MEDICAID TRANSFORMATION PROJECT

FAQs

- **What is the project?**

  The Medicaid Transformation Project is a national effort to transform healthcare and related social needs for the nearly 75 million Americans who rely on Medicaid for healthcare. Systems will identify, develop, and scale financially sustainable solutions, both digital and operational, that improve healthcare for the vulnerable. We believe solutions that meet the needs of this diverse population will improve care for all vulnerable populations.

- **Who is involved?**

  The work is anchored by five health systems – Advocate Aurora Health in Chicago and Wisconsin; Baylor Scott & White Health in Dallas; Dignity Health System in San Francisco; Geisinger in Danville, Pa.; and Providence St. Joseph Health in Renton, Wash. Twelve of the nation's most innovative health systems also join this work:

  - Allina Health, Minneapolis, Minn.;
  - Ballad Health, Kingsport, Tenn.;
  - Christiana Care Health System, Wilmington, Del.;
  - Froedtert & the Medical College of Wisconsin, Milwaukee, Wis.;
  - Henry Ford Health System, Detroit;
  - Memorial Hermann Health System, Houston;
  - Navicent Health, Macon, Ga.;
  - OSF HealthCare, Peoria, Ill.;
  - Presbyterian Healthcare Services, Albuquerque, N.M.;
  - Rush University Medical Center, Chicago;
  - Spectrum Health, Grand Rapids, Mich.; and
  - UVA Health System, Charlottesville, Va.

  Collectively, this group serves 21 states with nearly 43 million Medicaid enrollees or 58% nation's Medicaid population.

  The group's efforts will be co-led by AVIA, the nation's leading network for health systems seeking to innovate and transform by unlocking the power of digital, and Andy Slavitt, former Acting Administrator of CMS and Founder and General Partner at Town Hall Ventures.

- **What makes this initiative unique?**

  1. The **scale of this collaboration** is massive. We have 17 health systems serving communities with tens of millions of Medicaid patients that have committed their organizations' resources toward identifying issues that they can address together in practical ways.

  2. We have a bias toward **action and accountability**. In working with AVIA, participating health systems know that this is not a think tank experience. This is not an initiative designed to influence public policy decisions. Rather these are 17 health systems that

have decided that there must be solutions to address the major challenges of serving Medicaid patients--and that the solutions will be far easier to find and more effective to scale together than on their own.

3. We will look to **digital** solutions first. Digital represents a new way to address age-old problems. To maximize impact, it's crucial that health systems select the right solutions and carefully plan how the solutions will weave into existing (or improved) care delivery models.

4. We have a uniquely **powerful combination** of healthcare experts within AVIA, advisors like Molly Coye, Vikki Wachino, and Andy Slavitt, and within Town Hall Ventures.

- **How did this project come to be?**
  The AVIA Innovator Network connects 30+ action-oriented health systems across the nation. Individually many of these health systems were already working to improve care for vulnerable populations, but they see the value in collaboration. AVIA is bringing these health systems together and leading the process to harness collective knowledge, identify shared challenges, and find sustainable solutions faster.

- **Why is this work important?**
  Medicaid patients and other vulnerable populations deserve the same quality of care and outcomes as commercially insured patients. Currently, there is far too great of a gap between the healthcare needs of our nation's vulnerable populations and the care they receive. Vulnerable populations include patients who are elderly, children, racial or ethnic minorities, underinsured, socioeconomically disadvantaged, or those with certain medical conditions. They are at risk for reduced access to healthcare and poor outcomes because of cultural, ethnic, economic, or health characteristics.

  There isn't time to wait for government to recognize and address this problem in a meaningful enough way, so health systems are stepping up to find solutions. Work from an individual health system is productive, but collaborative and committed work from 15+ health systems across the country that collectively serve tens of millions of Medicaid patients will be transformative.

- **Who will this work help?**
  The Medicaid Transformation Project represents an unprecedented opportunity, both in scope and real-world impact, to change how care is provided and improve the health of our communities. Health systems that participate in the Medicaid Transformation Project are not waiting for a solution to come out of Washington, D.C., they are stepping up and acting now to change care for vulnerable Americans. Across the nation:
    - One in five Americans is covered by Medicaid
    - 50 percent of U.S. births are financed by Medicaid
    - Medicaid is the country's No. 1 payer for behavioral health services
    - 33 cents of every dollar for a physician's services are paid by Medicare/Medicaid

- **What areas of opportunity will this project focus on?**
  This work will focus on five critical challenges facing vulnerable populations, including: behavioral health, women and infant care, substance use disorder, and avoidable emergency department visits. Over a two-year period, health systems will identify and implement solutions that respond to these challenges and create long-term systemic impact over the next 10 years.

- **How were the challenge areas determined?**
  AVIA led the health systems in discovery sessions to collectively determine the challenge areas within their respective communities with the highest potential impact for positive change. These are also areas where entrepreneurs are creating scalable solutions.

- **How exactly will the project address these challenges?**

  Within each challenge area, we will first identify the top objectives for health systems. For example, the first challenge in the Medicaid Transformation Project will focus on ensuring appropriate utilization of the ED so that patients receive the right care at the right time. This is both a patient care problem and a system financial problem. When seeking to optimize ED utilization, health systems focus on three top objectives within this broad challenge area to improve both care delivery and margin:

  1. Improve patient access to low-acuity care sites and reduce unnecessary visits for medical conditions that do not warrant ED-level of services
  2. Ensure continuity of care and improve disease management to prevent avoidable visits that could have been managed earlier in other settings with more continuous monitoring, usually associated with chronic conditions
  3. Improve connectivity to community resources to ensure appropriate care post-discharge and reduce length of stay

  Our work will then be to identify innovative care models and digital capabilities that successfully move the needle in these areas.

