and Measures*

Legend:
Primary measures - 20
Secondary measures - 18
Tertiary measures - 22

	Measure
Phase 1 domains:	
	Safety
	1 Falls risk assessment screening
	2 % 65+ who received 1 or 2 different high-risk meds
	3 Restraint use
	4 Antipsychotic medication use
1	Falls/incidents with injury
	1 Resident hygiene / environment / safety measures
	Patient- and caregiver-centered experience and outcomes
	5 HCAHPS/NHCAHPS/Resident/family satisfaction survey used
2	Client Perceptions of Coordination Questionnaire
3	Getting Timely Care, Appointments, and Information
4	How Well Your Doctors Communicate
	6 Shared Decision Making/Person-centered Planning & Decision Making
	2 Family Evaluation of Hospice Care

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The Four Knows of Contracting

1. Know the Rules : understand the basics of the program you're participating in

2. Know What the MCOs Need/Want?

3. Provider Know Thyself

4. Know your Contracting Strategy Options

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Four Knows: Contracting Tips

Managed Care Contracting Tips – Your Obligations

- **Delivery of Services.** Ensure that you not only know the scope of covered services under the contract but also any terms and conditions regarding the delivery of those services (e.g., prior authorization requirements, qualifications of the caregiver, etc.)
- **Records Requirements.**
  - Does the contract impose records maintenance and/or retention obligations that differ from your standard practices?
  - Consider negotiating a general provision stating that Provider must retain patient records for the period prescribed by applicable state and federal law.

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Expanding the world of possibilities for aging.

LeadingAge

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Positioning for a changing environment

Nicole Fallon, CliftonLarsonAllen

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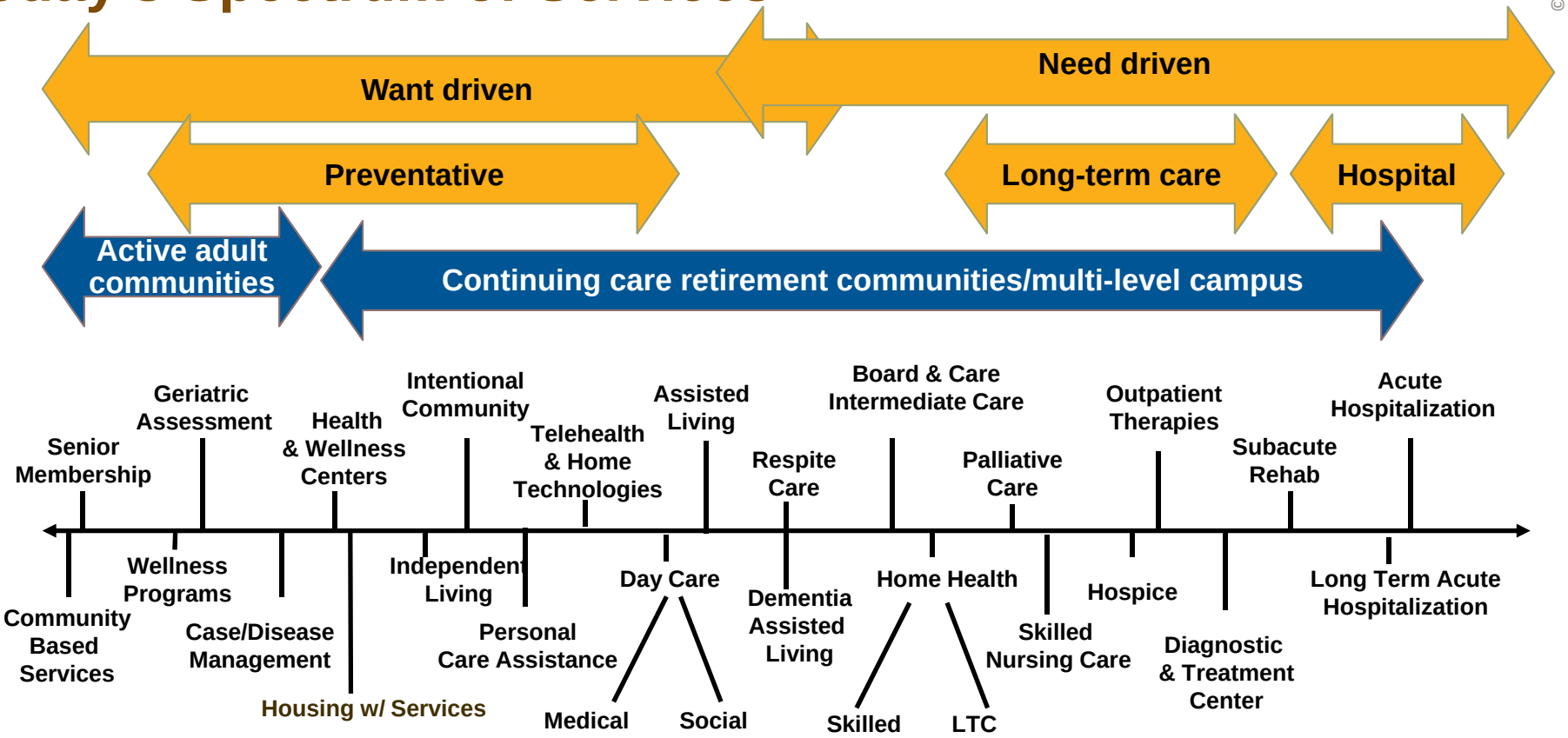
Health Care and The Field Of Aging Services Is Evolving

