



Partnership HealthPlan of CA

Presentation to the
**Sonoma County Managed Care
Planning Group**

July 28, 2006





Today's Presentation

- Governance
- Provider Reimbursement
- Access & Quality of Care



I. Governance

Board Authority & Structure

- Counties authorized to set up health commissions
- Authority in state statute
- County ordinances define commission membership
- All counties agree to add county(ies)

The Commission (Board)

Current Structure *(handout)*

- Solano: 14 seats/10 filled
- Napa: 4 seats/3 filled
- Yolo: 4 seats/4 filled

Appointments

- Each Board slot has named nominating body (*handout*)
- Board of Supervisors for approval
- Bylaws established by the Board

Committee Structure

- **Finance Committee (monthly/board appointed)**
 - Budget
 - Financial Planning
- **Consumer Advisory Committee (monthly/board appointed)**
 - Advice on Literature and Policy
 - Feedback from Members
- **Physicians Advisory Committee (monthly/board appointed)**
 - Advise Board and Management on Policy
 - Credentialing Committee
 - Credentialing
 - Policy
 - Pharmacy and Therapeutics Committee
 - Formulary Revision
 - Drug Utilization Review
 - Quality Utilization Advisory Committee
 - Quality Standards
 - Access Review
 - Cost Appropriateness
 - Peer Review

Committee Structure *cont*

- **Strategic Planning Committee (monthly/board apptd)**
 - Short and Long Term planning
 - Board Retreat planning
 - Legislation/health policy
- **Provider Advisory Group (bi-monthly)**
 - Non-physician provider input
- **Personnel Policies & Benefits Task Force (ad hoc/board appointed)**
 - Human Resources
 - Salary Surveys & employee benefits

Sample Board Agenda

SOLANO-NAPA-YOLO COMMISSION ON MEDICAL CARE
 dba
 PARTNERSHIP HEALTHPLAN OF CALIFORNIA
 Regular meeting-PHC Solano/Napa Rooms-Fairfield
 May, 2006-6:00-8:00 p.m.

1	6:00 p.m.	<u>Call to Order/Roll Call</u>	Mike Conner, Chair	
2		<u>Approval of Minutes of April 26, 2006</u>	Mike Conner	pgs.3-8
3		<u>Changes, Additions, Deletions to Agenda</u>	Commission	
4		<u>Commissioner's Comments</u>	Commission	
5		<u>Public Comments</u>	Public	
6		<u>Correspondence</u>	Mike Conner	pgs.9-9c
7	6:10 p.m.	<u>Executive Director's Report</u>	Jack Horn	
8		8.1 Operating Report		pgs.10-18g
		8.2 Staff List		pgs.19-19b
	6:30 p.m.	8.3 Finance Report	Gary Erickson	pgs.20-20n
	6:45 p.m.	8.4 Legislative Report	Liz Gibboney	pgs.21-21f
9	7:00 p.m.	<u>Consent Calendar</u>		
		9.1 <u>Committee Minutes</u>	Jack Horn	pgs.22-24b
		Physician's Advisory Committee		
		Finance Committee		
		Provider Advisory Committee (handout)		
		Consumer Advisory Committee		
		9.2 Resolution to Approve Early Release of PCP Withhold	Jack Horn	pgs.25-25a
		9.3 Resolution to Approve Investment Policy	Jack Horn	pgs.26-26s
10	7:15 p.m.	<u>Regular Agenda Items</u>		
		10.1 Resolution to Approve Medicare Budget	Jack Horn	pgs.27-27d
		10.2 Resolution to Approve Space Proposal	Jack Horn	pgs.28-28d
11	7:45 p.m.	<u>Education Session</u>		
		11.1 Quality Program	Dr. Cammisa	pgs.29-29aa
12		<u>Closed Session</u>		
		12.1 CEO Evaluation (handout)	Jack Horn	
13	8:00 p.m.	<u>Adjournment</u>	Mike Conner	

Recent Board Resolutions

SOLANO-NAPA-YOLO COMMISSION ON MEDICAL CARE
dba
PARTNERSHIP HEALTHPLAN of CALIFORNIA
2006 RESOLUTIONS

	Resolution #
• <u>January Resolutions</u>	
• Resolution to Approve Committee Minutes	
• Resolution to Approve Board Retreat Agenda	06-813
• Resolution to Approve Network Disaster Recovery plan	06-814
• Resolution to Provide Commendations to Dr. Ortstadt	06-815
• Resolution to Approve Dr. Broschard to PAC	06-816
• Resolution to Approve Discussion of nominating committee for Board Chair/Vice Chair	06-817
• Resolution to Approve Dr. Thomas Paukert to PHC Board	06-818
• Resolution to Approve Budget Assumptions	06-819
• Resolution to Medicare Advantage Program	06-820
• Resolution regarding Feb. Board meeting	06-821
• <u>March Resolutions</u>	
• Resolution to Approval of Committee Minutes	
• Resolution to Approve 2nd Quarter Quality Indicators	06-822
• Resolution to Approve Credentialing Policy	06-823
• Resolution to Approve QMI program evaluation	06-824
• Resolution to Approve Strategic Planning Board Report	06-825
• Resolution to Approve Extension of DHS contract	06-826
• Resolution to Approve Audit Engagement	06-827
• Resolution to Approve 06-07 Preliminary Budget	06-828
• <u>April Resolutions</u>	
• Resolution to Approval of Committee Minutes	
• Resolution to Approve Dr. Richard Fleming as Chair to Finance Cmte.	06-829
• Resolution to Approve 3rd Quarter Quality Indicators	06-830
• Resolution to Approve 2006-2007 budget	06-831
• Resolution To Approve Appt. of Clerk to Board (McCamey)	06-832
• Resolution To Approve PCP Age/Sex Adjustment Factors	06-833
• Resolution to Approve Substance Abuse Benefit Change	06-834
• Resolution to Approve Compliance Program	06-835

