ACA, ACOs, and the Redesign of Care Delivery

Implications for the Healthcare Workforce in Iowa

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Objectives

- Briefly review key components of ACA & ACOs related to redesign of care delivery
- Examine how ACA & ACOs impact the healthcare workforce in Iowa
- Outline priority actions to proactively respond to the healthcare workforce challenges



Current Care Delivery Model

- Hospital is the hub
- Reimbursement is volume-based
- Access to care is unequal
- Poor access to care is linked to poor quality
- Care delivery is inefficient
- Fragmented health insurance system makes it difficult to control costs
- Financing of care for uninsured and underinsured families is inefficient
- Positive incentives to change are lacking



Basic Assumptions of ACA

- Expand coverage
- Realign incentives from volume to value
- Bundle payments
- Move care from hospital-based to community-based
- Move focus from acute care & treatment of illness to management of population health, coordination of care, and disease management

- Title I: "Quality, Affordable Care for All Americans"
 - Insurability reforms
- Title II: "Role of Public Programs"
 - Affordability reforms
- Title III: "Improving the Quality and Efficiency of Health Care"
 - Delivery system reforms
- Title IV: "Prevention of Chronic Disease and Improving Public Health"
 - Health reforms
- Title V: "Health Care Workforce"
 - Education reforms



- Title III: "Improving the Quality and Efficiency of Health Care"
 - Linking Payment to Quality Outcomes under the Medicare Program
 - National Strategy to Improve Health Care Quality
 - Encouraging Development of New Patient Care Models
 - Ensuring Beneficiary Access to Physician Care and Other Services
 - Rural Protections
 - Improving Payment Accuracy



- Title IV: "Prevention of Chronic Disease and Improving Public Health"
 - Modernizing Disease Prevention and Public Health Systems
 - Increasing Access to Clinical Preventive Services
 - Creating Healthier Communities
 - Support for Prevention and Public Health Innovation



- Title V: "Health Care Workforce"
 - National Health Care Workforce Commission
 - State Healthcare Workforce Development Grants
 - Health Care Workforce Assessment
 - Federally Supported Student Loan Funds
 - Nursing Student Loan Program
 - Health Care Workforce Loan Repayment Programs
 - Public Health Workforce Recruitment and Retention Programs
 - Allied Health Workforce Recruitment and Retention Programs
 - Funding for the National Health Service Corps
 - Nurse Managed Health Clinics
 - Training in Family Medicine, General Internal Medicine, General Pediatrics, and Physician Assistantship
 - Geriatric Education and Training
 - Mental Health and Behavioral Health Education
 - Advanced Nursing Education Grants



Accountable Care Organizations (ACOs)

 Definition: Groups of health care providers who voluntarily work together within a specific legal structure to provide high quality, coordinated care to their patients

