MARCH 8, 2017

# Community Health Centers Assuming Full Global Risk

## BEST PRACTICES FORUM

EDDIE CHAN

PRESIDENT & CEO

NEMS NORTH EAST MEDICAL SERVICES

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# ABOUT NEMS

- Established 1971; FQHC since 1991; 10 clinic sites in 3 counties within San Francisco Bay Area
- Level 3 Patient Centered Medical Home recognition from the National Committee for Quality Assurance (NCQA)
- One of the largest health centers serving Asians in the U.S.
- 70+ PCP; offer healthcare services including Primary Care, Dental, Optometry, Lab, Imaging, Pharmacy, and Specialty Care

**2016 Key Statistics:**

- 66,651 Active Patients; 343,906 Encounters
- 12% Uninsured/Self-Pay
- > 72% below 200% FPL
- 82% Monolingual Chinese Speakers
- 17% > 65 years

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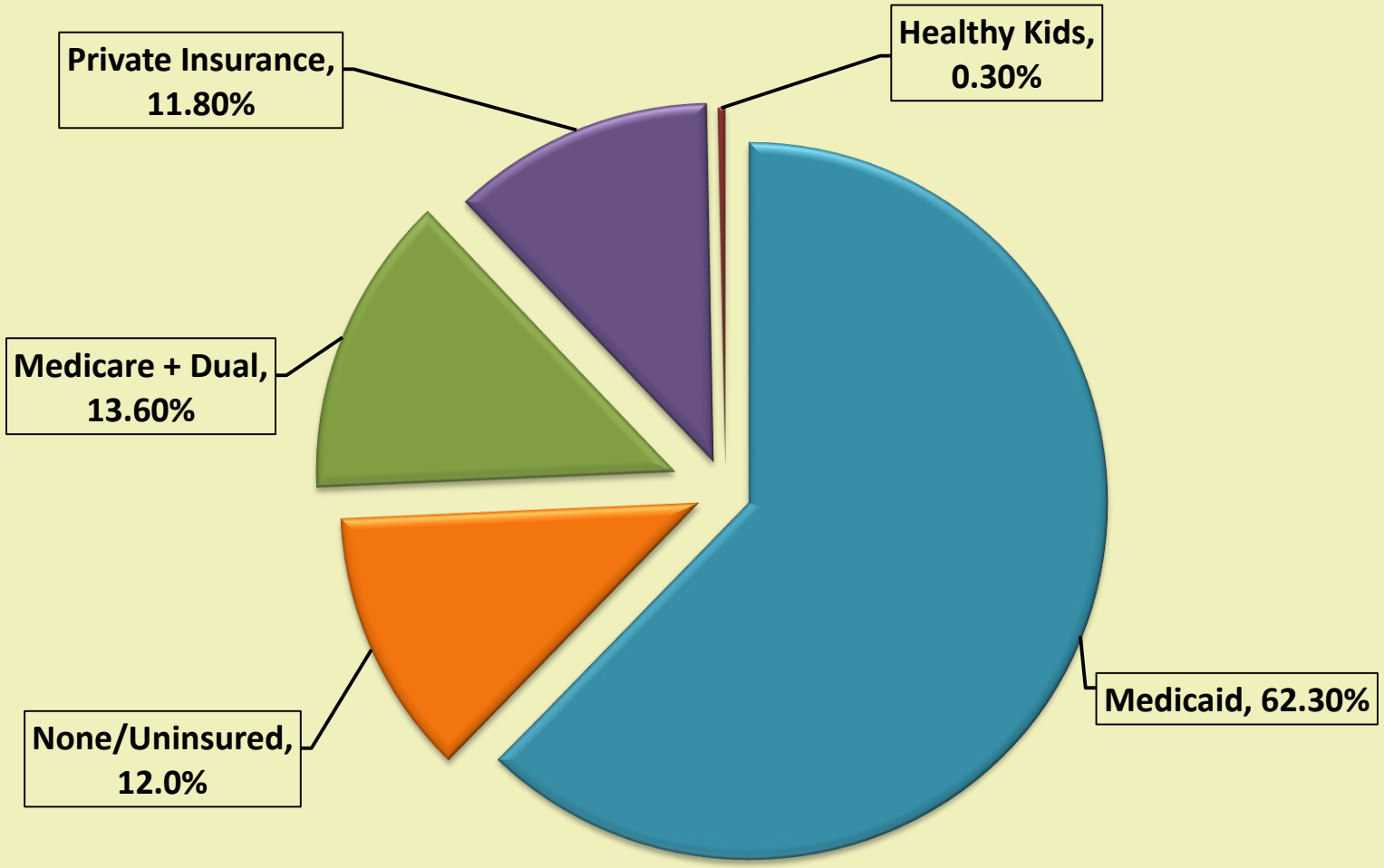
# NEMS 2016 Patient Mix

