NATIONAL ASSOCIATION OF
Community Health Centers

## Important Content Note:

This technical assistance resource was developed prior to the August 2017 release of the Health Center Compliance Manual by the Health Resources and Services Administration's (HRSA) Bureau of Primary Health Care (BPHC). The BPHC Compliance Manual, issued August 2017, indicates where PINS, PALs and other program guidance are now superseded or subsumed by the BPHC Compliance Manual.

See: https://bphc.hrsa.gov/programrequirements/pdf/healthcentercompliancemanual.pdf

# Successful Practices in Accountable Care: Sunset Community Health Center

## Health Center Profile

**Health Center:** Sunset Community Health Center, Inc.

**Location:** Yuma County, Arizona

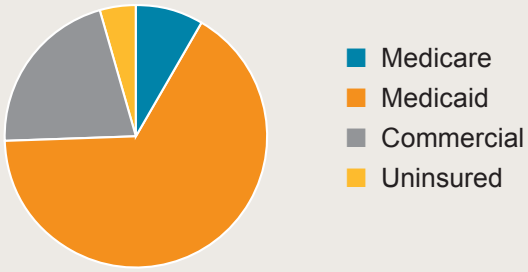
**Number of unique patients served:** 28,000

**Number of sites:** 5 main sites, 4 school based health sites

**Services offered:** Pediatrics, Internal Medicine, Family Medicine, OB/GYN, Dental, Behavioral Health services, & enabling services (CHW education, eligibility, and outreach)

**Certifications:** NCQA Patient-Centered Medical Home Level 3

**Payer mix (approximate):** 8.6% Medicare, 66.1% Medicaid, 20.9% Commercial, 4.4% Uninsured (down from 12-14% before Medicaid Expansion)




Source: Rogers, D. (2016 February 11). Telephone Interview

## Laying the Foundation

Sunset Community Health Center, Inc. (Sunset) is a Federally Qualified Community Health Center (FQHC) located in the southwest corner of Arizona. It is the largest provider of primary care in Yuma County, serving approximately 28,000 patients across nine sites. It is also the largest Medicaid primary care provider in the county.

Sunset's largest Medicaid managed care contract is with UnitedHealthcare® (United), which also happens to be the largest Medicaid Managed Care Organization in Arizona in terms of enrolled members. The evolution of this contract tells the story of how this health center was able to implement changes in its care delivery model to achieve meaningful results in a relatively short period of time. There are also valuable lessons to be learned from how Sunset approached the contract negotiation process and its relationship with this payer. This document is primarily based on a phone interview with David Rogers, the CEO of Sunset. Any data and figures are shared with permission. The quotes have been edited for clarity.

## Pre-Accountable Care at Sunset

In the summer of 2009, the leadership of Sunset had a meeting with representatives from United. Per David Rogers, "It did not go well." At the time, Sunset had a capitated payment arrangement with United but was only seeing about 70% of their attributed patient population. United wanted Sunset to be more aggressive and see more patients, and recommended changing the care delivery model to improve access. United's target penetration rate for Sunset was 92-95%, and wanted it to focus on high care utilizers.

Because of the perceived low penetration rate, Sunset was unable to accept new United members and mandated targets were set by United. The targets included four areas of focus: improving access to care by increasing the number of same day appointments, reducing non-emergent ER visits, reducing admissions and readmissions, and improving care of high-risk patients by increasing the number who have a primary care physician visit within 90 days. Furthermore, if Sunset was

not successful at improving access for assigned United patients, it would be moved from its capitated payment to a fee-for-service model. Sunset wanted to serve as many of these patients as possible, but needed assistance building that capacity. Needless to say, the staff felt misunderstood.

**Mr. Rogers says:**

> *"I obviously was defensive of my organization, because I know we work really hard …and we were providing a lot of patient care and for them to come in and imply and suggest that we completely revamp our system and cater towards that Medicaid population when we had another 10,000 patients to see as well… we took offense to that."*

At the same time, however, the issues pointed out during the meeting by United were not surprising to Sunset's staff. They were aware of the problems with declining membership, patient access, and patient follow-up. In fact, they had already started to make changes including changing their EHR template to better accommodate ER and Inpatient discharges. "We were very protective of that payment arrangement at that time…. And, quite honestly, what they wanted us to do, we were already working on, but we weren't really communicating that effectively," Mr. Rogers says.

