New Models for Social Service Investment

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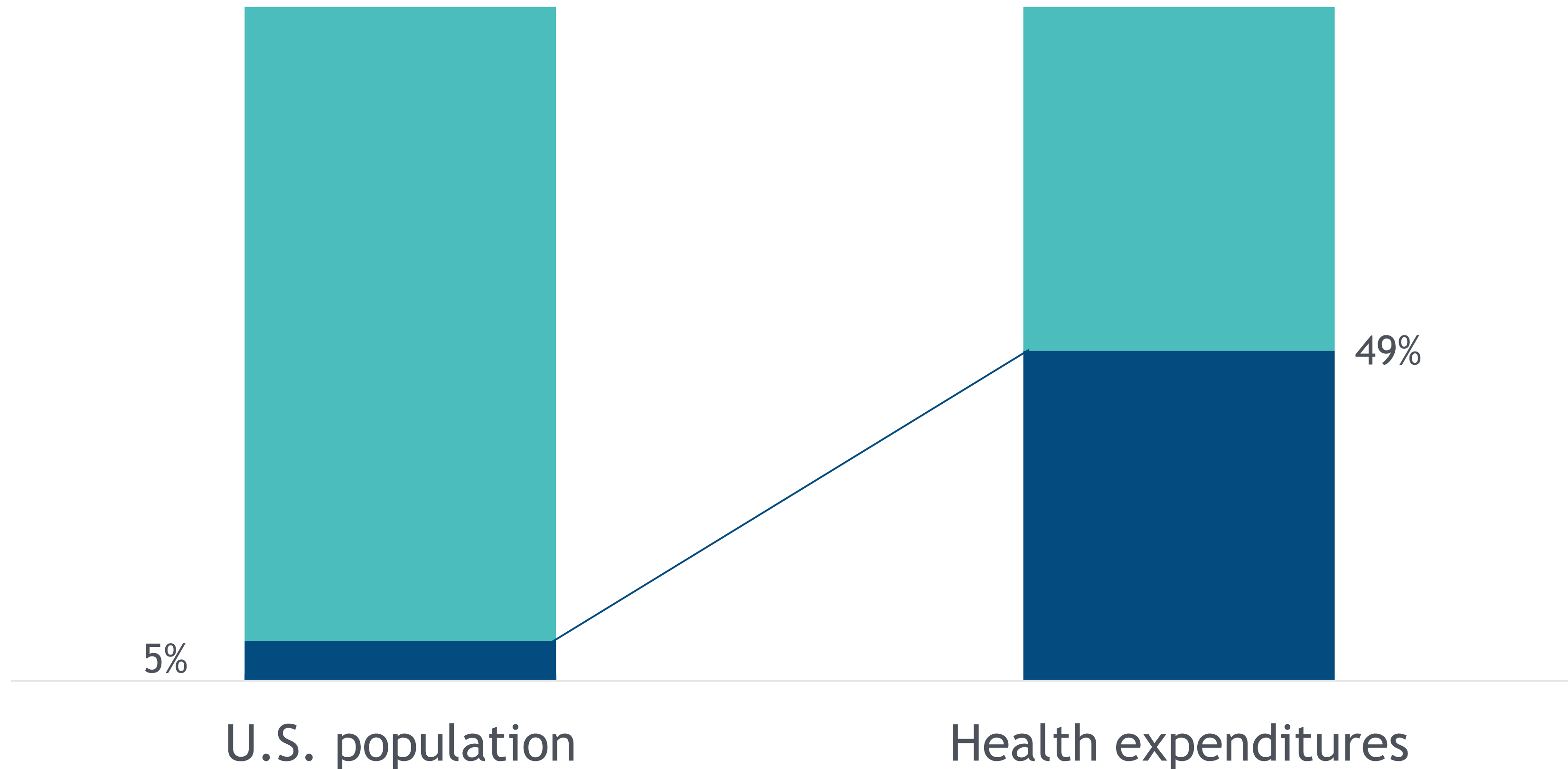
October 10, 2018

Health Care Costs Concentrated in Sick Few— Sickest 5% Account for 49% of Expenses



Source: Agency for Healthcare Research and Quality analysis of 2013 Medical Expenditure Panel Survey; MEPS Statistical Brief 480.

