

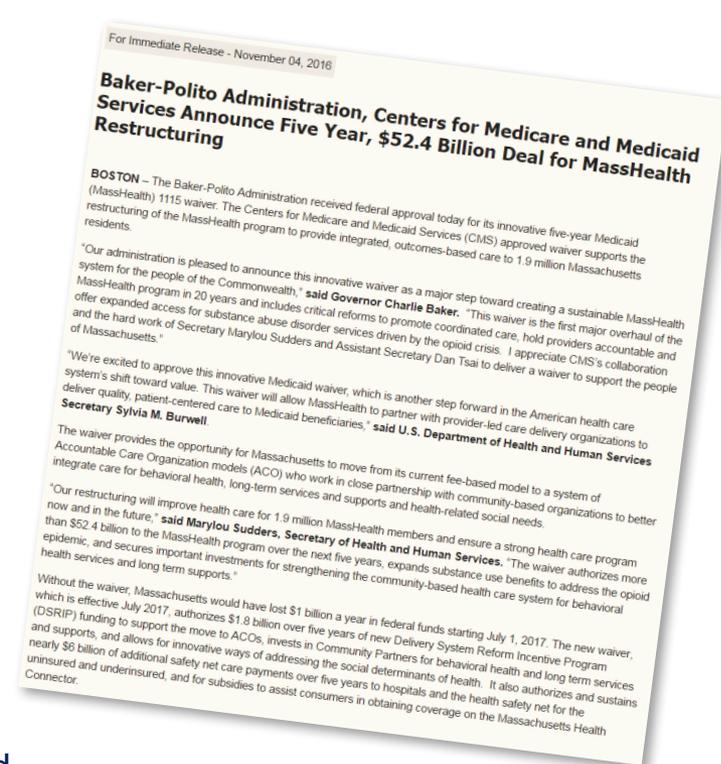


Creating an FQHC-based Medicaid Accountable Care Organization

Health Care Value Hub Cost & Quality Conference
Tuesday, November 7, 2017

The Changing Healthcare Landscape in Massachusetts

- MassHealth needed to address important concerns
 - Grown to 40% of the Commonwealth's budget (over \$15 billion per year)
 - Serves 1.9 million MA residents
 - No major structural changes in the last 20 years
- CMS authorized a \$1.8 billion investment over 5 years
 - Expansive “restructuring” initiative
 - Funding will support the move to ACOs (Accountable Care Organizations)
 - In the upcoming weeks, 911,000 MassHealth members will be notified of their ACO assignment

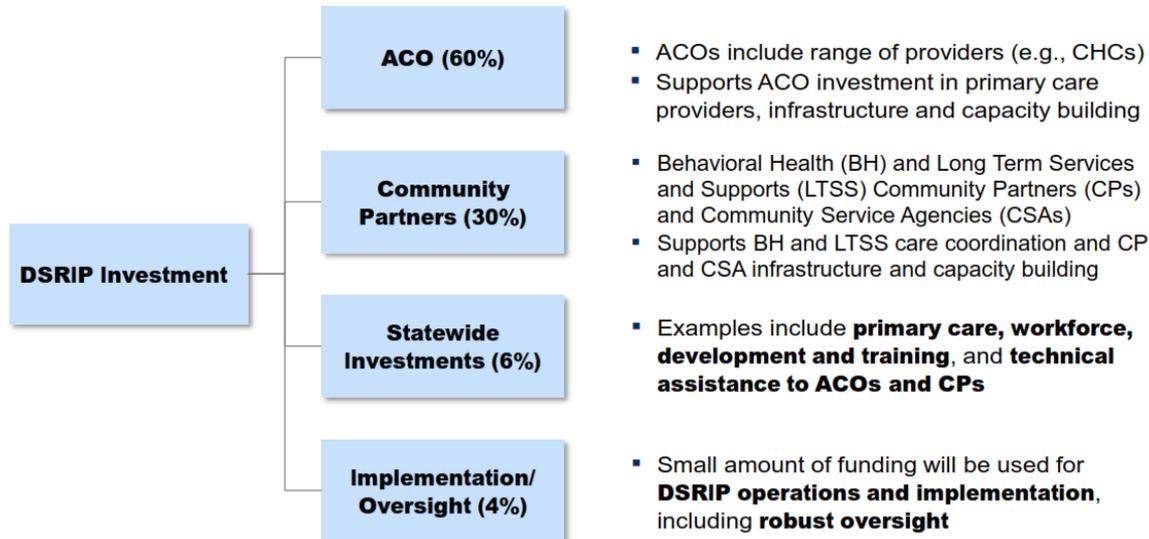


High Level View of Areas of Spending \$1.8B

Delivery System Reform Incentive Payment



- DSRIP totals \$1.8B over five years and supports four main funding streams
- **Eligibility for receiving DSRIP funding** will be linked explicitly to **participation in MassHealth payment reform efforts**



The 3 ACO Models and Core Attributes

| Primary Care ACOs | Partnership Plans | MCO Administered ACO |
|--|---------------------------------|---|
| Provider group works directly with Medicaid as a TPA | Provider group works with 1 MCO | MCO contracts with provider group; provider group may contract with more than 1 ACO |
| 3 | 14 | 1 |
| 363,000 covered lives | 536,000 covered lives | 13,000 covered lives |
| PCP Exclusivity | PCP Exclusivity | No PCP Exclusivity |
| Shared Savings/Risk | Shared Savings/Risk | Shared Savings/Risk |
| Retrospective Budgeted Reconciliation | Capitated Program | Retrospective Budgeted Reconciliation |
| Performance Risk | Insurance Risk | Performance Risk |

Process to Move Members from MCOs to ACOs

- MassHealth members will be transitioned from their current MCO to ACOs through a “Special Assignment”
- Members will be prospectively assigned to an ACO based on their historic relationship with a PCP
- 90 days to opt out
- Annual Open Enrollment Period
- No member-specific marketing is permitted during this time
 - General marketing is permitted: signs; billboards; brochures

Community Care Cooperative (C3)

- Community Care Cooperative, Inc., or C3, is a new 501(c)(3) ACO health care organization, organized to take responsibility for managing the cost and quality of health care for attributed MassHealth members
- Unlike all other established and emerging ACOs in the Commonwealth, our model is a 330 Federally Qualified Health Center (FQHC), primary care-based ACO
 - We have not found another FQHC-ACO in the country organized to take two-sided total cost of care (TCOC) risk
 - Therefore, our ACO is uniquely positioned to revolutionize the cost and quality equation for the Massachusetts Medicaid program
- By the numbers (2018):
 - 2018 Risk Revenue of \$625M (annualized)
 - 123,000 Members
 - 15 FQHCs

Community Care Cooperative

Vision

- Transforming the health of underserved communities

Mission

- To leverage the collective strengths of federally qualified health centers to improve the health and wellness of the people we serve

Strategy

- Improve health outcomes and decrease cost trends through community-based innovation

What We Aim to Achieve

- Transform primary care through direct financial investment and deep technical support to create a long-term plan for financial sustainability
- Re-draft the narrative to focus on real methods and systems to achieve cost control and quality improvement in health care
 - e.g.: primary care design; social health; not bricks and mortar
- A collaborative environment where we have moved from “if you’ve seen one health center, you’ve seen one health center” to a national model of producing real cost and quality results on value-based payments through collaboration
- Improved quality for work-life for PCPs
- True community-based efforts at addressing the impacts of poverty on individuals, families and communities

Why We Think Our Strategy Can Work

- As a health center-based ACO, we do not face the core existential issue that traditional system ACO must overcome to achieve cost savings targets
- This allows us to leverage a whole new approach to managing the cost and quality of vulnerable populations
- Our care model is designed to de-medicalize an approach to health, wellness and happiness (as appropriate)
 - Moving from “health care” to “health” for vulnerable populations
 - Meaningful whole person care: highly integrated physical & behavioral health
 - More engagement of community partners
 - More focus on alleviating social impediments to health, wellness & happiness
- We have already created “a coalition of the willing” locally and nationally of organizations that want to support our efforts