"A Public-Private Partnership Preparing for the Health Care Needs of Tomorrow."

2011

Regional Safety Net Accountable Care Network

The Opportunity and Need

With the current health care environment transforming to compel improvements in quality, outcomes and efficiency, providers must seek innovative ways to adapt their practice models to improve their ability to care for their patients. To succeed under health reform, safety net providers need to coordinate the care of their patients and engage in active collaboration in order to solve systemic problems that will make the current model of care unsustainable in the near future. These integrated health care systems will be better able to manage cost and quality in the long run. As multiple options emerge in response to mounting market and regulatory pressures, accountable care organizations (ACOs) stand out as a potential opportunity to drive the system-level changes necessary to provide the best quality, cost effective care for safety net patients.

To create an accountable, coordinated network of care that will position itself as the premier provider of health services for the safety net population in the targeted region of Los Angeles County.

Why Engage?

The Regional Safety Net Accountable Care Network (ACN) allows partnering organizations to leverage shared resources and knowledge to develop an innovative, coordinated network that will be the optimum provider for high quality, cost effective care for safety net patients. This collaborative effort will drive local, state and national policy reform and improve outcomes for patients, leading to long-term reductions in costs and improvements in the health of the population.

As the safety net continues to provide care to a growing underinsured and uninsured population, with expected decreases in federal and state funding, it is imperative to create integrated delivery systems and the care infrastructure necessary to efficiently manage care, control costs, and improve quality and health outcomes for patients. The ACN will leverage the resources, expertise and capacity of the partner organizations to pilot care delivery models that will bring about a sustainable safety net that meets the needs of patients, the community and providers.

The Collaborative Approach

In creating the Regional Safety Net ACN, the partners have engaged in and committed to the four phases described below. Developing a Regional Safety Net ACN is understandably a non- linear process, which will require learning and trial and error along the way. This uncertain path is only complicated by the fact that regulations that will govern this and other constructs are being developed in parallel. For this reason, while the partnership has outlined a four phased approach, each member organization understands these phases are an ideal guide at best.

Phase I: *Stakeholder Alignment and Engagement:* Partners will work together to determine a shared vision and mission and delineate a joint governance structure to ensure that the principles of high quality of care and cost efficiency are met.

Phase II: *Clinical Integration:* Implementing guidelines for meaningful use of health information technologies, and aligning partners around the principles of a patient-centered medical home and care transitions and coordination will help to ensure patients receive necessary access to care and utilize resources appropriately.

Phase III: *Continuous Performance and Quality Improvement:* Partners will develop systems to collect and analyze patient data, in addition to establishing the appropriate metrics by which to determine individual performance and guide quality and cost improvements.

Phase IV: *Finance, Risk Sharing and Value Based Reimbursement:* The ACN will also move to establish a system that rewards improvements in quality of care and patient outcomes, by engaging partners in reimbursement models that initially reward cost savings, and eventually evolve to risk sharing models that allow the ACN to reap the benefits of improved patient management, increased quality of care, and decreased costs.

The Partners

The ACN represents a public-private regional collaborative of multiple Disproportionate Share Hospitals (DSH), and a large Federally Qualified Health Center (FQHC) and Independent Physician's Association (IPA), serving the Koreatown, Hollywood, Downtown, East Los Angeles and East San Gabriel Valley regions. Providers include AltaMed Health Services Corporation (AltaMed), Citrus Valley Health Partners (CVHP), Hollywood Presbyterian Medical Center (HPMC), and White Memorial Medical Center (WMMC). LAC+USC Healthcare Network (LAC+USC) is also fully engaging as a collaborating entity in the Regional Safety Net ACN. Eventually other long term care and community care providers may be involved. This network of providers has a history of working together to coordinate care and is uniquely capable of providing enhanced management of safety net patients.

Regulatory Call to Action

The Affordable Care Act authorized the creation of the Center for Medicare and Medicaid Innovation, through which ACO pilots could be funded and tested. The California 1115 Medicaid Waiver also encourages the formation of partnerships to provide integrated care delivery for the Medi-Cal, Dual eligible, and Seniors and Persons with Disabilities (SPD) populations, as well as other underserved populations.

