



Reducing your state's healthcare costs through SDoH care coordination

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Background:

The importance of social
determinants of health

Social Determinants of Health (SDoH) are the key to value based care and are critical in a COVID environment

The National Academy of Medicine reports that >40% of an individual's health outcomes are driven by social determinants of health, which are health-related behaviors, socioeconomic factors, and environmental factors.



SDOH Problems to Address

ANALYSIS OF SDOH

Hard to Prioritize and Build Financial Case
Inconsistent visibility into the social needs affecting a population makes it difficult to prioritize interventions or allocate appropriate resources.

NETWORK TO PROVIDE SERVICES

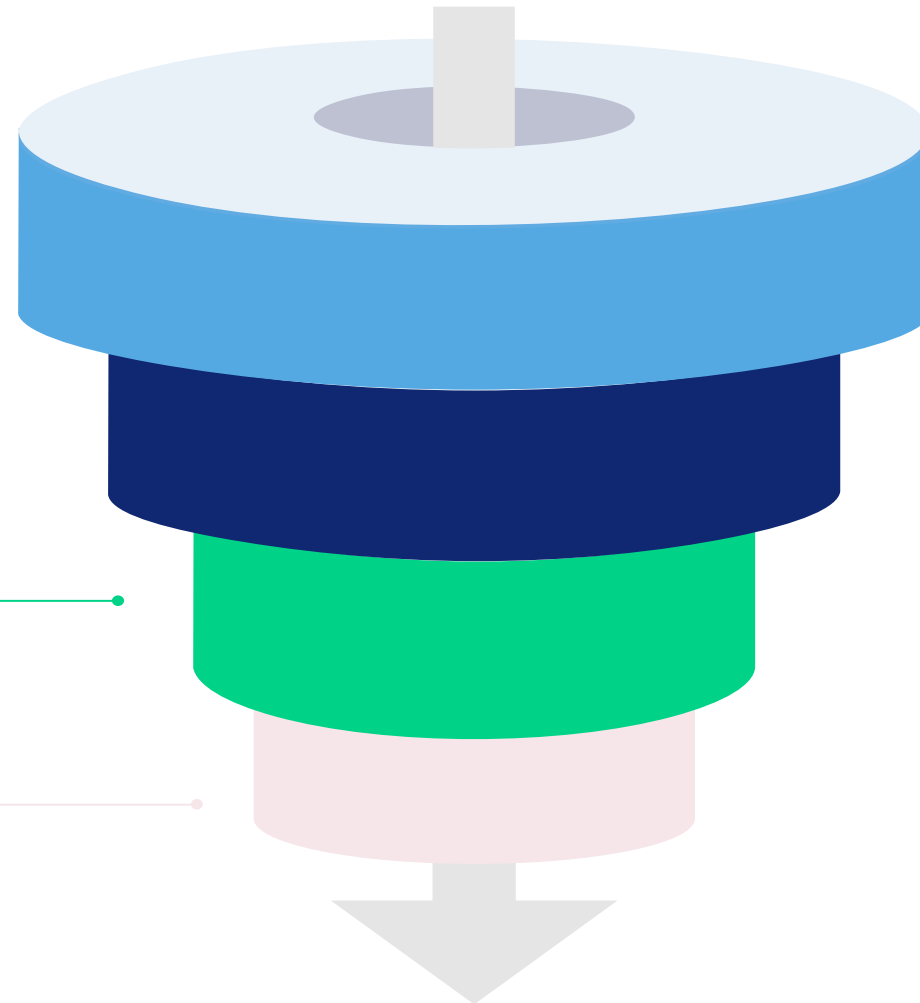
No Accountability and Transparency
CBOs, payers, and providers struggle to close the loop on needs, share information, and align incentives

WORKFLOW TO COORDINATE

Fragmented Workflow to Coordinate Care
Teams across stakeholders don't have standardized workflows or tools to coordinate services or engage members around SDOH

OUTCOMES

Proving ROI
Calculating financial or clinical ROI for social service interventions is difficult without the right data and reporting.