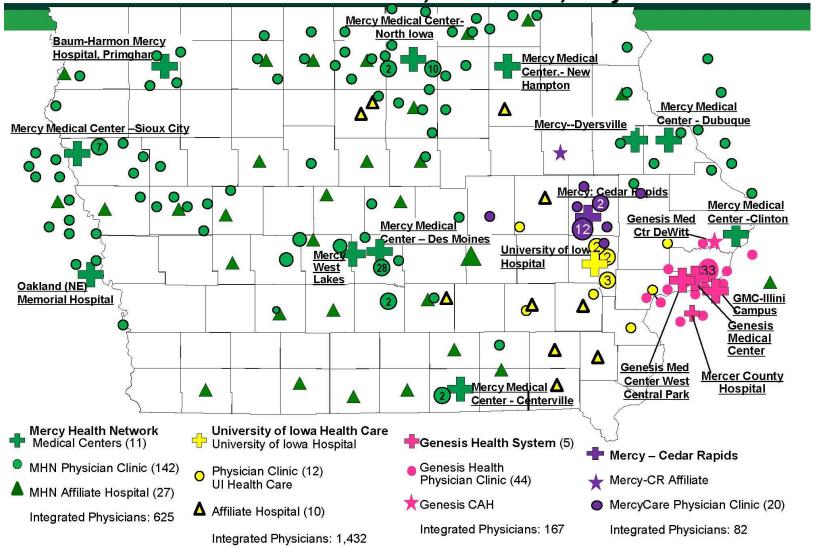


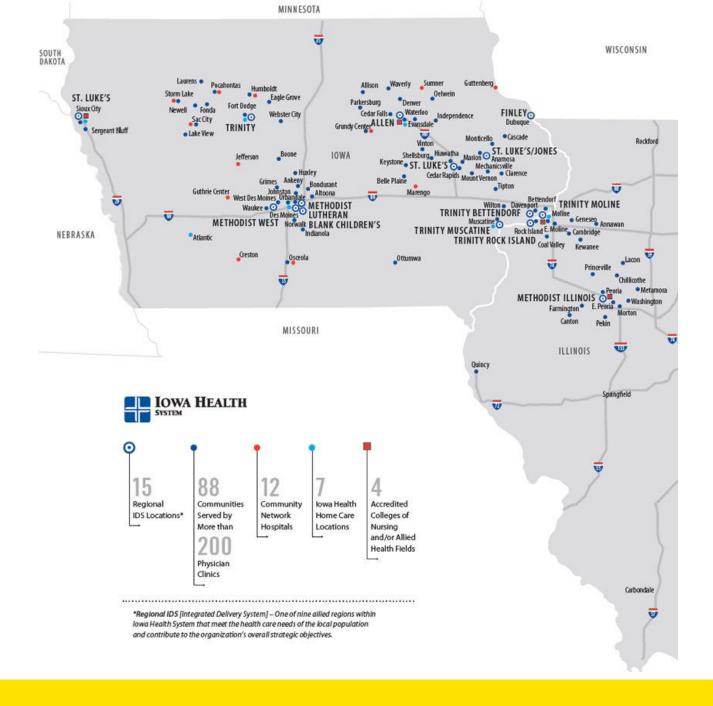
ACOs

- Who is participating in ACA ACOs in Iowa?
 - Genesis Accountable Care Organization, LLC
 - Iowa Health Accountable Care, L.C.
 - Mercy ACO (Mercy, DM)
 - University of Iowa Affiliated Health Providers, LC (UIHC & Mercy, CR)



University of Iowa Health Alliance Initial Alliance Members, Affiliates, Physicians





Other ACA Initiatives

- Center for Medicare & Medicaid Innovation
- Hospital readmissions reduction program
- Community-based care transitions program
- Independence at home demonstration program
- School-based health centers
- Nurse-managed health clinics



Center for Medicare & Medicaid Innovation

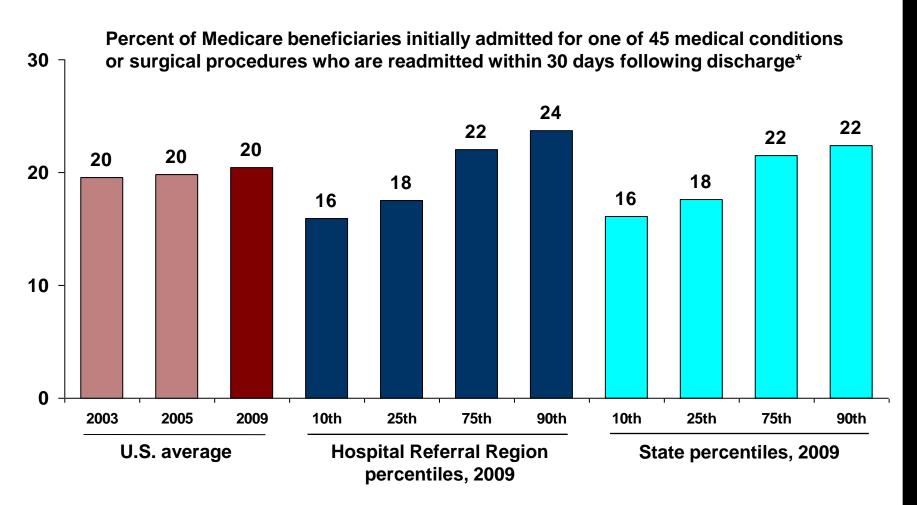
- Purpose: Test innovative payment and service delivery models to reduce program expenditures while preserving or enhancing the quality of care
- Funding: \$10.5 billion from 2010 2019; \$10
 billion for 2020 2029
- Grants to lowa: Five grants awarded involving lowa providers totaling \$71 million
 - UI was awarded \$7.7 grant to test the use of "Transitional care teams to improve quality and reduce costs for rural patients with complex illness"

Hospital Readmissions Reduction Program

- Hospital readmissions reduction program
 - Begins October 1, 2012
 - An O/E ratio based on risk-adjusted actual vs.
 expected (7/1/2008 6/30/2011) readmissions for AMI, HF, and pneumonia
 - Readmission definition: Admission to a hospital within 30 days of a discharge from the same or other hospital.
 - Excessive readmissions will result in a payment reduction

COLLEGE OF

Medicare Hospital 30-Day Readmission Rates



Data: G. Anderson and R. Herbert, Johns Hopkins University analysis of Medicare Standard Analytical Files (SAF) 5% Inpatient Data.

