# Global Budget Revenue (GBR) Reporting on Investment in Infrastructure

**Background**

The Health Services Cost Review Commission's (HSCRC) global budget revenue contracts state:

> *The Hospital shall provide an annual report of its investment in infrastructure to promote the improvement of care delivery and reductions of Potentially Avoidable Utilization. This report will be due 90 days following the end of each fiscal year, and will include program descriptions, expenditures, and results.*

This report is required by the GBR contracts so that the HSCRC can understand the total investments that hospitals are making in care coordination and population health improvement. This information is important for maximizing the potential for success under global budgets as we work with hospitals to reduce potentially avoidable utilization, improve care coordination, and improve population health.

**Purpose of Report**

The purpose of this report is to inform the HSCRC and other stakeholders, including the Center for Medicare and Medicaid Services (CMS), on the amounts and types of investments that all acute hospitals in Maryland are making over time to improve population health. The report will also advise HSCRC, stakeholders, and CMS on the effectiveness of these investments in furthering the goals of the All-Payer Model. The reports will be made available to any interested stakeholder.

**Principles**

1. Final fiscal year (FY) 2016 reports will be due 90 days after the end of FY2016 (September 30, 2016). Interim reports may be submitted to the HSCRC for feedback and will be required for any hospitals seeking increases in global budgets or relief from rate corridors.
2. The HSCRC encourages hospitals to include all expenses for the current fiscal year associated with population health investments, such as care coordination, transitions, and management, which began no earlier than FY 2014.
3. GBR investments included in the report should have the potential to impact population health within the communities that each hospital serves.
4. GBR investments included in the report should be data driven and must be evaluated using measurable outcomes.
5. Additional reporting requirements may be included at a later date to reflect monitoring efforts for hospitals receiving a transformation implementation grant.

**Types of Expenses to improve care delivery and population health, and reduce potentially avoidable utilization**

<u>Included expenses:</u>

Patient-centered interventions such as:

- Case management, care coordination, transitional care, and chronic disease management;

- Reminding patients of physician appointments, lab tests or other appropriate contact with specific providers;
- Medication and care compliance initiatives, such as checking that the patient is following a medically effective prescribed regimen for dealing with their specific condition(s) and incorporating feedback from the patients in the management program to effectively monitor compliance;
- Assistance with expenses for transportation or prescription medications for patients who cannot afford them;
- Programs to support shared decision-making with patients, their families, and the patient's representatives;
- Programs to support patient education and self-management, including public education campaigns directing people to appropriate sites of care.

ii) Provider/care team interventions such as:

- Providing coaching or other support to encourage compliance with evidence-based medicine;
- Activities to identify and encourage evidence-based medicine (e.g., incorporating Choosing Wisely information into decision-making algorithms);
- Infrastructure to set up pay-for-performance or shared savings models with providers, including legal expenses for vetting P4P programs and infrastructure for gain-sharing;
- Seed funding to ensure continued access to care for certain chronic health conditions (e.g., diabetes clinics) or high utilizing populations (e.g., Medicaid);
- Activities to support effective collaborations between hospitals and other community providers, in accordance with stated priorities in hospitals' strategic plans.

iii) Health information technology expenses to support patient-centered and provider/care team interventions including:

- Data extraction, surveillance, analysis and transmission in support of the activities described above;
- Predictive models or other mechanisms for identifying and stratifying patients for care coordination interventions, as well as expenses to create, document, execute, and update care plans.
- Activities to integrate with CRISP or to assist other providers to integrate with CRISP for the purposes described above.

<u>Excluded expenses:</u>

- Electronic health records or patient hotlines or portals that are used for care delivery and communication unless specifically implementing systems or modules for care coordination activities (e.g., electronic health record module for care manager to record activities or patient portal for contacting care manager);
- Billable services;
- Investments to improve coding or documentation, including upgrades to systems to be compliant with regulatory changes such as ICD-10;

- All retrospective and concurrent utilization review;
- Fraud prevention activities;
- Any expenses for acquiring physicians or other providers that do not clearly improve access to primary care services (i.e., expenses for acquiring existing physicians that does not result in any change in access but simply results in the existing physicians being owned by the hospital).
- Any expenses that are primarily for marketing purposes;
- Accreditation fees;
- Financial rewards to providers (e.g., pay-for-performance incentives);
- All other expenses that do not fall under care coordination, provider alignment, and population health.

