

Best Practices Medicaid Study

Ed Sicurello, Chief of Operations & Finances
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El Rio Community Health Center

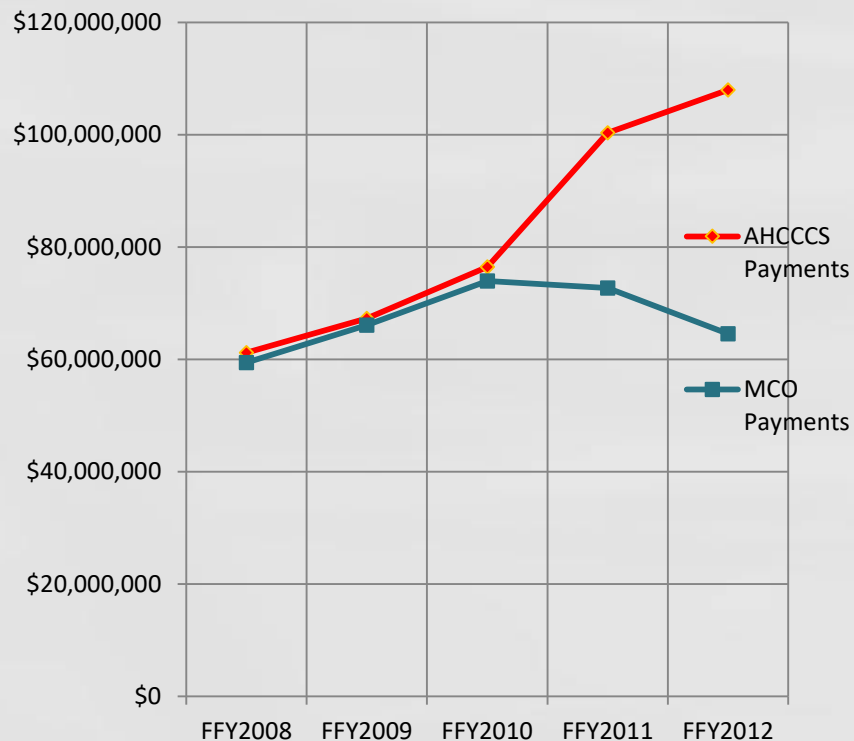
John C. McDonald, Chief Executive Officer
Arizona Alliance For Community health Centers (AACHC)

Motivation for AACHC to Prepare for Alternative Payment Methodologies (APM)

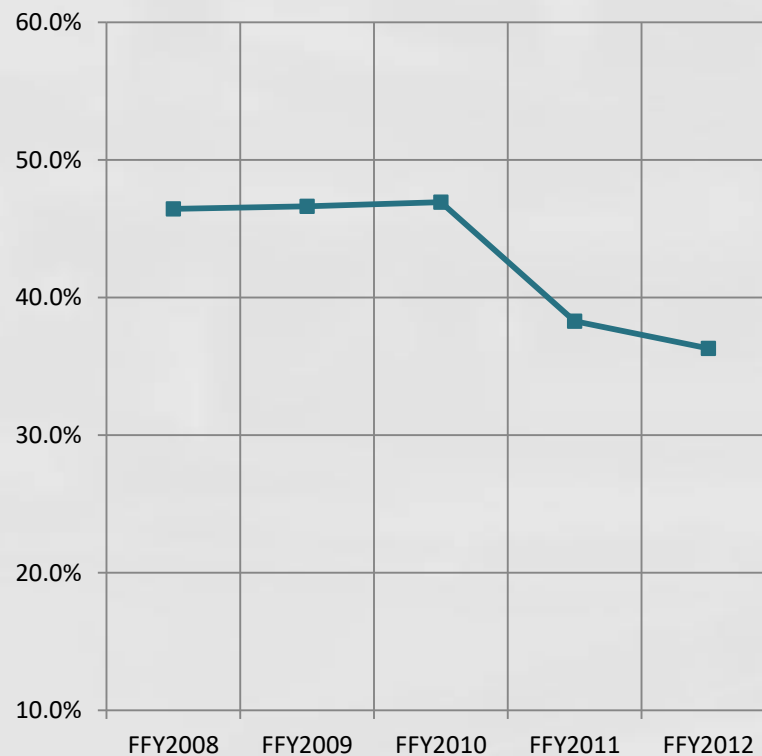
- AHCCCS Medicaid Director Presentation Slide
 - AACHC Annual Meeting 2014
 - Provider Rate changes slide repeatedly used in other local presentations
- Letter Of Support for New Access Points (NAP)
 - National Association of Medicaid Directors (NAMMD) template letter
 - Provider Rate changes slide repeatedly used in other local presentations
- Letter to Secretary of Health-Sebelius