Challenges aside, the meeting was a move in the right direction. According to Mr. Rogers, it was clear that neither party had a very good understanding of the other side's perspective. United did not understand the challenges that Sunset faced as a health center. For example, Sunset had recently lost several providers and was in the process of trying to replace them. This was affecting their ability to see more patients. On the other hand, Sunset did not understand the pressures United faced. In spite of this, there was a willingness on both sides to take the needed steps to increase the number of United patients being seen by Sunset's providers. Mr. Rogers says, "At the end of the day, they still have a different mission than we do… and there has to be a balance between what their needs are and what our needs are and a true commitment to making changes that… reduce costs, improve the quality of care, and improve access." The shared goal of and renewed commitment to communication and building trust were key to repairing this relationship and achieving results.

## Time for a Change

Sunset and United identified several areas of improvement to help address the issues they were facing and are listed below.

**UnitedHealthcare/Sunset Post Meeting Goals:**

- Improve access to primary care
  - Increase membership
  - Reduce avoidable ER visits
  - Reduce avoidable Readmissions
- Obtain Level 3 PCMH Certification
- Better Sharing of Information
- Improve high-risk patient care

### *Improve Access to Primary Care*

Sunset changed its care model to improve access for Emergency Room (ER) and hospital discharges, including adding more same day appointments. They also expanded their physical space by adding more exam rooms. In support of this effort, United agreed to provide web-based data for its membership and assistance with the modification of Sunset's Electronic Health Record (EHR) template to accommodate ER and hospital discharges. In addition to the EHR changes, they began using i2i and AZARA population health management software.

United also provided a Utilization Review (UR) Nurse at the local hospital specifically assigned to Sunset's membership. This UR Nurse was responsible for providing timely information on hospital admissions and discharges and had direct access into Sunset's appointment scheduling system, which could now accommodate additional patient visits.

### *Better Sharing of Information*

Sunset and United began meeting monthly to review Sunset's "scorecard", which shows Sunset's progress on agreed upon targets. Initially, these meetings included United's local plan CEO, CMO, project manager and care manager, as well as Sunset's CEO, CMO, Quality manager, COO, and outreach manager. They continue to meet to this day, although, executive level staff have phased out over time.

Mr. Rogers worked hard to create and maintain relationships with members of the leadership at the health plan, but he also brought in members of his staff so they would build these relationships too. In the early months, he traveled three hours to Phoenix to have breakfast with the CEO of the plan once a month. They would talk about how things were going and what each needed to be successful. Through these conversations, both sides were better able to understand and meet each other's needs.

### *Improve High-risk patient care*

In addition to increasing the number of United patients receiving care, Sunset also wanted to focus on improving care for high-risk patients. United provided Sunset with reports on high-risk patients using its predictive modeling tool. This practice continues to this day. Also, Sunset developed and implemented a care management team by hiring 4 chronic disease specialists for patient outreach and a RN Care Manager for discharge planning. These individuals have medical backgrounds and an understanding of the care requirements for high-risk patients. They conducted phone outreach to encourage patients to come to the clinic for regular care instead of going to the ER. Mr. Rogers notes that hiring these new staff members and the resource allocation with existing staff was a costly endeavor (close to $500,000). However, there was significant return on this investment, both in shared savings as well as improvement in quality outcomes. Most importantly, by building the expertise needed in house, he reduced his dependency on payers for information.

## Results

Once Sunset began implementing changes in late 2009, it took about 9 months to see improvements. In the first year, Sunset was able to improve access to sites by almost 20%. They achieved this by increasing the number of same day slots and improving seven day follow up for ER and hospital discharges. In the first two years, avoidable ER visits were reduced by over 18%.

There were also many improvements from a process standpoint. Thanks to United, they were now receiving daily discharge information. Thanks to growth in Sunset's outreach team, they are effectively managing more of the sickest patients. Since they began this endeavor, they have seen a nearly 10 percent reduction in non-emergent ER visits and an astounding 25 percent reduction in hospital readmissions for their patients.

