Statement of Project/Need

Reasons for hospital Emergency Room (ER) visits vary from setting to setting and include lack of primary care infrastructure, mental illness, drug seeking behaviors, and historic help-seeking behaviors, in addition to appropriate utilization. The costs of non-emergency care delivered in the ER setting is substantial, and may be prevented.

To date, no ER diversion programs have been implemented in Indiana's Medicaid population. The need is clear. *Indiana has a higher ER utilization rate than the national average*. The utilization of emergency room visits per 100 Medicaid recipients in Indiana is 89 as compared to 81 nationally. In calendar year 2006, 297,954 Medicaid recipients had a trip to the ER. Indiana also has a sizeable number of Medicaid recipients with multiple ER visits. In the six month period of July – December 2006, 21,213 recipients had three or more visits to the ER and 3,525 of those recipients had more than five visits to the ER. National estimates of rates of non-emergency use vary widely. Conservative estimates place 10.7% of ER visits in the non-emergency category[1]. A higher estimate from the Robert Wood Johnson Foundation states that 61% of adult visits to the ER could have been treated in an outpatient setting[2]. These estimates mean that in 2006, Indiana Medicaid saw between 31,881 and 181,752 non-emergency cases in the ER statewide.

We propose a pilot project that will target two medical market areas in the state that typify areas of excess ER utilization: Marion County (urban) and surrounding medical market and Tippecanoe County (rural) and surrounding medical market. In 2006, in Marion County there were 88,614 ER visits by Medicaid recipients with a cost of $5,734,163. That same year in

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[1] National Center for Health Statistics, "National Hospital Ambulatory Medical Survey: 2000," April 2002
2.Reducing Emergency Room Use by Low-Income Patients May Improve Their Health
http://www.rwjf.org/reports/grr/026673.htm

Tippecanoe County there were 14,823 ER visits by Medicaid recipients with a cost of $1,023,341.

There are high rates of non-emergency visits for 2 common diagnoses. In Marion County, in calendar year 2006, there were 2,194 visits to the ER with a primary diagnosis of severe ear, nose or throat infection and 1,619 visits with a primary diagnosis of kidney or urinary infection. In Tippecanoe County in calendar year 2006, there were 476 visits to the ER with a primary diagnosis of severe ear, nose or throat infection and 189 visits with kidney or urinary infection. Statewide in 2006, there were 25,369 ER visits with a primary diagnosis of severe ear, nose or throat infection or kidney/urinary infection. These are non-emergency uses of the ER that could easily be treated in an alternative setting.

Indiana's high ER utilization rate and the substantial number of individuals who repeatedly use the emergency room for non-emergency care illustrate the need for this project to both offer an alternative site to seek urgent care and provide a critical linkage to primary care and mental health providers.

To address the large volume of non-emergency visits to the ER by Medicaid recipients, Indiana will partner with community hospitals in two locations to pilot test a program consisting of three interventions: 1) implementation of convenient care clinics with mental health services; 2) implementation of patient navigation; and 3) implementation of a marketing and education campaign.

Indiana Office of Medicaid Policy and Planning (OMPP) and community partners will open and operate alternative convenient care clinics designed to treat non-emergency needs and link patients to appropriate primary and mental health care. These clinics will also have a special capacity to screen for underlying mental health conditions that frequently drive people to seek

treatment in an ER but are more appropriately treated in a primary care or community mental health center setting. Both clinics will operate on an expanded retail clinic model. They will treat the common non-emergency complaints seen in the ER, and provide brief screeners for mental health symptoms. Each convenient care clinic will operate with two Advanced Practice Nurses (one with specialized training in the mental health field), one patient navigator, and one clerical staff on duty at each location. The convenient care clinics will be open extended business hours of approximately 8 am – 8 pm Monday-Friday and 12 pm -6 pm on Saturday-Sunday.

Secondly, the convenient care clinics will expand on that service with special patient navigators to link patients to primary care and/or mental health providers. The navigator will provide education to patients about the need for on-going primary care or mental health services, arrange clinic visits, and liaison between the convenient care clinic and community providers. Patient navigation is an established program/intervention in the setting of cancer care and primary care screening for malignancies. The concept has not yet been widely studied in linking consumers to primary care services, rather in linking primary care patients to specialty care. The use of navigation has been described for cervical cancer screening, disparities, breast abnormalities, underserved patients, and overall care. For example, navigators are used in linking persons with abnormal screening mammography or Pap smears for follow-up care. In this setting the same principal will apply, linking persons with urgent care needs to appropriate primary care, mental health providers, and community providers.

