CHILDREN'S HOSPITAL ASSOCIATION

CARE Award Webinar Series:
Improving Care for Children with Medical Complexity

Stabilizing the Cost of Care

September 18, 2018
12:30 p.m. PT /1:30 p.m. MT/ 2:30 p.m. CT / 3:30 p.m. ET

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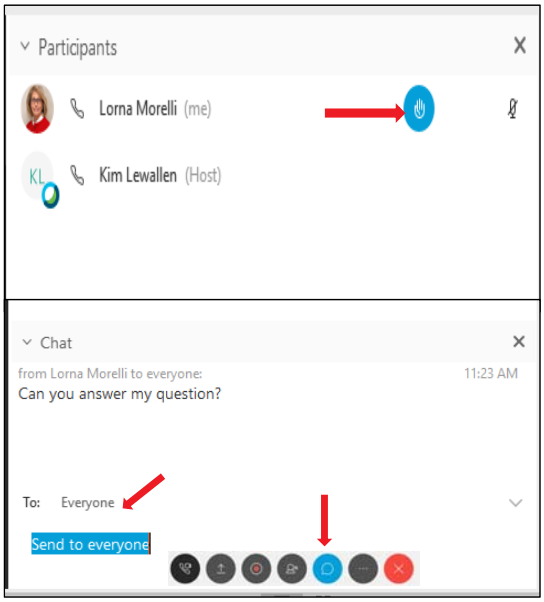
Muting, Questions & Discussion

All lines have been muted to reduce background noise

We have reserved time for questions & discussion following the presentations

If you have a comment or question, click on the "Raise Hand" symbol. The host will unmute your line during the Q&A session

Use the "Chat" to enter questions to be answered during Q&A session – Click on blue bubble, Send to "**Everyone**"



CARE Award Webinar Series

A four-part series

Stabilizing the Cost of Care
September 18

Transforming the Delivery System
November 14

Optimal Care Design
October 17

Family Partners for Better Care
December 18

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Learning Outcomes

Upon completion of this educational activity, participants will be able to:

- Describe the principles of the Coordinating All Resources Effectively (CARE) landmark study designed to improve quality of care for children of medical complexity.
- Outline effective strategies that can lead to the development of new alternative payment models for children with medically complex conditions from analysis of both the environment and the claims data.

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Continuing Education

Disclosure/Conflict of Interest

- Children's Hospital Association is accredited as a provider of continuing nursing education by the American Nurses Credentialing Center's Commission on Accreditation.
- In accordance with ANCC requirements, Children's Hospital Association has a conflict of interest policy that requires faculty to disclose relevant financial relationships related to the content of their presentations/materials. Any potential conflicts have been resolved so that presentations are evidence-based and scientifically balanced. **The planning committee and all presenters have declared no conflict of interest.**
- Criteria for successful completion of this educational activity includes session attendance in its entirety and confirmation of attendance. A link to the online Verification of Attendance and CNE Evaluation form will be emailed to participants. To receive your ANCC CNE certificate, participants must be individually registered prior to the activity and complete the online form at the conclusion of the activity. CNE certificates will be emailed to participants. **This educational activity has been approved for 1.5 CNE contact hours**.

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Presenters

Dennis Kuo, MD, MHS
Associate Professor of Pediatrics University at Buffalo
Oishei Children's Hospital
Children's Hospital of Buffalo

Bob Finuf
Vice President, Payer Relations & ICS Executive Director of Integrated Care Solutions
Children's Mercy Kansas City

Michael-Anne Browne, MD
Associate Chief Medical Officer for Accountable Care
Lucile Packard Children's Hospital Stanford

Ingrid Larson, MBA, DNP, APRN, CPNP, NEA-BC
Service Line Director – Complex Care
Children's Mercy Kansas City

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Dennis Z. Kuo, MD, MHS

- No financial disclosures
- No conflict of interest

The scope of the issue

- >2 million children with significant chronic and medically complex conditions
- 6% of Medicaid population = 40% of Medicaid spend for children

Children with medical complexity…

…have multiple chronic conditions, such as a genetic diagnosis, feeding difficulty, and developmental delay

…often have need for technology such as a feeding tube or a tracheostomy

…rely on medical care from multiple specialists, primary care, and multiple community providers

…often experience fragmented care which causes a lot of stress for families

Containing the cost of care

- CMC are the fastest growing subpopulation of children
- What's known?
  - ~Half of overall cost from inpatient stays
  - ~25% of costs from outpatient services
  - Medications and therapies are significant drivers
- What else?
  - Families identify high levels of unmet needs
  - Families identify needs community and social domains

Berry, J. G., et al. (2014). "Children with medical complexity and medicaid: spending and cost savings." Health Aff (Millwood) **33**(12): 2199-2206.
Barnert, E.S. et al. (2018). "A healthy life for a child with medical complexity: 10 domains for conceptualizing health." Pediatrics 142(3): e20180779

What can be done?