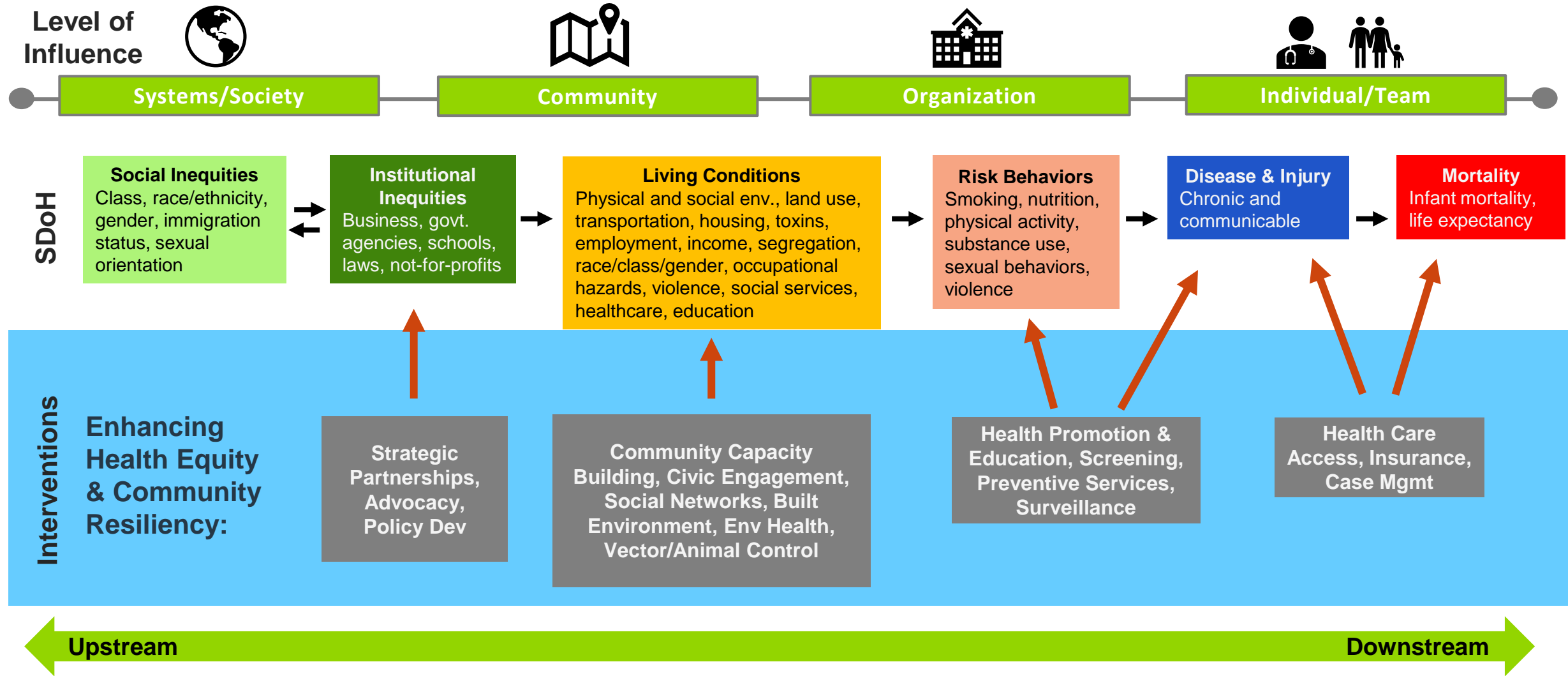


State perspective:

How SDoH impacts costs
and outcomes

Achieving effective SDoH care:
Key concepts to partner effectively
with community-based organizations

The Guidehouse Framework for SDoH



Fund Sources

MCOs and CBO networks can align beneficiaries with the appropriate fund sources to address SDoH and distribute cost of care

Medicaid

- SMD-21-001 Indicates Authorities that can address SDOH:
 - 1905(a) State Plan
 - HCBS
 - 1915(c)
 - 1915(i)
 - 1915(j)
 - 1915(k)
 - Section 1115
 - Managed Care
 - 115(a)
 - 1932(a)
 - 1915(a),(b)
 - Section 1945
 - PACE

