

## Association for Community Affiliated Plans (ACAP) plans, partners, and vendors, at the

**ABSTRACT** 

(and often creative) mechanisms to finance social needs, ACAP plans create programs that serve to reduce health disparities and improve member health. The strategies shared at the conference, and outlined below, provide breadcrumbs that other health plans can follow to introduce and fund similar initiatives to create peer-based health systems in their regions. Author: Mark Liber Additional conversations centered around redetermination, the topic that continues to take the Medicaid nation by storm and demand significant

investment in time and resources for plans. There is

hope – ACAP plans are seeing some success here as

especially in regards to what tactics are working best

to actually reach members and get them to reapply.

Let's dive in on some specifics of what we heard on

they continue to battle challenges associated with

eligibility redetermination dates come and go,

Last month, Siftwell leaders heard from the

ACAP CEO Summit. By supporting Community

Based Organizations (CBOs) and using available

reaching members despite often poor contact information. We continue to watch this space as

financing of social benefits.

determinants of health.

SUSTAINABLE FINANCING FOR HEALTH-RELATED **SOCIAL BENEFITS:** ACAP leaders shed light on actionable tactics their plans are implementing to operationalize social determinants, structure supplemental benefits, and ensure sustainable financing for these critical benefits. As health plans work to find innovative and effective ways to fund social needs and support

CBOs, these strategies can serve as actionable

guidance to fund initiatives aimed at addressing social

The Center for Health Care Strategies presented 5

outcomes and reduce disparities. By leveraging the

mechanisms outlined below plans can create and

improvements for health-related social benefits.

The use of In Lieu of Services (ILOS) involves

to address social determinants of health. This

redirecting funds from traditional healthcare services

to support and scale up benefits that improve

sustain financing for programs that drive

• In lieu of services (ILOS)

specific approaches plans are currently implementing

strategy recognizes that certain non-medical interventions can be effective in improving health outcomes and reducing healthcare costs. ILOS allows healthcare organizations to allocate resources towards social interventions that directly impact the underlying factors affecting health. ILOS ultimately provides medically appropriate and cost-effective substitutes for plan services or settings. Recent guidance from CMS has facilitated

the implementation of ILOS, allowing plans to

organizations can proactively address social

better health outcomes for individuals and

Section 1115 demonstrations

Section 1115 demonstrations, enabled by CMS,

provide states financial flexibility to design and

improve their programs and serve as opportunities

new approaches. Managed care rates can reflect the

for state and federal partners to test and evaluate

communities.

address health-related social needs without the

requirement of being budget neutral. By integrating

social interventions into healthcare funding streams,

determinants of health and work towards achieving

cost and utilization of approved Health-Related Social Needs (HRSN) services, while separate state funding supports HRSN infrastructure like technology and workforce. By leveraging these demonstrations, states can explore innovative approaches, collaborate with CBOs, and demonstrate the value of interventions targeting social determinants of health. • Community Health Worker (CHW) State Plan Amendments (SPAs): State Plan Amendments (SPAs) refer to changes made to a state's Medicaid program to include reimbursement for the services provided by Community Health Workers (CHWs). CHWs are frontline healthcare workers who are also trusted members of the communities they serve- we wrote about this more in our recent post about the AHIP

Conference. They often have a similar background as

the community they work in, allowing them to

establish strong relationships, provide culturally

CHW SPAs are a way for states to recognize and

integrate the role of CHWs into their healthcare

systems and reimbursement structures. States can

cover CHW services as formal Medicaid benefits by

submitting SPAs to include them as eligible providers

and outline the services they can offer. Managed care

rates can reflect the cost and utilization of these state

addressing social needs. Including CHWs in Medicaid

their services, making it feasible for organizations and

healthcare providers to employ and utilize valuable

CHWs as part of their care teams. See our post to

learn how other plans are leveraging this strategy.

reimbursement ensures sustainable financing for

plan services, providing support for community

health worker programs and their impact on

for communities.

competent care, and ultimately improve outcomes

Managed Care Organization (MCO) Incentives Managed Care Organization (MCO) incentives

promote cost-effective, quality care delivery and

better outcomes. These incentive strategies are

withhold incentive arrangements and auto-

assignment methodologies that incentivize

Related Social Needs (HRSN) screening and

activities. Successful implementations of this

five percent of the capitation rate as incentives.

the entire care ecosystem, MCOs can drive

Reinvesting in the community is critical, by

Community Reinvestment

overall healthcare value.

designed to align the interests of the MCOs with the

goals of improving health outcomes, managing costs,

and enhancing patient satisfaction. States can design

performance on quality measures related to Health-

mechanism have shown that MCOs can either receive

a return of withheld capitation funds or receive up to

These various incentives aim to align the interests of

improvements in outcomes, patient satisfaction, and

harnessing local resources organizations can ensure

ongoing funding to sustain and expand programs that

address social determinants of health, leading to

improved health outcomes. To support this, states

can direct Managed Care Organizations (MCOs) to

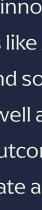
reinvest a portion of their profits, reserves, or after-

tax underwriting margin into local communities to address Health-Related Social Needs (HRSN). MCOs with profits in excess of three percent may retain a portion of those excess gains if they invest in initiatives that seek to address housing, employment and food insecurity, help achieve health equity or community development. Pennsylvania's long standing community reinvestment provisions for its behavioral health plans are an exemplary model of this strategy. The plans are expected to expand this approach to physical health MCOs later this year. DEPLOYING SDOH STRATEGIES TO ADDRESS SOCIAL NEEDS At Siftwell, we are excited to sit alongside plans and helping them identify and precisely deploy SDOH strategies that sustainably and effectively address social needs. Our analytics software helps identify impactable pockets of members who can benefit the most from SDOH support, along with rich context that guides plans as to what modes of support are most likely to engage members and impact member health. Siftwell's models also predict member retention and churn rates, allow plans for the first time to understand how to optimize their resources and to retain high-needs members who are at higher risk of leaving the plan or losing coverage (see more

leveraging analytics and software solutions, organizations like Siftwell are empowering plans to create better health outcomes, support communities, and create a more equitable healthcare system. Together, we can drive positive change and improve the well-being of individuals and communities across the nation.

SHARE

benefit them most.



on this work <u>here</u>). Once identified, plans can help

educate these at-risk members on how to reverify

their coverage and avoid coverage loss, and also on

what medical, behavioral, and social programs might

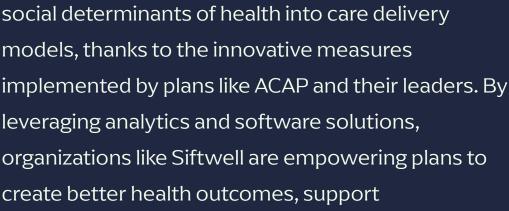
The ACAP CEO Summit provided a platform for

leaders to share the details of their innovative

mechanisms at their disposal. The healthcare

initiatives and the utilization of governance related

industry is making significant strides in integrating





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