**Reporting Instructions**

Each hospital will be required to submit an individual hospital report using the HSCRC-provided template. Any health system investments that impact multiple hospitals should be reported on each hospital report with the hospital-specific expenditures allocated. The HSCRC has provided a GBR infrastructure investments excel template.

In the **Overview** Tab of the excel template provided by the HSCRC, hospitals are asked to provide their CMS ID, Report Submission Date, and a brief narrative summary of all of their investments in population health. **Individual Investments** should be reported on sequentially numbered tabs (1, 2, 3, …). Finally, in the **Outcome Metrics Analysis** tab, hospitals must provide an over-arching analysis of outcomes across multiple interventions/investments (For example, please see Appendix B). For each type of investment, the hospitals should provide the following information using the excel template provided by HSCRC Staff (see Appendix C for example):

1. ***Investment Number:*** *Auto-populated*
    a. **Investment Title:** Create a title for the investment
    b. ***Budget Type:*** *Auto-populated*
2. ***Hospital ID and Name:*** *Auto-populated*
3. **Investment Category:** Check the category that best applies; check up to two "Other" categories that apply.

| | |
|---|---|
| ACO, PCMH, or formal Shared Savings Program | Hospital is participating in ACO, PCMH, or other SSP pilot or expanded program. |
| Additional Physicians in Unregulated Space | Hospital is purchasing or acquiring additional physicians for PCPs, specialty clinics, or otherwise increasing access to unregulated, non-hospital services. |
| Case Management | Hospital is providing additional targeted services to specific subset of high utilizers or likely high utilizers. |
| Community-Based Care Coordination | Hospital is coordinating care with non-hospital providers (CHCs, schools, Healthcare for the Homeless, LHICs, Health Enterprise Zones, etc.) and the non-hospital provider is the primary actor (hospital is investing as a partner). |
| Consumer Education and Engagement | Peer-to-Peer Health Coaches, Patient/Family Advisory Councils and/or Other Councils, Web-based or other Information for non-hospital patients with Prevention information. |

| | |
|---|---|
| Disease Management (for Chronic Diseases) | Hospital investment is working to improve the management of specific chronic diseases (DM, COPD, CHF, HTN, etc.). |
| IT, Data, and Data Analysis | Hospital is investing in additional IT capabilities, data-gathering, or data analysis (personnel, software, management, etc.) to support care transitions, care coordination, or care management activities for patients who are high utilizers or likely to become high utilizers. |
| Patient Education | Hospital is investing in education activities directly for its patient population - e.g. Peer Support Programs. |
| Post-Discharge and Transitional Care | Hospital investment benefits patients upon their discharge, to ensure follow-up care and prevent readmissions. |
| Social Services | Hospital investment promotes access to social services, addressing socioeconomic determinants of health. |
| Telemonitoring and Telemedicine | Hospital investment specifically in Remote Patient Monitoring and/or other Telemedicine. |
| Other | Please only check this category if no other categories apply. |

4. **Investment Brief Description, including rationale for investment and primary objective:** Limit to one paragraph. You can provide supplementary program descriptions in the Overview Tab if you deem necessary. Reviewer should be able to describe the investment to a third party based on your description.
5. **Target population:** Check the category that best applies; check up to two "Other" categories that apply.

| | |
|---|---|
| Complex, High Needs Patients | Patients with 3+ hospital admissions in past 12 months. |
| ED Patients | Patients who visited the Emergency Department |
| Hospitalized Patients | Patients who are admitted and (ultimately) discharged. |
| Patients in Post-Acute or Long-term Care | Patients who are discharged from the hospital to a post-acute care setting. |
| "Rising Risk", Patients with Chronic Conditions | Patients managing chronic conditions who have the potential to become complex, high needs patients. |
| Other Target Patient Population | General Community Health (Please select only if no other categories apply). |

6. **Target Payers/Purchasers of Care:** Check the category that best applies.

| | |
|---|---|
| All Payers | Investment will benefit All Payers |
| Dually Eligible Patients | Investment will benefit Patients who receive Medicaid and Medicare |
| Medicaid Patients | Investment will benefit Medicaid beneficiaries. |
| Medicare Patients | Investment will benefit Medicare beneficiaries. |
| Uninsured/Underinsured | Investment will benefit patients who have financial barriers to healthcare access. |

