



Senate Finance Health and Human Resources Subcommittee Presentation

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Who We Are



VCU Medical Center

VCU Health System - the clinical delivery component of the VCU Medical Center

- An academic medical center in Central Virginia
- Referral center for the state and Mid-Atlantic
- 32,500 admissions and 500,000 outpatient visits

MCV Hospitals

- Teaching hospital of the VCU Health System
- 779 licensed beds
- 20.5% share of the Richmond inpatient market
- 80,000 patients are treated annually in the hospital's emergency department, which is the region's only Level I Trauma Center

Children's Hospital of Richmond

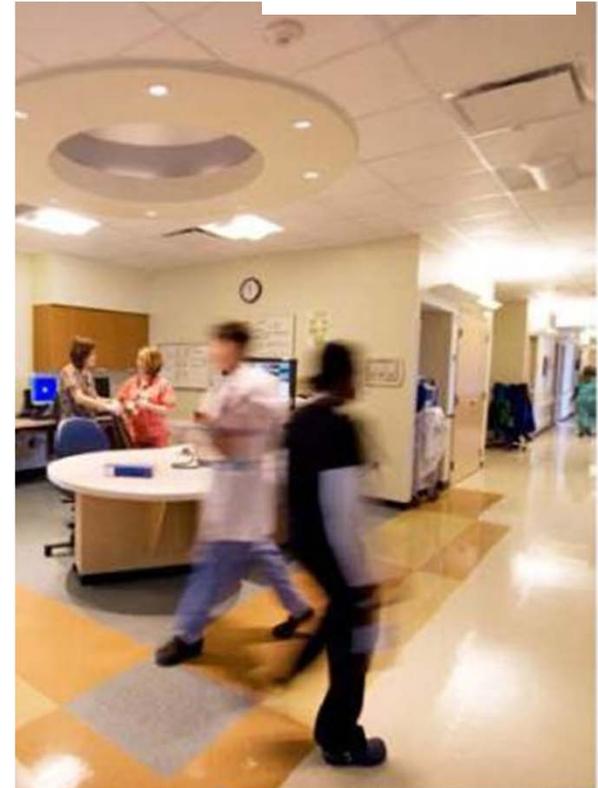
- Pediatric specialty hospital with 60 licensed beds

MCV Physicians

- 566-physician, faculty group practice

Virginia Premier Health Plan

- 145,000 member non-profit Medicaid Health Plan
- Virginia Coordinated Care Program – VCC
 - An innovative program applying managed care principals to the uninsured indigent population in the greater Richmond area
 - Virginia Coordinated Care has been in operation since 2001
- Virginia Premier has been in operation since 1995



Who We Are

- Non – profit Medicaid Health Plan

What We Do

- Health and Wellness
- Leveraging Information – Data and Analytics
- Program Integrity

Where We Hope to Go and Who We Hope to Serve

- Southwest Virginia: Medicaid Managed Care Expansion
- Special Populations: Dual Eligibles

VCUHS Health Plan Division: Our Mission



Virginia Premier Health Plan is a non-profit managed care organization partnered with Virginia Commonwealth University Health System to meet the needs of underserved and vulnerable populations in Virginia by delivering quality driven, culturally sensitive, and financially viable healthcare.

By organizing and financing the delivery of evidence based care, Virginia Premier Health Plan will:

- Engage members and providers in achieving improved healthcare outcomes
- Pioneer new models of health care delivery in support of improving efficiency and achieving health care reform
- Support the educational and research missions of the Virginia Commonwealth University Health System

Where We Are Going

The 3 Things That Drive Us

Our Purpose

A strong focus on meeting the needs and improving the lives of underserved and vulnerable populations through access to healthcare services – not only through our existing network of providers but in supporting the education and training of the next generation of physicians, nurses and pharmacists.

