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Defining HEZ Success:

Expectations, Logic Model,

and Deliverables

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What is HEZ Success?

- **This presentation discusses the following HEZ-related questions:**
    - *To whom are the HEZs accountable?*
    - *What are the domains of accountability?*
    - *What are the expectations (what does statute say)?*
    - *Why is a logic model important?*
    - *Timeline of output types*

HEZ Accountability Chain

**Governor
General Assembly**

**CHRC
DHMH**

HEZs
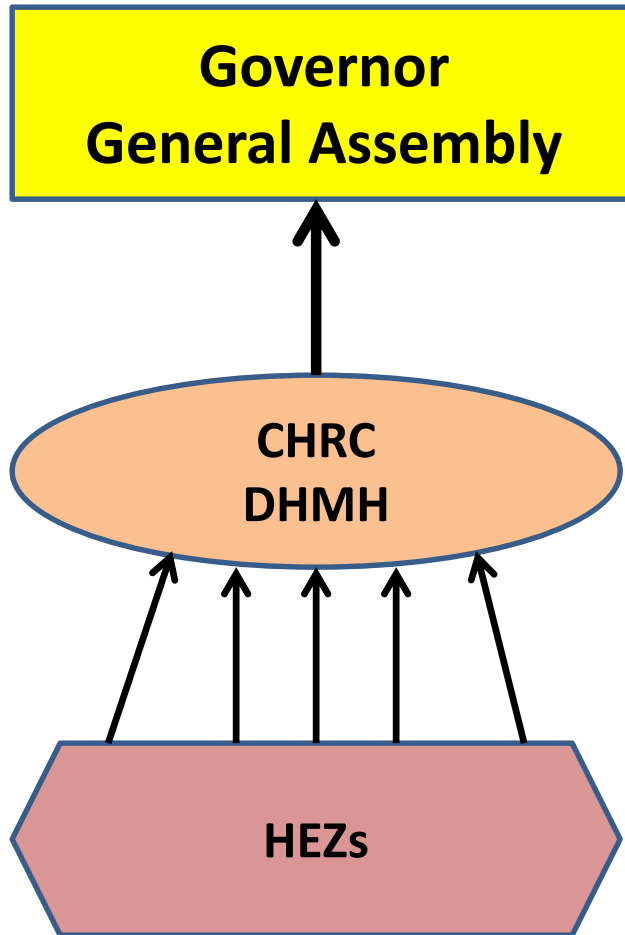
In the final analysis, expectations, and success, are defined by what the Governor and General Assembly expect.

This is defined in the Statute

Outcome Expectations in the Statute

- **20–1402.**

- (A) THE PURPOSE OF ESTABLISHING HEALTH ENTERPRISE ZONES IS TO TARGET STATE RESOURCES TO REDUCE HEALTH DISPARITIES, IMPROVE HEALTH OUTCOMES, AND REDUCE HEALTH COSTS AND HOSPITAL ADMISSIONS AND READMISSIONS IN SPECIFIC AREAS OF THE STATE. (Page 5)

Strategies in the Statute

- **20–1403.**
- (C) THE APPLICATION SHALL CONTAIN AN EFFECTIVE AND SUSTAINABLE PLAN TO REDUCE HEALTH DISPARITIES, REDUCE COSTS OR PRODUCE SAVINGS TO THE HEALTH CARE SYSTEM, AND IMPROVE HEALTH OUTCOMES, INCLUDING:

- (1) A DESCRIPTION OF THE PLAN OF THE NONPROFIT COMMUNITY–BASED ORGANIZATION OR LOCAL GOVERNMENT AGENCY TO UTILIZE FUNDING AVAILABLE UNDER THIS SUBTITLE TO ADDRESS HEALTH CARE PROVIDER CAPACITY, IMPROVE HEALTH SERVICES DELIVERY, EFFECTUATE COMMUNITY IMPROVEMENTS, OR CONDUCT OUTREACH AND EDUCATION EFFORTS. (Page 6)

Reporting Stated in the Statute

- **20–1407.**

- ON OR BEFORE DECEMBER 15 OF EACH YEAR, THE COMMISSION AND THE DEPARTMENT SECRETARY SHALL SUBMIT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY, A REPORT THAT INCLUDES:

- (1) THE NUMBER AND TYPES OF INCENTIVES GRANTED IN EACH HEALTH ENTERPRISE ZONE;

- (2) EVIDENCE OF THE IMPACT OF THE TAX AND LOAN REPAYMENT INCENTIVES IN *ATTRACTING HEALTH ENTERPRISE ZONE PRACTITIONERS* TO HEALTH ENTERPRISE ZONES;

- (3) EVIDENCE OF THE IMPACT OF THE INCENTIVES OFFERED IN HEALTH ENTERPRISE ZONES IN *REDUCING HEALTH DISPARITIES AND IMPROVING HEALTH OUTCOMES*;

- (4) EVIDENCE OF THE PROGRESS IN *REDUCING HEALTH COSTS AND HOSPITAL ADMISSIONS AND READMISSIONS* IN HEALTH ENTERPRISE ZONES. (Italics and underline are mine). (Pages 9 and 10).

Summarizing the Statute

- *Health improvement strategies:*
  - Increase health care provider capacity (attract practitioners to the zones)
  - Improve health services delivery
  - Effectuate community improvements
  - Conduct outreach and education

- *Health outcome expectations:*
  - Improve health outcomes
  - Reduce health disparities (and implicitly, improve minority health)
  - Reduce health costs and hospital admissions and readmissions

Why Utilization as Health Outcome?

- **The only metrics that are cheap, available, and statistically stable at community level over short time periods.**

- **Only metrics likely to respond in four years.**

  - **Prevalence (disease, or risk factors) is hard to assess at community level, unstable at community level, and can go up as survival increases.**

  - **Mortality is unstable at the community level, and may respond only slowly to interventions.**

Two Key Assessment Questions

- **Health Accountability**: *Did the HEZ provide value for dollar in terms of improved health outcomes?*

  – **This needs to be a yes by the end of the four years.**

- **Fiscal Accountability:** *Did the HEZ provide value for dollar in terms of activity, productivity, outputs and deliverables?*

  – **This needs to be a yes each and every quarter.**

Logic Model Bridges Fiscal and Health

- **Logic model is the conceptual framework that links two elements:**

  - **The ultimate health outcomes that the program is funded to improve, and**

  - **The specifically funded strategies and activities, whose productivity, outputs and deliverables are the means to improving the health outcomes.**

Logic Model Mantra:

- **If we do**
  - **Enough**
  - **Of the right things**
  - **For the right persons**
- **then Health Outcomes should improve.**
- **Logic model has to define right things, right persons, and how much is enough.**

Sequential Steps to Disease Management

- **Adequate Health Insurance**

- **Willing Provider (takes your insurance)**

- **Available Provider (hours and location works)**

- **Good Provider-Patient interaction (quality)**

- **Evidence-based treatment plan prescribed**

- **Treatment plan followed at home**

Generic HEZ Logic Model

Strategy 1: Increase care capacity (defined as available clinical care visit appointment slots).
(People without primary care now get that care)
Measurement: added providers, added FTE of providers, added new visit slots, *(capacity)*; proportion of new capacity that is being used, visits/hour for new providers *(productivity)*
Reach: Small

Goal: Reduce Potentially Avoidable Utilization (PAU)
Measurement: ED visit rates, hospital admission rates, readmission "rates" *(outcomes)*

Strategy 3: Increase patient self-management ability (education, home visits, case managers, CHW).
(People who get care stay healthier at home)
Measurement: added workers and FTE of workers, available caseload *(capacity)*; Proportion of available caseload that is filled, encounters per worker *(productivity)*; Quality metrics for workers if such exist.
Reach: Small to Medium

Strategy 2: Increase care quality (defined as NQF or similar metrics).
(People in primary care get better care)
Measurement: NQF or equivalent metrics
   A) Provider guideline adherence metrics *(quality)*

   B) Patient disease control metrics *(outcomes)*
Reach: Medium

Domains and Timing:

Year 1: Hire providers/workers (cap)

Year 2: Fill capacity (productivity)

Year 3: Assure quality

Year 4: Demonstrate outcomes

Strategy 4: Community-wide enabling interventions.

This includes healthy food access, safe exercise, and any other intervention where users cannot be counted.

Reach: Large, but impact may be small

Timeline of Output Types

- *We have a new program, therefore*

    - *Year 1 Goal:* Develop the new service capacity and infrastructure, for providers and community.

    - *Year 2 Goal:* Fill the capacity with the right patients and clients. Unused capacity is a failure. Solvency.

    - *Year 3 Goal:* Assure Quality

    - *Year 4 Goal:* Demonstrate Outcome improvements

High Utilizer Focusing

- **Greatest impact on utilization if we can succeed with the high utilizers (obviously).**

- **CRISP analysis of PG HEZ (one zip code) admissions over 2 years:**
  - **Top 10% of high users**
  - **had 30% of admissions**
  - **and 78% of readmissions**
  - **This was 269 people.**

- **HIPAA issues in who CRISP can inform?**

Reporting Considerations

- *Health Accountability*: Are activities clearly linked to measurably improving utilization?

- *Fiscal Accountability*:

  - What *NEW* capacity and productivity has resulted from the invested HEZ dollars?

    - Need marginal data, not cumulative data

  - Is the output of an activity commensurate with the budget of the activity?

Reporting Considerations (2)

- *Fiscal Accountability*:
  - Define target numbers for each activity that earn the dollars invested (and that are enough to achieve outcomes)
  - Report activity accurately and completely
    - Don't let any good productivity go unreported
  - Don't let the new get lost in the zone grand total
    - Clearly indicate what activity and productivity is directly due to the new zone funding.

Relevance to Waiver/Global Budgets

- **New CMS waiver in 2014**
- **http://innovation.cms.gov/initiatives/Maryland-All-Payer-Model/**
  - **Was cost per admission, now hospital cost per capita**
  - **MD to generate $330 million in Medicare savings over a five year period**
  - **Maryland must limit annual all-payer per capita total hospital cost growth to 3.58%**
  - **MD will shift virtually all hospital revenue into global payment models.**
  - **Maryland's aggregate Medicare 30-day all-cause, all-site hospital readmission rate to match national**

In Closing: Recipe for Success

- **Do enough (productivity)**

- **Of the right things (logic model)**

- **For the right people (high user targeting)**