



New Workforce Skills for Health Care Reform

Colorado Behavioral Healthcare Council
October 2, 2011 | Breckenridge, Colorado

Sandy Forquer, Ph.D. Senior Vice President State Government Programs
OptumHealth™ Public Sector

Agenda

- About OptumHealth
- Pressures that Health Care Reform present for behavioral health
- New leadership challenges in the health reform era
- New leadership skills you'll need in your tool box
 - Collaborative leadership
- New roles for your Board

About OptumHealth

- Industry leader in population health management, serving both the medical and behavioral health needs of consumers and communities nationwide
 - Over five million Medicaid and Medicare members
 - Every kind of organizational/program type (carve-out, carve-in, integrated, etc.)
 - Persons from all walks of life in employer- and government-sponsored programs
- Part of the Optum™ family of companies owned by UnitedHealth Group:
 - OptumHealth
 - OptumInsight™ (formerly Ingenix®), one of the largest health information, technology, and consulting companies in the world
 - OptumRx™ (formerly Prescription Solutions®), the pharmacy management leader in service, affordability, and clinical quality
- Intensely recovery-focused organization

Our **MISSION** is to help people live their lives to the fullest

The Optum Family

Information and technology enabled health services platform encompassing:

- Technology solutions
- Intelligence and decision support tools
- Health management and interventions
- Administrative and financial services
- Pharmacy solutions

 OPTUMHealth™

 OPTUMInsight™

 OPTUMRx™

Optum and Sustainable Health Communities

- We believe that the health system is going to work better one community at a time
- We believe that no single payer can create meaningful and lasting change alone
- We need to begin to work together in new ways across the health system – consumers, providers, employers, support services, government, and individuals
- To be sustainable the Health Community must be; Connected, Intelligent and Aligned
- We can ultimately enable better care outcomes, more efficient use of resources and happier and healthier people

OptumHealth's Public Sector Commitments

Significant
**capital and
infrastructure
investments**
over the last 4 years

2.9 million
Medicaid and
State Children's Health
Insurance Program
(SCHIP) members
in 22 states

1.7 million
Medicare members
in 33 states

1,500
Public Sector
staff

Strong Colorado Presence

710,000
commercial lives

84,000 Medicare lives

400
consumer
and family
organizations
trained

Pressures that Health Care Reform Present for Behavioral Health

- Performance
- Purchasing
- Financing
- Innovation
- Leadership

THE TRIPLE AIM

Enhanced health care experience by the consumer

Improved health outcomes

Bending the cost trend

Performance Pressures

- Movement to a population health approach
- Optimal treatment for newly eligible populations
- Screening, Brief Intervention, Referral and Treatment (SBIRT) for mental health
 - Substance use disorders combined with complex physical health conditions only (see Health Affairs, August 2011)
 - *Buck, J. The Looming Expansion and Transformation of Public Substance Abuse Use Treatment Under the Affordable Care Act.*
- Focus on prevention and wellness
- Patient activation/self-care
- Health homes
- Team-based medicine
- Size Matters: Volume, infrastructure, quality

Purchasing Pressures

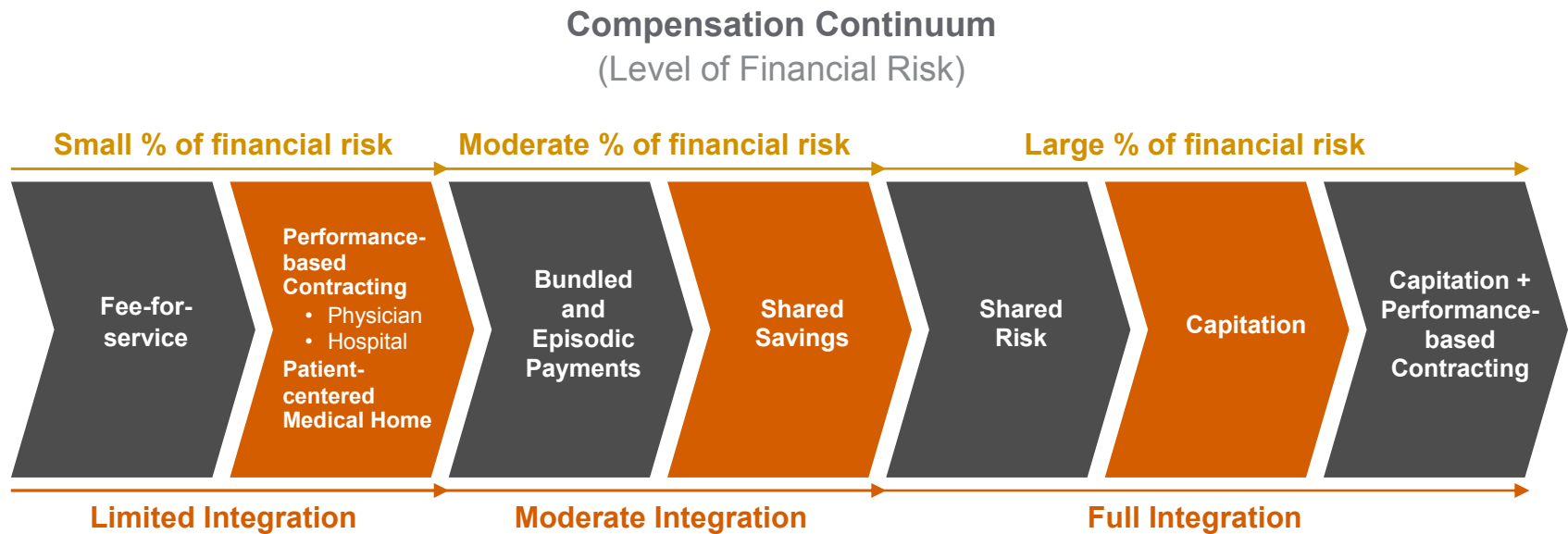
- Safety Net coverage issues and costs
- Benefit design vs. provider subsidies
- Definition of essential benefits
- Reductions in federal block grants and state general fund \$
- Subsidy “crowd out”
- Health Information Exchanges and Cooperatives
 - Eligibility, enrollment and the “churn” factor
- Coordinated benefit plans: Medicaid, indigent care
- Delivery System Redesign
 - “...while Medicaid and Medicare increased access for millions of Americans, they did not change the way we deliver healthcare services. [ACA] requires that we transform the delivery of healthcare services in the next decade.”
Dolan, TC, Leadership Skills for Healthcare Reform, Healthcare Executive, Sep/Oct 2010. Dr. Dolan is President/CEO of the American College of Healthcare Executives.

