How to Manage a Growing Medicaid Population with an FQHC Strategy

May 27, 2020

Introducing Our Presenters

Allen Miller
Principal and
Chief Executive Officer
COPE Health Solutions

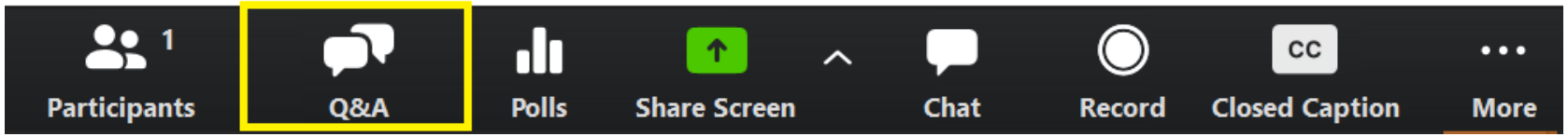
Andrew Snyder, MD
Principal and
Chief Medical Officer
COPE Health Solutions

Elizabeth DuBois, DNP, FNP-BC, AAHIVS
Vice President
COPE Health Solutions

Sarin Khachatourians, MHA
Senior Consultant
COPE Health Solutions

Housekeeping

- Please enter questions through the Q&A feature in Zoom (screenshot below), and we will answer questions at the end
  - You may also email questions directly to info@copehealthsolutions.com



- Attendees will receive a PDF copy of the presentation, a link to the recording and a written Q&A

- After the presentation, COPE Health Solutions will send out a brief survey—we'd greatly appreciate you sharing any comments or feedback!

Agenda

1. Overview of Covid Crisis and FQHC Alignment Strategies
2. Value Propositions for Health Systems
3. Value Propositions for Federally Qualified Health Centers (FQHCs)
4. Transitioning Existing Health System, IPA or Medical Group Clinics to an FQHC Look-Alike
5. Questions & Answers (Q&A)

Covid-19 Crisis and Impact

- Providers need to be strategic and consider collaboration while dealing with the emergent challenges created by Covid-19 in order to **ensure access to care, maximize revenue and reduce costs.**

- Due to job cuts and increased unemployment, **the increased growth in Medicaid and subsidized exchange** is changing patient and payor financial landscape for providers.

- About **27 million people could lose employer-sponsored insurance,** and among those, 12.7 million could be eligible for Medicaid while 8.4 million could be eligible for marketplace subsidies.

- Relaxed regulations and changing financial incentives has allowed and encouraged health systems, hospitals, CINs / IPAs and FQHCs across the country to collaborate and **create models of care** that are **transforming how healthcare is delivered.**

Overview of FQHC Alignment Strategies

Identify high percentage Medicaid clinics to transition to:

Integrate community FQHCs::

1. An **"additional site" with an FQHC partner** through a change in scope
2. An **FQHC Look-Alike**
3. Into your **value-based payment and clinical integration strategy**

FQHC Alignment Strategy

Key considerations include:

Capacity, quality control and consistency for graduate medical education

Increasing Medicaid and uninsured populations

Marketplace relationships and politics

Access to enhanced federal reimbursement through the PPS rate

Navigating governance and independence

COPE HEALTH SOLUTIONS

Value Propositions for Health Systems

Why Health Systems Need an FQHC Strategy

Health systems gain value from an FQHC alignment strategy:

Providing access for the underserved through aligned missions

Increasing primary care access to patients

Being a better partner for Medicaid managed care and DSNP payors

Achieving quality outcomes by increasing access to enabling services

Aligning financial incentives and improving sustainability

COPE HEALTH SOLUTIONS

Why Health Systems Need an FQHC Strategy

Health systems gain value from an FQHC alignment strategy:

Improving financial performance through the right value-based payment (VBP) and quality program contracts as part of a larger IPA, clinically integrated network (CIN), etc.

Coordinating with health system's care teams to reduce avoidable visits for the Medicaid and uninsured populations