Medicare and Dual-Eligibles

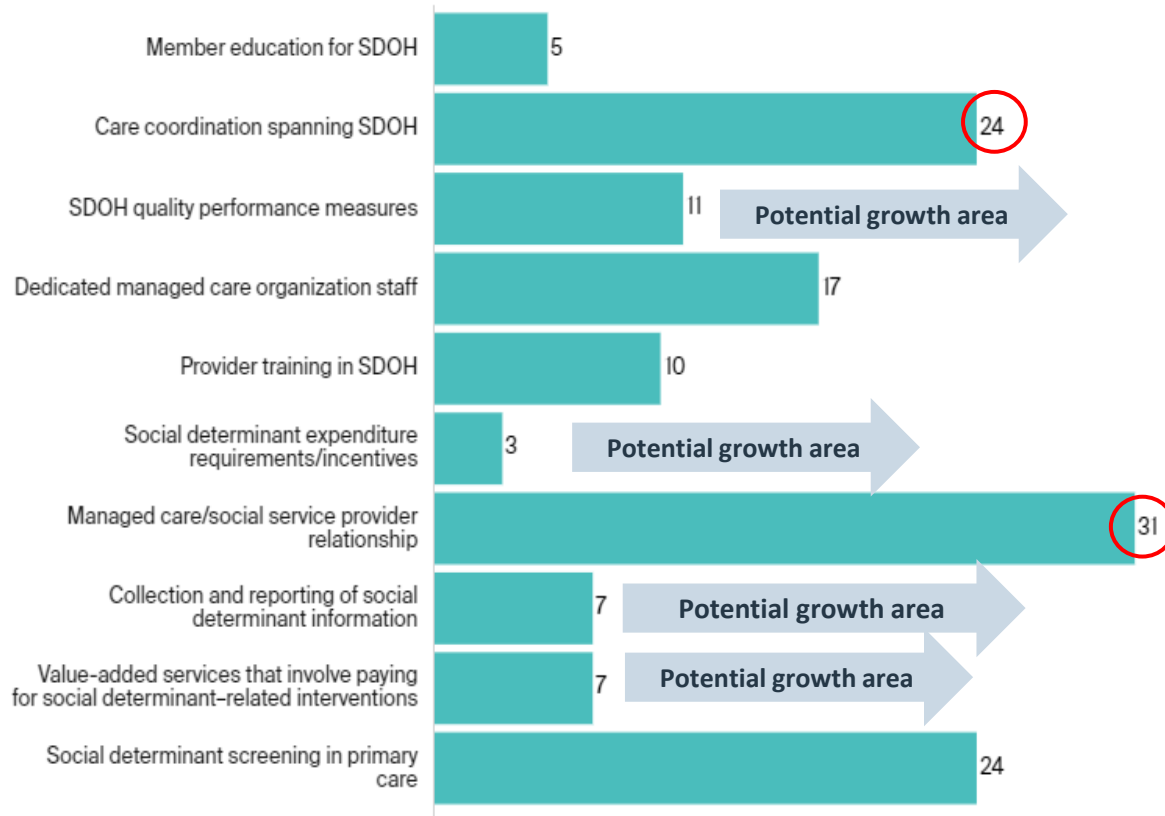
- Medicare can address SDOH through special plan structures
 - Medicare Advantage Plans
 - Special Needs Plans
 - PACE

Safety-Net Programs

- Older Americans Act
- Mental and Behavioral Health Services
- Housing and Urban Development
- SNAP
- TANF
- State and Local safety net resources

Laying the Groundwork: SDoH in Medicaid Managed Care

State Contract Provisions Related to SDoH, 2019



Source: Sara Rosenbaum et al., *How States Are Using Comprehensive Medicaid Managed Care to Strengthen and Improve Primary Health Care*

State Medicaid Director Letter 21-001 Outlines possible SDoH provisions and payment methods.

