

COUNTY OF YORK

MEMORANDUM

DATE: September 24, 2020

TO: York County Board of Supervisors

FROM: Neil A. Morgan, County Administrator 

SUBJECT: Actions Supportive of Staff Related to COVID 19 and CARES Act

This is follow-up to previous briefings and discussions related to how we will be supporting our workforce and taking advantage of CARES Act funding. Because other localities in the region are in the process of unveiling their plans, I wanted to quantify what York County is doing and why.

Our direct support for County staff falls into four categories, each of which impacts different groups of employees. The most direct form of assistance will be an allocation of CARES Act funds for hazardous duty pay for all uniformed Sheriff's and Fire and Life Safety personnel. I have authorized a gross payment of \$1,150 per uniformed employee in the total amount of approximately \$300,000. These funds will be disbursed during October.

The second category of support is an opportunity for all "alpha employees" (those whose jobs required them to work and in some cases lose leave during the early stages of the pandemic) to sell one week of leave back to the County. This includes a much larger percentage of the total workforce. The total cost is subject to how many staff choose this optional benefit and the salary of the particular individuals who participate. We are estimating a cost of \$750,000. An application process will be completed in October with any payments expected by early December.

The third benefit is a reimbursement program for County employees with children in school currently learning remotely. This is intended to provide a small level of assistance for many of our valuable employees whose children's education requires extra resources in the current situation. Approximately 200 employees have qualified for payments ranging from \$250 to \$500 depending on the number of children. The cost of this program is approximately \$100,000.

Finally, as has been reported, I will be strengthening the County's Health Insurance Reserve Fund in the amount of \$3,000,000 which will sustain the current health care benefit for all employees for calendar year 2021, as well as better positioning the County's Health Insurance Program in the long run.

Taking these programs together, approximately one third of our CARES Act funds are being used to support our hard working staff in a year in which there was no general salary increase due to the economic impact of the pandemic.

COUNTY OF YORK

MEMORANDUM

DATE: September 23, 2020

TO: York County Board of Supervisors

FROM: Neil A. Morgan, County Administrator 

SUBJECT: Health Management Associates Study

Attached is a presentation summarizing the study that Health Management Associates (HMA) completed on the organizational alignment between Colonial Behavioral Health (CBH) and Olde Towne Medical and Dental Center (OTMDC). The Williamsburg Health Foundation (WHF) provided funding for the study. A team including representatives from the WHF, CBH, OTMDC, and the City of Williamsburg, James City County, and York County worked with the consultant on the analysis. The study reviewed the operation, current services, finances, and staffing of each agency. The consultant also provided revenue forecasts based on healthcare reimbursement changes and changes with Virginia's Medicaid expansion.

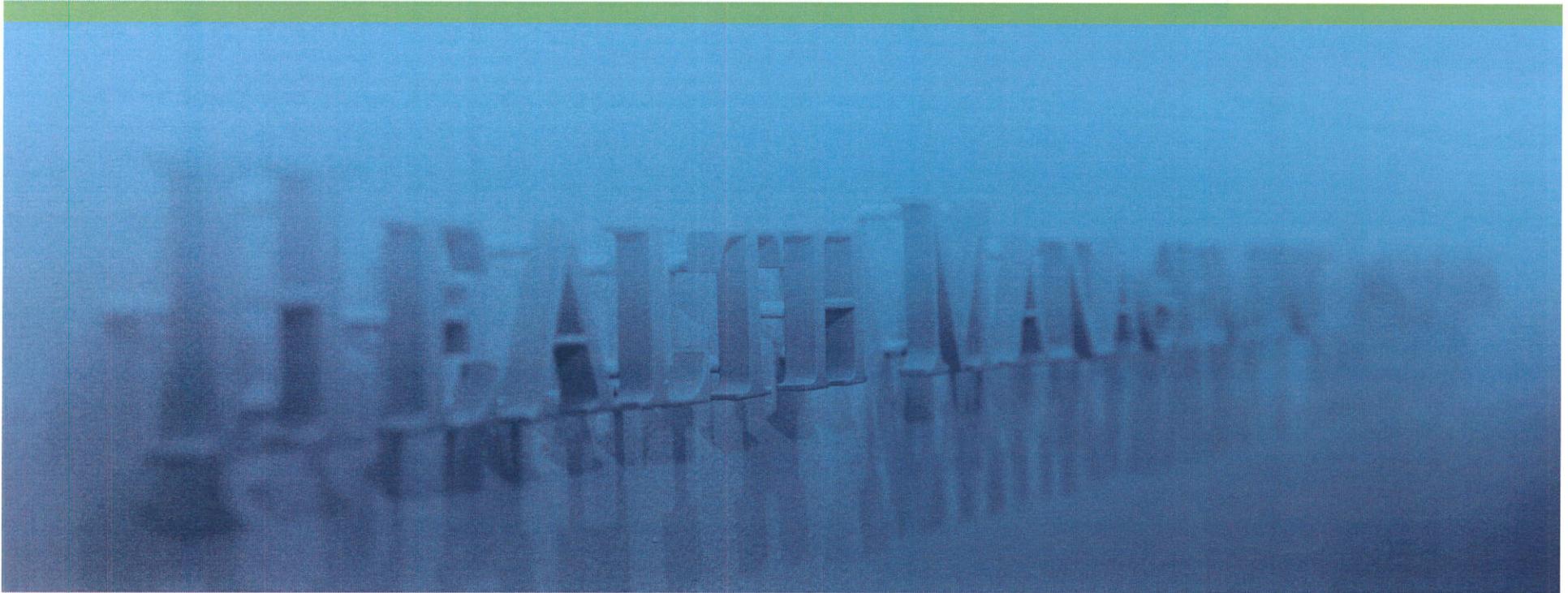
Several groups have received this presentation, and the boards of OTMDC and CBH will be considering the consultants' recommendations. These organizations will also meet to determine if any operational changes or a merger will be considered in the future.

We will keep the Board updated on this issue, and please let me know if you have any questions.

NAM/bpf

Attachment

HEALTH MANAGEMENT ASSOCIATES

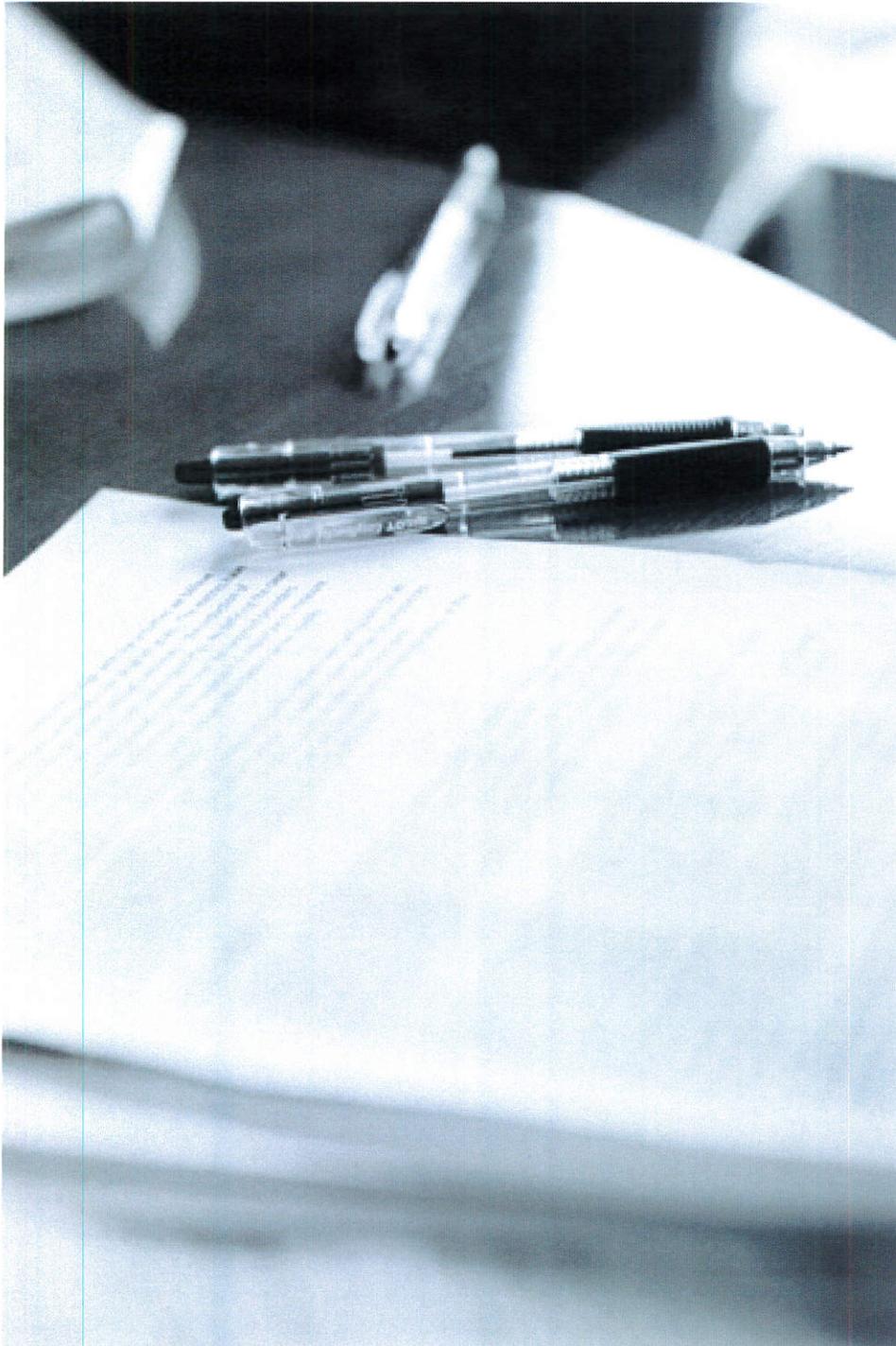


W W W . H E A L T H M A N A G E M E N T . C O M

Mary Kate Brousseau, Sr. Consultant
Gail Mayeaux, Principal
Joshua Rubin, Principal