Investments in care that address family needs may contain the overall cost of care:

- Reduced inpatient visits and costs
- Reduced ED visits

Investments specifically in:

- Family partnerships
- Care management
- Care delivery transformation

Coordinating All Resources Effectively Award

A national three-year project to transform care delivery and payment for children with medical complexity

Consisting of

- 8000+ patients
- 10 children's hospitals
- 42 primary care sites
- 8 state Medicaid agencies
- 10 payers

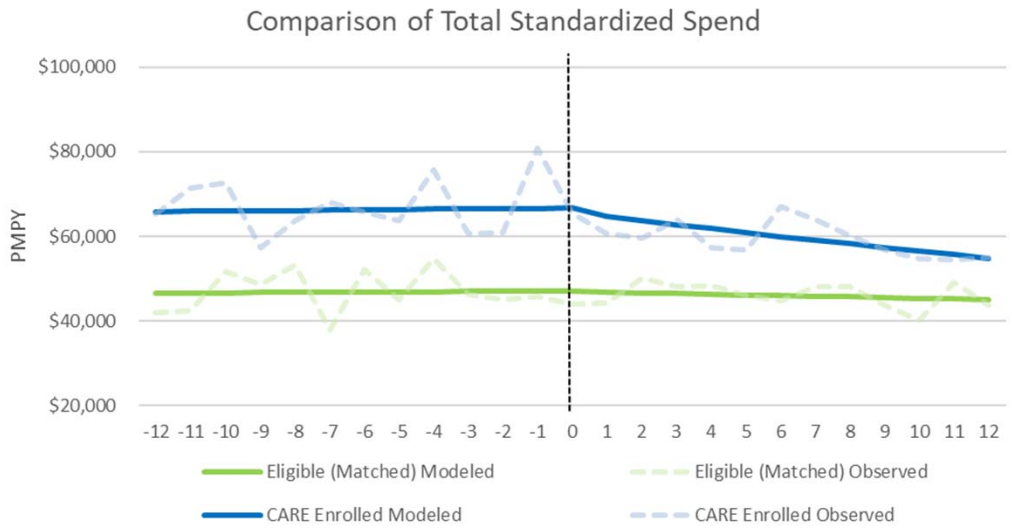
The goals

- Decrease caregiver burden
- Enhance patient experience of care and care coordination
- Provide care closer to home and at lower cost
- Create payment models that support high-quality care and rewards savings
- Decrease utilization of health services

Investments – in what?

- Care transformation - family involvement; PCP and community partners; data systems and expertise; administrative and clinical champions
- Key change concepts: Dynamic Care Teams, Access Plans, and Care Plans

Containing the Cost



Topics – containing the cost of care

- The roles of comprehensive care management in containing costs for CMC
- The investments needed to implement and sustain cost containment for CMC
- Ongoing challenges and opportunities

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Stabilizing the Cost of Care

Michael-Anne Browne, MD
Associate Chief Medical Officer for Accountable Care

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Lucile Packard Children's Hospital

About Us

- 361 beds with new facility
- Approximately 13,000 annual pediatric discharges
- 5 joint ventures
- 65+ locations in our integrated network
- ACS-verified Level 1 pediatric trauma center
- The largest Ronald McDonald House in the world, accommodating 123 families

