

July 1, 2011

A Joint Response to Illinois Department of Healthcare and Family Services (HFS) Request for Comment on the Coordinated Care Program

Thank you for the opportunity to comment on HFS plans to create the Coordinated Care Program. This document serves as a joint response on behalf of a group of central and southern Illinois providers and physician groups, namely, Southern Illinois Healthcare Foundation (SIHF), Central Counties Health Centers (CCHC), Hospital Sisters Health System (HSBS), HSBS Medical Group, and Prairie Cardiovascular Consultants ("Prairie"). This group, working together as the **South Central Illinois Medicaid Collaborative ("The Collaborative")**, is in the very early stages of discussion, but wanted to issue our comments jointly.

We have indicated in the margin which subset of questions we are addressing, although they are not in numerical order.

Executive Summary

The Collaborative would like to applaud the State for embarking on a Medicaid reform initiative that seeks to improve care coordination for the majority of Illinois' Medicaid beneficiaries. We also commend HFS for expanding its vision of care coordination beyond conventional, capitated managed care plans to include other configurations and arrangements that can facilitate care coordination. The Collaborative shares the State's vision of a reengineered healthcare delivery system that produces better results for patients, improves the health of the Medicaid population, and reduces healthcare costs.

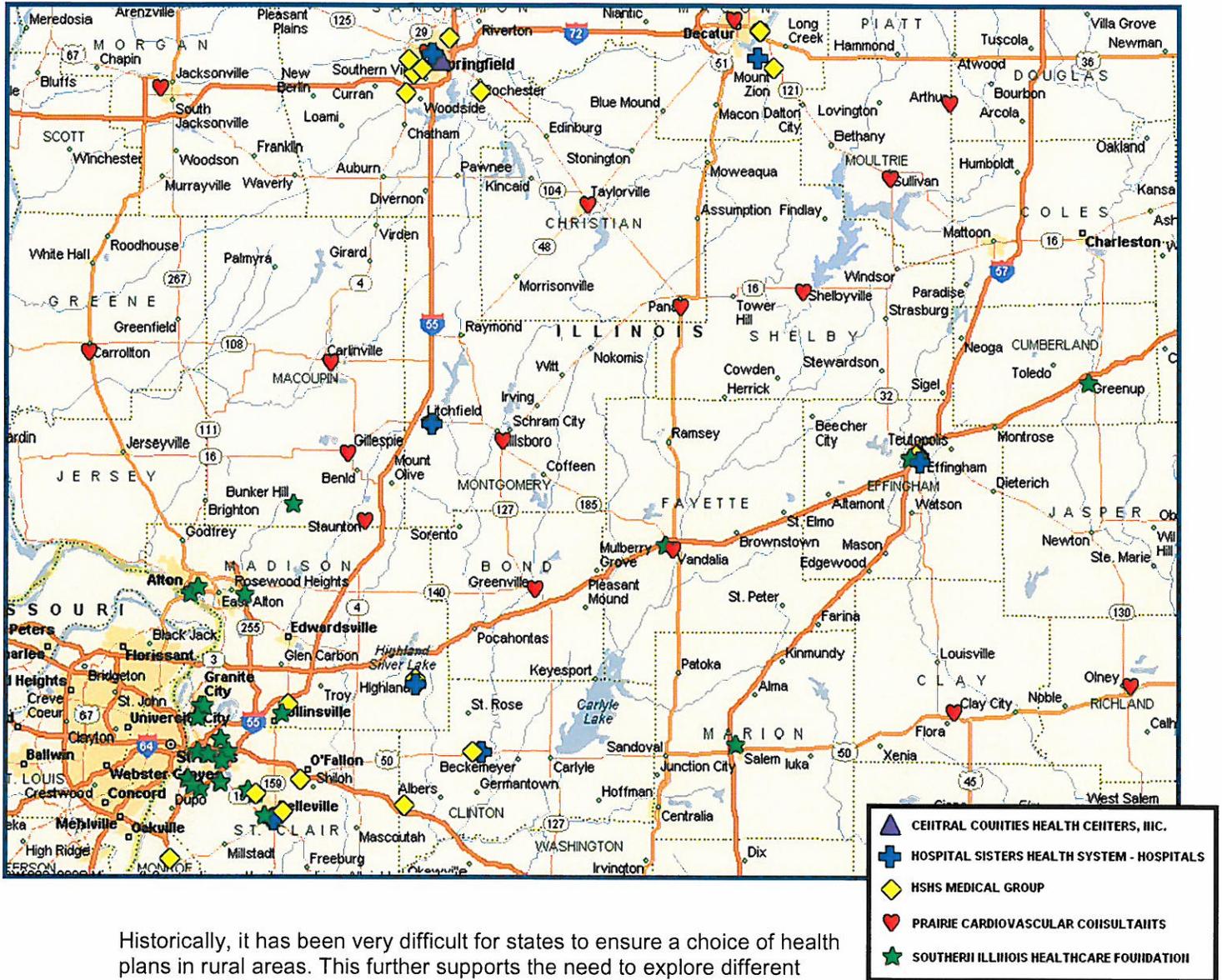
The Collaborative understands HFS' need to ensure that the majority of Medicaid beneficiaries be enrolled in coordinated care by 2015, but urges that HFS not restrict the provision of improved coordination activities to only those beneficiaries residing in the Chicago area. Rather, the Collaborative suggests that HFS develop a parallel effort for coordinating care for individuals in rural and down state urban areas to ensure that *all Illinois Medicaid beneficiaries* are eventually able to have access to an improved model of care delivery. A parallel effort will also allow the State to get started with solutions that may take longer to develop because of the special challenges associated with coordinated care in rural areas. In response to **Question 5**, we encourage HFS to "lead the market" by allowing for organizations like ours to develop new models for this parallel approach, rather than restricting contracts to existing models.