Assessing enrollees for SDoH needs


Referring enrollees to SDoH services

Tracking referrals to social services

Including community health and social service workers in care coordination teams

Requiring plans to contract with community-based organizations with expertise in addressing SDoH

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SBO-21-001
RE: Opportunities in Medicaid and CHIP to Address Social Determinants of Health (SDOH)

January 7, 2021

Dear State Health Official:

The purpose of this State Health Official (SHO) letter is to describe opportunities under Medicaid and CHIP to better address social determinants of health (SDOH)¹ and to support states with designing program, benefits, and services that can more effectively improve population health, reduce disability, and lower overall health care costs in the Medicaid and CHIP programs by addressing SDOH. This letter describes: (1) several overarching principles that CMS expects states to adhere to within their Medicaid and CHIP programs when offering services and supports that address SDOH; (2) services and supports that are commonly covered in Medicaid and CHIP programs to address SDOH; and (3) federal institutions and other opportunities under Medicaid and CHIP that states can use to address SDOH. A table that summarizes the information on key federal authorities for addressing SDOH is also included in an appendix.

Medicaid and the Children's Health Insurance Program (CHIP) provide health coverage to over 76 million low-income Americans, including many individuals with complex, chronic, and costly care needs. Many Medicaid and CHIP beneficiaries may face challenges related to SDOH, including but not limited to access to nutritious food, affordable and accessible housing, convenient and efficient transportation, safe neighborhoods, strong social connections, quality education, and opportunities for meaningful employment. There is a growing body of evidence that indicates that these challenges can lead to poorer health outcomes for beneficiaries and higher health care costs for Medicaid and CHIP programs and can exacerbate health disparities for a broad range of populations, including individuals with disabilities, older adults, pregnant and postpartum women and infants, children and youth, individuals with mental and/or substance use disorders, individuals living with HIV/AIDS, individuals living in rural communities, individuals experiencing homelessness, individuals from racial or ethnic minority populations.

¹The Centers for Disease Control and Prevention (CDC) refers to SDOH as "conditions in the places where people live, learn, work, and play that affect a wide range of health risks and outcomes." See <https://www.cdc.gov/socialdeterminants/what-are-sdoh/>.

²For more information on health outcomes and health care costs, see <https://www.hhs.gov/ashraf/2020/01/07/2020-01-07-101128.html>.

The content of this document does not have the force and effect of law and is not meant to bind the public in any way. It is for informational purposes only and is subject to change without notice. This document is intended only to provide clarity to the public regarding existing requirements under the law.

Envisioning CBOs in an MCO SDoH Network

CBOs can link MCOs and providers to wrap-around home and community-based services... but must receive reimbursement to maintain sustainability.



Medicaid Managed Care Organizations

- Provide plans that involve financial risk to the payer.
- Payer goals are to:
 - Decrease total cost of care
 - Improve quality measures
 - Address state-level health initiatives



In-home and wrap-around services



CBO Network

Provide coordinated complex care services to older adult and chronic-care populations proven to improve quality and reduce total cost of care.

Medical Provider Organizations

- Receive payments from multiple payers with a focus on performance measures. Provider goals are to:
 - Reduce total cost of care, especially in PM/PM or other risk-bearing agreements
 - Improve patient compliance with measured interventions
 - High-cost / high-utilization populations consume ~80% of care (and cost)



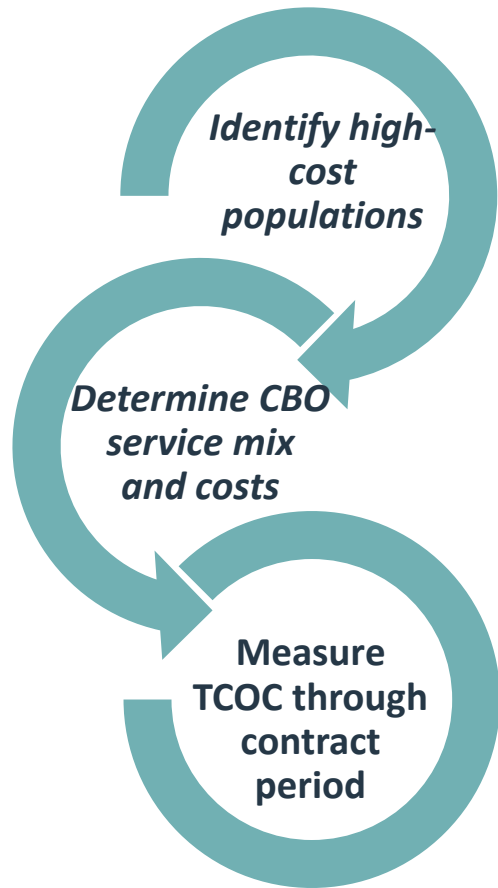
Payer and CBOs work together to drive down TCOC and share financial benefits through alternative payment methods.



