

Success Story

Building Relationships that Blossom into Contracts: The Multi-Payer Approach

Creative Thinking to Address Needs Breeds Success

Partners in Care Foundation, a community-based organization (CBO) located in San Fernando, CA, collaborates with physician networks, health plans, CBOs, and federal and state agencies to deliver programs and services that protect and support adults with complex health and social service needs, frail elders, people with disabilities, caregivers and families. Partners in Care Foundation's (Partners) unique, evidenced-based interventions have been adopted by numerous health care providers and CBOs, becoming nationally recognized as models of care. This success story highlights the multi-payer strategy they adopted to ensure they are fiscally sound and continuously innovative.

Evolving from Care Transition Models to Meet Payer Needs

The Community-Based Care Transitions Program (CCTP), launched by the Center for Medicare and Medicaid Innovation in February 2012, tested models for improving care transitions from the hospital to other settings and reducing hospital readmissions for high-risk Medicare beneficiaries. Many CBOs had success in establishing relationships with health care organizations when they participated in CCTP, only to see those relationships (and business partnerships) fade away when the Centers for Medicare & Medicaid Services (CMS) ended the CCTP pilot program in 2017.

Partners participated in the CCTP and faced a similar drop-off in transitional care business and revenue that had sustained their contracting infrastructure during their participation in CCTP. In fact, out of 11 individual hospitals, each of which had been referring 1,000 or more patients a year for CCTP, only one was willing to pay Partners for transitional care services after the program ended. That health system shifted the program to focus on their Medicare Advantage patients rather than their original Medicare patients. Partners also replaced the Coleman Care Transitions Intervention used during CCTP with

Partners' HomeMeds program, a comprehensive psychosocial assessment and service plan (a.k.a. HomeMedsPlus). This shift in intervention model related to the payer's dual role as primary care medical group and Medicare Advantage plan—the health system's continuing relationship with patients provided the incentive to want more information about each patient's home environment and medication use. Unfortunately, this was a much smaller contract and not enough to fill the revenue gap left by CCTP.

The Interplay of Policy and Entrepreneurship on the Evolution of Relationships Between Medicaid Managed Care Organizations and Payers

Partners established contracting relationships with many of Los Angeles (LA) County Medicaid health plans in 2010 when it won contracts to have registered nurses (RNs) complete adult day health center (ADHC) eligibility determinations. These determinations were required when the state began mandating that older adults and people with disabilities enroll in a Medicaid managed care organization (MCO) in order to access ADHC services. In 2013, California began its duals demonstration, which contained a mandate that required participating Medicaid health plans to

enter into limited-duration contracts with 1915(c) home and community-based services (HCBS) waiver sites. Partners' LA-based waiver sites fell into this mandate and thus signed HCBS contracts with all the Medicaid plans. Not long afterwards, it became apparent that because of long waiting lists for beneficiaries to participate in the waiver sites, the health plans were at risk of possible Americans with Disabilities Act Olmstead violations if they failed to meet the HCBS needs of those on the waiting lists. Partners convinced the two largest LA County Medicaid MCOs to fund waiver-like services for people on the waiting lists and for other high-risk adults with functional and/or cognitive impairments.

Physician Groups as Referral Sources

While these Medicaid MCO contracts were a win for Partners, it soon became apparent that there was no infrastructure within the health plans to make referrals. Despite a major startup effort with Medicaid MCOs, Partners initially received no referrals. That's when Partners' pre-existing relationships with physician groups presented synergies and solutions that appealed to both the Medicaid MCOs and the practices.

Partners describes an "aha!" moment that came during a conversation about contracting with Partners and the Partners at Home Network with medical groups that bear more financial risk than is standard. Partners learned that the medical groups were frustrated with the Medicaid MCOs and had many patients who needed more support like what is provided through the HomeMedsPlus program. The physician groups agreed to begin referring to Partners their targeted patients covered by the Medicaid MCOs—such as those who had been in the emergency department or hospital, cognitively impaired people who lacked caregiver support, people on complex medication regimens, or those whose clinical signs and symptoms seemed not to be well controlled through medical interventions.