BEST CHILDREN'S HOSPITALS U.S.News & WORLD REPORT RANKED IN 10 SPECIALTIES 2017-18

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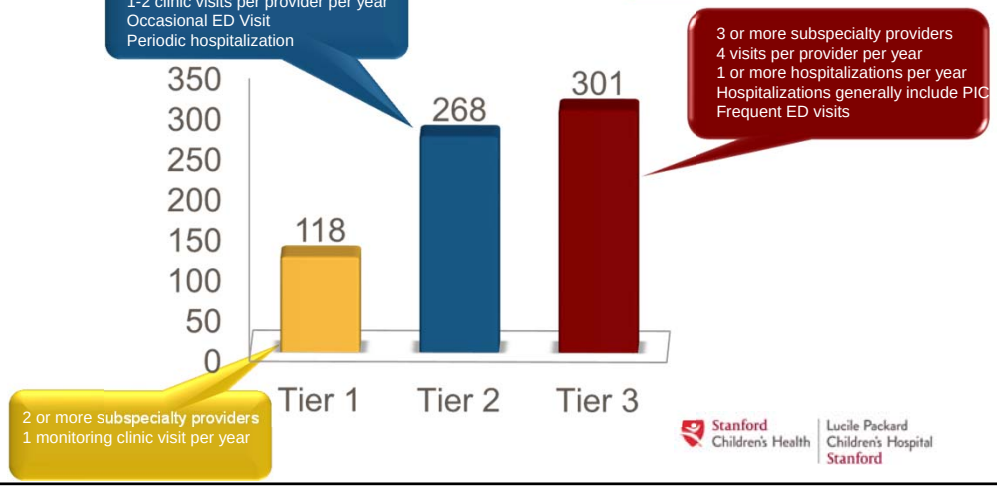
CORE Patient Population

- 687 Patients Enrolled
- 420 CARE Patients
- No Exclusion Criteria



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CORE Services

① Assure ongoing communication across all providers

② Inpatient:
- "Warm Welcome:" Provide important pt information to medical teams upon admit
- Call "bedside-conference" to clarify care needs
- "Secure Send-off:" Provide discharge safety net to assure all orders, appointments and procedures are scheduled

③ Outpatient:
- Co-managed clinic visits to improve care coordination and communication
- Services:
  - Coordinate transportation & housing
  - Schedule multiple clinic appointments
  - Facilitate medication refills
  - Arrange DME & home nursing

④ Parent Partnerships:
- Set goals for inpatient stay
- Assist in communicating family preferences to medical teams
- Develop self-management skills

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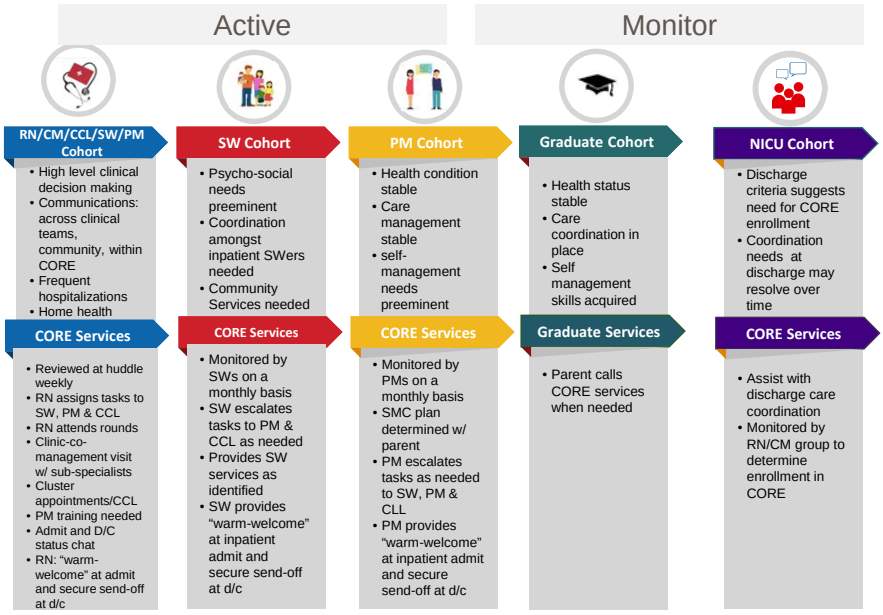
Value-Based Patient Assignment for CORE Patients



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Family Quotes

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Lucile Packard Children's Hospital Results