7. **Total Expenses:** What were the hospital's costs associated with this initiative? The amount reported should include the dollars, in-kind-donations, or grants associated with the fiscal year being reported, and should not include "excluded expenses" list above.
8. **Of the total costs associated with the initiative, what, if any, amount was provided through a restricted grant or donation?** Please include the dollar amount attributable to restricted grant or donation.
9. **Hospital Start Date (Month/Year):** Date when the program or initiative went live. NOTE: GBR Infrastructure dollars are solely for initiatives beginning in FY14 or later.
10. **Total annual FTEs** required for the development and implementation of an investment. Provide total FTEs by type of FTE

| |
|---|
| Advanced Practitioner (Nurse Practitioner, Physician Assistant, etc.) |
| Community Health Worker |
| Data Analyst |
| Hospital Management |
| IT Staff |
| Physician - Hospital-based |
| Physician - Primary Care |
| Physician - Specialty Care |
| RN |
| Social Worker |
| Other |

    a. ***Total FTEs:*** *Auto-populated.*

11. **Clinical partners**: Check the category that best applies, check up to two "Other" categories that apply. If no clinical partners, check "None".

| | |
|---|---|
| Behavioral Health Organization - owned by hospital/health system | Facility dedicated to behavioral health; owned by hospital/health system |
| Behavioral Health Organization - not wholly or partially owned by hospital/health system | Facility dedicated to behavioral health; not wholly or partially owned by hospital/health system |
| Community-Based Care Managers | Non-hospital care management services |
| Community Health Clinics (owned by hospital/health system) | Community Health Clinics such as FQHCs; owned by hospital/health system |
| Community Health Clinics (not wholly or partially owned by hospital/health system) | Community Health Clinics such as FQHCs; not wholly or partially owned by hospital/health system |
| Home Health - owned by/affiliated with hospital/health system | Home health services; owned by hospital/health system |
| Home Health - not wholly or partially owned by the hospital/health system | Home health services; not wholly or partially owned by hospital/health system |
| Long-term Care Facilities and Skilled Nursing Facilities | Skilled Nursing Facilities or Other Long-term Care Facilities |

| | |
|---|---|
| Physician Practices - owned by hospital/health system | Primary and Specialist Physician Practices; owned by hospital/health system |
| Physician Practices - not wholly or partially owned by hospital/health system | Primary and Specialist Physician Practices; not wholly or partially owned by hospital/health system |
| Retail Pharmacies | Non-hospital Pharmacies |
| Other (Please specify) | |
| None | |

12. **Non-Clinical Partners**: Check the category that best applies, check up to two "Other" categories that apply. If no links with statewide/regional infrastructure or initiatives, check "None".

| |
|---|
| **CRISP** |
| **Departments of Aging** |
| **Faith-based community Organizations** |
| **Local Health Departments** |
| **Local Health Improvement Coalition (LHIC)** |
| **Schools** |
| **Social Service Organization** |
| **Other** |
| **None** |

13. **Process Metrics:** Please name and define at least one metric that your hospital uses to determine the efficacy of this investment. Track progress against this target metric. For more information on Process Metrics, please see attached examples in Appendix A.

14. **Link to Key Outcomes.** Please list Key Outcomes that will be influenced by this investment. Please include all potentially impacted Outcomes.

| |
|---|
| Total Hospital Admissions (IP only) |
| ED Visits |
| Readmissions or Rehospitalizations (ED visits or Observation Stays within 30 days of discharge) |
| Prevention Quality Indicators (PQI) |
| Patient Experience (HCAHPS) |
| Other (Please specify) |

15. **Estimated Return on Investment.** Please use the calculation formula below to provide an estimate of ROI for each investment for the indicated fiscal years. Otherwise, please briefly explain why the ROI cannot be calculated at this time.

**Return on Investment Calculation Template Instructions**

**Template to complete:**
ROI = G (variable savings) ÷ D (annual intervention)
ROI should be greater than 1 at steady state operations

| Hospital/RP Name: | Target Population |
|---|---|
| **A. Number of Patients** | |
| **B. Number of Medicare and Dual Eligible** | |
| **C. Annual Intervention Cost/Patient** | |
| **D. Annual Intervention Cost (B x C)** | |
| **E. Annual Charges (Baseline)** | |
| **F. Annual Gross Savings (XX% x E)** | |
| **G. Variable Savings (F x 50%)** | |
| **H. Annual Net Savings (G-D)** | |

| Illustration | High Utilizers ≥ 3 IP Admits | High Cost Top 10% |
|---|---|---|
| A. Number of Patients | 40,601 | 136,601 |
| B. Number of Medicare and Dual Eligible | 27,000 | 79,000 |
| C. Annual Intervention Cost/Patient | $3,500 | $3,500 |
| D. Annual Intervention Cost (B X C) | $95M | $277M |
| E. Annual Charges (Baseline) | $1.9B | $3.8B |
| F. Annual Gross Savings (15% X E) | $280M | $570M |
| G. Variable Savings (F X 50%) | $140M | $285M |
| H. Annual Net Savings (G-D) | $45M | $8M |