Community-based Care Transitions Program (CCTP)

- Purpose: Test models for improving care transitions from the hospital to other settings and reducing readmissions for high-risk Medicare beneficiaries
- 47 organizations currently participating in CCTP;
 1 organization in Iowa/Nebraska, i.e. UniNet
 Healthcare Network in Omaha/Council Bluffs



Other drivers of the redesign of care delivery in lowa

- Patient-centered medical home
- Iowa Healthcare Collaborative
- Iowa Hospital Association's Physician Leadership Institute of Iowa
- IOM Report on the Future of Nursing



Themes?

- Managing care and transitions across sites of care and providers of care
- Improving quality and efficiency
- Preparing the current and future workforce differently
- Are we ready? Not really!



Where Do Shortages Exist?

- Shortages are prevalent in most areas of the U.S. and for most health care practitioner roles and many support and administrative roles
- I will focus on 3 groups:
 - Physicians
 - Nurses
 - -IT



Current Physician Workforce

In U.S. in 2008

- 219.6 physicians active in patient care/100,000 population
- Female: 28.9%
- International medical graduates: 24.2%
- Age: 24.7% age 60 years or older

In Iowa in 2005,

- 167 active physicians/100,000 population
- Female: 22%
- International medical graduates: 15%
- Mean and median age is 48 years

Source: The Physician Workforce, HRSA, 2008

Source: The Iowa Physician Workforce Report, CCOM, 2007

How Many Nurses?

In U.S. in 2008:

- 3.06 million registered nurses
- 854 nurses per 100,000
- 85% are employed in nursing positions
- 83.2% are white, non-Hispanic
- 93.4% are female
- Average is 47.0 years with ~45% of RNs were 50 years of age or older
- 5.6% internationally educated
- 5.2% are advanced nurse practitioners (NP: 3.8%; CRNA: 1.1%, & CNM: 0.3%

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Source: The Registered Nurse Population, HRSA, 2010.

In Iowa in 2011:

- 46,283 RNs
- 43% are ≥ 60 years old; 35%
 40 years old
- BSN: ~26.9% of nurses have baccalaureate
- Graduate degree: 8.8%
- ~1,900 ARNPs in Iowa or
 4.1% of RN workforce

Health Information Technology

- Projected need for 35,000 50,000 more HIT workers in the next
 5-10 years or ~50% increase over the current HIT workforce
- The Office of the National Coordinator for Health Information Technology has released regulations that hospitals & physician clinics must meet to "better manage patient care through secure use and sharing of health information. Health IT is the use of electronic health records (EHRs) instead of paper medical records to maintain health information.
- These regulations are referred to as meaningful use
- These regulations include bonuses for those who meet the criteria or penalties for those who fail to meet the criteria



Workforce Summary Comments

- Overall, the demand for physician and nursing services is growing faster than supply both nationally and in Iowa. Without an increase in number of new graduates from U.S. medical and nursing schools, we cannot to provide the same level of health care unless:
 - the health care system becomes more efficient at delivering care;
 - reduces demand for care through improved science, technology, or use of other inputs to care; or
 - becomes more dependent on a foreign-trained healthcare workforce.

Workforce Challenges

- Determining the "right" number of healthcare professionals
- Education of new healthcare professionals
- Reallocation of healthcare professionals related to site of care and roles
- Retraining of healthcare professionals



Recommendations

- Establish State Health Workforce Commission
- Support efforts to educate healthcare workforce differently
- Support efforts to retrain current workforce
- Recommend regulatory changes that facilitate health care delivery redesign



Two Highly Recommended Resources

- Christensen, C. M., Grossman, J.H., & Hwang, J.
 (2009). The innovator's prescription: A disruptive
 solution for health care. New York: NY: McGraw-Hill
 Book Companies, Inc. (Chapter 10 The Future of
 Medical Education & Chapter 11 Regulatory
 Reform and the Disruption of Health Care)
- Christensen, C. M. & Eyring, H.J. (2011). The innovative university: Changing the DNA of higher education from the inside out. San Francisco, CA: Jossey-Bass