September 2020

**Options for Collaboration Between Olde
Towne Medical and Dental Center and
Colonial Behavioral Health**



■ AGENDA

- ❑ Implications of Health Care Environment
- ❑ Our Process and Findings
- ❑ Imperatives
 - ❑ Clinical Imperative
 - ❑ Financial Imperative
 - ❑ Workforce Imperative
 - ❑ Public Policy Imperative
- ❑ Options for Consideration
- ❑ Creating a “Glide Path” for a Future Model

■ IMPLICATIONS OF CURRENT HEALTH CARE ENVIRONMENT

- + Current models of single-specialty care are not sustainable long-term
 - + Olde Towne and Colonial Behavioral Health both offer only single specialty with limited behavioral health or primary care
 - + Need to evolve rapidly to an integrated model
- + Data sophistication is essential
 - + Olde Towne does not have an IT department and has legacy EHR issues
- + Medicaid providers need to get efficient at capturing all available revenue
 - + Current model de-emphasizes patient service revenue
 - + Need staffing/infrastructure to assist with enrollment and re-enrollment into Medicaid





OUR PROCESS AND FINDINGS

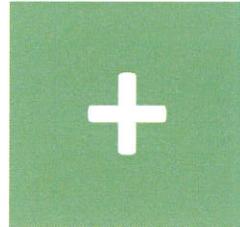
HEALTH MANAGEMENT ASSOCIATES

ROBUST DATA AND INFORMATION GATHERING

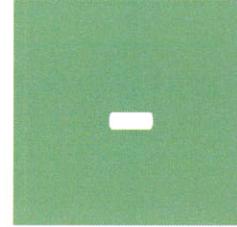
- + Review of programmatic and financial data for both organizations**
- + Key informant and essential stakeholder interviews**
 - + 13 OTMDC staff and Board members**
 - + 13 CBH staff and Board members**
 - + 11 stakeholders**
- + Environmental scan**
 - + Federal policy**
 - + State policy**
 - + Local data**



CBH PROGRAM QUALITY

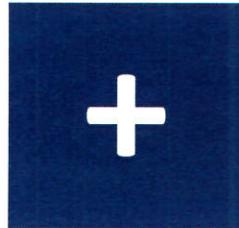


- + CARF accreditation for one program
 - + MAT program
 - + Anthem gold card
 - + Engaged clinicians
- + On-site Genoa pharmacy
 - + Cerner implementation
- + Trauma Informed Community Network
 - + Behavioral Health Home

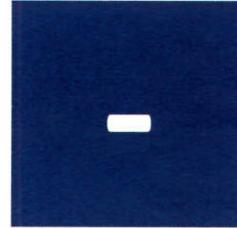


- + Siloed services
- + Uneven performance management
- + Coordinators are working managers
- + Insufficient capacity
- + Not always free to clients
- + Not integrated into a comprehensive, coordinated, integrated system of care

OTMDC PROGRAM QUALITY



- + Perinatal care
- + Quality initiatives tracking depression screening, chronic diagnoses
- + No formalized care management function
- + CBH Medical Director provides co-located BH



- + Not a NCQA PCMH
- + Problematic EHR
- + No SDH metrics
- + No closed loop referrals
- + Not tracking lost to care/missed appointments/access to care
- + Not integrated into a comprehensive, coordinated, integrated system of care

CBH FINANCES

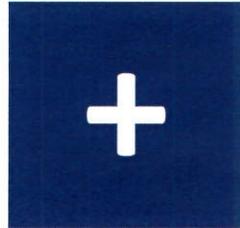


- + York County relationship
 - + VRS access
- + State, local, and foundation grants
- + History of excellent financial management

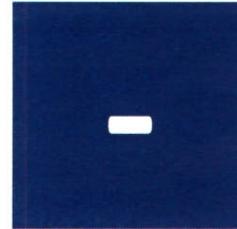


- + Medicaiding of BH services has caused structural reimbursement problems
 - + Productivity does not drive revenue
- + Per capita costs increasing faster than per capita revenues
- + Cash poor
- + Net deficit funding on many services makes it hard to build up rainy day fund

OTMDC FINANCES

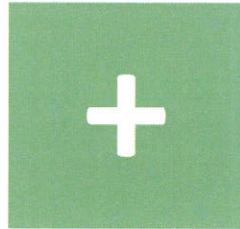


- + James City County relationship
 - + VRS access
- + Exceeded revenue plan in each of the last three years
- + Patient service revenue growth
 - + Declining percentage of operating budget from local and foundation grants
- + Costs and expenses per user flat
 - + Large endowment

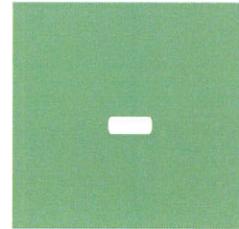


- + History of poor financial performance
- + Patient service revenue accounts for 20% of budget
- + Foundation and local grants accounts for more than 50% of revenue
- + Gap between revenue per visit and cost per visit is over 80%

CBH WORKFORCE



- + Exceptionally long tenures
- + Dedication to the population
- + Flexible work environment
 - + Partial embrace of WFH
- + Confidence in leadership
 - + VRS benefits

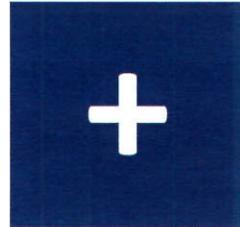


- + Exceptionally long tenures
 - + 50-60 retirements projected
- + Need to attract workforce without VRS Plan 1
- + Insufficient bench
- + Thin administration

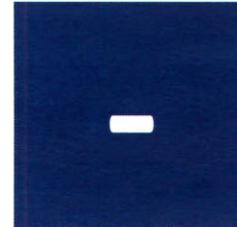
Even before COVID HRSA was projecting a nationwide BH practitioner shortage of between 27,000 and 250,000 FTE by 2025

Source: <https://bh.w.hrsa.gov/sites/default/files/bhw/health-workforce-analysis/research/projections/behavioral-health2013-2025.pdf>

OTMDC WORKFORCE



- + ANPs are very productive
- + Dedication to the population
- + Good nurse-to-provider ratios
 - + VRS benefits
- + Leadership transition



- + Thin staffing
 - + Support staff ratios are significantly out of range
 - + No IT/data staffing
- + Need to attract workforce without VRS Plan 1
- + Insufficient bench
- + Leadership transition



IMPERATIVES

HEALTH MANAGEMENT ASSOCIATES

■ IMPERATIVES

+ Clinical

- + Implementation of new care models
 - + Integrated care
 - + Care management

+ Financial

- + Efficiencies/economies of scale

+ Human Resources

- + Attract/retain talent
- + Bench depth/transition planning
- + Sufficient support staff to operate efficiently and maximize revenue

+ Public Policy

- + Preparation for VBP
- + Preparation for influx of uninsured and Medicaid recipients due to COVID

A woman in a white lab coat and glasses is smiling and holding a stethoscope. The image is overlaid with a blue tint. The text "CLINICAL IMPERATIVE" is written in large, bold, white capital letters across the middle of the image.

CLINICAL IMPERATIVE

HEALTH MANAGEMENT ASSOCIATES

■ THE CASE FOR INTEGRATION

- + ROI of \$6.50 for every \$1 spent¹
- + 70+ randomized controlled trials demonstrate it is both more effective and more cost-effective
 - + Across practice settings²
 - + Across patient populations³
 - + For a wide range of the most common BH disorders⁴
- + Better outcomes for common chronic medical diseases^{5,6}
- + Greater provider satisfaction⁷

1: Unützer J, Harbin H, Schoenbaum M, Druss B. The Collaborative Care Model: An Approach for Integrating Physical and Mental Health Care in Medicaid Health Homes, Health Home Information Resource Center Brief, May 2013.

2: Ibid.

3: Ibid.

4: Ibid.