Recent Board Resolutions *Continued...*

SOLANO-NAPA-YOLO COMMISSION ON MEDICAL CARE
dba
PARTNERSHIP HEALTHPLAN of CALIFORNIA
2006 RESOLUTIONS

May Resolutions

- Resolution to Approval of Committee Minutes
- Resolution to Approve Early Return of Withhold
- Resolution to Approve Investment Policy
- Resolution to Approve Medicare Budget
- Resolution to Approve Space Proposal
- Resolution to Approve CEO Evaluation

Resolution #

06-836
06-837
06-838
06-839
06-840

July Resolutions

- Resolution to Approve Committee Minutes
- Resolution to Approve 4th Quarter Quality Indicators
- Resolution to Approve NCQA report
- Resolution to Approve Stop Loss
- Resolution to Approve Knox Keene deposit
- Resolution to Approve Investment Policy
- Resolution to Approve Kim Miranda
- Resolution to Approve Strategic Plan-revised
- Resolution to Approve Hospital Rates

06-841
06-842
06-843
06-844
06-845
06-846
06-847
06-848

Working on Governance

DRAFT

- Some key principles:
 - The Board's principle function: set **policy and provide strategic direction**. Who can guide the HealthPlan in these areas?
 - Reflect the diversity and interests of the counties, balanced with a **size of 9-15** members that promotes effective policymaking. Also had some support for a size of 15-20.
 - Public representatives, the business community, consumers and health care providers should be represented in an appropriate **balance**.
 - **Simple** governance designs are best.
 - Every member should reflect the governance needs of the **HealthPlan**, not the individual institutions or agencies who employ them.

Governance *cont*

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- Some positions may represent **more** than one county
- The HealthPlan’s advisory **committees** are integral to the operations and policy setting work of the governing board and are a form of representation.
- There should be limited **expansion** of the Board
- There should be at least two “**core**” representatives from each county in which the HealthPlan administers MediCal. At least one of those representatives should be a senior **county** official.
- Every **major provider type** (e.g. physician, hospital, health plan, community clinic) shall have at least one board seat.
- Consider how to integrate new members into the Board structure/timing.
- Health Care systems should have only one representative on the Board.

Governance *cont*

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- Develop longer term configuration and phase-in as term limits expire.
- Face to face meetings are desirable for getting to know each other and to develop trust.
- Important to have new counties have access to all pertinent information/transparency.
- Consider larger Board with an Executive Committee.



II. Provider Reimbursement



Risk Types

- Full Risk- Molina and Kaiser
- Hospitals
- PCP Case Managed
- Medical Group Model
- Special Case Managed
- Other

Provider Payment Rates

- Primary Care – capitation/\$12 cap + \$4 budgeted incentive (has ranged from \$4 to \$12)
- Specialist – FFS/average of 90% of Medicare
- Durable Medical Equipment – FFS/MediCal rate schedule
- SNF: FFS/MediCal rate schedule
- Pharmacy: Brand is AWP-14.5% + \$2.25 fill fee for chains – higher for independents



Full Risk

- Kaiser and Molina
- All Medi-Cal covered services
- Assumes all risk
- Share in Special Member surplus based on pro rata share of total capitated \$'s
- PCP and Hospital Risk > Cap
- Lives Covered – 11,500



Hospitals

- 67% of Case Managed Members are covered under Inpatient Capitation
- Hospitals: NB, St Helena, and Queen of the Valley
- Share in Special Member surplus based on pro rata share of total capitated \$'s
- Partial Risk
 - Woodland Hospital
- No Risk
 - Per Diem



PCP Case Managed

- Receive Capitation on Monthly basis with a 10% withhold
- Each PCP assigned to a risk group
- Allocated a PMPM budget for inpatient, referral, RX, and other medical services
- How well the PCP and the risk group performs...determines risk sharing
- PCP's > 100 patients also participate in PHC's Quality Incentive Program...30% of risk sharing

PCP Case Managed (cont)

- Inpatient Services, PCP's share 11.25%
- PCP's not affiliated with a hospital share with PHC
- Surpluses in referral, Rx, and other medical services are shared 50%
- Surplus in combined hospital and medical accounts..withhold (WH) returned
- 10% WH max at risk amount
- PCP's protected against high cost patients
 - Hospital > \$50,000 shared pro-rata w/ all PCPs
 - Medical > \$10,000 shared pro-rata w/ all PCPs

PCP Risk Group Sharing

- Scenarios
 - Surplus: Medical and Hospital (50% & 11.25%)
 - Deficit Medical, surplus hospital; overall a surplus (11.25%)
 - Deficit hospital, surplus medical; overall a surplus (50%)
 - Total account in Deficit = no payments
(handout)

PCP Individual Risk Sharing

- Scenarios for PCP
 - PCP's account in Deficit = 0 \$s
 - PCP account in surplus then:
 - Medical account surplus; PCP receives portion weighted on their contribution
 - Hospital accounts surplus receives portion weighted on their contribution

Medical Group Model

- Currently 1 Medical Group
 - Woodland Medical Group
- Capitated for:
 - Primary, specialty and certain ancillary services
- Group at Risk for costs up 115% of capitation
- PCP surplus 11.25% of hospital surplus
- Share in Special Member surplus based on pro rata share of total capitated \$'s

Special Case Managed

- Members not assigned to a PCP or Medical Groups
 - LTC, AIDS, CCS, ESRD, waiting to be assigned to PCP
- Health Care Costs compared to a preset budget
- All capitated functions share in surplus
 - **100% of surplus** distributed based on pro rata share of total capitated \$'s
- In a Deficit (has never occurred), Capitated functions will fund the account deficit up to 10% of their capitated \$'s



Other Capitated Arrangements

- Laboratory (Quest)
- Vision (VSP)
- Mental Health in Solano (Solano County Mental Health for eligible members)
- Allergy in Solano and Napa
- ENT, ER, Well Baby, and Neonatology in Solano