Our Partners

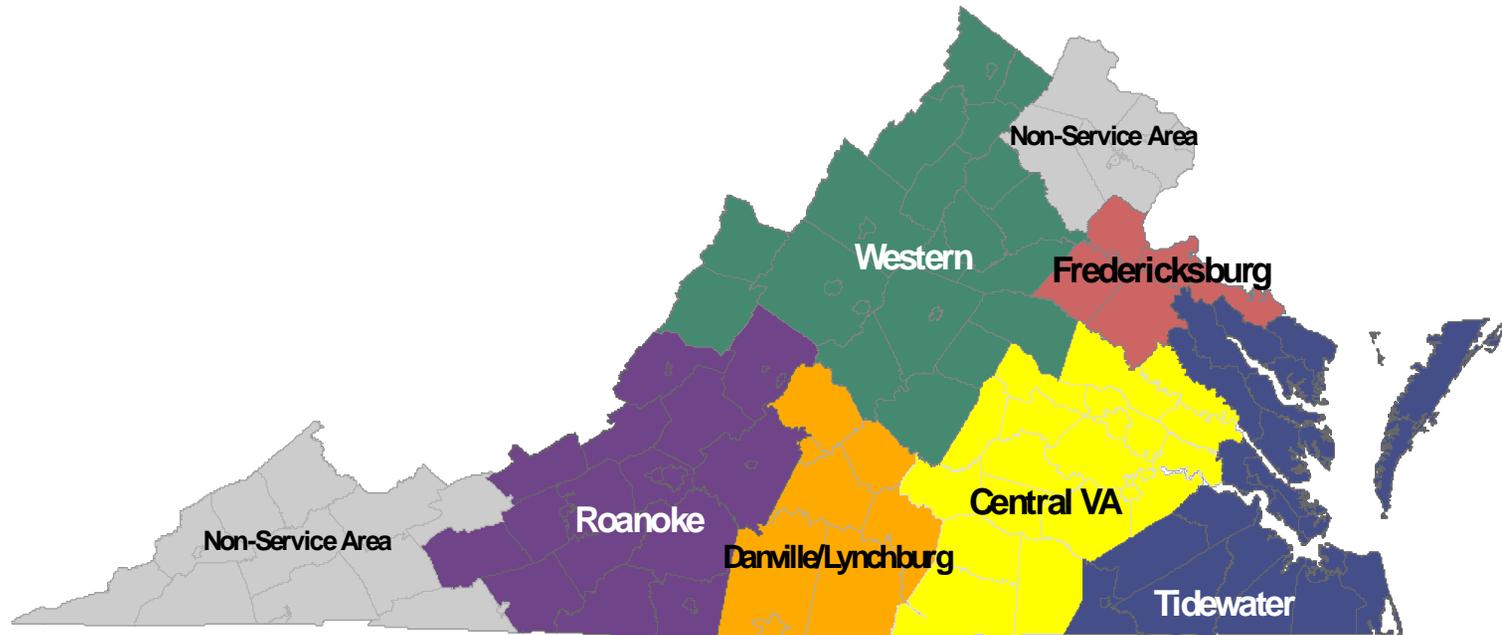
We value the trust placed in us by our Commonwealth, our communities, our providers and our Medicaid agency. We know we must be good stewards of the public funds which have been entrusted to us to deliver high quality, member focused, evidence based healthcare services. Together we can make a difference.

Our Members

We know that what we do makes a Difference. We see the impact of our efforts in the positive outcomes our members experience.



