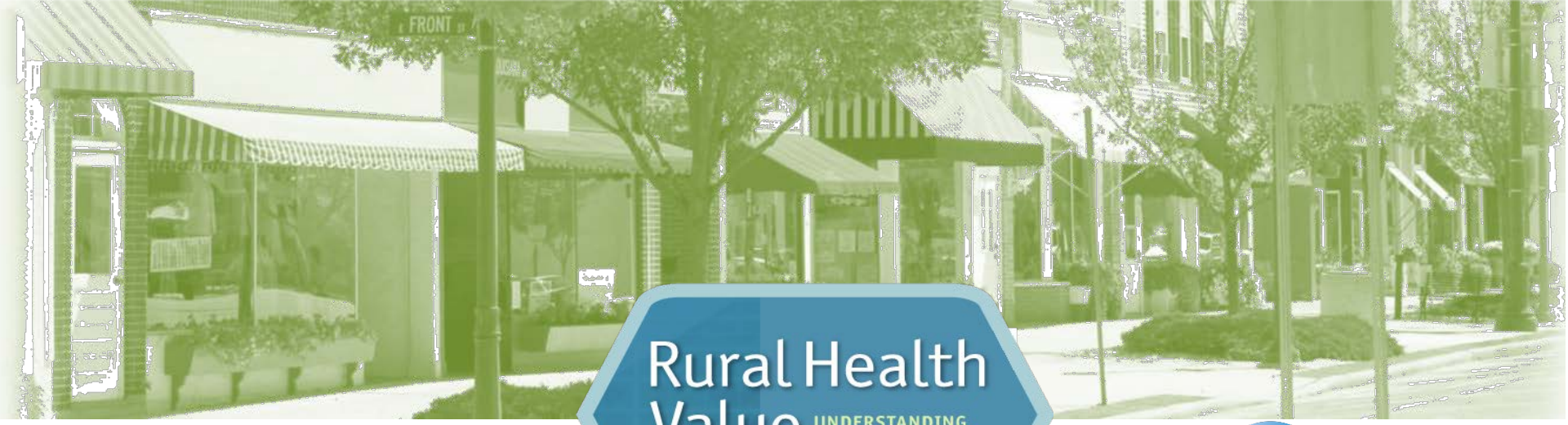

RURAL POLICY RESEARCH INSTITUTE

Center for Rural Health Policy Analysis

Rural Health Value
UNDERSTANDING AND FACILITATING RURAL HEALTH TRANSFORMATION.

StratisHealth

EXPLORING VARIOUS ALTERNATIVE DELIVERY MODELS

Flex Program Reverse Site Visit

Bethesda, MD

June 23, 2015

Overview

- Overview of Frontier Demonstrations:
  - FESC
  - FCHIP
- CAH Toolbox for moving to value
- Rural Health Value resources

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Rural Health Value Project

Vision: To build a knowledge base through research, practice, and collaboration that helps create high performance rural health systems

- 3-year HRSA Cooperative agreement
- Partners
  - RUPRI Center for Rural Health Policy Analysis and Stratis Health
  - Support from Stroudwater Associates, WIPFLI, and Premier
- Activity
  - Resource development and compilation, technical assistance, research

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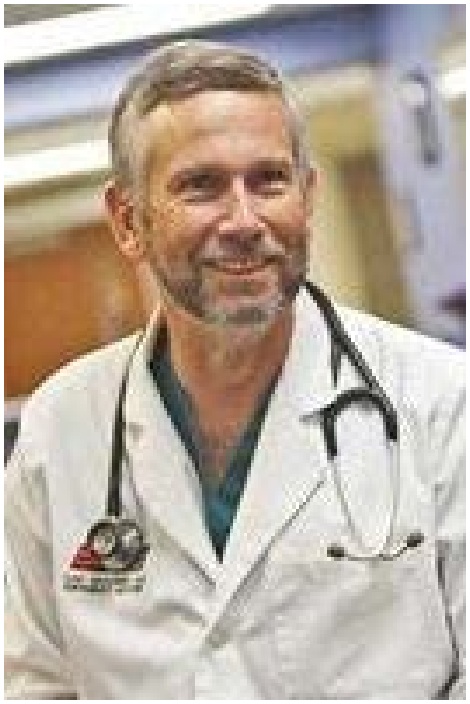
My Muses

Keith Muller, PhD



Clint MacKinney, MD, MS

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Rural Risk?

