

# Continuing on the Road to Value

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# Phases of Transformation



- Squeeze the turnip
- Plant new seeds
- Water and fertilizer – change as needed
- Grow the new crop
- Linear but not mutually exclusive

# Squeeze the Turnip: Public Policy Manifestations

- Policy imperative to find “savings” in the Medicare and Medicaid programs
- Consequence: Sequestration, scrutiny of allowable cost, little to no give on expanding the latter
- Tight definitions of budget neutrality affect ability to demonstrate new approaches to sustaining services
- Continuous debates about certain programs, including 340b

# Squeeze the Turnip: Management Responses

- Service line expansion
- Network affiliation to share costs and expand service lines
- Addressing total cost of care in preparation for new models
  
- IS IT ENOUGH/ -- NO



# Plant New Seeds: Policy Initiatives

- Perhaps a hybrid seed: Frontier Community Health Integration Program (still fee-for-service; extending cost-based reimbursement)
- New seed with basically untreated soil: Accountable Care Organizations (ACOs) with one-sided risk
- New seed: ACOs with two-sided risk
- New seed: Global budgeting models (MD, PA)
- New seed: Changes in primary care payment – direct contracting, primary care first



# Plant New Seeds: Healthcare Organization Actions

- Think bold: Third Generation Hospitals (Paul Keckley report June 6, 2016: *health focused, consumer driven; clinical leadership of clinically integrated networks --- **operating a retail business***
- Hospitals without boundaries (Spectrum Health “Ecosystem of Health” *Hospitals and Health Networks*, Sept 14, 2016)
- Begin to address social determinants of health
- Form and/or participate in community coalitions



# Water and Fertilize: Changing the Models as they Grow

- Example of changes to ACO program, including nurturing new plants with demonstrations (water) and capital investments (fertilizer, could be in the same demonstrations)
- Infusions such as changes to wage index
- Evolution of physician payment to include chronic care code, PCP+ and now the new programs
- Inserting new services into Medicare Advantage and ACOs



# Water and Fertilize: Changing the Models as they Grow

- Parallel the policy changes with new strategies and efforts locally
- Working through local collaborations
- Working through regional collaborations



# Grow the New Crop

- Leverage community resources – Southeastern Hospital in Robeson County NC
- Transitional care team in Granville Medical Center in Oxford NC
- Service line focus in Transylvania Regional Hospital in NC (services for elderly such as ortho and emergency, but not labor and delivery – moms sent to nearby hospital that is affiliated)



Source: Rural Hospitals Embrace Population Health in Quest for Relevance. *North Carolina Health News*. March 4, 2016.

# Grow the New Crop

- Partnerships to improve community health
- Tobacco prevention programs
- Wellness initiatives
- Care coordination and medical homes

Source: Population Health Strategies of Critical Access Hospitals. *Briefing Paper #36*. Flex Monitoring Team. August, 2016



# Grow the New Crop

- Effective use of community health workers
- Addressing social determinants of health – Accountable Health Communities, projects in State Innovation Models,
- Working with Medicaid programs, managed care organizations



Source: Samantha Artiga and Elizabeth Hinton. Beyond Health Care: The Role of Social Determinants in Promoting Health and Health Equity. *Issue Brief*. Kaiser Family Foundation. May, 2018

# Elements of the ACO Model Contribute to Successful Transformation

- Lessons being learned by ICAHN in use of care coordination, use of data analytics, patient engagement
- In Michigan (another rural model) lessons in strong governance, investing the shared savings, data analytics, chronic disease management (participating under the Caravan Health umbrella)

# Top resources on the Rural Health Value website:

- [Value-Based Care Assessment](#) - Assess capacity and capabilities to deliver value-based care. Receive an eight category readiness report.
- [Physician Engagement](#) - Score current engagement and build effective relationships to create a shared vision for a successful future.
- [Board and Community Engagement](#) - Hold value-based care discussions as part of strategic planning and performance measurement.
- [Social Determinants of Health](#) - Learn and encourage rural leaders/care teams to address issues to improve their community's health.