Virginia Premier's Service Areas

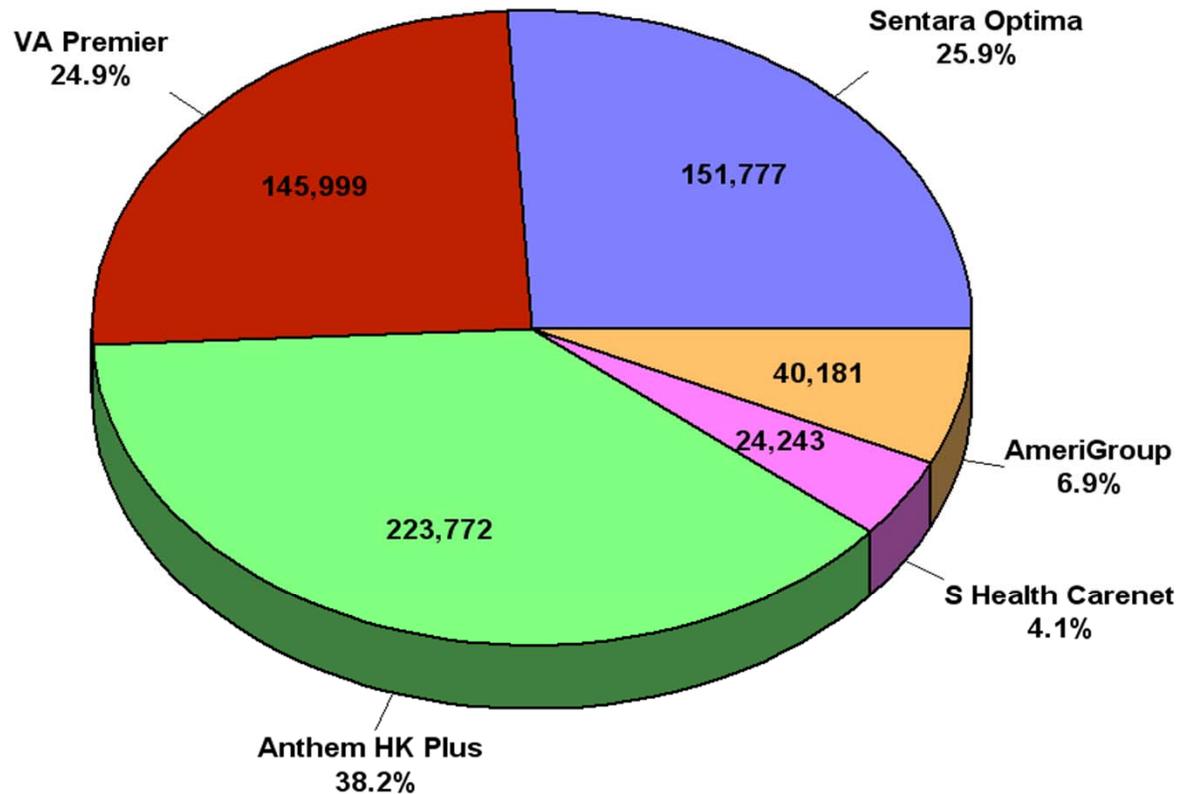


- VA Premier currently has the largest Medicaid Service Area of all health plans
- With offices in Roanoke, Harrisonburg, Virginia Beach, and Richmond we believe in hiring locally and supporting the community with employment opportunities
- Expansion into Southwest Bristol/Abingdon area is scheduled for July 2012. Virginia Premier has hired two employees in Abingdon and expects to hire additional local staff to address new member needs as they enroll in our plan. VA Premier owns land in the Bristol area that could be used as a potential site for a local office