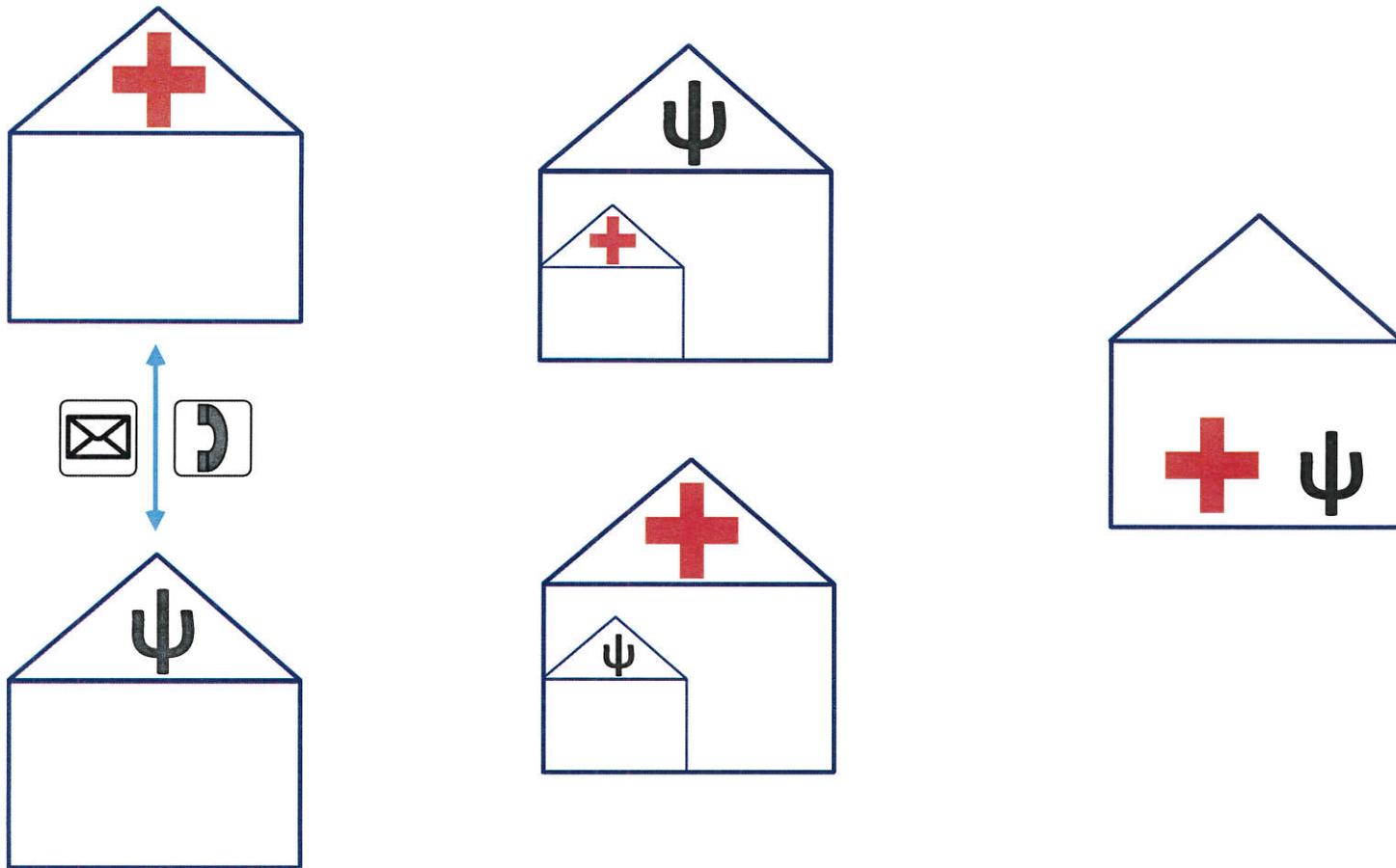
5: Hwang W, Chang J, LaClair M, Paz H. Effects of Integrated Delivery System on Cost and Quality. Am J Manag Care. 2013;19(5):e175-e184.

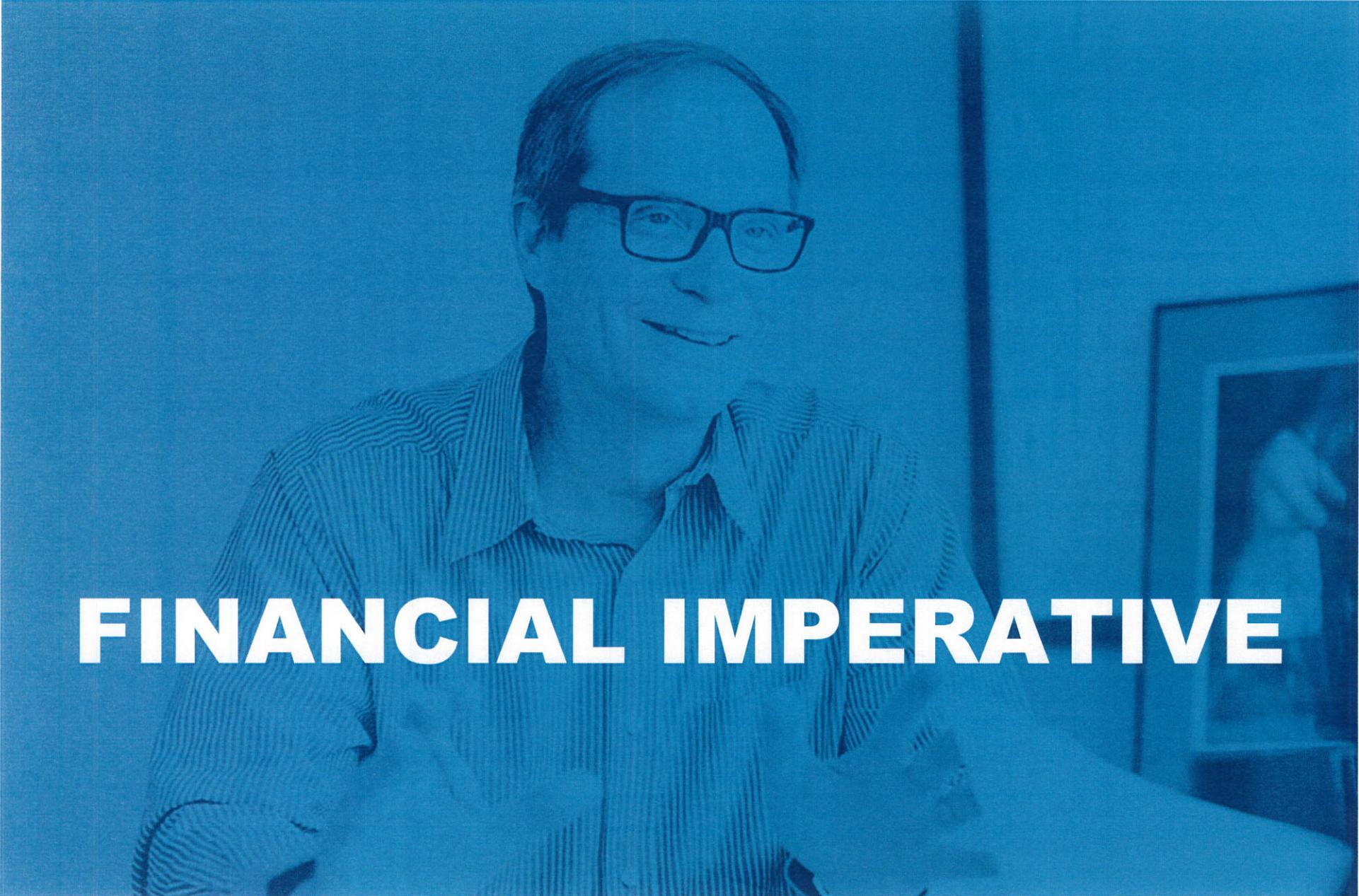
6: Katon WJ, Russo JE, Von Korff M, Lin EH, Ludman E, Ciechanowski PS. "Long-term Effects on Medical Costs of Improving Depression Outcomes in Patients with Depression and Diabetes." Diabetes Care. June 2008;31(6):1155-1159.

7: Levine S, Unützer J, Yip JY, et al. "Physicians' Satisfaction with a Collaborative Disease Management Program for Late-life Depression in Primary Care." General Hospital Psychiatry. November-December 2005;27(6):383-391.

SAMHSA'S SIX LEVEL INTEGRATION FRAMEWORK

Coordinated		Co-Located		Integrated	
Level 1 Minimal Collaboration	Level 2 Basic Remote Collaboration	Level 3 Basic On-Site Collaboration	Level 4 Close On-Site Collaboration	Level 5 Approaching Integration	Level 6 Transformed Integrated Practice

