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Affordable Care Act and Accountable Care Organizations

Have you done your prep work?

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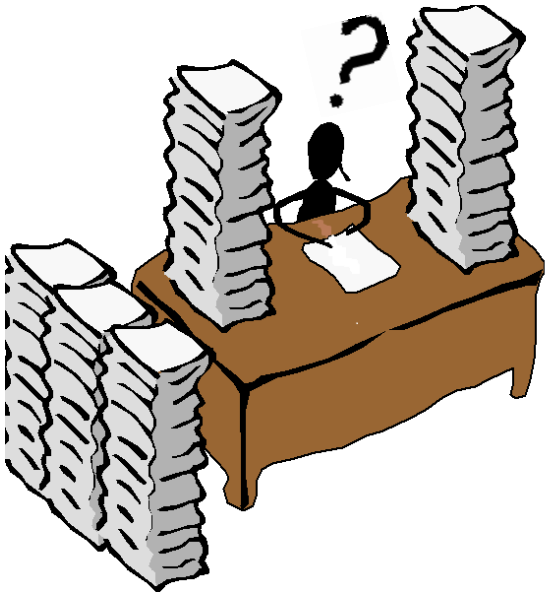
Presented by:

James Jones, Consultant

12800 N. Meridian Street, Suite 305
Carmel, IN 46032
Phone: (317) 819-7716
jjones@integrityhealthstrategies.com

The Patient Protection and Affordable Care Act

2,572 Pages of



New Federal Health Care Law

Accountable Care Organizations

Final Rules in
Federal Register
11/2/2011

Just 190 pages

Accountable Care Organizations

We have all been to the seminars and workshops – so how do we get ready?

Accountable Care Organizations

- We know that at this point there is not any one model that is a standard for all states, but the experiments have begun.
- In Indiana, Hospital and Health systems are already beginning to work on various models to form Accountable Care Organizations in order to capture market share.
- As behavioral health providers, you will need to decide where you are going to fit in this process.

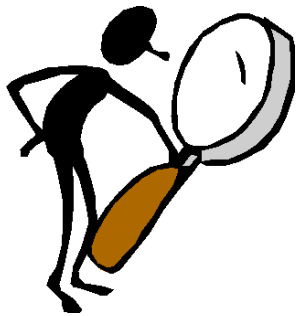
Accountable Care Organizations

Regardless of the ACO or CCO model that state Public Policy Makers, Payers, or Providers select, we expect that they all need to address issues such as:

- Assure patient centered care with seamless ***coordination*** **and** ***integration***
- Focus on documenting ***outcomes and quality***
- Utilize ***best practice***
- ***Cost*** savings
- Better ***patient access***
- Move *away* ***from fee for service*** reimbursement towards risk baring/sharing options like pay for performance models, shared savings, capitation, etc.
- Provider ***accountability*** (CMS plans to strengthen standards for CMHCs and increase funding for anti-fraud activities)

Accountable Care Organizations

How does our management and service delivery culture match these Requirements?



CMHC Service Delivery Culture

- Mental health center culture has been pretty much shaped by the Medicaid Rehab Option. From FY 93 until the FY 2010 MRO revisions, the theme was fee for service and the more service the better.
- The first 17 years of MRO was **GO** - GO growing services and not a lot of focus on developing tight management systems. Most of our managers have come from this era.
- The FY 10 DMHA and OMPP MRO rule changes requiring level of need eligibility, and services packages, etc. were successful in cutting the growth of traditional MRO, but reimbursement is still fee for service.
- Most of the losses from the services packages and tighter eligibility has been made up by fee for service DOC referrals.

CMHC Service Delivery Culture

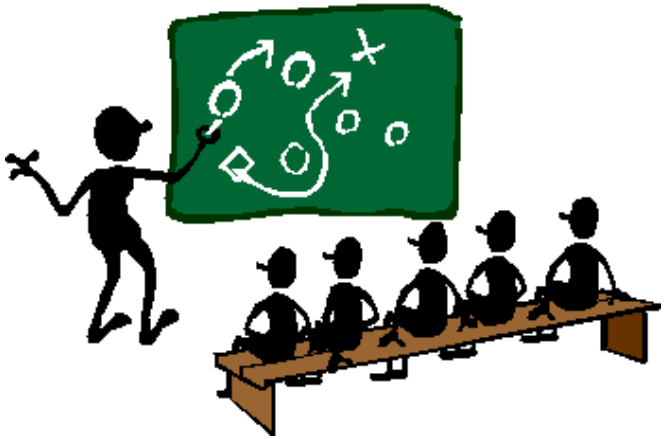
Here are just a few areas where we may need to re-focus from our previous or current culture as we address some of the new health care priorities:

- Historically, our industry has been more reactive than proactive.
- We are only recently focusing on primary health integration.
- We have been more concerned about quantity and not quality.
- Best practice has not been made a priority in many centers.
- Costs were not typically the focus in a growth market.
- Patient access has been assumed but not typically tracked.
- External demands for accountability have been limited (i.e., not even a Medicaid audit for three years).

