



Aging and Disability **BUSINESS INSTITUTE**

Connecting Communities and Health Care



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Contracting between community-based organizations and health care: New insights from the 2020 RFI

October 28, 2020

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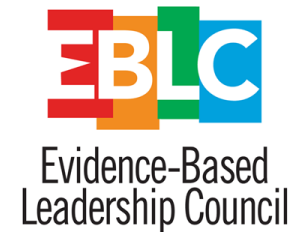
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The Business Institute

The mission of the Aging and Disability Business Institute (Business Institute) is to successfully build and strengthen partnerships between community-based organizations (CBOs) and the health care system so older adults and people with disabilities will have access to services and supports that will enable them to live with dignity and independence in their homes and communities as long as possible.

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The screenshot shows the website's header with navigation links: About, Blog, Success Stories, Readiness Assessment, Events, Get Involved, Ask an Expert, and a search icon. The main content area features the title "Aging and Disability Business Institute" and the subtitle "Connecting Communities and Health Care". Below this is a descriptive paragraph: "When community-based organizations (CBOs) and the health care system work together, older adults and people with disabilities get the coordinated care that lets them live with dignity and independence in their homes and communities as long as possible." A large photograph of a diverse group of professionals (nurses, doctors, and business people) collaborating around a laptop is displayed. A purple banner at the bottom of the image reads "Featured Items". On the left side of the page, there is a vertical menu with the following items: Resources Categories, Get Started, Understand the Landscape, Define Your Value, Build Your Network, Manage Finances, Evaluate Contracts, and Deliver Measurable Results.

Request for Information (RFI) Survey

To Take the Pulse of CBO-Health Care Partnerships



Methods and Survey Response

- » Disseminated via email directly to **617 AAAs** and **404 CILs**
- » Key national agencies shared the survey with other CBOs
- » Survey was in the field for just over 10 weeks from March - May 2020 with a total of **445 respondents**

| Response by Organization Type | | | | | | |
|--|----------------------|------|----------------------|------|----------------------|------|
| | RFI 1 2017 | | RFI 2 2018 | | RFI 3 2020 | |
| | n (response rate) | % | n (response rate) | % | n (response rate) | % |
| Area Agency on Aging (AAA) | 351 (56%) | 61% | 409 (66%) | 56% | 184 (30%) | 41% |
| Center for Independent Living (CIL) | 119 (38%) | 21% | 174 (28%) | 24% | 95 (24%) | 21% |
| Other CBOs | 106 | 18% | 143 | 20% | 166 | 37% |
| Total | 576 | 100% | 726 | 100% | 455 | 100% |

Survey Limitations

- »RFI 3 timing
 - »Launched March 3, 2020
 - »Priorities and focus turned to COVID-19 response
- »Decrease in response rate among AAAs
 - »RFI 3 had a larger number and proportion of “other” CBOs compared to previous waves
 - »Smaller “n” results in less certainty around point estimates (larger confidence intervals)

Most Common “Other” CBO Type

| | % |
|---|-------|
| Supportive service provider (e.g., home-delivered meals, home care, transportation, 211) | 31.3% |
| Other nonprofit organization | 16.9% |
| Government department of health, aging, disability, mental/behavioral health, human services or similar (but not a AAA) | 11.4% |
| Advocacy organization | 8.4% |
| Educational or research organization (e.g., higher education institution, research center, UCEDD) | 7.8% |
| Intellectual/developmental disability organization | 4.8% |
| Network of community-based organizations/Management services organization | 4.8% |
| Faith-based organization (e.g., Jewish Family Services) | 4.2% |

