Health Services
LOS ANGELES COUNTY

July 6, 2009

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To improve health through leadership, service and education.

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D.
Interim Director

SUBJECT: **REGIONAL INTEGRATED HEALTHCARE DELIVERY NETWORKS**

On May 26, 2009, your Board 1) Directed the Chief Executive Officer (CEO) and the Department of Health Services (DHS) to develop a plan based upon the core components of the Camino de Salud Network model, such as medical homes, provider practice redesign for specialty care, care management for frequent users of hospital emergency department, and inpatient services, health information exchange and others into a public-private model of regional integrated healthcare delivery networks across the County. The plan should build upon the extensive knowledge base and lessons learned from operating the program in the LAC+USC network, should determine how to best leverage existing public-private partnerships to implement the core components of the program within and across the various health clusters, including appropriate management, timing and phasing of implementation, and most importantly, should identify and propose all possible sources for funding such a model including, but not limited to, American Recovery and Reinvestment Act funding, as part of the State's 1115 Waiver proposal, and as a demonstration model for future Health Care Reform legislation; 2) Consistent with the work already underway on Supervisor Ridley-Thomas' April 7, 2009 motion regarding the feasibility of creating a Countywide Health Information Technology Demonstration Project, directed the CEO, Chief Information Officer (CIO), and DHS to include as a necessary component of this regional integrated health care delivery plan recommendations for a Health Information Exchange program which is scalable and which would enable secure patient information sharing between the public and private participants in this regional integrated delivery model. The plan should include all possible funding sources for this model; and 3) Directed the CEO, DHS, and CIO to report back on this Los Angeles Regional Integrated Healthcare Delivery Plan and recommendations for a Health Information Exchange program by June 30, 2009.

Current Integrated Healthcare Delivery Efforts

DHS strongly supports integrated healthcare delivery and is engaged in a number of efforts to establish and improve the delivery of integrated healthcare services. Efforts currently in place include the LAC+USC Camino de Salud Network (CDSN), Healthy Way LA (HWLA), coalitions to improve specialty care access, the Referral Processing System, and Encounter Summary Sheets. All of these efforts involve public-private partnerships.

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LAC+USC Camino de Salud Network

LAC+USC CDSN was established in 2005 and is a public-private partnership in the geographical area served by the LAC+USC Healthcare Network that seeks to ensure continuity of care by coordinating and streamlining care between hospital and clinic partners. Partners include LAC+USC Medical Center and its three affiliated Comprehensive Health Centers (Edward R. Roybal, El Monte, and H. Claude Hudson), COPE Health Solutions, Citrus Valley Health Partners, Barlow Respiratory Hospital, and ten community clinics, most of whom have Public Private Partnership (PPP) Program agreements with DHS. COPE Health Solutions is a non-profit 501(c) (3) organization that has provided support to the development, implementation, and oversight of LAC+USC CDSN. LAC+USC CDSN seeks to establish medical homes, expand primary care scope of practice, expand access to specialty care services, decentralize diagnostic services, increase care coordination, and provide care management to patients who are high utilizers of hospital emergency and inpatient services.

Using patient self-reports and information from the DHS Referral Processing System, LAC+USC staff have identified a primary care provider (medical home) for over 9,000 patients in the CDSN network and have documented this information in the DHS Affinity system. One hundred (100) patients who are high utilizers of emergency and inpatient services have been enrolled in the care management program. Fifty-seven (57) of these patients have graduated from the program and 43 are currently active in the program. An additional 153 patients were enrolled but are currently not receiving care management services due to extended absence, lack of adherence to program guidelines, etc. An evaluation of LAC+USC CDSN is being conducted by USC researchers.

Healthy Way LA

Los Angeles County was one of ten California counties funded under the State Department of Health Care Services Health Care Coverage Initiative (HCCI). The Los Angeles County HCCI is known as Healthy Way LA. The HCCI is a component of California's current 1115 Waiver. Healthy Way LA was established in September 2007. Healthy Way LA provides healthcare coverage and enhanced services to enrollees and seeks to shift the DHS health service delivery system from episodic, high-cost care to continuous, primary care focused services. HWLA seeks to establish medical homes, expand access to primary and specialty care services, increase care coordination, and enroll eligible patients into disease management programs. HWLA enrollees also receive urgent appointment access, 24/7 member services and access to a nurse advice line, and health education and other preventive care benefits. HWLA participants include DHS facilities and 31 PPP Program providers. The 31 PPP providers have a total of 88 participating clinic locations.

Over 33,000 patients have enrolled in Healthy Way LA. These patients have been assigned to a medical home at a DHS or PPP clinic and sent an ID card and member handbook that describes Healthy Way LA benefits and how to use the program. Healthy Way LA members have a high incidence of chronic disease: 48% have high blood pressure, 36% dyslipidemia, 32% diabetes, and 5% asthma. Nearly 200 Healthy Way LA enrollees have been enrolled into intensive disease management programs. The member services hotline handles over 1,000 calls per month. Los Angeles County receives reimbursement for 50% of the cost of the care provided to Healthy Way LA enrollees.

DHS can receive up to $54 million annually for services provided to these patients. These dollars are needed to maintain and improve the healthcare delivery system network and provide the full range of services to Healthy Way LA enrollees. DHS is strongly committed to successful implementation of Healthy Way LA. HCCI models may be a component of the next California Medicaid Waiver. The State has contracted with UCLA to conduct an evaluation of HCCI.

