

Opportunities for Community-Based Organizations in Addressing Social Determinants of Health

July 17, 2019

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- Social Determinants of Health –What Are They, Why Do They Matter?
- Understanding the Business Case: SDOH in the Context of Value-Based Health Care
- Key Questions for Community-Based Organizations
- Q & A



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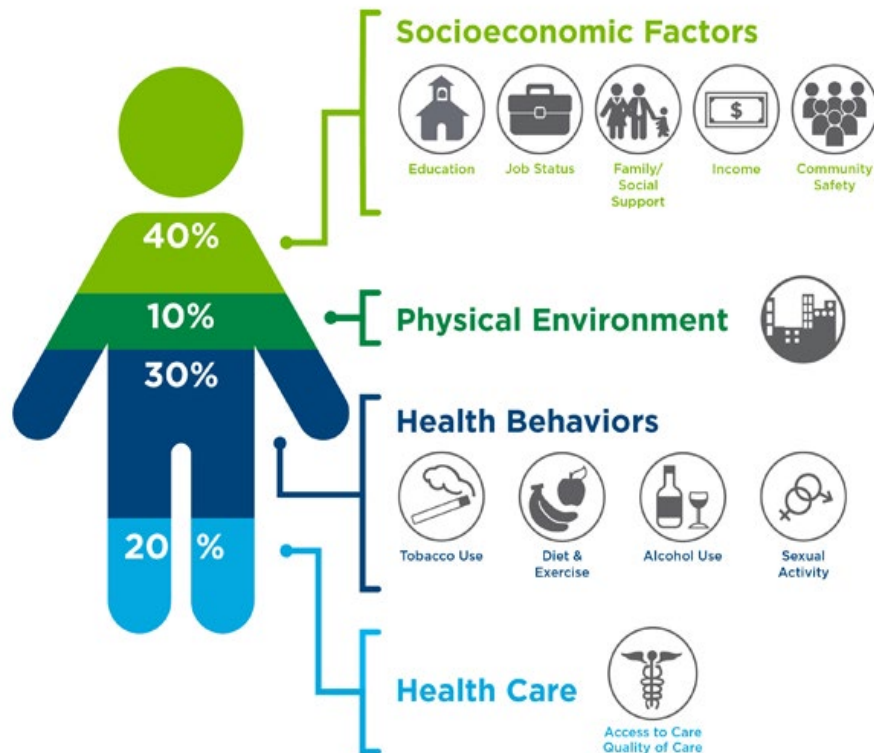


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Social Determinants of Health – What Are They, Why Do They Matter?

Social Determinants of Health: Definition & Impact

Social determinants of health (SDOH) are conditions in the environments in which people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks.



Socioeconomic factors, physical environments, and health behaviors drive health outcomes more than medical care.



Having at least one unmet social need is associated with increased rates of depression, diabetes, hypertension, ED overuse, and clinic “no-shows.”



States and countries with higher ratios of social-to-health spending have statistically better health outcomes

Source: Institute for Clinical Systems Improvement, Going Beyond Clinical Walls: Solving Complex Problems (October 2014)



(1) Booske, B.C., Athens, J.K., Kindig, D. A., et al. Different Perspectives for Assigning Weights to Determinants of Health. University of Wisconsin Population Health Institute. February 2010.
(2) Bachrach, D., Pfister, H., Wallis, K. and Lipson, M. Addressing Patients’ Social Needs: An Emerging Case for Provider Investment. Commonwealth Fund. May 2014.
(3) Blendon, R.J., Donelan K., Hill C., Scheck A., Carter W., Beatrice D., Altman, D. “Medicaid beneficiaries and health reform.” Health Affairs, 12, no.1 (1993): 132-143.

Why Focus on Social Factors?

There is increasing interest in addressing social determinants of health at the federal, state and community level, as well as among private payors.