Providers and CBOs co-manage key populations and share in cost savings.

Measuring MCO Return on Investment

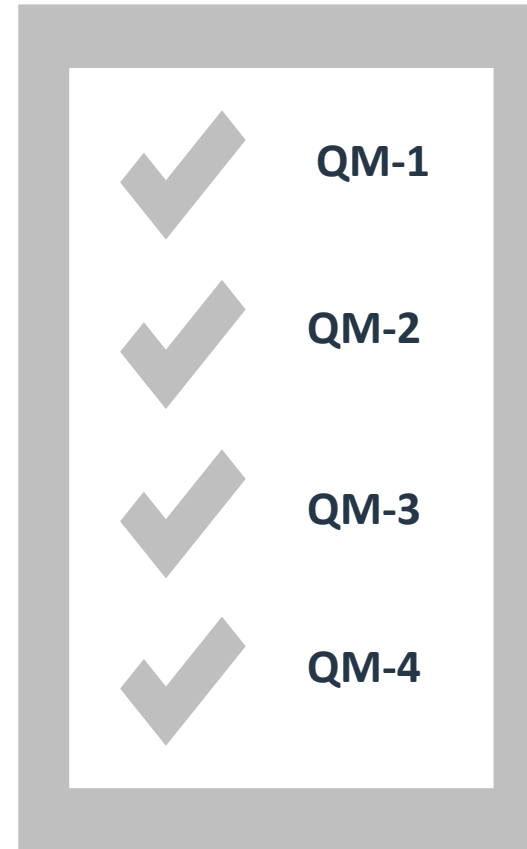
How can the CBO network create savings that exceed partnership costs?



MCOs can use CBOs to drive down total cost of care through effective service mix design that addresses key cost-related factors.

Examples:

- Fall risk in older adults
- Chronic disease management
- High utilization due to mental behavioral health concerns.