Financing Pressures

- Bending the cost curve
- Pay for performance
- Bundled reimbursement packages with adjustments based on not meeting quality benchmarks
- Potentially avoidable conditions
- Never events

Value-based Payments and Network Innovation as Tools

- The shift toward increased collaboration, outcome-based payment, and new benefit design is driving innovation in both payment models and delivery system configuration.



Continuum of risks represents multiple value-based contracting options. OptumHealth is working to deploy a variety of options with its network of providers based on their readiness to accommodate varying levels of risk.

Innovation Pressures

- New relationship between cost and quality
- Expectation to transform
- “Exnovation” a given
- Competitive survival
- New leadership skills

Exnovation Defined

- The term is credited to “Kimberly in 1981”
- “Exnovation is at the end of the innovation life-cycle where it “discards” or even purges existing practices to allow the organization to adopt different and fresh thinking to any new innovation activities.”
- “Exnovation is also an opportunity to discard existing practices or improve on them. During projects, a lot of junk tends to build up in terms of policies, practices, rules and regulations – many of which may have outlived their utility. It’s an examination of what’s working and what doesn’t.”
- “Exnovation gives us the opportunity to jettison what is no longer relevant and the space to create something more relevant to the current project.”

New Leadership Challenges

“Health care reform is a journey to top performance”

- Shift to a population management focus - from “sick care” to “health care”
- Pressure for transparency
 - Between providers, health plans and consumers
- IT systems will need new “robust” functionality for bundled payments, sub-capitation and data reporting in order to manage risk effectively in new financial arrangements
 - New time spans
 - New responsibilities for holistic care

New Leadership Challenges *continued*

- Enhanced relationship between quality and finance
 - **Hospital and Health Networks**, November 2010 discusses finance-quality integration
 - “Quality will explicitly determine how you are paid”
 - Finance staff need to understand the quality measures attached to payment; quality staff need to understand the financial impact of each quality/performance measure and its cost if not met
 - Value-based purchasing
- New focus on top performance both inside your walls and outside in the community-at-large
 - Taking health care to the community vs. bringing the community to you
 - Collaborative community relationships are a given
 - Care coordination and clinical integration

The New Leadership Tool Box

Community relations and networking skills

Identify community collaborators

Community orientation

Relationship building

“Mastery” of change management and change leadership (both the technical and human components of change strategy)

High-level knowledge of quality tools and getting staff to use them

IT system development to manage new payment methodologies and track performance to payment

Essentials of Collaborative Leadership

- Lambert (1998): “...view leadership as an action that includes the ‘processes, activities and relationships’ in which organizations and their members engage to undertake the challenge of collaboration”

Conditions for Collaborative Leadership

- Empowerment
- Assessment of the entire situation
- Vision
- Shared planning
- Providing resources
- Trust

Impediments

- Politics
- Differences among stakeholders (agendas, goals, visions)
- Urban vs. rural collaboratives

Collaboration Competencies

- Keeping people at the table through periods of frustration and skepticism
- Acknowledging small successes
- Able to work across boundaries
- Collaborative inquiry
- Risk calculation and risk taking

Short-term Changes that BHOs Could Drive Over the Next Two Years

- Increased valuing of recovery and resiliency as a means to improved outcomes and bending the cost trend
- Enhanced role of peer and family peer specialists in engagement and outreach efforts
- Greater adoption of peer and family peer services as a means to divert hospitalizations, reduce inpatient stays and unnecessary ER visits
- Enhanced discharge planning with increased use of peer bridgers and peers as health and wellness coaches
- Successful implementation of behavioral health organizations (BHOs) as health homes for persons with serious mental illness and peer-led teams to support health home members
- Redesign of crisis systems
- Increased focus on service integration efforts among mental health, substance abuse and physical health
 - These efforts recognize the need of the whole person by integrating service planning and delivery

What You Can Do Now to Prepare:

- New focus on top performance both inside your walls and in the community at large
 - Taking health care to the community vs. bringing the community to you
 - Building new community relationships, strategic partnerships with allied systems of care
 - Care coordination and clinical integration
- **Use data:** invest in data capture and management
- **Track your outcomes:** talk about your accomplishments
- **Be creative:** conduct pilots and share what you learn
- **Stick to your budgets:** operating discipline could be the difference between remaining viable and closing your doors
- Consider reading *The Innovator's Prescription: A Disruptive Solution for Health Care* by Clayton M. Christensen
 - Notice emphasis on creating value networks
 - Think about how peer- and family-run programs can become part of your future value network



Thank you.

For more information, please contact:
sandra.forquer@optum.com