The present regulatory "call to action" presents a critical decision point and opportunity for the safety net to begin to lay the foundation and develop a viable delivery system that will maintain access for patients and position providers for success in light of the numerous impending changes outlined in federal and state reform. Developing a Regional Safety Net ACN with common strategies for managing care for these populations presents the opportunity to improve patient outcomes, ensure timely access to necessary care, improve quality and enhance efficiency. While ACOs offer one model of formal partnership and demonstration, the ACN is positioning itself to actively pursue and explore the multitude of opportunities to pilot new payment and care delivery models that will involve multiple payers, partners and sponsors at the federal, state and local level.

Regional ACN Goals

1. **Improve access to care, quality of care, patient safety and satisfaction, efficiency and cost effectiveness of care delivery**
2. **Improve long term financial viability of providers within the network**
3. **Provide strong clinical leadership and resources to the network**
4. **Drive advocacy and policy development to improve access to care for the safety net population**

The Path to Accountable Care

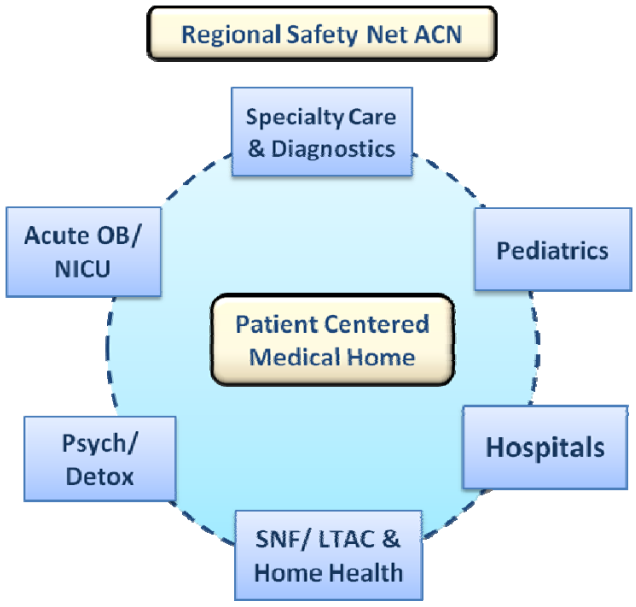
It is the optimal time for providers to develop stronger partnerships and create a more integrated care delivery system that is accountable for defined groups of underserved patients in the Los Angeles area. While the regulations for ACOs are still being finalized by Centers for Medicare and Medicaid Services (CMS), the guiding tenets of accountable care provide compelling building blocks on which to establish a Regional Safety Net ACN.

As the Regional Safety Net ACN develops the necessary level of clinical integration and joint legal and financial frameworks, it will be possible for the Regional Safety Net ACN to engage health plans such as LA Care, Blue Cross, Health Net and others, contracting directly with them in relation to the Medi-Cal, SPD and other safety net populations. Until then, the regional care coordination activities, translational research, joint advocacy and other Regional Safety Net ACN level activities will support the development of a strong, clinically integrated network between member hospitals, AltaMed and other key providers within each hospital's service area. By engaging these various partners, the Regional Safety Net ACN will position itself as the premier provider of health services for the safety net population, dedicated to addressing the triple aims of care, health and cost identified by Dr. Don Berwick, Administrator of the Centers for Medicare and Medicaid Services.

Regional ACN – The Model

The Regional Safety Net ACN will address the health care needs of the regional population, sharing best practices, serving as a vehicle for translational and population-based research, establishing evidence-based guidelines, and maximizing regional economies of scale for professional and administrative services.

The Regional Safety Net ACN will work to leverage resources to meet the needs of patients with regards to specialty care, diagnostics, psychiatric, skilled nursing and long term acute services, and others as determined by the partners. As the County facility for the region, LAC+USC will also play an integral role in coordinating care for safety net patients. As illustrated in the model below, the patient-centered medical home (PCMH) is at the center of the Regional Safety Net ACN, with physicians and FQHCs comprising the primary lead role in managing and coordinating patient care with the extensive resources of the region.



