Community Health Center Association of Connecticut

MIGRATING CONNECTICUT FQHCS TO COST ACCOUNTABLE VALUE-BASED CARE

Medicaid is the primary payor for 60% of Connecticut FQHC patients. FQHCs are seeking to provide more care for more patients without losing sight of the triple aim – to reduce total cost of care, produce measureable quality outcomes and enhance the patient experience. The SIM initiative could provide a bridge that brings FQHCs from encounter (or volume based) payment to an alternative payment methodology that incorporates value: one that allows flexibility and strengthens the FQHC infrastructure and therefore the ability to expand access and services to more people.

FQHC Payments: The Prospective Payment System (PPS) would remain the reimbursement system for FQHCs but must incorporate rate adjustments based on changes in the type, intensity, duration/amount of services, the addition of delivery sites and the on-going expenses of operating electronic health record systems—all of which are well documented in the extensive cost reporting by FQHCs required by Connecticut statute. Enhanced "add-on" payments to FQHCs would provide incremental funding for improved, comprehensive, patient-centered care. Most FQHCs are already certified as PCMH through either NCQA or the Joint Commission; however, the SIM initiative aspires to expanded and dynamic clinical care teams, potentially through a newly-created Advanced Medical Home model. Either an add-on to PPS fee for service (FFS) payment (with higher payment for higher levels of PCMH certification[1]), or on a Per Member Per Month (PMPM) basis, would provide the necessary resources for FQHCs to achieve the SIM goals. This additional enhanced payment should be risk adjusted to incorporate social determinants of health (e.g., English proficiency, homelessness) and the complex unmet needs that distinguish FQHC populations from other Medicaid enrollees.

The SIM funding would support a phased implementation that starts with a threshold number of FQHCs who care for Medicaid enrollees (150,000+ Medicaid lives attributed to FQHCs) in 2016 and adds additional FQHCs/Medicaid covered lives over time in 2017-2018. Starting in 2015, FQHCs would receive targeted technical assistance to support development of more sophisticated analytic capabilities, training for more diligent ICD coding, data driven quality improvement, clearer advance patient attribution, and direct messaging for health information exchange. The FQHCs define their technical assistance needs in three key areas as the top priorities: 1) enhancing staff/providers' Quality Improvement (QI) knowledge and skills; 2) increasing the reliability of FQHC data and use of data for QI through a mini data collaborative; and 3) conducting a full scale Learning Collaborative that will enable FQHCs to improve care and outcomes, while reducing costs for key chronic conditions. The SIM investment is essential to fund FQHC infrastructure expansion and supports, as FQHCs do not have the

[1] While private physician practices already receive an add-on for PCMH-certification and for being on the glide path towards that certification, FQHCs do not.

cash flow to finance these critical transformations and improvements on their own. The State Medicaid program, other payors and the FQHCs will have better data/information to guide improvement, resulting in movement towards the Triple Aim across the system.

In addition to advanced payments for the infrastructure necessary for transformation, the FQHCs and the Medicaid program would benefit from measuring/managing the total cost of care through shared savings. Documentation of shared savings would be derived from data available to both the provider AND payor for analysis, validation and predictive modeling/projections.

The proposed phased-in approach calls for looking at baseline data, identifying potential FQHCs, deconstructing the data to determine its quality, designing the Alternative Payment Methodology (APM), and modelling performance under the APM. The approach serves as a bridge from volume based reimbursement of FQHCs to an APM that would be based on FQHC experience, with total cost of care accounting over time (2016-2018). The data gleaned from the early adopter FQHCs would inform which reductions in total cost of care can be achieved through improvements to clinical management (care coordination, referral tracking, medication reconciliation, population management, patient engagement, team based care), use of technology and innovations in telemedicine, such as eConsults, among others.

This proposal builds on CHCACT's current initiative through its Health Center Controlled Network (HCCN), which focuses on modelling historical performance to develop a basis for system design; to determine how EACH potential participating FQHC might perform under the new system; to identify data collection or other barriers and to clearly define the meaningful inputs/causality/outcomes. As such, FQHCs are already assessing their readiness for and the impact of practice transformation on their ability to meet patient need and better serve their communities.

In addition to the HCCN, a key source for data is Medicaid ASO, Community Health Network of Connecticut (CHNCT), which already uses sophisticated reporting, predictive modeling and analytics tools hosted and made available to the FQHCs. Reporting that combines the elements of patient risk, care opportunities, and provider performance enables the FQHCs to identify Medicaid members' current and predicted risk and severity. Reports to the FQHCs provide a risk-adjusted comparison of total cost of care for their population to the total costs for a designated peer group. Additionally, there are reports that assist in identifying and stratifying high risk-high utilization members for proactive, targeted care management and provider reports that analyze the relative cost efficiency of providers compared to a designated peer group.

CHNCT's work with the Health Center Controlled Network (HCCN) will enable access to Clinical Care Documents (CCDs) from FQHCs that are part of the Community Health Centers Association of Connecticut (CHCACT) and the use of these batched CCDs are being evaluated to enhance clinical management, automate quality reporting (HEDIS and EPSDT), improve transitions of care across all settings and provide longitudinal care records using claims data. Using the HCCN/CHNCT infrastructure and SIM support, health information exchange could be accomplished to provide longitudinal claims records to requesting hospitals and providers at point of service. The claims data will be provided as a data element to be included in the proposed CCD structure. This capability could be supported via query/response using Secure Exchange Solutions.

The HCCN/ASO data is equally accessible to individual FQHCs, the State of Connecticut Department of Social Services and the Medicaid ASO which provides technical support and assists FQHCs in accessing and understanding the data. The ASO and the HCCN provide the foundation for a centralized data warehouse database that would be housed at CHNCT and accessible to the FQHCs.