Risk Sharing Summary

- Geared toward benefiting partners
- Numerous capitated models
- Guiding Principal – Everyone treated the same

Budget Process

- May - April fiscal year
- Finance Committee & Board responsibility
 - Assumptions Completed (January)
 - Preliminary Budget approved (March)
 - Final Budget approved (April)
 - Previous 3 years have had midterm Budget revision due to:
 - New programs e.g. Healthy Kids, Medicare
 - Significant change in revenue e.g. rate increase



III. Access & Quality of Care

Access & Quality of Care

Access

- Transportation
- Alternatives to SNF care
- Auto Assignment
- Member Services
- Mental Health
- Benefit variation



Access

- Transportation
 - Medical covered as a Medi-Cal benefit
 - Emergency/ambulance
 - Non-urgent/litter van, ambulance
 - Supplemental:
 - Arranged by PHC Member Services
 - Provided when no other resources available
 - Taxi rides to provider visits
 - Mostly prenatal care
 - Some transportation to ESRD appts



Access

- Alternatives to SNF Care
 - Plan is financially responsible for skilled and LTC including SNF based rehab
 - Authorize/Reimburse for home nursing for CSHCN
 - Coordinate with State Waiver Program and IHSS for adults
 - Close working relationships with ARUs
 - Coordinate Home Health when appropriate
 - Alternatives (B&C, Adult Day, Assisted Living) are carved out
 - Staff assists with resources and placement



Access

- Auto Assignment
 - Capacity of each practice determined by PHC
 - AA Algorithm
 - Geography
 - remaining capacity of PCP
 - age restrictions



Access

- Member Services
 - Open M-F, 8-5
 - Member advocacy function
 - Assists with provider selection, benefit questions, complaints
 - Quarterly Member Newsletter
 - Develops and translates materials
 - Ensures compliance with regulations
 - Facilitates Consumer Advisory Committee
 - Mailings, including new member packets
 - Satisfaction Surveys



Access

- Mental Health
 - Carved Out: Napa and Yolo
 - MH services remain county responsibility
 - Memoranda of Understanding (“MOU”) completed
 - County / PHC / State responsibilities defined
 - Carved In: Solano
 - PHC capitated by DHS
 - Subcontracts with Solano County for services
 - MOU completed in addition to contract



Access

- **Benefit Variation**

- Required to provide all Title 22 benefits
- Supplemental benefits available in all counties
 - Advice nurse
 - Transportation
 - Substance abuse treatment
 - Nutrition counseling

Access & Quality of Care

Quality

- QI Program/county involvement
- Engaging specialists
- HEDIS® scores
- Disease management/clinical improvement
- Recent quality reports

HEDIS Measures (2006 MY)

- Well-Infant
- Well Adolescent
- PNC/PPC
- Childhood Iz
- Breast Cancer
- Cervical Cancer
- Chlamydia screen
- Lead screen
- Asthma (2 process, 2 outcome)
- Diabetes (HbA1c, LDL-C, Eye exam, Nephropathy screen, glucose & cholesterol control)

HEDIS measures with improvement in 2006 MY compared to 2005 MY

- Well-Infant
- Well Adolescent
- Childhood IZ
- Breast Cancer
- Chlamydia screen
- Asthma controller use
- Diabetes Measures-
 - A1c testing and control
 - LDL-C control
 - , Eye exam
 - Nephropathy screen

HEDIS measures with no improvement in 2006 MY compared to 2005 MY

- Prenatal Care and Post Partum Care
- Diabetes – LDL screening rate had no change
- Asthma – Rescue medication use stayed the same

Summary of Major Projects

Topic
Asthma care
Diabetes care
Breast Cancer Screening
Coordination of Care Between BHP & PCP
Prenatal Care/Postpartum Care