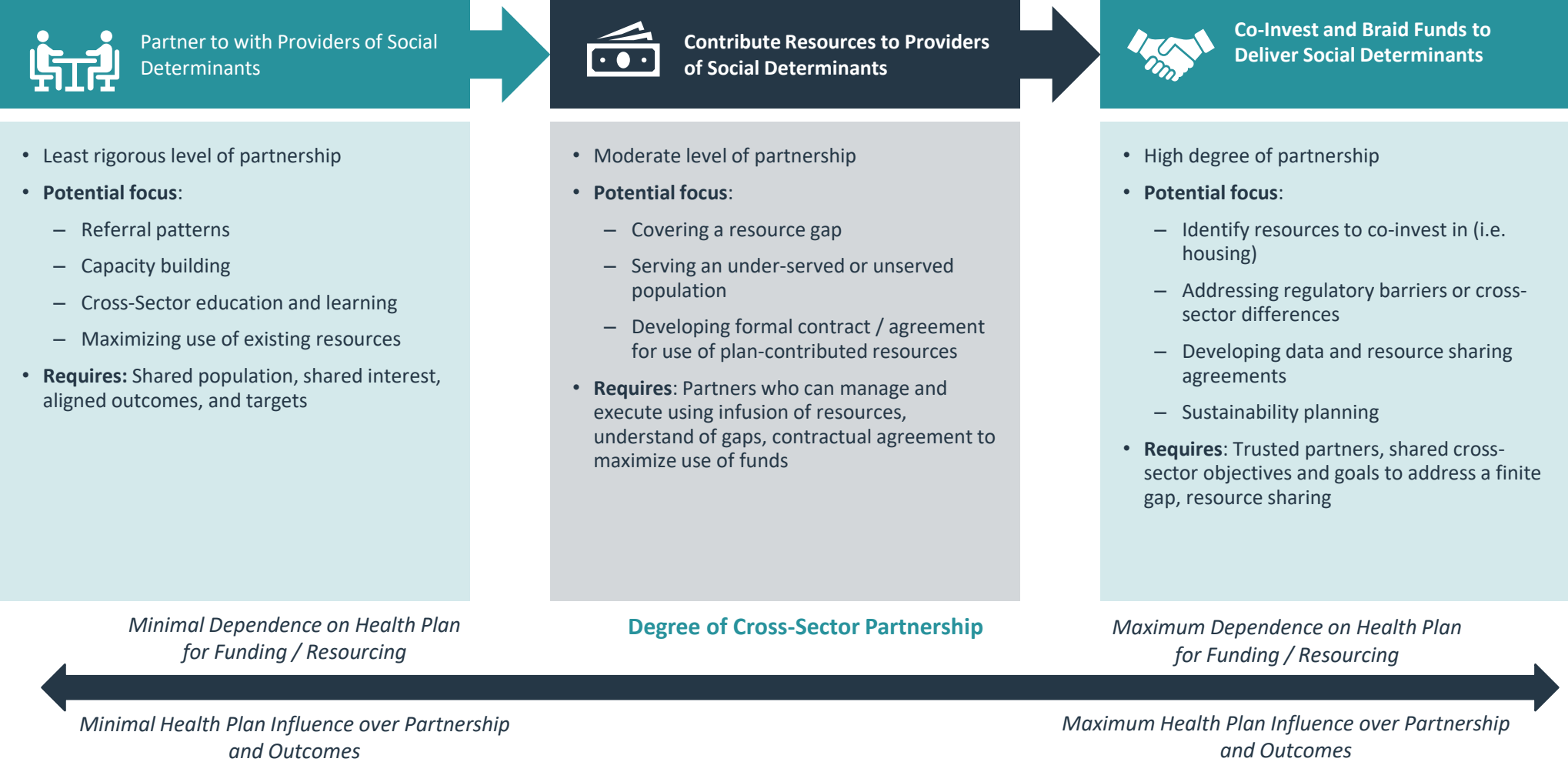


MCOs can use CBOs to improve quality measure performance.

Examples:

- Enhance preventative care measures
- Improve care coordination for complex populations
- Improve overall health outcomes

Understand there is a continuum in how payors are partnering with community-based organizations



Challenges and Opportunities: CBO Business Acumen


CBOs may require business acumen training to meet MCO quality requirements.

Most CBOs operate as publicly funded and grant-receiving organizations.

CBOs must be ready to meet commercial payers / providers on their terms.


 Grant / program goals clearly defined




 Contract terms address dynamic market conditions


 Up-front or guaranteed funding




 Varying reimbursement methodologies – including risk-bearing arrangements

 Reporting identified in grant / program description



 Contract evaluation determined by impact on industry measures or return on investment

 Little to no financial risk



 Financial risk and reward structures vary by contract.

- Building a Community Integrated Health Network (CIHN)
- ElderSource will function as the Network Lead Entity (NLE)
- Provide HCBS services
- Major goals:
 - Gap Analysis
 - Staff/Leadership/Governance
 - Most attractive services: CM, transition, Caregiver supports, CDSME, Falls assessment, housing, etc.
 - Financial modeling
 - IT Infrastructure
 - Quality Assurance
 - Readiness Assessments
- ACL grant awardee



ElderSource
start here for help

Contract with health care sector entities:

Accountable Care Organizations
 Health Plans
 Managed Care Organizations
 Hospitals
 Health Systems

“Hub for coordinating the services of the wider network, provide a unified and consistent approach to program delivery across a geographic area”