Virginia Medicaid HMO Enrollment

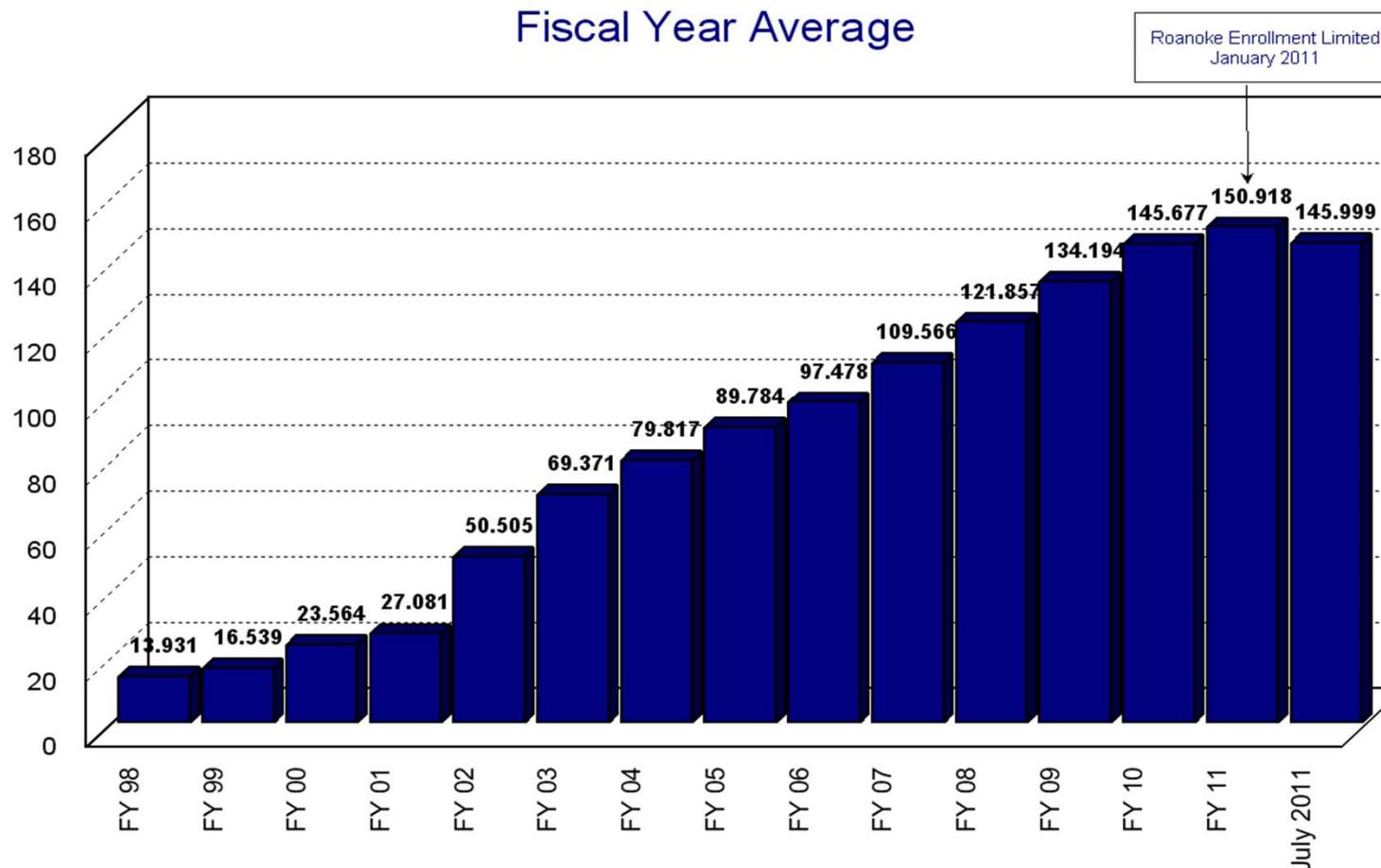


July 2011



Total Enrollment in Health Plans: 585,996
- 63.1% of all Medicaid Eligible (928,536)

Virginia Premier: Enrollment History



Virginia Premier's Roanoke Enrollment Frozen/Limited January 2011:
Allows 30,000 enrollees to be reallocated to other Health Plans

Results in a 12,000 member reduction absorbed over CY 2011.