Asthma Interventions

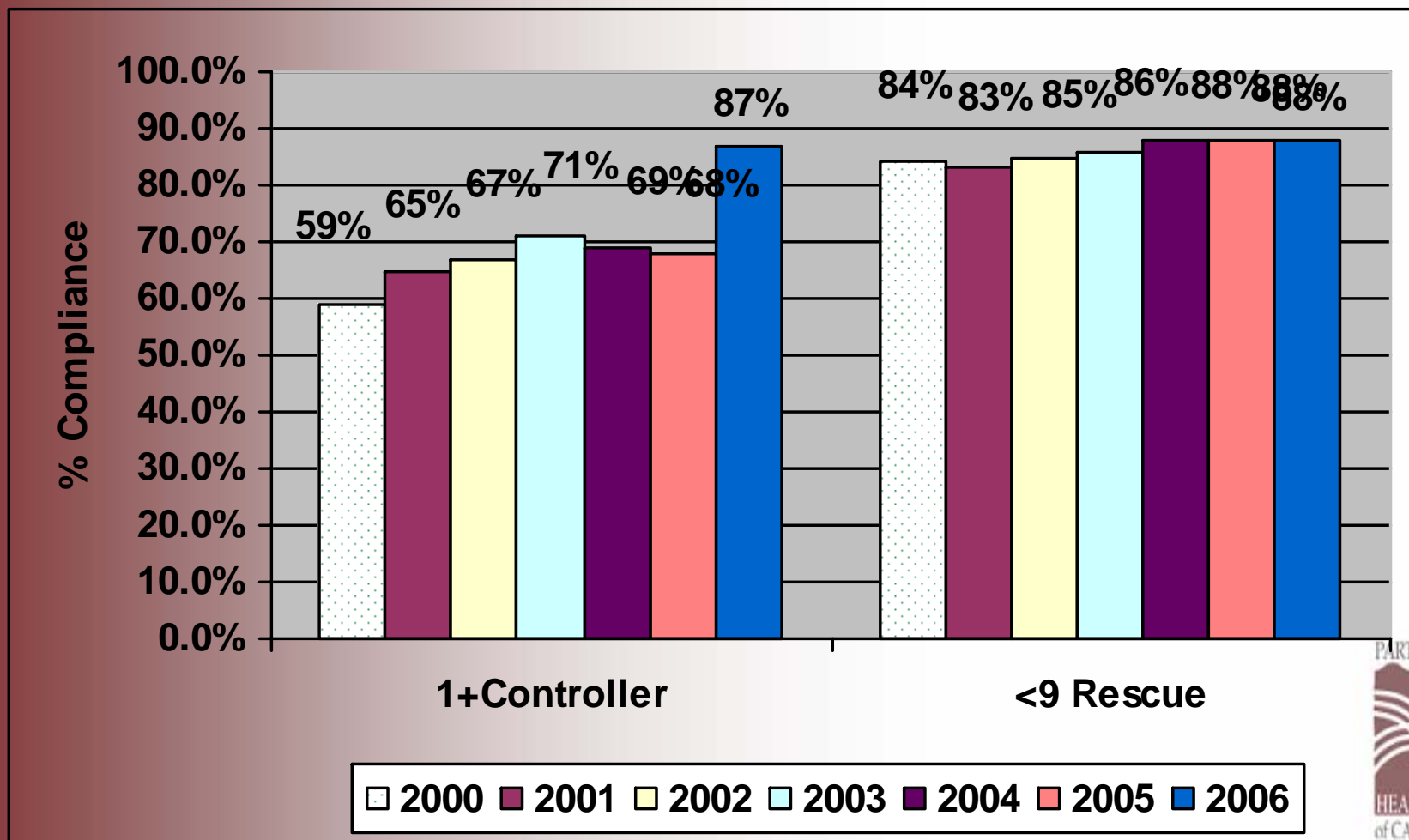
- Participated in CA Collaborative and BCAP3 – currently in PPIP
- Improvements to practice site reports
- 2006 Asthma Education Session for PCPs
- Asthma control test brochures to persistent asthmatics
- Measure in the quality bonus
- Training at practice sites – 12 sites trained in 2005

Asthma – future steps

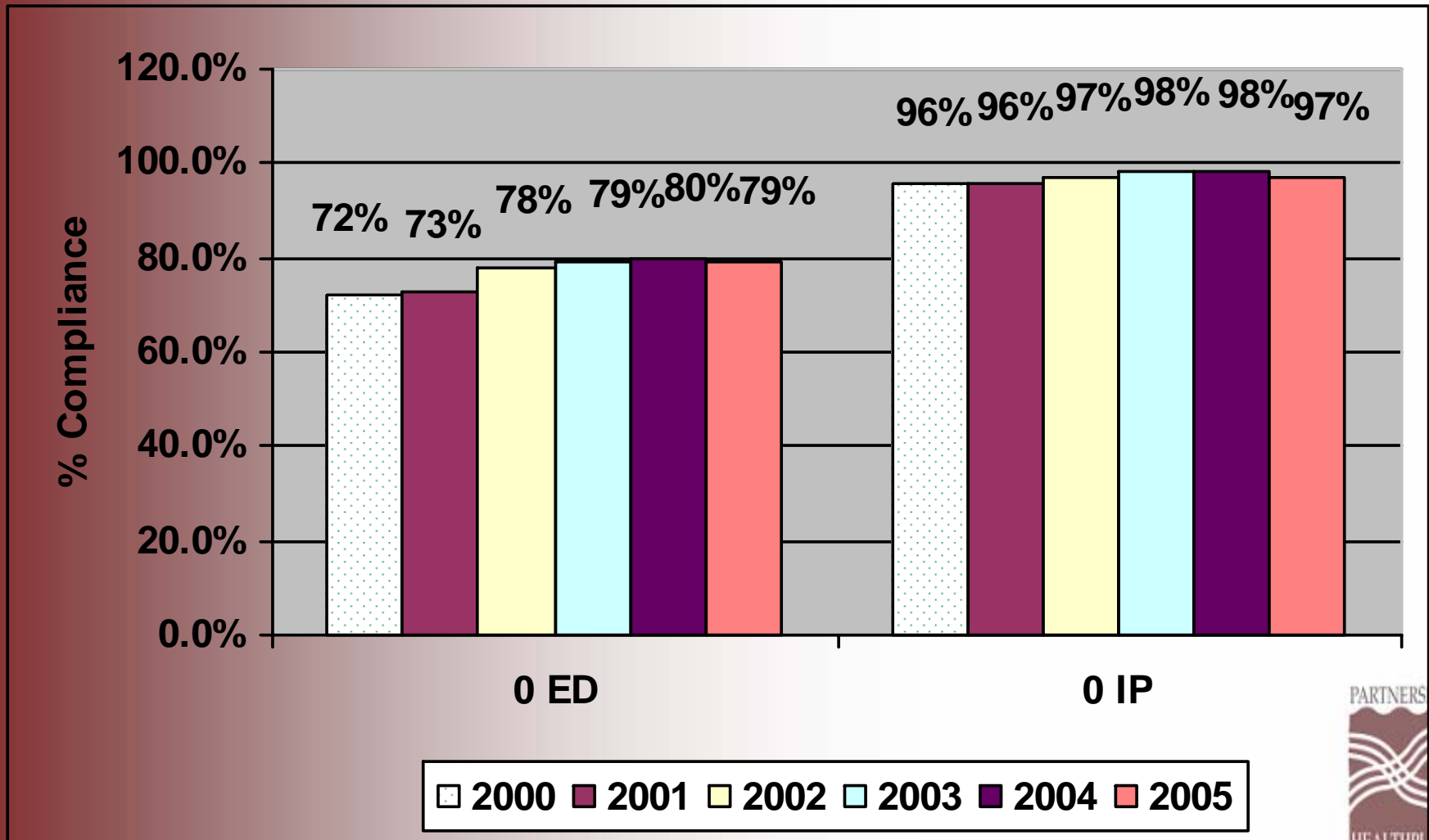
- Focus on reducing hospitalizations thru predictive modeling & risk stratification
- Assess co-morbidities
- Spread the plan/practice site improvement project