Question
5

Question
8

In response to **Question 8**, the Collaborative is very interested in testing new models of care coordination in order to ensure better quality care for Medicaid beneficiaries, improved outcomes, and real cost-savings. The Collaborative hopes to work with HFS to potentially develop a system to coordinate care for individuals in rural, down state areas. The Collaborative would also be able to "anchor" care in rural Illinois with services in more urban areas where there are larger Medicaid populations, including parts of Metro East and the Springfield/Decatur area.

Figure 1 South Central Illinois Medicaid Collaborative: Locations for SIHF, CCHC, and HSHS (excluding Streator)



Historically, it has been very difficult for states to ensure a choice of health plans in rural areas. This further supports the need to explore different care coordination arrangements that may not specifically follow a capitated, full-risk structure as these may inadvertently restrict beneficiary access to some providers and facilities. In response to **Question 4**, the Collaborative hopes to explore with the State other, more incremental forms of risk (e.g., pay-for-performance, incentive pools, shared savings, bundled payments for episodes of care) that will allow its members to develop risk-bearing capacity over time while addressing the special challenges of care in rural and down state urban areas. This will also broaden the State's portfolio of approaches beyond managed care plans to include provider-based networks that can focus more directly on patient care.

Background on the Collaborative

The Collaborative member organizations are in the early stages of discussion. Our hope is to form a clinically integrated network that would improve access to care for individuals in rural areas, while improving care coordination through the collaboration of many providers and provider groups under a single umbrella organization. Each of these organizations has a long history of caring for the poor and underserved.

Question # 4

Representing these like-minded providers that share common service areas, the Collaborative is an opportunity to serve significant Medicaid populations in 11 South and Central Illinois counties (Table 2). In fact, these 11 counties represented approximately nine percent of both the State's population and total Medicaid coverage days in 2004¹. Patients from other, surrounding counties are also served by members of the Collaborative, so this is a very conservative indicator of the Collaborative's potential reach.