# New Resource from Rural Health Value

The [Rural Health Value](#) team recently released a new resource outlining eight commonly used change management methodologies that are rural-relevant. It is intended as a guide to help rural health care leaders identify which approach(es) might be most useful to them and their organizations.

**Please share this resource as makes sense for your networks and stakeholders:**

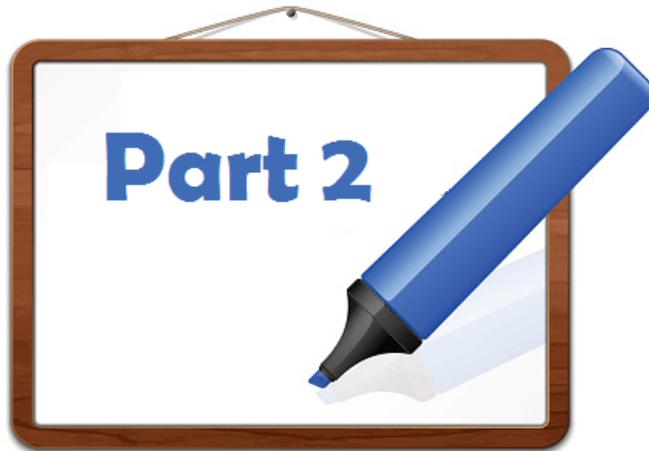
- [Management Methodologies and Value-Based Strategies: An Overview for Rural Health Care Leaders](#) - Offers rural health leaders an overview of eight commonly used management methodologies to help guide change, plus additional resources and references for further exploration. (June 2019)



# Rural Health Value Innovation Profiles

- *Predictive Analytics Shape Care Processes*: Identify patients with highest risk and plan interventions to support care management, using predictive analytics software in a health information exchange
- *Rural Health Network Thrives on Innovation in Whole-Person Care*: centralize coordination of efforts to ensure health and social services are available and benefit the public

