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Research to Policy and Practice: Sustaining Rural Health Services

IAHL Roundtable Discussion
February 28, 2013

Des Moines, Iowa

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Elements of Change We Investigate

2

- Accountable Care Organizations
- Access to Pharmaceutical Services
- Enrollment into Insurance Plans Post 2014: Exchanges
- Evolution of Medicare Advantage in Rural Areas
- Evaluating Specific Interventions: Telehealth
- Direct Engagement Through Technical Assistance
- Inform Stakeholders

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Health Care Organizations of the Future

3

- Accepting insurance risk
- Focus on population health
- Trimming organization costs
- Using the data being captured (e.g., electronic health records)
- Health care as retail business

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Local Assets to Consider

4

- Raw material
- Data and information
- Connectivity
- Core capabilities, e.g., primary care
- Leadership

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Recommendations for Hospitals

5

- Align with primary care doctors
- Ratchet all costs out
- Measure and improve quality
- Know your value proposition

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Elements of a Successful System Redesign

6

- Clear Vision
- Principles for redesign (reliability, customization, access, coordination)
- Teamwork
- Leadership
- Customer focus
- Data analysis and action plans
- Inclusive beyond health care system

Source: *Pursuing the Triple Aim*, Bisognano and Kenney. Jossey-Bass. 2012.

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Changes in delivery system: Patient-Centered Medical Homes (PCMH)

7

- Not your father's "medical home"
- Potential future of primary care
- Emphasis on integrated services, management of chronic conditions, team-based, patient-centered care

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Changes in the delivery system: Accountable Care Organizations (ACO)

8

- Including Medicare Shared Savings Program (MSSP)
- Including Pioneer Demonstration from Centers for Medicare and Medicaid Innovation (CMMI)
- CMMI anticipates doubling in 2013
- And much more…..

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Tally Sheet

9

- 32 Pioneer ACOs
- 222 MSSP ACOs
- 35 116 are Advanced Payment
- 424 total ACOs; in 48 states

Serving Millions

10

- 21-31 million Americans receive care through ACOs
- 2.4 million in Medicare ACOs
- 15 million non-Medicare patients of Medicare ACOs
- 8 to 14 million patients of non-Medicare ACOs

Source: "The ACO Surprise" by Niyum Gandhi and Richard Weil. Oliver Wyman, Marsh & McLennan Companies. 2012. http://www.oliverwyman.com/media/OW_ENG_HLS_PUBL_The_ACO_Surprise.pdf

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People Live in Areas with ACOs Available

11

- In 19 states more than 50% of residents have access to ACOs
- In 12 states between 25% and 50% have access to ACOs (includes Montana)

Source: http://www.oliverwyman.com/media/OW_ENG_HLS_PUBL_The_ACO_Surprise.pdf

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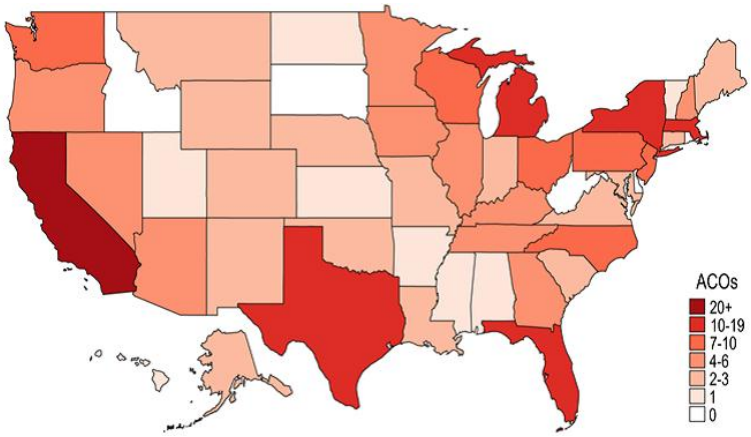
ACO DISTRIBUTION BY STATE

12



Source: David Muhlestein, Andrew Croshaw, Tom Merrill, Cristian Pena. "Growth and Dispersion of Accountable Care Organizations: June 2012 Update." Leavitt Partners. Accessed August 20, 2012 from LeavittPartners.com