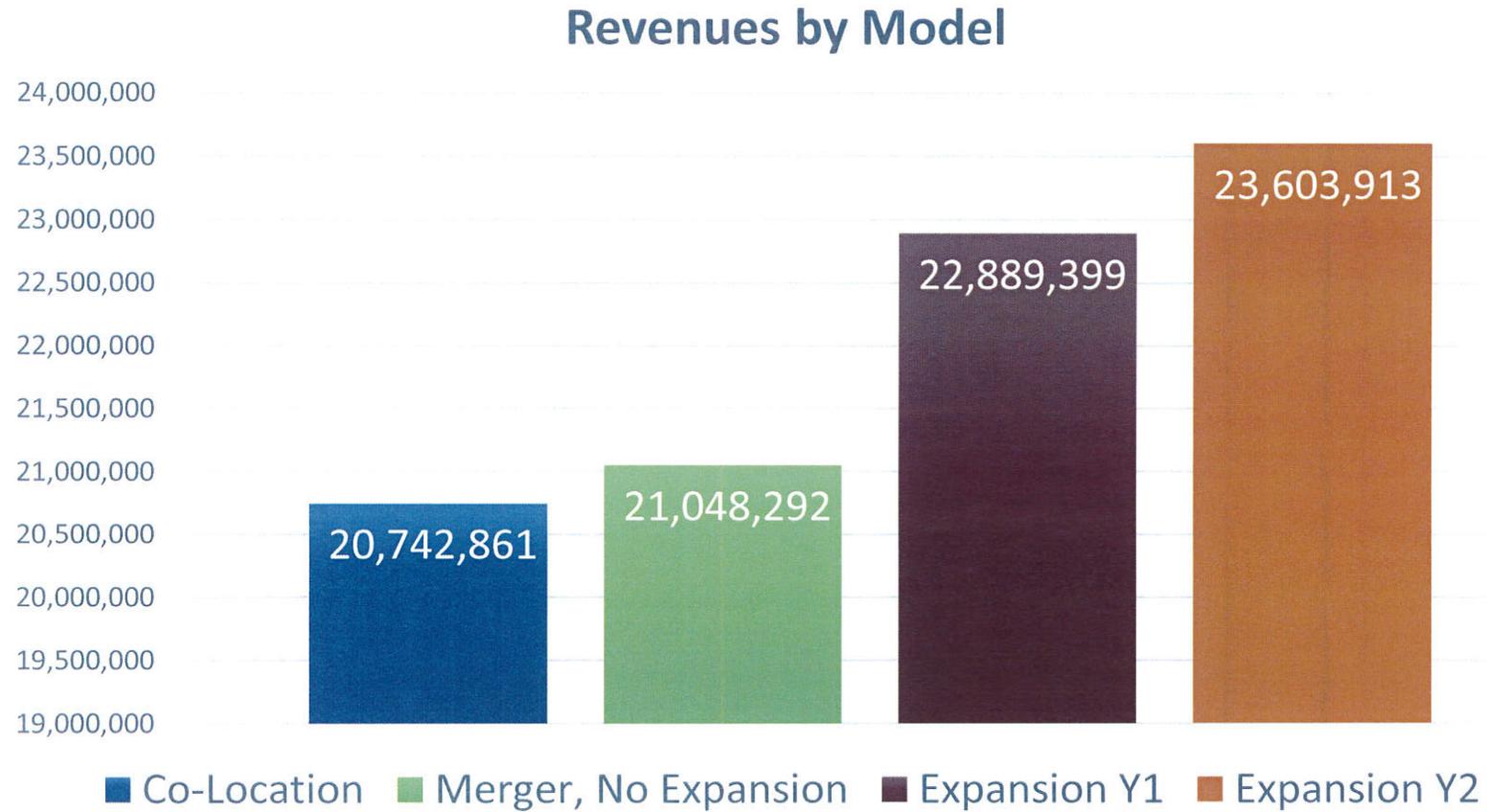


A photograph of a middle-aged man with glasses and a striped shirt, smiling. The image is overlaid with a semi-transparent blue filter. The text "FINANCIAL IMPERATIVE" is centered over the lower half of the image in white, bold, sans-serif font.

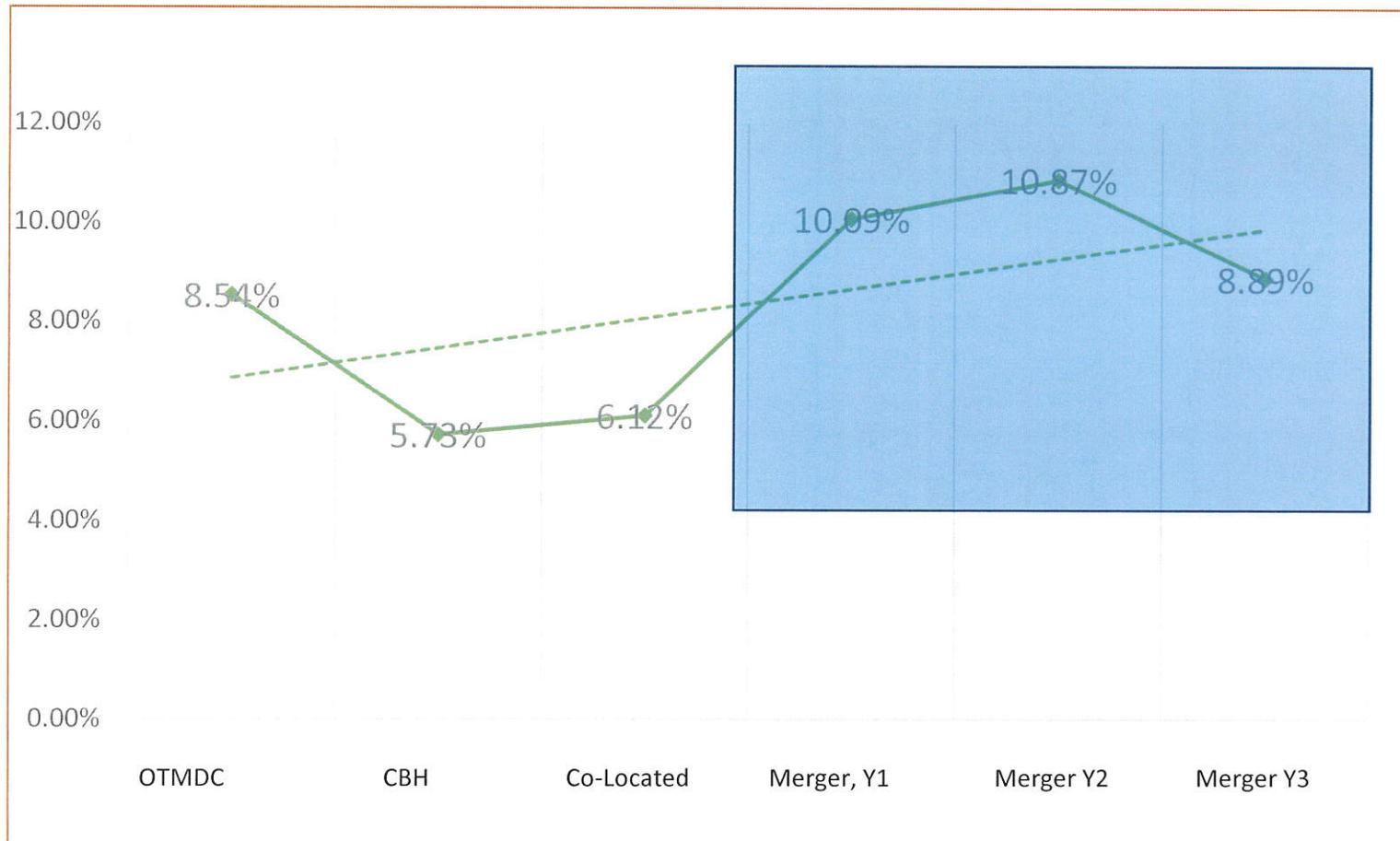
FINANCIAL IMPERATIVE

HEALTH MANAGEMENT ASSOCIATES

REVENUES BY PROSPECTIVE MODELS:



PROFITABILITY BY PROSPECTIVE MODELS:



DIFFERENCES BETWEEN THE MODELS

- + Co-location offers only limited savings
 - + Co-location offers limited savings, only physical plant savings
 - + No “pooled resources” to strategize around expansion of services
- + Merged with no changes improves profitability, but not sustainability:
 - + Merged offers savings with some limited staff attrition and physical plant savings
 - + Overall anticipated better capture of non-shared patients
- + Merged with defined expansion offers profitability and sustainability
 - + Defined expansion builds out total organizational model to help drive non-visit revenue
 - + Expanded model provides for long-term sustainability
 - + Reduced reliance on locality funding over time





**HUMAN RESOURCES
IMPERATIVE**

HEALTH MANAGEMENT ASSOCIATES

■ HUMAN RESOURCES IMPERATIVE

- + Enough resources to build out staffing to plan for long-term sustainability and transition to population-based health
- + Benefits structure which supports retention efforts of existing staff
- + Resources to effectively recruit new staff, including competitive salaries and benefits, along with engaging work environment
- + An ability to address workforce shortages and provider burnout
- + Providers prefer to work in integrated settings¹
 - + They express higher levels of satisfaction²
 - + They perceive the system to function better, and they have a better perception of their own knowledge³
 - + They perceive that the care is more patient-centered, that care management is improved, and that patients and providers work more closely together⁴
 - + They perceive that care coordination is more effective across different sectors⁵

1: doi:[10.1007/s10597-015-9837-9](https://doi.org/10.1007/s10597-015-9837-9)

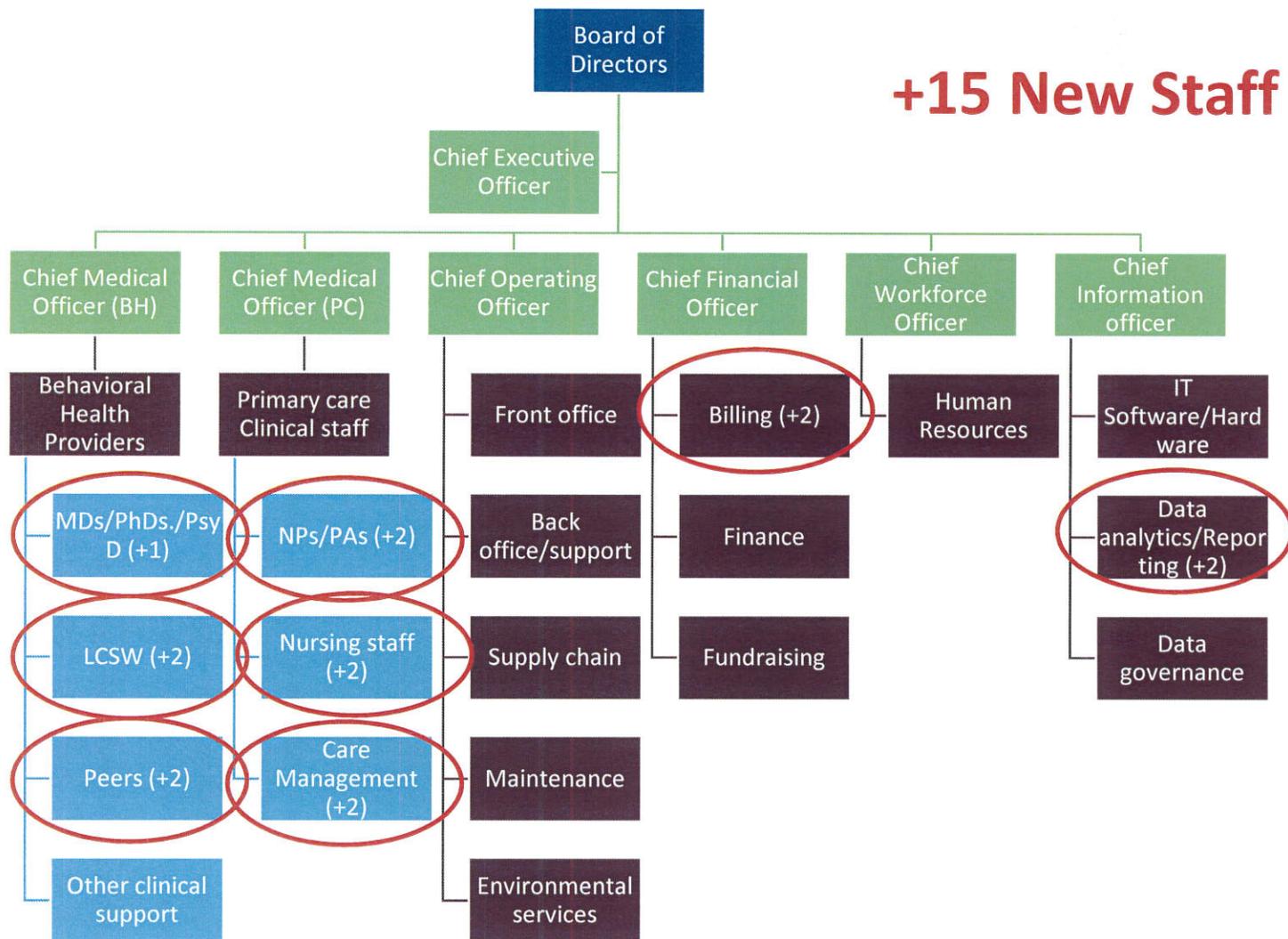
2: doi: [10.1016/j.genhosppsy.2013.06.011](https://doi.org/10.1016/j.genhosppsy.2013.06.011)

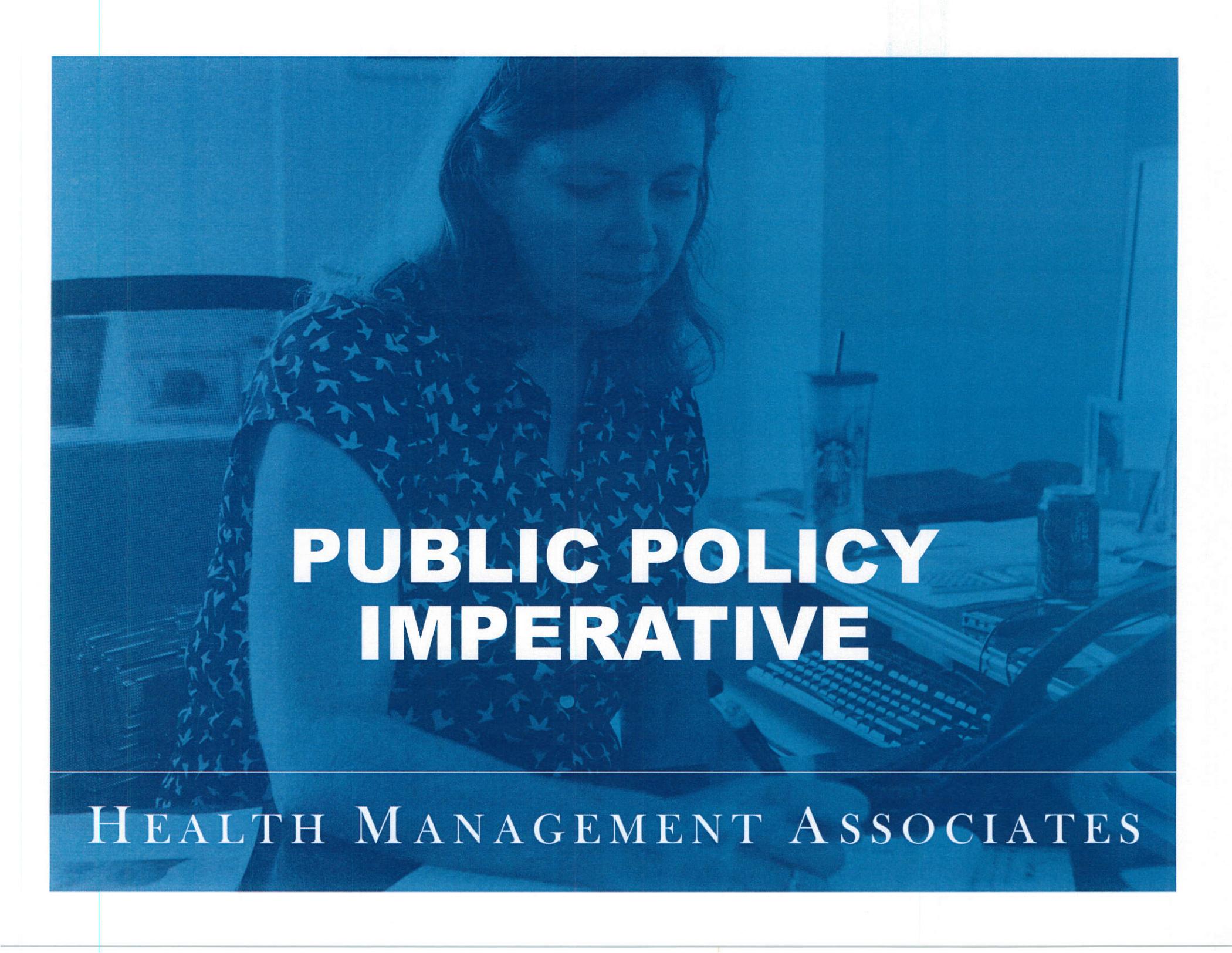
3: doi: [10.1016/j.genhosppsy.2017.03.005](https://doi.org/10.1016/j.genhosppsy.2017.03.005)

4: doi: [10.1177/1077558717745936](https://doi.org/10.1177/1077558717745936)

5: doi: [10.1371/journal.pone.0216488](https://doi.org/10.1371/journal.pone.0216488)