Asthma Process Measures

NCQA Medicaid 90th percentile = 74% for ≥ 1 Controller



Asthma Outcome Measures



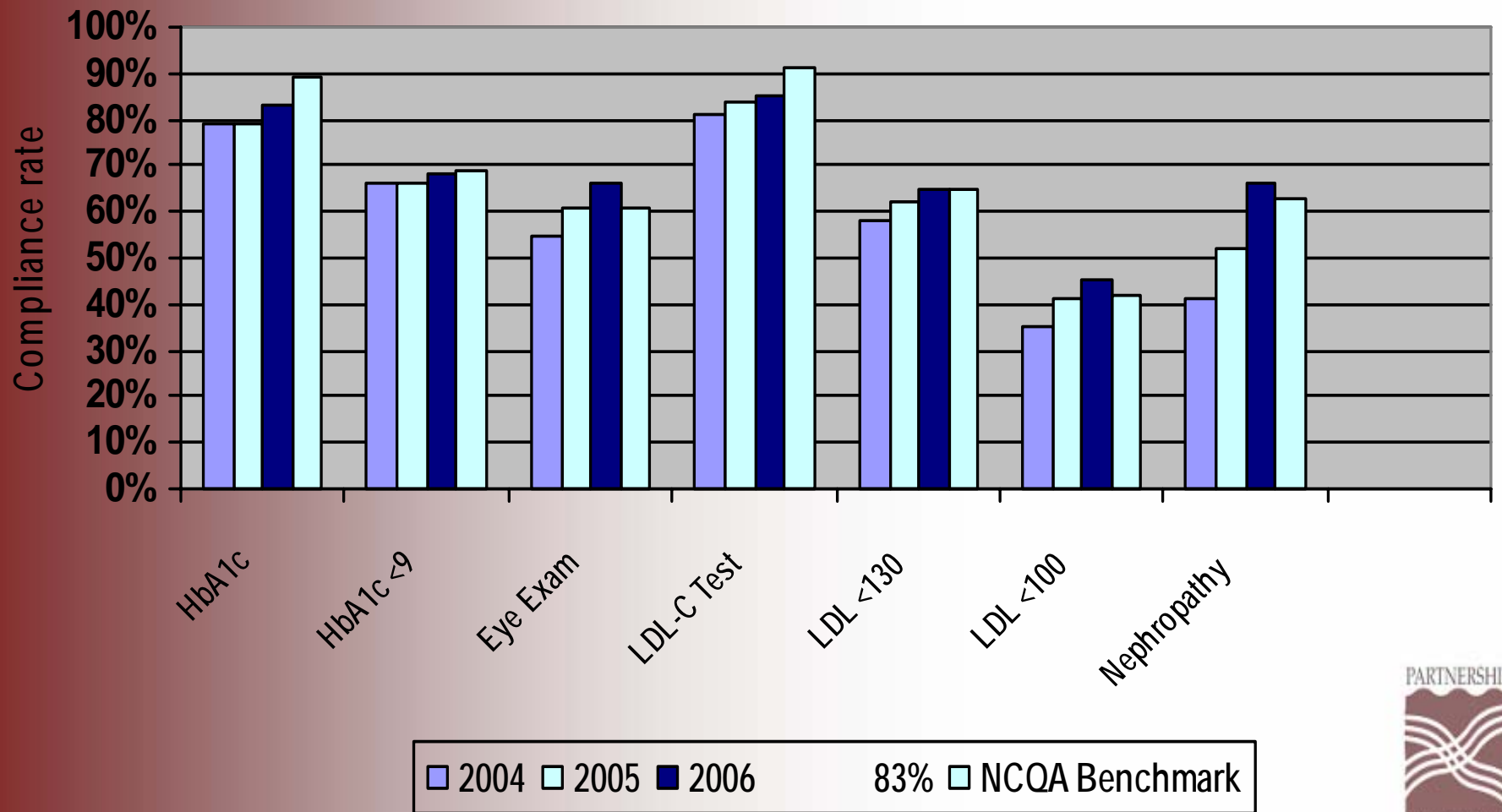
Diabetes Interventions

- Annual practitioner education
- TA to practice sites for registries
- Practice site collaboratives
 - Clinic collaborative 2004 (5 sites, ~600 diabetics)
 - Business case for quality (5 sites, ~600 diabetics)
 - Multiple Chronic Diseases (8 sites, ~700 diabetics) with diabetes and CVD (including hypertension)
- QBI measure DSDFs – response rate xx in 2005
- Implemented Lifemasters 7/05

Diabetes care – next steps

- Technology assessments
- Doc Site contract signed – ready to begin implementation at pilot sites
- Focus on patient self management
- Communication/data exchange between LM and practices
- Screening and treatment of depression