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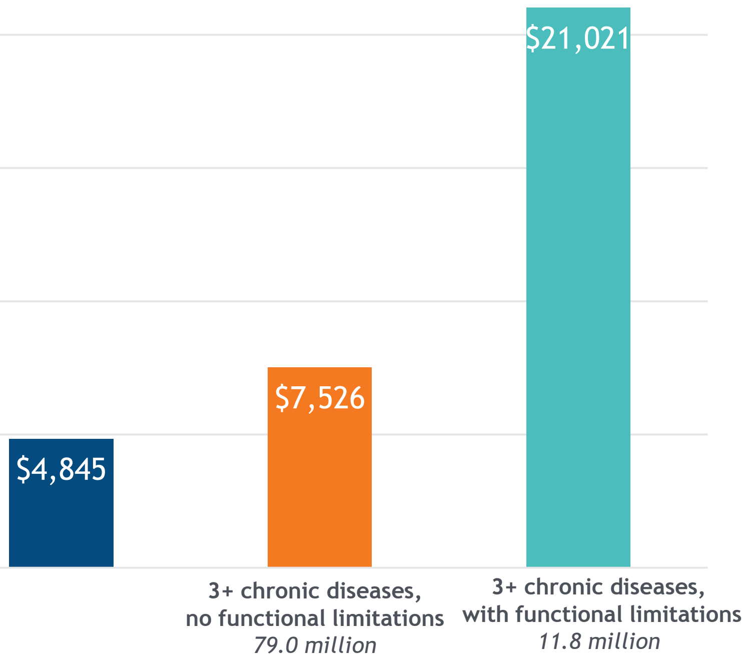
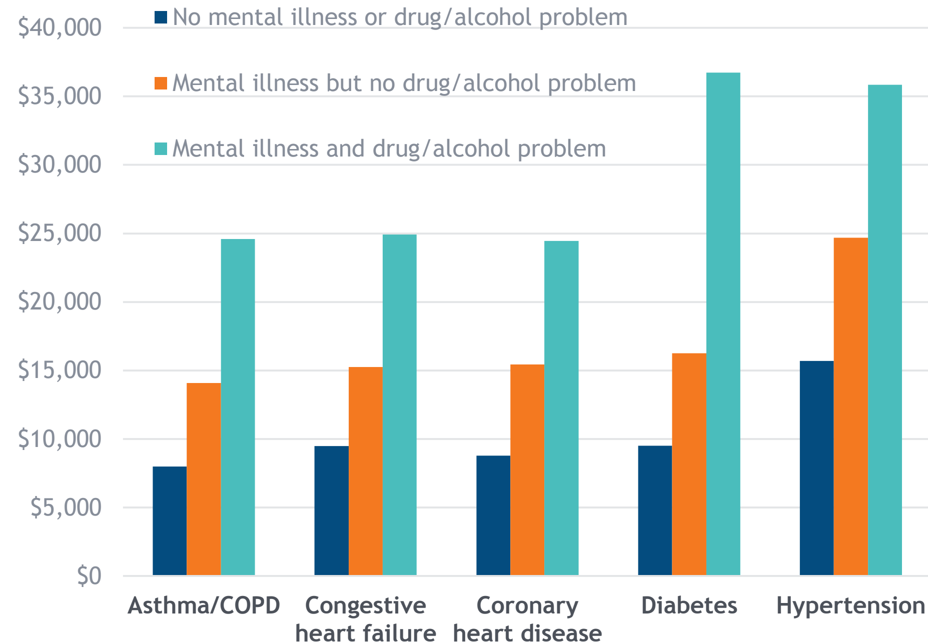
Functional Limitations & Behavioral Limitations are a Key Predictor of High Costs

Average Annual Health Expenditures Among U.S. Adults



Average Annual Health Expenditures Among a U.S. Medicaid Population



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Data: 2009–2011 MEPS. Noninstitutionalized civilian population age 18 and older. Source: S. L. Hayes, C. A. Salzberg, D. McCarthy, D. C. Radley, M. K. Abrams, T. Shah, and G. F. Anderson, High-Need, High-Cost Patients: Who Are They and How Do They Use Health Care? The Commonwealth Fund, August 2016.
Source: C. Boyd et al., Clarifying Multimorbidity Patterns to Improve Targeting and Delivery of Clinical Services for Medicaid Populations, Center for Healthcare Strategies Data Brief, December 2010.