Table 1: Current Members of the Collaborative

Central Counties Health Centers (CCHC)	Operating the Capitol Community Health Center, CCHC provides healthcare services at four community sites in Illinois and collaborates with a pharmacy to administer the 340B drug pricing program and enroll and monitor patients into pharmaceutical patient support programs. In addition, CCHC works with over 20 local social service agencies, including the Mental Health Centers of Central Illinois to support their care efforts with the homeless population.
Hospital Sisters Health System (HSHS)	Sponsoring hospitals across Illinois and Wisconsin, HSHS is a multi-institutional healthcare system which, as part of its Catholic identity, aims to transform the care experience for patients by improving care coordination and delivery and providing compassionate, quality care to all. In Illinois, HSHS sponsors eight hospitals, a multi-specialty physician group (see below), and a partnership with Prairie Cardiovascular Consultants (see below). Based on its Franciscan heritage, HSHS has been committed to care for the poor, the sick, and the vulnerable for over 135 years. HSHS's St. John's Children's Hospital in Springfield is a member of the National Association of Children's Hospitals and Related Institutions (NACHRI) and licensed for 75 pediatric beds. More than 2,800 pediatric surgeries are performed and more than 48,000 children receive outpatient treatment annually. It has the area's only Pediatric Intensive Care Unit and the region's only Level III Neonatal Intensive Care Unit.
HSHS Medical Group	Located in Illinois and Wisconsin, HSHS Medical group is a network of clinical providers and medical schools which formed in 2008 as a core component of HSHS' Care Integration strategy to improve care coordination and ensure seamless transitions across care settings and providers.
Prairie Cardiovascular Consultants	Made up of over 47 board certified physicians, Prairie Cardiovascular Consultants has over 35 clinical sites across central and southern Illinois, and is a national leader in the development and research of innovative cardiovascular diagnostic and treatment procedures.

¹ Appendix 2, Assessment of Medicaid Managed Care Expansion Options In Illinois http://www.ilga.gov/commission/cqfa2006/Upload/Lewin_presentation.pdf

Southern Illinois Healthcare Foundation (SIHF)

Comprised of over 30 health centers that include community outreach and enabling programs, a family medicine residency, and care coordination staff for women’s, infant, and adult medicine. Southern Illinois Healthcare Foundation is an FQHC network that provides care through a comprehensive integrated healthcare network that cares for over 100,000 lives, of which 46,000 are Medicaid lives.

Figure-2: Service Areas for One or More Collaborative Partner (excluding Streator for HSHS)



Table 2: Locations by County of South Central Illinois Medicaid Collaborative Facilities (Note: Collaborative members also serve patients from other, surrounding counties)

Illinois County	SIHF	HSHS	CCHC	2010 Medicaid Enrollees
Clinton		Yes		5,087
Cumberland	Yes			2,054
Effingham	Yes	Yes		6,459
Fayette	Yes			5,505
Macon		Yes		25,626
Macoupin	Yes			9,656
Madison	Yes	Yes		49,875
Marion	Yes			11,466
Montgomery		Yes		6,549
Sangamon		Yes	Yes	38,550
St Clair	Yes	Yes		61,375

Source: HFS

Table 3: Medicaid Enrollees in Service Areas of One or More Collaborative Partner: CCHC, HSHS, and SIHF (Excluding HSHS Streator location)

Collaborative Service Areas	2010 Medicaid Enrollees	Percent of Total 2010 Illinois Medicaid Enrollees	Percent of Total 2010 Illinois Medicaid Enrollees Excluding Cook County
Metro East Counties	121,928	4.6%	9.0%
Sangamon & Macon Counties (Springfield/Decatur)	64,176	2.5%	4.7%
All Other Service Area Counties	137,419	5.2%	10.1%
All Service Areas	323,523	12.2%	23.9%

Development of Alternate Coordinated Care Models

Question
5

Question 5: What structural characteristics should be required for new models of coordinated care? HFS specifically asks under this question whether Medicaid should lead or follow the market, i.e., should the Department contract with organizations and models beyond those that already have a managed care record.

Members of the Collaborative believe that the HFS should contract with entities that are developing new approaches to care beyond the traditional managed care structure, especially for parts of the State where managed care structures are unlikely to operate. It is our understanding that conventional, capitated, managed care plans tend to focus on the densely populated northern region of Illinois. Because enrollees are more concentrated in these areas, it follows that provider networks are easier to build. It is also our understanding that managed care interest in the Metro East is low or waning.

We see ourselves as a vital partner for providing high quality, coordinated care in less concentrated and rural areas, as well as parts of Metro East. This will become especially important as Illinois expands the use of coordinated care networks to reduce costs, improve outcomes, and provide quality care for the 15 million additional Medicaid beneficiaries that will be enrolled starting in 2014.

