Green & Healthy Homes Initiative®

# Financial Resources from the Healthcare Sector

June 11, 2019

# Afternoon goals

**Refresher on the connections between healthcare and energy efficiency**

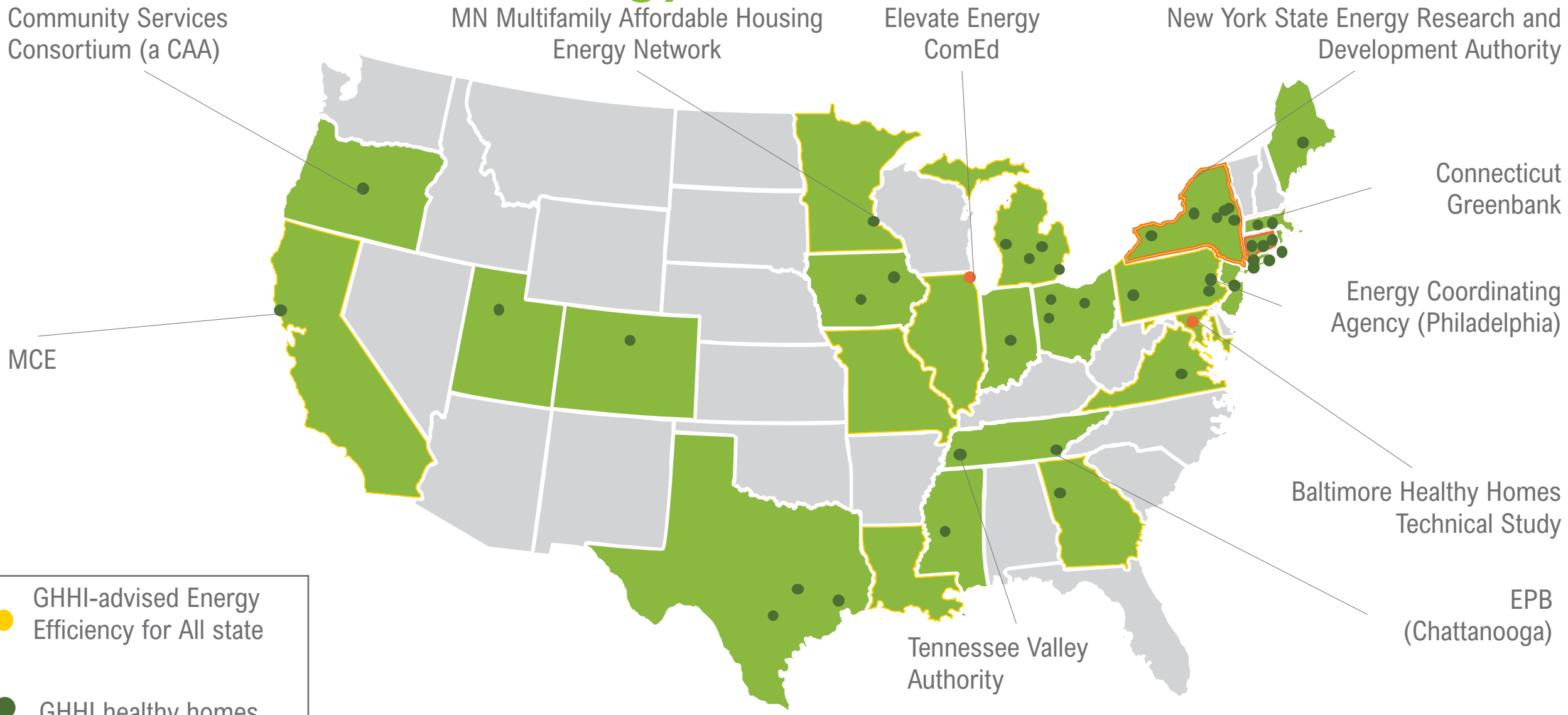
**Understand where to look for existing healthcare funds**

1) What is the value proposition to Medicaid, Hospitals?
2) What can Illinois learn from successful partnerships from around the country?

**Understand key policy touchpoints to create new sources of healthcare funds**

1) What are the policy opportunities in Illinois?
2) What are examples of these policies from around the country?