The Regional Safety Net ACN provides the greatest value and effectiveness for Medi-Cal, Seniors and Persons with Disabilities (SPD), California Children's Services (CCS) and other safety net populations by increasing access and efficiency of care delivery, improving quality and patient safety, and creating cost savings for the members of the network and the state of California.

Disproportionate Share Hospitals (DSH), federally qualified health centers (FQHCs), community health centers (CHC) and their related providers are logical partners to create a Regional Safety Net ACN model, as each provides care for the safety net and for multiple government and private payers. Together, these providers are uniquely positioned to create a regional network that provides the full spectrum of care and wellness, including preventive, primary and acute care for uninsured, Medi-Cal, Medicare, Dual eligible, Exchange[1], and commercial patients.

"...if we do this well, [patients] will be well-served and so will our current financial crisis in health care. If we do it poorly, it'll be the status quo renamed."
– Donald Berwick, Administrator, CMS

Guiding Principles

To be successful, the ACN and any integrated delivery network must appreciate a universal truth that quality, effective health care requires that "the system must be centered around the patient, not around the care delivery."[2]

Building on this belief, the partnership has developed a vision that relies on six core principles that have been demonstrated through proven clinical integration initiatives to be essential to the success of multi-provider collaborations:

- Focus on the Patient
- Ease of Use
- Capacity & Capability
- Accountability & Transparency
- Partnership &Trust
- Adaptability

A distinguishing characteristic of the Regional Safety Net ACN that will facilitate effective transformation at the patient care level is the commitment to physician leadership and development. Without strong physician representation and leadership, the network would be unable to truly affect the processes and quality of care.

[1] The federal Patient Protection and Affordable Care Act allows for states to develop insurance exchanges for uninsured patients.
[2] Donald Berwick, Administrator Centers for Medicaid and Medicare Services – Dartmouth-Brookings ACO Learning Collaborative forum (February 2011)

Implementation

Overview

The Regional Safety Net ACN is being implemented using a phased approach to address the unique needs of each partner and to leverage the resources and potential shared services that would be available only through partnership and a jointly governed network. In parallel to the regional activities, each partner will independently work to develop integrated delivery networks within their respective service areas and communities, which will generally parallel regional activities. These local networks will provide the strong, coordinated care delivery and systems infrastructure necessary to support broader regional activities. Hospital partners will focus on developing strong physician relationships that will enable them to jointly better manage patient care, quality and costs at the local level, providing the foundation necessary for a successful regional collaborative effort. The table below outlines the primary areas of focus and associated strategies of the Regional Safety Net ACN partnership.

Phase One: Stakeholder Alignment and Engagement

Key executives and physicians from each partner organization have been engaged early in the process to envision the framework for a regional network that will provide more coordinated, cost-effective and quality care for patients. This first phase is essential to preliminary relationship development and trust-building that will underpin the success of lasting collaboration.

During this phase, the partners will identify current challenges facing care delivery in the region, including communication between community health centers and hospitals (both public and private), specialty care access, effective care transitions, and other pertinent opportunities for improvement. Partners will also determine the most effective methods to communicate to providers, staff, patients, and their respective communities, the impending changes that will result from the formation of the Regional Safety Net ACN.

Areas of Focus	Key Components and Strategies
Joint Governance and Leadership	• Steering Committee • Clinical Leadership Council • Health Information Technology Committee • Partnership Development and Provider Relations Committee
Population Health	• Continuous pursuit of evidence-based, cost-effective practices • Comprehensive health and utilization monitoring supported by Health Information Exchange • Expansion of best-practices – Advanced Patient Centered Medical Home (PCMH) – Care Transitions and Coordination – Care Redesign
Policy, Advocacy and Pursuit of Investment(s)	• Ongoing pursuit of pilot and demonstration opportunities • Expansion of partnerships and engagement of stakeholders (Local, State and Federal)
Translational Research	• Assess and identify opportunities to develop a nationally recognized Latino Research Institute • Assess and identify research potential for each ACN partner, aligning around overall network opportunities • Create profile(s) defining ACN characteristics, making it ideal for community based research

The ACN governance structure consists of a committee framework that is designed to organize appropriate expertise and leadership for the core functional areas of the network and will initially include:

Steering Committee: will ensure the ACN maintains its high level of performance and can effectively adapt to future changes in the regulatory, financial or market environment. In addition, this committee will focus on developing guidelines for distributing capitated payments, sharing risk, and contracting with health plans, other payers and any necessary suppliers. Pending the formation of a new 501(c)3 entity, the steering committee may then develop into a governing board with patient representation and additional seats filled by physician, community health center and long term care providers within the network on a rotating basis.