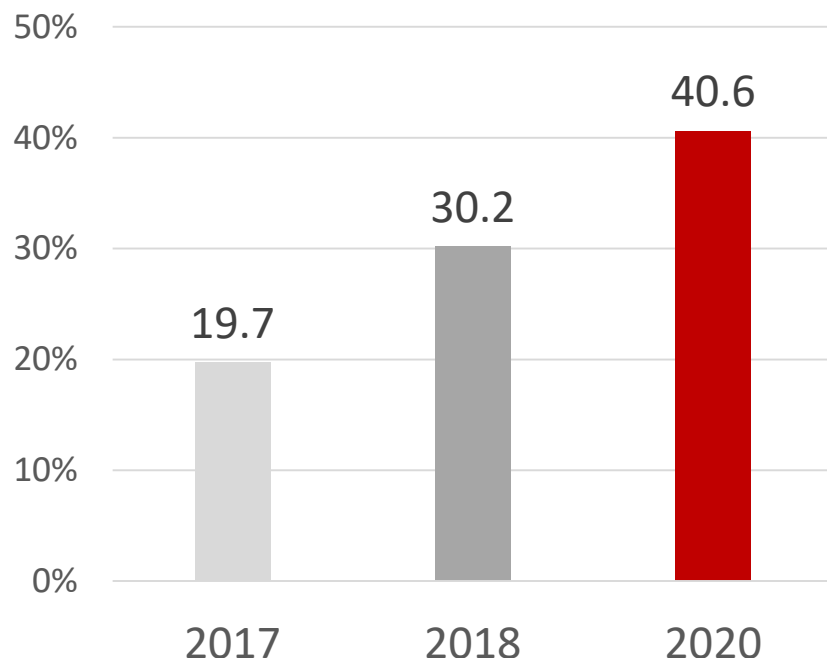
CBOs Contracting Status, by Year



*Statistically significant increase from 2017 to 2020 in proportion of CBOs reporting contracts.

Contracting as Part of a Network

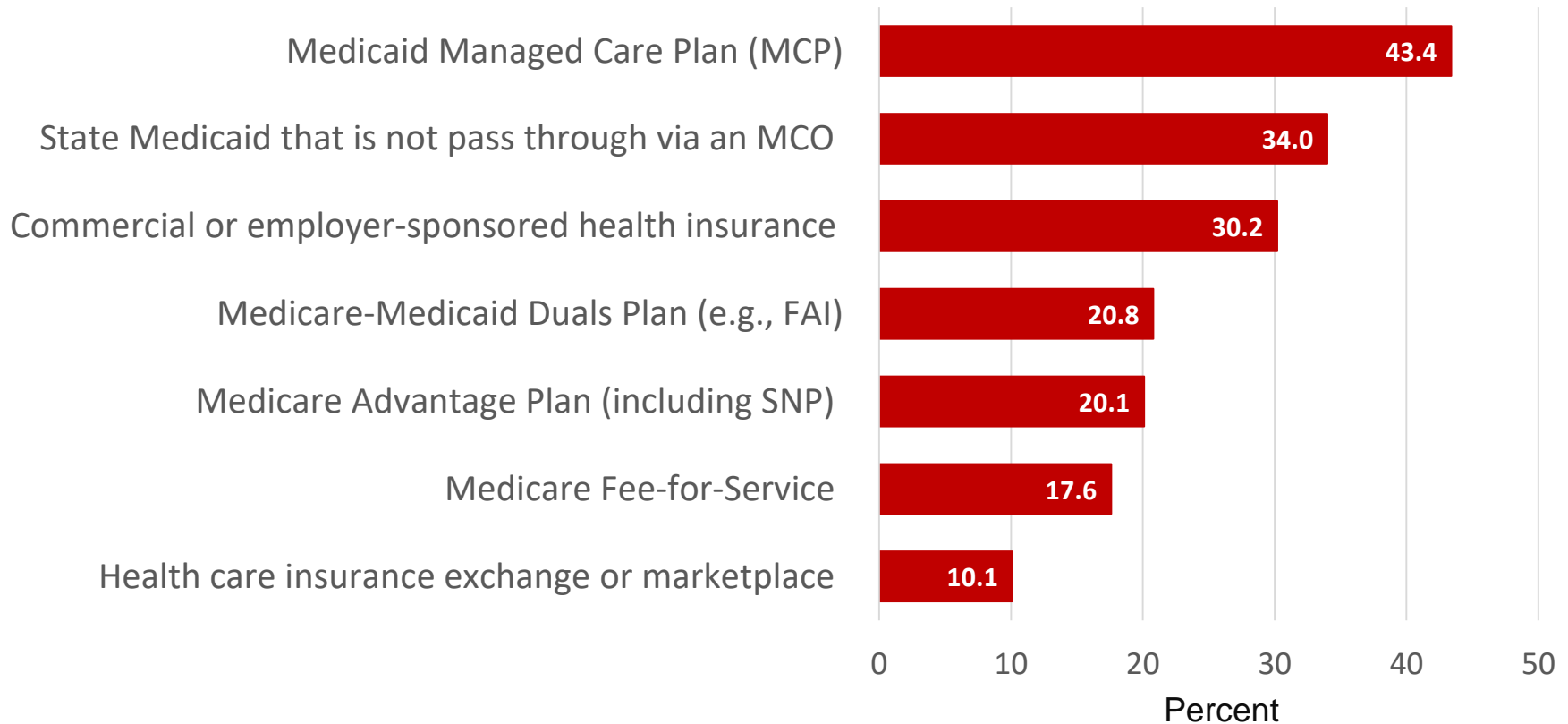
% of Contracting CBOS who Contract as Part of Network



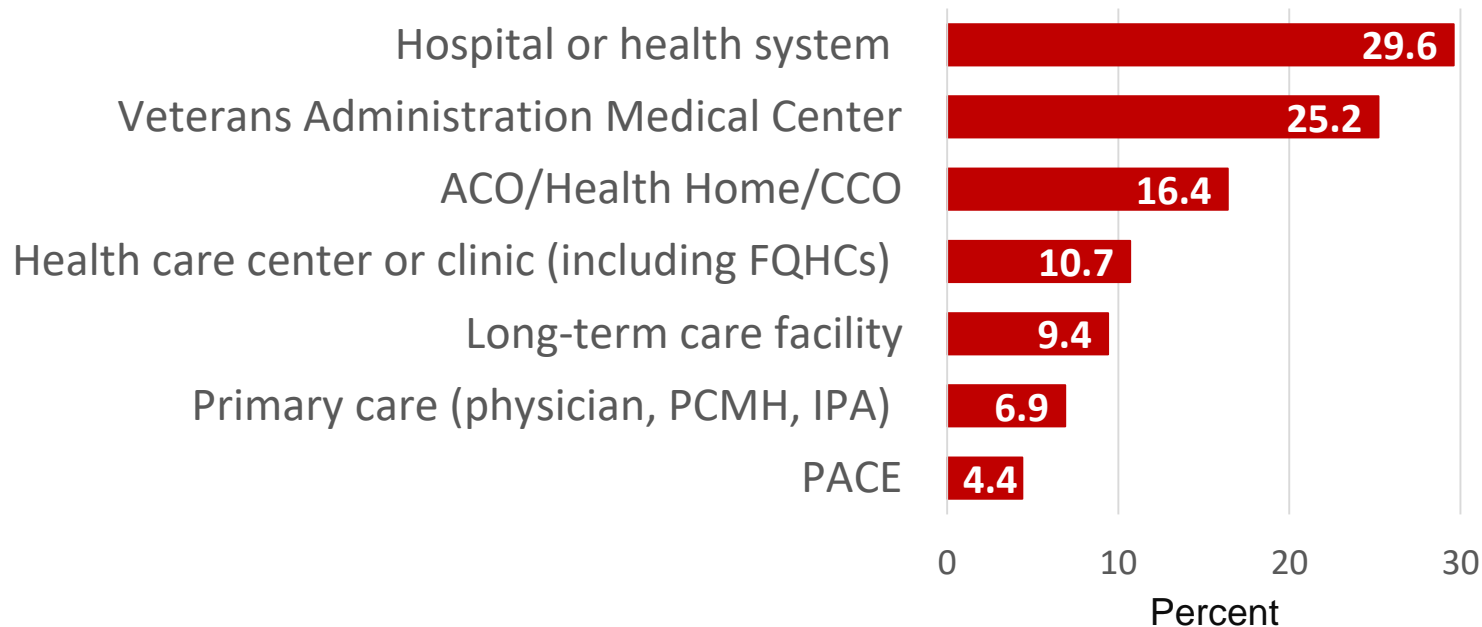
» **Network:** a coordinated group of CBOs that pursues a regional or statewide contract with a health care entity

» The proportion of CBOs that report contracting as part of network has **doubled** since 2017

Health Care Contract Partners: Payers



Health Care Contract Partners: Providers



Populations Served

| | % of CBOs |
|--|-----------|
| Older adults (age 60+ or 65+, as defined by the program) | 76.1% |
| Individuals with disability or impairment of any age | 56.8% |
| Individuals with chronic illness of any age | 43.2% |
| Adults (age 18 to 65) <u>without</u> a disability, impairment or chronic illness | 30.3% |
| Veterans of any age | 29.0% |
| Caregivers of any age | 20.0% |
| Children (up to age 18) | 18.1% |
| Other | 10.3% |

Targeting High-Risk or High-Need Groups

Most Common

high-risk or high-need groups targeted by contracting CBOs:

54%

Individuals at risk of nursing home placement

48.7%

Individuals at high risk for ER use, hospitalizations, and/or hospital readmission

42.0%

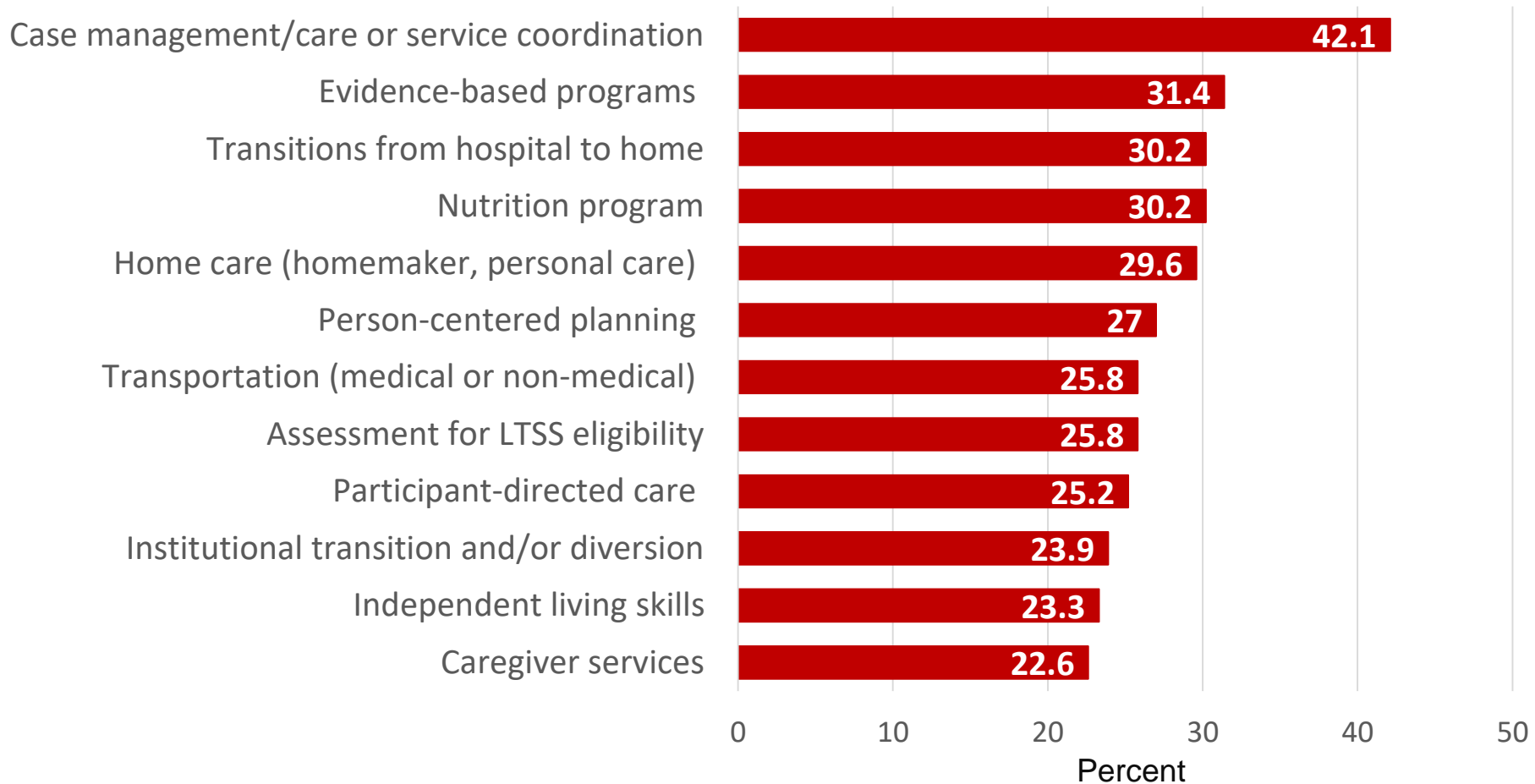
Individuals with a specific chronic disease diagnosis