Growing body of research highlighting importance



In Medicaid expansion states, growth in low-income adults with complex health and social needs



Modest social safety net in the US with no signs of change



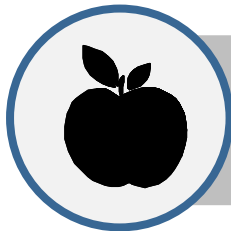
Movement towards value-based purchasing arrangements

Emerging Evidence Base for Addressing SDOH

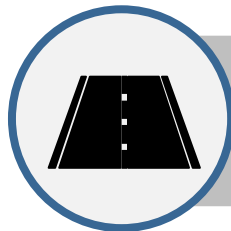
The SDOH evidence base is still emergent and largely focused on targeted interventions for discrete populations, pilot programs and small randomized control trials.



Supportive or permanent housing solutions for homeless individuals as a means to reduce hospital admissions and medical expenditures



Addressing food insecurity (e.g., through medically tailored meals or enrollment in SNAP) to lower health care spending



Providing rideshare-based transportation to reduce “no-shows”

1) *10th Decile Project*. CSH and NHCHC. 2015.

2) Berkowitz S. et al. *Meal Delivery Programs Reduce The Use Of Costly Health Care In Dually Eligible Medicare And Medicaid Beneficiaries*. JAMA, 2018.

3) Chaiyachati, KH et al. *Rideshare-Based Medical Transportation for Medicaid Patients and Primary Care Show Rates: A Difference-in-Difference Analysis of a Pilot Program*. Journal of General Medicine. 2018.

Active Marketplace of SDOH Ideas and Players

A diverse group of players have entered the SDOH “marketplace” including: health insurers, health providers, governments, IT organizations and other community-based organizations.



For An Option To Address Social Determinants Of Health, Look To Medicaid *Health Affairs, July 2019*



SOCIAL DETERMINANTS ARE CORE OF NORTH CAROLINA'S MEDICAID OVERHAUL *Modern Health-care, 8/3/18*



How Technology is Addressing SDOH *Managed Healthcare Executive, 4/19*



The CEO of a company often called the future of healthcare explains why health insurers want to cover your rent *Business Insider, 9/28/18*



UnitedHealthcare Invests Over \$400M in Social Determinants of Health *Health Payer Intelligence, 3/19*



Understanding the Business Case: SDOH in the Context of Value-Based Healthcare

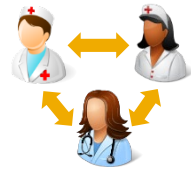
What is Value-Based Purchasing (VBP)?

Payers of health care are increasingly seeking to “buy health”—not healthcare. Public and private payers are introducing payment models that hold providers financially accountable for patient health and the costs of treatment.

Common VBP Elements



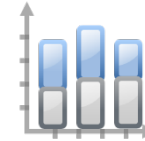
Focus on high-risk and high-utilizing patients



Use formal care coordination processes



Establish common goals and protocols for clinical quality, cost and patient experience



