ACHIEVING TOTAL COST OF CARE

Developed By:

Hunter Schouweiler, MS-HSM
Senior Consultant
Health Management Associates
hschouweiler@healthmanagement.com

September 2023

The source of funding for this grant award is District appropriated funds earned based on the American Rescue Plan Act (ARPA) of 2021.The obligated amount funded by Grantor shall not exceed $999,000 in the first year per year, and one option year of up to $500,000 unless changes in the obligated amount are executed in accordance with ARTICLE XV of this agreement.

DHCF
Department of Health Care Finance

Medicaid Business Transformation DC
Prepping for Value

INTRODUCTION

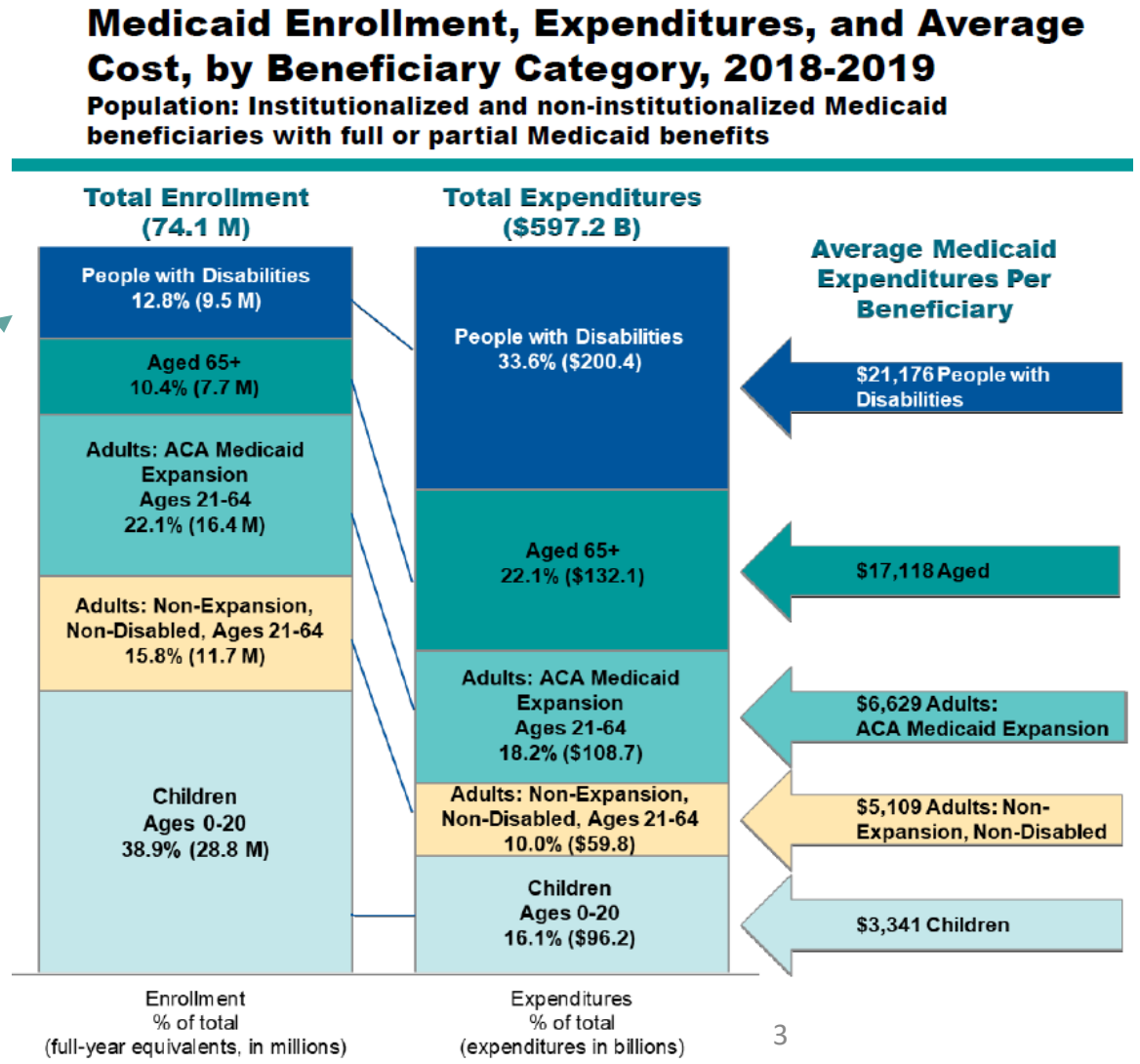
- Value-Based Purchasing (VBP) is an approach that ties payment to the quality and efficiency of healthcare services delivered.
- This resource assists providers in understanding the transition from value-based arrangements, which were previously constructed solely on the achievement of quality metrics, to models now grounded in the total cost of care. It furnishes providers with a roadmap delineating the tools and sources of information at their disposal for gaining a deeper understanding of their entire population, including subpopulations, and discerning the factors influencing the total cost of care within their population.