# GHHI's Health and Energy Work



# Refresher

# Health Impacts of Efficiency Programs

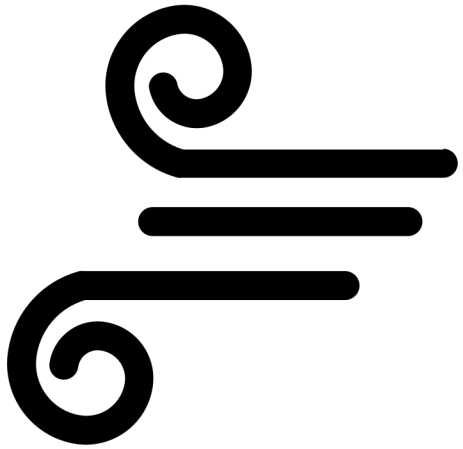
| Measure | Health Impact | Example rebates | Common Gaps |
|---|---|---|---|
| **Electric Baseload**<br>Improves lighting from:<br>• Having affordable lights | • Trip/fall | • Lighting<br>• Appliances | |
| **HVAC**<br>Decreases thermal stress from:<br>• Enabling affordable heating and cooling<br><br>Improves air quality from:<br>• Reduced allergens<br>• Reduced moisture and mold | • Cardiovascular<br>• Respiratory | • Heating/Cooling<br>• Fans<br>• Thermostats<br>• HVAC Tune-up | • Ventilation |
| **Building envelope**<br>Improves air quality from:<br>• Reduced moisture and mold<br>• Reduced outdoor allergen<br><br>Decreases thermal stress from:<br>• Insulation | • Respiratory<br>• Cardiovascular | • Air sealing<br>• Insulation | • Roofs<br>• Windows |

# Health Impacts of Efficiency Programs

| Measure | Health Impact | Example measures |
|---|---|---|
| **Plumbing**<br>Improves air quality from:<br>• Reduced moisture and mold | • Respiratory | • Leaking pipes |
| **Hazard Removal**<br>Removes harmful chemicals | • Respiratory<br>• Cancer<br>• Lead poisoning | • Mold<br>• Asbestos<br>• Radon<br>• Lead |
| **Pests & Sanitation**<br>Removes allergens | • Respiratory | • Pest management<br>• Hypo-allergenic bedding, vacuum |
| **Air Quality**<br>Removes irritants | • Respiratory | • Combustion gases<br>• VOCs |
| **Hazard Repair**<br>Removes injury hazards | • Trip/fall<br>• Unintentional injury | • Fall hazards (e.g. uneven stairs)<br>• Safety hazards (faulty wiring) |

# Energy Efficiency and Health

**Electricity**
Poor lighting



**Air**
Temperature
Quality

**Water**
Mold
Allergens

**Hazards**
Lead
Asbestos
Pests

Increasing efficiency benefit

# The Hypothesis

**Coordinating energy-efficiency and home-based healthcare programs can:**

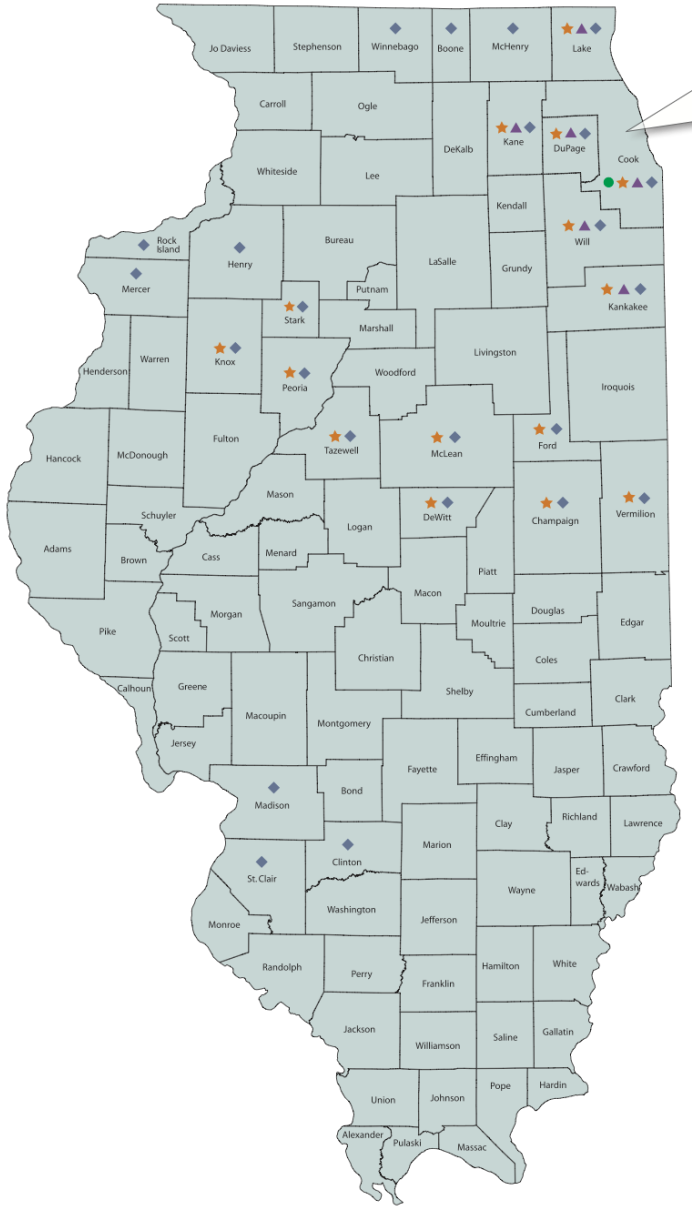
1) Achieve whole-home vision for income-eligible families
   - *Health/safety measures complement efficiency measures*