34.7%

Individuals who are dually eligible for Medicare/Medicaid

86% of contracting CBOs report that their contracts target high-risk or high-need groups

Most Common Services Provided through Contracts



Top Services to Specific Partners

Medicaid MCP

1. Ongoing case management/ care coordination/ service coordination
2. Home care (homemaker, personal assistance, personal care)
3. Nutrition program (e.g., counseling, meal provision)
4. Institutional transition and/or diversion (e.g., nursing facility to home)

Medicare/Medicaid Duals Plan

1. Ongoing case management/ care coordination/service coordination
2. Mental/behavioral health svcs
3. Assessment for long-term services and supports (LTSS) eligibility
4. Nutrition program (e.g., counseling, meal provision)

Top Services to Specific Partners

Medicare Advantage Plan

1. Evidence-based programs
2. Ongoing case management/ care coordination/ service coordination
3. Nutrition program (e.g., counseling, meal provision)

Accountable Care Organizations

1. Ongoing case management/ care coordination/ service coordination
2. Nutrition program (e.g., counseling, meal provision)
3. Evidence-based programs

Top Services to Specific Partners

Hospital or Health System

1. Transitions from hospital to home, including discharge planning and hospital readmission prevention program
2. Evidence-based programs
3. Ongoing case management/care coordination/service coordination
4. **Person-centered planning**

Payment Models

| Payment Model Type | % of CBOs |
|--|-----------|
| Fee for service (FFS) (e.g., FFS tiered rate, per service unit) | 75.7% |
| Per member per month (PM/PM) and other capitation | 6.7% |
| Case rate (e.g., per participant, per discharge) | 6.1% |
| Other time-bound | 3.8% |
| Full-Time Equivalent (FTE) | 2.2% |
| Shared savings/ incentive payments | 0.7% |
| Other | 1.1% |

» **75.2%** of contracting CBOs receive payment for ALL of their contracts

Of those not receiving payment, reasons include:

- » Not yet providing a service for which they can bill (**47.2%**)
- » Issues with the payer's internal process (**38.9%**)

Revenue Status of Specific Contracts

| | Percent of CBOs reporting this status for one or more contract |
|-------------------------------|---|
| Budget neutral | 44.4% |
| Generating a profit | 39.2% |
| Running a deficit | 22.9% |
| Not yet generating revenue | 13.7% |
| Don't know the revenue status | 9.2% |



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Value Based Payments

- » **19.5%** of contracting CBOs have at least one contract with a value-based component
 - » Meeting specific targets to receive withhold of payment (1-2%)
 - » Outcomes measures: reduction of ER services, hospital readmissions, engagement rate