Monitor and report on provider performance



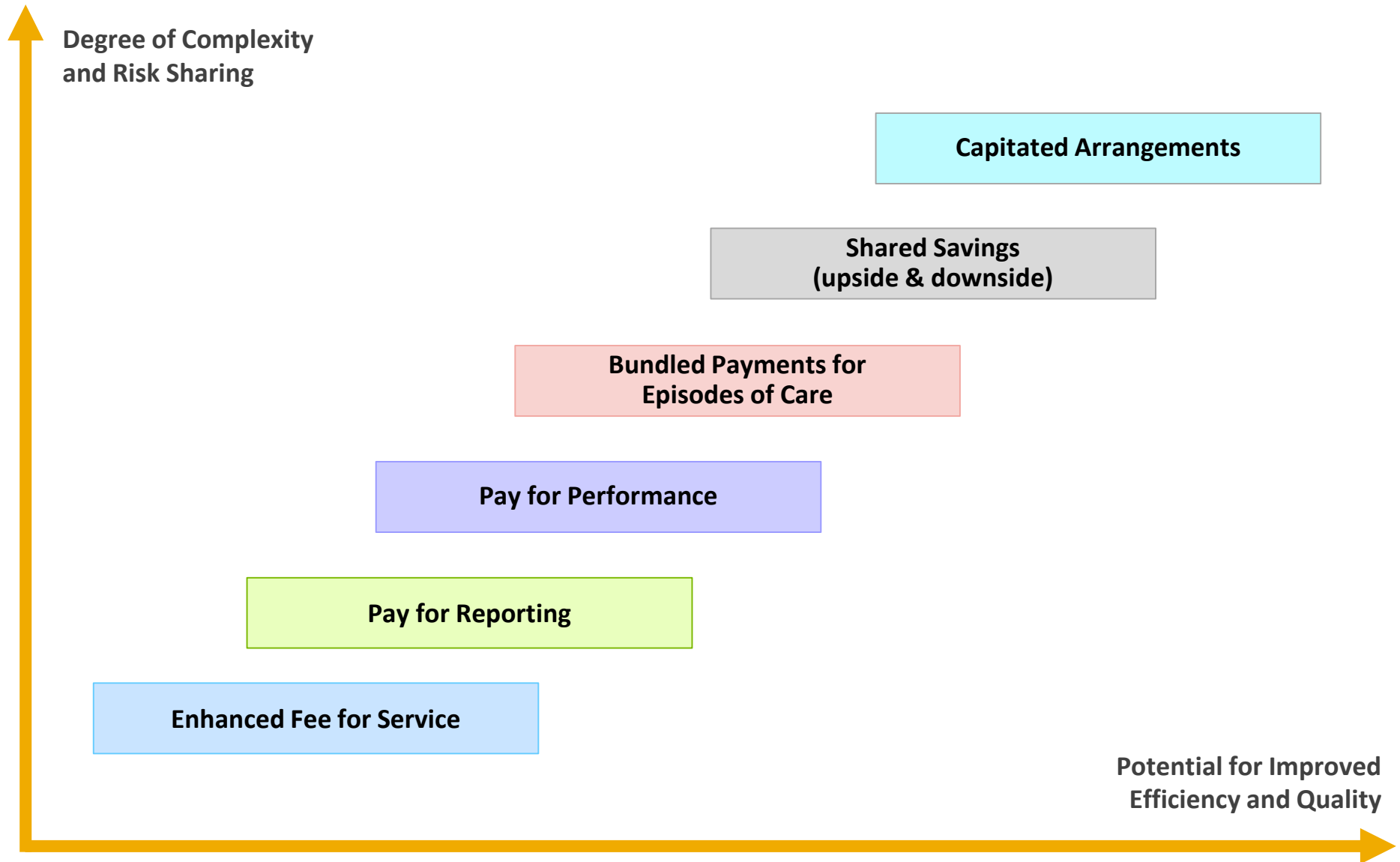
Link to services addressing social determinants of health

Note: Not all VBP models address each of these areas



VBP is intended to support the goals of the Triple Aim by promoting population health, patient experience and cost containment.

Many Forms of Value-Based Healthcare



VBP is Driving Interest in Social Supports

Value-based purchasing (VBP) arrangements create new incentives to cost-effectively improve outcomes. In some circumstances, addressing social needs – even if it requires spending on non-clinical interventions – can help to avert even more significant medical costs, a smart investment in the context of VBP arrangements.

Movement toward VBP is occurring across payers and throughout the market

Medicare

90% of Fee-for-services-payments were targeted to shift to quality or value by 2018, through federal programs (e.g. through the “Medicare and CHIP Authorization Act” (MACRA))¹

Medicaid

Many Medicaid managed care states are incorporating VBP arrangements through Medicaid Accountable Care Organizations, and obligating MCOs to incorporate VBP into contracting with providers²

Commercial

A recent survey shows that nearly 70% of health system finance leaders plan to assume risk in contracts with commercial payers in the next three years³

Despite steady growth in VBP arrangements, they are still emergent and represent a small portion of provider revenues.

