CASE STUDY

Affiliation With A Hospital Partner: Northpoint Health And Wellness Center And Hennepin Health

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NorthPoint Health and Wellness Center's participation in the Hennepin Health ACO is a prominent example of a federally qualified community health center that collaborated with key stakeholders to develop a safety-net social ACO.[a,1] The social ACO model involves integrating health and social services to address the social determinants of health among a highly vulnerable Medicaid population. NorthPoint has a long history of providing both medical and social services in the North Minneapolis service area, but its involvement in the Hennepin Health ACO is notable in that the partnership involves working with a hospital system and links to Hennepin County social services.

In this case study, we describe the health centers' motivations to innovate in care and payment, the governance structure of the Hennepin Health ACO (including NorthPoint's role), and the payment and care delivery models. We then outline implications for other health centers considering partnering in an ACO. This case study analysis is based on interviews with Northpoint's leaders from 2014-2016, prior to Hennepin Health's merger with the county-based health plan, Metropolitan Health Plan in June 2016.

Motivation for Organizational Innovation

The formation of the Hennepin Health ACO was facilitated by several notable state policy actions.

a Social ACOs serve populations with complex and often unmet social and economic needs that impact health outcomes and the health system. Social ACO approaches are based on the idea that improving health and cost outcomes of vulnerable populations will necessitate incorporating health, behavioral health, and social services into the ACO model.

NorthPoint Health and Wellness Center

Location: North Minneapolis, MN

Patients served: 28,000

Total FTE medical providers: 19

Total FTE dental providers: 17

Total FTE behavioral health providers: 23

2016 Revenue: over $39.5 million

First, Minnesota passed legislation in 2008 that granted two counties the authority to develop and implement innovative payment and delivery systems.[2] Second, Minnesota voluntarily expanded Medicaid eligibility under the Affordable Care Act in early 2013, which expanded health insurance access to 84,000 low-income adults and thereby created demand for an integrated delivery system to manage an influx of complex patients.[3] Third, Senator Durenberger recognized the need for a better model to manage complex, high-cost patients and worked with the Hennepin County commissioners to get favorable state legislation adopted that explicitly endorsed the idea of integrating health and social services to address social determinants of health.[4]

In order to be eligible for funding under the new state policy initiative, Hennepin County Human Services and Public Health Department had to approach the state to gain approval for a separate managed-care demonstration, which predated Minnesota's Integrated Health Partnerships (IHP) demonstration.[5] This managed-care demonstration brought together NorthPoint, Hennepin County Medical Center (a county-run and governed safety-net public hospital system),

> "I think health centers need to be more assertive on behalf of the patients and our community in terms of securing a seat at the table with County government."
>
> **Stella Whitney West**
> Chief Executive Officer of NorthPoint

and Metropolitan Health Plan (a nonprofit County-run health plan) to create the Hennepin Health ACO. The ACO was designated a new nonprofit organization and operated within the Hennepin County Human Services and Public Health Department. The ACO initially served nearly 5,000 enrollees in 2012. By 2016, it served 12,000 individuals, all of whom were enrolled in the Metropolitan Health Plan as the default enrollment option for newly eligible Medicaid enrollees within its service area.[6,7] Beyond default enrollment, Metropolitan Health Plan continues to work with the Hennepin County Human Services and Public Health Department to enroll Medicaid-eligible childless adults ages 21 to 64 with incomes at or below 75 percent of the federal poverty level; this initial population of enrollees represented approximately one quarter of the Medicaid expansion population in Hennepin County. The population served by Hennepin Health has since expanded to enroll Medicaid families and children through a partnership between Hennepin Health, the County government-operated Medicaid managed care plan, and three other County-affiliated providers.[8]