PROPOSED ORGANIZATIONAL CHART

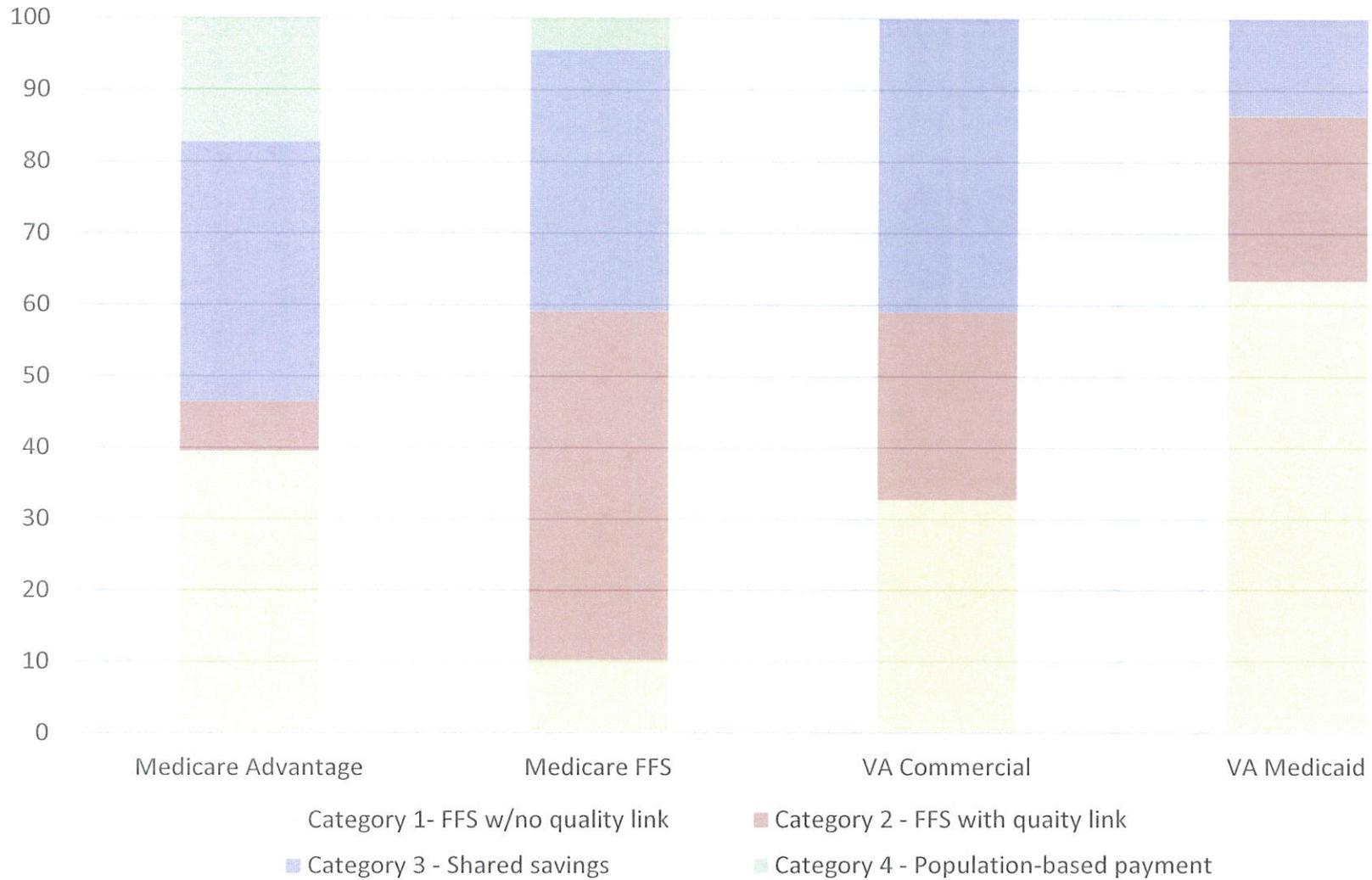


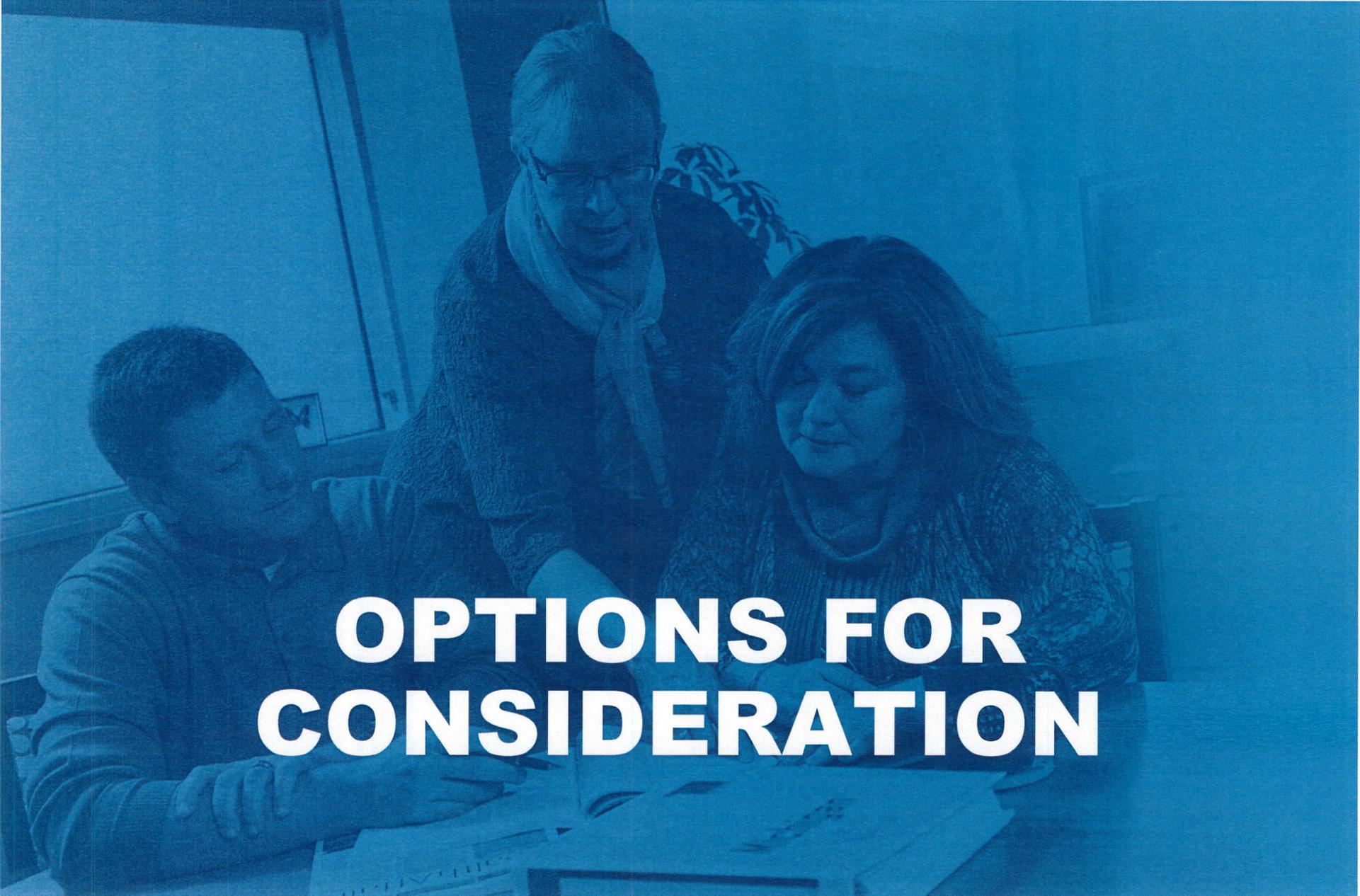
A woman with dark hair, wearing a patterned sleeveless top, is seated at a desk in an office environment. She is looking down at a laptop or tablet. The desk is cluttered with papers, a keyboard, a mouse, and a large clear cup with a straw. The entire image is overlaid with a semi-transparent blue filter. The text 'PUBLIC POLICY IMPERATIVE' is centered in the middle of the image in a bold, white, sans-serif font. Below it, the text 'HEALTH MANAGEMENT ASSOCIATES' is centered in a smaller, white, serif font.