¹What’s MACRA? CMS.gov. <https://www.cms.gov/medicare/quality-initiatives-patient-assessment-instruments/value-based-programs/macra-mips-and-apms/macra-mips-and-apms.html>

²Manatt on Health: Leveraging Managed Care to Advance Value Based Payment. <https://www.manatt.com/Insights/Newsletters/Manatt-on-Health-Medicaid-Edition/Leveraging-Medicaid-Managed-Care-to-Advance-Value>

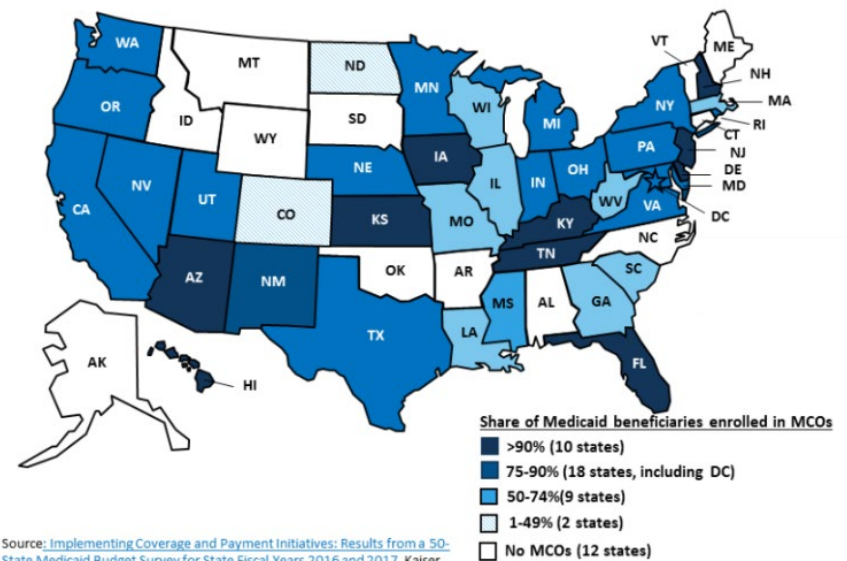
³Modern Healthcare. Risk is in the Eye of the beholder. <https://www.modernhealthcare.com/hospital-systems/survey-results-show-risk-eye-beholder>

Medicaid enrollees—low-income by definition—are particularly likely to struggle with basic needs, including food, clothing, and shelter.

Medicaid Managed Care Organizations (MCOs) provide care to 81% of enrollees nationwide and can provide a strong platform for addressing SDOH.



A large share of all Medicaid beneficiaries are enrolled in risk-based MCOs.



(1) Kaiser Family Foundation. Total Medicaid Managed Care Enrollment.

<https://www.kff.org/medicaid/state-indicator/total-medicaid-mc-enrollment/?currentTimeframe=0&sortModel=%7B%22collid%22:%22Location%22,%22sort%22:%22asc%22%7D>

Provider Focus on Addressing SDOH

Providers may seek opportunities to address SDOH that go above and beyond their VBP obligations and targets in order to better:

- Strengthen patient relationships
- Improve the health of their community
- Reduce the burden of un- and undercompensated care

Spotlight: Regional One Health*



Regional One Health in Memphis, TN is connecting high-use patients to community resources including:

- Securing permanent housing
- Transportation assistance
- Assistance applying for health insurance

The program has a >90% retention rate and has led to healthier, more productive lives for patients and lower utilization and cost for the health system.

*Regional One Health saves nearly \$2M by helping struggling patients with non-medical needs . Available: <https://amp.commercialappeal.com/amp/2362507002>

Key Questions for Community-Based Organizations

The Role of CBOs in Addressing SDOH

Community-based organizations bring unique expertise and patient relationships, making them ideal partners with traditional health care entities in addressing SDOH needs. However, significant barriers exist.