Today's Spectrum of Services



Source: Adapted from previous Greystone and LarsonAllen LLP presentations

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Reformed Health System – Service Delivery

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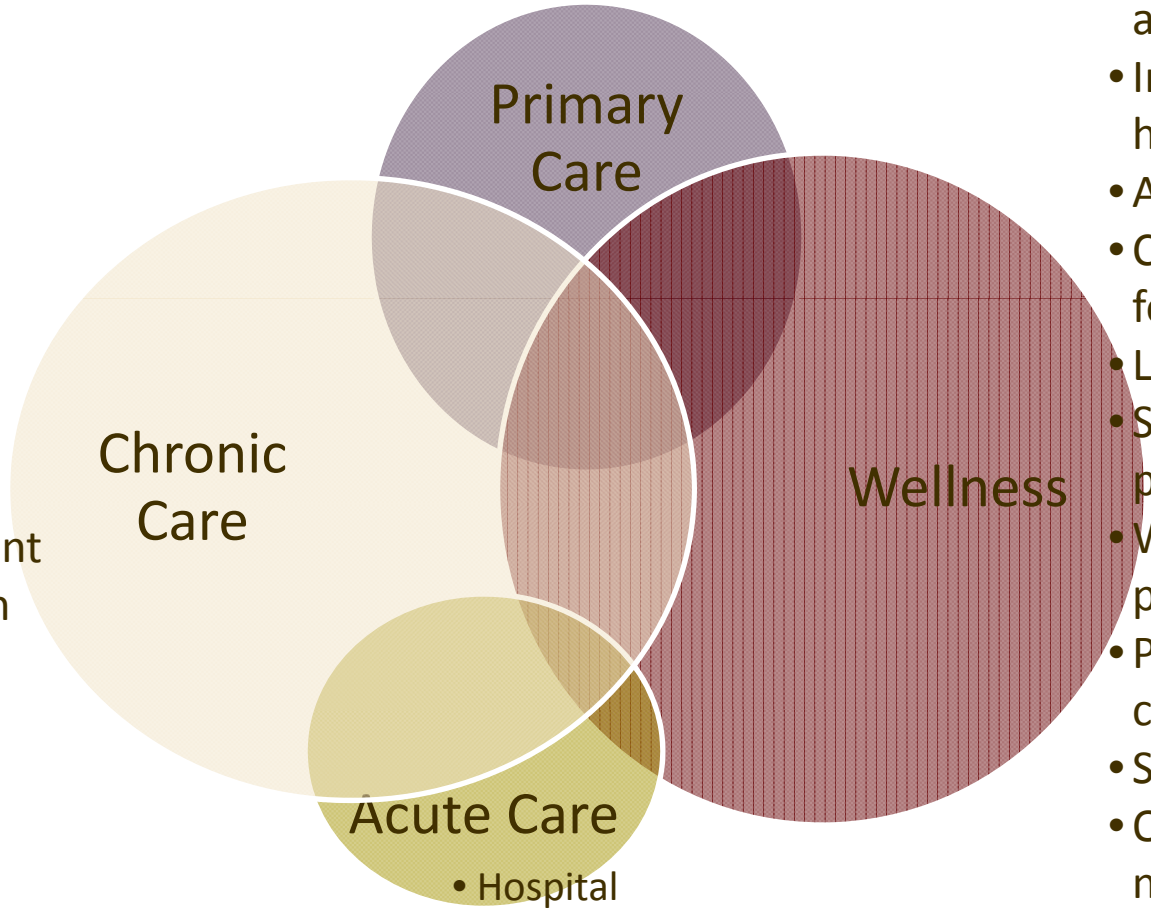
- Home care
- SNF
- Assisted Living
- Hospital
- Physician office
- Group visits
- Self management
- RN, Care Coach
- Online/social networking (e.g. diabetes group)
- Telehealth monitoring