Specialty Care Access Initiative

The Kaiser Permanente Southern California Specialty Care Access Initiative has funded six coalitions in Los Angeles County: East Valley Community Health Center, Long Beach Coalition, Southside Coalition of Community Health Centers, Westside/South bay Coalition, and Valley Care Community Consortium. Each of the coalitions includes public and private health care providers and DHS support and participation. These coalitions are working to increase access to and reduce demand for specialty care among uninsured and underinsured patients. The coalitions have projects that are tailored to their communities and include increasing specialty care capacity, providing training to primary care providers to expand their scope of practice, establishing referral guidelines and processes, improving communications between specialists and referring providers, etc.

Referral Processing System

In September 2007, DHS began countywide deployment of the Referral Processing System (RPS). RPS is a web-based system that allows DHS and PPP providers to make electronic referrals to DHS referral centers for specialty care. After the patient is seen by a specialist, the doctor's progress notes can be uploaded into RPS and accessed by the provider who made the referral. RPS has improved the sharing of information between DHS and PPP providers and enhances the ability of primary care providers to oversee the care of their patients. DHS is implementing plans to enhance RPS, including standardizing clinical prerequisite requirements, imbedding rules into RPS, uploading appointment information from Affinity into RPS, adding appointment wait time information, and installing hardware and software upgrades to increase functionality and response time.

Encounter Summary Sheets

DHS has created an Encounter Summary Sheet (ESS) which is a web-based patient history that includes administrative and clinical information, including diagnoses, procedures performed, past and future appointments, and a history of medications dispensed from DHS. ESS is not an electronic medical record but it does facilitate the coordination of care across DHS and PPP facilities and provides clinicians with valuable patient information that has not previously been available to them. Your Board has approved $1.5 million for the Health-e-LA consortium (of which DHS is a member) for ESS enhancement and full deployment to PPP program Strategic Partners.

Principles for an Integrated Healthcare Delivery System

DHS strongly supports an integrated healthcare delivery system which will build upon the successes of existing efforts. The vision for this system includes:

- Timely and appropriate access to primary, specialty, and inpatient care.
- Medical homes and a focus on primary and preventive care.

- Expanded scope of practice of primary care providers to manage more chronic medical conditions and complex patients at their medical home.
- Increased coordination and communication across the different levels of care (primary, specialty, inpatient) and public and private providers.
- Care and disease management programs for frequent users of emergency and inpatient services and patients with chronic medical conditions.
- Electronic Health Record and Health Information Exchange.

An integrated healthcare delivery system model will be the foundation for the Department's approach to the next California Medicaid Waiver and national healthcare reform. Public-private partnerships and collaboration between the public and private healthcare sectors is essential for integrated healthcare delivery. DHS will begin planning for this effort through the establishment of a planning group representing these sectors and other stakeholders.

Plan and Proposed Funding for Integrated Healthcare Delivery

The Interim Director of DHS will convene a strategic planning group consisting of representatives from the Departments of Health Services, Public Health, and Mental Health; community clinics; private health care providers and hospitals; managed care plans; labor; and other stakeholders to engage in strategic planning related to the development of integrated and coordinated healthcare delivery systems. The strategic planning group will hold its first meeting in July 2009 and will be convened for an initial six month period.

While the planning group is conducting its work, DHS will continue to 1) improve its healthcare delivery system to better serve current patients and 2) prepare for the changing health care environment.

To this end, and consistent with your Board's May 26 2009 directive, DHS has developed and is implementing a plan for its Integrated Healthcare Delivery System which involves establishing cluster based committees (LAC+USC Healthcare Network, MetroCare, and ValleyCare, to enhance and expand the integrated service delivery components that are incorporated into Healthy Way LA and Camino de Salud. The committees will be convened by the cluster Chief Executive Officer (CEO) and will include DHS and PPP representatives. The coalitions participating in the Specialty Care Access Initiative will also be invited to participate. The cluster committees will focus on the regional integration and coordination of care, and they will develop action plans for their work. Materials and lessons learned from Healthy Way LA, LAC+USC CDSN, and other similar models will be considered by each committee.

In addition, DHS is implementing five strategic workgroups (Quality, Operational Effectiveness, Financial Performance, Workplace Excellence, and Ambulatory Care) to oversee implementation of key system-wide DHS initiatives for the next 18 months and prepare DHS for the next California Medicaid Waiver and national healthcare reform. Each workgroup will be championed by a member of DHS leadership and one or more facility CEOs and will include representation from various disciplines, facilities, and programs. The workgroups will also develop action plans for their work.

Health Information Exchange

The establishment of a Health Information Exchange (HIE) in Los Angeles County is necessary to support an integrated healthcare delivery network. DHS is an active member of the Core Working Group which has been established by the County's Chief Executive Officer to develop a strategic feasibility assessment for the countywide health information technology project as directed by your Board in a separate related action. The strategic planning group proposed above will interface with HIE public-private partnerships to ensure that efforts are coordinated and all potential partnerships and funding opportunities are leveraged.

If you have any questions or need additional information, please let me know.

JFS:ct:id

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors