

Public Hospital District #2
Board Special Meeting Agenda

MARCH 8, 2017
8:00 to 9:30 a.m.

Verdant Community Wellness Center

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|----|--|------------------------|------|
| 1. | Call to Order | President Knutsen | 8:00 |
| 2. | Update on Affordable Care Act (ACA) | Commissioner
Wilson | 8:00 |
| 3. | Update on Medicaid 1115 Waiver | Superintendent Fenn | 8:15 |
| 4. | Building Healthy Communities Fund discussion | All | 8:30 |
| 5. | Diabetes Prevention Program discussion | All | 9:00 |
| 6. | Public Comment | | 9:15 |
| 7. | Adjourn | President Knutsen | 9:30 |

PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON

SPECIAL MEETING/STUDY SESSION

March 8, 2017

8:00 a.m.

Verdant Community Wellness Center

Commissioners Present

Deana Knutsen, President
J Bruce Williams, M.D., Secretary
Bob Knowles, Commissioner
Karianna Wilson, Commissioner

Commissioners Excused

Fred Langer, Commissioner

Staff/Others

Robin Fenn, Superintendent
George Kosovich, Assistant Superintendent
Lisa King, Director of Finance
Jennifer Piplic, Director of Marketing
Sue Waldin, VCWC Manager
Karen Goto, Executive Assistant
Members of the public

Call to Order

The Special Meeting of the Board of Commissioners was called to order by President Knutsen at 8:07 a.m.

Update on Affordable Care Act (ACA)

Mr. Kosovich presented the possible impacts of the Affordable Care Act (ACA) rollback (E:14:17). Commissioner Wilson added that the current solutions to repeal and replace the ACA will probably not pass. Dr. Fenn added that the President Obama innovation grants will probably be rescinded. President Knutsen added that Governor Inslee faces the education funding issue this year and that some hard decisions are coming from the state legislature.

Update on Medicaid 1115 Waiver

Dr. Fenn explained that the federal government will give \$1.5 billion to the State of Washington for programs to bend the Medicaid cost curve. These funds from the Center of Medicaid/Medicare Services (CMS) will be given to three different areas—long-term care, supportive housing and employment, and the Accountable Communities of Health (ACH). Within the ACH, there are nine project areas with work groups in each. Dr. Fenn & Mr. Kosovich will be a part of a work group and plans are due to the state by September 2017. Commissioner Wilson shared information about transformation in Oregon that started five years ago and commented that any cost savings will now go back to CMS, not the state.

The board is invited to attend any of the North Sound ACH meetings in Mt. Vernon.

Dr. Fenn will send more information on the ACH tool kit to the board.

Building Healthy Communities Fund Discussion

Mr. Kosovich presented a review of the timeline, possible paths forward, and RFP priorities (E:14:17). President Knutsen asked commissioners to confirm that they were still okay with the two priority areas identified on page 2 of the exhibit or if they wanted to make any changes.

Commissioners discussed the possible paths forward and all present agreed to pause and reissue in 2018 with no changes to their two priorities at this time.

President Knutsen will ask Commissioner Langer for his thoughts.

Mr. Kosovich will communicate this to the current applicants and may encourage them to apply through the program application process.

Commissioner Williams stated that the fundamental decision is that no money will be issued in 2017 for the Building Healthy Communities Fund.

Diabetes Prevention Program Discussion

Commissioner Knowles explained that the Program Committee brought this idea forward at a recent meeting (E:14:17). Commissioners discussed the benefits of having such a program at Verdant with the hopes of complementing the programs from other community groups. Staff will either seek out a partner such as the YMCA with expertise in operating the program or identify independent contractors with expertise to staff the program.

Public Comment

Mr. Farrell Fleming of the Edmonds Senior Center commented that although he is disappointed with the board's decision to pause and reissue the Building Healthy Communities Fund projects, he wants Verdant to understand that even in uncertain times, good work must continue. Mr. Fleming added that Verdant knows the importance of a facility to offer programs that impact the community, and that the social determinants of health are important.

President Knutsen commented that she enjoyed her recent visit to the Edmonds Senior Center and wants Verdant to continue to partner with them. Commissioner Williams suggested having a future Verdant board meeting at the Senior Center with a focus on understanding what the center offers and what their needs are.

Dr. Fenn will work on a date for this meeting.


Adjourn

The meeting was adjourned at 8:56 a.m.

Attest By:



President



Secretary

Affordable Care Act Summary

- Through Medicaid Expansion & Qualified Health Plans (QHPs) ~70,000 new Snohomish County residents are covered.
- Estimate for Verdant hospital district ~15,000 additional insured individuals. According to 2015 Census Estimates, 16,000 residents are currently covered by Medicaid/Apple Health.
- Other: 10 essential benefits, including behavioral health parity and preventive screenings, coverage for children up to 26.