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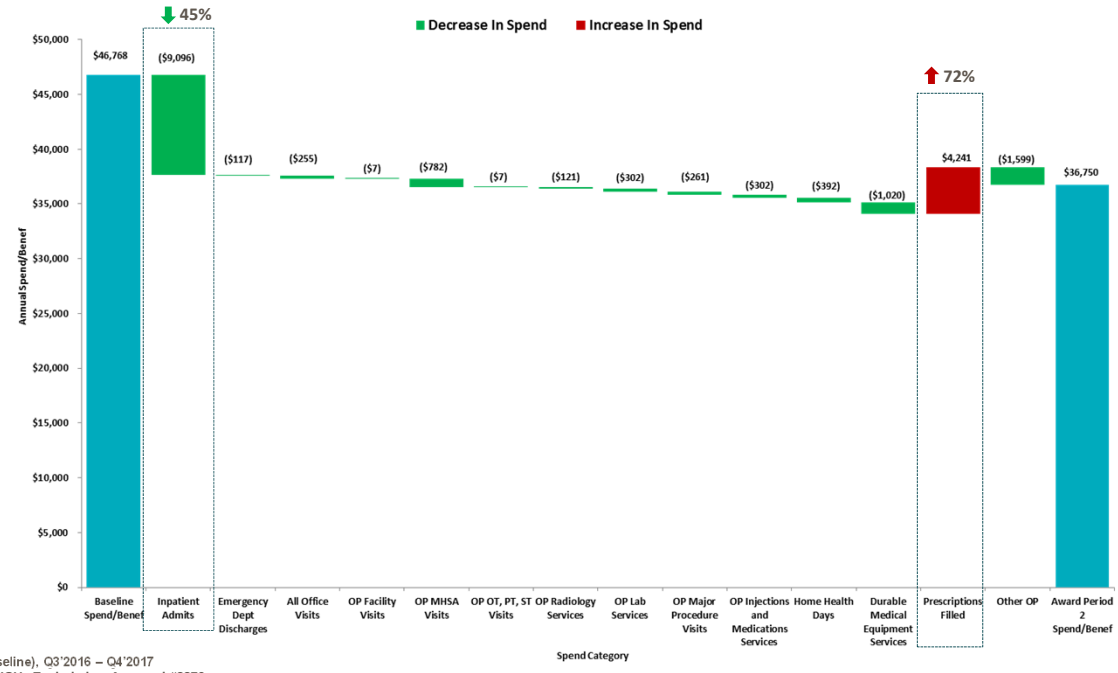
Inpatient spend drove overall patient spend decrease



2012 - Q2'2015 (Baseline), Q3'2016 – Q4'2017 (Award Period 2), NICUs Excluded. Approval #3376

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Unusual Local Factors Affecting Cost of Care

- Payment changed from per diem to APR-DRG during award period
- Mental Health is a county (not health plan) responsibility
- OT/PT/ST largely a county (not health plan) responsibility
- Home Health services largely not available for Medicaid pediatrics. Rate too low to find nurses in Bay Area

Caveats when reviewing data

Taking a relatively small group of patients (CMC) and further dividing them into subgroups (such as CRGs) can give small denominators and then non-significant data

- We had large changes in CRG 7 and 8, but less than 5 patients in each category
- We likely enrolled outliers who regressed the next year

Look for completeness of data

- No utilization in a category (home health, facility outpatient) should raise alarm bells
- Allow time for sufficient run-out and/or IBNR (Incurred But Not Reported)

Caveats when contracting

Be careful about taking on risk for items you neither control nor provide

- Pharmacy
- DME, Home Health, Mental Health
- Other facilities

If taking downside risk, get actuarial advice on stop loss

- Different sites had different stoploss recommendations
- Threshold
- Pharmacy specific

Strategy: Partnership

- Local Managed Medicaid plan for whom we were primary hospital
- Agreed to give us data for CARE Award in exchange for sharing results
- Met regularly with leadership to share results and describe our care management model
- Hosted health plan team at our site to observe rounds, warm welcome, secure send-off, etc.
- Considered capitation, but volume too low
- We asked that we be paid to provide case management services for those we provided both clinical care and case management services

CORE Program Costs

Name	Hourly Rate	FTE	Annual Rate	Benefits @36%	Total Salary + Benefits
RN Coordinator		1.0			
Case Manager		1.0			
Social Worker		.5			
Care Coord Liaision		1.0			
Parent Mentor		.80			
Parent Mentor		.65			
Medical Director		.25			
Enrollment Support		.85			
Metrics/Eval Support		.50			
Program Director		.50			
				Total	$987,901

$1M for 675 patients = $120-$125 per patient per month
= $1500 per patient per year

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Result

- Paid a blended rate for all patients in all tiers (Tier 1-3)
- $122 per case per month
- Contractual requirements for number of contacts
  - Warm Welcome
  - Secure send-off
  - Check in at least quarterly with monitor/graduate
  - Family satisfaction survey annually
  - Monthly meetings with health plan

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Our Mission

Extraordinary Care. Continual Learning. Breakthrough Discoveries.