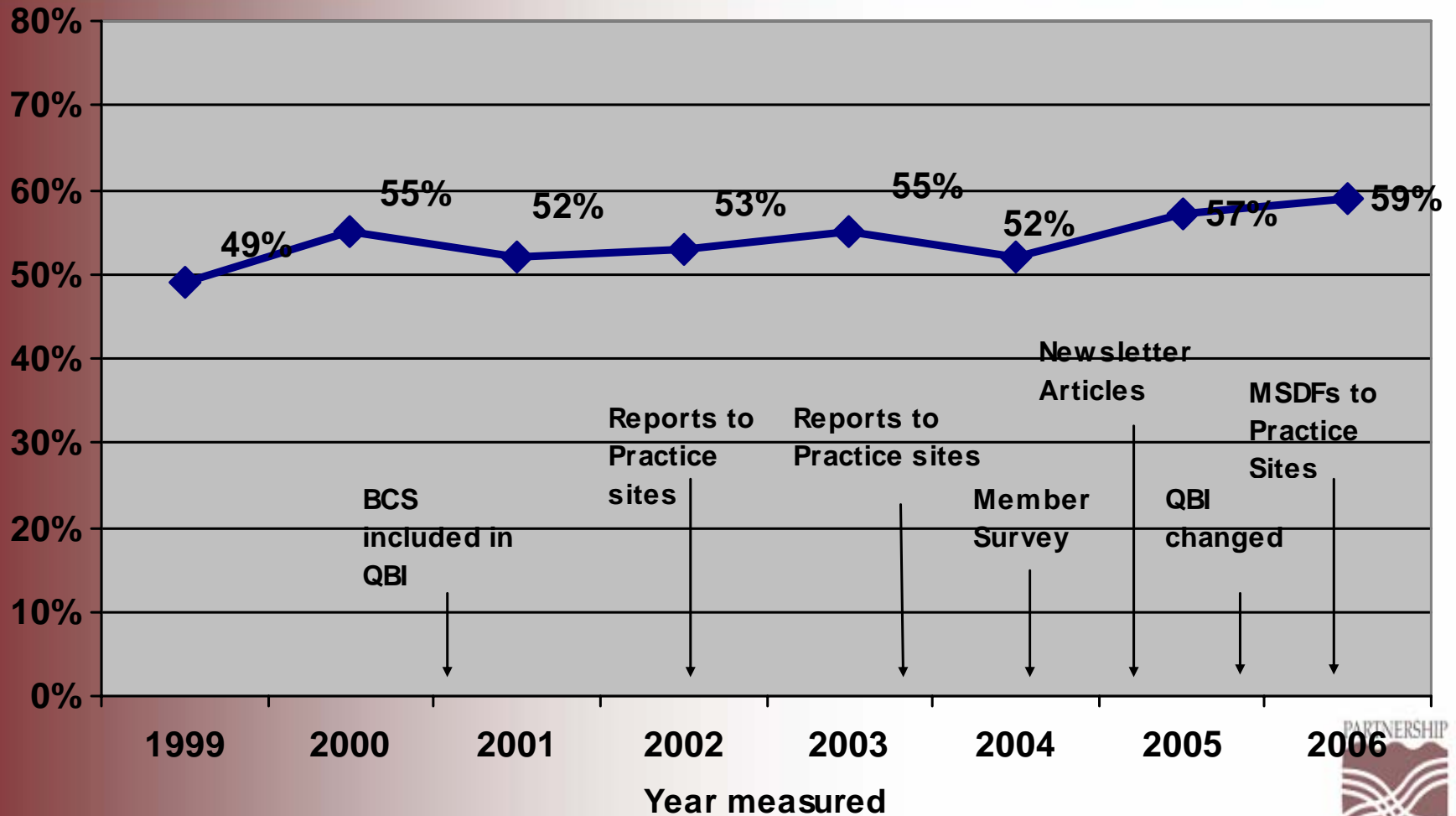
How do PHC Comprehensive Diabetes Care measures compare to NCQA 90th percentile for Medicaid?



Breast Cancer Screening

- Indicator included in Quality bonus
- Member Survey re: barriers
- Articles in member and provider newsletters, tips to address barriers
- Change measurement methodology from hybrid to administrative in 2005
- Changed QBI measure 2004/05 – MSDF 50% response rate

What percent of women 50-69 had a mammogram in the last two years?