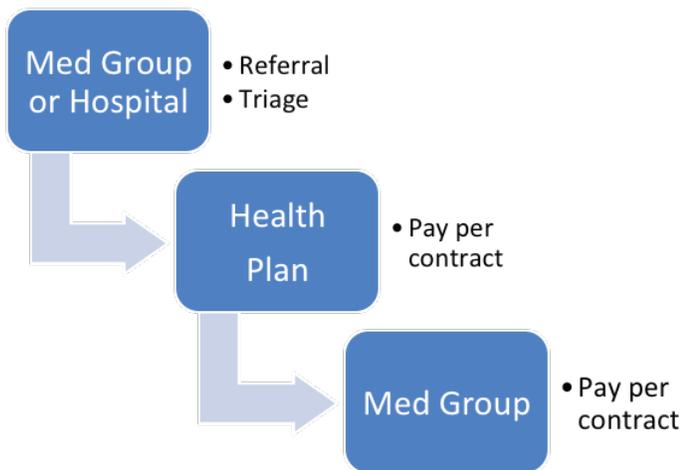
Referrals picked up after a concerted workflow-design and training effort with the physician groups. Some of the physician groups also conducted data analysis to determine if their contract with Partners was having an impact. After seeing positive results, the medical groups became more willing to expand the program beyond the Medicaid MCOs—and to contract with Partners to see their non-Medicaid patients who also needed these services.

Extending Contracts with MCOs

Partners' collaboration with health plans also blossomed as they saw results for their members. The Medicaid plans were learning the value of home visits and began to admit that it was not in their wheelhouse to address the kinds of problems at which Partners excelled. One of the plans extended Partners' contract to include mandated health risk assessments (HRAs) for members who requested a home visit or whom the plan was unable to reach via mail or telephone. This activity naturally created an additional referral pipeline if solving problems identified on the HRA required home or community-based interventions.

The Multi-Payer Strategy

This multi-payer strategy can be envisioned as a hierarchical screen to align Partners' efforts with the correct payer. In the figure below, medical groups or hospitals identify patients who meet certain targeting criteria. In this way, the medical groups optimize care for their patients while Partners ensures a steady stream of referrals of patients who are both prescreened as medically needing our HomeMedsPlus intervention and covered by a health insurance payer or directly covered by the (financially) at-risk medical group. This approach also ensures that Partners' services are aligned with the health care organization's internal business needs.



Partners is now building a similar approach with Medicare Transitional Care Management and Chronic Care Management billing codes as the primary funding mechanism.

One lesson learned is that having an information technology (IT) system is absolutely required. As it turned out, both the health plans and medical groups wanted individualized reporting, so for every reimbursed case, Partners created two different reports. If Partners were starting today, they would not customize reports for medical groups if the case was paid by a health plan, unless the reporting could be automated through a good IT system.

Next-Generation Potential

Partners has made a concerted effort to get involved with local and state-based associations that represent health care purchasers and providers. One particularly successful partnership has been with the California Association of Physician Groups (CAPG). Partners is a dues-

paying member of CAPG and regularly presents at their conferences and publishes articles in their journal—a practice they highly recommend other CBOs adopt locally. Partners notes that CBOs adopting this practice will probably be the only CBO in the room, but will bring a powerful set of tools at a time of growing awareness that addressing the social and behavioral determinants of health is a necessary complement to medical care. In January 2018, CAPG expanded to become a nationwide network and has been renamed America’s Physician Groups (APG). APG is working with Partners to hold a focus group about CBO partnerships to address social and behavioral determinants of health. The intent is to design a group purchasing program for member physician groups. As APG expands their footprint, it also expands opportunities for Partners, validating their investment in working with the physician group association.

The moral of the story for CBOs seeking such partnerships is to build on contracts currently in place by seeking synergies among the interests of all parties who work with the same group of patients. Partners has adopted this practice in its work with hospitals, health systems, physician groups and even the fire department. As measurable successes and proven return-on-investment data accumulate, it becomes easier to break into new contracting relationships directly, even without this multi-payer approach. The upside of better coordinated care will always be of high value—both to Medicaid MCOs and to physician groups—and CBOs are well-positioned to help deliver on that promise.

This publication was produced by the Aging and Disability Business Institute. Led by The National Association of Area Agencies on Aging (n4a) in partnership with the most experienced and respected organizations in the Aging and Disability Networks, the mission of the Business Institute is to build and strengthen partnerships between aging and disability community-based organizations and the health care system. The Business Institute provides community-based organizations with the tools and resources to successfully adapt to a changing health care environment, enhance their organizational capacity and capitalize on emerging opportunities to diversify funding. Learn more at www.aginganddisabilitybusinessinstitute.org.