The third part of this project is the marketing and education campaign. The culture of ER as primary care provider is deeply ingrained in the Medicaid population and can be readily seen in the number of Medicaid recipients who repeatedly seek treatment in the emergency room for

non-emergency conditions. We will address this practice with a marketing campaign beginning with market research to include focus groups of Medicaid recipients, including repeat utilizers, to better learn what drives emergency room utilization. After we gain an understanding of what drives the non-emergency use of the ER, we will work to improve areas of service that are needed and educate consumers to alternatives to ER care and the appropriate use of the ER. In addition, the marketing campaign will be the vehicle to make Medicaid recipients aware of the clinic location, hours, and areas of service. We will advertise in local pubic transit, in area emergency rooms, in physician's offices and through our affiliated managed care organizations.

Our convenient care clinics will be piloted in two areas of the state. The first pilot location will be in Indianapolis (Marion County) in partnership with Wishard Hospital. This hospital is an urban location that has a high Medicaid utilization rate. The convenient care clinic will be opened in a retail setting that is accessible to individuals who typically seek treatment in the Wishard ER. It will be located near a bus stop, in proximity to the ER, in or near a retail location. Indiana Medicaid will contract with Wishard to set-up, staff and operate the convenient care clinic location. The second pilot location will be in Lafayette (Tippecanoe County) and the surrounding medical market. Indiana Medicaid will partner with the Tippecanoe Community Health Clinic and St. Elizabeth Hospital in Lafayette. Indiana OMPP will contract with the Tippecanoe Community Health Clinic to set up, staff, and operate the clinic on the grounds of St. Elizabeth Hospital, a community hospital with affiliation to the community health center.

Both pilot areas will treat a wide range of non-emergency conditions that often drive individuals to the ER. Both will also have a special capacity to screen for mental health concerns with brief screening tools such as the PHQ-2 to screen for depression. Each location will operate with a mental health trained advanced practice nurse and an advanced practice nurse trained in

family medicine, both functioning with supervision of community providers. The patient navigator at each location will be critical in linking individuals seen in the clinic to additional services. The patient navigator will assist Medicaid recipients in finding a primary care physician to serve as their medical home and will use this opportunity to educate consumers on the appropriate use of the ER. In addition, the patient navigator will be able to link consumers with appropriate mental health care providers and community services. Consumers with needed urgent care outside the scope of the clinics will be navigated to same-day appointments with a community physician or referred to the ER when appropriate.

Project Justification

The use of retail medicine is relatively new in the U.S. and to date most retail based medical clinics are found in suburban middle class locations. Indianapolis has a broad range of alternative care choices. There are eleven convenient care clinics located in retail pharmacies and several urgent care clinics. However, each of the clinics is in a middle or upper-middle class census tract. Though private insurance is beginning to accept the retail medicine concept and cover services in some convenient care clinics, Medicaid currently does not reimburse for this type of care. These clinics will see all individuals who present for treatment, but will be the first convenient care clinic targeted to the Medicaid population. This project will utilize a convenient care clinic model to facilitate appropriate access to primary care in several ways. First, it will provide an alternative setting for those who need an urgent care or routine visit and do not have an existing primary healthcare provider or can not wait for an appointment with that provider. Second, a brief mental health screen will identify those individuals who have an underlying mental health issue that may be driving their use of the ER. Third, the specially trained patient navigator will work with individuals to link them to a primary care and/or mental health

provider. This navigator will provide a link to an appropriate primary care provider, community mental health services, and community resources. Adequately addressing and treating an underlying mental health issue will reduce the desire of some individuals to be inappropriately seen in an urgent care setting.

The concept of the extended convenient care clinic with mental health screening and navigation was developed based on Indiana OMPP 2006 ER utilization data. Substantial academic research has shown that non-specific physical health or somatic complaints are often proxies for mental health symptoms such as depression and anxiety. During the prior calendar year, non-specific signs/symptoms including headache made up nine of the most commonly occurring claims, accounting for nearly 9,000 ER visits. Upper respiratory infections and urinary tract infections accounted for nearly 4,000 visits. Finally, depression and anxiety disorders contributed to an additional 1,000 visits.