16. **Impact on Non-Hospital Service Costs –** Please indicate whether the investment:
    - Will likely increase non-hospital services
    - Will likely decrease non-hospital services
    - Will likely have no impact on the amount of non-hospital services

Otherwise, please indicate that the impact of the investment on non-hospital services is unclear at this time.

17. **Additional Comments.** Optional space for additional commentary.

If you have questions or concerns, please contact Andrea Zumbrum at andrea.zumbrum@maryland.gov or 410-764-5591. Reports should be submitted to: hscrc.gbrinfrastructure@maryland.gov by September 30, 2016.

**Appendix A – Sample Process Metrics**

| **Sample Process Metrics** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Category** | **Sample Metric and Definition** | **Rationale for Selection** | **Timeframe** | **Numerator** | **Denominator** | **Target or Goal (% of Denominator)** | **Current Measure** |
| Additional Physicians in Unregulated Space | Additional Doctor Visits in Underserved Area | Many patients in our Hospital Service Area report long wait times to see primary care. | FY16 | 75 new visits | 500 New Visits Needed | 20% new need met in first year | 15% |
| Case Management | Established Longitudinal Care Plan - % of High Utilizer Patients with completed Care Plans | Tracking % of Care Plans will provide insight into success of Case Management program in targeted High Needs Patients with appropriate services | FY14-FY16 | 250 Completed Care Plans | 500 High Needs Patients in Service Area | 50% of Care Plans by FY16 | 50% |
| Patient Education | # of Attendees at bi-annual Education Seminars | Patient Education is a longer-term effort. Must build effective outreach in community. | FY16 | 500 Community Attendees | 250 Community Attendees expected | 250 Community Attendees (same as Denominator in this case) | 200% |
| Telemonitoring | % of High Needs Patients Receiving Telemonitoring Service | Pilot telemonitoring program will expand in FY16 to reach more high needs patients. | FY15-FY16 | 50 Patients enrolled in Telemonitoring Services | 500 High Needs Patients in Service Area | 20% new need met in Pilot Program (FY15-FY16) | 10% |

**Appendix B – Sample Outcome Metrics Analysis**

| Sample Outcome Metrics Analysis | | | | | | |
|---|---|---|---|---|---|---|
| **Metric** | **If "Other" Selected, Please Specify** | **Measurement Time Period** | **Target Outcome** | **Observed Outcome** | **Investments Affected** | **Discussion** |
| Total Hospital Admissions | --- | FY15-FY16 | 5% Reduction in Medicare Admissions | 2% Reduction in Medicare Admissions | Investments 2, 7, and 10 likely impacted Medicare Admissions | Hospital X is working to reduce avoidable utilization, including hospital admissions for Medicare recipients. Our Community-based partnership with local long-term care (#2) enabled us to reduce unnecessary hospitalizations for Medicare patients. Our Nurse Call Line (#7) enabled Medicare patients with chronic conditions to better manage their conditions and avoid admissions. Our Remote Patient Monitoring (#10) kept patients out of the hospital for the six-month duration of the program. We hope to expand on these investments, particularly the Long-term Care partnership, in FY17 to further reduce unnecessary Medicare admissions. |

