nrhi
Network for Regional Healthcare Improvement

Payment Reform

REGIONAL SUMMIT SUMMARY REPORT

Community First
East Hawaii Regional Health Improvement Collaborative

COMMUNITY FIRST

November 9-10, 2016

Hilo, Hawaii

Introduction

On November 9 and 10, 2016, Community First/East Hawaii Regional Health Improvement Collaborative (RHIC) held a Regional Payment Reform Summit aimed at engaging stakeholders from across the healthcare spectrum. A total of 25 influential leaders from all sectors participated in sessions facilitated by Harold Miller, CEO and President of the Center for Healthcare Quality and Payment Reform with support from the Robert Wood Johnson Foundation.

The Hawaii Regional Payment Reform Summit was supported by the Network for Regional Healthcare Improvement (NRHI) as an important regional follow up to the national Payment Reform Summit held in June, 2016. Community First is one of three NRHI member Regional Healthcare Improvement Collaboratives (RHICs) selected for regional forum support. Each event focused on the unique and critical roles of four stakeholders - employers, providers, patients, and payers – in making the transition from volume to value in their communities. As the health care industry continues to move toward alternative payment models that reimburse providers for outcomes, the events explored why a multi-stakeholder approach is essential to success, and the role each stakeholder plays in the transition.

The Hawaii Regional Payment Reform Summit brought together the Chief Medical Officers from three health plans, the Chief Executive

Officer (CEO) and Board Chair of Hilo Medical Center, the administrator and former president of the East Hawaii Independent Practice Association, the CEO and Board Chair of Bay Clinic, the local Federally Qualified Health Center (FQHC), local businesses leaders, and the managing director of Hawaii County.

This Summary Report details the key takeaways and next steps for the region that were identified at the Hawaii Regional Payment Reform Summit.

A Real Community, A Unique Opportunity, and a Sense of Urgency

The meeting was noteworthy for the breadth and level of leadership at the table. Harold Miller remarked that this was rare nationally. Everyone was at the table in part because of the influence of Barry Taniguchi, an iconic community leader. Someone or some group of people need to be able to convene the community.

In addition to the strong sense of community, East Hawaii has another unique asset in its relationship with Miller. Over the course of several visits during the last two years, Miller has come to know the local issues and personalities and has developed relationships with people in the healthcare system and in the community. This has enabled him to be particularly effective in presenting the national context to inform local decision making and also particularly effective in facilitating the open and straightforward discussions which move the community forward.

Community First is creating a sense of urgency to overcome the gravity of the status quo. Two weeks prior to the Summit, the Chamber of Commerce hosted a lunch presentation on the crisis of healthcare costs entitled, "Making the Invisible Visible: The House IS Burning." The Summit was a chance to solidify that sense of urgency and keep the resulting conversations going.

Barry's Three Principles for the Adaptive Challenge

The "adaptive challenge" is Ron Heifetz's term for the challenge of developing new ways for stakeholders to relate to each other, new ways to think about entrenched problems and address the potential losses of each stakeholder, and establish enough trust to proceed in the face of disruptive uncertainty. Without addressing the adaptive challenge, even a correct technical solution can't make progress.

Barry's principles are:

1. Only Together
2. Make the Invisible Visible,
3. Try, But Don't Expect to Get It Right the First Time.

Only Together: For a small, rural place like East Hawaii to have a say in how healthcare in the community will work, stakeholders have to come together. The physicians, the hospital, and the clinics have to collaborate, and health plans have to partner with them to create an intelligent, efficient system of care.

Make the Invisible Visible: People too often value harmony over truth and make the visible invisible. In the long-term, however, harmony can only come from truth which is the basis of the trust which is needed for collaboration on transformative projects.

Try, But Don't Expect to Get It Right the First Time: Community First believes that "The House IS Burning." Stakeholders need to act rather than just discuss, recognizing that corrections will be needed and trusting that these adjustments will be made collaboratively.

The Tension Between Centralized, Scalable Systems and the Necessity of Community-centric Solutions

Health plans seek scale and standardization to manage operational complexity, and dominant health plans naturally seek to control the system. Healthcare is local, however—particularly in rural regions—and communities need flexibility in redesigning the system of care that will leverage assets and compensate for weaknesses. Financing and governance structures must be developed which give the community authority and responsibility for managing the total, accountable medical spend but which minimizes customization and increased administration for health plans. For example, Hospice of Hilo has a beautiful facility which opens into gardens—with amenities for families and children—and which displays the work of local artists. The community contributed a lot to build this facility. Although the cost of caring for people in their final days of life is less expensive at Hospice of Hilo than the local hospital, the hospice reimbursement of $300/day does not cover

half the cost which is estimated at $700/day. Health plans need to recognize this and redistribute financial resources to make better, higher value care viable.

