Addressing Social Determinants of Health for Medicare and Medicaid Beneficiaries through Accountable Health Communities

Introduction

One of the aims of the Patient Protection and Affordable Care Act (ACA) is to reduce healthcare expenditures by improving population health. Another goal is to address some of the health-related, social factors that impact an individual’s well-being. According to the Kaiser Family Foundation, such factors including socioeconomic status, education, employment, the physical environment, and social support, account for about 20 percent of an individual’s health and well-being. The ACA includes various mechanisms to address these factors, which are also called social determinants of health. One mechanism is incentivizing research and implementing evidenced-based models to improve population health by addressing social determinants. The Centers for Medicare and Medicaid Services (CMS) Innovation Center was established by the ACA for the purpose of testing innovative payment and service delivery models that reduce program expenditures and improve healthcare quality for Medicare and Medicaid beneficiaries. New model ideas undergo extensive evaluation to determine their efficacy in reducing Medicare and Medicaid program expenditures. CMS has acknowledged that many health care costs can stem from social determinants of health that impact beneficiaries. To that end, CMS has announced a funding opportunity for a new model that is designed to address some of these social issues: The Accountable Health Communities (AHC) Model.

Accountable Health Communities Model

The AHC Model (also referred to as Accountable Communities for Health) is a healthcare service delivery model designed to address healthcare costs and utilization that stem from “health-related social needs” for Medicare and Medicaid in target communities. CMS defines a health-related social need as a community service need that can be linked to health care, including the cost of care and inpatient and outpatient utilization of care. CMS has determined that proposals should address health-related social needs in these five core areas:

- Housing instability
- Utility needs
- Food insecurity
- Interpersonal violence
- Transportation

**AHC Model Components**

CMS will award funds to organizations that seek to implement an AHC project. Organizations will coordinate systematic assessment of health-related social needs and implement an AHC project to address the identified needs. These organizations will be called “bridge organizations” and will connect clinical delivery providers with community service providers. This coordination can happen in different ways. CMS has broken this model down into three different possible tracks, with each track having the goal of addressing health-related social needs in the five target areas. Organizations can submit proposals for one of the three tracks. CMS calls these tracks awareness, assistance, and alignment to denote the goal of each track. The role of the bridge organization will differ in each track. The three tracks and roles of the bridge organizations are described below.

- **Track One- Awareness**
  Track One projects are supposed to identify the health-related social needs of the Medicare and Medicaid beneficiaries of a particular clinical delivery site and bring awareness to community providers who can address the identified needs. Bridge organizations that are awarded funding for a Track One project will implement systematic methods to identify patient health-related social needs and community providers who can meet those needs.

- **Track Two- Assistance**
  Bridge organizations that are awarded funds for a Track Two project will “provide community service navigation services to assist high-risk beneficiaries with unmet health-related social needs.” Track Two proposals will match beneficiaries with community service providers that can remedy their social issues.

- **Track Three- Alignment**
  Track Three proposals will create alignment with clinical service providers and community service organizations to provide beneficiaries with a full range of services. Track Three projects differ from Track One and Track Two projects in that they will be affirmatively responsive to the needs of the communities by creating ways to address identified health-related social needs. Tracks One and Two use already available mechanisms to address social needs. This is the most comprehensive track, as it provides a way to streamline clinical and social service delivery.

**AHC Model Evaluation**

CMS will evaluate the effectiveness of the AHC model in reducing healthcare costs by analyzing Medicare and Medicaid program cost reduction. CMS will use the number of emergency department visits and hospital inpatient readmissions to measure the AHC model impact on quality of care.
AHC Implementation

CMS is currently evaluating proposals for Tracks One, Two, and Three, and will announce the awards in spring 2017, with implementation slated to begin shortly thereafter. Some states, however, are getting a head start. Washington, along with a handful of other states including Minnesota, California, and Michigan are implementing AHC programs as a part of the State Innovation Model federal program that awards states funds to use innovative ways to reduce state healthcare expenditures and improve population health.11 Additionally, Washington has recently received a preliminary waiver from CMS to overhaul its Medicaid program using the AHC model.12 The Washington model is slightly different from the proposed CMS model, with a goal of promoting regional collaboration to improve health in the state. Washington defines an Accountable Community of Health as a “regional coalition existing of leaders from a variety of different sectors working together to improve health in their region.”13 Washington began using this model in 2015 by organizing nine different regional AHCs to assess the different needs across the regions. Each AHC in Washington is currently in a different stage in the assessment process, but evaluation findings from the first year show that the model has the potential to improve population health in the state.14

Conclusion

The AHC model has the potential to improve population health and reduce healthcare expenditures. Thorough evaluation of the model in the Medicare and Medicaid context can provide key support for the broad implementation of this model.

SUPPORTERS

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REFERENCES


6 Id.

7 Id.

8 Id.

9 Id.

10 Id.


14 Id.