NCQA Medicaid 90th percentile = 66%

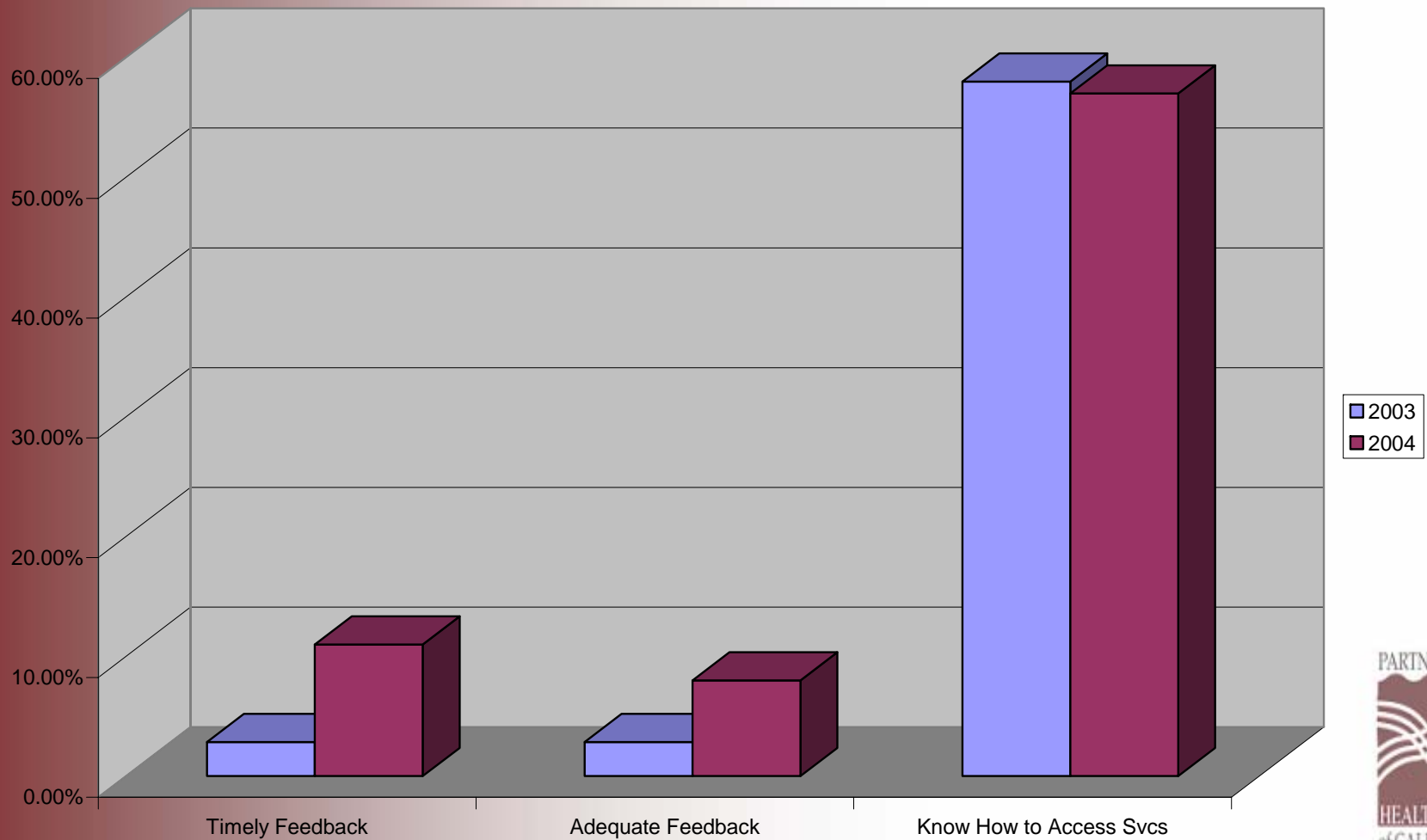


Coordination BHP & PCP

- Convened three county coalition
- Regional (county) roundtables
- Developed “scope of practice” guide
- Developed and promoted communication form and policy
- Warm line with SCMH

Coordination - Results

PCP Survey - Mental Health
Napa, Solano & Yolo Counties



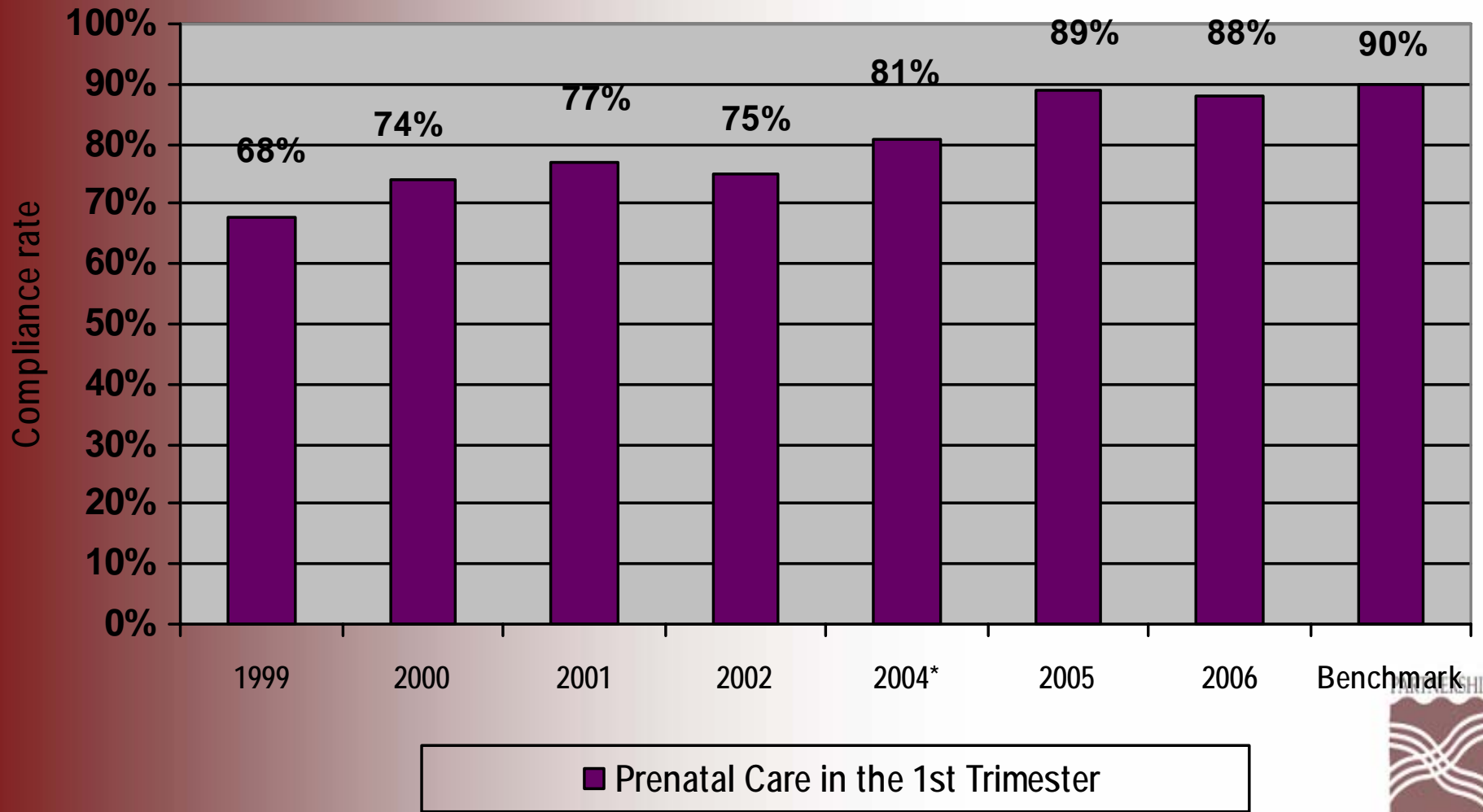
Prenatal/Post Partum Care

- GTPP
 - 76% of PHC deliveries enrolled in GTPP
 - Incentives, case mgt., assist with needs
 - ALOS appears lower for babies whose moms are in GTPP
- Prop 10 Collaborative
 - Additional outreach
 - Resource directory
 - Improve access for high risk groups