FQHC Payments – MCOs and AHCCCS

Quarterly Supplemental Payments Net of Reconciliations vs MCO Payments



Average MCO Per Visit Payment as a percentage of AHCCCS PPS Rate



Highlights of LOS for NAP that caused AACHC concern

While we support Neighborhood Outreach Access to Health as an important provider and partner in Arizona's health care system, our support for New Access Point funding through the Health Resources and Services Administration (HRSA) is tempered only by our concerns regarding the reimbursement methodology established through the Prospective Payment System (PPS). It is acknowledged throughout the healthcare industry that extensive efforts must be made to bend the cost curve. These efforts must not only improve quality, but also reform reimbursement methodologies. Concepts like value based purchasing and initiatives like accountable care communities are all driving toward the Triple Aim goals. Cost-based reimbursement methodologies like the PPS not only run counter to these endeavors but actually threaten the long-term sustainability of FQHCs as it becomes increasingly evident that FQHC rates are well out of line with those of other providers that offer the same services with similar quality outcomes.

In Arizona's example alone, it is already apparent that FQHC rates are out of line with the rest of the provider community. (See the table on page two.) Efforts aimed at value based purchasing and bending the cost curve cannot be sustained with FQHCs as partners under the PPS model.

Highlights of LOS for NAP that caused AACHC concern

We value the strong partnership between AHCCCS and FQHCs in the state. We believe and support Neighborhood Outreach Access to Health's mission to provide high quality, affordable health care services for all Arizonans, especially those in underserved areas. We fully recognize that the excellent service you provide to AHCCCS members and the federally established PPS rate by which you are reimbursed are two distinct matters. Nevertheless, we firmly believe that a national discussion that includes FQHC leadership is needed to move away from a PPS rate that does not support the successful evolution of today's health care system into the sustainable, quality system we need it to be for the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. J. Betlach', with a stylized flourish at the end.

Thomas J. Betlach
Director



Arizona Medicaid Provider Rate Changes

Provider	Rate Changes *2009 to 2015, including 2015 adjustments
Hospital Inpatient	(9.8)%
Hospital Outpatient	(8.7)%
Nursing Facility (ALTCS EPD)	(1.6)%
HCBS (ALTCS EPD)	(11.2)%
HCBS (DD)	(8.4)%
Behavioral Health Inpatient	(7.3)%
Behavioral Health Outpatient	(8.1)%
Physician	(12.9)%
Primary Care Physician (PCP Parity Impact)	13.8%
Ambulance ¹ – ADHS Regulated	29.5%
Non-Emergency Transportation	(14.3)%
FQHCs	35.8%
Dental	(12.5)%
*2009 excludes provider rate adjustments at October 1, 2008	

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NAMD FQHC Letter

Three overarching themes of paper

1. The FQHC/RHC unique payment methodology does not always promote efficiency and value and increasingly impedes some states evolving delivery system and payment transformations.
2. States are frequently stymied by the lack of or inconsistent federal policy and regulations that seemingly operate independently for Medicaid and FQHCs/RHCs.
3. Additional collaboration is needed between the multiple federal agencies with authority for the Medicaid and FQHC/RHC programs...”



