



Center for Rural Health Policy Analysis

December 31, 2013



## Rural Innovation Profile

### *A County-Based Care Integration Model*

**What:** A rural county-based health care purchasing organization emphasizing provider-payer shared accountability and value-based health and human services.

**Who:** PrimeWest Health, Alexandria, Minnesota.

**How:** Engaging members; integrating care providers, including public health and social services; coordinating care; and realigning financial incentives.

#### Key Points

- Ensure that payers, communities, and health care providers are at the table and are stakeholders in the solution.
- Establish quality control on the front end of patient care and drive it through each individual's care plan.
- Ensure that everyone involved with a patient's care has access to the patient's electronic care plan.
- Focus on the least costly alternative to deliver the outcome being sought.
- Support rural providers in organizing and managing the integration of health services.

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## **BACKGROUND**

Established in 1998, PrimeWest Health is a county-based health care purchasing organization owned and governed by 13 counties in rural Minnesota. PrimeWest Health provides health coverage to county residents who qualify for Medicaid, Medicare, and other public health programs. Approximately 24,000 people (10% of the total population) in its geographic area are enrolled in PrimeWest Health. When Medicaid enrollment expands in 2014, PrimeWest's patient population is expected to expand about 20%. PrimeWest Health has established the Accountable Rural Community Health (ARCH) to deliver the Triple Aim<sup>®1</sup>: improve care outcomes and quality, reduce health care spending, and improve population health. ARCH integrates nearly 8,000 PrimeWest Health network health care providers across the care continuum with county public health and social services.

PrimeWest Health was established in response to the transition of Minnesota's Medicaid program from fee-for-service to managed care. PrimeWest Health is a joint-powers organization governed by a board of 13 members who represent the 13 counties where the health plan is offered. Two ex-officio members represent local public health and social services. This unique governance and ownership structure allows for the integration of publicly funded insurance coverage, public health, and social services.

Given the rural areas that PrimeWest Health serves (lower population density, longer distances, lower patient volumes, and limited access to specialty care services), PrimeWest established the health Care Home (HCH – also known as Patient-Centered Medical Home) as the hub of the rural health care system, with referral and integration decision facilitated by the HCH. The HCH has the information, financial, and technical assistance needed to make independent decisions regarding patient referrals. Ultimately, ARCH is designed to support rural providers in organizing and managing health services integration.

## **ORGANIZING, INTEGRATING, AND COORDINATING CARE**

The ARCH program prospectively assigns patients to a HCH based on prior health services utilization or HCH proximity to a patient's home address. In addition, ARCH employs a three-pronged approach to integrating health and human services: organizational, virtual, and locational. Organizational integration is accomplished through the operational structure of PrimeWest: a county-owned health care

**“We are working towards the least costly alternative to deliver the outcome we are looking for.”**

***–Jim Przybilla,  
PrimeWest Health CEO***

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<sup>1</sup>Triple Aim was established by the Institute for Healthcare Improvement.





purchasing organization that is integrated with public health and social services. Virtual integration relies on health care provider network agreements, patient care management agreements, provider incentives (e.g., value- and outcomes-based reimbursement methodologies), cross-provider organization workflow, and data sharing. Locational integration is accomplished by placing a county public health and/or social services case manager, as well as behavioral health providers, in the HCH and/or hospital.

Care coordination helps to avoid duplication of services and creates a more seamless health care delivery system. ARCH established five objectives for its care coordination program: (1) optimal clinical outcomes; (2) better functional status/outcomes; (3) improved patient and provider satisfaction; (4) a reduction in inappropriate utilization of health care resources and services; and (5) fewer preventable illnesses, avoidable hospitalizations, and unnecessary health care costs. Although care coordination can be adapted to meet patient-specific needs and local service area resources, it relies on health risk assessment, triage, care planning and development, and care plan compliance and monitoring. Once a patient enrolls in PrimeWest Health or experiences a significant health event, the patient completes a Health Risk Assessment (HRA). The HRA, along with any other screening tools or assessments (based on patient needs), are reviewed with the patient by the HCH and county case manager. The patient, HCH, and county care manager then establish a treatment plan/pathway that best meets the patient's needs, including setting goals and expected outcomes. A patient's pathway may address challenges associated with chronic diseases, behavioral health, physical health, wellness, and/or other health related issues.

**“Hospital admissions are a failure of the system if they were preventable.”**

***-Jim Przybilla,  
PrimeWest Health CEO***

Using the pathway as the guide, a patient care plan is developed. The care plan is shared electronically among all care managers and providers and is updated whenever the patient has a change in condition (e.g., hospital admission). Once the care plan is implemented, the HCH and PrimeWest Health support patient compliance and monitor patient outcomes. Care management is accomplished through patient self-management, patient and provider incentives; regular patient contact; sharing of patient data; and measurement, through monitoring patients' progress toward meeting care plan goals. To support care management, ARCH HCHs are paid a monthly per-member fee. Currently, there is a strong focus on addressing patients' ambulatory care sensitive conditions, such as asthma, congestive heart failure, and diabetes. Over the past five to six years, PrimeWest Health has seen a constant downward trend in hospitalizations for these conditions within its patient population.





## PROVIDER INCENTIVES

In order to realign health care provider financial incentives, ARCH established three financial incentives: capacity development grants (e.g., grants to establish additional oral health clinics in high demand areas), pay-for-performance bonuses, and paid shared savings if overall health care (including public health and social services) costs are reduced and quality is improved. In addition, health care provider contracts specify quality improvement indicators they are expected to meet and ensure that they are consistent with the Triple Aim.®

## LATEST ARCH INITIATIVE

PrimeWest Health's latest ARCH initiative is the development of a cloud-based, electronic patient care identification (ID) card. The card includes (1) patient contact and eligibility information; 2) photo supporting accurate and timely identification; (3) care coordination information to know if a care plan has been developed, the steps that have been taken, and by whom; (4) health data for care management and tracking; and (5) payment information. Once scanned at a participating provider's place of service, providers will have critical patient information immediately available. In addition, PrimeWest will have real time information regarding patient health care location and service. The patient ID card will begin as a demonstration in six counties.

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