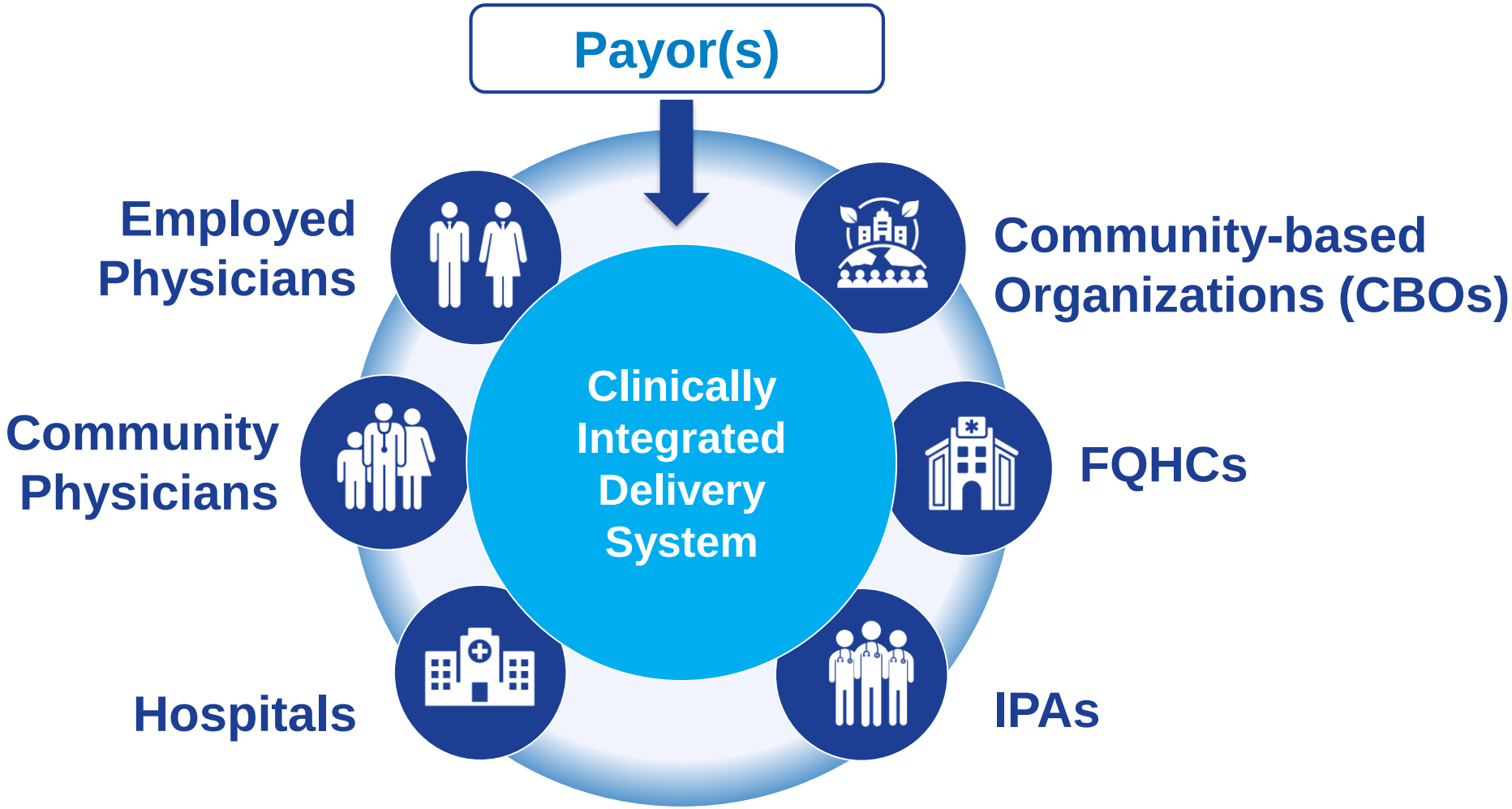
Expanding specialty access through enhanced reimbursement

- Average in-office visit: $25
- Average PPS rate: $170

Providers can enjoy access to Federal Tort Claims Act (FTCA malpractice coverage) for patients seen at the FQHC

COPE HEALTH SOLUTIONS

Considering a Clinically Integrated Delivery System



COPE HEALTH SOLUTIONS

How FQHCs Fit in Your Clinical Integration Strategy

How FQHCs help health systems succeed with a value-based payment and population health strategy

Integrating FQHCs to be part of the care model and network

Leveraging FQHC telehealth services (if operational)

Increasing access to enabling services to complement internal social services departments