2) Increase ability to serve families in low-resourced neighborhoods (FEJA Equity goal)
   - *Leverage trusted relationships with healthcare workers*

3) Marginally reduce program delivery cost
   - *Cross-trained assessor lowers costs*
   - *Reduced marketing costs*

# Accessing Existing Funds and Programs: Medicaid, Hospitals

# Illinois Medicaid Managed Care




All Statewide HealthChoice Illinois Plans serve Cook County.

Two Cook County HealthChoice Illinois Plans serve only Cook County. ●

**Statewide HealthChoice Illinois Plans**

Blue Cross Community Health Plans
IlliniCare Health
Meridian Health Plan
Molina Healthcare

**Cook County HealthChoice Illinois Plans**

CountyCare Health Plan
NextLevel Health Partners *

*GHHI is working with NextLevel Health

https://www.illinois.gov/hfs/SiteCollectionDocuments/StatewideHealthChoiceIllinoisPlansMAP1119.pdf

# Medicaid Managed Care (Insurance Companies)

State Medicaid

$

ROI

**Monthly Revenue**
Fixed $$ per member per month (pmpm)

Pilots

**Quality Requirements**
Set of 10-20 health metrics

**Performance Requirements**
Value-based contracting
Address SDOH
Contract with CBOs

MCO

Chief Financial Officer

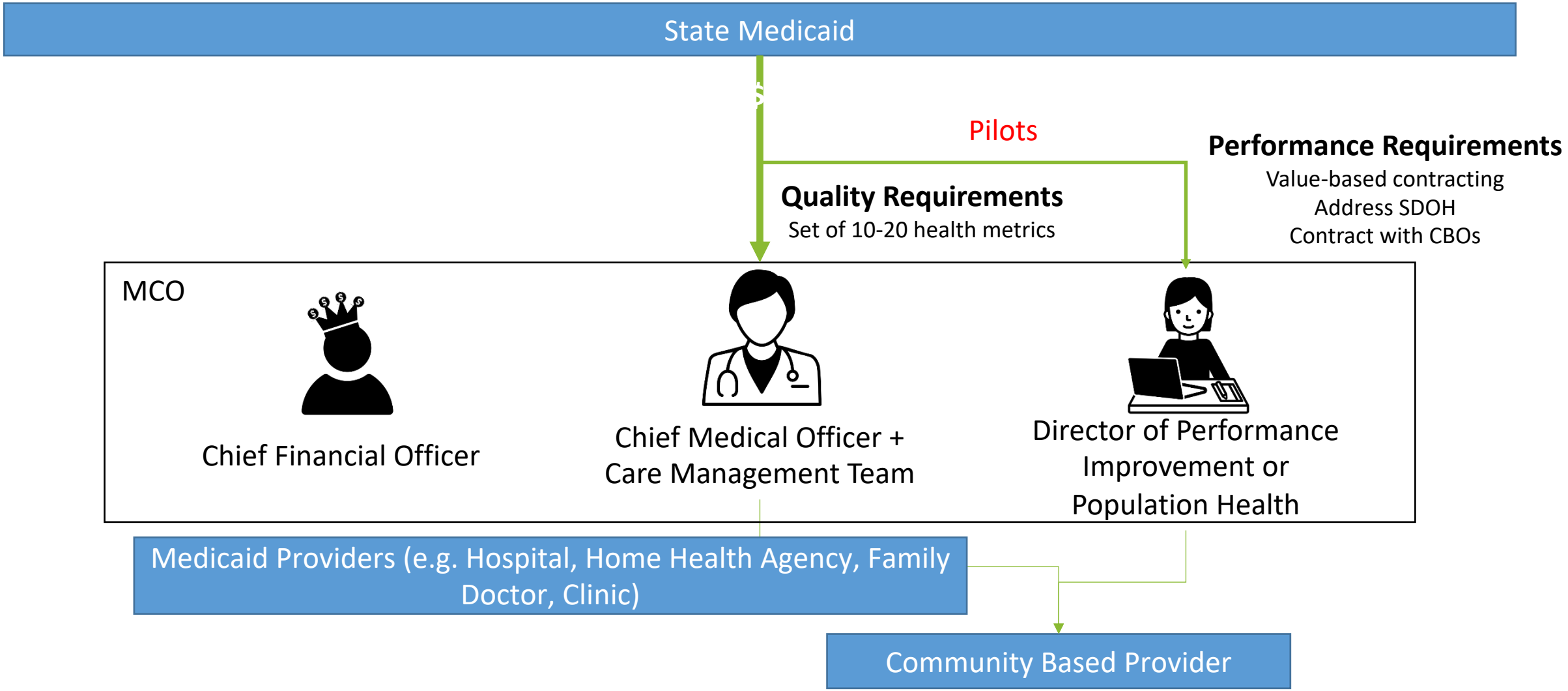
Chief Medical Officer + Care Management Team

Director of Performance Improvement or Population Health

Medicaid Providers (e.g. Hospital, Home Health Agency, Family Doctor, Clinic)

Community Based Provider

# Part 1) Pilot Programs (< 75 enrollees/year)



# Pilot Programs – Examples

| | 1) Baltimore, MD | 2) Grand Rapids, MI |
|---|---|---|
| **Medicaid MCO** | Amerigroup An Anthem Company | PriorityHealth |
| **Healthy Homes Contractor** | Green & Healthy Homes Initiative® | Healthy Homes Coalition of West Michigan |
| **Healthcare CBO** | Green & Healthy Homes Initiative® | Health Net OF WEST MICHIGAN Navigating Care. Connecting Resources. |
| **Housing Scope** | 1) Environmental Assessment<br>2) Supplies to address asthma triggers | 1) Environmental Assessment<br>2) Supplies to address asthma triggers<br>3) Remediation of asthma triggers |
| **Payment Type** | 1) Direct per enrollee payment<br>2) 50 members per year | 1) Direct per enrollee payment<br>2) 25 members per year |
| **Why?** | 1) Grant-funded program showed significant 6 month pre/post ROI to Amerigroup<br>2) Helps Amerigroup meet quality metrics | State requires PriorityHealth to have at least one social determinant of health initiative |

# Part 2) Scaled Programs (100+ enrollees/year)

State Medicaid

$

ROI

**Monthly Revenue**
Fixed $$ per member per month (pmpm)

MCO

Chief Financial Officer

Chief Medical Officer + Care Management Team

Medicaid Providers (e.g. Hospital, Home Health Agency, Family Doctor, Clinic)

Community Based Provider

# Medicaid: Scaled Programs – Example

**Challenge with pilots**

Medicaid limits the amount of funds insurers can spend on administrative costs, including pilots and other services traditionally classified as 'non-medical.'

Medicaid does not classify housing modifications as 'medical.'

**Opportunity**

However, Medicaid is shifting towards 'value-based contracting,' in which they pay for value of care rather than specific services (fee for service). Medicaid can classify payments for improved health outcomes as medical, even if the underlying cause is a housing improvement.

**Example**

Affinity Health Plan in New York State is developing a 'value-based contract' to pay a healthcare provider for the positive outcomes from a home visiting program. That provider is contracting with an energy efficiency contractor, AEA, to manage the assessments and home improvements.

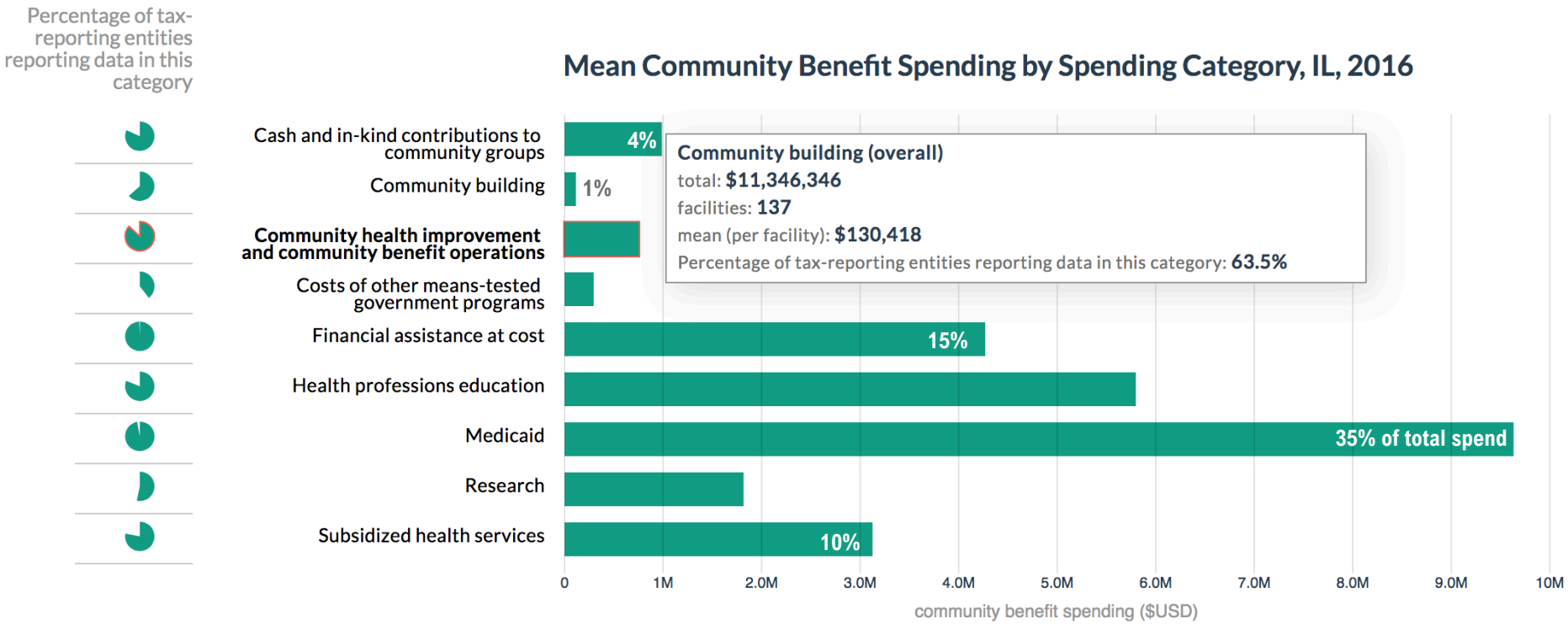
# Hospitals – Community Benefit Dollars

## Community Benefit Spending, IL, 2016

Total: **$3,212,614,117**

Mean: **$26,929,261**
*(per facility)*

Facilities: **1,233**



# Hospitals

Community Benefits Officer

**Meet goals of Community Health Needs Assessment (CHNA)**

- Nonprofit hospitals only
- Use Community Benefit Dollars to achieve this

Chief Medical Officer or Community Care Team

**Meet required quality metrics or savings targets**

- Medicaid insurers or the state may pass down quality metrics to the hospital
- Common metrics include: readmittance rate, asthma medication ratios
- Can pitch program as way to help hospital reach targets
- Especially if part of Accountable Care Organization or other healthcare partnership

Finance Team

**Reduce ‘charity care’ for uninsured or underinsured populations**

- In theory, hospital expenses for these populations are a net loss to the hospital