Our Accomplishments



- The Top Ranked Health Plan in Virginia for three consecutive years - 2008, 2009, 2010.
- In 2010 VA Premier is ranked 31th Nationally out of over 200 Medicaid Health Plans
- Through Virginia Premier's nationally recognized Healthy Heartbeat Prenatal program, we have decreased the number of preterm and low-birth weight babies
- 2010 Best Practice Award for Anti-Depressant Medication Management - DMAS awarded
- The Center for Health Care Strategies awarded DMAS and VPHP the Innovation Award for Improving Health Care Quality for Racially and Ethnically Diverse Populations
- 2008-VPHP was awarded the "Recognizing Innovation in Multicultural Health Care Award" by the National Committee of Quality Assurance (NCQA)
- Virginia Premier is the only Virginia health plan that operates its own transportation system, inclusive of vans that will be utilizing alternative fuels (Compressed Natural Gas / Propane fueled vehicles)
- 2007-2013 VPHP Awarded NCQA Accreditation Status – Top Rating "Excellent"



2011

What We Do

Member Focus

Operational Focus

Financial Focus



Care Management Programs



Care Management Programs

➤ Disease Management

Programs include: Diabetes, Asthma, COPD, Heart Disease

➤ Behavioral Health Bridge Program

➤ Prepare member for successful transition to home components include

➤ pre discharge meeting with behavioral health professional

➤ post discharge meeting within 3 day of returning home

➤ status update to PCP and Specialists

➤ Healthy Heartbeats

➤ Prepare member for healthy pregnancy and birth components include

➤ Home visit and risk assessment by outreach worker

➤ Plan of care for high risk pregnancies

➤ Consistent support throughout pregnancy and after birth

➤ ED Divergence

➤ Data sharing with providers and hospitals related to members with frequent ED visits

➤ Case management interventions in provider/hospital setting

Operational Focus

Leveraging Information – Data and Analytics

- Health Plans must be in a position to both **predict/anticipate** which members will suffer from complex disease burden and high service utilization. We must develop interventions to prevent acute episodes and improve health outcomes of our membership within financial resource constraints.
- Partnering with our providers by **sharing individual and population level information** / data, we believe, will lead to improve outcomes. We are working to develop relationships with Accountable Care Organizations and actively support Medical Home models.
- **Predictive modeling and interventional initiatives** must go hand in hand in order to be effective.
- Efforts to **improve operational functionality** for internal operations and network partnerships are approaching fruition.
 - Internal Analytics Platform: Verisk Health Intelligence Platform (VHIP)
 - Collaborative Initiatives: VPHP MedVentive's Web Base Portal for Physicians. This system supports Accountable Care Organization and Medical Home models.

Program Integrity – Fighting Fraud, Waste and Abuse

VPHP Program Integrity principles:

- **Educate and train every employee** to assist in our efforts to operate effectively and to design processes that preclude inappropriate or ineffective business practices demonstrated by our network.
- **Validate that our providers are receiving appropriate payment** for providing care to Medicaid beneficiaries.

We acknowledge that providing care to Medicaid enrollees is a community service. At current payment levels, hospitals and physicians typically provide services below full costs.
- **Evaluate providers** to confirm that they meet basic participation standards established by the state and NCQA. **Validate each month** that every physician and licensed professional is not on the Office of Inspector General’s List of Excluded Individuals and Entities (LEIE).
- **Establish systems and processes** that ensure that state and federal **tax dollars are not being put at risk** through violations of the rules or abuses of the system.

Program Integrity – Fighting Fraud, Waste and Abuse

VPHP Program Integrity principles (Cont.):

- **Collaborative efforts** between the Department of Medical Assistance Services (DMAS), the Medial Fraud Unit (MFCU), the Office of the Attorney General (OAG) and all health plans contracting with DMAS allow us to improve program integrity and accountability through the **sharing of best practices** and **identifying providers** that are not demonstrating appropriate billing practices. Ongoing meetings offer a venue for all of us to consistently improve outcomes in this area – we learn from each other.
- The first line of defense for every health plan is the **enhancement of internal claims payment processes and systems**. Every claim submitted to VA Premier is subject to thousands of configuration edits that validate the appropriateness of the information submitted and that each claim is in compliance with Medicare, Medicaid, and industry standard billing practices.
- **Internal edits** identify and deny payments for claims with errors ranging from simple coding errors to more complex combinations of diagnosis codes, billing code modifiers, and previous services received by the member. The primary goal of these processes is to avoid making payments for these services rather than attempting to recover payments after an audit.