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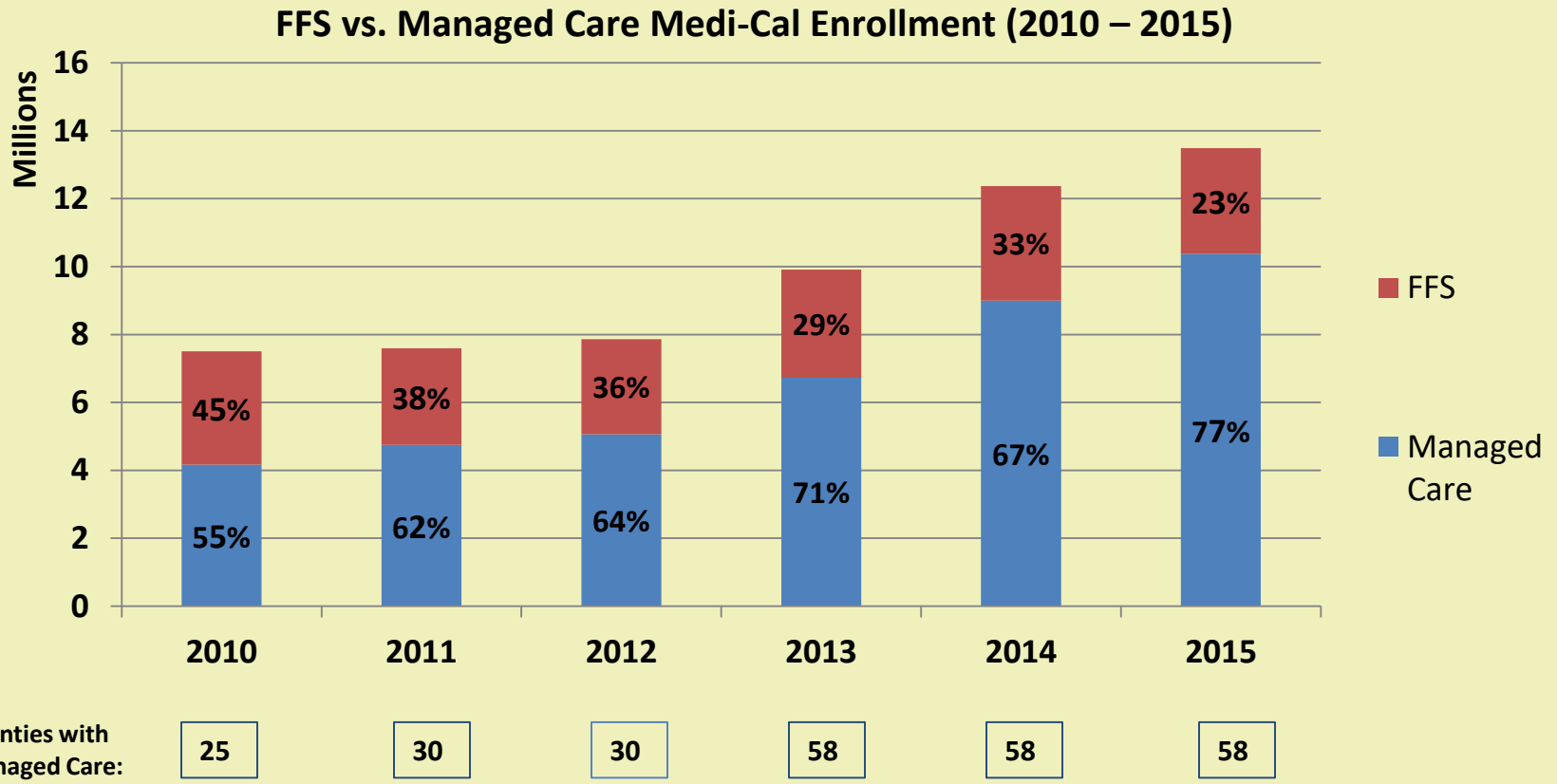
# Managed Care Medicaid