Aligning quality indicators to improve outcomes

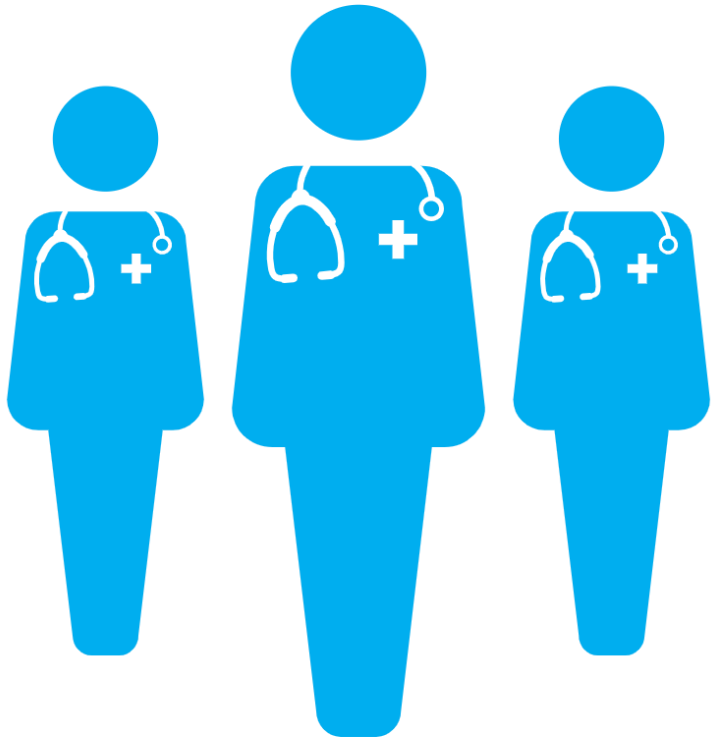
Sharing primary care attribution and risk

COPE HEALTH SOLUTIONS

Value Propositions for FQHCs

Collaborating with Providers Across the Community

FQHCs can work together with medical groups, hospitals and/or health systems to jointly manage the same community



- Efficiently utilize and share resources
- Better engage patients and families
- Steer to appropriate facilities
- Utilize patient navigators and virtual technology
- Integrate into care model to ensure balanced payor mix

Strengthening Partnerships

How to have collaborative strategy to ensure alignment

Approach payor partners to strengthen relationships with newly created value

- Increase services and **access**
- Partner with CBOs to **reduce** social **barriers**
- Improve patient **experience**
- Increase enabling **services**
- Manage increased **patient volumes**

COPE HEALTH SOLUTIONS

Increasing Access

Specialty Care

FQHCs can partner with health systems, IPAs and employed physician groups to increase access to specialty care by embedding specialists in FQHCs (or virtually via telemedicine) to see Medicaid patients

- **Increasing access to specialty and primary care**
- **Specialists receive percentage of PPS rate**
- **Inpatient care can be done at the hospital partnered with the FQHC**

Ancillary Care

Partnering for ancillary services such as radiology and laboratory as those facilities may be seeing reductions in volume due to Covid-19

- **Gain access to equipment for onsite care**
- **Become a one-stop shop and reduce risk of transmission**
- **Add more billable services by providing onsite care**

Transitioning Existing Health System, IPA or Medical Group Clinics to an FQHC Look-Alike