To that end, the Collaborative can assist HFS in this broader mission of providing high value care to all Illinois Medicaid beneficiaries. As our discussions evolve, we look forward to proposing alternative solutions to serve rural, downstate residents with improved coordination in Medicaid. We would also hope to help the State test our provider-based approach in the more urban areas of Metro East and Springfield/Decatur. While this approach may be more developmental and require a phased approach to the assumption of financial risk by organizations like the Collaborative, the payoff for the State will be provider-based models with a broader reach and more direct connection to patients and their needs.

According to a 2005 Illinois Medicaid study, the “feasibility of network-based managed care models, particularly capitation-based approaches that involve competing health plans” (p. 7) depends on a county’s ability to meet five basic Medicaid Managed Care Criteria—non-rural designation, population size, population per square kilometer, physicians per capita, and hospitals per capita per county². The Collaborative operates in eleven counties, seven of which meet less than three of the criteria. The study also recommends that counties such as these adopt a “managed FFS program which combines primary care case management and complex care coordination program for the Family Health, SCHIP and CFS ward populations” and a disease management component for the non-Medicare disabled population (p. ES-3)³. The Collaborative agrees with this type of alternate care coordination model which, based on our collective experience, is better suited to the areas within which we operate.

² Assessment of Medicaid Managed Care Expansion Options In Illinois http://www.ilga.gov/commission/cgfa2006/Upload/Lewin_presentation.pdf

³ Assessment of Medicaid Managed Care Expansion Options In Illinois http://www.ilga.gov/commission/cgfa2006/Upload/Lewin_presentation.pdf

Table 4: Medicaid Managed Care Criteria by County

Illinois County	Meets all 5 MMC Criteria	Meets 4 of 5 MMC Criteria	Meets less than 3 MMC criteria	# of MMC Criteria
Clinton			√	3
Cumberland			√	0
Effingham			√	3
Fayette			√	1
Macon		√		4
Macoupin			√	2
Madison		√		4
Marion			√	2
Montgomery			√	2
Sangamon		√		4
St Clair			√	4

Specific Comments

A Commitment to Increasing our Capacity to Provide a More Comprehensive Set of Services

Question # 1

Question 1: How comprehensive must coordinated care be? We urge the State to let organizations such as ours start with a more limited set of populations and/or services, while making a commitment to provide services more comprehensively as time passes. We agree that care should be comprehensive; however, the ability for any entity to deliver a significantly wide spectrum of care is difficult at the start of any initiative and, as such, we recommend a staged approach.

Specifically, we propose that the State allow the Collaborative to start by providing ambulatory and inpatient care, and then expand to include additional services. One of the strengths of the Collaborative, however, is our ability to collaborate with a number of provider groups and facilities in Illinois, and we are committed to working with other groups to eventually provide or facilitate the comprehensive set of services and care that Medicaid beneficiaries require. We believe that a model of care coordination does not necessarily need to entail a contract with a single entity to provide the entire range of care.

We recognize that we are proposing a longer-term strategy for the State of Illinois and our proposed model requires a phased in approach to providing a comprehensive set of services. The collaborative is approaching its model through a pay-for-performance lens, rather than a capitated payment lens, which the State has indicated it welcomes.

A Commitment to High Quality Outcomes and a Need for Quality Measure Harmonization

Question # 2

Question 2: What should be appropriate measures for health care outcomes and evidence-based practices? We would like the State of Illinois to use the same measures employed in federal programs, such as the Medicare IPPS Value-Based Purchasing program. This will ensure that organizations focus on a core set of measures that will apply to the highest risk pool of adults in the program. Since, as outlined in this 2009 Commonwealth Fund study, an effective and reliable set of measures for children and adolescents is largely absent, we recommend that the State of Illinois wait until CMS and AHRQ develop appropriate measures for this population before requiring that organizations report on measures for these younger populations. Organizations that support NCQA accreditation should be allowed to maintain those selected measures within the measures to be used by this new program.