High-Need, High-Cost Patients Are More Likely To...

Be 65 or older

Have multiple chronic conditions

Face material hardship or other socio-economic challenges

Experience worse outcomes

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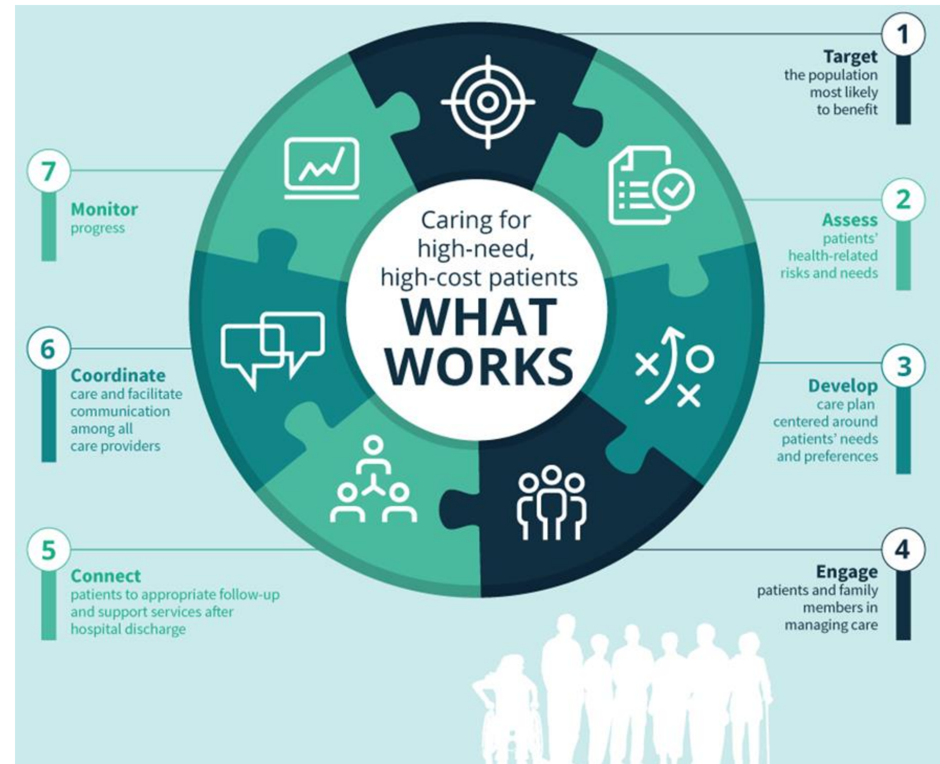
Many Complex Adults Face Social Needs

- 62% are worried about paying their bills or buying food
- 37% report being socially isolated
- 44% say they delay care due to problems with access/transportation
- 43% have no care coordinator despite high utilization of health care

Source: J. Ryan, M. K. Abrams, M. M. Doty, T. Shah, and E. C. Schneider, How High-Need Patients Experience Health Care in the United States (The Commonwealth Fund, Dec. 2016).

Interventions/Models: What Works?

- Stratify patients by common needs
- Invest in care coordination
- Shift care from institutions to community
- Integrate medical, behavioral, and social services
- Give providers flexibility in allocating resources



Source: D. McCarthy, J. Ryan, and S. Klein. *Models of Care for High-Need, High-Cost Patients: An Evidence Synthesis*. The Commonwealth Fund, October 2015.

