



The Adoption of Health Information Technology As a Vehicle For Economic Development in Medically Underserved Communities Waianae Coast Comprehensive Health Center Executive Summary December 2008

I. Background

Healthcare reform is imminent. The characteristics of this reform will include an increased transparency of the relative value and quality of care offered by various healthcare providers. Health Information Technology (HIT) will enable this transformation. HIT also has the potential to improve access to care and offers economic opportunity to those that are early in the adoption of HIT innovation.

Pay for Performance (P4P) and the “Medical Home” model are methods of value measurement facilitated by innovation in HIT. In the P4P scenario medical providers are valued based on medical process measures with best performers receiving payment “bonuses”. In the Medical Home model providers potentially receive higher reimbursement rates if they score well on a survey measuring their medical systems capability.

Community Health Centers are faced with both advantages and disadvantages in P4P and Medical Home models. Health centers are typically system oriented and are accustomed to reporting on performance metrics. HIT, however, is capital intensive and health centers are historically undercapitalized. Furthermore most P4P models do not accept the premise that special population needs or population risk factors require an adjustment in process measurement scoring. Medical Home models do not measure the more integrated system needs required in serving high poverty level populations. These include systems associated with the Federally Qualified Health Center (FQHC) enabling services.

FQHCs should perceive this new HIT facilitated era in healthcare as an opportunity. In a climate of transparency the true value of health centers may be discovered. Health centers should be optimistic about this disclosure provided that the models that value providers are fairly structured and comprehensive. Health centers are also well positioned to create HIT innovations that bring down the cost of HIT adoption and create business and economic development opportunities for the communities they serve.

The following management report discusses the strategic implication for health centers by reviewing HIT adoption at the Waianae Coast Comprehensive Health Center, an FQHC in Hawaii.



II. Adoption of HIT Technology at the Waianae Coast Comprehensive Health Center

The Waianae Coast Comprehensive Health Center has established a “Design and Innovation Center” that uses HIT innovation in a number of areas. These include participating in a model P4P demonstration program designed to fairly value FQHCs, developing a Medical Home model that incorporates the broader needs of special population groups, and utilizing HIT training as part of economic and career development programs for its employees.

III. Pay For Performance and FQHCs

The Health Center is participating in the federally funded Pacific Innovation Collaborative (PIC HIT) with nine other health centers from Hawaii and Washington State, two Medicaid managed care organizations (MCOs) and with the Association of Asian and Pacific Community Health Organizations (AAPCHO). The characteristics of the model includes the joint selection of metrics by payers and providers, the systematic exchange of data between health plans and health centers for the purposes of improved care management (this enables more better care management partnerships and a shift of more care management to the Center), and the evaluation of a broader scope of service including integrated behavioral health and enabling services (extremely important for measuring a comprehensive healthcare system rather than just medical care).

AlohaCare, one of the participating MCOs in the P4P demonstration project, paid health centers a differential for reporting through electronic health records and established performance bonuses for improvement in process outcomes. Patient characteristics were addressed by monitoring process measures for patients with behavioral health co-morbidities. Generally speaking most patients at health centers present with multiple complaints and measuring performance on these populations demonstrates more clearly the value of health centers.

The potential of this project has proven so promising that the Robert Wood Johnson (RWJ) Foundation has funded a research component. This RWJ Foundation grant is summarized in Attachment A.

VI. Medical Home Demonstration Model

The National Center for Quality Assurance (NCQA) has produced a scoring system for the Medical Home. The proposed model lists 9 standards with related scoring. The assumption is that medical providers will be ranked at one of three levels dependent on their scoring on systems capability and that this ranking will be linked to levels of reimbursement.



The Waianae Coast Comprehensive Health Center supports the NCQA standards. The Center believes, however that supplemental standards should be required of medical providers providing services in a federally designated “Medically Underserved Area (MUA)” or when serving a “Medically Underserved Population (MUP).” The preferred standards for Medical Home for these special populations are the FQHC enabling services as defined by AAPCHO and the National Association of Community Health Centers (NACHC). A one-page survey instrument that suggests the integration of both NCQA and AAPCHO standards is shown in Attachment B. The specific details of the enabling service system requirements are being further developed through AAPCHO, NACHC, and the Hawaii State Primary Care Association.

In order to formally respond to the NCQA Medical Home standards the Waianae Coast Comprehensive Health Center hosted a national “Journey to an Island Health Care Home” Leadership Conference in early December 2008. The conference produced findings related to the Medical Home definition. A letter from Senator Inouye regarding the outcome of the conference and a response to the medical home definition by participants is included in Attachment C (see Conference “Association Meeting” report).

V. HIT Training and Economic Development

Federally Qualified Health Centers can transform the threat of health care reform into an opportunity for economic development. The Waianae Coast Comprehensive Health Center implemented an Electronic Health Record (EHR) six years ago. The investment was not only in technology, but also in employee potential. Today, all providers (about 80) use the EHR, but the real accomplishment has been the creation of an EHR systems support team made up of former front-line workers. Training capable medical assistants, receptionists and medical record clerks brought out an untapped potential. All members of the 5-person team became EHR Certified, took formal classes and received up to a 40% raise in salary. In return, the health center had its’ own call center, individualized training workshops for staff and providers, custom template development (extremely important in P4P and medical home system innovation) and 24/7 systems troubleshooting. The health center has been able to keep EHR operating costs well below the norm, as well as invest in the employees. The money usually paid to “mainland” corporate vendors, instead pays for mortgages, gas, child care and groceries in the community.

Along similar lines, the health center is currently involved in another RWJ Foundation demonstration project focused on graduated competencies. In this initiative all clinical staff including receptionists, medical assistants, and office managers are trained by health center EHR super users (also line staff of the Center) in graduated competencies related to quality improvement and HIT capabilities. Employees are provided incentives in the form of salary



increases and college credit for courses provided at the job site. The approach is intended to not only adopt HIT innovation it is intended to systematically produce the health worker of the future, create employment advancement opportunities for low income residents, and as a method of retaining are most valued workers. The differential in pay for those certified at the highest level of competency represents a 30% increase over basic skill sets for the same position. A summary of the hierarchy of competencies for Center trained team office managers (advanced medical assistants) are shown in Attachment D.

VI. Conclusions and Recommendations

Without positive community and government initiatives the adoption of HIT will not benefit lower income communities proportionately to higher income communities. Capital formation will be problematic and the system of measuring value will be biased. A number of initiatives could help level the playing field. These include:

- a. The federal government should set aside a portion of economic stimulus capital funding for HIT development at FQHCs. The Health Care Services Administration already has a structure for such grants however the program is woefully under funded.
- b. The Departments of Commerce and Education should both have initiatives sponsoring HIT education efforts through community colleges and through community non-profit networks.
- c. The Centers for Medicaid and Medicare play the major roll in healthcare financing for lower income communities. They should facilitate a number of initiatives to transition low-income communities to medical reform and HIT adoption. These initiatives should include:
 1. Exempt from the revenue basis of the FQHC Prospective Payment System (PPS) payments made by Medicaid Managed Care Organizations for P4P bonuses, quality incentives or Medical Home supplemental payments.
 2. Remove the PPS cap on Medicare reimbursement for FQHCs that participate in CMS approved HIT and Medical Home demonstration projects.
 3. Establish standard definitions and procedure codes for FQHC enabling services and require Medicaid MCOs to track and adequately provide these services.
 4. Upgrade overall monitoring of State Medicaid demonstration projects to assure that federal compliance with PPS Rules are



formally adopted by States and that bid specifications sought from potential Managed Care Organizations include an assessment of HIT capability and integrated care management.