# Example: Community Health Needs Assessment


*Example CHNA priority issues from Minnesota Children's Hospital*

| Priority issue | Objectives | Anticipated impact | Resources |
|---|---|---|---|
| **Asthma:** Develop improved asthma condition support and management with attention to disparities in health care outcomes, environmental factors and community-informed approaches to care. | ■ Plan and implement an asthma intervention that supports children and their families through an equity-based framework to address outcome disparities observed in Minnesota Community Measurement reporting.<br>■ Support connections to community-based resources and agencies to address the environmental and social determinant factors that impact asthma condition severity and management.<br>■ Build relationships with patients and families, community members and community-based organizations and agencies to integrate community-informed perspectives on asthma care. | Improve care for children with asthma, focused on reducing disparities between racial and ethnic groups in care and condition outcomes. | Children's provides comprehensive asthma care for children at all primary care clinics, through a specific Asthma Clinic and in our Emergency Department and Inpatient units when asthma symptoms become more severe. |

- CHNAs must have an accompanying Implementation Plan that outlines goals for addressing each priority issue
- If your issue area is a hospital priority, consult the Implementation Plan to understand the hospital's goals for addressing this issue and how your work fits into these goals and objectives

# Example: Quality Metrics

**Ex: Integrated Health Partnerships (IHPs), Minnesota**

- State and providers contract to form IHPs for Medicaid & Medicare patients
- IHPs utilize a value-based payment model where savings/losses for defined set of services are shared
- Shared savings also contingent upon IHP's score on quality measures. Relevant measures include:
  - Asthma admission rates
  - Asthma Medication Ratio

**Ex: Accountable Care Organization (ACO) Quality Scores, Massachusetts**

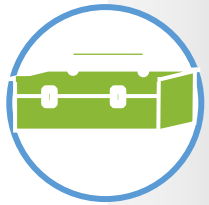
- ACOs (groups of health providers) receive an annual Quality Score based on performance across 7 quality measures
- Quality Score impacts ACOs shared savings/loss payments from State
- Relevant quality measures include:
  - COPD or asthma admission rates
  - Asthma Medication Ratio

# How to Set Yourself Up for Successful Partnerships

- ✓ Partner with a health organization with existing relationship with hospital or Medicaid insurer
- ✓ Have data management system that can securely store personal health data
- ✓ Ability to estimate financial impact of program on healthcare payer or partner

# Policy Opportunities to Create New Sources of Healthcare Funding

# Policy Opportunities



| | |
|---|---|
| **Inform Community Health Needs Assessment**<br>*Every 3 – 5 years* | Healthy home pilot funding via hospital community benefit dollars – see Presence Hospital (Chicago) |
| **Pass CHIP State Plan Amendment**<br>*One-time* | Direct funding of lead and asthma remediation for children - see Michigan ($119M), Maryland ($14M) |
| **Add Medicaid MCO Requirements in RFP**<br>*Every 4 – 7 years* | Funding to remediate home asthma triggers – see Michigan (Priority Healthy), Maryland (Amerigroup) |
| **Advocate for Medicaid Demonstration Waivers**<br>*Every 4 – 7 years* | Funding for demonstrations of alternate health services – see Oregon (AC units for asthmatics) |

# Inform Community Health Needs Assessment

- Nonprofit hospitals are required to conduct a Community Health Needs Assessment (CHNA) every 3 years and adopt an Implementation Plan.
- Hospitals may use Community Benefit dollars to invest in addressing identified community needs, but may also use it for financial assistance, research, and others.
- While there is no minimum spending requirement, hospitals spend, on average, 8.1% of their operating expenses on Community Benefits.
- Community Benefit investments can encompass “physical improvements & housing” & “environmental improvements.” Evidence of health benefit must be documented.
- Hospitals may not be incentivized to use this money to prevent certain insured populations from utilizing their services, as it can cut into revenue.

**To see how hospitals near you use their community benefit dollars:**
**http://www.communitybenefitinsight.org/**

# CHIP Health Services Initiative State Plan Amendment

**What:** State-developed initiatives to improve the health of low-income children (42 CFR 457.10)
**Who:** Low-income children (<19, 200% FPL) eligible for Medicaid and/or CHIP
**Funding:** Must be within the 10% administrative cap on CHIP expenditures, matched at the CHIP rate

**Example:**
**Maryland Childhood Lead Poisoning Prevention & Environmental Case Management**
*$3M ($2.64M CHIP federal match, $360,000 State Funds)*
Strengthens Local Health Departments that help families and health care providers to identify and eliminate sources of lead exposures and asthma triggers in homes. Children are eligible if diagnosed with a) persistent moderate to severe asthma or b) a Blood Lead Level >= 5µg/dL who reside in selected pilot communities.