Indiana OMPP will build a model that provides for a convenient and accessible clinic that has the capacity to effectively treat a wide range of conditions that are routinely, and unnecessarily, seen in the ER. Advanced practice nurses, who have passed the certifying exam for prescriptive authority in Indiana, will be practicing off standardized algorithms designed for the diagnosis and treatment of common primary care conditions. The advanced practice nurses will be required to enter into collaborative practice agreements with supervising physicians who, through terms of the agreement, will review a percentage of patient cases. The scope of practice in the convenient care clinics will be limited to only the diagnosis and treatment of common primary care conditions (e.g. otitis, pharyngitis). This will allow an advanced practice nurse to treat many of the common ailments that drive individuals to an ER. If an individual presents with a major complaint that is outside of the scope of treatment for the clinic, the patient

navigator will assist in arranging appropriate disposition for that patient, including same day service as necessary. The decision to triage consumers to a higher level of service will be made by the advanced practice nurse.

Project Goals and Outcomes

The major goals of this project are to: 1) Implement an urban and a rural convenient care clinic to serve as an alternative to emergency room treatment; 2) Screen for mental health conditions in persons presenting with non-specific signs and symptoms; 3) Embed Patient Navigators at each clinic who will link patients to a primary care provider and/or mental health services; and 4) Educate consumers at the point of service about the appropriate use of ER services and of alternative ways to access non-emergency care.

The anticipated outcomes of this project are to: 1) Reduce non-emergency use of the ER in pilot locations; 2) Reduce the costs incurred for non-emergency usage of the ER in pilot areas; 3) Increase the proper diagnosis and treatment of mental health conditions; and 4) Increase the number of Medicaid recipients who identify and utilize a primary care physician as their medical home.

Estimate Impact to Beneficiaries

This project will be carried out in two locations. Target area one is Indianapolis, IN in Marion County. The Marion County medical market place is composed of seven central Indiana counties. This includes Boone, Hamilton, Hancock, Johnson, Marion, Morgan, and Shelby counties. We anticipate that the clinic in Indianapolis will serve individuals from each of these counties. In December 2006, there were 204,564 Medicaid recipients in the Marion County medical market with 160,232 of those in Marion County. Project target area two is Lafayette, IN in Tippecanoe County. This medical marketplace is composed of seven counties in the west

central part of the state including Benton, Carroll, Clinton, Montgomery, Tippecanoe, Warren, and White counties. We anticipate that the clinic in Lafayette will serve individuals from each of these counties. In December 2006, there were 34,310 Medicaid recipients in the Tippecanoe County medical market with 17,390 of those in Tippecanoe County.

We anticipate that once clinics are fully operational, 1,300 Medicaid recipients will be served in both clinic locations per month. We expect 1,000 to be seen in Marion County and 300 to be served in Tippecanoe County. We expect the Tippecanoe County clinic to draw a larger non-Medicaid population due to the lack of primary care providers and the lack of alternative convenient care clinics/locations in that medical market.

Indiana Medicaid will pay for services received in the retail clinics in a similar way that services received in primary care or urgent care settings are reimbursed. Practitioners will submit claims for the limited scope of practice. Although policy change will be required for reimbursement of services in the convenient care clinic, cost-shifting away from emergency utilization is expected.

Description of magnitude of the impact to Medicaid

This project will impact the utilization of ER services in three ways. First, individuals will have an alternative service provider available to them when they seek care. Second, recognition, treatment, and triage for mental health conditions may reduce downstream ER utilization, especially for non-specific signs and symptoms. Third, patient navigation at the point of service will provide education and direction to a medical home, leading to improved management of chronic conditions and future reduction in emergency room visits.

When both clinics are operational, we expect to have a significant impact on ER utilization in our pilot areas. We estimate that 1,800 individuals will be treated in our clinics on

a monthly basis. Of the 1,800 individuals seen, we expect 1,300 of those to be Medicaid recipients. This will directly reduce the number of individuals seeking treatment in the ER. In addition, we expect to educate consumers about the appropriate use of the ER and alternatives to seeking ER care which will reduce future ER utilization.

When an individual is appropriately linked to their PCP and feel that this is their medical home, they will be less likely to seek treatment in an ER setting for non-emergency services and they will be more likely to manage chronic health conditions in a way that may avoid the need for emergency room treatment by preventing chronic conditions from needing emergency treatment.

