

Overview

Since its inception in 2012, Mercy Accountable Care Organization (ACO) has grown into a statewide network of providers that, through its population health program, has saved Iowans nearly \$30 million in healthcare expenses while still achieving outcome targets for healthcare quality. At the heart of our project is the desire to create a healthcare environment that encourages patients to actively participate in efforts to optimize their health. Specific goals for our population health work are three-fold: 1) improve the health of the patient population we serve; 2) increase patient satisfaction; and 3) reduce healthcare costs. The result of meeting these three goals will be healthier patient populations and healthcare facilities prepared for value-based reimbursement models which value quality over quantity of care.

Innovations in Population Health

Mercy's innovations in population health began when forward-thinking providers within the Mercy – Des Moines system realized that the traditional care and payment models were not sufficient for patients with chronic conditions. Patients were being seen by a provider only when their conditions deteriorated, which led to emergency department (ED) use and hospital admissions that could have been avoided. These avoidable hospital visits increased healthcare costs for patients and payers without improving health outcomes. When providers did see patients with chronic conditions, their conversations about how to improve or maintain health were often not effective. Patients frequently did not or could not follow through on providers' recommendations. There was a need for more patient-centered care in which patient and provider come to an understanding of what is most important and motivating to the patient, and focus on that goal. The solution was an innovative population health program which includes health coaching, performance excellence, and coordination with community resources.

Health Coaching: Mercy ACO health coaches are registered nurses embedded within Mercy ACO participating primary care clinics who offer a ground-breaking, patient-centered approach to optimizing the health and well-being of patients of all ages. Health coaches work with patients who have one or more chronic diseases whose health can be improved or maintained through behavioral changes. Mercy ACO's health coach-patient relationship begins with a fundamental step which differentiates our program – motivational interviewing. During this process, health coaches work with patients to find the most meaningful motivation for them to improve or maintain their health. This motivation comes from the patient and may be desires such as being able to walk the dog, play with grandchildren, or remain in the family home. This process of relating healthy lifestyle changes to a personally-motivating goal makes difficult lifestyle changes more consequential and attainable for the patient. Once the patient's real-life goal is understood, the health coach helps the patient set incremental, achievable goals for health behavior which lead the patient toward the larger goal.

Coordination with Community Resources: Community connections support patients' work beyond the clinic setting. Health coaches develop relationships with resources within their communities to assist

patients with needs that a medical clinic cannot address, but which affect patients' health and quality of life (i.e. access to transportation, food assistance, and public assistance programs).

Performance Excellence: While health coaches work with a particular sub-set of patients, performance excellence (PEX) initiatives are designed to improve the health care experience for all patients. PEX has been widely used in manufacturing, but Mercy has learned that much of delivering health care is a process and that there are lessons to be applied to the hand-offs of patients and clinical information between care settings. PEX facilitators work with clinics to improve patients' access to and perception of care. The improvements vary by site, but generally involve strategies to improve efficiency and reduce what would be considered waste to the patient. Examples of successful improvements implemented at our sites include the following: hiring scribes to reduce provider documentation time and increase the number of patients providers are able to see in a day, incorporating team-based care, ensuring staff members are working to the maximum potential of their licensure, and daily staff "huddles" to improve communication.

Outcomes

Mercy ACO's innovations in population health have been successful in improving patient outcomes and decreasing costs. In 2014, our contracts covered 124,934 patients, which led to a savings of \$11,330,468 in healthcare expense for Iowans. Since the ACO was created in 2012, its population health program has saved \$29,235,094 in health care costs. In the most recent quarter, Mercy ACO performed better than benchmarks set by the Centers for Medicare and Medicaid Services (CMS) in areas such as decreased hospital admissions for congestive heart failure, COPD, and pneumonia, and increased number of primary care visits. Specific outcome data is included in Attachment 2.

Continued Innovation

In 2014 the CMS Innovation Center awarded Mercy ACO \$10 million in federal funds for a project to expand population health work to rural clinics and hospitals. This expansion has resulted in population health work expanding to 26 sites across Iowa and Eastern Nebraska. The ACO will analyze the effectiveness of health coaching, PEX initiatives, and community resource connections in rural settings, and will help the rural sites prepare for changes in reimbursement models which will reward quality of care over quantity of care.

The award from CMS is also allowing expansion of other initiatives to the rural setting. For example, the project recently added a rural post-acute care manager to work with nursing homes and other similar facilities. The goal of this work is to reduce the number of residents who are admitted to the hospital for conditions that can safely and effectively be treated in the care facility where they live.

The CMS award affords Mercy ACO the opportunity to try new ideas to determine whether they are economically feasible, rather than having to prove the financial benefits prior to implementation. This has resulted in innovations in programming, training, performance excellence, and information technology. Mercy ACO's culture of innovation will continue to improve patient outcomes and decrease healthcare costs as new ideas are tested.