# Add Medicaid MCO Requirements to RFP

STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT ("**Contract**") is agreed to between the State of Michigan (the "**State**") and Input name ("**Contractor**"), a Michigan Company Insert State & Entity Status, e.g., a Michigan corporation or a Texas limited liability company. This Contract is effective on January 1, 2016 ("**Effective Date**"), and unless terminated, expires on December 31, 2020.

**2019 Pay for Performance**
**Population Health Management Intervention**

**ERIEW**

An individual's health is shaped profoundly by life circumstances that fall outside the traditional purview of the health care system. Conditions in the places where people live, learn, work, and play affect a wide range of health risks and outcomes. Education, nutrition, transportation, and other dynamics are examples of social determinants of health that collectively influence health outcomes.

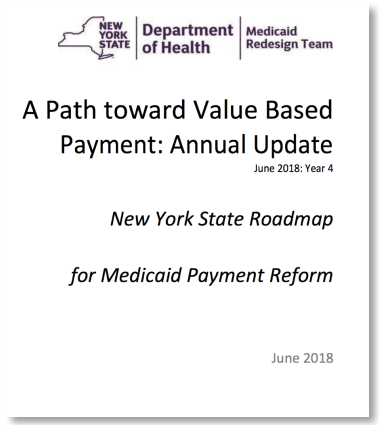
Housing stability was a top issue associated with high and super utilizers in the 2014 ED Utilization Symposium report submitted by MDHHS to the State Legislature. Homelessness was also the focus of a 2016 engagement between MDHHS and the National Governor's Association (NGA) to determine the relationship between housing stability and healthcare costs. In 2018, MDHHS will be launching a pilot project to address the integration between healthcare, housing, and Medicaid.

**PURPOSE**

The purpose of Population Health Management Intervention is to improve the health of the Michigan Medicaid population and to address Social Determinants of Health. The Medicaid Health Plans (MHPs) annually report their initiatives to MDHHS.

# Advocate for Medicaid Demonstration Waivers

## New York


NEW YORK STATE | Department of Health | Medicaid Redesign Team

A Path toward Value Based Payment: Annual Update

June 2018: Year 4

*New York State Roadmap*

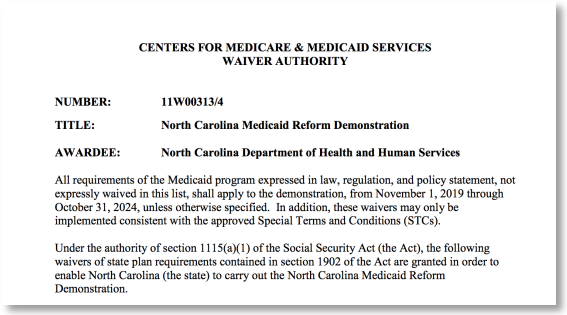
*for Medicaid Payment Reform*

June 2018

**MCO Requirement:**

*"**Implement at least one social determinants of health intervention.** The VBP Social Determinants of Health (SDH) Subcommittee developed a SDH intervention menu, which provides examples of interventions that address economic stability, education, social, family and community well-being, health care and neighborhood and environment well-being"*

## North Carolina


CENTERS FOR MEDICARE & MEDICAID SERVICES
WAIVER AUTHORITY

NUMBER: 11W00313/4

TITLE: North Carolina Medicaid Reform Demonstration

AWARDEE: North Carolina Department of Health and Human Services

All requirements of the Medicaid program expressed in law, regulation, and policy statement, not expressly waived in this list, shall apply to the demonstration, from November 1, 2019 through October 31, 2024, unless otherwise specified. In addition, these waivers may only be implemented consistent with the approved Special Terms and Conditions (STCs).

Under the authority of section 1115(a)(1) of the Social Security Act (the Act), the following waivers of state plan requirements contained in section 1902 of the Act are granted in order to enable North Carolina (the state) to carry out the North Carolina Medicaid Reform Demonstration.

**Eligibility Criteria:**

*Children (0-20) who have… One or more controlled chronic conditions that have a **high risk of becoming uncontrolled due to unmet social need, including: asthma, diabetes…***

**Enhanced Case Management and Other Services:**

*"**Repairs or remediation for issues such as mold or pest infestation** if repair or remediation provides a cost-effective method of addressing occupant's health condition, as documented by a health care professional, and remediation is not covered under any other provision such as tenancy law."*