Our first care is your health care
Arizona Health Care Cost Containment System

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“Reaching across Arizona to provide comprehensive quality
health care for those in need”

What Data Is Available for Understanding Valued-Based Care and/or Alternative Payment Methodology (APM) for AACHC?

- Uniform Data Set (UDS)
 - Not concurrent data as release on annual basis
 - Some indicators (Data Sets) such as quality change over time not lending itself to trends analysis
 - Universe of data is FQHC only
- What other data available
 - Health Plan
 - CHiR
 - Arizona Health Information Network (Exchange)
 - Best Practice, ACO, IPA, Other?

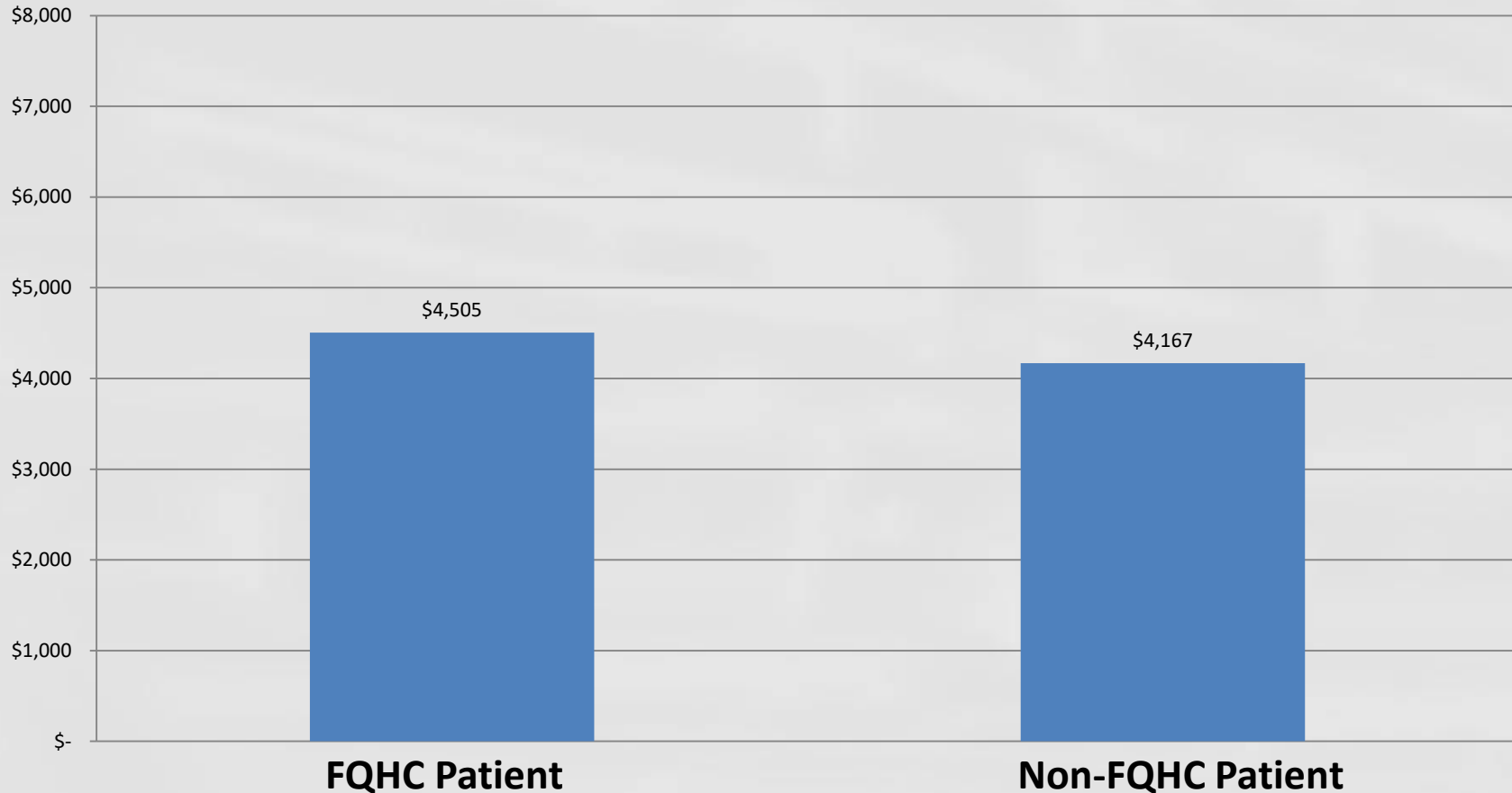
CHiR – Center for Health information Research – Arizona State University

