



## AHIP Value-Based Care Workgroup

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## Rural Health Value

- A collaboration between the RUPRI Center and Stratis Health, funded by the Federal Office of Rural Health Policy
- To facilitate rural health care and community transitions from *volume-based* to *value-based* health care and payment.
- Rural Health Value's charge:
  - Develop tools and resources
  - Interpret health policy
  - Disseminate best practices
  - Provide direct technical assistance
  - Share rural experiences



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## Today's Session

- Orient participants to rural and rural health care
- Describe rural relevant engagement and Value-Based Care and Payment model design
- Share in-the-field and on-the-ground VBC and VBP experience and implementation in rural
- Hear and learn from you!



## What is Rural?

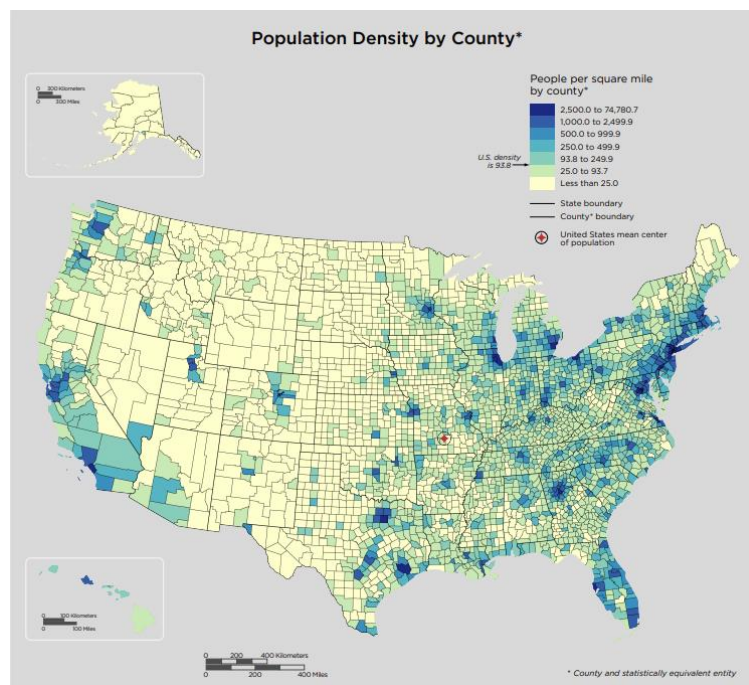


## What is rural?

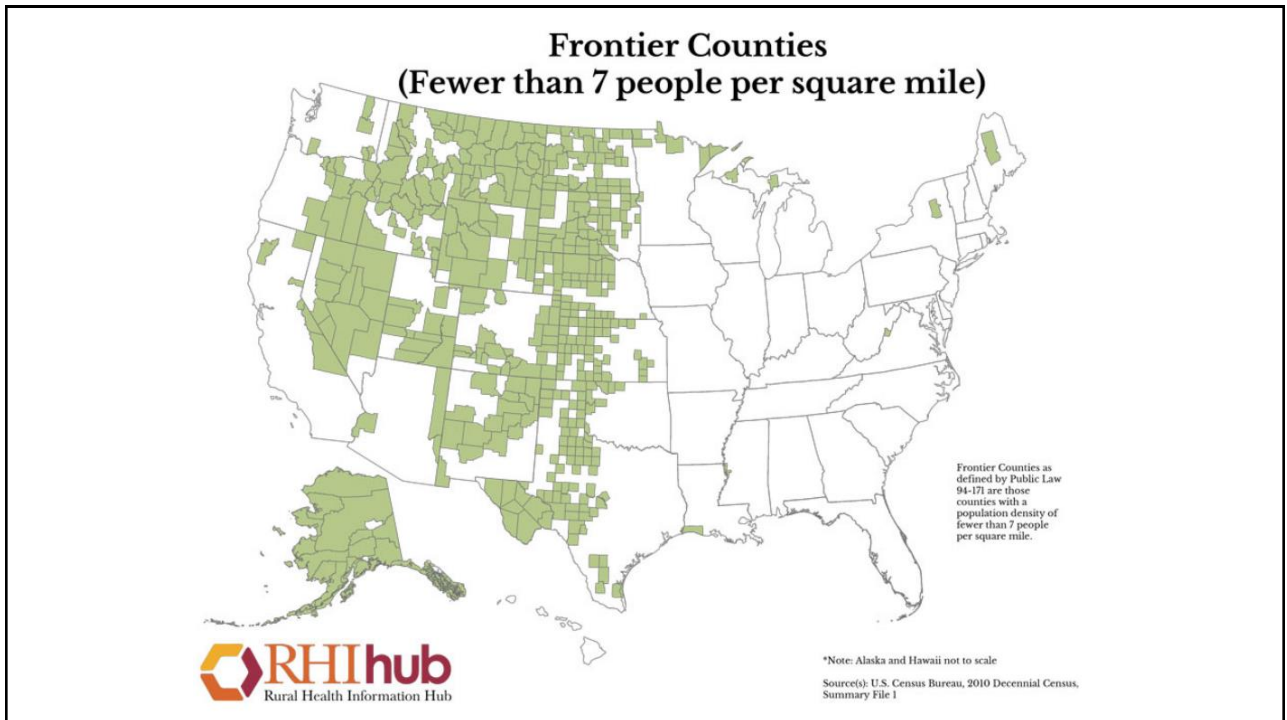
- 97% of U.S. land mass is rural
- 19.3% of the population lives in rural (approx. 60 million people)<sup>1</sup>
- Multiple formal definitions, but often based on perception
  - [Am I Rural?](#)<sup>2</sup>
  - Frontier: Fewer than 7 people per square mile

<sup>1</sup> US Census Bureau: [What is Rural America](#)

<sup>2</sup> Rural Health Information Hub ([www.ruralhealthinfo.com](http://www.ruralhealthinfo.com))



Source:  
[United States - Profile \(2020 Census\)](#)



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## Rural Populations

### *Older, Sicker, Poorer:*

- Rural median age is 51 compared to urban median age of 45.<sup>1</sup>
- Rural age-adjusted, all-cause mortality per 100,000 persons is 830.5 compared to urban mortality of 703.5.<sup>2</sup>
- Rural median household income is \$46,000 compared to urban of \$62,000.<sup>3</sup>

<sup>1</sup>U.S. Census Bureau, 2011-2015. Measuring America.

[www.census.gov/content/dam/Census/library/visualizations/2016/comm/acs-rural-urban.pdf](http://www.census.gov/content/dam/Census/library/visualizations/2016/comm/acs-rural-urban.pdf)

<sup>2</sup>North Carolina RHRC (2017). Rural Health Snapshot (2017).

<https://www.ruralhealthresearch.org/publications/1110>

<sup>3</sup>U.S. Census Bureau, 2009-2016. Small Area Income and Poverty Estimates.

[www.census.gov/programs-surveys/saippe.html](http://www.census.gov/programs-surveys/saippe.html)

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## Rural Health Care Delivery: *Rural is not small urban*

Rural health care organizations often have special federal designations and payment programs:

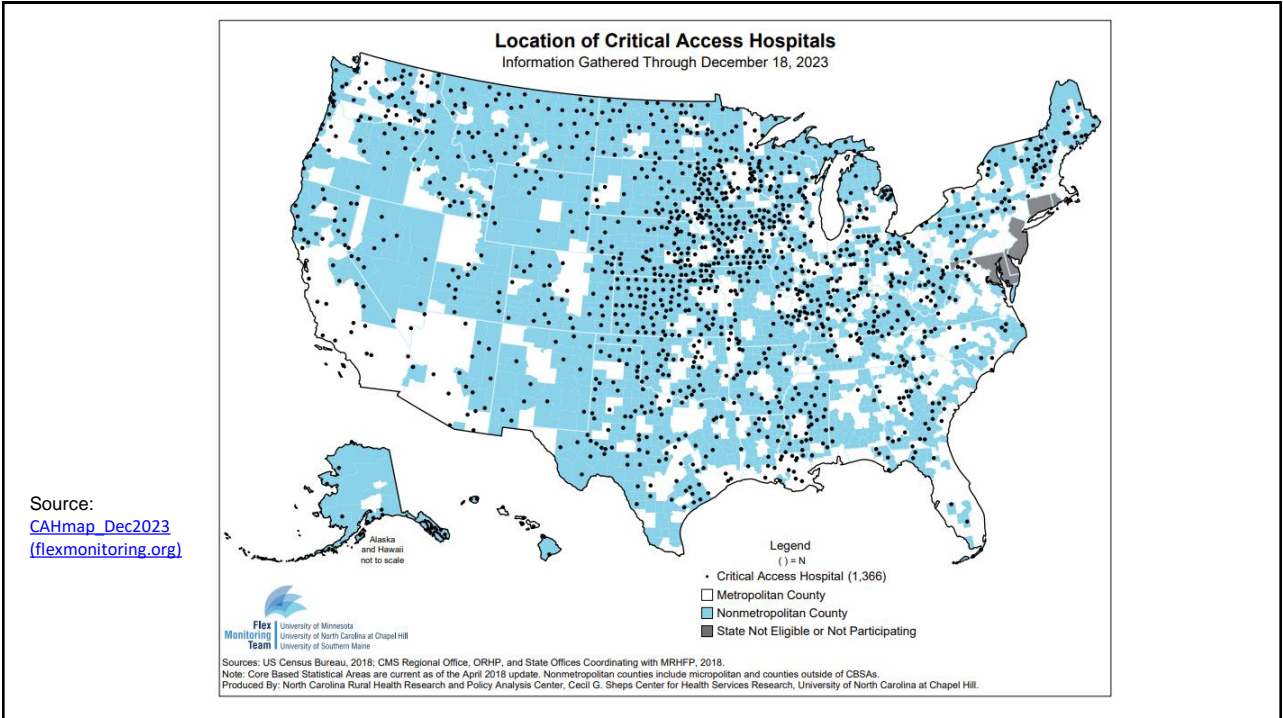
- Critical Access Hospitals (CAH) – 1366, in 45 states
  - 25 beds or less, 96-hour average length of stay
  - 35-miles from another hospital (can vary)
- Rural Emergency Hospitals (REH) – 19, in 9 states
  - New CMS provider-type starting in 2023
  - 24-hour emergency and observation services, no inpatient
  - Enhanced Medicare payments
- Rural Health Clinics (RHC) – about 4500, in 45 states
  - Non-urban
  - Health Care Professional Shortage or Medically Underserved Area
- Health Centers (FQHC, or other designation)
  - Approximately 1 in 5 rural residents are served by the Health Center Program

More information from the Rural Health Information Hub:

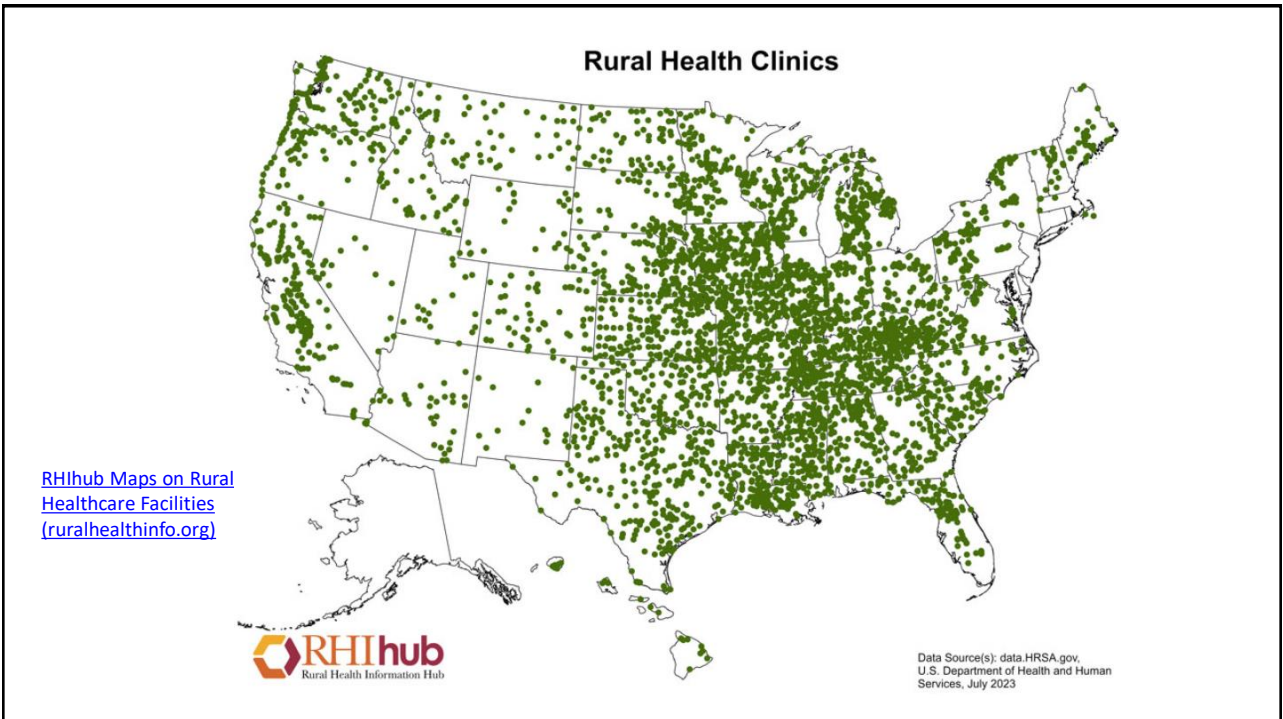
- [Critical Access Hospitals \(CAHs\)](#)
- [Rural Health Clinics \(RHCs\)](#)
- [Federally Qualified Health Centers \(FQHCs\)](#)
- [Rural Emergency Hospitals \(REHs\)](#)

## Rural Health Care Delivery: *Rural is not small urban (continued)*

- Patient volumes are lower, often substantially, in rural than urban
- Access to health care services beyond primary care can be limited including:
  - Home Care, Palliative Care, Hospice
  - Mental Health and Substance Abuse
  - Reproductive, Obstetric, and Maternal Health
  - Specialists
- Broadband availability is far from universal
  - Some consider broadband connectivity to be a social determinant of health in rural
- Relationships between health care and community organizations are often closer in rural, but meeting social care needs is more complex due to limited resources and informal networks rather than formal programs

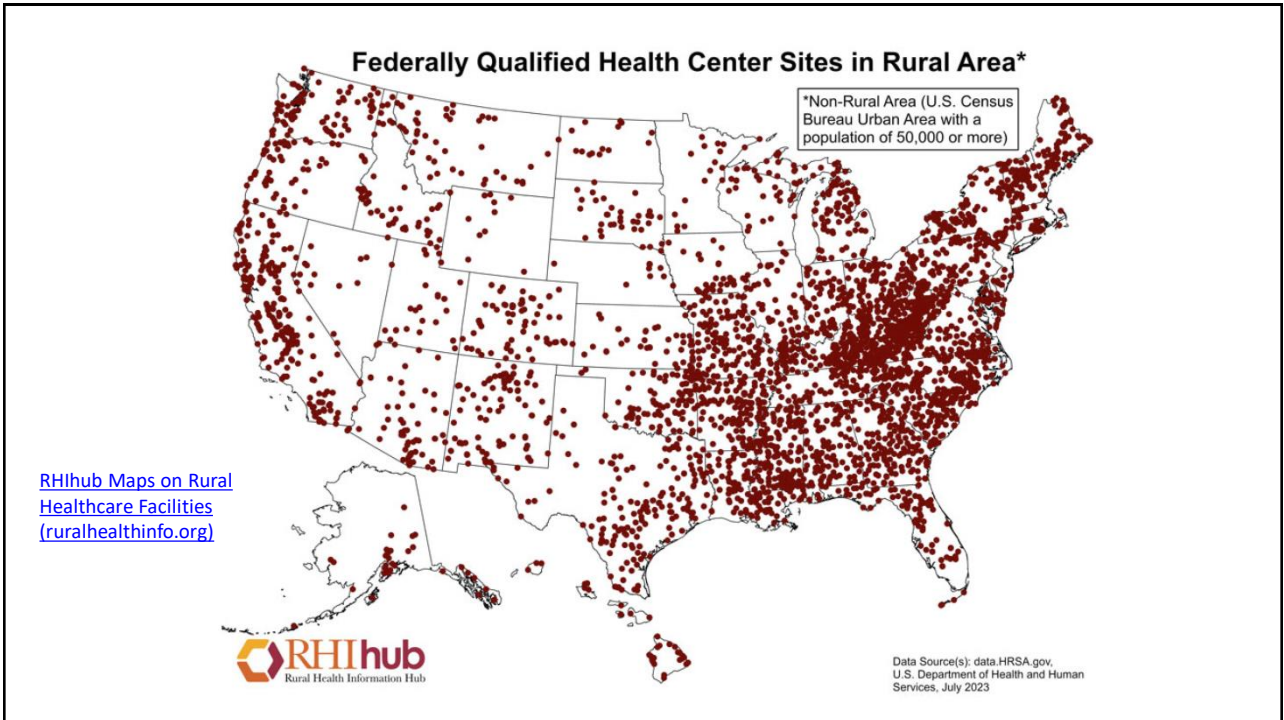


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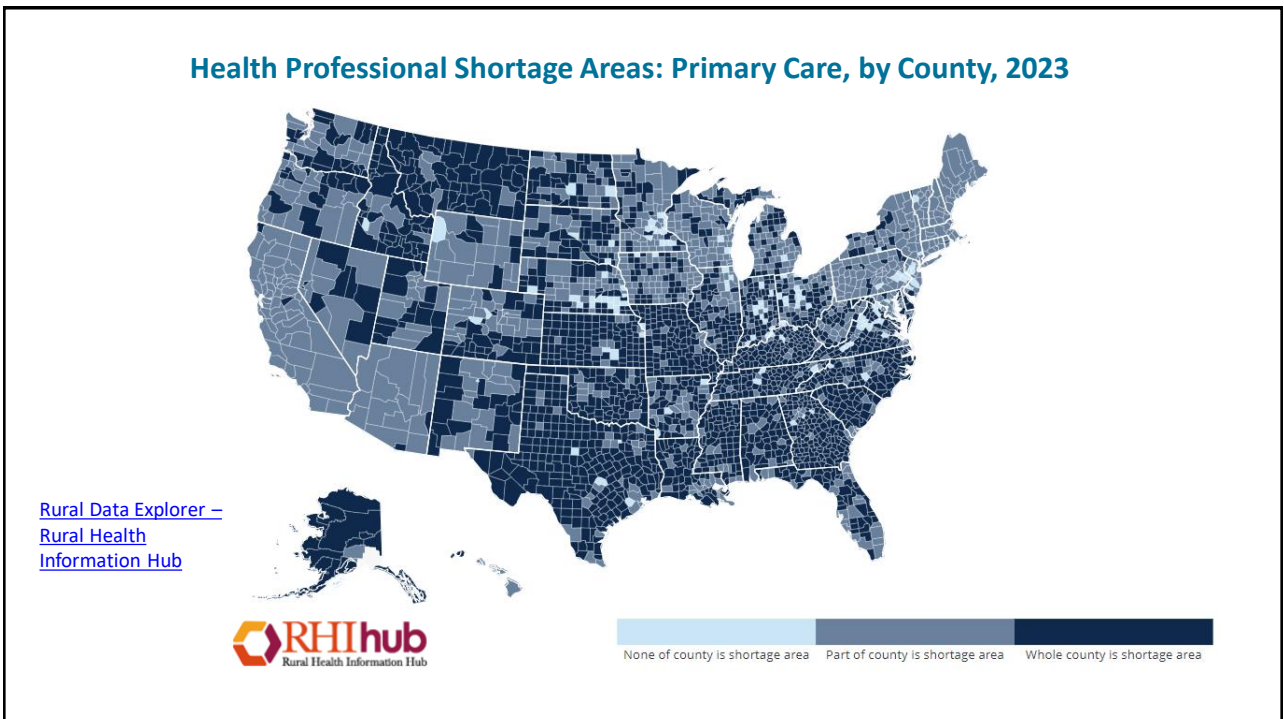


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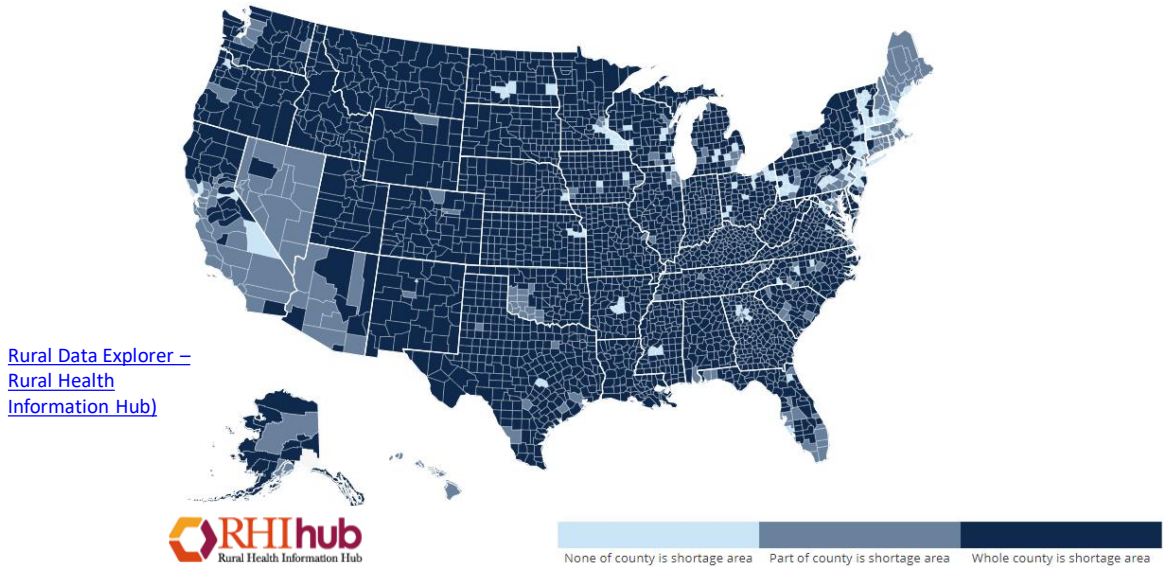


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### Health Professional Shortage Areas: Mental Health, by County, 2023



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## How can VBC and VBP design foster rural engagement and success?



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## Rural Value-Based Plan Design Considerations

- Considerations for rural value-based plan design are based on proceedings from a national summit discussing value-based care payment models and from insights collected from rural health experts. Sources include two Rural Health Value documents.
- [Advancing Value-Based Payment Policies Relevant to Rural Areas – Continued Challenges and New Opportunities \(2023\)](#)
- [How to Design Value-Based Care Models for Rural Participant Success: A Summit Findings Report \(2020\)](#)

## Rural Realities

- Recognize the unique challenges of **low rural volumes** when establishing and evaluating performance expectations.
- Recognize that **service utilization reductions** result in much greater payer savings than rural healthcare organization (HCO) savings.
- **Share** savings with HCOs.
- Assist **under-resourced rural HCOs** bolster value-based care infrastructure and experience.