COPE HEALTH SOLUTIONS

FQHC Minimum Eligibility Criteria

Criteria for Eligibility

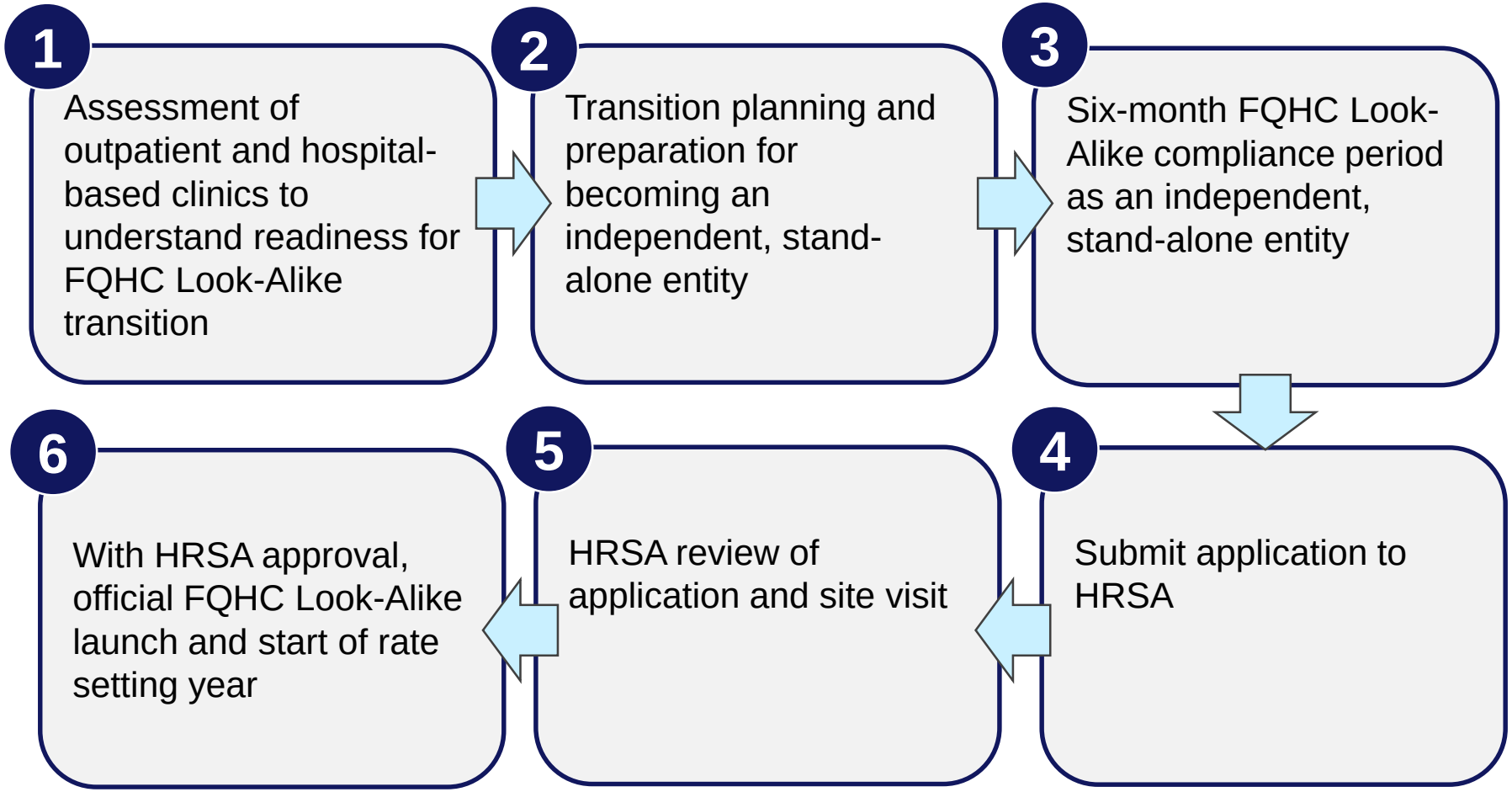
- ✓ Public or non-profit entity
- ✓ Cannot be owned, controlled, or operated by another entity
- ✓ Organization must serve a defined geographic area that is federally designated, in whole or in part, as Medically Underserved Area (MUA) or a Medically Underserved Population (MUP)
- ✓ Service area must include at least 75% where current patients reside
- ✓ Must be compliant with all Health Center Program (HCP) requirements at the time of the application submission
- ✓ Must be operational under the authority of a compliant governing board at the time of the application submission
- ✓ Ensure access to services for all individuals in the targeted service area or population
- ✓ Offer a sliding fee scale discount with a nominal fee for individuals with income between 101% and 200% of poverty (providing services based on ability to pay)
- ✓ Request initial designation for at least one permanent service delivery site that provides comprehensive primary medical care as its main purpose and operates for a minimum of 40 hours per week
- ✓ Must provide, or contract for, oral, mental, enabling services, hospital, and specialty care as necessary as well as specialized services, diagnostic and laboratory, interpreter for foreign language, deaf and devices to assist blind patients

FQHC vs. FQHC Look-Alike Designation

Key differences and similarities between FQHCs and FQHC Look-Alikes

Federal Support for FQHC and FQHC Look-Alike Designation	FQHC	Look-Alike
Receive Health Center Program (HCP) federal grant funding under the Section 330 Public Health Service Act	**Yes**	**No**
Eligible for malpractice coverage under the Federal Tort Claims Act (FTCA)	**Yes**	**No**
Eligible for federal loan guarantees for capital improvements	**Yes**	**No**
Receive 340B Federal Drug Pricing Program discounts for pharmaceutical medications	**Yes**	**Yes**
Eligible for enhanced Medicaid/Medicare reimbursement	**Yes**	**Yes**
Automatic designation as a Health Professional Shortage Area (HPSA) which provides eligibility to apply and receive National Health Service Corps (NHSC) personnel and eligibility to be a site where a J-1 Visa (foreign) physicians can serve	**Yes**	**Yes**

