# Board of Directors

## Meeting

**Tuesday, September 13, 2016**

**8:00 a.m.**

**Central Health Administrative Offices**

**1111 E. Cesar Chavez St.**

**Austin, Texas 78702**

## AGENDA*

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**I. Call to Order and Record of Attendance**

**II. Public Comments**

**III. General Business**

**A. Consent Agenda**

*All matters listed under the Consent Agenda will be considered by the Board of Directors to be routine and will be enacted by one motion. There will be no separate discussion of these items unless members of the Board request specific items to be moved from the Consent Agenda to the Regular Agenda for discussion prior to the time the Board of Directors votes on the motion to adopt the Consent Agenda.*

1. Approve minutes from the July 26, 2016 Community Care Collaborative (CCC) Board of Directors meeting.

**B. Regular Agenda**

1. Receive and discuss a presention on CommUnityCare's 3-year Strategic Plan.

2. Discuss and take appropriate action on the Community Care Collaborative's Fiscal Year 2017 budget.

**IV. Closed Session**

**V. Closing**

**The Board of Directors may take items in an order that differs from the posted order.*

*The Board of Directors may consider any matter posted on the agenda in a closed session if there are issues that require consideration in a closed session and the Board announces that the item will be considered during a closed session.*

*Consecutive interpretation services from Spanish to English are available during Citizens Communication or when public comment is invited. Please notify the front desk on arrival if services are needed.*

*Los servicios de interpretación consecutiva del español al inglés están disponibles para la comunicación de los ciudadanos o cuando se invita al público a hacer comentarios. Si necesita estos servicios, al llegar sírvase notificarle al personal de la recepción.*

Community Care COLLABORATIVE

# Board of Directors Meeting

## September 13, 2016

## CONSENT AGENDA ITEM

A.1. Approve minutes from the July 26, 2016 Community Care Collaborative (CCC) Board of Directors meeting.

# Board of Directors

## Meeting

**Tuesday, July 26, 2016**

**2:00 p.m.**

**Central Health Administrative Offices**

**1111 E. Cesar Chavez St.**

**Austin, Texas 78702**

## Meeting Minutes

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### I. Call to Order and Record of Attendance

On Tuesday, July 26, 2016, a public meeting of the CCC Board of Directors was called to order at 2:09 p.m. in the Board Room at Central Health Administrative Offices located at 1111 E. Cesar Chavez St, Austin, Texas 78702. Chairperson Patricia A. Young Brown and Vice-Chairperson Greg Hartman were both present. The secretary for the meeting was Michelle Vassar.

Clerk's Notes:
Chairperson Young Brown introduced Stephanie McDonald as a new director appointed by Central Health to the CCC Board of Directors, replacing Larry Wallace.

Secretary Vassar took record of attendance.

Directors Present:
Chairperson Patricia A. Young Brown, Vice-Chairperson Greg Hartman, Christie Garbe, Stephanie McDonald, Kate Henderson (Proxy for Tim LaFrey), and David Evans (Non-Voting Advisory Board Member)

Officers Present:
Larry Wallace (Executive Director) and Michelle Vassar (Secretary)

Other Attendees Present:
Randy Floyd (General Counsel) Shannon Sefcik (Paralegal)

## II. Public Comments

Clerk's Notes:
No public comment.

## III. General Business

### A. Consent Agenda

*All matters listed under the Consent Agenda will be considered by the Board of Directors to be routine and will be enacted by one motion. There will be no separate discussion of these items unless members of the Board request specific items to be moved from the Consent Agenda to the Regular Agenda for discussion prior to the time the Board of Directors votes on the motion to adopt the Consent Agenda.*

1. Approve minutes from the April 19, 2016 Community Care Collaborative (CCC) Board of Directors meeting.

2. Approve the appointment of Larry Wallace as the Executive Director of the CCC.

Clerk's Notes:
Vice-Chairperson Hartman moved that the Board approve Consent Agenda items A(1) and A(2). Director Garbe seconded the motion. The motion was passed on the following vote:

| | |
|---|---|
| Chairperson Patricia A. Young Brown | For |
| Vice-Chairperson Greg Hartman | For |
| Director Christie Garbe | For |
| Director Stephanie McDonald | Abstain |
| Proxy for Tim LaFrey, Kate Henderson | For |

### B. Regular Agenda

1. Receive and discuss a CCC Delivery System Reform Incentive Payment (DSRIP) Projects update.

Clerk's Notes:

Ms. Melanie Diello, CCC Director, Project Management and Implementation, presented a Delivery System Reform Incentive Payment (DSRIP) projects update which included a description of the work in progress for Demonstration Year (DY) 5 milestone achievement and the status of those milestones, a DY 5 outcome measures update, a discussion of the DY 6 requirements which have been released at this time, and an update on the next steps for DY 6 and DY 7-10 opportunities and goals. Ms. Diello responded to questions from the Board of Directors.