Clinical Leadership Council: will be comprised of physician leaders from each private DSH hospital, LAC+USC, AltaMed contracted providers from within the AltaMed IPA. This council will be charged with providing medical leadership for the Regional Safety Net ACN, creating a physician led enterprise that synthesizes best practices, drives continuous quality improvement, and develops standardized clinical guidelines. In addition, this Council will also provide recommendations on how to best utilize specialty care services and provide unique regional insight on how to best redesign care to ensure patients are receiving the right care, in the right place, at the right time.

***Health Information Technology*:** will focus on enhancing implementation and integration of the network through health information exchange and application of innovative information sharing tools. A successful health information strategy will heighten the level of information available at the point of service while supporting the requirements necessary for performance monitoring and research. The committee will evaluate clinical messaging tools, assess feasibility of e-consult modules and guide the adoption of leading information technology resources.

Partnership Development and Provider Relations Committee: will focus on developing strategic partnerships with provider organizations, physicians, payers and suppliers. This group will focus on services to enhance the value and comprehensiveness of the regional network.

Phase Two: Clinical Integration

The most ambitious, and potentially most critical to patient care redesign, clinical integration operationalizes the vision of the Regional Safety Net ACN, putting into place and action the resources, systems and processes necessary to provide seamless hand-offs between points of care, driving efficiency and quality that will enable the regional network to move toward a more cost-effective, value driven model. The key areas of focus are described below.

Health Information Exchange

Managing patients within a defined geographic area will require significant investments of resources to create and implement a system that allows timely access to patient data.

A vibrant Health Information Exchange (HIE) across the hospitals, AltaMed, other FQHCs and any other partners will be required to maximize the efficiency of the regional network. The HIE will allow for collection, reporting and sharing of information in such a way as to enable strong quality management and evaluation, while further enhancing patient care at the point of service and providing an information infrastructure to reduce duplication of services and medical errors.

Health information technologies can also be leveraged to provide ongoing assessment of health outcomes and quality consistency across network members. These resources will include:

- Decision Support
- Prescription Management
- Disease Registries
- Care Coordination
- Patient Health Records

The regional ACN will likely look to a strong management services organization (MSO) to support a viable solution encompassing most, if a not all, the resource needs noted above.

Care Re-Design

The Regional Safety Net ACN is compatible with a pluralistic health care delivery system where individual hospitals would continue to work within their respective service areas through a variety of strategies, including: partnership with medical groups and IPAs, development of hospital-physician organizations and partnerships, and exploring partnerships with health plans, particularly for Medicare and commercial patients. Hospitals will also focus on strengthening the coordination of care within their respective service areas; ensuring care delivery is integrated at the community level and continuity of care is maintained across providers.

Concurrently, the regional ACN would focus on redesigning care for safety net patients throughout the region. This structure will be based on the principles of the patient centered medical home and efficient care transitions and coordination.

Patient-Centered Medical Homes

Both ACA and the California 1115 Medicaid Waiver focus on significant efforts to engage patients in medical homes. The Regional Safety Net ACN will be tasked with ensuring that all patients have access to the health care system through a dedicated medical home. In order to effectively provide continuous, coordinated, comprehensive, first-contact care[3], the current medical home model must undergo a transformative process into an 'advanced' patient-centered medical home (PCMH). The 'advanced' PCMH will serve as a command center for the patient, where a personal physician will coordinate care with other providers and specialists, and ensure the patient is receiving appropriate access to other community resources to improve health and overall wellness.

The highly integrated model of primary care offered by the 'advanced' PCMH has been shown to decrease rates of hospitalization and emergency services utilization, which in turn will reduce costs for the regional ACN.[4,5] The Clinical Leadership Council will work with the ACN partners to identify and develop two 'advanced' PCMH pilot locations. During these pilots, specific attention will be given to process and outcomes metrics, with the goal of determining how these metrics will influence new payment models.