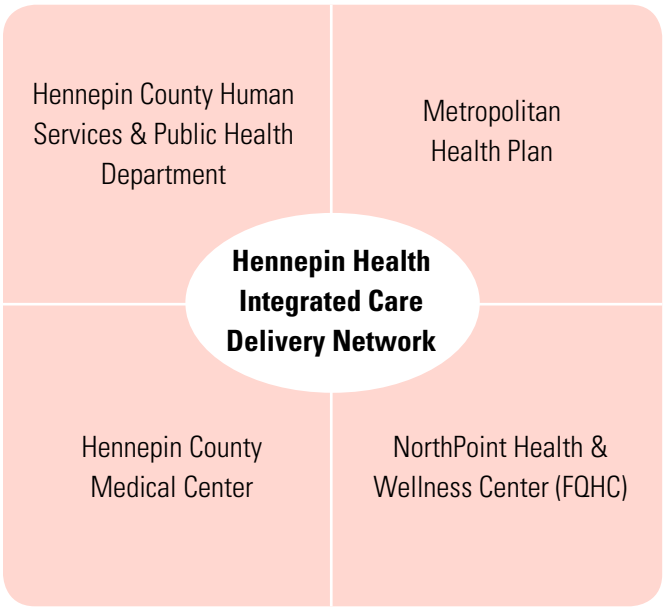
The ACO partners and the medical system sought to provide comprehensive care under a capitated payment system. The partnership was bolstered by a shared social mission, as well as experience and trust built over the many years that NorthPoint, the medical center, the Human Services and Public Health Department, and the health plan spent working together in multiple capacities. In 2012, ACO partners made an initial investment of $1.6 million to pay for new staff members and data infrastructure. According to the CEO of NorthPoint, the health center was motivated to partner with the county because of NorthPoint's historic mission and commitment to addressing the social determinants of health. The Hennepin ACO structure provided linkages to county resources that NorthPoint was already providing through their care model, though there were previously no formal linkages between NorthPoint and the social services offered by the county.[9]

A core component of the ACO's strategy was strongly investing in primary care. In addition to NorthPoint's primary care teams, Hennepin County Medical Center purchased a large physician group in 2012 called Hennepin Faculty Associates, thereby expanding patients' access to an extensive primary care network. The involvement of NorthPoint and the purchase of Hennepin Faculty Associates were particularly important to the ACO's development, as Hennepin County Medical Center's core service delivery model had not historically emphasized primary care.[10]

Governance of MHN

By participating in the ACO, NorthPoint was not just making an agreement with a single hospital system but also with the county as a whole. This is notable because as a relatively small partner in the ACO, NorthPoint had equal representation on the board compared to the other three larger partners (the health plan, county, and hospital system). As such, in the ACO arrangement, NorthPoint exercises an important voice in the decision-making processes of the ACO. Northpoint worked with their three other healthcare partners (Exhibit 1) in forming the ACO, and together served as its governing committee along with four County commissioners. Giving clinicians leadership and accountability for the ACO's care strategy represented a key feature of its initial management strategy. Hennepin Health identified clinical champions to drive forward the ACO's vision. The organization had dedicated senior and clinical staff tasked with the responsibility of integrating care across the participating organizations.[11]

Exhibit 1. Hennepin Health Partner Organizations



Payment Model

In order to establish the Hennepin Health ACO, the four organizations reached an agreement to share full financial risk for the initial population of high-risk Medicaid patients in their care. The ACO operates by receiving a per-member per-month capitation (PMPM) payment upfront from the state to cover the cost of all Medicaid services for the enrolled population. At the end of each year, if the total cost of care for assigned patients exceeds the capitation payments, Hennepin Health and its four partnering organizations are at financial risk for the financial loss. Similarly, if total cost of care for assigned patients is less than the capitation payments that Hennepin Health received during the year, the partners divide the surplus, or "shared savings." Before savings are distributed, the partners pay Metropolitan Health Plan an administration fee. The plan also maintains a reserve fund that can be used to cover rare, very high cost cases.[12] Shared savings payments are typically distributed to the three provider partners at the end of the year.[13] Some of these surplus funds are distributed to the individual partners to offset a portion of the costs of the operating model. Any remaining funds, termed "reinvestment funds," are invested in innovative projects to further improve the model, creating potential for future savings.[14] The governing board determines the projects that are funded. In 2013, 2014, 2015, and 2016, the ACO distributed shared savings to each of its partners, determining payment amounts by each partner's involvement in members' care that year and their achievement of performance benchmarks. These reinvestment funds have since been used to hire additional community health workers, deploy community paramedics after hours in a homeless shelter to avoid unnecessary ambulance runs, and hire a part-time psychiatrist to help with medications.[15]

At the medical provider level, reimbursements are still made on a fee-for-service basis, and NorthPoint continues to receive its standard prospective payment system (PPS) rate from the state, which is outside of the capitated rate that Hennepin Health receives. Social services provided by the Hennepin County Human Services and Public Health Department are paid for by pre-existing state and county sources. Monthly social service expenses are tracked in order to gauge whether savings in medical care are offset by an increase in costs for social services.[16]