2. Receive and discuss a presentation on the CCC Financial Statements as of June 30, 2016.

Clerk's Notes:

Mr. Jeff Knodel, Chief Financial Officer for Central Health, and Rita Hanson-Bohl, CCC Manager of Provider Contracts and Claims Services, presented the financial statements for nine months of operation, from October 1, 2015 to June 30, 2016. The statements included the balance sheet,

sources and uses report, health care delivery costs, selected health care delivery providers expenditures, and Integrated Delivery System (IDS) initiatives. Mr. Knodel and Ms. Hanson-Bohl responded to questions from the Board of Directors.

3. Receive and discuss a presentation on the CCC Fiscal Year 2017 Preliminary Budget.

Clerk's Notes:

Ms. Sarah Cook, CCC Director, Integrated Delivery System Strategy & Planning, Dr. Mark Hernandez, CCC Chief Medical Officer, and Mr. Knodel presented on the CCC Fiscal Year (FY) 2017 proposed budget. Ms. Cook reviewed the CCC mission and vision, the FY 2016 accomplishments with DSRIP projects, obstetrics redesign, specialty pilots, and health Information Technology (IT) and quality support, and an overview of the CCC's strategic direction, with emphasis on alignment, collaboration, and value-based payment. Mr. Knodel discussed the flow of funds through the CCC, FY 2016 year-end estimates of sources, uses, and health care delivery, and an overview of the FY 2017 budget. FY 2017 budget highlights included the expansion of the primary care continuum, Medical Access Program (MAP) benefit plan redesign, specialty care, DSRIP projects in DY 6, and data warehouse development. Dr. Hernandez explained shifting the payment model to a value-based payment method, as well as shifting care into convenient care, primary care, and urgent care facilities to lower health care costs. Dr. Hernandez also discussed possibly including sliding fee scale patients with two or more chronic conditions in the covered population. Mr. Knodel detailed the FY 2017 budget for primary care providers, considerations for the MAP benefit plan redesign and eligibility expansion, specialty care providers, and health information technology. Ms. Cook, Dr. Hernandez, and Mr. Knodel responded to questions from the Board of Directors.

Vice Chairperson Hartman left the meeting at 4:09 p.m.

## IV. Closed Session

Clerk's Notes:
No closed session discussion.

## V. Closing

Chairperson Young Brown announced that the next regularly scheduled meeting of the CCC Board of Directors is on Tuesday, September 27, 2016 at 1:30 p.m. at Central Health's Administrative Offices, 1111 East Cesar Chavez St., Austin, Texas 78702.

Clerk's Notes:

The meeting adjourned at 4:16 p.m.

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Patricia A. Young Brown, Chairperson
Community Care Collaborative Board of Directors

ATTESTED TO BY:

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Michelle Vassar, Secretary to the Board
Community Care Collaborative

Community Care COLLABORATIVE

# Board of Directors Meeting

## September 13, 2016

## AGENDA ITEM

1. Receive and discuss a presentation on CommUnityCare's 3-year Strategic Plan.

# FY17 STRATEGIC PLAN FRAMEWORK

George N. Miller, Jr.

September 13, 2016

# FY17 STRATEGIC PLANNING PROCESS

- **Developed from 3 key events**
  - **Board Retreat (April)**
    - Reviewed and selected potential tactics and metrics for FY17
  - **Leadership Retreat (June)**
    - 40 Leaders within CUC came together to discuss the proposed tactics
    - Discussed current and future state, potential stakeholders, milestones, and prioritization
  - **Health Management Associates (HMA) Report (July)**
    - Conducted assessment and review of current care model and delivery, leadership, and other infrastructure components
    - Opportunities/gaps and recommendations

***Common theme:***

***Transformation to value based care!***

# VALUE BASED CARE

# FY17 STRATEGIC PLAN FRAMEWORK

- A vision and plan of CommUnityCare's growth into a mature provider of Value Based Care within a 3 year period
- Uses HMA report as the foundation
- Currently aligns with CommUnityCare's 5 pillars
  - Access
  - Employer of Choice
  - Patient Experience
  - Quality
  - Productivity and Efficiency
- Aligns and collaborates with Central Health and CCC needs and direction

# VALUE BASED CARE

To achieve Value Based Care CUC must address:

