The ACC and Vulnerable Coloradans:

Proceedings from the First SNAC Lab

Introduction

The Colorado Health Institute (CHI) and its Safety Net Advisory Committee (SNAC) have launched a year-long inquiry into the Accountable Care Collaborative (ACC) model of health care delivery being tested in Colorado's Medicaid program. SNAC Lab participants met for the first time on April 4, 2012, and will meet quarterly into 2013. CHI will produce written and audio records of the discussions and findings.

Goals of the 2012-13 SNAC Labs

- Leverage the collective focus on vulnerable Coloradans among a wide variety of stakeholders.
- Provide a forum to discuss innovative approaches, promising practices, challenges and lessons learned from implementation of the ACC.
- Synthesize input from the SNAC Labs and develop a shared body of knowledge for state health policy leaders, future initiatives and other states.
- Provide SNAC Labs participants, as well as Colorado's wider safety net community, with the latest strategies for coordinating care, measuring patient experiences and outcomes, and using data to assess the effectiveness of the model.

CHI's Role

- Provide a foundation of understanding and a platform for knowledge sharing.
- Conduct key informant interviews with a wide variety of stakeholders and review quantitative data as they become available.
- Monitor relevant legislation.
- Examine other state models.
- Share information with policy makers and health leaders through Legislative Roundtables and other venues.

Understanding the ACC

The ACC is a Medicaid initiative launched in 2011 by the Colorado Department of Health Care Policy and Financing (HCPF). Patients are assigned to a "medical home," which is a primary care practice often comprised of physicians and other clinicians providing comprehensive primary care services. In addition, the medical home promotes a personal relationship with the provider and coordination of a patient's health care with the goals of increasing quality, saving money and improving the experience of care.

Seven Regional Care Collaborative Organizations (RCCOs) manage the program in Colorado under the direction of HCPF.

Besides traditional fee-for-service payments, the primary care providers and RCCOs receive per-member, per-month fees to run the program and to reach goals such as reducing hospital readmissions, emergency department visits and costly imaging procedures, such as MRIs.

Approximately 125,000 of the state's 600,000-plus Medicaid clients were enrolled in the ACC as of April 2012.

HCPF hopes to expand the ACC in 2013 to Coloradans who are eligible for both Medicare and Medicaid, the "dual eligibles" who often have multiple chronic conditions and need more costly care, including long-term services and supports (LTSS).

Meanwhile, a bill passed during the 2012 legislative session (HB12-1281) provides for pilot programs targeting new payment methods that move beyond fee-for-service.

The First SNAC Lab (April 4, 2012): A Presentation and a Discussion

Jeff Bontrager, CHI's Director of Research on Coverage and Access, began the lab with a presentation: *Where is Colorado Headed? The Medicaid Accountable Care Collaborative.* Jeff provided an overview of the ACC project, its historic roots, Colorado's unique model and the challenges it faces. The SNAC participants then engaged in a facilitated discussion focusing on "front line" perspectives on implementation, challenges, critical success factors and implications for Colorado's health care safety net.

Three primary themes emerged:

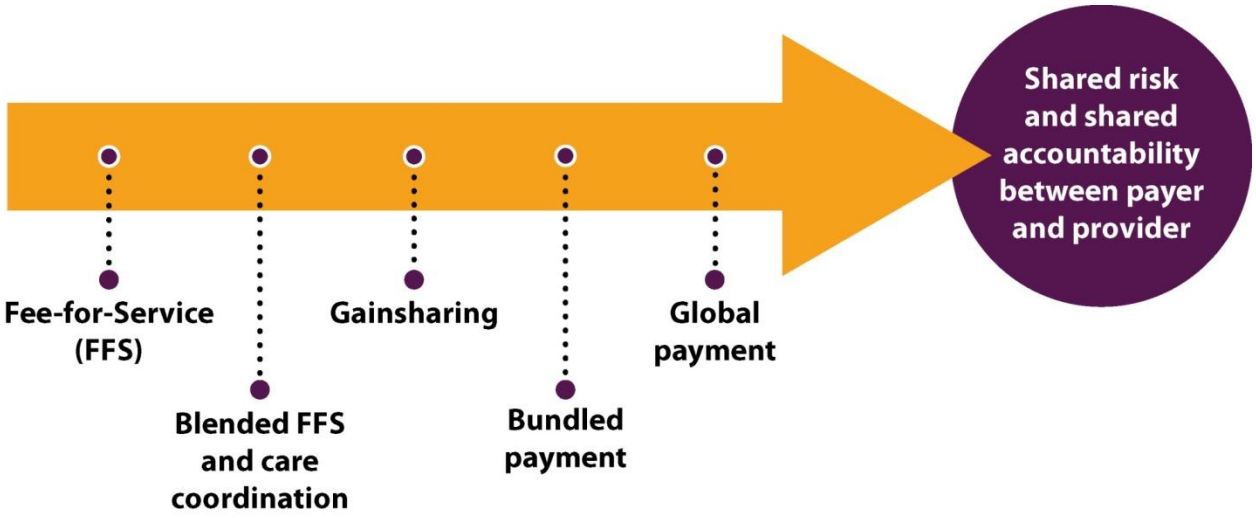
1. An incremental approach. Colorado's current ACC model, while ambitious, is an incremental step toward reforming how health care is paid for. It's a blended approach based on existing fee-for-service payments and additional per-member, per-month (PMPM)