Investing in social services can generate ROI

$7,083
in savings
(per patient per month)

$5,360-8,040
in savings
(per patient per month)

$4,140
in potential savings
(per patient per month)

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Case Study: WellCare – CommUnity Impact Model

Here's How It Works

- Social Service Referral Tracking: WellCare links members to social services and tracks each referral and disposition within a social service electronic health record for each member

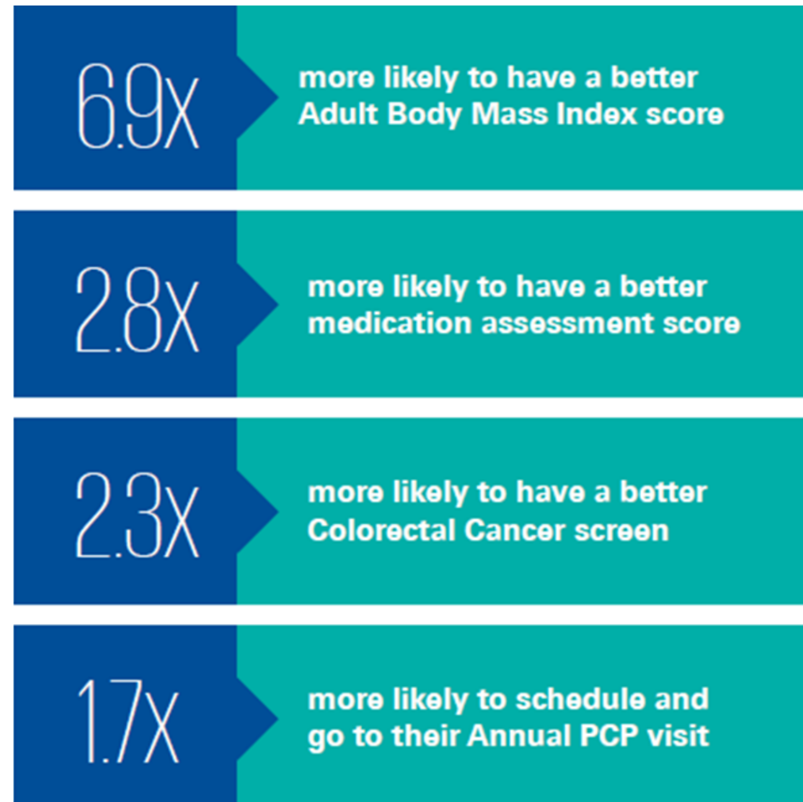
- Community Engagement: Using the social service data, WellCare:
    1. identifies and closes gaps in the social safety net;
    2. forms community planning councils to leverage innovative community-based programs or introduce new programs;
    3. creates CommUnity Investment Programs to pilot payment models with community partners.

- Evaluation: These activities generate the data on which we evaluate the impact of social services in two ways:
    1. Social delivery system effectiveness
    2. Health outcomes: cost and quality of care

Impact

- **Social Services Catalogued:** 190,000+
- **Social Service Referrals**: 47,000 people/145,300 services
  - 14.7% - Medication Assistance
  - 13.0% - Food Pantry
  - 10.8% - Medical Transportation
  - 10.2% - Utility Assistance
  - 8.3% - Financial Assistance
- **CommUnity Activities:** 32,795
  - 25,909 – Community engagement programs
  - 6,886 – Evidence-based health and wellness

Outcomes and ROI



Reduce Cost

Removing a social barrier led to an aggregated savings of $450 per social service accessed from reduced:

- ✓ Inpatient Spending (53%)
- ✓ Emergency Room Use (17%)
- ✓ Emergency Department Spending (26%)

Social Innovation

The health care savings from removing social barriers is re-invested back into the community through 650+ different programs designed to increase data sharing capabilities or sustain critical social services.