The Opportunity

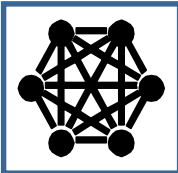
- States, plans and health systems are looking to gain an understanding of community-based resources, needs and workflows.
- Increasing focus on working collaboratively with community-based organizations (CBOs) to develop a robust, multi-disciplinary network.
- Recognition that CBOs bring unique expertise and patient relationships distinct from those found in health care.

Considerations

- Health systems & plans and CBOs operate different business and operational models and have distinct organizational missions
- Health systems & plans and CBOs must “bridge the gap” between traditional healthcare and social service delivery to ensure success.

Key Questions for CBOs to Consider

CBO's seeking to bridge the gap between healthcare and social services, will want to think about several key questions.



Who are potential health care partners for CBOs in addressing SDOH?



How will CBOs get paid for SDOH-related services?



What new capabilities do CBOs need to partner with health care entities?



How can CBO expertise be integrated into care delivery?



How do new partnerships with align with a CBO's mission?

Who are Potential Health Care Partners for CBOs in Addressing SDOH?

Potential Partners for CBOs

CBOs are well positioned to partner, collaborate and contract with a variety of stakeholders focused on addressing SDOH.

- **States:** States are increasingly leveraging their Medicaid managed care platforms to require health plans to address the social needs of enrollees.
- **Health Plans:** CBOs may contract directly with health plans to provide social services to their beneficiaries.
- **Health Care Systems and Organizations:** With the shift towards VBP arrangements, providers are frequently integrating relationships with CBOs into their care models.

[State of Michigan: Model MCO Contract](#)
[Massachusetts MCO Contract](#)
[Arizona MCO Model Contract](#)

Spotlight: Medicaid Managed Care



Several states are leveraging their contracts with managed care organizations (MCOs) to require them to address the social needs of Medicaid beneficiaries.

For example, MCOs must:

- **Arizona:** Reinvest 6% of profit back into the community
- **Massachusetts:** Include screening questions related to a range of unmet social needs
- **Michigan:** Coordinate and help manage social needs to reduce socioeconomic barriers.

How will CBOs Get Paid for SDOH Services?

CBOs will need to negotiate payment taking into account both the *value of the service* to the health care partner and the *cost of services* to the CBO.

Evaluating the Value of the Service

CBO's should understand the evidence base for their services' value to health – the potential impact on both health outcomes and healthcare costs.

Evaluating the Cost of Services

Payments should account for indirect, direct, fixed and variable costs. For example, pricing a “medically tailored meal” must consider:

“Building “ a Cost Per Unit (*i.e., one Medically Tailored Meal*)

Direct Variable Cost Per Unit + **Direct Fixed Cost Per Unit** + **Indirect Fixed Cost Per Unit**

Spotlight: Food is Medicine Coalition



The Food is Medicine Coalition is an association of nonprofit medically tailored food and nutrition service providers.

Through rigorous research, the Coalition has demonstrated that medically tailored meal interventions can result in **16% net health care cost savings** and a **50% reduction in hospitalizations**.

A focus on research supports the coalitions pursuit of gaining Medicaid coverage of medically tailored meals.

Resources: The Non-Profit Finance Fund's tool, "[Health Care and Community-Based Organization Partnership: What Does It Cost?](#)," helps CBOs estimate service costs to develop partnerships in the health care sector.

The Commonwealth Fund's [Return on Investment Calculator for Partnerships to Address Social Determinants of Health](#) is designed to help CBOs plan sustainable financial arrangements to fund the delivery of social services to high-need, high-cost patients.