payments to cover the cost of care coordination and provide incentives for improved outcomes. Other payment reform initiatives fall further along a continuum toward a model based on shared financial risk and shared accountability between the payer and provider (see figure). Newly passed legislation (HB12-1281) provides additional opportunities for payment pilot programs that move further in this direction.

A number of SNAC Lab participants emphasized support for the ACC, acknowledging that something has to be done to address rising health care costs over the long run. The longer-term scope of the ACC and other payment reform initiatives is often at odds with shorter term budgetary pressures on state legislators.

While there was general support for the ACC, participants raised a number of concerns with the model. For example, the question was raised about how the ACC was different from past managed care initiatives that resulted in increased administrative costs and burden on providers. Another expressed concern that current regulatory requirements tend to impede additional innovation.

Figure. Continuum of payment reform initiatives



2. Implications for safety net providers. Colorado's safety net providers face unique challenges in implementing the ACC. The involvement and experience of individual clinics vary. The task of linking patients to medical homes (a process called "attribution") is a common difficulty expressed among those providers currently participating. In addition, efforts to meet enrollment targets may have unintentionally overlooked rural areas.

Making the model financially feasible for providers–especially for smaller clinics or those with a smaller proportion of Medicaid patients–is also a challenge. In addition, there are ongoing

questions surrounding the role of public health departments, the engagement of patients and the integration of behavioral health and oral health.

Despite these early challenges, there is still a strong underlying commitment among those participating to seeing the ACC through.

3. The importance of measurement. The ACC is built upon a foundation of data and analytics. The ability to measure care quality, patient outcomes and costs is a key component, and SNAC Lab participants discussed the potential of these data to identify "hot-spotters" for targeted care coordination and quality improvement. SNAC Lab participants also identified many measurement questions–How will success be measured? Do cost savings include the infrastructure build-up? How will the consumer experience and health outcomes be measured? Can–or should–we measure the concept of "medical home-ness?"

A New Vocabulary

Examples of unofficial (but useful) terms used by SNAC Lab participants throughout the discussion:

> **Hotspotting**: Patients who use a relatively high number of health services are termed "hot spotters." These individuals often suffer from multiple chronic conditions and may potentially benefit the most from care coordination. They are also among Colorado's most frail and vulnerable patients.
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> **Medical Home-ness:** The level of a patient's understanding and comfort about being in a medical home. The process of attributing a patient to a medical home is focused on preserving any existing relationship he or she has with a primary care provider. However, since Colorado's enrollment process is "passive"– patients must opt out after receiving a letter or they will automatically be enrolled in the ACC– there is concern that many patients do not know they are in the ACC and that they have a medical home.
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> **Metric Mania:** The number of measures, often numerous and varying by region, that providers must track in order to participate in the ACC and other programs. SNAC Lab participants expressed that this work may often be duplicative and overwhelming to providers.

Attachment 1: List of SNAC Lab attendees – April 4, 2012

Maureen O'Brien, *Colorado Foundation for Medical Care*
Sharon Adams, *ClinicNET*
Elisabeth Arenales, *Colorado Center on Law and Policy*
Neysa Bermingham, *Kaiser Permanente Colorado*
Colleen Church, *Caring for Colorado Foundation*
Karen Cody Carlson, *Oral Health Colorado*
Frank Cornelia, *Colorado Behavioral Healthcare Council*
Deborah Costin, *Colorado Association for School-Based Health Care*
Nancy Dolson, *Colorado Department of Health Care Policy and Financing*
Gail Finley, *Colorado Hospital Association*
Gretchen Hammer, *Colorado Coalition for the Medically Underserved*
Steve Holloway, *Colorado Department of Public Health and Environment*
Debra Judy, *Colorado Consumer Health Initiative*
Steve Lesky, *The Colorado Health Foundation*
Dennis Lewis, *Dental Aid*
Michele Lueck, *Colorado Health Institute*
Gretchen McGinnis, *Colorado Access*
Katie Pachan Jacobson, *Colorado Community Health Network*
Laurel Petralia, *The Colorado Trust*
Gary VanderArk, MD, *Colorado Coalition for the Medically Underserved*

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