- Hospital
- SNF
- At Home
- Telehealth

- Health risk assessment
- Independent senior housing
- Adult day programs
- Community clinic for vaccines
- Local fitness center
- Smoking cessation program
- Weight loss program
- Personal wellness coach
- Senior Center
- Online social networking groups/tools
- Labs, diagnostics

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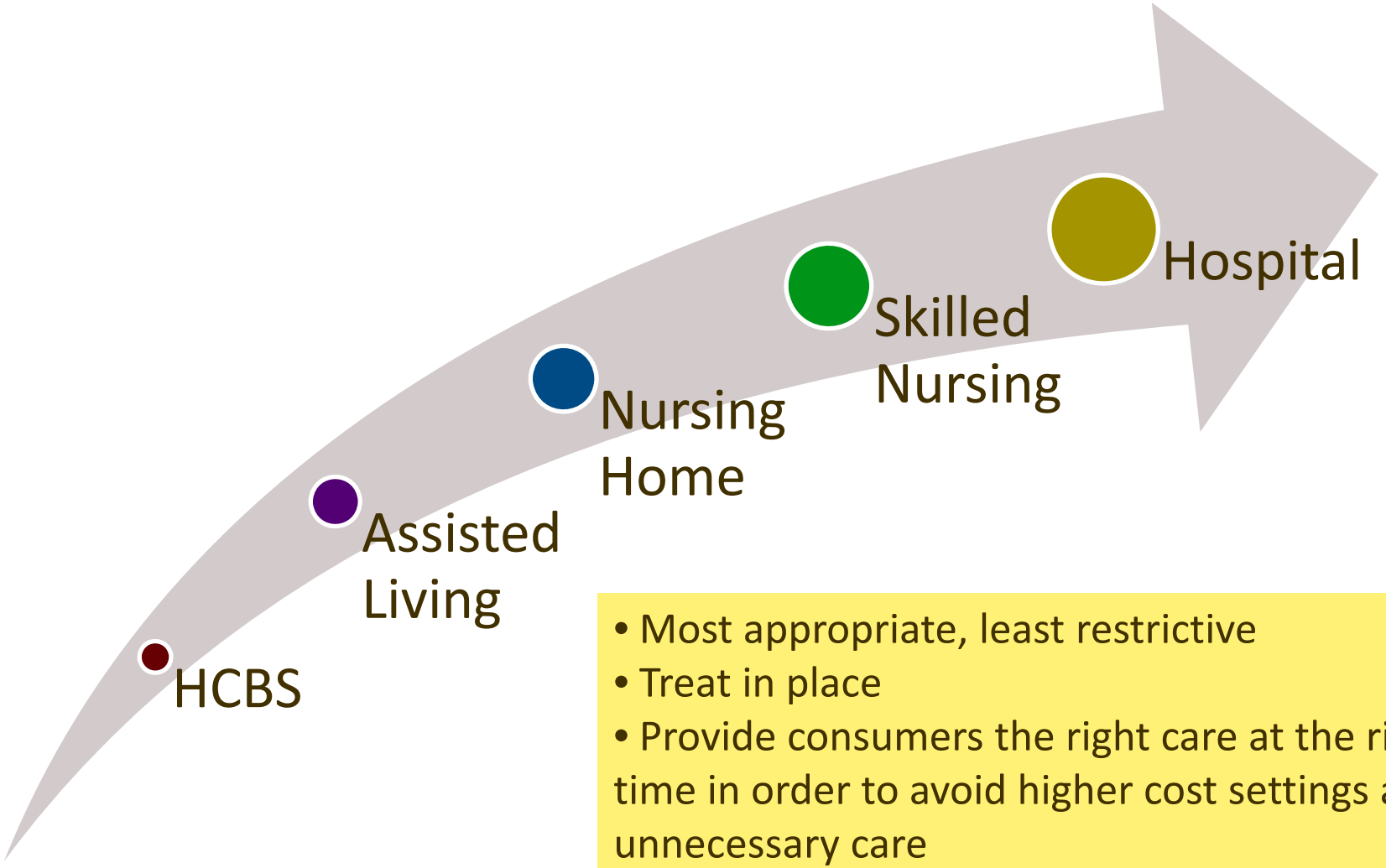
Right Care, Right Time, Right Place



