

Population Health Management for Critical Access Hospitals and their Communities

Summit Findings

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RESOURCE CENTER

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OVERVIEW

The Health Resource and Services Administration (HRSA)'s Federal Office of Rural Health Policy - in cooperation with the Technical Assistance and Services Center (TASC), a program of the National Rural Health Resource Center (The Center) - worked together to host a "Population Health Management for Critical Access Hospitals (CAH) and their Communities Summit" meeting in Washington, D.C. on the afternoon of February 2, 2015. The purpose of the Summit was to provide input to TASC for further development of tools and resources to support state flex programs, rural health networks, critical access hospitals, rural clinics and rural community stakeholders across the country with making a successful transition towards population health management.

The basis for this Summit was to identify practical application and next steps from the [Improving Population Health: A Guide for Critical Access Hospitals](#) work created by a panel of rural and population health experts from across the country in the spring of 2014. That guide was developed as a starting point for CAHs, providing insight on theory, rationale and high level strategies for moving towards a population health approach. As the evolution in care delivery and payment continues to move rapidly toward systems that reward value as defined by better care, smarter spending and healthier people, the need for tangible tools and resources to support CAHs is becoming increasingly important.

Therefore, Summit participants, which included hospital, state health department, university, medicine and quality and health network leaders, evaluated a streamlined framework of key CAH strategies for population health and provided insight and suggestions for the development of a toolkit to aid CAHs and their communities with managing population health. It was suggested that this toolkit could support rural health leaders in topics, such as:

- Applying critical success strategies for transitioning CAHs and their communities towards population health management
- Analyzing and managing population health data through health information technology
- Developing a financial model for CAHs and clinics to support population health
- Establishing a care coordination infrastructure
- Building community partnerships and collaborations

Background information on population health, an overview of critical success strategies, and a summary of input from Summit participants is as follows.

POPULATION HEALTH: BACKGROUND

The term "population health" has recently become wide-spread among health care providers. Recognition that volume-based purchasing for health care services is fueling unsustainable growth in costs, there has been a renewed focus among payers and policy advocates to address underlying issues such as uncoordinated care, poor chronic disease management and unhealthy behaviors that increase utilization and costs. Population Health is also a key component of the health care *value* as defined by the triple aim of better care, better health and lower costs; a concept established by the Institute for Health care Improvement in transitioning to a value-based reimbursement model. Thus, care delivery and payment systems are starting to shift focus to keeping populations well, rather than only caring for the sick. This definition, from the American Hospital Association, provides a broad overview:

Population Health serves as a strategic platform to improve the health outcomes of a defined group of people, concentrating on three stages:

- Distribution of specific health statuses and outcomes within a population
- Factors that cause the present outcomes distribution
- Interventions that modify the factors to improve health outcomes

It is important to acknowledge that the term "population health" is frequently used to describe two separate but related concepts:

- **Cohort Management or Targeted Population Medicine:** Improving health and reducing costs for specific groups of patients, often grouped by insurance type and focused on chronic disease
- **Community Health or Total Population Health:** Health outcomes of an entire group of individuals, often geographically defined, including the distribution/disparities of outcomes within the group

Although these two aspects of population health are interconnected, they lead to different operational strategies. CAH leaders should acknowledge this dichotomy, and recognize the need for strategies that address both aspects.

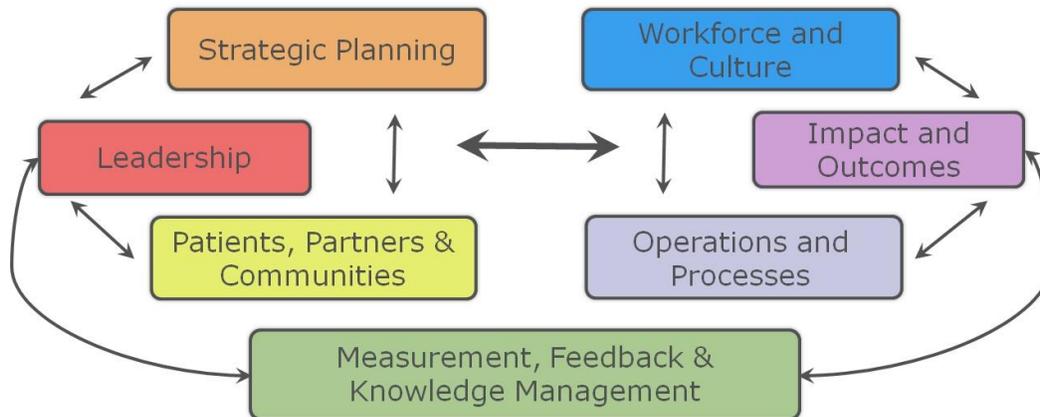
POPULATION HEALTH: A SYSTEMS BASED FRAMEWORK