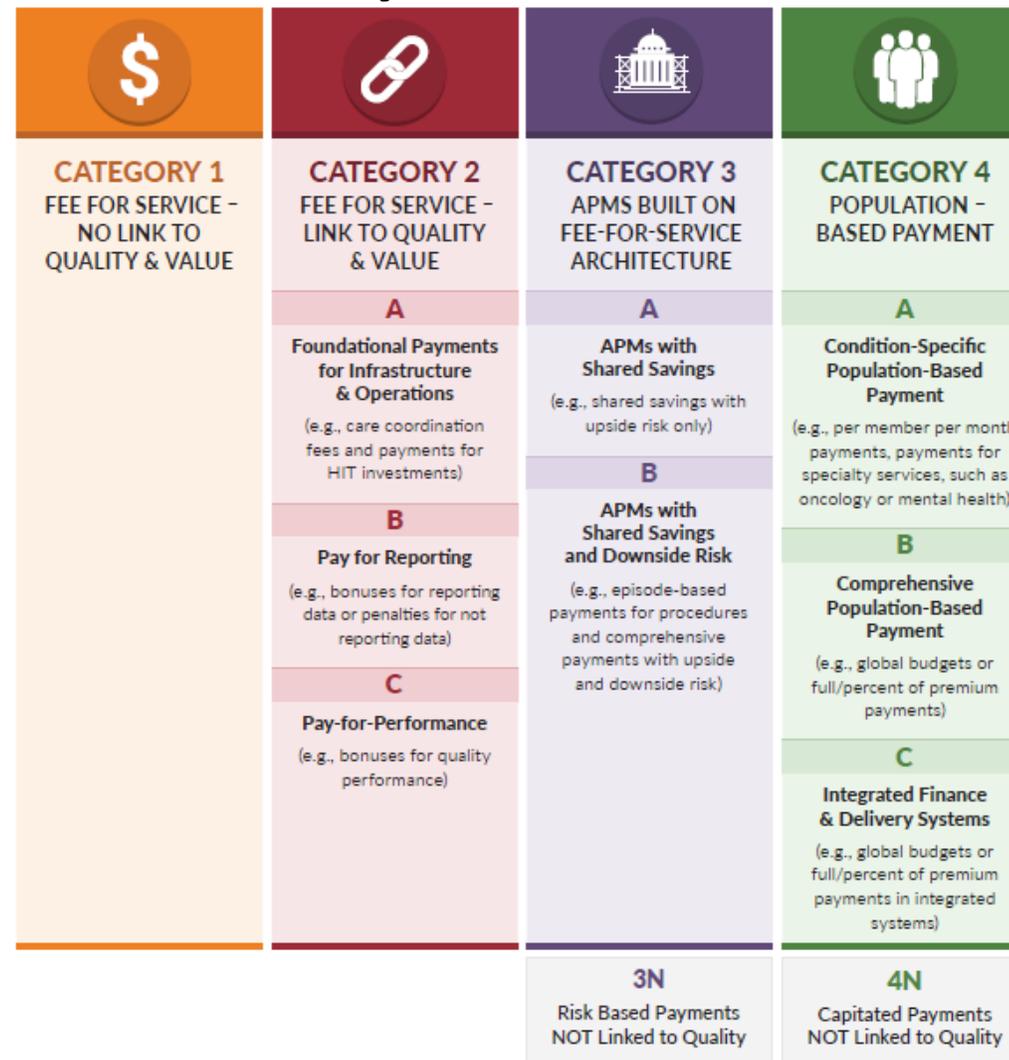
# Policy Choices and Recommendations



- From Seema Verma on March 4, 2019
- Rural problem (hospital finance)  
“won’t be solved with money alone”
- “our vision is to transform the healthcare system into a patient centered, consumer driven model where providers compete for patients on the basis of lower cost and quality.”
- Three objectives: empowering patients, focusing on results, unleashing innovation
- Final phase of the transition CMS has been advocating, shared by the Learning and Action network

# Health Care Payment Learning and Action Network (HCP LAN)

## Alternative Payment Model Framework



# Bringing the High Performance System to Life

- Considerations from the RUPRI Health Panel after an assessment of the landscape
- Combined with themes related to successful innovation
- And policy considerations put forth by successful innovators

## Sources:

1. Taking Stock: Policy Opportunities for Advancing Rural Health. RUPRI Health Panel. January, 2018. <http://www.rupri.org/wp-content/uploads/TAKING-STOCK-2018.pdf>
2. Toward a High Performing Rural Health Care System: Key Issues and Recommendations from Rural Health Care System Innovators. April, 2019. <http://www.rupri.org/areas-of-work/health-policy/>

# Quality: Policy Opportunities

- Support development of rural-relevant quality measures
- Develop comprehensive cross-agency approach to rural health care quality improvement and technical assistance
- Offer quality initiatives specifically design to meet rural needs and opportunities

# Quality: Pathways to change

- Quality measures which reflect the care and services in rural:
  - Support the work of the NQF rural workgroup regarding the implementation of existing rural-relevant measures and development of new measures
- A comprehensive and aligned program of rural-focused quality improvement TA:
  - Coordinated through contracting, management, and oversight across the multiple agencies of HHS with responsibility for health care and rural health.
- New health care quality pilot programs:
  - Designed specifically to test methods to improve quality and value for the unique rural environment
  - Address the barriers to participation by CAHS and RHCs

# Population Health: Policy Opportunities

- Ensure affordability of clinical and community-based preventive services
- Provide stable long-term funding to support locally-appropriate public health prevention programs
- Ensure availability of comprehensive and integrated services through policies that target workforce adequacy development to achieve health equity

# Population Health: Policy Opportunities

- Incent integrated preventive and clinical services
- Integrate population health goals into financing strategies and payment policy formulation



# CONCLUDING COMMENTS



- Exciting times of transforming finance, delivery organizations
- All the while benefitting from advances in science of medicine
- And benefitting from understanding of social determinants of health and actions to take
- We can move to a system focused on health that draws the best talent from multiple disciplines and perspectives
- Policy actions can facilitate (or inhibit) progress toward a high performance rural health system

# For further information

**The RUPRI Center for Rural Health Policy Analysis**

<http://cph.uiowa.edu/rupri>

**The RUPRI Health Panel**

<http://www.rupri.org>

**Rural Telehealth Research Center**

<http://ruraltelehealth.org/>

**The Rural Health Value Program**

<http://www.ruralhealthvalue.org>



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