Overall Process of FQHC Look-Alike Transition



Example Timeline for FQHC Look-Alike Transition

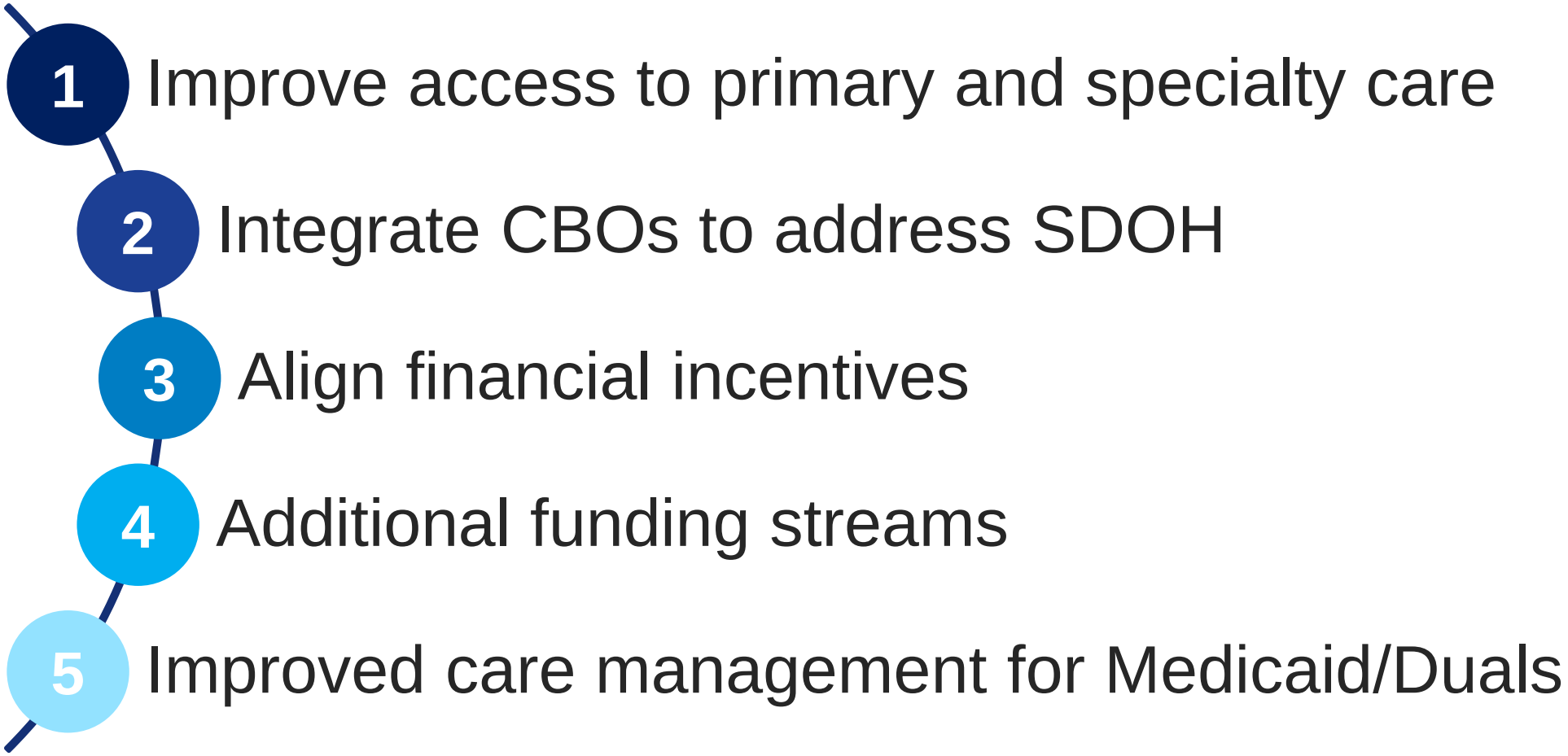
Task	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13	M14	M15	M16	M17	M18	M19	M20	M21
FQHC Look-Alike Assessment																					
Assessment of Clinics and Recommendations (3 months)																					
FQHC Look-Alike Implementation and Planning																					
Transition Planning and Preparation for Stand Alone Entity (6 months)																					
FQHC Look-Alike 6-month Compliance Period and Application Submission																					
6-month FQHC Look-Alike Compliance Period as Stand Alone Entity (6 months)																					
Prepare for Application (6 months)																					
Submit Application (1 month)																					
HRSA Review of Application and Site Visit (3 months)																					
HRSA Response (1 month)																					
Official FQHC Look-Alike Launch and Start of Rate Setting Year																					

COPE HEALTH SOLUTIONS

In Summary

Key Takeaways

Importance of having an FQHC strategy



COPE HEALTH SOLUTIONS

Questions & Answers (Q&A)

For more information on how COPE Health Solutions can provide quick, prepared and valuable services during a critical time of need, please contact our team at info@copehealthsolutions.com or 213-259-0245.

www.copehealthsolutions.com

This document is proprietary and confidential to COPE Health Solutions and is protected under the copyright laws of the United States and other countries as an unpublished work.

Any other reliance or disclosure in whole or in part of this information without the express written permission of COPE Health Solutions is prohibited.

COPE HEALTH SOLUTIONS