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Stabilizing the Cost of Care

Bob Finuf, Vice President
Executive Director of Integrated Care Solutions

Ingrid Larson, MBA, MSN, DNP, RN, CPNP
Service Line Director – Complex Care

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UMKC School of Medicine

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MAGNET RECOGNIZED AMERICAN NURSES CREDENTIALING CENTER

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Disclosures

- The Beacon Program is a site for the CARE Award.
  CMMI grant: 1C1CMS331335-01-00

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Children's Mercy Kansas City

- Over 8,000 employees
- 750+ pediatric specialists
- 40+ pediatric specialties
- Only pediatric trauma center between St. Louis and Denver

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Children's Mercy Kansas City

- 354 beds, 2 hospitals
- 370,000+ outpatient visits
- 150,000+ ER/UC visits
- 15,000+ admissions
- 19,000+ surgeries
- 5,000+ transports

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CARE Award Experience

- Learning collaborative and webinars provided a unique designated time to share and establish relationships.
- Many, but not all of change concepts were already in process.

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Beacon Program

- Started in April 2013, formalized in October 2013
- Patient Centered Primary Care Medical Home for Children with Medical Complexity (CMC) and their siblings - NCQA level III Patient Centered Medical Home status achieved in December 2015, and re-recognized early in 2017, with the 2017 standards, and the first "Distinction in Behavioral Health Integration" in the nation.
- Outpatient consultative service for CMC for remote PCPs outside of CM system. (>1 hour away).

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Referral Base

- Complex / systemic medical problems
- Medical technology needs
- High utilization
- Social concerns / barriers

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Beacon: Keys to Success

- The Team
- 24/7 Access
- Comprehensive annual visits
- Shared Goals/ Invested Families

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Beacon Team –17 FTE

- Leadership: Medical Directors and Service Line Director– 0.2 FTE each, totaling 0.4 FTE
- Primary Care Providers – 3 individuals, 2.2 clinical FTE (13 half days a week, plus consults) **We are recruiting a full-time physician**
  - 1.0 FTE Clinical provider = 6 half days clinic / wk
- Psychologist (8 half days clinic / week) – 1.0 FTE
- APRN Care Managers – 3 individuals, 2.4 FTE each
- Clinical Pharmacist - 1.0 FTE

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Beacon Team 17 FTE

- 1.0 FTE Registered Dietitian
- 4 individuals - 2.9 FTE Clinic nurses – 50% direct clinical care and 50% care coordination (early, late and regular arrival hours)
- 2.0 FTE Social workers (MSW) (4, ten hour shifts)
- 1.5 FTE Clinical Services Coordinator – DME, PDN, PCA orders and wound care/g-tube care in clinic
- Care Assistants – 2 individuals, 1.6 FTE
- 1.0 Office Coordinator/ administrative assistant

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Staffing Ratios

- 1.0 Clinical PCP = ~100-120 families
- 1.0 Social worker = ~150-175 families
- 1.0 Nurse = ~100-150 families
- 1.0 APRN Care Manager = ~200 families
- 1.0 CSC = ~200 families
- 1.0 Registered Dietitian - ~250 families
- 1.0 Psychologist = ~250 families

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Patient Statistics

Total of 343 Active Patients

*As of 9-5-18

218 Beacon Patients

49 Beacon HOMES Siblings (mild complexity)

76 Beacon Siblings (healthy and typical)

41 Deaths

201 Transitioned primary care / moved out of town / graduated from the program

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CM Integrated Care Solutions

- ICS is a subsidiary of CM, leading the value-based payment and population health management strategy for the CM system
- Within ICS is a network (Pediatric Care Network or PCN) which is at full risk for >120,000 Pediatric Medicaid lives in Missouri and Kansas
- Historic population for which PCN is accountable is less complex than the CARE Award population

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Payment Environment / Opportunities

- Leverage the existing Health Home Care Coordination Program for complex populations within Missouri Medicaid
- Care Award Enrolled: 1,092
- Missouri Health Home Enrolled: 600
- Used learning from CARE Award experience to expand capitated risk contracting to complex population in 30,000 kids in Kansas Medicaid effective November 1, 2017