Care Transitions and Coordination

Care transitions defines the process for improving patient hand-offs from one provider to the next phase in their care. By developing seamless transitions between hospitals, skilled nursing facilities, primary and specialty care centers, patients receive more comprehensive, efficient care that has been shown to reduce readmissions after discharge, decrease utilization of emergency departments, and improve patient outcomes. The Regional Safety Net ACN will focus on developing a unified strategy for care transitions and coordination. This strategy will focus on patients at high risk for re-admission and re-utilization of the emergency department. Clinical care coordinators at the hospital and community health center will work jointly to assure timely and effective care transitions.

Care transitions and coordination programs also offer benefits beyond the cost savings to the institutions. Patients are connected with services that ensure meal delivery, transportation assistance, guidance in applying for state and federal benefits, and access to mental health services. As a result, these patients also experience significant improvements in health, as measured by duration of inpatient stays and frequency of emergency department visits[6].

[3] Starfield, Barbara. *Primary Care: Balancing Health Needs, Services, and Technology*. Oxford University Press, 1998. Print.

[4] Reid RR, et al. "The Group Health Medical Home at Year Two: Cost Savings, Higher Patient Satisfaction, and Less Burnout for Providers." *Health Affairs.* 29.5 (2010): 835-843.

[5] Bodenheimer T, Berry-Millett R. "Follow the money--controlling expenditures by improving care for patients needing costly services." *New England Journal of Medicine*. 361.16 (2009):1521-3.

[6] Shah R, et al. Evaluation of Care Management for the Uninsured. *Medical Care.* February 2011: 49(2):166-71

Health Workforce Pipeline

Conventional health workforce pipelines have been detached from the health care systems they serve. In undertaking a true transformation of care delivery and payment, as is being considered through the Regional Safety Net ACN, it will be critical for health workforce development to be woven into the fabric of the network and strategically linked to care transformation in order to ensure a pipeline that meets the many workforce needs driven by transformation, such as changing roles, competencies and new types of health professionals. There will be new roles for care managers and care coordinators, and even for specialists moving into primary care.

For greater efficacy, these programs must become fully integrated into the care delivery system, drawing directly from the communities in which these CHCs, FQHCs and private hospitals are located and engaging members of the community who may not have otherwise chosen health care careers.

Phase Three: Continuous Performance and Quality Improvement

One of the major components of the Regional Safety Net ACN will be in collecting, analyzing and utilizing data about its patients, their treatments, and outcomes. Developing initial quality metrics will allow the Regional Safety Net ACN to implement best practices and work to improve the quality of care received by patients within the safety net. These metrics will also allow members to ensure that all parties within the Regional Safety Net ACN are meeting the performance goals required to show value and draw any federal and state bonus payments for increased quality and cost effectiveness. Key activities of performance and quality improvement will include:

- ***Consensus care guidelines*** for most common disease states
- ***Clinical re-design***, including expansion of e-consult and e-referral, with consensus care guidelines embedded, to maximize efficient use of specialists and reduce avoidable ED utilization and inpatient admissions
- ***Decentralized diagnostics***, such as mobile echocardiograms, mammography and vascular ultrasound, to support FQHCs and private providers in adhering to guidelines and triaging patients in the outpatient setting
- ***Common-framework for health education and outreach*** throughout the regional network for the most common conditions, accompanied by disease registry supported by the HIE

Research and Comparative Effectiveness

Additionally, the Regional Safety Net ACN will provide an ideal opportunity to engage in community-based (translational) research and comparative-effectiveness research.[7] As strong health information technology connects the partners, this will create the foundation for a robust network of community partners, in the unique position to support extensive community based, population research. As unprecedented partnerships form between the University of California Los Angeles (UCLA), University of Southern California (USC), and the RAND Corporation (RAND), the region's largest and most prestigious research institutions, the Regional Safety Net ACN will offer unparalleled access to patients in the community and the opportunity to translate comparative effectiveness studies into ongoing population health interventions.