- Most appropriate, least restrictive
- Treat in place
- Provide consumers the right care at the right time in order to avoid higher cost settings and unnecessary care

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Group Toolkit Exercises

- Readiness Assessment
- Value Proposition

Assessing Organizational Readiness

1. Do you track the rate of hospital readmissions of residents from your facility?
2. Do you know how you compare to other facilities in your area on readmissions?
3. Do you routinely review and compare your organization's Nursing Home and/or Home Health Compare Metrics?
4. Do you evaluate your organization's cost of care and know how you compare with peers with comparable quality?

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Assessing Organizational Readiness

5. Does your organization have electronic health records?
6. Do you partner with other providers in the community?
7. Do you have a relationship with the hospital(s) in your area at the C-suite level?
8. Have you collaborated with your hospital (s) or primary care physicians on any programs or services?
9. Would you describe your organization as innovative and open to change?
10. Do you achieve high levels of resident satisfaction?

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Assessing Readiness

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Can you Demonstrate that You Deliver High Quality at a Lower Cost?

- Can you prove (through data) that your organization delivers value (high quality/lower cost)? (yes, no)
- Do you have quality dashboards that help identify trouble areas? (yes, no)
- Can you identify how your quality provides value/savings? (yes, no)

Discuss Readiness Assessment outcome

- Discuss
  - How many “no” answers did you have?
  - Of the items you answered “no” to, which will be the most challenging to address and why?
  - What significant changes must be made in your organization regarding quality measurement and data analysis?

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Defining Your Organization's Value Proposition:

Provider of Choice

Low/no hospital readmissions

Meaningful Use of Electronic Health Record

Past success partnering with other providers

High Quality

- Top of Class
- High patient satisfaction
- Robust continuous quality improvement
- Innovative care delivery approaches
- Good community reputation

Demonstrated person-centered approach to care

Cost of care is lowest in comparison to peers with comparable quality.