**Appendix C – Sample By-Investment Tab**

| | Reporting Requirement | Additional Description or Categories | Response |
|---|---|---|---|
| **1** | **Investment Number** | Automatically created from the worksheet tab | 1 |
| **1a** | **Investment Title** | Include an Investment Title. One investment per sheet. | Remote Patient Monitoring |
| **1b** | **Budget Type** | Automatically populated from Overview Tab. | TPR |
| **2** | **Hospital ID** | Automatically populated from Overview Tab. | CMS ID Number |
| **2a** | **Hospital Name** | Automatically populated from Overview Tab. | Hospital Name |
| **3** | **Investment Category** | Select the Most Relevant | Telemonitoring/Telemedicine |
| | | Other category that applies | Patient Education |
| | | Other category that applies | Disease Management (for Chronic Diseases) |
| **4** | **Investment Brief Description, including rationale and primary objective** | Limit to one paragraph description. You can provide supplementary program description in the Overview Summary if necessary. | Our RPM pilot has expanded to include 60 recently discharged patients with CHF. |
| **5** | **Target Patient Population** | Select the Most Relevant | "Rising Risk", Patients with Chronic Conditions |
| | | Other category that applies | |
| | | Other category that applies | |
| **6** | **Target Payers** | Select the Category that best applies from the pull-down list. | All Payers |

| | | | |
|---|---|---|---|
| **7** | **Total Expenses** | What were the hospital's costs associated with this initiative? The amount reported should include the dollars, in-kind-donations, or grants associated with the fiscal year being reported. | $60,000.00 |
| **8** | **Total costs covered by restricted grant or donation?** | Of the total costs associated with the initiative, what, if any, amount was provided through a restricted grant or donation? Please include the dollar amount attributable to restricted grant or donation. | $20,000.00 |
| **9** | **Hospital Start (Month/Year)** | Date when the program or initiative went live. | 01/15 |
| **10** | **Provide the total FTEs of each type.** | Advanced Practitioner (Nurse Practitioner, Physician Assistant, etc) | 0.10 |
| | | Community Health Worker | |
| | | Data Analyst | |
| | | Hospital Management | |
| | | IT Staff | |
| | | Physician - Hospital-based | |
| | | Physician - Primary Care | |
| | | Physician - Specialty Care | |
| | | RN | 1.00 |
| | | Social Worker | |
| | | Other | |

| | | | |
|---|---|---|---|
| **10a** | **Total Annual FTEs** | Automatically Calculated from Q12 responses. | 1.10 |
| **11** | **Clinical Partners** | Select the Most Relevant | Home Health (owned by hospital/health system) |
| | | Other category that applies | |
| | | Other category that applies | |
| | | Other (Please specify) | |
| **12** | **Non-Clinical Partners** | Select the Most Relevant | None |
| | | Other category that applies | |
| | | Other category that applies | |
| | | Other (Please specify - if more than one, please separate with semicolon) | |
| **13** | **Process Metrics - Please name and define at least one Patient-Oriented metric that your hospital uses to determine the efficacy of this investment.** | Name and Definition | # of CHF Patients with daily CHF montoring |
| | | Rationale For Selection | We are hoping to expand the pilot this year to additionally eligible population |
| | | Timeframe for Metric | CY15-CY16 YTD |
| | | What was your observed number in the process metric? (Numerator) | 60 Patients |
| | | What was the maximum impact of this process metric? (Denominator) | 100 Patients |
| | | What was your target or goal for this metric? (% of Denominator) | 80% |
| | | Current Measure of Process Metric 1 (Numerator/Denominator) | 60% |

| | | | |
|---|---|---|---|
| **13a** | **Process Metrics - Patient-Oriented Metric 2 (if applicable)** | Name and Definition | |
| | | Rationale For Selection | |
| | | Timeframe for Metric | |
| | | What was your observed number in the process metric? (Numerator) | |
| | | What was the maximum impact of this process metric? (Denominator) | |
| | | What was your target or goal for this metric? (% of Denominator) | |
| | | Current Measure of Process Metric 1 (Numerator/Denominator) | |
| **14** | **Please select the Key Outcomes that are expected to be impacted by this investment.** | Choose any/all that apply. | Readmissions and Rehospitalizations |
| | | | ED Visits |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | Other: If none of the categories in the drop down list applies, please provide additional description of the outcome(s) you are tracking. | |

| | | | |
|---|---|---|---|
| **15** | **Estimated Return on Investment** | Estimated ROI for FY16 | 0.1 |
| | | Estimated ROI for FY17 | 0.4 |
| | | Estimated ROI for FY18 | 0.8 |
| **15a** | | If no ROI can be calculated, please briefly explain why. | |
| **16** | **Impact on Non-Hospital Service Costs** | Please consider the investment's impact on non-hospital service costs. | Likely increase non-hospital services. |
| **17** | **Additional Comments** | If you have any additional comments, please include here (optional) | We believe that this investment is expensive to implement initially but will provide long-term utilization reductions. |