CMHC Service Delivery Culture

So Have We Made the Adjustments to Take on the New Challenges?

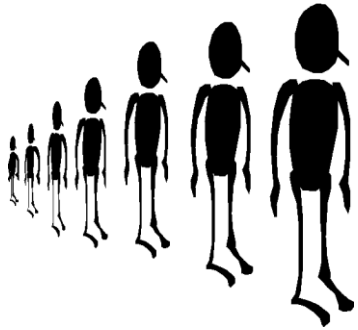
As local/regional/state market options become more clear, will you have the data and management systems in place to make the kind of decisions required to succeed?



Now is a Good Time to do a Self Review!!

The better and more efficient management systems you have in place, the better chance you have of succeeding with a ***proactive*** response to the kinds of requirements that we might expect in addressing many of these proposed changes for providers.

When we do ***Readiness Reviews***, we interview all levels of staff and look at your data: financial, clinical program, quality reporting systems, and management policies, etc. to see how helpful they are in assisting your managers, supervisors, and line staff to carry out their responsibilities. Many times we get some of the best ideas for improvement from the front line staff.



Fiscal:
Cost Containment – Efficiency - Accountability

Here are just a <u>few</u> examples of Questions you might ask about different areas of your Fiscal management systems:

- Can your system identify unit costs?
- Could you identify the cost of a treatment episode for non-MRO patients?
- What is your percentage of billing re-work?
- Is the collection policy effective?
- Do you have an effective system to control charity care allowance?
- Are productivity policies effective?
- If you have an incentive comp. is it working as expected?
- Sales capacity?
- Impact of payer/patient mix?
- Billing cycles and cash projections?

Clinical:
Best Practice – Integration of Care - Performance

A <u>few</u> examples of Questions you might ask about different areas of your Clinical management systems:

- How are clinical staff notified of record errors and deficiencies?
- What kind of clinical management reports are provided to the clinical managers?
- Can you compare performance metrics across service areas?
- Are there requirements to use best practices?
- How can we identify our centers of excellence?
- How do we identify training needs? (30% turnover case managers)
- Is there a consistent approach to supervision?
- Systems in place to assure consumer involvement?
- Good linkages to primary care?
- No show policy?
- Inpatient/outpatient linkages?
- Medication management?
- Residential days, nutrition, medications, skills training?
- Does current clinical/program skill sets match market needs?

Quality Assurance:
Outcome Measures – Medical Necessity - Access

A <u>few</u> examples of Questions you might ask about different areas of your Quality management systems:

- Is there a quality report generated regularly?
- Does staff get feedback on their work (i.e., CANS/ANAS results, etc)?
- Feedback on DMHA performance measures?
- Do we have other ways to measure outcomes, etc.?
- Checklist for clinical record reviews?
- Are we meeting external access requirements?
- How would we demonstrate quality performance to a payer?
- What percentage of our patients get better?

Information Services:
Electronic Medical Records – Management Reports

A few examples of Questions you might ask about different areas of your Information Services:

- Is the EMR user friendly?
- Timely, ongoing training for new staff?
- Are we maximizing the use of data?
- Management and quality data readily available?

Marketing:
Needs Focused – Positive Image - Strategic

A <u>few</u> examples of Questions you might ask about different areas of your Marketing program:

- How are needs identified in market?
- Do marketing efforts support the agency's strategic plan?
- Are efforts effective in supporting the clinical staff skills?
- Geographically targeted?
- Ethnic/cultural considerations?

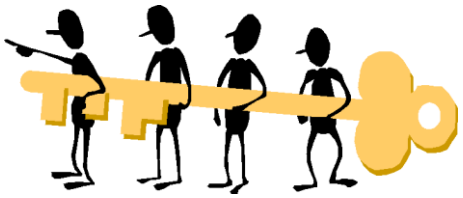
Human Resources:
Skill Set Focused – New Benefit Requirements

A <u>few</u> examples of Questions you might ask about different areas of your Human Resources:

- New policies to support legislative changes?
- HR policies coordinated with clinical requirements?
- Recruitment focused on identified market skill set needs?

There is No Substitute for Preparation

Obviously, these are just a few of the questions you can ask about how well your organization's management systems are working today and how effective they may be for the future.



The thorough evaluation of your systems may be a big task, but if it results in the organization being better prepared to succeed in this changing health care market, it is well worth your effort.

Readiness Review

When we do a comprehensive ***Readiness Review***, we have several pages of questions we use in our interviews and depending on the size of the agency, the review typically takes about 10 consultant days including the report of results and recommendations at the project completion.