Establishment of Alternative Non-Emergency Services Providers

Nashville Medical Home Connection

APPLICANT PREFERENCE

We request consideration for preference based on the fact that the project will serve an underserved area. United Neighborhood Health Services has received a community health center HPSA designation ID#1479994789 with a score of 6 for all centers. UNHS Waverly is in an MUA with ID#03243 and a score of 48.27.

PROJECT ABSTRACT

The Nashville Medical Home Connection Project has the goals of:

- Linking TennCare members using an emergency room for non-emergency care with a "medical home" which can provide comprehensive primary care that includes preventive and chronic care management, as well as meeting their immediate acute need.
- Providing members education on appropriate emergency room utilization, with emphasis on using the medical home first.
- Providing walk-in appointments and next day appointments 7 days a week for non-emergency medical and behavioral health to engage member at point of need.

Total Projected Budget:
The total budget is projected at $3,390,680 in the first year and $3,553,44 the second year. Requested funding for the first year are $1,154,680 and for the second year $199,444. Total requested funds are $1,354,124. The Project will be self-sustaining by the third year.

How grant will be used to establish alternate non-emergency service providers to provide services to Medicaid/TennCare recipients

"Medical Home Connection," is a partnership with Medicaid/TennCare Managed Care Organizations, hospitals in Nashville Tennessee and United Neighborhood Health Services, a Federally Qualified Health Center with five health centers in underserved Nashville neighborhoods. "Medical Home Connection," will link hospital emergency room Medicaid/TennCare members in Nashville/Davidson County with alternate non-emergency primary care providers for their non-emergency care. "Medical Home Connection" will have three components that we believe could be offered to all TennCare/Medicaid members using emergency rooms for non-emergency care. Those three components are:

- UNHS Waverly Family Heath Center Connection
- UNHS Madison Health Center Connection
- In-hospital clinics

The two established UNHS Centers will provide an alternative provider to six hospitals by maintaining extended hours during times that emergency rooms experience their heaviest utilization. Staff at the hospitals will facilitate the link to the clinics and transportation will be provided. Two in-hospital clinics will provide an alternative provider during busy times seven days a week.

The outcomes of the project will be to:

- Reduce inappropriate ED utilization by linking TennCare members to a "medical home."
- Improve the quality of healthcare received by TennCare members, with early intervention, education and preventive care.
- Reduce cost to both the TennCare/Medicaid program and to hospitals. By shifting emergency room care to a more appropriate level, where the quality of health management will be improved, both systems should experience reduced costs.

PROJECT NARRATIVE

Statement of Project Need

The current state of emergency room usage for non-emergency care by Medicaid/TennCare members in Tennessee: Compared with other states, the rate of ER utilization in Tennessee is extremely high, indicating the need for alternative non-emergency providers. The 2004-2005 TennCare (Tennessee's Medicaid managed care program) Annual Report reports emergency room utilization at 743 visits per 1,000 enrollees. Local hospitals report that about 65% of the visits do not need emergency care; that is about 483 non-emergency emergency room visits per 1,000 TennCare members. National statistics report there are 378 visits per 1,000 for the entire population. HEDIS benchmarks for Medicaid indicate 504 visits per 1,000. Maryland reports 301, Colorado reports 456, and New York reports 357.

The current state of emergency room usage for non-emergency care by Medicaid/TennCare members in Nashville/Davidson County: The TennCare members in Nashville/Davidson County show a similar pattern of high utilization of emergency rooms for non-emergency care. Their great numbers in Nashville/Davidson County also indicate the need for alternatives. Nashville/Davidson County is second only to Shelby County in the number of TennCare/Medicaid enrollment with 109,492. TennCare/Medicaid members are 18.38% of the population of Nashville/Davidson County, but account for 40% of the visits to hospital emergency rooms. This means that about 26% of all emergency room visits are non-emergency visits attributable to TennCare/Medicaid members.

If the above 483 non-emergency ER visits per 1,000 is used, we can estimate that there are over 50,000 emergency room visits for non-emergency services by TennCare/Medicaid members in Nashville/Davidson County.

TennCare/Medicaid expenditures for Nashville/Davidson County members indicate that these members cost more to care for than in many other counties in Tennessee. The 109,492 members are about 8.9% of all TennCare members, but they account for 10% of TennCare member expenditures. Out of 97 counties, Nashville/Davidson County ranks 20th from the top in expenditures per member at $4,787.81. The rate per member is about 12% higher than the state average of $4,285.28.

Project Justification

While various hospitals in Nashville/Davidson County have attempted to refer individuals to other sources of care, there has been no systematic attempt to assure that the Medicaid/TennCare population is linked to an appropriate source of care or to assure that the care is delivered contemporaneously. Such a system is very needed as shown above.

This project, "Medical Home Connection," is a partnership with Medicaid/ TennCare Managed Care Organizations, hospitals in Nashville Tennessee and United Neighborhood Health Services, a Federally Qualified Health Center with five health centers in underserved Nashville neighborhoods. "Medical Home Connection," is intended to link hospital emergency room Medicaid/TennCare members in Nashville/Davidson County with alternate non-emergency primary care providers for their non-emergency care.

United Neighborhood Health Services (UNHS) Centers are uniquely organized and positioned to provide hospital emergency room TennCare members with a primary care alternative. UNHS has provided comprehensive primary care to underserved populations in

Nashville/Davidson County since 1976. UNHS centers served over 18,000 in 2006 with over 51,000 visits. UNHS and its centers are contracted to provide Medicaid/TennCare services and have over 7,000 TennCare members who call UNHS their "medical home". The providers of UNHS provide diagnosis and treatment for a full range of health conditions for all ages, including behavioral health diagnoses.

"Medical Home Connection" is intended to be a comprehensive program linking all major Nashville hospitals seeing Medicaid/TennCare members in their emergency rooms with UNHS' health centers. There are primarily nine (9) hospitals in Nashville that provide Medicaid/TennCare recipients emergency care. These are: Vanderbilt Children's Hospital, Vanderbilt Adult, Metro General Hospital, Baptist Hospital, St. Thomas and HCA Hospitals (Centennial, Summit, Southern Hills and Skyline). Because several hospitals cluster in geographical locations, the proposed project creates a system that can serve multiple hospitals with appropriate services and provide them contemporaneously.

"Medical Home Connection" will have three components that will be offered to all TennCare/Medicaid members using emergency rooms for non-emergency care. Those are:

UNHS Waverly Family Heath Center Connection: This center is 1 mile from Vanderbilt Children and adult Hospitals, Baptist Hospital and Centennial Hospital (HCA). Metro General, the public hospital, and St. Thomas are each two miles from Waverly. The UNHS Waverly Center will maintain a seven day schedule covering the busiest hours for the hospital emergency rooms. The center will be open Monday through Saturday 8 a.m. to 11 p.m. and Sunday 1 p.m. to 11 p.m. Those referred at other times will be guaranteed a visit the next day.

UNHS Madison Health Center Connection: This center will provide care to members from two HCA hospitals, Summit and Skyline which are located in the eastern end of

Nashville/Davidson County. The UNHS Madison Center is within a half mile of Skyline and two miles of Summit. The center will be open Monday through Friday, 8 a.m. to 7 p.m. and Saturday 1 p.m. to 5 p.m. At other times, those referred may go to the UNHS Waverly Health Center or will be guaranteed a visit within 24 or, in the case of Saturday night, 39 hours.

In-hospital clinics: Two hospitals have unique needs. Vanderbilt Children's has a particularly heavy load and Southern Hills is nearly 15 miles distance from the UNHS Health Centers. UNHS Centers on the same campus will facilitate the care of children at Vanderbilt Children's and the large numbers at Southern Hills. These Centers will be open from 2 p.m. to 11 p.m. seven days a week, during the heaviest emergency room utilization times. Members outside of those times will have a next day visit.

In all cases, the member will be offered alternative providers by a staff member who is stationed at the hospital. This staff member will be able to register the member with UNHS in the UNHS electronic database and make an appointment. They can fax records and complete other tasks that will make it convenient for the member to receive care immediately at the health center when they leave the emergency room. In addition to the dedicated staff person who will provide information and facilitate the primary care visit for the member, transportation will be available.

Under no circumstances will the TennCare/Medicaid member be responsible for any costs of the care provided at the health center.

Nashville Medical Home Connection

Project Goals and Outcomes

The goals of "Medical Home Connection" are to:

- Link members using an emergency room for non-emergency care with a "medical home" which can provide comprehensive primary care that includes preventive and chronic care management, as well as meeting their immediate acute need.
- Provide members education on appropriate ED utilization. The emphasis will be on using the medical home first, including UNHS after hours call.

The outcome of the project will be to:

- Reduce inappropriate ED utilization by linking members to a "medical home" of choice.
- Improve the quality of healthcare received by TennCare members. Comprehensive primary care will result in improved health including; EPSDT for children, women's health examinations, chronic condition management, behavioral health and other preventive services.
- Reduce cost to both the TennCare/Medicaid program and to hospitals. Shifting emergency room care to a more appropriate level will reduce costs for both systems.

Estimate of Impact to Members

The impact of "Medical Home Connection" on Medicaid/TennCare members in Nashville/Davidson County will be significant. Members will be linked to a medical home that is convenient to them, open extended hours and able to provide a full range of services. This also includes behavioral health and dental care.

While this is a Nashville/Davidson County Project, others from the middle Tennessee region, will be served. There are limited resources in the counties surrounding Nashville and UNHS Centers are open to all.

This Project will be particularly advantageous to children, those with chronic conditions and pregnant women. The children will benefit by being linked to UNHS school-based services also. This is particularly true for those children with asthma which is a major issue in emergency room use for non-emergency needs. This is also true for those with diabetes, hypertension and congestive health failure. Pregnant women at the emergency room who do not have a regular source of care will also receive care at UNHS.

With UNHS Health Centers open extended hours, those who might otherwise utilize the emergency room will have UNHS' as their first alternative. They will be cared for by those who have their medical history and will receive more complete and more personal care.

With the projection of 172 additional extended hours each week among the health centers, the centers will create a capacity for over 30,000 visits. We expect that 10,000 will be served over the year by the third year.

Description of Magnitude of the Impact to Medicaid

The impact of the "Medical Home Connection" Project for Medicaid/TennCare will be significant in terms of improved indicators for preventive services as well as cost-savings. The impact of the "Medical Home Connection" Project is designed as a Nashville/Davidson County-wide project that will provide an alternative for all hospitals. We expect that at least 10% of the TennCare/Medicaid members will be served and provided an alternative and a "medical home." EPSDT rates should increase for children and preventive care indicators for other groups of TennCare/Medicaid members.

Because UNHS' Health Centers are in underserved neighborhoods with a high concentration of Medicaid/TennCare members, members will find that regular use of the health

centers, rather than emergency room use, is very convenient. This will further reduce emergency room utilization for non emergency needs.

We anticipate that as this project will significantly reduce the ER utilization rate in Nashville/ Davidson County, it will significantly reduce cost. Projecting a reduction of 10,000 emergency room visits a year, with the cost of the emergency room visit at $630, compared with the cost of an office visit at $130, the savings to TennCare/Medicaid will at least be in the area of $5,000,000. This is 1% of the TennCare expenditure in Nashville/Davidson County.

Description of Sustainability of the Project

The ability of the "Medical Home Connection" Project to become a permanent part of the Nashville/Davidson County system of healthcare is critical. We anticipate that the project will be self-sustaining based on revenue from care for TennCare/Medicaid members and "community benefit" support from hospitals and healthcare plans who are members of the project. This Project is presented as a county-wide project so that all hospitals and health plans will benefit and will potentially support the project.

United Neighborhood Health Services is in a unique position in that it is a Federally Qualified Health Center. The state of Tennessee Medicaid/TennCare program has worked with FQHCs to assure a strong reimbursement position through a cost-based prospective payment system. This is a major component to insuring sustainability.

TennCare/Medicaid Managed Care Organizations in middle Tennessee, AmeriChoice and other MCOs, have also been responsive to the needs of members and to the fact that UNHS is able to deliver care to their members in many locations. They have provided reimbursement for school-based services so that children could be served and have agreed to provide reimbursement for those TennCare/Medicaid members using UNHS alternative providers though

UNHS may not be the assigned primary care provider. It is this alignment of reimbursement with member need that will better assure this project is sustainable.