- 62.3% of NEMS patients are Medicaid beneficiaries and enrolled in Managed Care Plans (MCP)
- NEMS contracts with 6 MCPs in 3 counties to serve Medicaid managed care members
- Reimbursement model – FFS or Capitation
- In **San Francisco County**, **NEMS as a RBO, takes Full Risk** for the **Professional Medical Benefit** from San Francisco Health Plan

# California Managed Care Enrollment Trends

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# Delegation of Full Risk

- Global Risk split between NEMS and Partnered Hospitals
- Global PMPM payment, to cover:
  - **ALL Professional Services** defined within their **Medical Benefit**
  - Regardless of Place of Service – within a NEMS clinic or outside of a NEMS clinic in a hospital; In-Network or Out-of-Network
  - Regardless of Service Provider Type – NEMS physician or outside non-contracted providers
  - Carved Out services include – LTC, Specialty Mental Health, CCS, major organ transplants.
- Partnered Hospital takes Hospital Risk for the same Member Population
- NEMS MSO performs medical management services for NEMS and the Partnered Hospital

# CA MMC Risk Delegation in SF County


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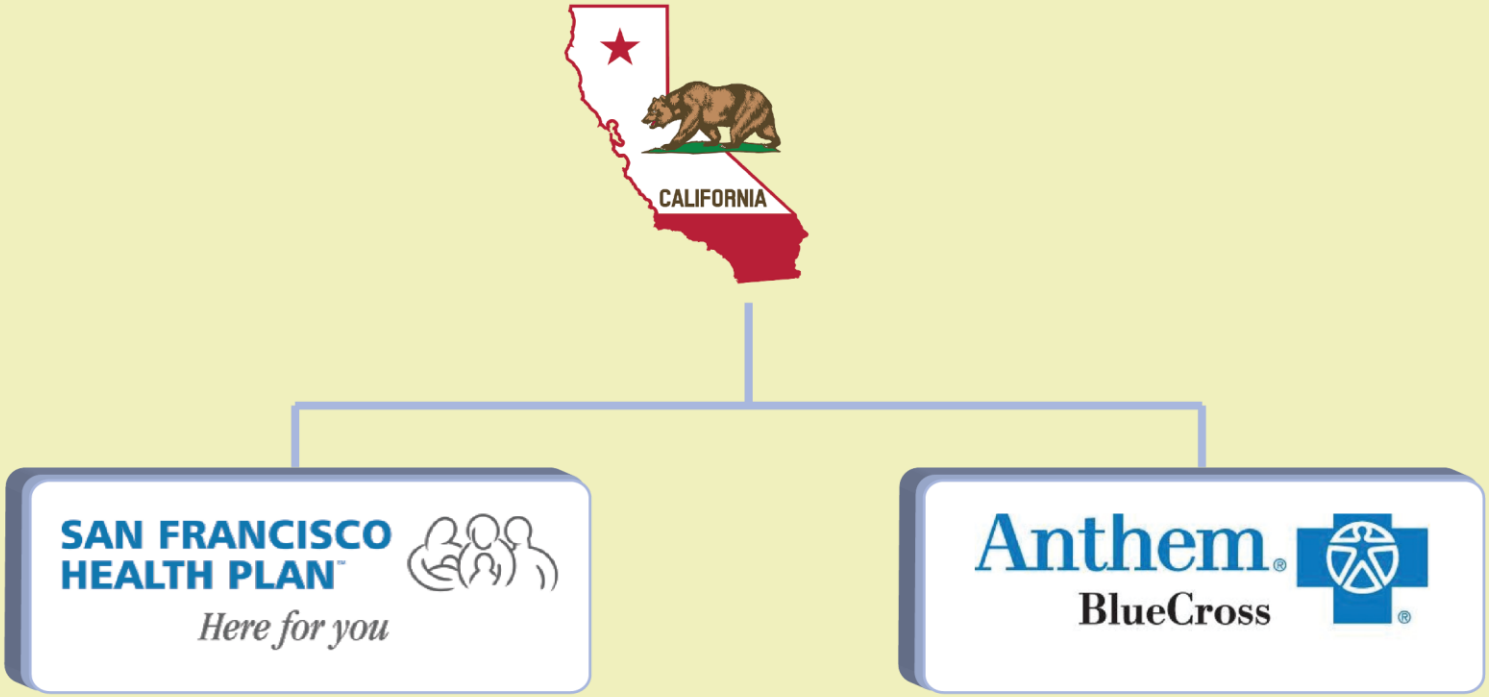