Phase Four: Finance, Risk Sharing and Value Based Reimbursement

The Regional Safety Net ACN will represent a significant opportunity to investigate different reimbursement models. Significant consideration should be given to risk sharing models that allow members in the ACN to receive bonuses based on performance and quality metrics. One option to be considered will be a two-sided risk model with community providers. This will provide a lower upfront fee-for-service structure, with potential for increased bonus reimbursements based on quality and outcomes.

[7] ttp://www.effectivehealthcare.ahrq.gov/index.cfm/what-is-comparative-effectiveness-research1/

In addition, the Regional Safety Net ACN may also engage in a full or extensive capitation model, in which care for certain services are bundled, with the ACN sharing the cost savings generated by increasing the cost efficiency and quality of care the patient receives. This may create the greatest reward for the Regional Safety Net ACN members, but will also pose the largest risk, as costs incurred that exceed the capitated payment must be borne by the members as well.

The payment structure for the Regional Safety Net ACN will most likely focus on developing accurate performance metrics to assess the performance of individual members against a common benchmark. Initially, the benefits to the ACN members may be limited to shared savings (profit-sharing) from improvements in co-managing patients and achieving better outcomes. This offers the best options to protect the ACN members as systematic changes are enacted to improve consistency and quality across the region. As these performance metrics are collected and better analyzed, the ACN members may then progressively migrate towards a system with increased incentives for better patient outcomes and population health improvements.

Finance and Contracts

Members of the Regional Safety Net ACN will evaluate the best financial and contracting structure for the ACN. The AltaMed IPA will serve as a vehicle to engage other community health centers and private physician practices, by contracting with providers for services, which will broaden the network. The costs and benefits of pursuing a Knox-Keene license[8] for the ACN should also be explored.

The responsibilities of the partners will also extend to determining the most beneficial relationships to develop with health plans operating in Los Angeles County. As the drive to transition safety net patients into managed care increases, it will be important to contract with health plans, such as LA Care, to ensure the best rates for the additional quality and efficiency the regional ACN will offer. In addition, this partnership will also allow the collection of patient data that will facilitate developing programs and services to best serve these populations.

Conclusion

Establishing a Regional Safety Net ACN that brings together multiple providers and payers from a number of communities will enable the partnership to develop an unparalleled model, in terms of scale and impact.

Through a regional collaboration, the partners will collectively benefit from economies of scale, both in terms of shared resources and knowledge, as well as having the capacity to impact a significant portion of the population, which will better position the Regional Safety Net ACN to effectively evaluate outcomes, inform policy through demonstration and ultimately affect lasting payment reform that will hardwire the financial incentives necessary to drive and sustain broad health care delivery change.

With increased access to care, safety net patients will be significantly healthier and require less acute care, leading to a long-term cost reduction for the system as a whole. With additional preventive services to also encourage lifestyle changes and healthier choices, many of these patients will also improve their health and overall well being.

The Regional Safety Net ACN for Los Angeles safety net patients will result in improved access to care and health outcomes, better quality of care, decreased duplication of services and costs. In time, this partnership may progress to create a formal accountable care organization. A successful partnership will also encourage greater opportunities to access federal and state funding to expand and strengthen the resources available for the safety net population in Los Angeles County.

[8]A Knox-Keene license is currently granted by the California Department of Managed Health Care (DMHC) to health care service plans or specialized health care service plans. This license ensures that these organizations meet certain minimum standards and gives them the right to conduct business in the state of California.

The Founding Partners

AltaMed

Executive Leadership:
Castulo de la Rocha, President & CEO

Clinician Leadership:
Martin Serota, MD
VP and Chief Medical Officer

Citrus Valley Health Partners

Executive Leadership:
Robert Curry, President & CEO

Hollywood Presbyterian Medical Center

Executive Leadership:
Michael Rembis, CEO

Clinician Leadership:
Alan Rothfeld, MD
Chief Medical Officer

White Memorial Medical Center
Adventist Health

Executive Leadership:
Beth Zachary, President & CEO

Clinician Leadership:
Hector Flores, MD
Chair of Family Medicine

Collaborating Public Hospital

LAC+USC Healthcare Network

Executive Leadership:
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Clinician Leadership:
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