- Population Health
  - A description of the overall population served by CUC as well as for every practice panel, kept and used in an actionable form for strategic planning, budgeting, and health outcome monitoring
  - A mechanism to define high-risk/high-cost groups and individual patients
  - Ongoing monitoring of health and cost outcomes for individuals and subgroups
- Delivery System Transformation and Modernization
  - Increased and innovative access with focus on high risk populations and individuals
    - Phone and other Telehealth, EMR Portal, eConsult
  - Strengthening of Team Based Care and work performance "at the top of staff's license"
  - Alternatives to face to face clinic encounters
  - An analysis of workflow bottlenecks, and waste in the system as well as Performance Improvement focused on findings

Health Management Associates, 2016 *CommUnityCare Phase 1 – Value Based Care*

# VALUE BASED CARE

To achieve Value Based Care CUC must address:

- Care Management
  - Patient care registry that supports Care Management including the provision of an electronic Care Plan
  - High risk individuals receive:
    - Increased access and assured continuity with their Medical Home Team
    - Tracking and Outreach
    - Enhanced Self Management Support and Education
    - Efforts to address social determinants of health
  - Evidence based Transitional Care program from Hospital and ED

# VALUE BASED CARE

To achieve Value Based Care CUC must address:

- Integration of Care
  - Especially Behavioral Health/Primary Care
  - The integration with Specialty Care and Inpatient Care through participation and collaboration in community wide efforts to form a safety net Integrated Delivery System
  - With organizations addressing social determinants of health
- Improvement of Performance and Quality
  - The existence and organization of Improvement structures centrally and locally throughout CUC
  - How to receive and produce data to monitor performance at the organizational, health center, and Medical Home Team level
  - How to support processes known to impact system-wide efficiency and outcomes outreach and access measures, such as phone and clinic wait times, effectiveness in managing high-need patients, and transitions of persons discharged from the emergency room or an inpatient stay

# VALUE BASED CARE

To achieve Value Based Care CUC must address:

- Patient Centeredness
  - Satisfaction
  - Responsiveness
- Technology and Analytics
  - Through collaboration with Joint Tech
  - Supports Population Health and Care Management
    - Configuration of i2i registry
  - Improved use of EMR in streamlining patient care and improved data retrieval
- Cost of Care, Payment, and Incentives
  - Data Analytics
  - Payment transformation using Alternative Payment Methods progressing in synch with CH/CCC planning

# CHALLENGES FOR CUC IN IMPLEMENTING VALUE BASED CARE

- Change Management
  - Organization and charter of a Transformation Team and local Performance Improvement Programs
  - Change Management Plan and training to facilitate change
- Workforce
  - Stability through recruitment and retention efforts
  - Training and onboarding oriented to VBC
  - Development of workforce through relationships with health care professional schools
- Leadership and Organizational Change
  - Commitment of all levels of leadership to a single strategic vision and plan
  - Internal and external communication of CUC's transformation plans and effort
  - Team Based Care modeling within leadership and delegation of authority and responsibility to local centers and programs

# OPPORTUNITIES FOR COLLABORATION

- CUC, CCC, Community – Collaboration to Build Success
  - Broaden the participation in the transformation work within CUC Centers and leadership
  - Work with CUC and CCC to align the VBP model and priorities with the VBC models and priorities and discuss common strategies and challenges
  - Develop shared goals and metrics for expectations of progress and success within CUC, CH, and CCC
  - Design a multi-faceted communication plan that involves all stakeholders including patient/families/consumers
  - Communicate with CUC board as well as CH and CCC boards to align the work, demonstrate shared goals, and provide and routine updates on progress towards the goals

Community Care COLLABORATIVE

# Board of Directors Meeting

## September 13, 2016

## AGENDA ITEM

2. Discuss and take appropirate action on the Community Care Collaborative's Fiscal Year 2017 budget.

# Community Care Collaborative Fiscal Year 2017 Proposed Budget

**COMMUNITY CARE COLLABORATIVE**
**BOARD OF DIRECTORS**
**SEPT. 13, 2016**

**LARRY WALLACE, EXECUTIVE DIRECTOR**
**DR. MARK HERNANDEZ, CHIEF MEDICAL OFFICER**
**JEFF KNODEL, CHIEF FINANCIAL OFFICER**
**WILLIE LOPEZ, CHIEF OPERATING OFFICER**

Community Care
COLLABORATIVE

# FY17 Budget Highlights

## Priorities

- Specialty care relocation/transformation
- Emergency room use reduction strategy
- MAP expansion/benefit enhancement
- Primary care strategy
- Value based payment strategy
- Transition to internal project management resources

## Background

- FY17 budget is third CCC operating budget
- Revenue and expenses budgeted aggressively based on best available information
- Member contributions based on best available information—actual results may vary from budgeted amount

# FY17 Operational Priorities

**Central Health Strategic Principle: Transformation**

- Improvement of specialty care
- Improvement and redesign of Medical Access Program
- Enhancement of primary care continuum
- Transition to value based payment
- Development of data warehouse

**Central Health Strategic Principle: Stewardship**

- Delivery System Reform Incentive Payment (DSRIP) operations and program renewal

**Central Health Strategic Principle: Partnership**

- Social determinants of health, homeless services, health management planning
- Alignment of goals and strategies with key partners: Seton; Dell Medical School; Austin Travis County Integral Care

# FY17 Proposed Budget: Sources and Uses

| Description | FY16 Approved Budget | FY17 Proposed Budget |
|---|---|---|
| **Sources** | | |
| DSRIP revenue | $55,665,911 | $62,432,400 |
| Member payment – Seton* | 46,100,000 | 41,500,000 |
| Member payment - Central Health* | 26,245,166 | 26,245,166 |
| Contingency reserve | 23,614,250 | 23,643,324 |
| Other | 15,000 | 40,400 |
| **Total Sources** | **$151,640,327** | **$153,861,290** |
| | | |
| **Uses** | | |
| Health care delivery | 92,782,800 | 95,373,056 |
| DSRIP project cost | 23,857,527 | 23,488,234 |
| UT Affiliation Agreement | 35,000,000 | 35,000,000 |
| **Total Uses** | **$151,640,327** | **$153,861,290** |
| **Sources over Uses** | - | - |
| | | |
| **Reserves** | | |
| Contingency Reserve | - | - |
| Emergency Reserve | 5,000,000 | 5,000,000 |
| **Total Reserves** | **$5,000,000** | **$5,000,000** |

**Final contributions will be subject to provisions of the MSA, which requires the parties to collaborate to adequately fund the CCC, but leaves the amount of funding up to each parties' discretion. Each member contribution could be more or less than the budget, depending on a variety of factors.*

# FY17 Budget: Health Care Delivery

| Health Care Delivery | FY16 Approved Budget | FY17 Proposed Budget |
|---|---|---|
| **Health Care Delivery - Providers** | | |
| Primary care | $52,771,147 | $49,992,582 |
| Specialty care | 1,622,985 | 1,201,000 |
| Mental health | 8,429,022 | 8,383,856 |
| Dental surgery | 596,711 | 629,711 |
| Vision | 550,915 | 550,951 |
| Orthotics | 41,000 | 100,000 |
| **Total Health Care Delivery - Providers** | **$64,011,780** | **$60,858,100** |
| **Health Care Delivery - Other** | | |
| Pharmacy | 4,500,000 | 5,350,000 |
| Health care delivery operations | 1,276,435 | 1,236,318 |
| Third party administrator (TPA) | 1,000,000 | 1,085,000 |
| United Way call center | 856,309 | 856,309 |
| Integrated Care Collaboration (ICC) | 160,000 | - |
| Project management office | - | 755,329 |
| Patient medical management | - | 1,782,840 |
| **Total Health Care Delivery - Other** | **$7,792,743** | **$11,065,797** |
| **Service Expansion Funds** | **500,000** | **1,000,000** |
| **Operations Contingency** | **1,665,276** | **1,813,496** |
| **IDS Plan Initiatives** | | |
| Specialty care | 3,518,611 | 7,675,000 |
| IDS Plan Contingency Reserve | 4,780,938 | - |
| Quality, assessment and performance | 475,000 | 956,974 |
| MAP redesign | 250,000 | 5,354,621 |
| MAP benefits enhancement reserve | 3,000,000 | 858,938 |
| **Total IDS Plan Initiatives** | **$12,024,549** | **$14,845,533** |
| **Health Information Technology** | **5,550,000** | **4,458,147** |
| **Administration** | **1,238,451** | **1,331,983** |
| **Total Health Care Delivery** | **$92,782,800** | **$95,373,056** |

# FY 17 Proposed Budget – Primary Care Providers

| Primary Care Providers | FY16 Approved Budget | FY16 Estimated (Updated) | FY17 Proposed Budget |
|---|---|---|---|
| CommUnityCare | $42,101,395 | $38,216,098 | $39,450,000 |
| People's Community Clinic | 1,798,000 | 1,525,621 | 1,798,000 |
| Volunteer Healthcare Clinic | 100,000 | 100,916 | 100,000 |
| NextCare Urgent Care | 191,000 | 179,271 | 191,000 |
| Front Steps/Recuperative Care Beds | 400,000 | 480,844 | 600,000 |
| Paul Bass Clinic | 709,647 | 182,511 | - |
| El Buen Samaritano | 2,350,000 | 2,023,459 | 2,350,000 |
| Lone Star Circle of Care | 4,364,995 | 2,455,511 | 4,364,995 |
| New convenient and urgent care | - | 10,000 | 409,000 |
| Other Medical MAP | 59,288 | 26,464 | 32,765 |
| City of Austin EMS | 696,822 | 696,822 | 696,822 |
| **Total Primary Care** | **$52,771,147** | **$45,897,517** | **$49,992,582** |

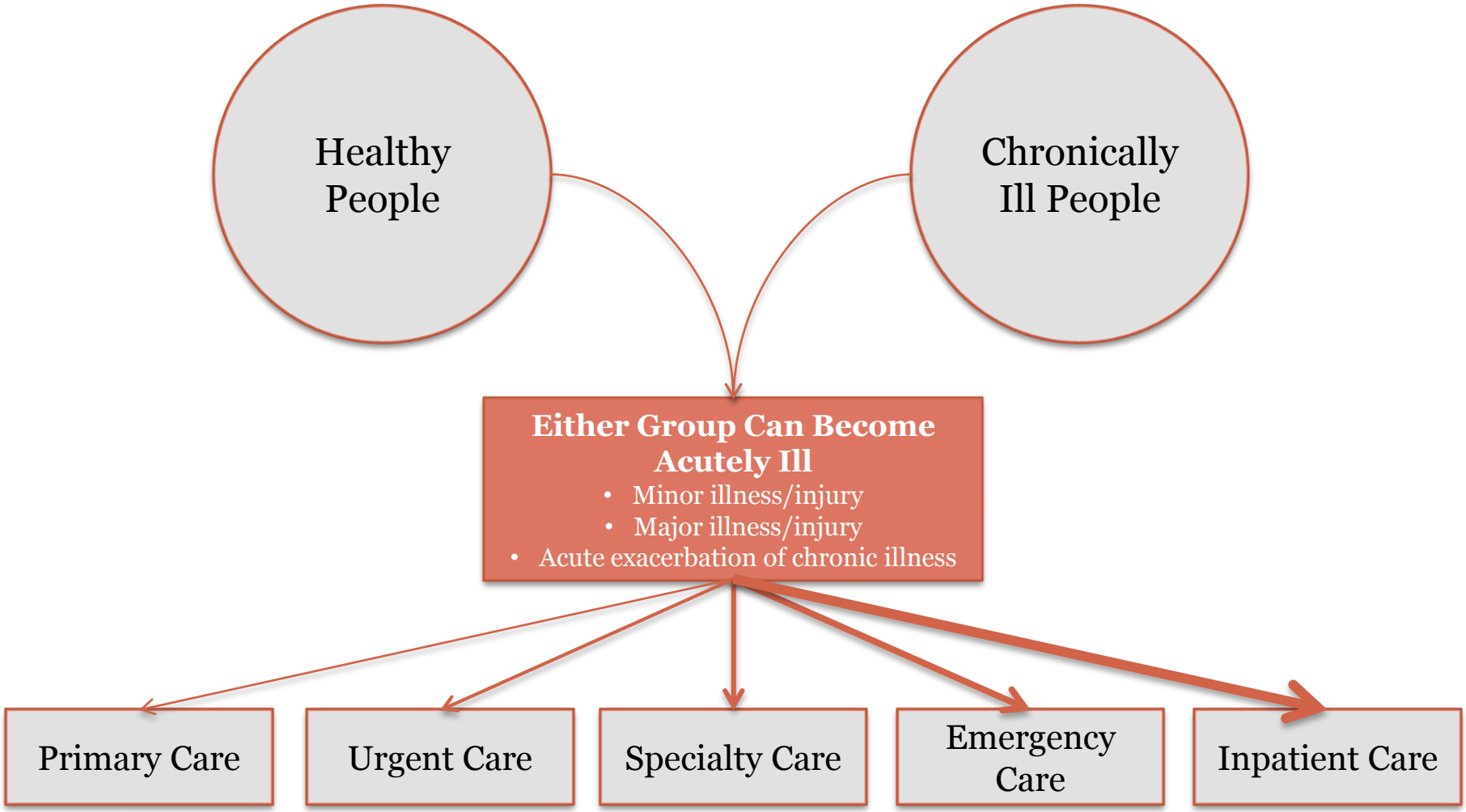
# FY17 Budget: Specialty Care

| Specialty | FY 16 APPROVED | FY17 PROPOSED |
|---|---|---|
| Orthopedics | $524,388 | $2,000,000 |
| Gastroenterology | 645,457 | 650,000 |
| Cardiology | 26,400 | 100,000 |
| Urology | 1,010,916 | 450,000 |
| Rheumatology | 402,520 | - |
| Endocrinology | 21,600 | 100,000 |
| Neurology | 887,330 | 150,000 |
| Ophthalmology | | 400,000 |
| Otolaryngology (ENT) | | 400,000 |
| Complex gynecology | | 500,000 |
| Dermatology | | 100,000 |
| Allergy | | 50,000 |
| Post-acute care | | 550,000 |
| Virtual care pilot | | 200,000 |
| Audiology | | 50,000 |
| Substance use disorder pilot | | 450,000 |
| UMCB specialty care relocation | | 1,500,000 |
| Specialty care referral process improvement | | 25,000 |
| **Total** | **$3,518,611** | **$7,675,000** |

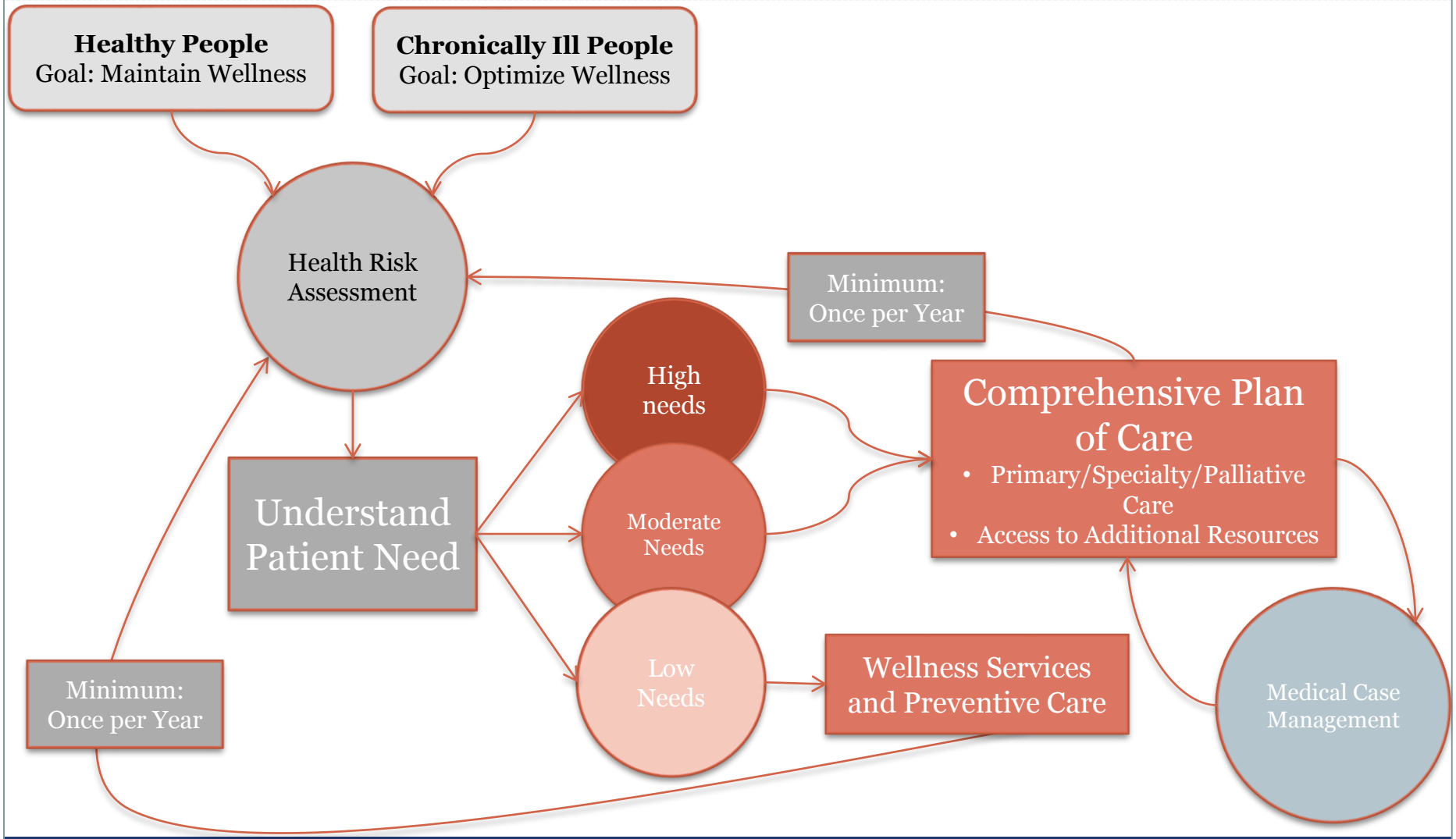
# FY16 Specialty Care Activity

| Specialty | Intervention | Result |
|---|---|---|
| Cardiology | E-consults | Increased capacity for cardiology consultation by up to 2 hours per week |
| | | PCPs report contact with specialist within 15 minutes |
| Gastro-enterology | Pre-colonoscopy education | Increased capacity for colonoscopies by up to 25 per week |
| | | GI doctors freed up to perform procedures and see patients with complex conditions |
| Orthopedics | Orthopedic clinic | Three additional half day clinics/week |
| | | Four additional orthopedic providers available to serve MAP/SFS patients |
| | | Triaged 100% of the 1,413 referrals in the initial waitlist |
| | | Wait list has decreased by more than 730 referals |
| | | 267 patients have been seen since June |
| | | Current average wait time for most newly referred patients is 25 days |
| Endocrin-ology | E-consults | Will increase provider capacity for endocrinology consultation by up to 2 hours per week |
| | | Updated formulary list provided to endocrinologists to facilitate use of covered medications |
| Neurology | E-consults | Will increase provider capacity for neurology consultation by up to 2 hours per week |
| | | Neurologist updating referral criteria/protocols to support provider decision to refer |
| | | Developing questionnaire for PCPs to evaluate epileptic patients prior to consult |
| Referral Management | Process Improvement | Documenting current state processes for all CCC providers who refer MAP/SFS patients to specialty care |
| | | Defining requirements for future state referral management processes and systems using partner input |

# Current Model: Acute Care



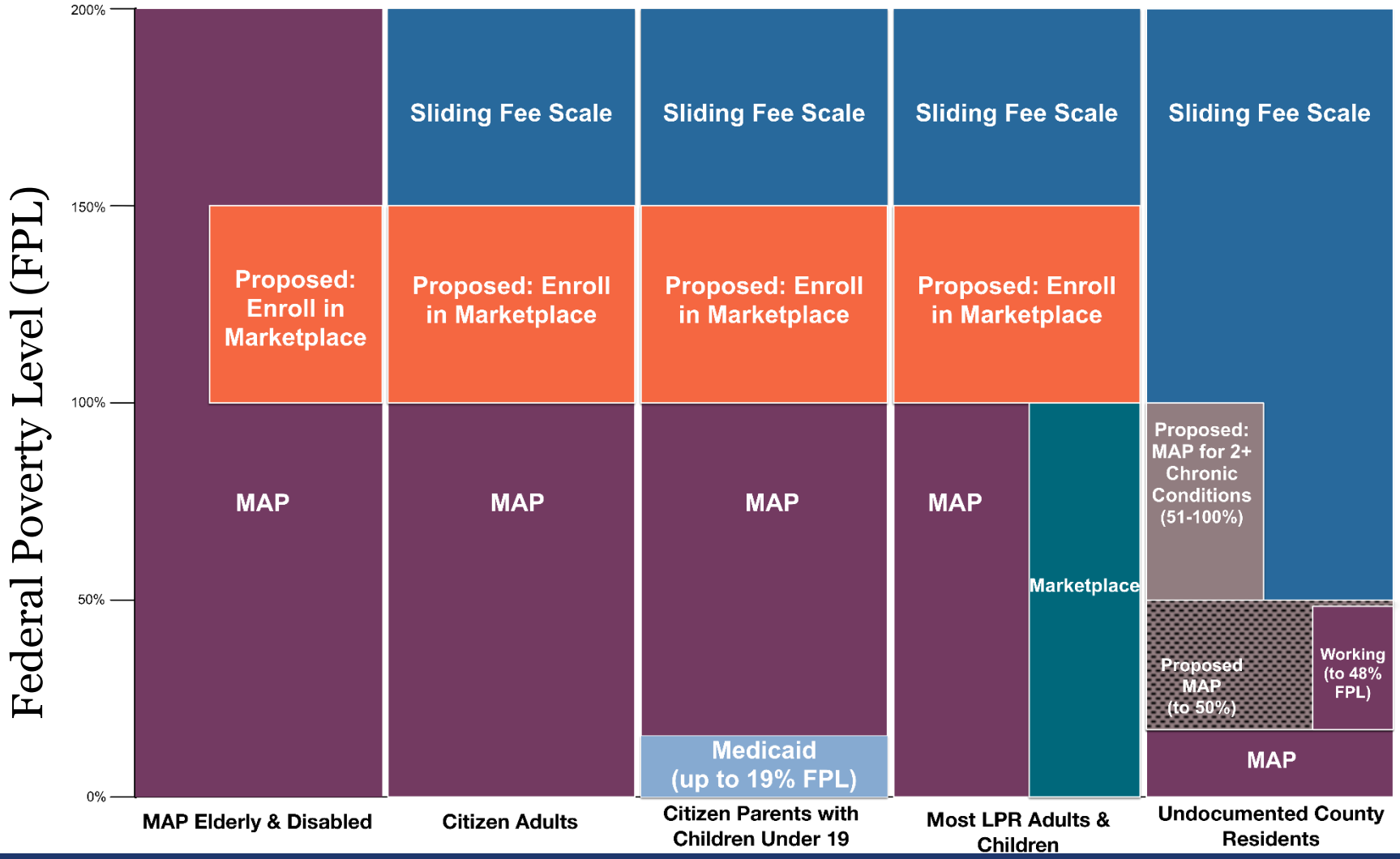
# Future Model: Reducing Use of Emergency and Inpatient Care



# FY17 MAP Expansion

| Phase 1 | Phase 2 | Phase 3 | Phase 4 |
|---|---|---|---|
| Jan. 1, 2017 | January-June 2017 | July-September 2017 | Stretch/FY18 |
| • Increase MAP ceiling from 21% to 50% FPL | • Identify and convert existing high-risk (2+ Chronic Conditions) SFS patients up to 100% FPL into MAP | • Identify high-risk new applicants up to 100% FPL and enroll into MAP | • Identify high-risk new applicants and existing SFS patients above 101% FPL and enroll into MAP |

# FY17 Benefit Plan Redesign



# FY17 Benefit Enhancement and Eligibility Expansion

| MAP Enhancement and Expansion | FY 17 Proposed |
|---|---|
| **MAP Benefit Enhancement** | **Amount*** |
| Health risk assessment | $262,500 |
| Preventative services – no co-pay | 51,819 |
| Pain management | 275,708 |
| Group health education | 56,250 |
| Palliative care | 322,592 |
| Integrated behavioral health | 150,000 |
| Complex care management | 800,000 |
| **Total MAP Benefit Enhancement** | **$1,918,869** |
| **MAP Eligibility Expansion** | |
| Expansion of eligibility from 21% to 50% of FPL | 951,856 |
| Expansion of high-risk patients to 100% of FPL | 2,483,896 |
| MAP Contingency Reserve | 858,938 |
| **Total MAP Eligibility Expansion** | **$4,294,690** |
| **TOTAL (* Represents start date of Jan. 1, 2017)** | **$6,213,559** |

# FY17 Value Based Payment (VBP)

Progress in FY17 includes:

- Shifting of payment model to promote expansion and variation of reimbursable services
  - Reduction in fee-for-service provider encounter rate
  - Inclusion of payments for encounters with other care team members
- Addition of payment for care management—per-member-per-month (PMPM) payments to manage patient risk groups
- Creation of performance incentive pools focused on:
  - Operations
  - Clinical
- Establishing baseline - pay for reporting

# FY17 Value Based Payment

**DRAFT** CommUnityCare VBP agreement includes:

- Reduction of provider encounter rate from $190 to $125 ($133 for SFS)
- Creation of health management PMPM payment ranging from $2 - $40
- Creation of performance incentive pools – four pools totaling $2 million
  - Two operational improvement measures, two clinical
  - Incentive pools account for approximately 5% of contract total
- Creation of encounter rate for nurse/pharmacy/nutritionist/other care team member
- Increase of funding for pharmacy and to offset reduction in state support for women's services

# Gaining Efficiencies

## Identifying opportunities to save:

- Move services to more appropriate and value-oriented location
  - Ophthalmology
  - Retinal eye exams
  - Urgent and convenient care
- Utilize Seton hospital network to negotiate lower health care service rates
- Develop internal project management resources in-lieu of solely utilizing specialized consultants
- Streamline eligibility criteria to utilize eligibility staffing across all organizations more efficiently

## Changing service delivery model:

- Incorporation of elements of the new integrated practice unit (IPU) model in orthopedics resulting in more non-invasive treatment and fewer surgical procedures
- Implementation of electronic consulting between PCP and specialists resulting in better referral pathways and more efficient patient appointments

# Upcoming CCC Budget Dates

Sept. 14—Central Health Board of Managers (CCC budget approval)

# Questions?