CALIFORNIA HEALTH CARE SAFETY NET INSTITUTE

CALIFORNIA ASSOCIATION of PUBLIC HOSPITALS AND HEALTH SYSTEMS

READINESS QUESTIONNAIRE FOR VALUE-BASED STRATEGIES

Governance and Leadership

- Does the organization have a current strategic plan? If so, does the plan clearly articulate the organization's quality and value-based care objectives?
- Are executive leaders supportive of exploring risk models that involve value based care?
- Do you have any experience with value based care or going "at risk" in other lines of business like commercial or Medicare? If not today, is this part of your current strategic plan?
- Do you understand your current market position and research and assess competitors on a regular basis? If so, does any of that research indicate that other providers in your market are moving more towards value based arrangements in Medi-Cal?

Financial Integration and Managed Care Expertise

- What is the scale of your hospital's Medi-Cal supplemental funding stream revenues relative to your hospital's Net Patient Service Revenue? Supplemental funding would include all funding except for Medi-Cal FFS claim payments made by the State to you and payments for services made by Medi-Cal managed care plans to you. Examples of supplemental funding would be the waiver, AB 915 for outpatient services paid for by Medi-Cal FFS, and rate range in Medi-Cal managed care.
- What percentage of your hospital's patient revenue is "at risk", i.e. received through capitation payments or bundled payments? Does the organization have a cost-accounting system that is routinely utilized?
- Is the organization able to derive service-level costs and revenues from that system? For example, would you be able to know your costs and revenues associated with trauma days?
- Has the organization conducted a gap analysis or other assessment to identify the level of financial management experience, actuarial support, and other financial resources required to successfully operate in a risk-based environment?
- Has your organization looked into obtaining a Knox Keene license HMO license from the Department of Managed Health Care?
- Does the organization fully understand its current contracts? For example, do you know how you are financially performing by contract? Does this analysis include patient revenues and managed care supplemental payments (e.g. SPD IGT, rate range)
- Does the organization have contracts and strong relationships in place with assisted living, SNFs, rehab, and residential living facilities? Do you have formal agreements, contracts, or defined partnerships with extended care services not owned by your facility?
- What key services does your system not provide and might have to consider contracting out for if it took on full risk? An example could be dialysis services or chemotherapy?
- Does the organization have the ability to process claims and monitor denials of claims?
- Does the organization have access to enrollment data to know which members have been assigned to you from your contracted Medi-Cal managed care plans at any given time?
- Can the organization monitor out of network costs and utilization, including on a real-time basis? Do you have processes in place to repatriate individuals back into your network?
- Does your organization have member outreach processes in place upon assignment to your system?

Hospital/Physician-Provider Alignment

- To what extent does your structure of and relationship with your physicians and other providers allow you to implement change efforts effectively? How could you improve?
- Is physician engagement in operations and change efforts supported and encouraged?
- Is any provider compensation based on performance data or other incentives? Do physician/provider incentives include system wide performance and not just individual performance?
- Do you apply productivity standards and performance expectations to any providers within your system?
- To what extent do you rely on contracted services outside of your system to provide care such as community clinics or hospitals? If so, to what extent and how timely is membership and utilization information shared with contracted providers?

Quality and Performance Improvement

- Is there a defined performance improvement methodology?
- Would you categorize the organization as having a culture of performance improvement which includes:
    - Redesign of care processes
    - Standardization of care based on evidence-based clinical protocols?
    - Reducing variation on key quality, productivity or cost metrics, eg at the provider and/or care team levels
    - Waste reduction
    - Cost containment
    - Increasing patient satisfaction and engagement
    - Increasing staff satisfaction and engagement
- Does your organization have evidence-based clinical protocols and decision support tools embedded in your EHR to aid in point-of-service decision making?
- Do providers actively participate in the development and use of standards and protocols?

Population Management

- Do you empanel patients to a specific provider? Do you have criteria, demographic, clinical, or otherwise, by which you make your empanelment decisions?
- Do you establish and monitor care team panel size targets, adjusting panel open/closed status based on those targets?
- Does you include factors of patient attrition and "assigned not yet seen" plan beneficiaries in your care team panel size targets?
- Does the organization monitor "assigned but not yet seen" plan beneficiaries, and have outreach processes in place to engage these individuals?
- Do you monitor the degree to which patients are scheduled with their own provider?
- Do you have a population and/or care management software platform that supports panel management, registry functions, care planning, identification of care gaps, etc?
- Do you have a mechanism to alert office staff or physicians regarding care gaps at point of service?
- Do you have structured referral and care transitions processes in place for the following transitions: PCP to/from specialist, acute facility to ambulatory care, acute facility to other levels of care, connections to palliative and hospice care?
- Do patients have access to after-hours care on evenings and weekends and/or to a call center?
- Are you able to risk stratify your population using cost, utilization, quality, and social determinants of health factors?
- Do you have robust care management in place for high-risk individuals?

Information Technology and Business Intelligence

- Do you have a single integrated EHR system for all services and levels of care, including Behavioral Health? If not, what is the plan for arriving there or linking and aggregating data sets?
- Is the organization's EHR system integrated with its billing system?
- Are you able to compare costs and quality for a given service, so as to assess ROI and cost effectiveness for existing and new programs?
- Are you able to ingest plan claims data (medical, Rx, lab, radiology, etc) into your clinical record to enable tracking of services for your assigned patients that occur outside of your system?
- Do your organization's leadership teams (by division and service line/line of business) have access to a performance management dashboard that enables them to monitor and respond to key performance indicators? Are key indicators available and shared at the care team and provider levels?
- Are you able to report on a continuum of quality measures: process measures → outcome measures → condition measures → population indicators?

Talent Management and Human Resources

- Do you include quality, patient satisfaction and financial performance goals, measures and objectives in all employee position descriptions?
- Do you use quality, patient satisfaction and financial performance goal achievement as a factor in awarding merit based compensation adjustments and/or promotions within the IDS?
- Do you have organizational performance goal results and incentive payments in your bargaining unit contracts?
- Do you have an incentive goal payment model for employed or contracted medical staff members that is based on jointly developed and aligned key operating indicator goals, measures and objectives?