  In cases where there aren't solutions readily available because this population has been underrepresented in the market, there will be development opportunities to create new solutions.

- **What are some examples of innovative solutions that can help this population?**

  Example 1: Fifty percent of U.S. births are financed by Medicaid and one third of patients do not receive prenatal care until their second or third trimester due to lack of prioritization, unfamiliarity with prenatal schedule and care team, and lack of reliable transportation. The average woman has 10-15 prenatal visits over the course of her pregnancy, while many health systems cite that Medicaid beneficiaries can have as little as 2-3 visits.

As a result, innovations to achieve improved pregnancy outcomes for Medicaid women will necessarily be different than innovations for the broader population. For the Medicaid population, the goal is to find creative ways through both digital and operational solutions to identify pregnant women as quickly as possible and enroll them in coverage, start prenatal care within the first trimester, assess for and address any patient social needs, and provide ongoing engagement to increase the number of prenatal visits.

Solutions exist in the marketplace for health systems to strengthen patient engagement and provide a patient-centered prenatal care experience with a virtual care navigator. Health systems can identify and triage patient issues earlier and strengthen patient compliance to a care plan with automatic daily reminders and tips about healthy behaviors. Health systems that have implemented solutions like this have increased schedule adherence from 3.2 average visits to 7.4 average visits and show improved patient experience.

Example 2: Health systems have long known that at least 60% of patients' health outcomes are determined not by genetics or clinical treatment but social and environmental factors. The inability to address these social needs is proven to lead to unnecessary ED utilization, overextended inpatient stays, and preventable readmissions that shrink already tight hospital margins.

While health systems are beginning to address some of these needs like transportation, housing and food security, and payment support, the traditional hospital is not built to address all of these needs on its own, and the processes to connect patients to available resources in the community can often be labor-intensive and non-standardized across various units and sites.

There are a growing number of solutions available in the market that build accurate digital directories of available community-based services in the community and enabled closed-loop connections referrals with health systems, facilitating access for patients to resources to address their social needs, in addition to enabling health systems to evaluate what is working.

In studies, health systems who access these solutions have seen patients have significantly fewer inpatient stays, unplanned readmissions and ED visits, while also increasing specific clinical quality outcomes.

- **What is the financial case for hospitals to join this work?**

  Transforming care for vulnerable populations doesn't have to come at a substantial financial loss. Improving care for these patients can also translate into improving the financial model of serving them in meaningful and sustainable ways.

  Digital capabilities have transformed almost every other industry, from finance to retail to travel. The proliferation of digital solutions plus innovative care models in healthcare

are now empowering health systems to improve patient engagement, access to care, and operational efficiencies in a capital-efficient way. Health systems that leverage technology will find efficiency and productivity increases at scale.

- **What can this group do that individual health systems can't do on their own?**
  While each of these health systems is already working to address the needs of their own communities, these solutions take time to identify and implement. What makes this project different is the opportunity to share best practices, leverage the best innovations, and then implement them at an accelerated pace and scale across the country.

- **What is the timeline for this project?**
  This is a 2-year project that will create long-term systemic impact over the next 10 years.

- **What is AVIA?**
  AVIA is the nation's leading network for health systems seeking to innovate and transform by unlocking the power of digital. AVIA Innovator Network members solve pressing challenges with digital solutions that deliver both clinical and financial results. AVIA provides strategic focus and a collaborative approach to accelerate, implement and measure innovation.

- **What is AVIA's role?**
  AVIA acts as a trusted partner and digital health expert to the Medicaid Transformation Project health systems. These health systems trust AVIA to help them identify, implement, and scale the best solutions to support their strategic objectives. AVIA will guide each partner through the processes of identifying and selecting specific digital solutions, determining ROI, setting benchmarks, and executing the strategy.

- **What is Andy Slavitt's role?**
  Andy is the former Acting Administrator of CMS and a senior advisor to AVIA. He recently founded Town Hall Ventures, a venture capital firm devoted to investing in and supporting entrepreneurs who are improving the health of underserved populations. Andy will help convene people and resources to accelerate the adoption of innovative solutions that improve care for the vulnerable. He will also chair a Leadership Council composed of health system CEOs to maintain the project's course.

- **What is Town Hall Ventures?**
  Town Hall Ventures is a firm devoted to investing in and supporting visionary entrepreneurs who want to transform care delivery and health outcomes for the most underserved and higher need populations across the country.

- **What is the role of the Leadership Council?**
  Andy Slavitt will chair a Leadership Council composed of CEOs from the anchoring health systems. The Leadership Council will to maintain the project's course by taking

ownership for action, prioritizing challenge areas, and supporting key elements of the work.

- **What is the role of the Steering Committee?**

  This body of work demands expert, action-oriented leaders. We are bringing together one senior individual from each participating health system to form a Steering Committee. This group will be composed of experts and decision-makers who represent the Medicaid initiatives within their organizations. Additional US experts include Andy Slavitt, Molly Coye, Vikki Wachino, and more. The Steering Committee will shape the initiative by advancing action within the identified key focus areas that, once addressed, will improve the care delivered to the most vulnerable populations.

###