**PUBLIC POLICY
IMPERATIVE**

HEALTH MANAGEMENT ASSOCIATES

ALTERNATIVE PAYMENT MODEL PENETRATION

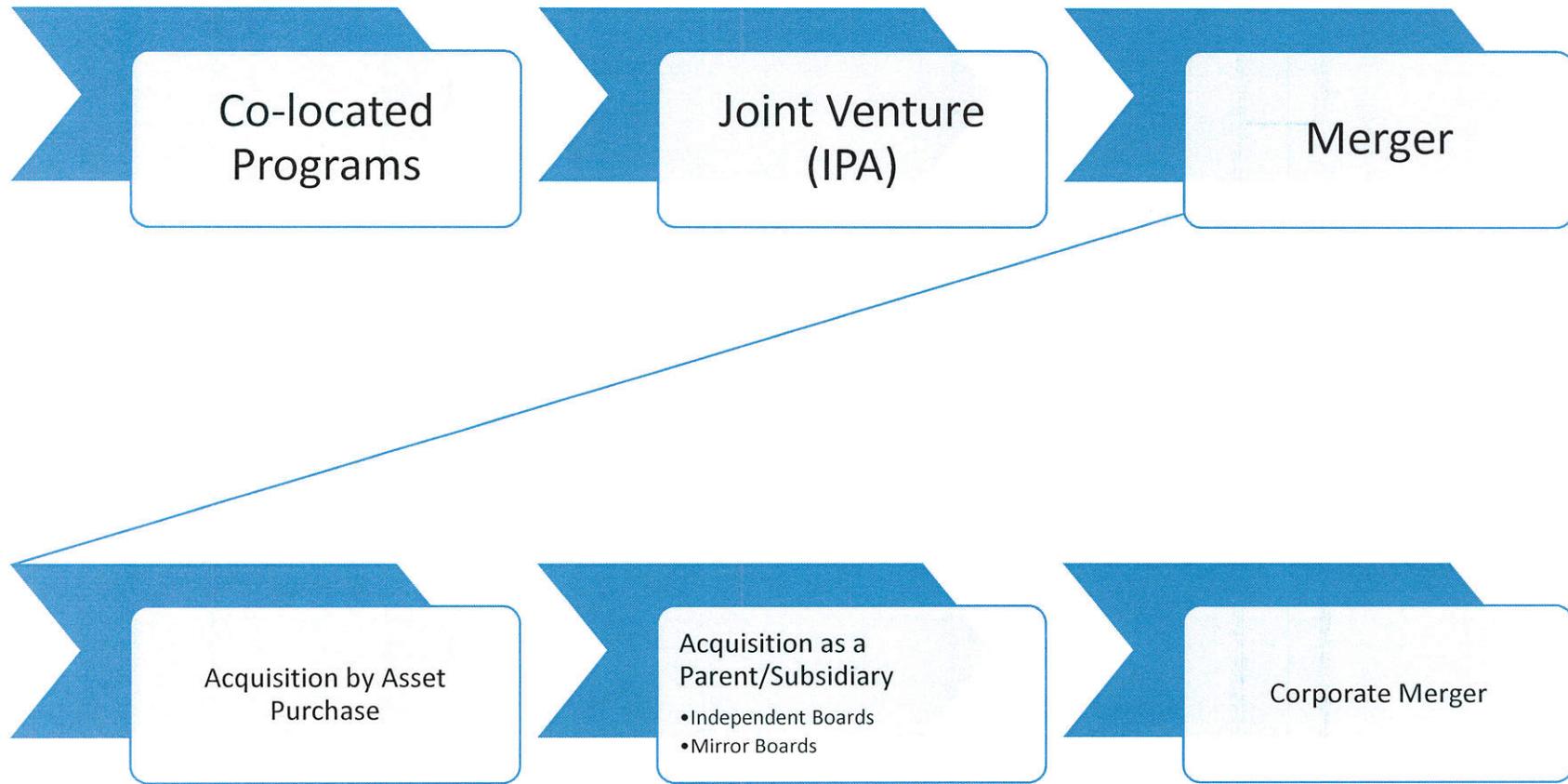




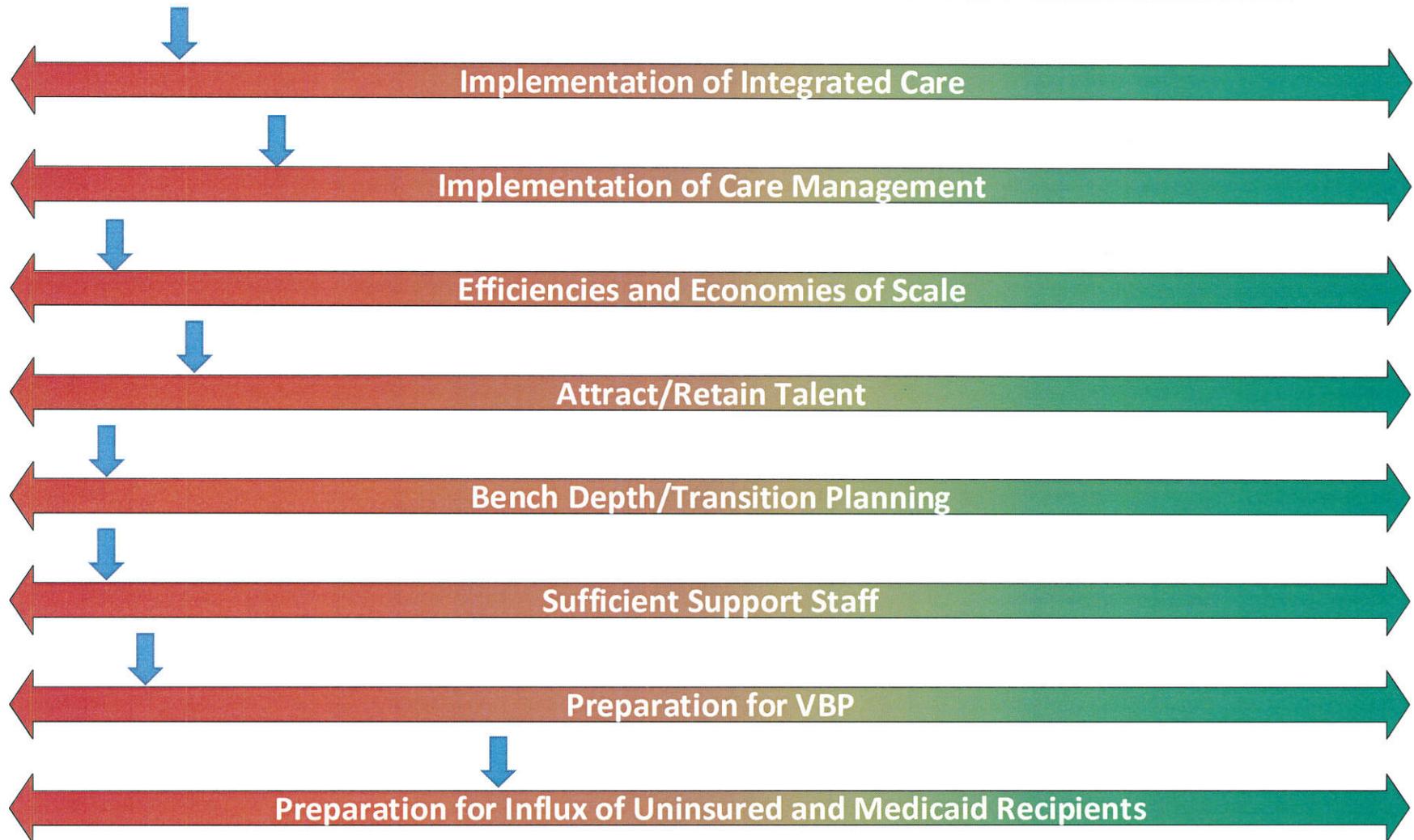
OPTIONS FOR CONSIDERATION

HEALTH MANAGEMENT ASSOCIATES

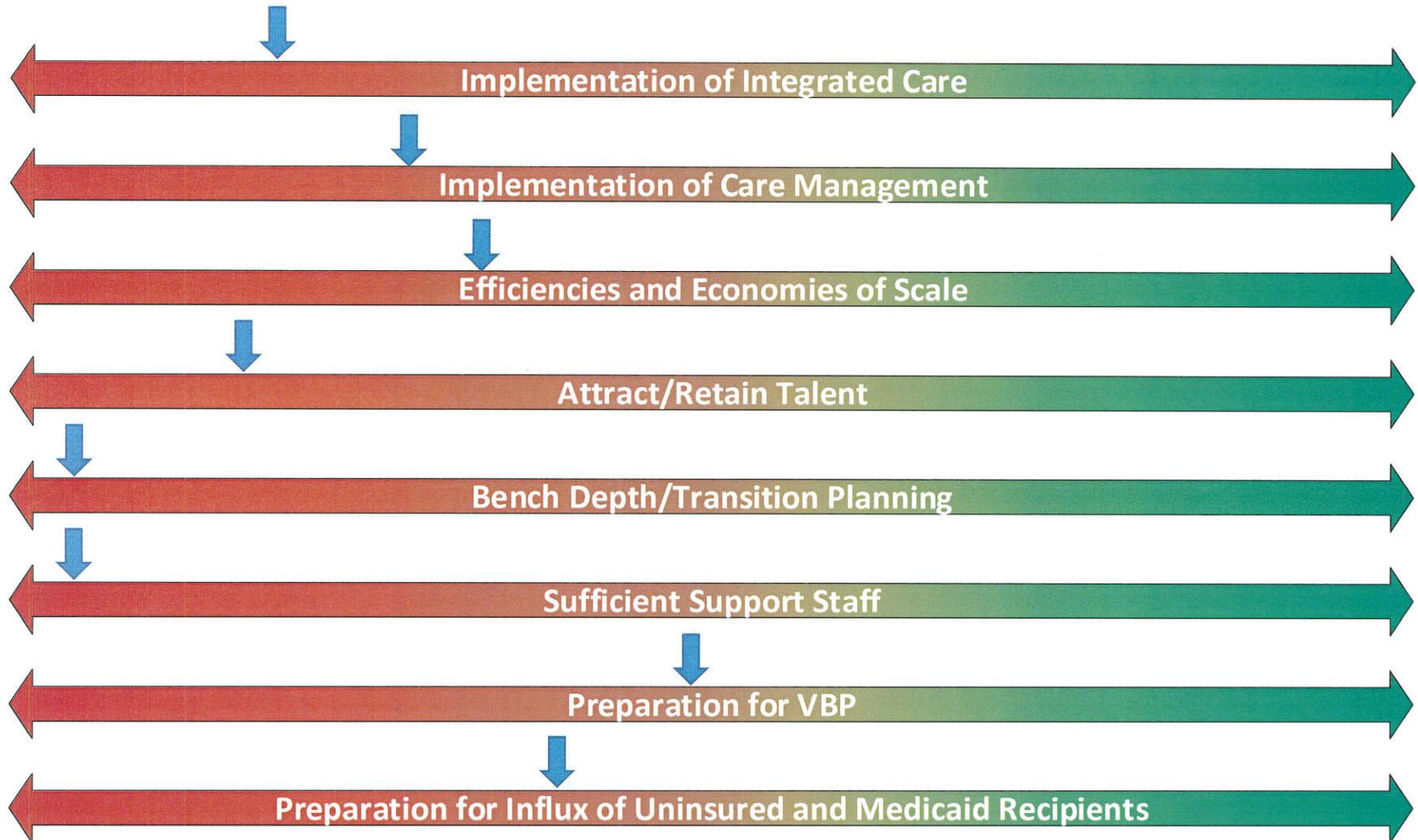
OPTIONS SPECTRUM



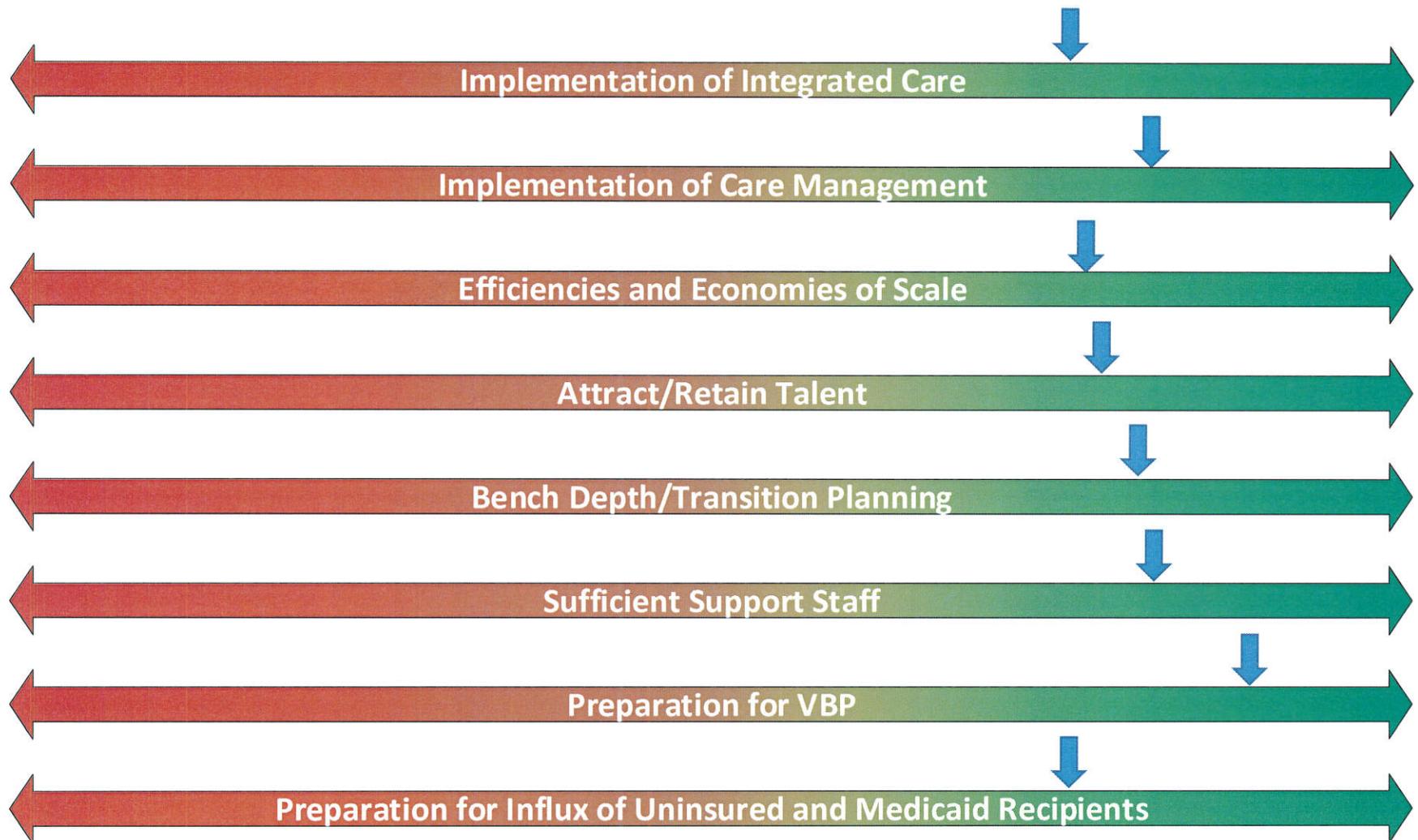
IMPLICATIONS OF CO-LOCATED PROGRAMS FOR IMPERATIVES