Using Data to Support Contracting

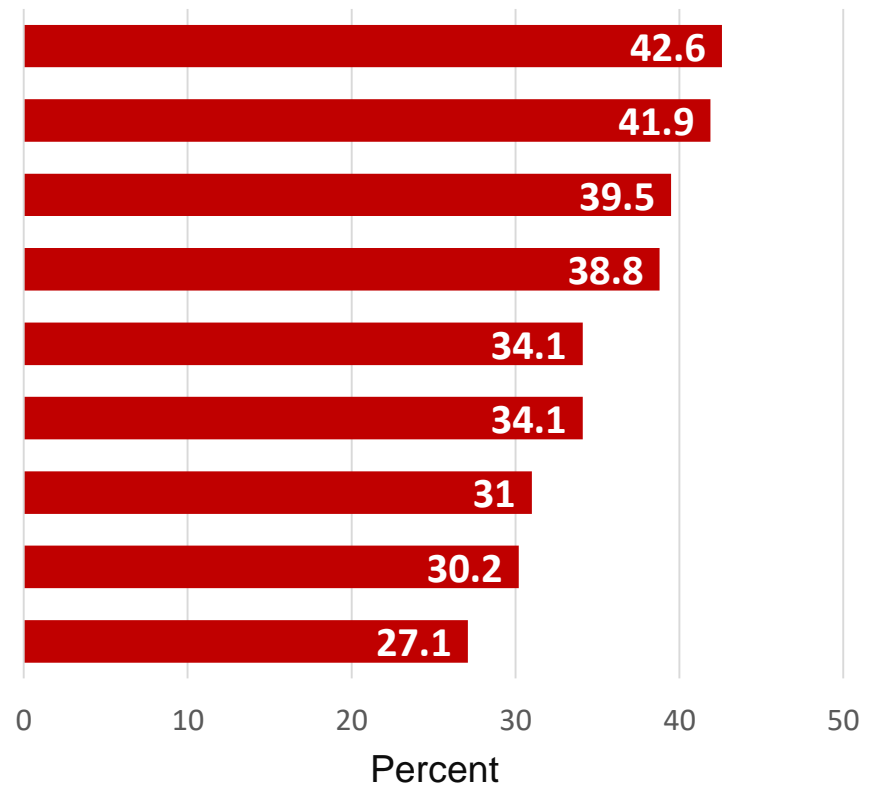
| | Percent |
|---|---------|
| Ensure our organization complies with contract requirements (e.g., timeliness of assessments, service start, number of visits, caseloads) | 73.1% |
| Develop a value proposition | 47.7% |
| Track client outcomes (e.g., hospital readmissions, reduced ED visits) | 44.6% |
| Use standardized measures (e.g., CAHPS, satisfaction with services, readmissions per client) | 29.2% |
| Demonstrate value as required by a value-based contract | 23.8% |
| Pool some of our data with data from other organizations to allow for comparisons and/or benchmarking (e.g. National Core Indicators) | 18.5% |

Top 7 Contracting Challenges for CBOs with a Contract

| | Was a challenge in establishing the contract (n=133) | | Current challenge in the contracting relationship (n=133) | |
|---|--|-------|--|-------|
| 1 | Time it takes to establish a contract | 39.8% | Timely payment for contracted services | 30.1% |
| 2 | Negotiation of price and/or contract terms | 37.6% | Competing priorities within the health care community | 28.6% |
| 3 | Staff turnover in the health care entity | 27.1% | Denial of claims | 28.6% |
| 4 | Common understanding of proposed programs/services | 26.3% | Referrals and volume | 27.8% |
| 5 | Timely payment for contracted services | 26.3% | Negotiation of price and/or contract terms | 27.1% |
| 6 | Referrals and volume | 24.8% | Staff turnover in the health care entity | 26.3% |
| 7 | Contract specificity regarding scope of work, responsibility, and accountability | 24.1% | Integration of your organization's services into health care system workflow | 23.3% |

Most Significant Changes as a Result of Contracting

- Positioned the agency as a valuable health care partner
- Expanded or enhanced the types of services offered
- Enhanced our organization's sustainability
- Expanded visibility of our org in the community
- Obtained funding from new sources
- Increased number of people served
- Increased agency net revenue
- Expanded the type of populations served
- Expanded a local or regional network



New Business Institute Resources

- [Network Readiness Assessment](#)
- [Becoming a Medicare Fee-For-Service Provider: What CBOs Need to Know](#)
- [How to Guide and Worksheet: Developing Your Value Proposition for Medicare Advantage Plans](#)

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Data Sources

- »2020 data: Request for Information III on CBO Contracting with Health Care Entities. Scripps Gerontology Center and n4a.
- »2018 data: Kunkel, S.R., Lackmeyer, A.E., Straker, J.K., & Wilson, T.L. (2018). Community-based organizations and health care contracting: Continuing to build & strengthen partnerships. Research brief. Scripps Gerontology Center, Oxford, OH.
- »2017 data: Kunkel, S.R., Straker, J.K., Kelly, E.M., & Lackmeyer, A.E. (2017). Community-based organizations and health care contracting: Research brief. Scripps Gerontology Center, Oxford, OH.

Questions & Answers: Please Submit Using the “Questions” Box



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