Care delivery models that support effective population health management is uncharted territory for many health care systems. Small rural hospitals may embrace population health at the conceptual level, but struggle with where to get started at an operational level. They also may struggle with maintaining balance and fiscal responsibility between the current illness model (with fee for service and volume-based payment) and the more emerging wellness model (with value-based purchasing).

The Center has long encouraged adoption of a systems-based approach modeled after the Baldrige Framework for Performance Excellence in managing hospital complexities and striving towards excellence in quality and safety. The Baldrige Framework provides a proven approach towards managing the crucial elements of organizational excellence desperately needed in this rapidly changing health care environment. This comprehensive approach, which includes the ability to measure and show value, can also help hospitals frame the essential components for adoption of population health as an integral strategy. Without using a framework to provide a comprehensive systems-based approach, hospitals often struggle to:

- Align leadership
- Conduct meaningful strategic planning
- Assess customer, community and partner needs
- Measure progress and review relevant information to address problems
- Engage and motivate staff
- Streamline processes
- Document outcomes

A systems approach provides hospitals a framework to address all of the essential components, and avoid breakdowns in other component areas that are not managed effectively. Meaningful work must be done in all these component areas to maximize a hospital's chance of achieving the transition towards a wellness model of care. Adhering to a performance excellence framework, such as Baldrige is a useful tool for achieving sustainability in a CAH setting. The image below demonstrates the key inter-linked components of the Baldrige Framework.



Performance Excellence Framework. Critical Access Hospital Blueprint for Performance Excellence: <http://www.ruralcenter.org/tasc/resources/critical-access-hospital-blueprint-performance-excellence>
 Adapted from Baldrige Criteria for Performance Excellence: www.nist.gov/baldrige/index.cfm

CRITICAL SUCCESS STRATEGIES FOR POPULATION HEALTH

Over the past year, based on broad input from the field, The Center simplified, refined and updated the initial framework of key strategies to support a population health approach for CAHs. This updated framework and key strategies were outlined as a starting point at the Summit and participants enthusiastically validated this streamlined approach.

The key CAH strategies for a systematic approach to population health are outlined as presented to the Summit participants are below:

Leadership

- Educate and engage hospital trustees and boards about the critical role of value-based purchasing and population health
- Form meaningful partnerships with local physicians and health care providers
- Align hospital leaders and managers behind value and population health

Strategic Planning

- Create a compelling population health vision and engage multiple stakeholders and staff
- Use a strategic framework to organize value-based strategies

Customers, Partners & Communities

- Partner and collaborate with all types of community health providers to coordinate care and address needs
- Engage and educate the community on the population's health and local services
- Join or form rural health networks or partner with integrated health systems

Staff & Culture

- Develop a change-ready, customer-focused staff culture
- Identify and develop staff skills needed in value-based models

Processes & Operations

- Maximize the efficiency of clinical, financial and operational processes
- Develop effective care coordination teams and processes and ensure safe and timely transitions of care
- Maximize the effectiveness of health information, social media and tele-health technology

Information & Knowledge

- Develop mechanisms to store, analyze and act on health record information and community health data

Outcomes & Value

- Document and communicate value to third party payers, health systems and the local community

In addition to supporting the overall framework, Summit participants provided the following broad observations and feedback on the key strategies and development of a toolkit:

- Shifting from a health care system developed around providing illness care, to one that supports wellness and population health will include a significant overhaul to current organizational structures, roles and reimbursement methods
- Rural hospitals are well positioned in their communities to be leaders in this changing environment, but they need to be proactive in planning and

identifying approaches that engage the community and fit their organizational needs

- CAHs need to assess the current status of both their own operations and the state/regional context regarding implementation of population health initiatives and payment reforms. The movement to value based reimbursement is happening nationally, but a wide variety of factors is influencing the speed of change at the regional and local level
- Recognition of shifting payment structures is crucial in helping CAHs move forward with population health strategies. Alignment with outpatient services and/or rural health clinics needs to be a priority
- Tools and resources should help CAHs make the connection between population health strategies and community-benefit requirements that help justify tax-exempt status for non-profit hospitals
- Tools and resources need to be realistic and practical - mindful of the wide variety of pressures and challenges facing rural hospital administrators
- Document the Return on Investment of population health activities and articulate which strategies are most needed to help guide financial allocation to support this transition
- Develop tools around population health planning for community health coalitions or steering committees

POPULATION HEALTH TOOLKIT

After review and agreement on the systematic framework and key strategies, Center staff facilitated Summit participants through a series of small and large group discussions to identify key tactics and resources that should be taken under consideration in development of a CAH toolkit for population health. This online toolkit will enable users to investigate effective tools and resources on implementing the critical success strategies noted above. For instance, in the leadership component: Board and hospital trustee education is critical to the role of value-based purchasing and population health. Therefore, users of the toolkit will be able to search and review models, methods, strategies and/or tools on how other CAHs are incorporating board education into their meeting agendas and establishing education as an organizational value. The online toolkit could feature the following, as recommended by Summit participants:

- A CAH Readiness Assessment to gauge progress in each component of the Baldrige Framework

- Strategies on how to educate board, leadership and physician teams in understanding the organizational vision towards value based reimbursement
- A list of effective models and examples for CAH leadership in developing or strengthening partnerships; including alignment with physicians, other health care providers and community partners
- Education, resources and suggestions to support change management and staff engagement. For example:
 - Setting the expectations but allowing staff to design the strategies/processes
 - Using process mapping and flow charting as tools for staff engagement
 - Communication strategies that help staff identify the return on investments and benefits
 - Messaging templates for promoting successful implementation with patients, funder, the community and partners
- Strategies to identify high-risk patients and implement effective care coordination and support
- Collaboration and facilitation strategies to support development of community assets and capacity to address population health needs
- Discussion guides to help CAH leadership evaluate and consider opportunities for networking, mergers or other partnerships, for example:
 - Understanding what affiliation means – what are the spectrum of options
 - Discovering what models are feasible for aggregating populations to reach critical mass for new revenue models such as shared-savings contracts and accountable care organizations
 - Helping CAHs and physicians define the value they bring to potential partners and/or payers
 - Helping CAHs maintain and build local marketshare
 - Helping CAHS connect with regional networks and programs to identify fellow champions and supporters
- Networking, coaching and mentoring opportunities at multiple levels across rural health organizations to enhance leadership and staff development
- Connections to and guidance for reaching out to local or regional foundations for potential funding to support community focused activities
- Methods to identify, analyze and interpret data related to service provision, community health status and reimbursement (for example: claims analysis, focusing on middle-tier patients)

- Strategies that capitalize on technology as opportunities to improve communication and access to care. For example:
 - Guidance related to social media for marketing and engagement
 - Tele-health models and reimbursement strategies both for increasing local access to specialty services, but also for monitoring and supporting at- risk populations
 - Effective Health Information Exchange (HIE) models that improve access to patient information across communities and settings of care
- Rural relevant case studies and examples with information on staffing and care coordination models for population health strategies
- Funding options for population health management

The Center will continue to seek feedback from Summit participants, additional experts in the field, and partners such as the Rural Assistance Center and Rural Health Value team to maintain the toolkit’s list of resources in the ever-evolving health care system. Identification of emerging models and innovations occurring in CAHs and their communities across the country will also be featured. CAH users will have access to tools to prepare and manage the transition to a value-based system successfully. The initial launch of the online toolkit is anticipated for the autumn of 2015.

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