One major limitation that NorthPoint faced in implementation of the ACO was that their efforts were limited to only a specific high-risk Medicaid population. The medical leadership at NorthPoint would have preferred not to offer different services to patients with different types of insurance plans, because this was contrary to their mission to serve all of their patients equally. However, this problem was partially addressed by the fact that Hennepin won a bid to provide services to Medicaid families as well, meaning they then had the ability to provide a similar set of comprehensive care coordination services to an expanded population of women and children.[17]

Care Delivery Improvements

In many ways, Hennepin Health's care delivery model mirrored activities that were already in place as part of NorthPoint's health home model, which placed an emphasis on addressing patients' social determinants of health. NorthPoint and Hennepin's care models represent a form of integrated, "whole-person care" which includes a Lifestyle Overview Assessment to address social and nonmedical needs, interdisciplinary care teams that include a single accountable individual who is responsible for managing medical care, integrated behavioral health, and integration with social services to promote more effective referrals. An integrated electronic health record (EHR) system shared among all key partners supports the cohesion of this care delivery model.

Understanding patient needs begins with the Lifestyle Overview Assessment tool, which NorthPoint began using in 2010 when it became health home certified through NCQA.[18] This tool helped the ACO stratify its members into risk categories to gather an in-depth understanding of patients' medical and social needs.[19] Because NorthPoint had been using the Lifestyle

Overview Assessment screening tool successfully for several years, upon joining the ACO, the other members saw the value of the tool and adopted it for their own sites.

Hennepin Health's effectiveness as an integrated delivery system to address whole person needs depends on the work of interdisciplinary care coordination teams, which are located onsite at NorthPoint and at other primary care clinics affiliated with Hennepin County Medical Center. An essential role on each of these care teams is the designated *single accountable individual*– usually a clinic-based nurse, community health worker, or social worker—who is the primary coordinator of the patient's care and works alongside a range of team members of different specialties. There is a protocol which places each patient into a risk tier, and the frequency of intervention by the single accountable individual varies by risk tier.[20] There are dedicated staff people for each risk tier of patients. In addition, regardless of risk tier, all care teams include nonmedical providers, such as social service navigators and vocational services counselors.[21]

In addition, behavioral health integration has long been a part of NorthPoint's care model, and participation in the ACO further enhanced this capacity. As early as 2005, NorthPoint integrated behavioral health and primary care services.[22] Now, because they are able to receive reimbursement from the state for same day medical and behavioral health visits, NorthPoint is expanding its efforts to embed behavioral health programs with onsite psychologists, clinical social workers, and advanced practice nurses at primary care sites.[23] Recently, NorthPoint started an innovative program that makes psychiatric consults available during the primary care visit to prescribe appropriate psychotropic medications.[24]

Another important feature of Hennepin Health's care model is its improved integration with social services. Through its participation in Hennepin Health, NorthPoint has had the opportunity to better integrate with the services of the Hennepin County Human Services and Public Health Department. For instance, a primary care provider who notices signs of depression can ask a behavioral health provider to perform an immediate evaluation. A social worker can then arrange counseling or psychiatric care, perhaps also identifying an appropriate support group. Housing and social service navigators are embedded at NorthPoint through the County's social service department, and work to connect people with housing and other services, while vocational services counselors help patients find job training and stable employment. Community health workers also make home visits for both medical and dental patients. Although these embedded care coordination services are available to all of NorthPoint's patients, involvement with Hennepin Health has facilitated more referrals to social services for all patients. This whole person integrated care model represents a shift from previous, more traditional models of delivering social services, which were more transactional and addressed specific, categorically defined needs.[25]

Underpinning the Hennepin Health ACO care model is an integrated EHR system used by all partners. Indeed, NorthPoint leverages its shared instance of Epic to expand continuity of care across all partners, including the health plan and county social services. All partners utilize the health record to keep detailed accounts of a patient's care.[b] All ACO partners also have access to the social indicators collected in the Lifestyle Overview Assessment tool, which are populated in the EHR. Care coordinators integrate the information from the Lifestyle Overview Assessment tool into the patient's care plan. They can then determine what needs to

> "We know the county a lot better than we did before. Hennepin broke down some walls. Hennepin Health has a faster track for referrals to social services than non-Hennepin patients… before you would have to convince someone to find housing for a patient but now we just refer to housing coordinators."
>
> **Senior nursing staff member at NorthPoint**

b Though there are some limitations on the social service side (e.g. child abuse reports).

happen with social services based on this integrated information.