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Payment Model

- Missouri Health Home (MHH) population is complex, but does not directly align with CARE Award eligible definition
- Paid $64 pmpm for care coordination of enrolled population
- MHH population characteristics are similar to complex population added in Kansas Medicaid risk agreement November 1, 2017

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Data Use

- Collaborated with Missouri Medicaid agency for data set for the period 2013 – mid 2017
- Truven completed significant analysis across multiple service categories i.e. inpatient, ER, pharmacy.
- Benefits included insight into service cost mix for a population we did not previously have
- Challenge in interpretation of unclassified categories i.e. “other outpatient”

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Outcomes – CARE Award

- **Preliminary Results For 392 CARE Award Enrollees**
  - Inpatient Days per 1,000 decreased 50%
  - ED Discharges per 1,000 decreased 21%
  - Total spend increased 7%
  - Spend factors continue to be analyzed to understand category spend mix, standardized payments, and baseline cost trend

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Lessons Learned

- Use the path of least resistance – leverage existing programs and prior experience to get started
- Our experience with the CARE Award informed the opportunity to coordinate care and assume risk for more complex patients in a capitated environment

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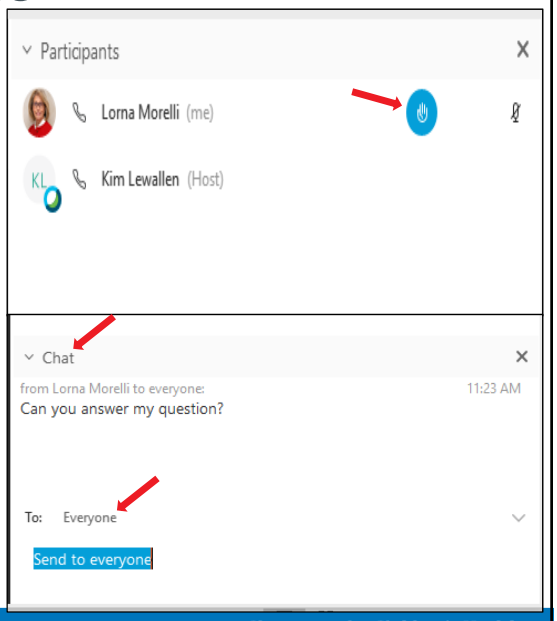
Questions & Discussion Time

Indicate you have a comment or question by clicking on the "Raise Hand" symbol. The host will unmute your line.

-OR-

You may type your question into the "Chat" panel feature.



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Summary

- Both delivery system and payment reform are possible and beneficial to both the system and families
- Important to begin building capabilities and payer relationships to understand where the opportunities lie
- Alternative payment models may better support enhanced care management and to provide incentives for providers to optimize the health of CMC

Coordinating All Resources Effectively (CARE)

Upcoming CHA Conferences

2018 Annual Leadership Conference
November 5-7 | San Antonio, TX

- Care Delivery and Payment Models
- Consumerism
- Organizational Effectiveness
- Strategy and Innovation

2019 Quality and Safety in Children's Health Conference
March 18-19 | Atlanta, GA

- Advancing Clinical Effectiveness
- Evolving Patient and Family Partnerships
- Improving Care Across the Continuum
- Managing the Health Care of Children and Providers

childrenshospitals.org/Events/Conferences-and-Meetings

Upcoming CARE Webinar Topics

Optimal Care Design
October 17

Transforming the Delivery System
November 14

Family Partners for Better Care
December 18

Slides and recordings available after each event at: childrenshospitals.org/events

Evaluations and Attendance

Link to the webinar evaluation and certification of attendance will be sent within 24 hours of this webcast

Attendance for CNE

You must have attended to receive CNE credit

If you attended but do not receive an email, please notify us at CARE.Award@childrenshospitals.org

Nurses must complete the certification of attendance to qualify for continuing education credits - CE certificates arrive via email in a few weeks

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CARE Award Webinar Contacts	
Dennis Kuo, MD	dkuo@upa.chob.edu
Michael-Anne Browne, MD	MBrowne@stanfordchildrens.org
Bob Finuf	bfinuf@cmpcn.org
Ingrid Larson	ialarson@cmh.edu
CARE Award Questions	CARE.Award@childrenshospitals.org

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