Evaluation Plan

The "Medical Home Connection" Project presents many opportunities to evaluate the effectiveness of various models for providing alternative primary care to reduce emergency room use for non-emergency needs of TennCare/Medicaid members. The results of the hospital campus health center compared to the off-campus health center will be particularly revealing.

All partners to this project have important information to contribute to an evaluation of the success of the project. United Neighborhood health centers maintain an electronic health record and patient account management system. This system will enable UNHS to report and evaluate performance. The hospitals will also be able to provide trending information on emergency utilization by TennCare/Medicaid members and on the use of the ER for non emergency needs. The TennCare/Medicaid managed care organizations will provide data on quality indicators as well as emergency room utilization trends.

The evaluation plan includes tracking and reporting on information such as:

- ER utilization for non-emergency visits by TennCare/Medicaid members
- Visits referred to UNHS Centers from emergency room each month
- Visits seen at UNHS Centers each month from referrals
- Proportion of hospital members follow-through with UNHS to evaluate models
- Managed care plan emergency room visit trends by hospital to evaluate models

Description of the Project Implementation Readiness

United Neighborhood Health Services, TennCare managed care organizations and hospitals have long recognized the problem of ER use for non-emergency visits and are prepared to implement

the project as soon as possible. The Centers of UNHS, Madison and Waverly, are ready and able physically able to implement that component of the project immediately.

Tasks/timeline with milestones and status.

10-12/2007

Develop Joint Operating Agreements & Execute:

- Develop policies and protocols, reporting requirements, and other requirements of the project partnership.
- Hire staff for management and staffing of after hours at UNHS project centers
- Arrange transportation component of the project.

01-03/2008 Start-up Activities:

- Implement project components at the UNHS Waverly and UNHS Madison Health Centers and begin making referrals and seeing members.
- Where health centers will be on-site begin facility renovation and equipment acquisition

04/2008 Clinic Operating

- All health centers operating and collecting evaluation data.

Budget for Nashville Medical Home Connection

Budget Total for Two Year Period: $1,354,124

Funding by year:	FFY 08	FFY 09
Contracts*	$1,154,680	$ 199,444
TOTAL	**$1,154,680**	**$ 199,444**

* Funds will be conveyed from the State Medicaid Agency to the MCO via contract
Detail regarding MCO budgeting of funds is included on the next page

Spending Plan for Nashville Medical Home Connection

Estimated Budget Total: $1,354,124

Estimated funding by year:	2007-2008	2008-2009
Personnel/Fringe	$3,275,480	$3,373,744
Contractual Cost	0	0
Supplies	103,200	167,700
Equipment	0	0
Other Costs		
Data Lines	9,600	9,600
Insurance	2,400	2,400
TOTAL COST	**$3,390,680**	**$3,553,444**
Revenue from visits	**2,236,000**	**3,354,000**
REQUESTED FUNDING	**$1,154,680**	**$ 199,444**

Personnel/Fringe: This is the estimated amount for the following staffing:
Physicians: 86 hours/week
Midlevels: 86 hours/week
Support staff 2 for each of the four sites: 344 hours/week
Security staff needed at 2 sites after dark: 86 hours/week
Case managers at 6 hospitals: 366 hours/week
2 drivers: 112 hours/week
Full-time project manager
Fringe is .24 of salary

Supplies: For the first year this is computed at $6 a visit for an expected visit number of $17,200 visits. The second year this is $6.50 a visit for 25,800 visits.

Equipment and Space: It is our expectation that this will be in-kind.

Data Lines: This will link each hospital site to UNHS electronic medical record and allow staff at the hospital to register clients and to make appointments.

Insurance: This provides general liability at those 2 clinics within hospitals.

Self-Sustaining: The budget for the "Nashville Medical Home Connection" as presented here is based on expectations that the utilization rate at the newly expanded hours UNHS health centers will be slow in the first year and that by the third year the project will be self-sustaining. Thus 17,200 TennCare/Medicaid visits are projected at the prospective reimbursement rate of $130. The second year projects a modest 3% increase in costs, but a significant increase in revenue as the TennCare/Medicaid visits increase to 25,800.