# CA MMC Risk Delegation in SF County


6 Global Risk Partners

SAN FRANCISCO HEALTH PLAN™
*Here for you*

Anthem BlueCross

NEMS IPA (RBO)

Sutter Hospital

FFS

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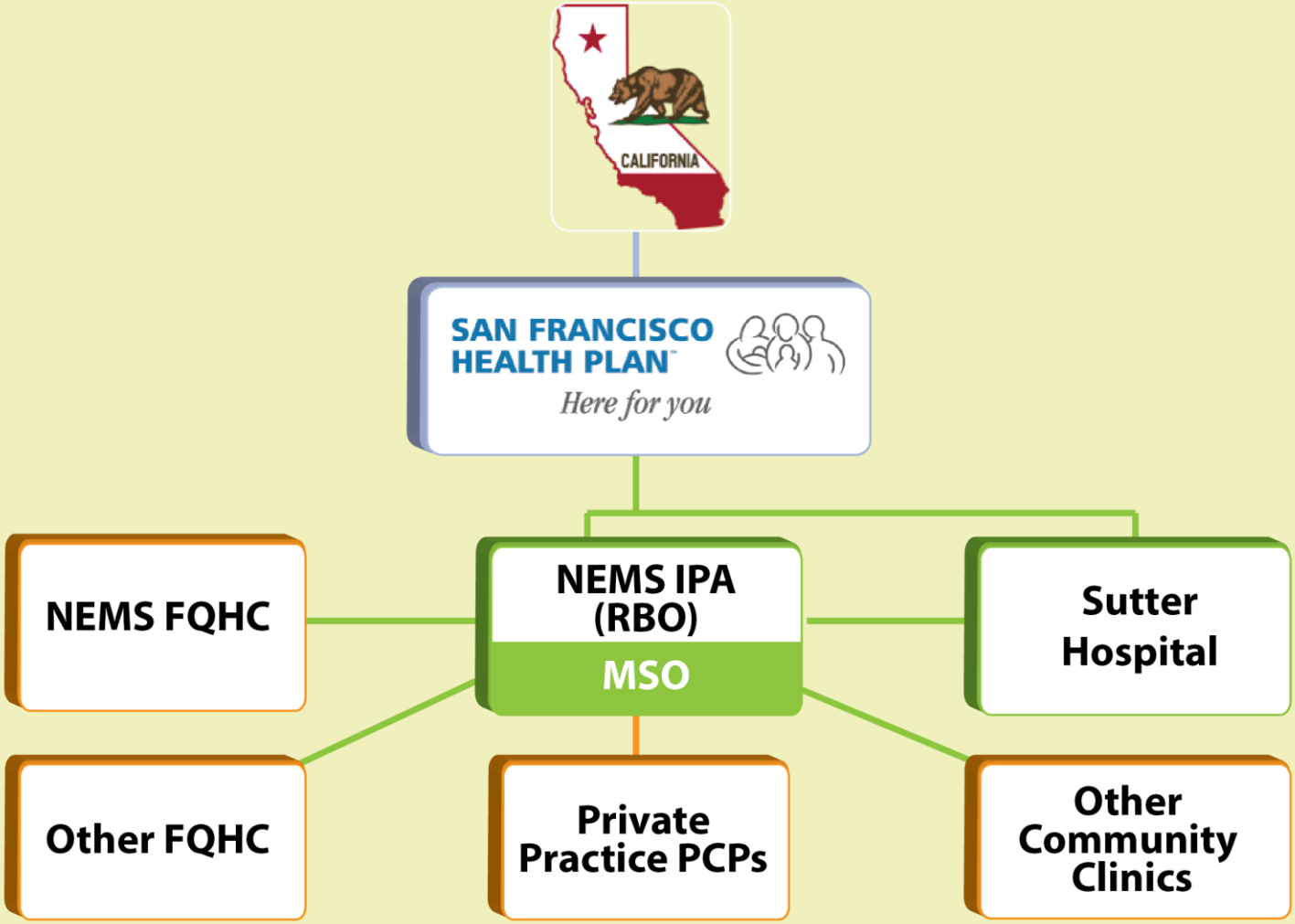