Deep Dive: Options for Sustainable Financing under Medicaid Managed Care

Sustainable financing is essential to spread and scale strategies to address SDOH. Specific opportunities and limitations--

Category	Strategy
Care Coordination under Managed Care	Include connections to social needs care into care management responsibilities
Medicaid Benefits	Classify certain community-based services as covered benefits under the state’s Medicaid plan
	Explore use of value-added and “in lieu of” services
Quality Improvement	Integrate SDOH measures in quality improvement or performance measurement
Financing/ Payment Mechanisms	Use managed care rate setting tools to encourage effective plan investments in social interventions (e.g., incentives, VBP)
	Incorporate SDOH factors into risk-adjustment methodology

Guyer, J, Bachrach D. et al. *Enabling Sustainable Investment in Social Interventions: A Review of Medicaid Managed Care Rate-Setting Tools.* The Commonwealth Fund, 2018

What New Capabilities do CBOs Need to Partner with Health Care Entities?

CBOs Will Need to Invest in New Capabilities

- **Contracts and/or other formal agreements** with health care entities (e.g. health plans or providers) outlining the terms of their collaboration
- **Billing and payment mechanisms**, often for specific for services and clients attributable to the health partner
- **Integrated IT** systems to support care planning and coordination, service delivery, billing, and evaluation
- Aligning **privacy and security** requirements to permit sharing client/patient information, meet legal obligations, and ensure client/patient trust
- **Data collection and evaluation** to measure the impact of social interventions and build the case for sustainability

Spotlight: New York



As part of the State's value-based payment (VBP) roadmap, New York requires MCOs with high-level VBP arrangements to contract with at least one non-Medicaid billing, community-based organizations (CBOs).

New York plans to award up to \$7.5 million across 3 regions to support and assist CBOs in preparing to participate in these new contracting arrangements.

Partnering with Providers to Manage Social Needs

Ideally, CBO's will work with healthcare partners as part of a **multidisciplinary care management team** to ensure the right mix of expertise—and bandwidth—for addressing integrated medical and social needs. Together, this team will:

- **Identify eligible individuals;**
- **Track referrals** to community-based services;
- **Secure social services;**
- **Report progress;**
- **Document outcomes;** and
- **Adapt care plans** to meet evolving needs.

Spotlight: North Carolina



North Carolina has developed a statewide resource and referral platform that allows stakeholders to connect individuals with needed community resources by providing:

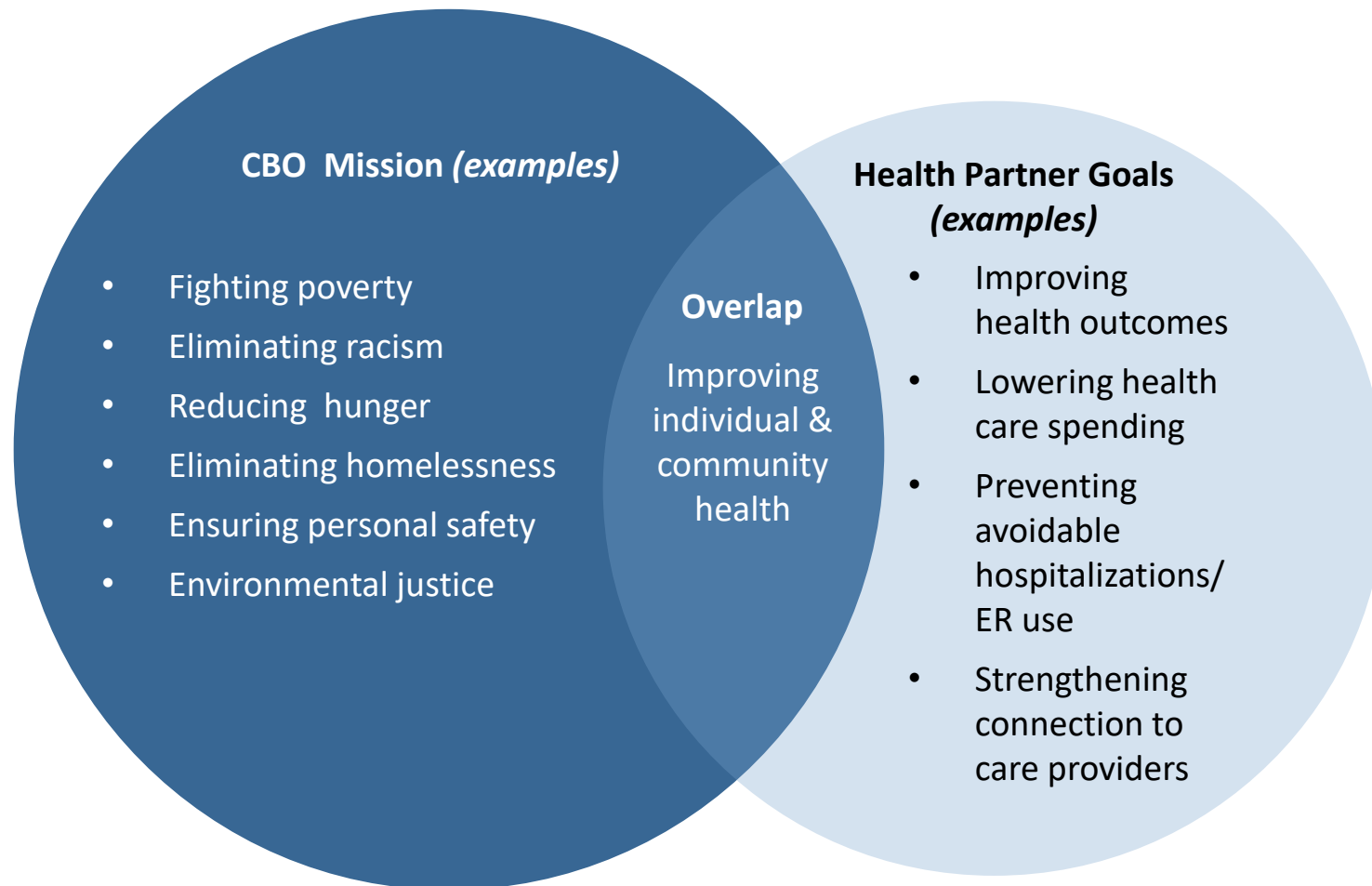
- A robust **statewide resource database** of community-based organizations
- A **referral platform** that allows health care entities to connect people to resources in their communities and tracks whether individuals accessed the community-based services to which they were referred.

Use of NCCARE360 to support care management is a requirement of NC's Medicaid managed care program, and is free for CBOs to onboard and use.

NC DHHS NCCARE360. Available: <https://www.ncdhhs.gov/about/department-initiatives/healthy-opportunities/nccare360>

How do these new partnerships align with a CBO's Mission?

Addressing SDOH often aligns, but is not always a perfect overlap with the mission of community-based organizations.



See e.g. How are Massachusetts Community-Based Organizations Responding to the Health Care Sector's Entry into Social Determinants of Health? Blue Cross Blue Shield Foundation of Massachusetts. Available:

https://bluecrossmafoundation.org/sites/default/files/download/publication/BCBSF_CommunityBasedOrgs-SDOH_Nov302018_final.pdf

Key Takeaways

- **Get involved.**
 - SDOH initiatives are being seeded in state and federal policy. Find a seat at the table and be a part of setting the terms to ensure success.
- **Learn the lingo.**
 - Understand what drives your healthcare partners – their mission and goals, how they define success, and the fundamentals of how they get paid.
- **Know your value.**
 - Follow the research. Know your evidence base. Be prepared to make your business case.
- **Find strength in numbers.**
 - Consider partnering with other social services organizations – including those providing similar services across broad geographic regions and/or networks of diverse providers within one region.
- **Stay true to who you are.**
 - Resist “medicalization.” You know your population and what it takes to serve them.

Q & A

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