## Plan Design

- Employ **rural health experts** (e.g., practicing clinicians, hospital CEOs, and rural health care accountants) to help design plans.
- Provide a clear path to HCO **financial sustainability** during plan design.
- Adjust plan expectations based on rural data reporting, access, and analysis **capacity**.
- Apply **financial risk** only to performance controlled by HCOs.
- Design plan payment systems that provide the **stability** of cost-based reimbursement and all-inclusive rates but help Critical Access Hospitals and Rural Health Clinics transition to value-based payment.



## Communication

- Maintain **regular communication** between participants and plan administrators to facilitate understanding and adaptation as data and experience mature.
- Support **health information exchange** capacity for improved care coordination.
- Incorporate regular **plan assessments** to identify changes that can improve the likelihood of payer and HCO success.



## Data and Analysis

- Employ meaningful and appropriate **rural HCO performance** measures and benchmarking comparisons and allow local decision making or prioritization.
- Provide timely and actionable **performance data analyses** so HCOs can improve clinical outcomes and ensure financial stability.
- Disseminate in **near real-time** quality and cost data so clinicians can improve care quality and efficiency, make wise referral decisions, and coordinate care.



## How is it really working in rural?

## Rural Can Do This Well!

- While the road isn't always smooth, rural communities and health care organizations can and are delivering value-based care and succeeding in value-based payment programs.
- Specific rural examples are provided on the following slides:
  - Rural Participation in Medicare ACOs
  - Aligning Services with Community Need
  - Innovating in a Changing Payment Environment
  - Tackling Local Health Issues



## Rural Participation in ACOs

Despite challenges, rural hospitals and clinics participate in Medicare Shared Savings Programs (SSPs) in strong and growing numbers.

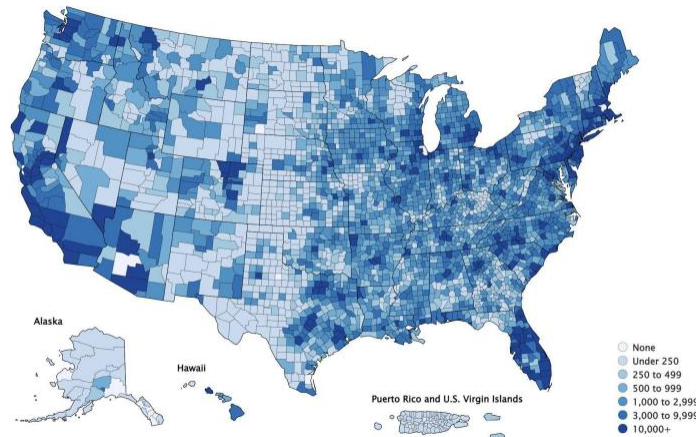
- In 2023, 467 CAHs participated in SSP. (Source: [2023 Medicare SSP Fast Facts](#))
- There has been a growing number of RHCs and FQHCs engaging in SSP (see table below):

Performance Year	2013	2014	2015	2016	2017	2018	2019	2019A	2020	2021	2022	2023
FQHC/RHC	455	811	1,213	1,665	2,263	2,689	3,482	3,682	4,042	4,527	5,351	6,649
Federally Qualified Health Center	339	640	857	1,075	1,541	1,761	2,277	2,358	2,629	3,130	3,708	4,409
Rural Health Clinic - Free Standing	91	107	142	200	218	232	281	315	336	323	352	666
Rural Health Clinic - Provider Based	25	64	214	390	504	696	924	1,009	1,077	1,074	1,291	1,574

Source: [RHCs & the Medicare Shared Savings Program - What You Need to Know - National Association of Rural Health Clinics \(narhc.org\)](#)



## CMS SSP Medicare Beneficiary ACO Participation (January 2023)



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## Aligning Services with Community Need

- Four rural communities (in AR, MI, OR, SC) shared experiences with health care and community-based partnerships that highlighted opportunities for policymakers, payers, and health system leaders for **building and supporting social needs infrastructure in rural communities in alignment with value-based care strategies**. [Rural Health Value Summit: Driving Value through Community-Based Partnerships](#)
- Vermont's dominant payers have partnered to test an alternative payment model statewide that requires health care organizations to innovate health care delivery and achieve shared goals. Participation in the ACO has allowed MAHHC to **implement strategies to better meet community needs ranging from prevention to complex care management**. [Rural Innovation Profile: Vermont's All-Payer Accountable Care Organization Model - Mt. Ascutney Hospital and Health Center's \(MAHHC\) Experience](#)
- Western Wisconsin Health in Baldwin WI worked to **integrate behavioral health providers and services with primary care**, including a focus on financial sustainability and cultural change to focus on whole-person care. [Rural Innovation Profile: Behavioral Health Integration into Primary care](#)

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## Innovating in a Changing Payment Environment

- For more than a decade, South East Rural Physicians Alliance Accountable Care Organization (SERPA-ACO), a physician-led ACO that includes 16 physician-owned clinics in Nebraska has been **leveraging health care payment and delivery models** to provide high quality, comprehensive, coordinated, and patient-centered care at a lower cost. [Rural Innovation Profile: SERPA ACO - A Rural Accountable Care Organization's Journey](#)
- The Iowa Primary Care Association (Iowa PCA), IowaHealth+, and INConcertCare collaborate as a network to leverage resources in support of community health centers (CHCs) across Iowa. The three organizations have established a common strategic plan that supports a clinically integrated network for **Medicaid and Medicare value-based care (VBC) contracting**. [Rural Innovation Profile: Iowa Community Health Centers and Value-Based Care](#)
- Three rural Colorado hospitals participate in the CO HTP, a mandatory statewide five-year program that ties Medicaid supplemental payments to hospitals' ability to meet performance targets. The goal is to drive change to improve healthcare outcomes, equity, and access for all patients and **prepare Colorado hospitals for future value-based care and payment models**. [Rural Innovation Profile: Rural Hospital Experiences in the Colorado Hospital Transformation Program](#)

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## Tackling Local Health Issues

- A partnership of health and community providers across ten rural counties in Northern Michigan **addresses social determinants of health** through systems change and collaboration, including development of a Community Connections Hub Network, a clinical community linkages model that connects individuals and families to community resources. [Rural Innovation Profile: Northern Michigan Community Health Innovation Region](#)
- A critical access hospital in Susquehanna, PA provides insight into their experience participating in the Pennsylvania Rural Health Model, which includes a global budget and **transforming care to address community health needs**. [Rural Innovation Profile: Experience in the Pennsylvania Rural Health Model: Barnes-Kasson County Hospital](#)
- Community Care Partnership of Maine, a collaboration of nine federally qualified health centers and three community hospital systems, uses predictive analytics software to **identify patients with the highest risk** and plan interventions to support care management. [Rural Innovation Profile: Community Care Partnership of Maine](#)

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## Rural Health Value: Workgroup discussion questions

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### We want to learn from you!

- What strategies have been most useful in engaging rural providers in your network in value-based payment arrangements?
- What barriers do you experience in working with rural health care organizations?
- What tools, resources, or support would be helpful in supporting engagement and success with your rural providers?

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## [www.ruralhealthvalue.org](http://www.ruralhealthvalue.org)



### Pulse Check

Rural system high performance

**Value-Based Care Assessment** - Assess capacity and capabilities to deliver value-based care. Receive an eight category readiness report. (updated 2021)

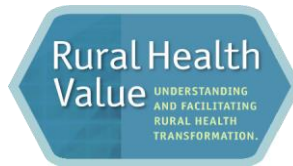
**Physician Engagement** - Score current engagement and build effective relationships to create a shared vision for a successful future.

**Board and Community Engagement** - Hold value-based care discussions as part of strategic planning and performance measurement. (updated 2022)

**Social Determinants of Health** - Learn and encourage rural leaders/care teams to address issues to improve their community's health.

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## [www.ruralhealthvalue.org](http://www.ruralhealthvalue.org)

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