- Decision made by Board Executive Committee to use CHiR database to capture total cost (primary and tertiary) of care for Medicaid Members
- Financial Officers Group Peer Networking Board Committee developed a taskforce to assist AACHC CEO in mining the database
- Technical Project Lead
 - Gevork Harootunian, Senior Statistical Programmer
 - Project Began February 2014
- Compare total Medicaid cost of care with FQHCs and non-FQHCs
 - Added HEDIS indicators later in study

CHiR Study Methodology

- Cost Data:
 - Three (3) Years all AHCCCS except prison and HIV/AIDs populations
 - Includes total cost/total paid
 - PPS Wraparound Payments are included
 - Administrative cost and supplement payments not included-claims data only
- HEDIS
 - 128 HEDIS indicators across 10 diagnostic categories

CHiR -Total Average Cost per Patient



Note:

- Data does not include prisons or HIV populations. MIHS included in non-FQHC data due to data clarification
- Includes wraparound- average PPS rate of \$170.00 used per encounter based on 2012 and adjusted for 2013

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CHiR Study Overall Cost– El Rio CHC

Calendar Year Based Output

FQHC Cost Study	2012	2013
	Per Patient	Per Patient
Status		
El Rio: Overall	\$4,276	\$4,548
Other FQHC: Overall	\$4,192	\$4,488
AHCCCS: Received Care (non-FQHC)	\$3,782	\$4,167
AHCCCS- Everyone Seeking Care	\$3,820	\$4,202
All Eligible	\$3,062	\$3,403

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CHiR Study Cost by Diagnosis – El Rio CHC

Output for Patients with Asthma

FQHC Cost Study	2012	2013
	Per Patient	Per Patient
<i>Status</i>		
El Rio: Overall	\$5,097	\$5,510
Other FQHC: Overall	\$5,620	\$6,174
AHCCCS: Received Care (non FQHC)	\$4,600	\$5,122
AHCCCS - Everyone Seeking Care	\$4,675	\$5,211

Asthma was defined as an ICD-9 diagnosis, 493.XX, in any position

Output for Patients with Heart Disease

FQHC Cost Study	2012	2013
	Per Patient	Per Patient
<i>Status</i>		
El Rio: Overall	\$11,834	\$12,695
Other FQHC: Overall	\$10,401	\$11,010
AHCCCS: Received Care (non FQHC)	\$11,182	\$12,457
AHCCCS - Everyone Seeking Care	\$11,153	\$12,359

Heart disease was defined as an ICD-9 diagnosis, 295.XX-316.XX, in any position

Output for Patients with Diabetes

FQHC Cost Study	2012	2013
	Per Patient	Per Patient
<i>Status</i>		
El Rio: Overall	\$9,299	\$9,777
Other FQHC: Overall	\$8,049	\$9,073
AHCCCS: Received Care (non FQHC)	\$9,757	\$10,893
AHCCCS - Everyone Seeking Care	\$9,635	\$10,710

Diabetes was defined as an ICD-9 diagnosis, 250.XX, in any position.