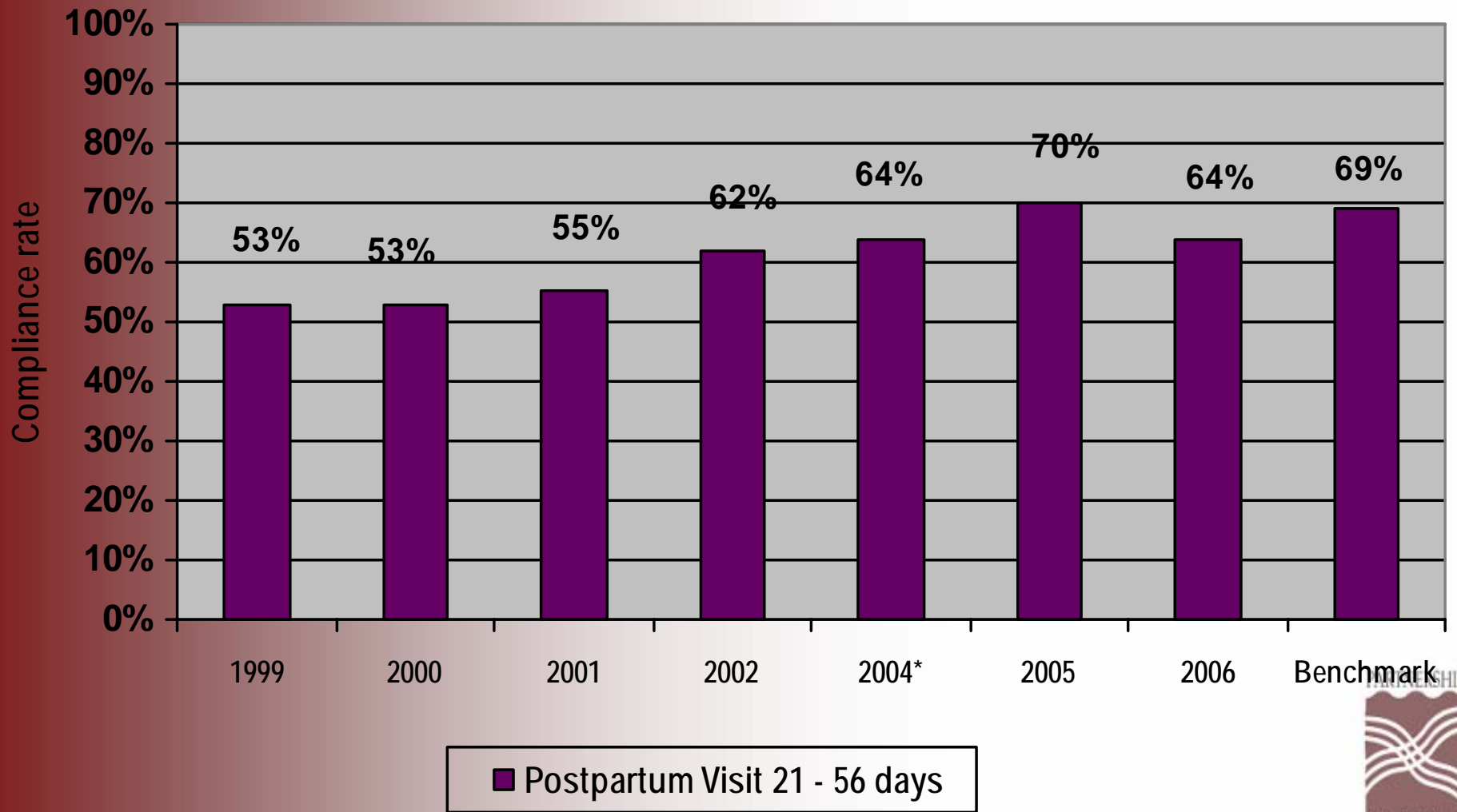
PNC/PPC – next steps

- Pregnant/SA project
 - Phase III of SC Prenatal Collaborative
 - Focus on screening for SA in pg moms
 - Co-location of SA treatment with PNC providers
 - Spread to other sites and counties

How is PHC doing in Prenatal Care measure?



How is PHC doing in Postpartum measure?





Other QI Projects

- Initial health assessments
- Cervical cancer screening
- Childhood Immunizations
- Well Infant and Adolescent care
- Children with special needs
- Member Satisfaction
- Provider Satisfaction

Disease Management Programs

- Renaissance Renal Care
 - Contract began in 9-2004
 - Dedicated case management nurse
 - On site interactions with members in centers
 - Programs include “Fistula First” and foot checks
 - ROI 1.8 in first year

Disease Management Programs

- Lifemasters
 - Members with diabetes and heart failure
 - Population based
 - Health inventory
 - Regular intervention calls for mod/high risk pts
 - Exception reports to PCPs
 - Depression screening

Quality Bonus - Background

- Risk Pool separate from 10% PCP WH
- QBI added in 1996 @ 30% of CM pool
- Risk pool budgeted at \$3 pmpm (CM \$2.25 pmpm and SM \$.75 pmpm)
- Must have 1,200 MM to participate
- Revised 4/2005 – QBI \$\$ set aside @ start of FY



Quality Bonus

- QBI estimated at \$1.67 pmpm and is 51.4% of CM risk pool
- Major revision of indicators based on advice/direction of PAC
- Four indicators, equally weighted:
 - Preventive (mammo, well-infant)
 - Asthma Rx measure
 - Diabetes DSDF (comprehensive)
 - Practice selected QIP

Future Direction for PHC Quality Program

- New measures for HK and Medicare
- Efficiency
- Practice site development
 - Practice Site Assessments
 - Registry implementation
 - Self management
- Expand DM as resources allow
- Assess grant opportunities
- NCQA mock survey
- Focus on ROI



Conclusion/ Question & Answer