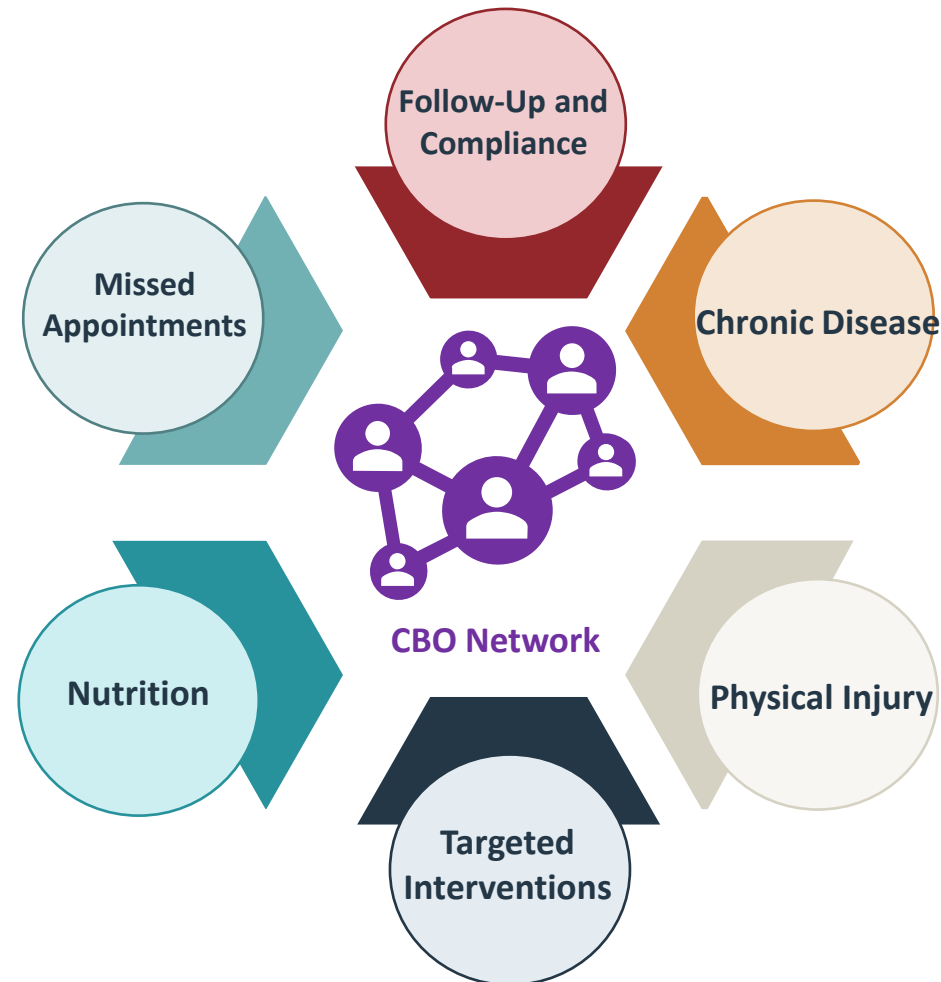
Scaling the Partnership Strategy

How CBOs can address key performance gaps.

Case Management in community settings can improve adherence to follow up visits, medication management, and clinical treatment compliance.

Transportation scheduling and services can provide necessary non-emergency services to decrease missed visits.

Nutrition Counseling and Home Delivered Meals can improve adherence to clinical diet recommendations and provide nutritious meals, especially in food deserts.



Evidence-based programs that educate and support self-management of chronic diseases decrease clinical non-compliance and improve overall health.

Mobility and Exercise programs reduce the incidence of falls and related physical injuries in older adults.

Functional and Specialized Assessments can pinpoint health challenges that may be “invisible” during provider visits.

Community Based Organizations can Support Payers / Providers

Decades of expertise in addressing social determinants and complex care

Build vs Buy

- Payers and providers are building networks to address SDoH and quality measures at great cost when an experienced network **already exists** with CBOs

Existing CBO Programs produce ROI for Payers

- Evidence-based falls prevention programs show **ROI between 36% to 509%** of fall-related direct medical costs¹
- Challenges with medication administration result in 3 million nursing home admits with an **annual cost of \$14B**

CBO Programs directly align with quality measures

- Falls Prevention and physical activity
- Home visits to support medication adherence combined with telephonic reminders
- Nutrition programs
- Case management for follow-up scheduling and attendance
- Evidence-based programs to support chronic disease management (e.g. diabetes)

1. A cost-benefit analysis of three older adult fall prevention interventions

Panel discussion:
Addressing SDoH effectively in
today's environment

Q&A:

What issues does your state face when addressing SDoH?



**Visit WellSky at booth #405 to learn more
about solutions to address SDoH**

[WellSky.com](https://www.wellsky.com)