Output for Patients with Hypertension

FQHC Cost Study	2012	2013
	Per Patient	Per Patient
<i>Status</i>		
El Rio: Overall	\$8,727	\$9,488
Other FQHC: Overall	\$7,565	\$8,418
AHCCCS: Received Care (non FQHC)	\$8,735	\$9,788
AHCCCS - Everyone Seeking Care	\$8,658	\$9,666

Hypertension was defined as an ICD-9 diagnosis, 401.XX, in any position

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CHiR Study Cost Overall Cost– Mariposa CHC

Calendar Year Based Output

	2012	2013
FQHC Cost Study	Per Patient	Per Patient
Status		
Mariposa: Overall	\$3,382	\$3,756
Other FQHC: Overall	\$4,278	\$4,560
AHCCCS: Received Care (non FQHC)	\$3,782	\$4,167
AHCCC- Everyone Seeking Care	\$3,820	\$4,202
All Eligible	\$3,062	\$3,403

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CHiR Study Cost by Diagnosis – Mariposa CHC

Output for Patients with Asthma

FQHC Cost Study	2012	2013
	Per Patient	Per Patient
<i>Status</i>		
Mariposa: Overall	\$3,783	\$4,613
Other FQHC: Overall	\$5,512	\$6,028
AHCCCS: received Care (non FQHC)	\$4,600	\$5,122
AHCCCS - Everyone Seeking Care	\$4,675	\$5,211

Asthma was defined as an ICD-9 diagnosis, 493.XX, in any position

Output for Patients with Heart Disease

FQHC Cost Study	2012	2013
	Per Patient	Per Patient
<i>Status</i>		
Mariposa: Overall	\$8,449	\$9,716
Other FQHC: Overall	\$10,995	\$11,574
AHCCCS: Received Care (non FQHC)	\$11,182	\$12,457
AHCCCS - Everyone Seeking Care	\$11,153	\$12,359

Heart disease was defined as an ICD-9 diagnosis, 295.XX-316.XX, in any position

Output for Patients with Diabetes

FQHC Cost Study	2012	2013
	Per Patient	Per Patient
<i>Status</i>		
Mariposa: Overall	\$7,395	\$7,976
Other FQHC: Overall	\$8,557	\$9,383
AHCCCS: Received Care (non FQHC)	\$9,757	\$10,893
AHCCCS - Everyone Seeking Care	\$9,635	\$10,710

Diabetes was defined as an ICD-9 diagnosis, 250.XX, in any position.

Output for Patients with Hypertension

FQHC Cost Study	2012	2013
	Per Patient	Per Patient
<i>Status</i>		
Mariposa: Overall	\$6,201	\$6,697
Other FQHC: Overall	\$8,033	\$8,845
AHCCCS: Received Care (non FQHC)	\$8,735	\$9,788
AHCCCS - Everyone Seeking Care	\$8,658	\$9,666

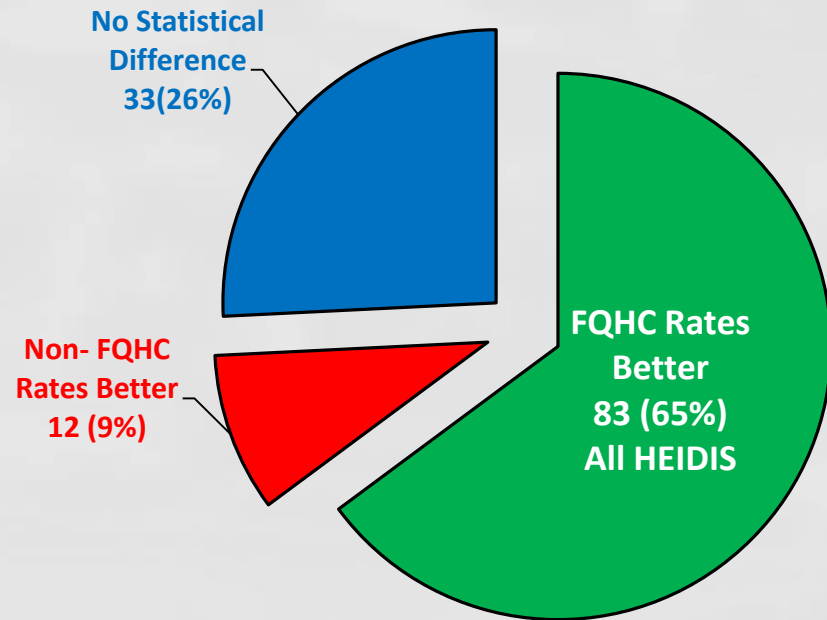
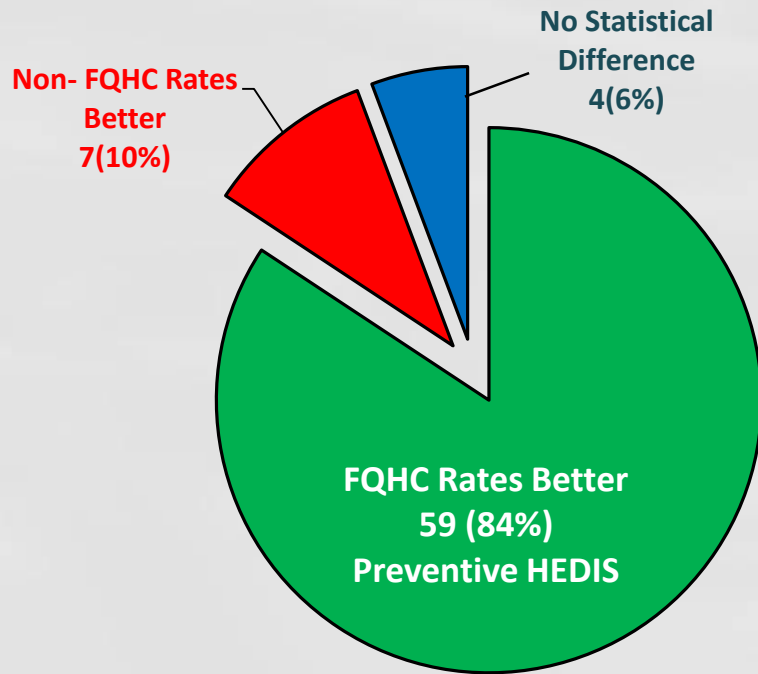
Hypertension was defined as an ICD-9 diagnosis, 401.XX, in any position

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CHIR AGGREGATED QUALITY HEDIS MEASURES








2013 AHCCCS Patient Quality of Care
ALL 128 HEDIS Measures
FQHC vs. Non-FQHC



See handout for all HEDIS Indicators Studied

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CHiR HEDIS Measures for FQHC Compared to General AHCCCS Population

Condition	Quality Measure	FQHC Patients	Observed Rate	AHCCCS	Observed Rate	Significant Finding P-Value <0.01
CAD	Patients with a prior myocardial infarction prescribed beta-blocker therapy during the measurement year	781	54.70%	5,307	41.90%	
Cervical Cancer Screen	Patients that had a cervical cancer screening test in the last 36 months	15,226	54.90%	104,603	43.10%	
Diabetes Care	Patients 18-75 y/o with HbA1c test in last 12 months	6,523	71.10%	39,935	57.10%	
Diabetes Care	Patients 18-75 y/o with LDL Cholesterol in last 12 months	6,523	61.50%	39,935	52.30%	
Diabetes Care	Patients 18-75 y/o had annual screening for Nephropathy	6,523	70.10%	39,935	61.60%	
Childhood Immunizations	Patients 2 years old that had 2 influenza immunizations by their 2 nd birthday	2,919	45.20%	21,672	35.20%	
Lead Screening	Patients 2 years old that had at least one blood test by their 2 nd birthday	2,921	55.80%	21,707	32.20%	

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CHiR HEDIS Measures for FQHC Compared to General AHCCCS Population

Condition	Quality Measure	FQHC Patients	Observed Rate	AHCCCS	Observed Rate	Significant Finding P-Value <0.01
COPD	Patients that had appropriate spirometry testing to confirm COPD	545	26.80%	3,555	32.10%	
Alcohol Treatment	Patients with newly diagnosis of alcohol and other drug dependence (AOD) who initiated treatment within 14 days.	2,534	24.00%	15,030	26.20%	
Breast Cancer Screening	Patients 42-69 y/o that had a screening mammogram in last 24 months	9,372	48.90%	62,366	38.20%	
Glaucoma Screening	Patients 67 y/o and older had a eye exam for glaucoma in last 12 months	3,393	15.50%	34,618	18.50%	
Adult Access (Prevention)	Patients 20 years and older that had a preventive or ambulatory care visit during the last 12 months	39,499	97.20%	299,258	84.50%	
Well-Child 15 months	Patients that had six or more well-child visits with PCP during first 15 months of life	3,697	29.60%	26,160	35.10%	
Well-Child 15 months	Patients that had no well-child visits with PCP during first 15 months of life	3,697	1.00%	26,160	9.30%	

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CHiR HEDIS Measures for Mariposa CHC Compared to General AHCCCS Population

Condition	Quality Measure	FQHC Patients	Observed Rate	AHCCCS	Observed Rate	Significant Finding P-Value <0.01
Diabetes Care	Patient(s) 18 - 75 years of age that had a HbA1c test in last 12 reported months.	368	70.70%	38,935	57.10%	
CAD	Patient(s) prescribed antiplatelet therapy during the measurement year.	143	41.30%	16,390	26.30%	
Depression Med Management	Patient(s) with a new episode of major depression that remained on an antidepressant medication during the 6 month acute treatment phase.	32	18.80%	2,478	43.50%	
Well-Child 3-6 Years	Patient(s) 3 - 6 years of age that had one well-child visit with a PCP in the last 12 reported months.	899	70.40%	105,939	59.60%	
Well-Child 15 months	Pts that had six or more well-child visits with PCP during first 15 months of life	231	15.60%	26,160	35.10%	
Well-Child 15 months	Pts that had no well-child visits with PCP during first 15 months of life	231	00.00%	26,160	9.30%	
Breast Cancer Screening	Patient(s) 42 - 69 years of age that had a screening mammogram in last 24 reported months.	537	49.20%	62,366	38.20%	

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CHiR HEDIS Measures for El Rio CHC Compared to General AHCCCS Population

Condition	Quality Measure	FQHC Patients	Observed Rate	AHCCCS	Observed Rate	Significant Finding P-Value <0.01
Diabetes Care	Patient(s) 18 - 75 years of age that had a HbA1c test in last 12 reported months.	2,043	71.80%	38,935	57.10%	
CAD	Patient(s) with a prior myocardial infarction prescribed beta-blocker therapy during the measurement year.	244	53.60%	5,307	41.90%	
Prenatal Care	Women with deliveries of live births that received a prenatal care visit in the first trimester.	647	63.70%	14,105	70.80%	
Breast Cancer Screening	Patient(s) 42 - 69 years of age that had a screening mammogram in last 24 reported months.	2,530	54.50%	62,366	38.20%	
Glaucoma Screening	Patient(s) 67 years of age and older that had an eye exam for glaucoma in the last 24 reported months.	1,048	8.70%	34,618	18.50%	
Well-Child 15 months	Patient(s) that had six or more well-child visits with a PCP during the first 15 months of life.	1,199	21.60%	26,160	35.10%	
Well-Child 15 months	Pts that had no well-child visits with PCP during first 15 months of life	1,199	00.70%	26,160	9.30%	

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What Is Next for CHiR/Data Mining to Show Value for APM

- Internal AACHC Benchmarking
 - Compare cost and quality data for all unique FQHCs
 - Identify Best Practices
 - Learn what processes, systems, care delivery models that make the FQHC a Best Practice
 - Share and spread Best Practices
- Purchase predictive analysis tool to identify high quality care (HEDIS) impact on cost over time and share findings as appropriate
- What other data is available
 - Health Plan
 - Arizona Health Information Network
 - Additional CHiR findings
- Create two to three internal Medicaid APM programs for when the state decides to move in this direction
 - State is already implementing PPS payments (including wrap) by Medicaid Health Plans

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