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Frontier Extended Stay Clinic (FESC) Demonstration

- Geographically isolated medical clinic designed to provide primary, emergency, and extended-stay care 24 hours per day when hospital services are not readily available.
- Location: 4 AK, 1 WA (dropped in 2012, CAH opened)
- Timeframe: Designation 2006, Demonstration 2010 - 2013
- FORHP - funding for infrastructure development and evaluation
- CMS – three year Medicare payment demonstration to pay differentially for extended clinic stays lasting greater than four hours.

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FESC Description

- At least 75 miles from a hospital (current rules);
- Designed to provide emergency care; able to provide limited observation services.
- No surgeries, inpatients, babies, blood, anesthesia, or deep sedation.
- Limited to 4 patients at a time.
- Limited to 48 hour max visit time.
- Can use LPN/EMT/P for patient observation.
- Provider onsite within 30 minutes in FESC, 60 in CAH.

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FESC Findings

- Demonstrated that a clinic can provide:
  - 24/7 emergency services;
  - Robust primary care;
  - Limited monitoring and observation services.
- Saved nearly $14 million dollars in avoided transfer costs in the first five years of the Program.
- Additional costs to provide after-hours and extended-stay services are an estimated $1 million per year per clinic; current health insurer payments are not sufficient for FESCs to recoup the costs.
- A minimum of 3 providers necessary to provide 24 -hour and monitoring/observation care.

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Frontier Community Health Integration Program (FCHIP)

In fiscal year 2010:

- Congress appropriated funds to the Federal Office of Rural Health Policy (FORHP) for the FCHIP demonstration.
- FORHP funded an 18-month cooperative agreement award to the Montana Health Research & Education Foundation (MHREF) to provide information and data to CMS as they develop this demonstration.

- Proposed framework and white papers:

http://www.raconline.org/new-approaches/frontier-community-health-integration-program

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FCHIP Demonstration

- Demonstration opportunity announced by CMMI in early 2014
  - Eligible CAHs in 5 states: AK, MT, ND, NV, WY (only 4 states to be funded)
- Four 'prongs' of enhanced services:
  - Telemedicine
  - Nursing facility care within the Critical Access Hospital
  - Home health services
  - Ambulance services
- Proposals due May 2014
  - Must show budget neutrality/cost savings
  - No CAH awards made to-date

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Volume → Value

$$\textbf{Value} = \frac{\textbf{Quality}}{\textbf{Cost}}$$

- How do we move toward delivering value when revenue is primarily volume-driven?
- What changes should we implement *now* to be successful in the future?

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Primary tools for CAH Value

- Optimize Fee-for-Service
  - Enhance efficiency
  - Increase market share
  - Revenue Cycle management
- Improve Patient Care
  - Make quality, safety, and patient experience a leadership priority
  - Measure, Report, and Act
- Engage Physicians
  - Provider relations as a CEO priority meaningful influence that moves the organization toward a shared vision and a successful future.

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Expanding the toolbox

- Develop Medical Homes
- Clinical Integration
- Get Paid for Quality
- Coordinate Care
- Establish a Referral Network
- Engage Your Community
- Consider Regionalization

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Process for Adapting to Value

- **Inform:** create awareness of need for change
- **Assess:** strengths, needs, and capacity to build value
- **Prepare:** identify action based on organizational and community needs
- **Action:** change that creates value

Be a leadership voice for rural health care value.

A positive attitude is infectious!

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Rural Health Value Resources

- Check out **www.RuralHealthValue.org**
  - Tools and resources
  - Profiles in innovation
  - Innovation Briefs (FESC and FCHIP)
  - Rural Demonstrations Innovation Table
  - White papers and pertinent articles
  - Presentations and more!
- New 2015 Tools & Resources
  - CAH FFS/CBR Financial Pro Forma
  - Value-Based Care Strategic Planning Tool
  - To receive value-based payment, hospitals must deliver *value-based health care*
    - The Tool assesses 121 value-based care *capacities* in eight categories
    - May be used for board/leadership learning and strategic action planning
  - Shared Savings Contract Pro Forma (late 2015)

"We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next ten."

- Bill Gates, Jr.

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