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Defining Your Organization's Value Proposition

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Defining Your Organization's Value Proposition

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Element II: Quality/Performance

- Continuous quality improvement: Describe your quality improvement processes
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  - Falls rate
  - Medical errors resulting in hospitalization
  - Occurrences of pressure ulcers, weight loss and infections

Element III: Costs and Reimbursements

- Describe how your organization and the services it provides are cost effective alternative to a higher cost setting *(e.g., if you're a SNF, how are you a better value than a hospital; if an assisted living, how can you attain the same patient outcomes in your setting less expensively than a nursing home, etc.)*
  - Explain what your current Medicaid rate is and typical services provided for that rate
  - Describe steps you've taken to provide cost effective care
- Describe services that you could provide that produce better outcomes for patients at a lower cost
  - Example: caregiver support following patient discharge from SNF to reduce rehospitalizations, or need for institutional level services
  - Example: Serving clinically complex patients. Would you be willing to add service/staff appropriately so these individuals could be maintained in your setting if paid a higher rate by the MCO?
  - Discuss additional services willing to provide to maintain the resident and negotiate different rate for that package of service

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Element IV: Communication and Partnerships

- Does your organization have an electronic health record?
  - Share dashboards on quality outcomes to tell your story
  - If no EHR currently: talk to the plan to see if they have any resources that could help you invest in this important technology, which could help you improve care transitions and better manage patient populations.

- Discuss any current care transition processes to/from hospital or home that you have in place today. Inquire about their preferred approach and how they could help you establish these processes if there are no current protocols.

- Describe any current or past provider partnerships that you have participated in to improve care or outcomes for the people you serve.

- See if there are grants available through the MCO foundations or companies that support testing new approaches to care delivery in general or for targeted populations.

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Defining Your Value Proposition

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Scenario:

An MCO is meeting with area Senior Living providers to discuss contracts for the new Managed Medicaid Long Term Care program the state is rolling out. The state's network requirements do not require MCOs participating in the MMLTC program to contract with all existing providers.

How does your organization prepare for this meeting?

1. Know the Rules

- What does the state proposal to CMS for managed care for duals say?
- What does the State's Request for Proposal to the Managed Care Organizations say?
- What other information is available from the State agency administering the program about the program?
- What do the state contracts with MCOs require?

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Know the Rules/Goals of Program

Example: State Expectations

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- More care coordination for duals
- Increased health risk and behavioral health assessments
- More duals with care plans
- Greater access to HCBS waiver and support services
- Reduced hospital readmissions, inappropriate ER use, and non-emergent transportation costs (esp. for NH residents.
- Improved beneficiary satisfaction

Know the Rules/Goals of Program

Example: Reimbursement Requirements

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- **Plans must propose "creative payment** plans that encourage a holistic approach to beneficiary care, quality outcomes, and evidence-based practice, such as bundled payments for episodic specialty care."
- **Medical home payments** encouraged to combine capitation, FFS and P4P
- No language in state proposal about Medicaid rates as floor.

Know the Rules/Goals of Program

Example State MMLTC Quality Metrics

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- For all populations:
  - ER utilization
  - Inpatient hospitalization
  - 30-day readmission rate
  - PCP follow up after ER or IP hospitalization
  - Assistance to enrollees accessing services outside Covered Services
  - Health Education provided
  - Coordination of primary and specialty care
  - Care coordination, care management, disease management
  - Individualized care plans
  - Utilization of dental benefits
  - Preventive health care for adults

Know the Rules/Goals of Program

State Monitoring and Chronic Conditions

Chronic Health Conditions

- Diabetes
- Asthma
- CHF
- CAD
- COPD
- Behavioral Health
- Individuals with one or more co-morbidities

Related Monitoring

- Appropriate treatment and follow up care
- On-going risk assessment
- Enrollee participation in treatment plan development
- Care coordination, care management and disease management
- Chronic Health Condition action plans

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Discussion Questions

- What organizational features will you select to share with the MCO?
- Which metrics will they find most valuable? (e.g, readmissions)
- What format will you share this information in?
  - Do you have a quality scorecard?
  - How would you describe your quality improvement process?

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Discussion Questions

- What is your value proposition for why this MCO should contract with your organization over another senior living provider?
- What information will you include in your value proposition document that will be different if you are an assisted living, home health agency vs. a Skilled Nursing Facility vs. CCRC?

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Resources

- Information on the Financial Alignment initiative program and links to state proposals: http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialModelstoSupportStatesEffortsinCareCoordination.html

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Questions?

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