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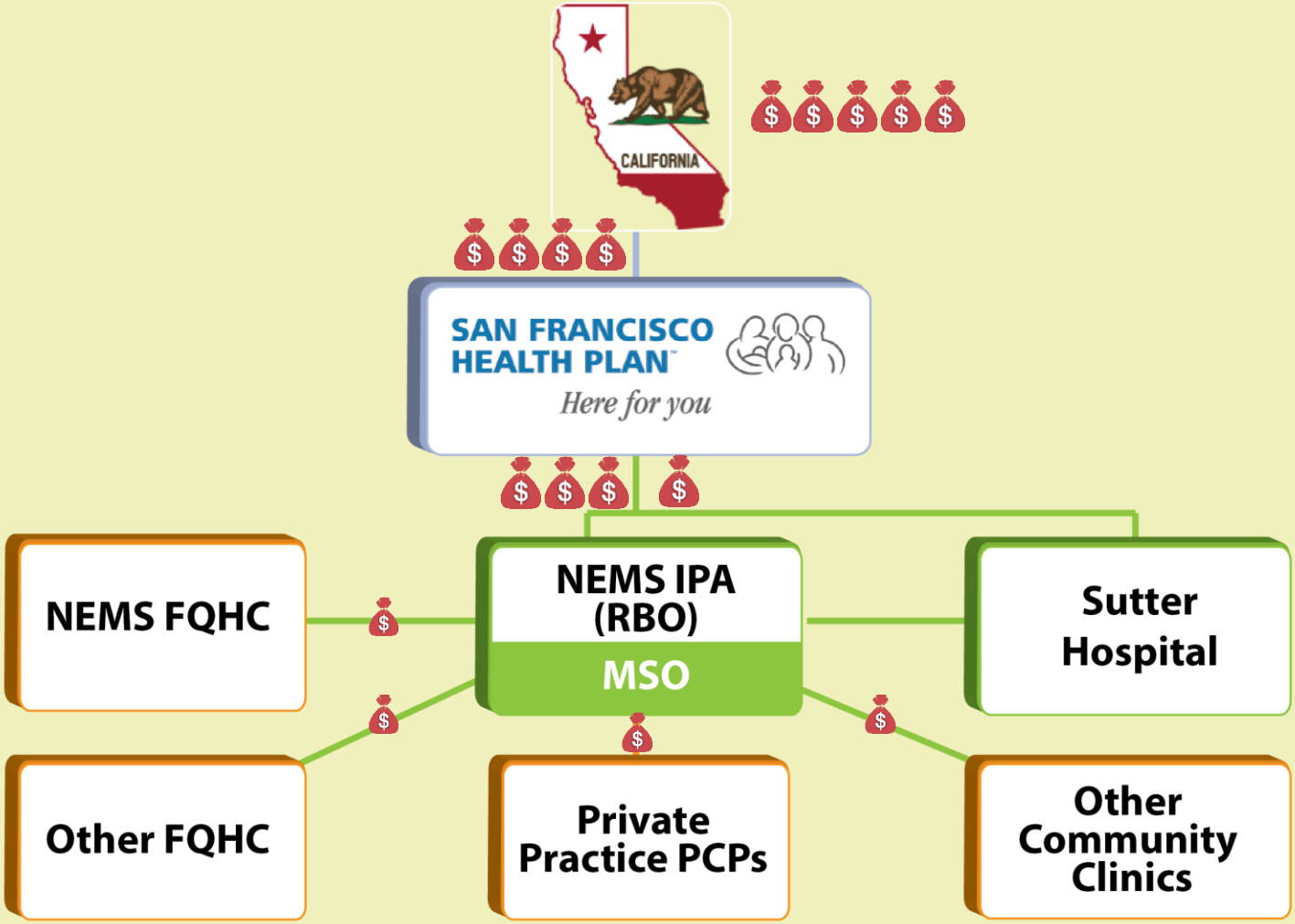