Description of Sustainability

If successful, the State intends to continue to provide for the operation of convenient care clinic locations and may look at the possibility of expanding the number of convenient care clinic locations available in the state. The state will consider the pilot successful if pilot areas show a reduction in the number of ER visits for non-emergency care or if there is a reduction in the number of repeat non-emergency visits from specific Medicaid recipients. A reduction in the rate of ER utilization can be quantified into a cost savings to the State Medicaid program and in turn, to our Managed Care Organizations that serve a substantial portion of our population. A business case can be made to our MCOs to provide for the continued operation of the two pilot convenient care clinics and for the possible expansion of the convenient care clinic system to treat non-emergency conditions in an accessible format. Costs for the navigator will ultimately be rolled into the fee structure of care received in the retail setting, and consideration will be given to the implementation of a limited co-pay for use of convenient care clinics.

Evaluation Plan

The evaluation plan for this project will involve both data analysis and consumer research. We will partner with the Regenstrief Institute, a health services research institute located on the Indiana University School of Medicine campus. The Regenstrief Institute's team is composed of health services researchers, health economists, qualitative researchers, and biostatisticians.

Statistical/Data Analysis: Indiana Medicaid will evaluate claims data to determine any changes in the overall ER utilization rates in pilot areas, changes in the number of repeat ER users for non-emergency care in pilot areas, and any changes in the diagnosis codes for individuals seeking care in the emergency room in pilot areas. ER claims data from pilot areas will be compared with ER claims data statewide to document any differences in utilization patterns. Costs will be based on standardized costs provided by EDS for services in Indiana Medicaid's fee for service program. Economic analyses will include the costs of clinic set-up, overhead, and salaries compared against reduction in emergency room costs and hospitalizations for ambulatory sensitive conditions.

Market Research Evaluation: Indiana Medicaid will contract with a qualitative research group to conduct focus groups in pilot areas to determine if Medicaid recipients are familiar with the non-emergency clinics, know what types of service are available at the clinic, can identify appropriate uses of an emergency room, can identify barriers to primary care use, and how many individuals can identify their PCP. We expect to conduct focus groups of individuals seen in the convenient care clinics to evaluate their experiences, their views on accessibility of the clinics, and their acceptance of patient navigation. Further, clinicians and navigators will undergo structured

interviews to assess their perceptions of the program, and to determine their beliefs of strengths and weaknesses that will inform further development of the convenient care clinic model.

Project Implementation Readiness

Indiana Medicaid is able to implement the activities described in this project. We have secured commitment from partners at Wishard Hospital and the Tippecanoe Community Health Clinic. The following table provides a timeline for milestones associated with setting up two convenient care clinic locations, conducting a marketing and education campaign and the evaluation plan. Please see the following timeline that documents the planed implementation over the two year grant period.

Project Timeline								
	Year 1 (Oct 2007-Sept 2008)				Year 2 (Oct 2008-Sept 2009)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Project Pilot Site 1								
Contract with Wishard Hospital	X							
Hire Project Manager		X						
Secure Clinic Location			X					
Set-up Clinic			X	X	X			
Hire Clinic Staff				X	X			
Clinic Operational						X	X	X
Project Pilot Site 2								
Contract with Wishard Hospital	X							
Hire Project Manager		X						
Secure Clinic Location			X					
Set-up Clinic			X	X	X			
Hire Clinic Staff				X	X			
Clinic Operational						X	X	X
Marketing Plan								
Contract with Marketing Firm	X							
Conduct Focus Groups		X						
Develop marketing/educational materials		X	X	X				
Disseminate marketing materials					X	X	X	X
Evaluation Plan								
Data Analysis							X	X
Follow-up focus groups							X	X

Budget

	Grant Year 1	Grant Year 2	Total	Justification
Personnel/Fringe Benefits				
Project Director (TBD)	$27,565	$27,565	$55,130	40% of 1 FTE to manage grant activities and monitor contracts. 50,000 + 18,913 fringe = 68,913 40% of salary and fringe = 27,565.
Contractual				
Marketing Contract	$22,000	$78,000	$100,000	$10,000 for focus groups and reporting; $12,000 for material and campaign development; $38,000 printing and postage of posters, pamphlets, etc.; $40,000 for bus advertisements and other transit advertisements.
Clinic site set up and operation	$139,750	$1,285,500	$1,425,250	See Clinic site set-up and personnel budget break out below.
Evaluation Contract		$30,000	$30,000	Evaluation contractor to conduct follow-up focus groups and report on impact of the grant project.
Supplies				
	$0	$0		
Equipment				
	$0	$0		
Other				
	$0	$0		
Totals	**189,315**	**1,421,065**	**1,610,380**	

Personnel: Indiana OMPP will budget for a part-time Project Director to establish contracts, work with vendors, monitor contracts, and complete grant reporting. This will equal 40% of 1 Full time program director. This staff person is to be determined. Most of our project budget costs fall under the contractual category. Indiana OMPP will contract out marketing activities, evaluation activities, and the set-up and operation of 2 clinic locations.