Financial Focus



Program Integrity – Fighting Fraud, Waste and Abuse

VPHP Program Integrity principles (Cont.):

- **Credit Balance Recovery:** Coordination of benefits, duplicate payment errors, and overpayments. Virginia's hospitals support this effort by sharing data and access to their information.
- **DRG Audits:** Reviews of paid claims for proper levels of coding relating to Diagnostic Related Group (DRG/APDRG), High Dollar injectibles, Hemo-dialysis, Oncology related claims expenses and associated supplies.
- **Coordination of Benefits:** Reviews of post adjudicated claims and eligibility files to identify members with other insurances. Coordination of Benefits (COB) tends to be complex due to lack of member communications, education and frequent status changes in their existing insurance.
- **Claims payment accuracy:** An external vendor is contracted to provide independent quality control review services of all of VA Premier's claims personnel payment and configuration activities and to illuminate areas in recovery or cost avoidance where improvement can be made.
- **Physician Claims pre-payment review:** This process reviews pre-adjudicated coding targeting aberrant patterns in billing practices and Fraud, Waste and Abuse. It also identifies providers who should be audited.

Program Elements

- **Prenatal Care Programs:** Improves the health outcomes of newborns through effective care and case management.
- **Disease Management Programs:** Support member with Diabetes, Heart Disease, Obesity, Asthma, and other chronic conditions
- **HEDIS Measures:** Assists in targeting interventions to improve outcomes
- **Care Management / Case Management:** Addresses poly-pharmacy issues, appropriate use of emergency services, reduces readmission rates, and coordinates services post discharge

These **innovative programs reduce DMAS costs** and establish predictable expenditures through health plan rate setting

Southwest Virginia



- Creating programs that align the goals of the physician, member, and care community with health plan resources in rural areas. Having a presence in Roanoke since 2001 has afforded us with the knowledge needed to create programs that respond to the needs of Southwest Virginia.
- Working with communities to ameliorate the challenges of underserved areas
- Initiating negotiations with organizations to develop flexible, mutually beneficial programs that provide financial support and align efforts to improve care for members (Medical Homes, ACOs)
- Developing and maintaining provider networks that are as robust as possible.

Special Populations



Dual Eligibles (Medicare & Medicaid)

- Poor health outcomes and extensive co-morbid conditions
- Significant pharmacy costs
- High prevalence of behavioral health issues
- They are 20% of enrollment but can be responsible for 45% to 50% of Medicaid expenditures
- Poor alignments of incentives across the medical care continuum

Developing a program design that addresses these characteristics will be a challenge to the Health Plans, DMAS, and CMS. Navigating the regulatory restrictions and realigning the financial elements across Medicare and Medicaid will be critical to a successful initiative.

Special Populations

Opportunities and Options:

Various models addressing the care of Virginia's vulnerable populations have been tested throughout the country with promising results.

- Systems of care coordination that improve quality and efficiency for beneficiaries
- Support financial integration of services
- Development of integrated services and alignment of financial incentives
- Shared Savings (Accountable Care Organizations) and Medical Home Demonstrations
- Compulsory Enrollment into Managed Care programs.

In Conclusion



Virginia Premier is committed to:

- Managing the care of underserved populations
- Making appropriate payments to providers
- Ensuring that medical services are timely, effective, and economical
- Developing a program integrity culture that consistently and continuously seeks to maintain administrative efficiency while protecting the state and federal funds entrusted to us

Questions?

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