In 2012, Sunset was also able to move to a shared savings arrangement with United for its member patients. The shared savings is based on quality metrics, requiring Sunset to identify the sickest patients and work to better manage their care. Mr. Rogers estimates about 5 percent of this patient population is considered high risk (a standard industry number for an average patient panel). However, this small group accounts for approximately 60-70% of overall costs. To target them, Sunset used data provided by United to identify the highest risk cohorts and began working with the patients individually. As a result, United was willing to increase attributed Medicaid lives to Sunset thereby improving revenue. In 2009, Sunset saw 13,000 United patients, but today they see

over 21,000. The key to this growth has been increased capacity in terms of staff, physical space, and increased efficiency. The next step in this process is to extend the outreach strategies and population management system to all patients, including uninsured, other Medicaid and commercial clients.

**Mr. Rogers says:**

*"We've seen tremendous improvement. It has really benefited us, not just as having an opportunity to have some upside revenue or some additional revenue through shared savings, but I think that it's helped us see what we've needed to modify not just for this project, but it's all worked seamlessly with Patient Centered Medical Home, with Meaningful Use with capturing the information in our electronic health record. It's all worked really well to help us stay on target with those initiatives."*

## Lessons Learned

When asked about the lessons learned, Mr. Rogers is very forthcoming; not only about where Sunset was but about the process it took to get where it is now. There have been many lessons learned on the path to accountable care.

**Lesson #1:** Know Your Contracts – The first lesson comes from the initial conversation between Sunset and United. From the Health Center perspective, they had little understanding of their capitated payment arrangement with United and of managed care in general. This made it difficult for Sunset to understand what was expected of them. They also had little understanding of what data they had and how they used it. "We were put in a position to rely on their data not ours," Mr. Rogers says.

**Lesson #2:** Know Your Payers – this lesson relates to relationship building; Mr. Rogers recommends that health centers build relationships with individuals at the plan level who can influence decisions. The key is to focus on areas where the missions of the two organizations align: cost reduction, improved quality of care, and improved access. He also believes it is important to insist on working together to set baselines and targets. Again, this requires the Health Center to really know its data and understand its patient rosters/ panels.

**Lesson #3:** Patient Outreach – Mr. Rogers says the key to moving toward true population health management is outreach. He recommends investing in community health workers for outreach, and nurses for care management. This requires many phone calls but the key is to allow staff doing the outreach to also make appointments. He also recommends using population health management software as an add-on to your EHR.

**Mr. Rogers says:**

*"It [population health management software] allows you to implement interventions that are necessary to improve a particular area that you may be struggling with. Before, we never knew how bad we were doing…because we didn't have any information to tell us that... Once a year, you'd run your numbers for your UDS… and …hope they were going to work out ok so you really weren't staying on top of it. I think with these new patient population strategies that we're deploying we're able to look at that stuff on a weekly, monthly, quarterly basis and so you make the adjustments much more timely which allows you to stay on target with your upward trends and improving clinical measures."*

## Conclusion

Sunset Community Health Center was able to move from minimally understanding population health and managed care to negotiating a value-based payment contract with shared savings for its United Medicaid managed care contract. Several factors contributed to this successful transition. First, they were willing to change their model of care to improve access. They added appointment slots and increased patient outreach and follow up. Second, they invested in additional staff to improve patient care. Although this required significant upfront investment, the improvement in quality outcomes was well worth it. Also, by building the expertise in house, Sunset was less dependent on the payer for information. Sustainability is important because plan leadership and even the plan itself can change very quickly. Lastly, Sunset committed to building relationships with United to help foster communication and trust. Underlying all of this was Sunset's commitment to providing excellent patient care, which will continue to be at the forefront of anything they do.

This document was produced by the National Association of Community Health Centers.

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Special Thanks to David Rogers, CEO of Sunset Community Health Center

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This project was supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS) under cooperative agreement number U30CS16089, Technical Assistance to Community and Migrant Health Centers and Homeless for $6,375,000.00 with 0% of the total NCA project financed with non-federal sources. This information or content and conclusions are those of the author and should not be construed as the official position or policy of, nor should any endorsements be inferred by HRSA, HHS or the U.S. Government.