Medicaid Business Transformation DC
Prepping for Value

TRANSITIONING FROM QUALITY OUTCOMES TO COST OF CARE ACCOUNTABILITY

» Transitioning from a sole focus on quality outcomes to accountability for cost of care requires providers to better understand their populations.

- What are the main drivers or largest cost categories of total cost of care for patients in your practice?
- How does cost of care differ between patients with disabilities (or behavioral health conditions) vs. those without these conditions?
- How are social determinants of health impacting cost of care for your population?
- What is the prevalence of Diabetes or Asthma in your population?
  - What are the main drivers of spend for these patient populations (emergency room visits, hospitalizations, medications, other)?



Source: CMS - 2022 Medicaid and CHIP Beneficiary Profile: Enrollment, Expenditures, Characteristics, Health Status, and Experience – released July 2022

Roadmap for Developing an Enhanced Understanding of a Provider's Population

- What can I use my electronic health record for to enhance population understanding?
  - Disease prevalence of medical conditions, SMI, and SUD
    - Health outcomes of patients with these conditions
  - Polychronic disease prevalence – how many patients have 2 or more chronic conditions?
  - Mental health screening results – what percentage of patients have experienced depression in the last 12 months?
  - Social determinants of health screening – what percentage of patients have situations or circumstances that could impact their cost of care (e.g. housing insecurity, food insecurity, inconsistent transportation, economic struggles)
  - Non-engaged patients – what percentage of patients are assigned to the practice by a managed care organization, but have not had a visit in the last 12 months?

TRANSITION ROADMAP

Roadmap for Developing an Enhanced Understanding of a Provider's Population

- Slide 3 describes using your own electronic health record to understand the population. This slide describes using complete claims data to supplement that understanding
- How can I partner with a clinically integrated network, accountable care organization, or managed care organization to use complete claims data to enhance population understanding?
  - Partner with these organizations to understand the following as the practice transitions into accountability for cost of care:
    - Breakdown of aid category and cost
    - Cost category breakdown – what percentage of total cost of care occurs within facilities, in the ambulatory setting, or with professionals?
      - Cost categories can be evaluated through multiple lenses:
        - Conditions (diabetes, asthma, hypertension, polychronic)
        - Population segments (peds, maternity, duals, non-dual adults)
        - Utilization vs. Unit cost – is our population's hospital/facility spend being driven by the number of admissions or the type or acuity of the admission?
    - Ability to risk stratify patients in a manner that identifies patients who are likely to drive or impact cost for the population

Roadmap for Developing Care Models to Reduce Total Cost of Care

- Identify low-value care such as poor transitions of care, duplicative testing, and delivering services in more expensive settings than required.
- Identify the driving factors that lead to that low-value care
- Design new interventions to address those driving factors
- Monitor the effectiveness of those interventions
- Apply continuous quality improvement efforts to modify the interventions based on experience.
- Use value-based payments to underwrite the cost of the interventions and to invest in new initiatives.

Medicaid Business Transformation DC
Prepping for Value

MINI SELF ASSESSMENT

Photo by Glenn Carstens-Peters on Unsplash

Knowledge	1	2	3	4	5	6	7	8	9	10
Comfortability	1	2	3	4	5	6	7	8	9	10
Confidence	1	2	3	4	5	6	7	8	9	10

Reflect & Connect:

What do you think your organization may look like 5 -10 years from now if you incorporate and build upon these concepts?

Medicaid Business Transformation DC
Prepping for Value

HMA

HEALTH MANAGEMENT ASSOCIATES

Hunter Schouweiler MS-HSM
Subject Matter Expert
hunter.schouweiler@wakely.com
Link to Bio

Caitlin Thomas-Henkel, MSW
Project Director
cthomashenkel@healthmanagement.com
Link to Bio

Amanda White Kanaley, MS
Project Manager
akanaley@healthmanagement.com
Link to Bio

Samantha Di Paola, MHA, PMP
Project Coordinator
sdipaola@healthmanagement.com
Link to Bio