The shared EHR also facilitates team-based approaches to care. Through the EHR system, the clinic receives real-time alerts for emergency department and inpatient admissions which result in prompt follow-up by a primary care provider.[26] In one example of coordination across traditionally separate systems, patients who go to Hennepin County Medical Center's emergency department with tooth pain—a common reason for emergency visits among the Medicaid population—can be given immediate access to an appointment at an onsite dental clinic, or offered a next-day appointment at NorthPoint.[27]

The EHR also allows medical providers and county social services to have direct data sharing arrangements.[28] The ACO continues to work on supplementing medical information with data from the corrections department, foster care system, housing providers, and other local agencies to identify those whose health may be at risk because of nonmedical issues. For example, members who have multiple address changes are flagged in the EHR as being potentially unstably housed and in need of housing navigation or tenancy sustaining services.[29]

NorthPoint's ability to execute on its desire to improve population health through its care model was improved by participating in the ACO. The ACO's combination of a narrow network and prospective enrollment simplified the administrative burden and allowed for shared EHR enrollment and utilization data to help all partners coordinate care effectively. Being assigned and having responsibility for a known group of patients greatly facilitated improvements that had a measurable impact on population health.

Conclusion and Implications for Other Health Centers

NorthPoint's role in Hennepin Health demonstrates the ability of a health center to participate actively in the governance and operation of an ACO in the changing health reform landscape. NorthPoint benefited from three key factors embraced by the Hennepin Health ACO: a narrow network of providers with whom to coordinate; prospective enrollment of a population for whom they were responsible; and a shared EHR system across medical, behavioral health, and social services. The health center was able to obtain valuable experience operating under the new models of payment and care delivery.

Although it has been challenging to work in a governance structure with multiple stakeholders, NorthPoint has had a substantial voice in the operation of the Hennepin Health ACO. By contrast, in most ACOs led by safety-net hospitals, health centers, and other primary care practices are relegated to a secondary role with little or no input into the organization's governance.[30] Unlike the potentially challenging power dynamics of a direct partnership with a hospital system, NorthPoint has autonomy and a shared vision with its ACO partners in the pursuit of developing innovative payment and care delivery models, while receiving a share of the benefits that accrue from their success. Through these efforts, NorthPoint has secured the resources and support to deliver comprehensive whole person care in partnership with the other ACO partners. NorthPoint's experience in Hennepin Health offers the following important lessons for other health centers interested in pursuing accountable care strategies:

1. It is both possible and important for health centers to be equal partners with hospitals and other entities in ACO governance. NorthPoint's experience demonstrates the central role that primary care can play in screening for medical and social needs and coordinating care. Health centers should push to ensure that primary care has a prominent role in ACO governance and a share in financial gains that are commensurate with their contributions.

2. Health centers can leverage their experiences addressing medical and nonmedical patient needs as a strategy for achieving cost and quality outcomes. NorthPoint was a valuable partner, if not a leader, among other ACO stakeholders in this respect.
3. Shared data systems are essential to improving care coordination and performing within safety-net ACOs. NorthPoint has benefited from Hennepin's data systems. For many health centers, sharing data between hospitals, specialists, primary care and social services will require new infrastructure and new systems. By leveraging Hennepin's data systems and analytics, NorthPoint did not have to invest in developing these systems on its own.
4. State policy and support can significantly hasten ACO formation in the safety-net. Leaders in Hennepin County sought and obtained the support of state officials for special legislation enabling the development of their social ACO model. Other health centers may need to pursue similar political strategies on their own or in collaboration with other stakeholders.

Afterword

Following the conduct of our interviews in June 2016, the organizations and staff of Metropolitan Health Plan (MHP) and Hennepin Health merged, and the organization assumed the name Hennepin Health. With the formation of this new entity, Hennepin Health was no longer considered a demonstration project for Medicaid expansion enrollees by DHS. A PMAP/MNCare contract awarded by DHS to Hennepin Health in 2015 expanded the ACO's merged patient population to include coverage for children and families, as well as for single, childless adults.[31]

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