A Commitment to Improvement in Health Information Technology

Question
3

Question 3: To what extent should electronic information capabilities be required? We believe that entities proposing coordinated care programs under the department's initiative should be leaders in the health IT arena. We recognize that the exchange of health information in a truly coordinated and ubiquitous manner is an achievement that remains years away; however, we urge HFS to continue to challenge organizations to develop these important capabilities.

We believe that participants in this initiative should have the ability to exchange basic patient information to include demographics, diagnoses codes, test results and care plan summaries and detail a plan for increased information exchange over the life cycle of the program. To that end, all members of the Collaborative have made substantial investments in health information technology and have begun testing ways to exchange vital Electronic Health Record (EHR) information across sites and between the organizations. For example, CCHC is now making active use of selected EHR data that is supplied by St. John's Hospital for Medicaid ER patients referred to the Center.

Also, members of the Collaborative participate in several local health information exchanges (HIE): Central Illinois Health Exchange (CIHIE), Illinois Critical Access Hospital Network Exchange (ICAHN), and Lincoln Land Health Insurance Exchange (LLHIE). We also plan to join the Illinois Health Exchange Partner (IHEP). The Collaborative operates in five of the sixteen Illinois Medical Trading Areas⁴ as defined by the State of Illinois. Specifically, we operate in areas 2, 3, 4, 5, and 10, which represent the majority of southern and a good portion of central Illinois counties.

We believe that the ability to coordinate care most effectively rests on the successful operation of Health Information Technology (HIT) systems. We are committed to improving and investing in these systems – including the ability to easily exchange data – for many more years. The State should do whatever it can to help us and organizations like ours to achieve this vital “interoperability.” However, because there are already many financial incentive programs in place to stimulate electronic health record (EHR) adoption and use, it is our belief that the department should devote any available resources to incentive systems for improved clinical outcomes and efficiency rather than HIT. Moreover, since meaningful use measures have captured the attention of Medicaid and Medicare providers and efforts are underway to meet those requirements, there is no benefit to the department placing additional requirements on participants regarding EHR adoption.

Seeking Collaboration with the State of Illinois to Create Innovative Models of Care Coordination

Question
8

Question 8: What is your organization's preliminary anticipation of how it might participate in coordinated care? The Collaborative believes we are an ideal partner for the State of Illinois in creating innovative solutions and models for care coordination based on our history of operating in downstate urban areas, as well as rural areas.

While managed care organizations can provide value and coordinate care in denser areas, we believe that this arrangement is not appropriate for all beneficiaries. Therefore, the Collaborative is interested in testing new models of care coordination that can better serve the individuals, mostly in rural areas, that may not be appropriately served by managed care organizations. We employ and partner with clinicians who know how to coordinate care for this population, and for this reason, we feel that we are better equipped to succeed in garnering better care coordination, better outcomes, and cost-savings for the State. Managed care organizations have not been successful in downstate areas – both urban and rural – but we have. We believe our patient-centered model of providing care is the reason for this success. Individually the members of the Collaborative have performed well, but together we feel we can elevate our care coordination to a new level.

We believe we have the ability to provide high-quality care to all Medicaid beneficiaries, but we want to highlight the fact that we provide coordinated care to children and families, and have been undertaking initiatives in the recent past to enhance these capabilities. For example:

⁴ Illinois Medical Trading Areas (<http://www.hie.illinois.gov/map.html>)

- As FQHCs, SIHF and CCHC are focused by their mission and their purpose on care management for needy populations, many of whom are Medicaid beneficiaries. These FQHCs have a strong successful record of providing cost-effective, coordinated care to the Medicaid and uninsured populations.
- SIHF has successfully lowered infant mortality and low birth weight babies among the community in the greater East St. Louis area through their Healthy Start program that can act as a model care coordination system with private and public health systems.
- Half of all HSHS Illinois pregnancy/childbirth inpatient discharges are Medicaid supported, slightly higher than other Illinois hospitals outside of Chicago, and slightly more than half of all HSHS Illinois pediatric discharges are Medicaid supported.
- For the last two years, HSHS has been supporting a Patient-Centered Medical Home pilot in two rural family primary care practices, giving us a foundation of experience and vital lessons to be used in further development of the Collaborative.

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