Health Plan of San Mateo – Housing Supports Pilot

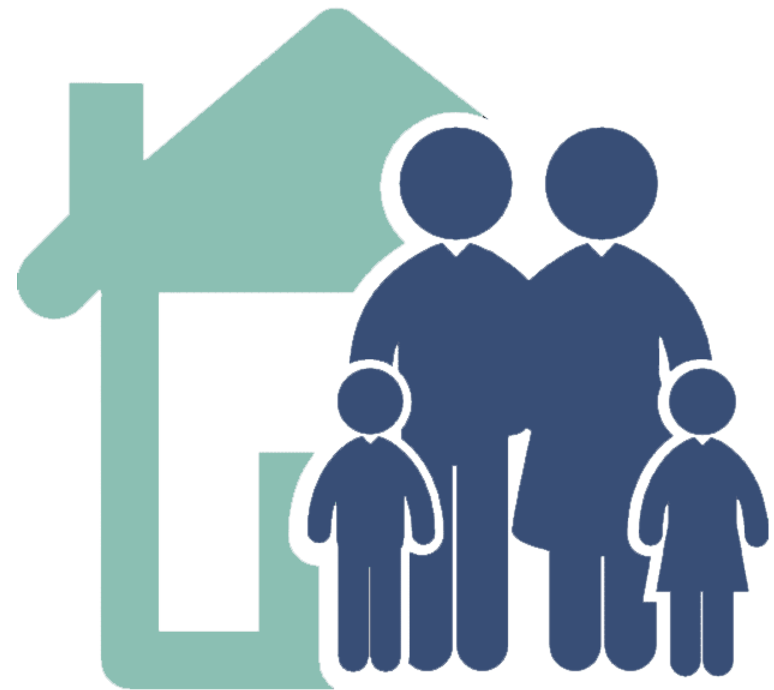
Here's How it Works

Patient Screening: HPSM systematically screens their high-need populations for gaps in need

Housing Referral: HPSM and partners prepare a summary case for each identified patient and make a recommendation for an appropriate community referral:

- assisted living
- individual home support
- affordable housing

Investment: HPSM invests in coordination with two local nonprofit organizations that specialize in affordable supportive housing as well as pay for a portion of the housing services.



Impact

- Vast majority of participants saw improvements to quality of life
- Significant decrease in avoidable utilization of long-term care and skilled nursing facilities

84% of all participants responded that they were satisfied or very satisfied with the services provided

85% of all participants responded that CCSP services maintained or improved their quality of life

90% of all participants responded that they would recommend the service to their family or friends

90% of all participants responded that their CCSP care manager had the knowledge and skills needed to help them.

Outcomes and ROI

- **Cost:** $2,750 per patient per month
- **Savings:** Average decrease in cost per member of 43% from $10,055 to $5,721 per month.
  - Total savings of $2.4 million from its 91 members, with a net savings of $1.4 million after accounting for $1 million in start-up costs
- **ROI:** $1.57 savings for every $1 invested

PMPM Cost Type	6 Months Pre	6 Months Post
Residential Care Facilities for the Elderly Costs	$0	$1,185
Care Plan Oversight Costs	$82	$209
Case Management Costs	$385	$1,156
Housing Retention Services	$0	$219
Pharmacy Costs	$696	$571
Healthcare Costs	$2,234	$1,483
LTSS Costs	$218	$666
LTC/SNF Costs	$6,439	$232

Resources to Support Business Case Development for Integration

Better Care Playbook

The **Better Care Playbook** is an online library of promising approaches to improve care for people with complex needs and encourages users to test best practices in their own care settings. http://www.bettercareplaybook.org/

Guide

Develop your **Business Case** for investing in social services. This report examines barriers to integrating social services into health care business models and provides tangible real world business cases to learn from and a framework to use when tackling this in your organization. https://www.commonwealthfund.org/publications/publication/2018/mar/investing-social-services-core-strategy-healthcare-organizations

ROI Calculator

When investigating a social service investment, fill in the **Social Services ROI calculator found on the Commonwealth Fund website.** This calculator is designed to assist community-based organizations and their medical partners in creating mutually advantageous financial arrangements for funding the delivery of social services. http://tools.commonwealthfund.org/roi-calculator

Social Needs Roadmap

Build your integrated social services model by following the flexible framework of the **Social Needs Roadmap.** The roadmap is resource built to help hospital and clinics develop successful social needs programs and will launch in the next few months. healthleadsusa.org/roadmap