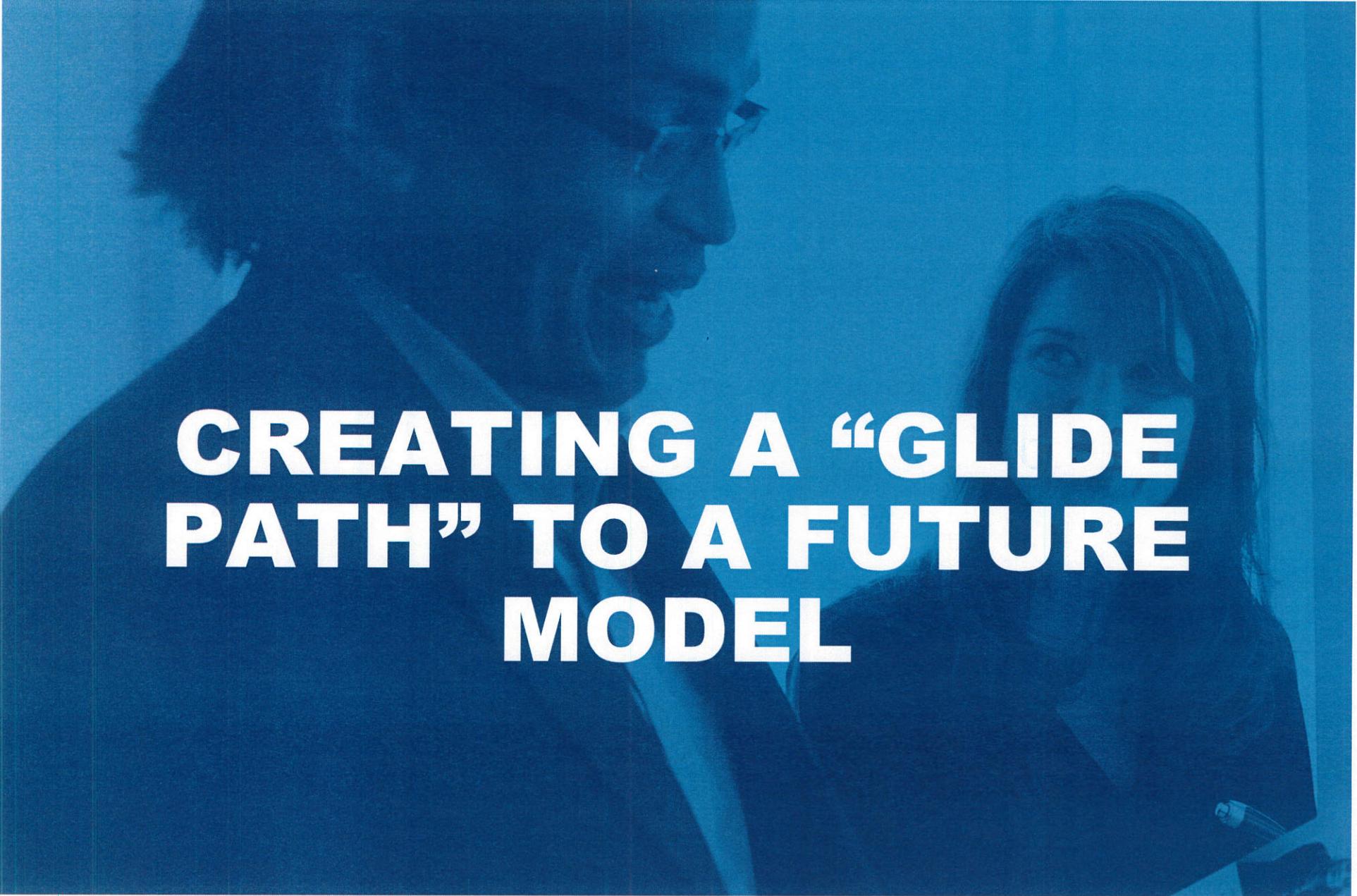


IMPLICATIONS OF IPA ESTABLISHMENT FOR IMPERATIVES



IMPLICATIONS OF A MERGER FOR IMPERATIVES

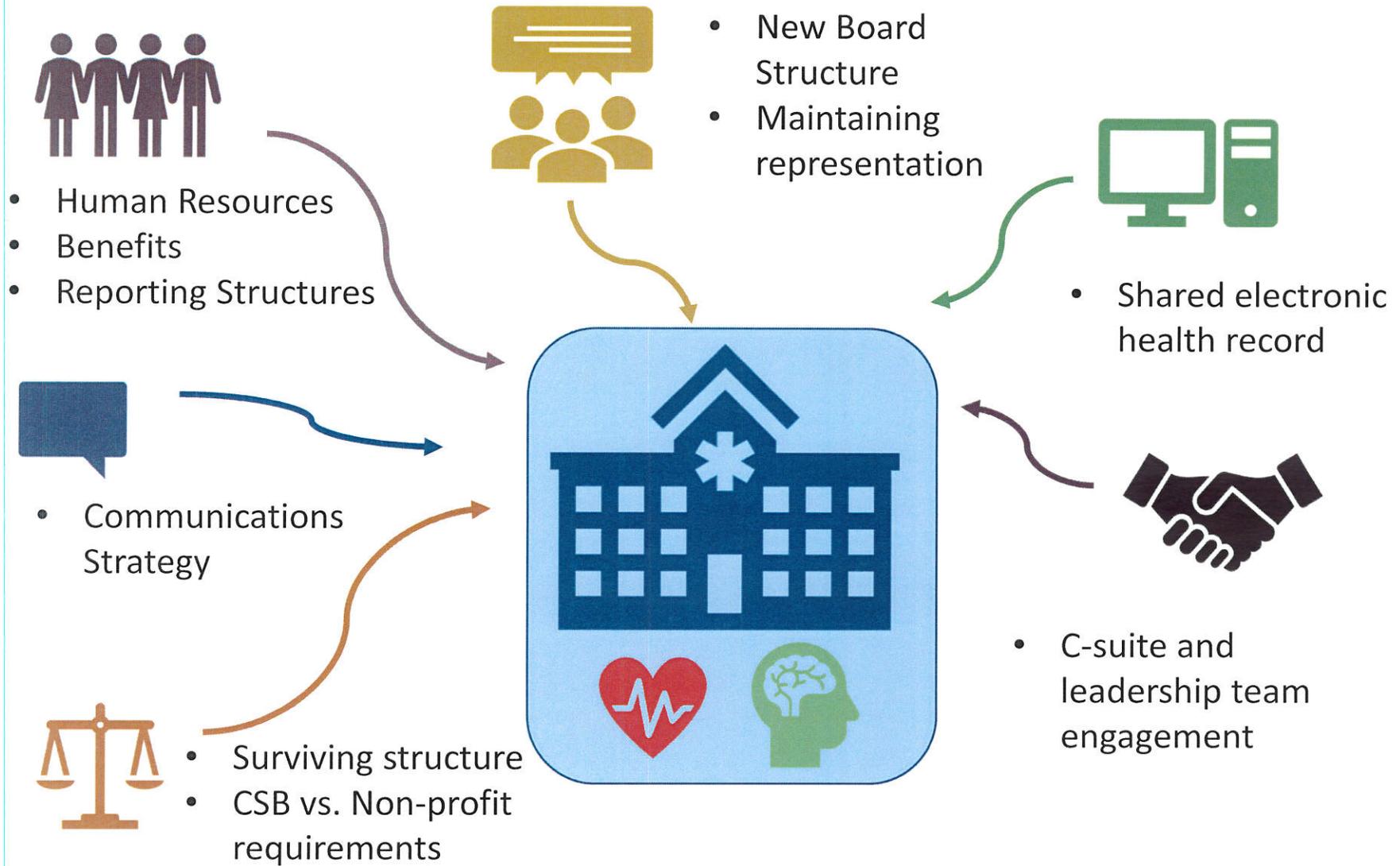




**CREATING A “GLIDE
PATH” TO A FUTURE
MODEL**

HEALTH MANAGEMENT ASSOCIATES

CREATING A "GLIDE PATH" TO A FUTURE MODEL



CONTACT US



GAIL MAYEAUX
Principal

716.307.0793
gmayeaux@healthmanagement.com
www.healthmanagement.com



JOSHUA RUBIN
Principal

646.590.0233
jrubin@healthmanagement.com
www.healthmanagement.com

 **@MedicaidGeek**



MARY KATE BROUSSEAU
Senior Consultant

541.231.3717
mbrousseau@healthmanagement.com
www.healthmanagement.com

HEALTH MANAGEMENT ASSOCIATES