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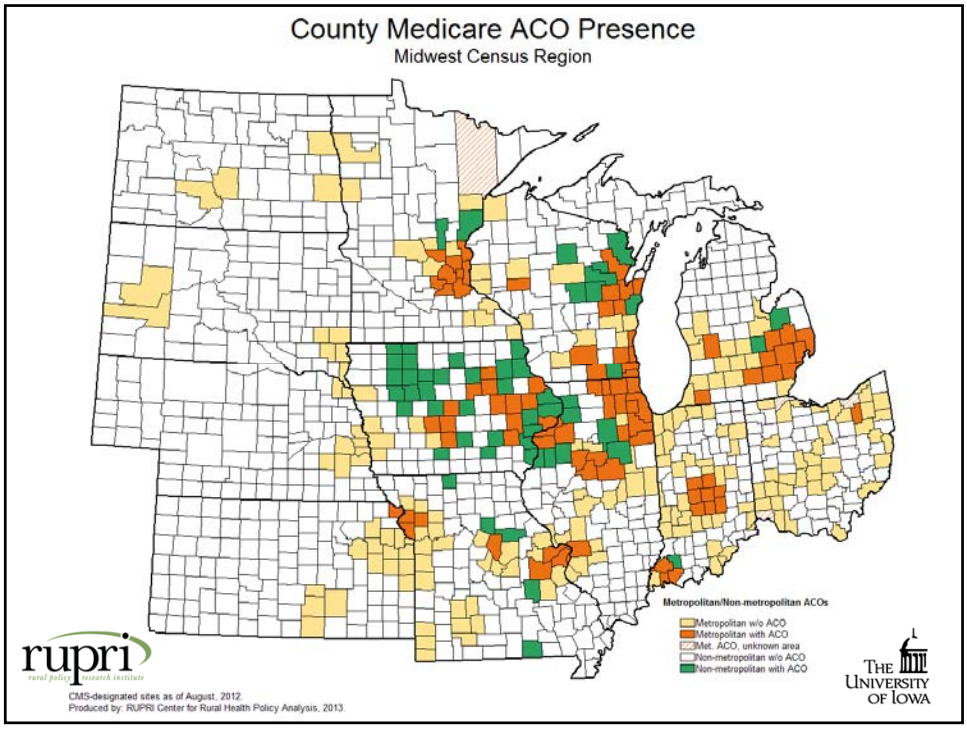

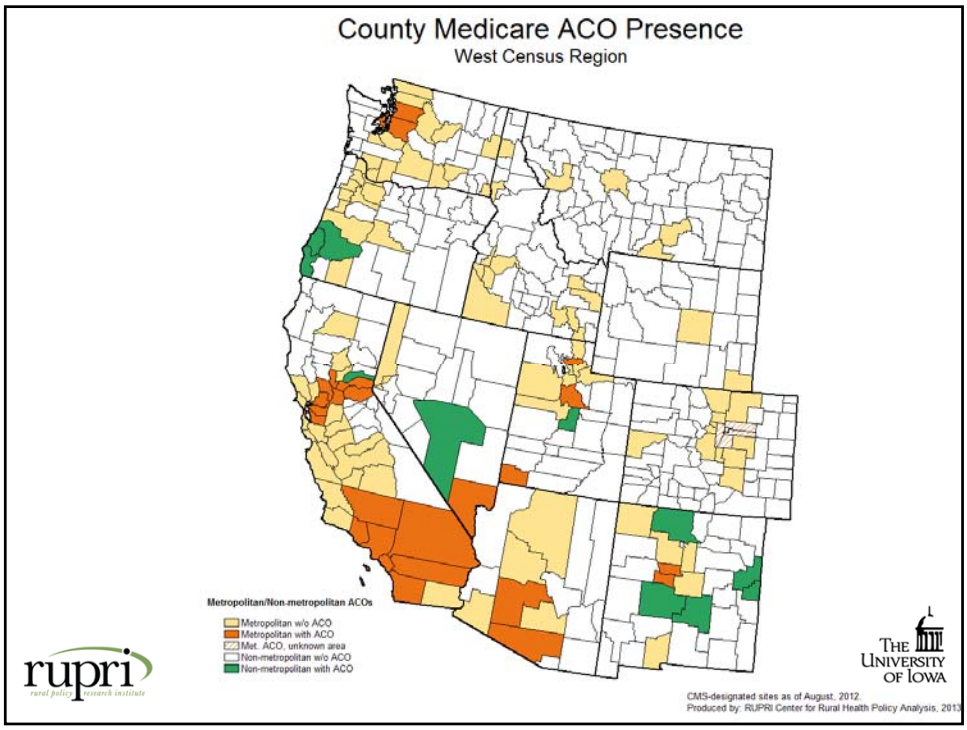

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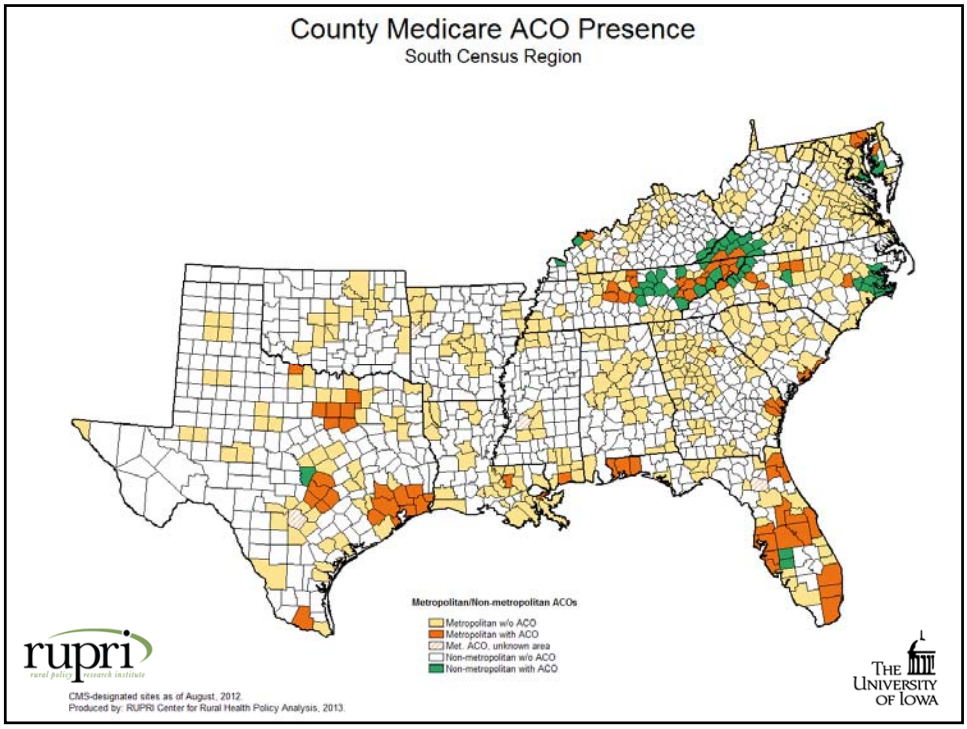

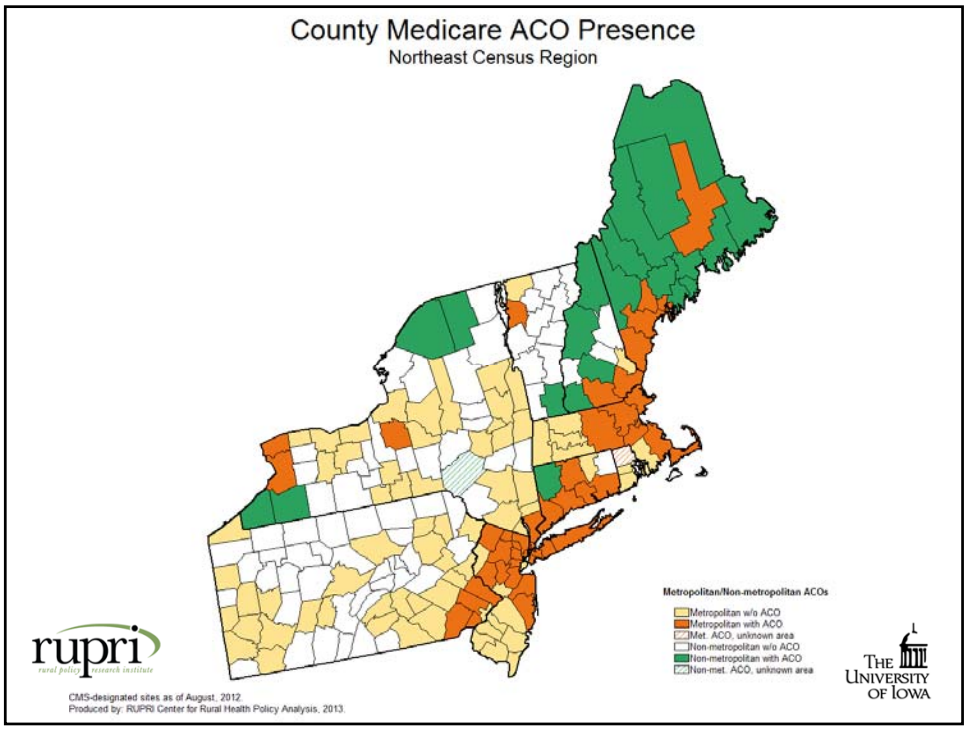

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Core Components of an ACO

17

- People-centered foundation
- Health home
- High-value provider network
- Population health and data management
- ACO leadership
- Payer partnership

Source: AJ Forster, BG Childs, JF Damore, SD DeVore, EA Kroch, and DA Lloyd "Accountable Care Strategies." Commonwealth Fund. August, 2012. http://www.commonwealthfund.org/~/media/Files/Publications/Fund%20Report/2012/Aug/1618_Forster_accountable_care_strategies_premier.pdf

The World According to Payers, 2014 and Beyond

18

- Revenue reduced for readmissions
- Must prove quality and cost to be part of network
- More patient shopping, even across rural hospitals
- By 2020 6% of Medicare payment tied to risk incentives: VBP, readmissions, hospital-acquired conditions

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Transition Thinking

19

- Volume to value
- Group contract to patient service
- Care coordination across the continuum
- Patient centered care
- Lower costs

Transition Thinking

20

- From clinical care to health and health promotion
- From patient encounters to people enrolled in system and interactions with people
- Managing patients according to patient need across illness spectrum and continuum of care

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Understanding and Facilitating Rural Health Transformation

21

- **New cooperative agreement**: Rural Health system Analysis and Technical Assistance
- **Partners**: RUPRI Center for Rural Health Policy Analysis and StratisHealth
- **Vision**: to build a knowledge base through research, practice, and collaboration that helps create high performance rural health systems

Project's Triple Aim

22

1. Analyze rural implications of health care delivery, organization, and finance changes fostered by public policy and private sector actions.
2. Develop and test technical assistance tools and resources to enable rural providers and communities to take full advantage of public policy changes and private sector initiatives
3. Inform further developments in public policy and private action through dissemination of findings.

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Analysis and Assessment

- Typologies of places and systems
- Activities that do and could occur, given types of places and health systems
- Assess implications for rural people, places, and providers

Technical Assistance Framework

- **Inform**: to help leaders create awareness of the need to change care delivery to deliver value to all stakeholders, and make that case locally
- **Assess**: to understand strengths, needs, and capacity to build value in local health care environment

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Technical Assistance Framework

- **Prepare**: to identify action steps based on organizational and community needs and capacity
- **Act**: to select activities based on synthesis of assessments and discussion and then implement organizational and community change that creates value

Actions

- **Improve**: changes to current activities that optimize effectiveness
- **Enhance**: modest changes to broaden and improve care delivery (one foot still on the dock) characterized by focused, limited, tactical, and low risk activities
- **Innovate**: transformational changes with new structures and models characterized by broad, enterprise-wide, bold, and experimental activities

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Reality meets creativity

27

- Payment per event will moderate
- Tolerance for services of questionable merit will diminish
- Opportunities to generate payment for population health management
- Best care, best health, optimum benefits for the community

For Further Information

28

The RUPRI Center for Rural Health Policy Analysis

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The RUPRI Health Panel

http://www.rupri.org

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