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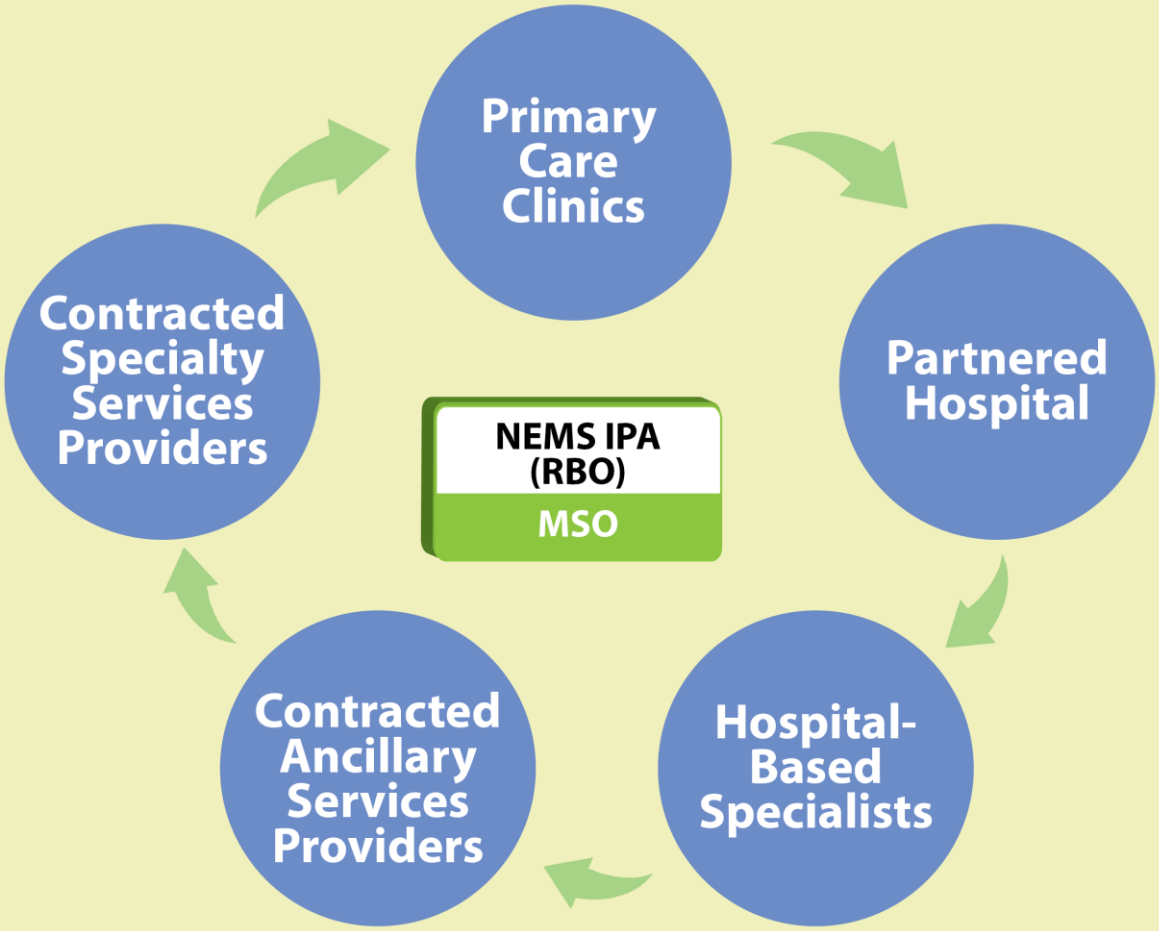
# NEMS MSO Network




**NEMS MSO network has 800+ specialty providers in 45+ specialties**

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# Effective Management of Risk – Competitive Advantage

I. **Internal MSO**, performs full MSO functions for NEMS & the partnered hospitals

- Member Activation & Engagement
- Utilization Management
- Case Management / Care Coordination
- Medical Claims Processing
- Provider Credentialing & Contracting
- Quality Review / Quality Improvement

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# Utilization Review/Management

**In 2016, more than 11,000 members were treated for medical conditions by specialists outside of the NEMS clinic**

| MEDC* Description | Pt Count | MEDC* Description | Pt Count |
|---|---|---|---|
| ALL - Allergy | 418 | INF - Infections | 249 |
| CAR - Cardiovascular | 1,077 | MAL - Malignancies | 281 |
| EAR - Ear, Nose, Throat | 560 | MUS - Musculoskeletal | 868 |
| END - Endocrine | 557 | NEW - Neonatal | 120 |
| EYE - Eye | 441 | NUR - Neurologic | 719 |
| FRE - Female Reproductive | 468 | NUT - Nutrition | 523 |
| GAS - Gastrointestinal/Hepatic | 792 | REC - Reconstructive | 127 |
| GSI - General Signs and Symptoms | 723 | REN - Renal | 345 |
| GSU - General Surgery | 758 | RES - Respiratory | 734 |
| GTC - Genetic | 45 | RHU - Rheumatologic | 159 |
| GUR - Genito-urinary | 430 | SKN - Skin | 625 |
| HEM - Hematologic | 337 | TOX - Toxic Effects and Adverse Events | 129 |

*MEDC - Major Expanded Diagnosis Clusters

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# Bed Days & ED per 1K MM/Year

| CY | Bed Days/1K MM per Year | HEDIS Medicaid 50th Percentile | ED/1K MM Per Year | State of CA MMC Average |
|---|---|---|---|---|
| 2012 | 182 | 320 | 16.7 | 39.6 |
| 2013 | 136 | 339 | 14.8 | 43.1 |
| 2014 | 193 | 335 | 18.6 | 42.1 |
| 2015 | 177 | 336 | 17.9 | 40.5 |
| 2016 | 150 | 335 | 17.4 | |

- 2012: SPD Mandatory Enrollment into MCP
- 2014: ACA MCE Expansion
- MMC Member Enrollment Increased by 113% from 2013 to 2016 (from 17,125 to 36,442)

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# Case Management / Care Coordination

- Monitor Network Adequacy
- Coordinate OON Services as needed
- Monitor Inpatient Bed Days; Real-Time Repatriation
- **Case Management Focuses**:
  - Health Risk Assessment & Care Planning
  - Hospital Readmission
  - Avoidable ER Visit
  - Frequent ER Flyer
  - Chronic Medical Condition
  - High Cost Patient

And More……..

# Post-Discharge RN Visit

- **Post-discharge Visit Intervention Focuses:**
  - **Review** - Hospital Discharge Documents
  - **Reconcile** - Medication
  - **Information** - Network, Access and CM program
  - **Coordinate** - Home Care, DME, and Physician follow-up visit
  - **Educate** - Wound infection control; fall prevention; disease management; pain management; etc

- **Arranged real-time, at Hospital or Patient's Home**
- **Not a Medical Visit; Support to PCP Care Team**
- **Patient-Centered; Problem-Focused**
- **Improve Patient Experience**
- **Reduce/Avoid Unnecessary ER & Re-admission**

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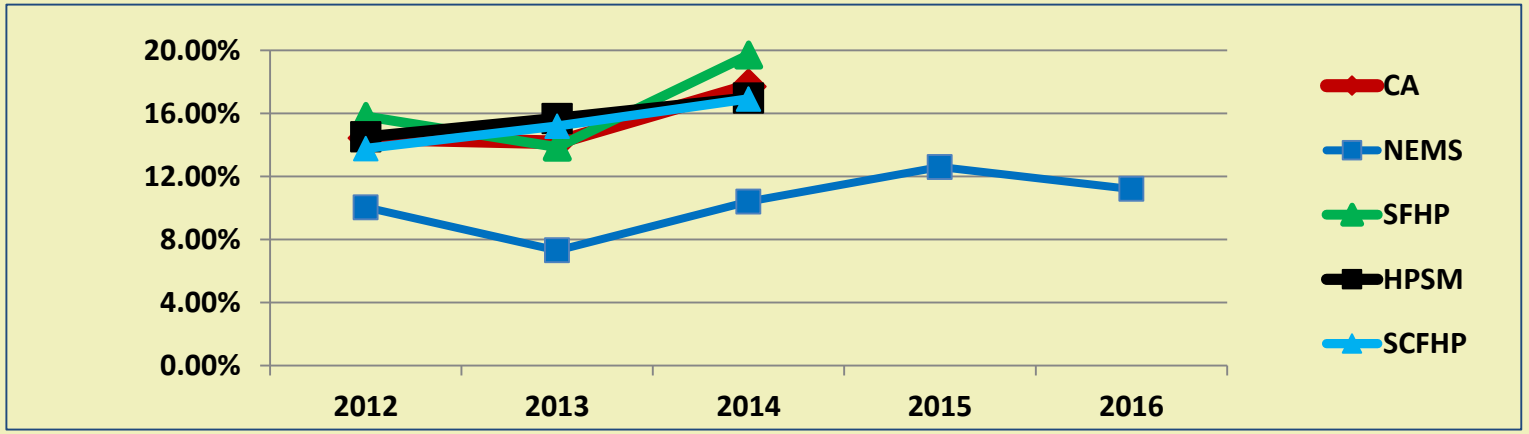
# 30 Days All-Cause Re-admission

| MMC All-Cause Readmission Rate | NEMS | CA Average | SFHP | HPSM | SCFHP | |
|---|---|---|---|---|---|---|
| 2012 | 10.03% | 14.43% | 15.81% | 14.52% | 13.77% | SPD |
| 2013 | 7.3% | 14.17% | 13.86% | 15.68% | 15.20% | |
| 2014 | 10.4% | 17.72% | 19.71% | 16.99% | 16.92% | ACA |
| 2015 | 12.6% | not yet | published | by | DHCS | |
| 2016 | 11.2% | not yet | published | by | DHCS | |

Data Source: http://www.dhcs.ca.gov/dataandstats/reports/Pages/MMCDQualPerfHEDIS.aspx

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# Effective Management of Risk – Competitive Advantage

I. **Internal MSO**, performs full MSO functions for NEMS & the partnered hospitals

II. **MSO Managed Care System + Clinic EHR**

- MSO System: EZ-Cap, EZ-Care, EZ-EDI, EZ-Net, EZ-Analytics
- **Real-Time** UM info & Complete Claims **data**
- Analyze and validate performance with minimum lag time
- Use analyzed data to **implement targeted CM activities**
- Use analyzed data to **support & validate operational adjustment**

# 2016 ER & Avoidable ER Visit

| AER Visit by Age Group | Total ER Visit | Avoidable ER | AER % | ^ 2015 |
|---|---|---|---|---|
| Under Age 19 | 2,607 | 378 | 14.5% | ↓ 4.5% |
| Age 19-40 | 1,640 | 205 | 12.5% | ↓ 2.1% |
| Age 41-64 | 2,603 | 265 | 10.2% | ↑ 0.1% |
| Age 65 and Older | 706 | 46 | 6.5% | ↓ 0.2% |
| **2016 Total** | **7,556** | **850** | **11.3%** | ↓ 2.5% |
| **2015 Total** | **7,121** | **985** | **13.8%** | |
| **2014 Total** | **5,109** | **759** | **14.8%** | |
| **2013 Total** | **3,885** | **623** | **16.0%** | |

- **MMC Member Enrollment Increased by 113% from 2013 to 2016**
- **Number of ER Visits Increased by 95% in the same time period**

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# Operational Adjustments

- MSO contracted with outside Urgent Care Clinics
- Extended NEMS Clinic Hours
- Patient Education from PCP Care Team & MSO Nurse Case Manager:
  - In-Network After-hour Access to Care
  - 24-hours Nurse Advice Hotline
  - Digital Message Display at Clinics
  - Educational Brochure from partnered hospitals
- 24/7 Care (2017 Goal)
  - Extend clinic hours to midnight
  - Telemedicine Hours – Midnight to 8AM

# Effective Management of Risk – Competitive Advantage

I. **Internal MSO**, performs full MSO functions for NEMS & the partnered hospitals

II. MSO Managed Care System + Clinic EHR, **real-time** UM info & Complete Claims **data** to support operational decisions

III. **Integrate** MSO Medical Management Services into Clinic Operation to Improve Quality

- Align organizational goals with DHCS & MCP's QIP measures
- MSO medical management services to wraparound clinic operation
- PIP Committee to design & implement QI projects to improve HEDIS
- MSO + Clinic collaboration to drive Clinical Quality, Patient Experience, & Data Quality

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# 2016 HEDIS

| | HEDIS Measures | NEMS | MCP | CA M-Caid 90th |
|---|---|---|---|---|
| CQ1 | Diabetes BP Controlled < 140/90 mmHg | **79.4%** | 71.3% | 76.6% |
| CQ2 | Diabetes HbA1c Control (<8.0%) | **76.6%** | 68.3% | 58.6% |
| CQ3 | Diabetes Eye Exams | **85.0%** | 74.1% | 67.7% |
| CQ4 | Controlling High Blood Pressure | **84.1%** | 75.1% | 70.3% |
| CQ5 | Postpartum Care | **90.0%** | 67.2% | 72.4% |
| CQ6 | Well Child Visits | **92.0%** | 82.2% | 83.8% |
| CQ7 | Cervical Cancer Screening | **72.3%** | 61.6% | 73.1% |
| CQ8 | Diabetes HbA1c Poor Control (>9%)** | **15.9%** | 19.0% | 29.7% |

**** lower rate is better**

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# Advantages of being a Full Risk RBO

## TOTAL COST OF CARE

- **Complete Data = Understanding the RISK**:
  - UM + Claims + EHR clinical data + Pharmacy data = Cost & Risk Mitigation
  - Drive improvements in care at a lower cost for our at-risk populations

- **Clinic + MSO = One Entity**:
  - Effective horizontal communication
  - “Sit on both sides of the table”, as a healthcare service provider, and an “insurance payer”
  - Nimble with strategy planning and implementation of operational changes in response to rapid healthcare policy changes


When the Winds of
Change Blows,
Some People
Build Walls
& Others
Build Windmills
- Old Chinese Proverb

# Questions?