

Bringing medicine, patients and community-based services together.



Partners in Care

FOUNDATION™

changing the shape of health care

Caveat Vendor:

Lessons learned from CBO contracting
with Healthcare



A Community Network of Partners in Care

Our Contracts

- Care Transitions Choices (CTI w/HomeMeds or Bridge) :
 - Blue Shield, Molina, Providence Saint Joseph’s Health System
- HomeMedsPlus – 30, 60 or 90 days of care coordination:
 - UCLA Health System, Blue Shield, Kaiser, L.A. Care, Health Net
- Evidence-based self-management programs
 - Blue Shield (giving us contact info for thousands; we engage & enroll)
 - L.A. Care & Care1st (Medicaid MCOs)
- TCM (Medicare FFS) – Dignity Health
- LTSS – Waiver continuation under duals demonstration
 - Molina, L.A. Care, Health Net, CareMore/Anthem BC, Care1st
- Others
 - Adult Day Health eligibility determination – RN face-to-face assessment, Health Net, Care1st, L.A. Care (also HRA)

Número uno lesson learned

- Don't commit to a price until all of the terms of the contract have been determined
 - **Oops!** You need to hire an outside firm to do satisfaction surveys & interviews
 - **Oops!** An LCSW or RN must sign every assessment, care plan & progress note
 - **Oops!** Here's the convoluted workflow, communication, reporting and approval process you have to follow w/24-hr turnaround
 - **Oops!** With our HIPAA procedures, you can't even forward an email or send it to two recipients
 - **Oops!** We need you to be accredited
 - **Oops!** You need to pay for your own interpreters
- **Corollary:** Keep adding these “oops” elements to your pricing model



Surprise #1: Terms

- Large health plan is willing to compromise on some things
 - Make sure they understand your scale (We're not Optum)
- That compromise is expensive in terms of legal review
 - Our first contract cost us >\$40,000 in legal fees
 - Learn from the lawyers' points so you don't have to keep having them review the same issues for different contracts.
- Plan for a year between serious discussions and start of implementation



Surprise #2: Insurance

- **Worker's Compensation and Employer's Liability** shall not be less than **\$1,000,000** for injury or death.
- **Commercial Liability** shall not be less than **\$1,000,000** for each occurrence and **\$2,000,000** in aggregate for bodily injury, property damage, and personal injury.
- **Business Auto** shall not be less than **\$1,000,000** for bodily injury or property damage.
- **Umbrella Liability** shall not be less than **\$5,000,000**
- **Professional Liability** Insurance shall not be less than **\$3,000,000**
- **Privacy Liability and Network Security, AKA "Cyber,"** shall not be less than **\$3,000,000**



Surprise #3: IT Security

- Outside audit
- Written IT plan
- Diagram of network & security & network penetration test
- Secure FTP site
- Auditors from the plan
- They have to approve everything that touches their members/patients and require vendors to jump through about 3 miles of hoops
 - E.g., 166-row spreadsheet
 - SurveyGizmo refused because account was too small
- No data on laptops



Surprise #4: Accreditation

- Ours is Complex Case Management
 - Designed for health plan CMs
 - LTSS is 1/3 the cost for the accreditation itself
- Requirement related to:
 - CA Department of Managed Health Care rules on delegation
 - NCQA rules on delegation
 - MLR to ensure we would be in the “clinical and quality improvement” domain rather than administration
- Lots and lots of time – all documentation



Surprise #5: Statewide

- To be counted as a benefit, health plan must be able to offer a service to all customers
- Statewide is a bit different in California
 - 2-3 economic zones, Bay Area, L.A., rural
 - Largest-area county in the U.S. – San Bernardino
 - Largest population county in the U.S. – L.A. – bigger than many states; about the same as New England minus Connecticut
- Same price per case no matter how many miles you have to drive or what the labor market looks like



Other Advice

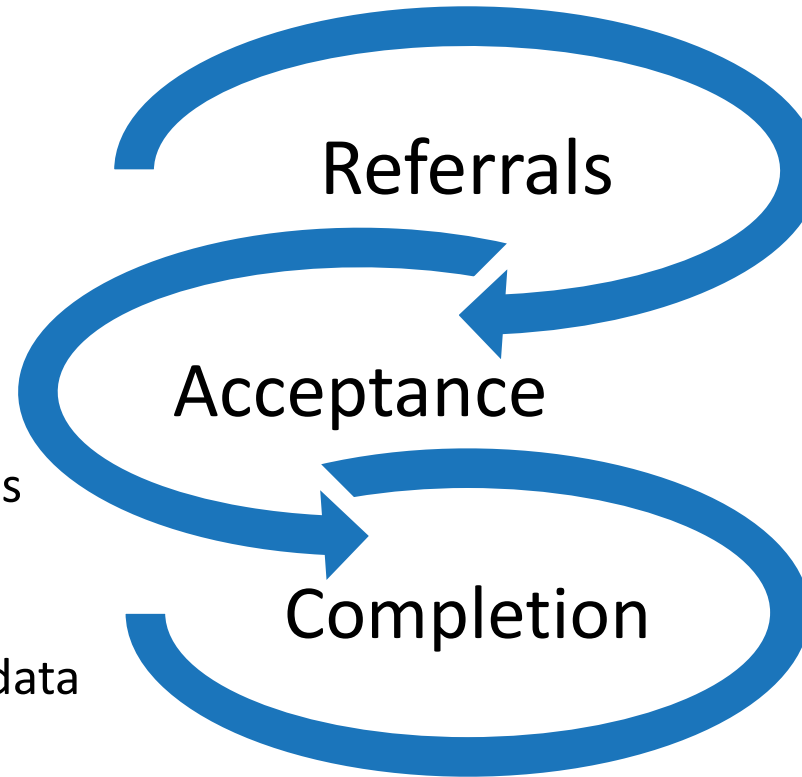
- Write in minimum volume guarantee
 - Threshold volume discount
 - Up-front payment for startup
 - Cover fixed costs including network admin
- Write in an annual increase no less than the medical CPI
- Write in data sharing – or at least information sharing re: outcomes
- Fail fast: Use joint operations committee to review and revise processes & tools
- Insist on using their language line



Winning Contracts Isn't Enough

Healthcare Changes

- IT supports targeting/referral
- Programming to support data exchange
- Champions at all levels
- Workflow changes
- Patient/member motivation
- Share outcomes data
- Respect CBO expertise



CBO Changes:

- Better IT systems
- Better IT security
- More insurance
- Accreditation
- Provider #
- Motivate health plan CMs to refer & work with us
- Understand health plan regulations
- Motivate patients & participants
- Address barriers for patients
- Workflow

Volume is a prerequisite for sustainability



A Community Network of Partners in Care

Questions?



Contact

- Partners in Care Foundation
 - June Simmons, CEO
 - 818.837.3775
 - jsimmons@picf.org
 - Sandy Atkins, VP, Strategic Initiatives
 - 818.632.3544
 - satkins@picf.org
 - www.picf.org; www.HomeMeds.org