Another factor that needs to be recognized is the operational complexity put on small private practices. Since health plans want to have their own programs and processes for the sake of their efficiency and also fear losing competitive advantages through standardization, private practices which have the least organizational capacity of all have the impossible task of accommodating the different contracts and requirements of health plans. Rather than being health plan-centric, the system needs to be community-centric and health plan-enabled, but achieving this would take collaboration of the highest order from all. The community is not yet ready to take this step, however the consensus was to implement the following two initiatives in 2017.

From Best Heart Care to Best Palliative Care for Serious Chronic Diseases

Community First had a Best Heart Care initiative in 2016 which was designed to improve care throughout the continuum of heart disease, but it ended up focusing on patients admitted to the hospital for heart failure, either referring them for care coordination or to "Supportive Care," palliative care without giving up curative care. What seemed like a simple workflow was surprisingly difficult to implement: the hospital was not used to producing the reports needed; primary care physicians were too busy to make referrals; and Hospice was used to working with patients who has already accepted the imminence of death. After much effort this workflow was established, and Community First decided to use this for patients with other serious chronic diseases.

Complex Patient Centered Medical Home (C-PCMH) and an Urgent Care Clinic

If trends in utilization continue, Hilo Medical Center will be facing a need to expand its emergency department (ED) and inpatient capacity which would be a major capital expense. ED is a significant profit center for the hospital, while Medicaid admissions, in general, result in significant losses. To capitalize on the synergies of HMC relocating its Family Residency Program to be next to the ED at the main entrance of the hospital,

participants at the summit agreed to create a medical home for the most expensive complex patients who were frequent users of the ED or inpatient services and did not have a primary care physician (PCP). These patients are mostly in the Medicaid population. It was further agreed to establish an urgent care clinic at the hospital for patients who do have a PCP, especially those in the East Hawaii Independent Physician's Association, rather than trying to have each small PCP practice develop evening and weekend hours for their patients. This could be done cost-effectively by using the Residence Program staff and students to provide the urgent care.

Since the hospital would be reducing ED revenue and inpatient admissions and incurring more expense to coordinate the care and meet the non-medical needs of the patients in the Complex Patient Centered Medical Home (C-PCMH), an alternative payment model needs to be developed. This model would enable HMC to redirect patients to lower-cost settings while still retaining adequate resources to support high-quality ED services. The State Medicaid Division and health plans would need to collaborate to develop a coherent model.

Next Steps: Hopefully Not Just Empty Discussion

In order for the east Hawaii community to succeed with the Best Palliative Care and C-PCMH/Urgent Care projects, it is critical that each organization make it a priority for their own organizations. It is also critical that a project structure be established for each initiative. It was decided that each initiative be championed by a community leader and managed by project directors:

- For Best Palliative Care, Charlene Iboshi, a Director of Community First and lead of the grassroots initiative to end uninformed choice for care at the end of life. Brenda Ho, CEO of Hospice of Hilo will be the project director

- For C-PCMH, Barry Taniguchi will be the community leader and Dan Brinkman, CEO of HMC, and Mike Sayama, Executive Director of Community First will be the project directors.

The community leaders and project directors will convene the rest of their work group.

Acknowledgments

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Contributors

Network for Regional Healthcare Improvement (NRHI)

About the Network for Regional Healthcare Improvement (NRHI)

The Network for Regional Healthcare Improvement is a national organization representing over 35 regional multi-stakeholder groups working toward achieving the Triple Aim of better health, better care, and reduced cost through continuous improvement. NRHI and all of its members are non-profit organizations, separate from state government, working directly with physicians, hospitals, health plans, purchasers, and patients using data to improve healthcare. For more information about NRHI, visit www.nrhi.org.

About Community First

Community First is a 501(c)3 non-profit organization established in 2014. It is dedicated to realizing a community which believes healthcare is caring for health and not just treating disease. Community First believes it is not enough to take personal responsibility for one's well-being. As a community everyone has to help each other to do so. In communities, every resident should be supported in taking responsibility for their health and well-being by their medical providers, their employers, and their County. Only by fostering this personal responsibility in caring for health and well-being can a community achieve a sustainable medical system which can provide quality care for all of its people.

Community First has adopted a two prong approach to transforming healthcare and personal accountability for health. The first is by forming a Regional Health Improvement Collaborative (RHIC). The RHIC seeks to address the fundamental reform of healthcare payment. The second, is addressing community Well Being Challenges through grassroots initiatives and education.