Contractual:

Marketing The marketing contract includes conducting multiple focus groups in the project target areas. Focus group research will drive the marketing/education campaign and materials used to make people aware of the convenient care clinics that will be made available to them.

Clinic Site 1: The contract with Wishard hospital for Clinic site 1 will include the site personnel and physical set-up. The clinics will employ: 4 full time advanced practice nurses and 1 part time advanced practice nurse to cover the five 12-hour shift Monday-Friday and the two 6-hour shifts Saturday-Sunday; 2 Patient navigators to cover clinic hours; 2 clerical staff to cover clinic hours; 1 Project Manager to be responsible for the set-up of the clinic site and facilitate the hiring of clinic staff. This project manager will be responsible for assuring that the sites meet grant goals and activities.

Clinic Site 2: The contract with Tippecanoe Community Health Clinic for Clinic site 2 will include the site personnel and physical set-up. The clinics will employ: 4 full time advanced practice nurses and 1 part time advanced practice nurse to cover the five 12-hour shift Monday-Friday and the two 6-hour shifts Saturday-Sunday; 2 Patient navigators to cover clinic hours; 2 clerical staff to cover clinic hours; 1 Project Manager to be responsible for the set-up of the clinic site and facilitate the hiring of clinic staff. This project manager will be responsible for assuring that the sites meet grant goals and activities.

Evaluation: Will include follow-up focus groups and reporting.

Contractual Budget Breakout for Clinic Site Set-Up and Personnel

	Grant Year 1	Grant Year 2	Justification
Clinic site Personnel			
Advanced Practice Nurse		$351,000	4 full-time in clinic site. Annual Salary $90,000 per year with a 30% fringe rate. Will be employed the last 3 quarters of Grant Year 2. $90,000 + $27,000(fringe) = $117,000 annual. ¾ annual salary is $87,750 * 4 staff = $351,000.
Part-Time Advanced Practice Nurse		$36,000	Saturday and Sunday shift. 1 per clinic. Annual salary of $40,000 with 20% fringe rate. Will be employed the last 3 quarters of Grant Year 2. $40,000 + $8,000 (fringe) = $48,000 annual. ¾ annual salary is $36,000.
Patient Navigator		$78,000	2 patient navigators per clinic. Annual salary of $40,000 per year with a 30% fringe rate. Will be employed the last 3 quarters of Grant Year 2. $40,000 + $12,000 (fringe) = $52,000 annual. ¾ annual salary is

			$39,000 * 2 staff = $78,000.
Clerical Staff		$68,250	2 clerical staff per clinic. Annual salary of $35,000 with a 30% fringe rate. Will be employed the last 3 quarters of Grant Year 2. $35,000 + $10,500 (fringe) = $45,500 annual. ¾ annual salary is $34,125 * 2 staff = $68,250.
Project Manager	$63,375	$84,500	1 project manager with a salary basis of $65,000 and a 30% fringe rate. Project manager will work ¾ of grant year 1 and a full year in grant year 2. $65,000 + $19,500 (fringe) = $84,500. ¾ of salary for year one = $63,375.
Total Per Site	$63,375	$617,750	
Total for 2 clinic sites	**$139,750**	**$1,285,500**	Each clinic will require the same staff and salary for operation.
Clinic Site Physical Set-up			
Computer Equipment		$8,000	4 computer stations @ $2,000 each. Computer set-up to include: computer monitor flat screen, hard drive (mounts under countertop), retractable keyboard shelf, keyboard, wall mount bracket (installed) for monitor.
Exam room equipment/supplies	$8,000	$8,000	2 exam rooms at $8,000 per exam room to include: exam table (basic without adjustable height); stool, exam light, two side chairs (one with arms, one without arms), cabinetry (4 feet of base cabinets with sink/faucet, 4 feet of cabinets above, 2 feet of a drop desk), otoscope, opthalmascope, blood pressure cuff (wall mounted).
Reception area equipment		$2,000	Chairs, reception desk/counter, patient navigator desk/counter.
Site modifications	$5,000	$5,000	Construction of walls, reception desk, exam rooms, work areas.
General Supplies		$2,000	General office supplies and some medical clinic supplies.
Total Per Site	$13,000	$25,000	
Total for 2 clinic sites	**$26,000**	**$50,000**	Both clinic locations will require the same equipment and exam room set-up.