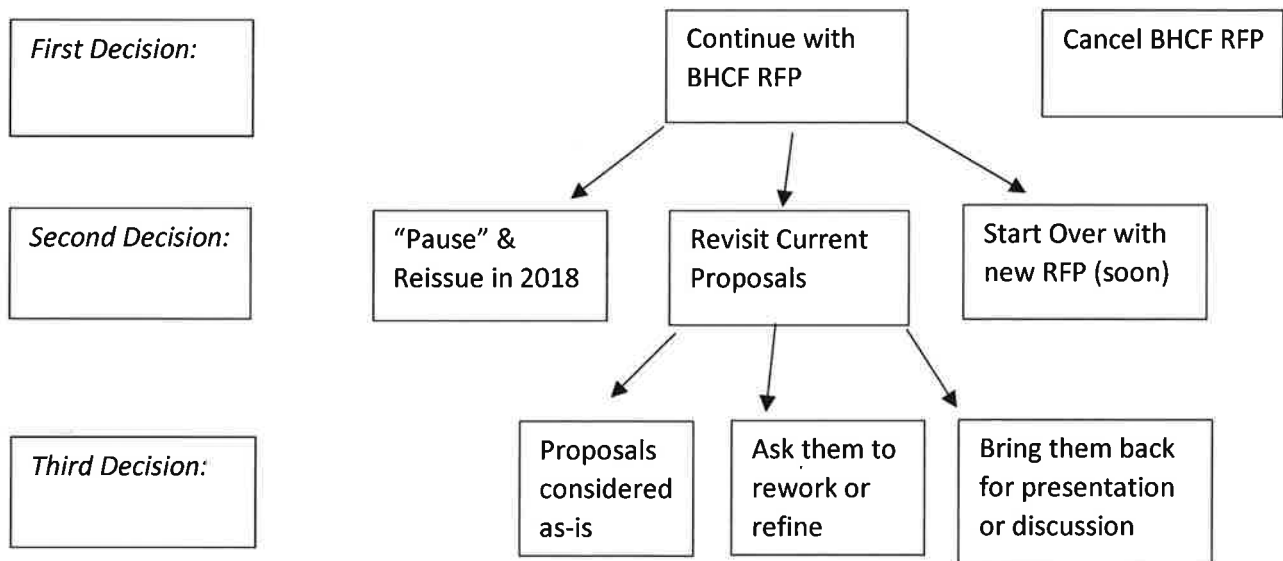
	Possible Impacts of Affordable Care Act Rollback
Access to Healthcare	<ul style="list-style-type: none"> • Reduction in # covered by Medicaid and QHPs • Pressure on QHP and commercial insurance; plans drop out of exchange and costs spike. • One proposal has Medicaid expansion eliminated for new enrollees effective 2020, including for re-enrollment • Block grants w/fixed federal contribution put pressure on state Medicaid budget, could lead to cost sharing and coverage limitations • Lower reimbursement rates limit access to providers • Loss of preventive care and chronic disease management • Community clinics see decline in revenue • Potential impact on dually eligible Medicaid/Medicare group (low-income and disabled)
Dental	<ul style="list-style-type: none"> • Reduction in # covered by Medicaid with a dental benefit • During recent recession, adult dental benefit dropped from Medicaid in Washington
Behavioral Health	<ul style="list-style-type: none"> • Full repeal puts behavioral health parity at risk • Young people not covered until 26. Would impact substance use disorder and mental health treatment options. • Disruption of full behavioral health integration
Other Possible impacts	<ul style="list-style-type: none"> • Federal budget reductions in health and human service programs (housing, food, seniors, etc.) • Continuing resolution on budget expires 4/28/17

Building Healthy Communities Fund Discussion

Review Timeline

June 2016	July 2016	August – October 2016	November 2016
Applications due	Program Committee review, recommendation on top projects to board	Study Session with applicant presentations in September, two follow-up meetings with additional information and discussion	Decision made to revisit in June 2017

Possible Paths Forward



Building Healthy Communities Fund RFP Priorities

The purpose of the fund is to support projects in South Snohomish County that create long-lasting community health improvements. Verdant is specifically seeking projects that address two priorities:

1. Projects that increase opportunities for residents to live active and healthy lives, or
2. Projects that significantly increase the capacity/service level in high-need areas such as behavioral health, dental, access to healthcare or health & wellness services for seniors.

Verdant is seeking projects that:

- ✓ Can measure specific results and community health or wellness improvements as a result of the project. Verdant has a preference for projects that can demonstrate improvements in health or wellness, rather than just raw usage numbers.
- ✓ Include cooperation between multiple organizations or jurisdictions.
- ✓ Leverage other funding sources.
- ✓ Have a clear plan for ongoing maintenance and/or sustainability.

Follow-Up on CDC Diabetes Prevention Recognition Program

DPP is a CDC-recognized lifestyle change program designed to prevent or delay type 2 diabetes. The program was validated by a large randomized control study with 27 centers around the US, and participants in the lifestyle intervention group reduced their risk of developing diabetes by 58%. The program is distinct from hospital programs that work with individuals already diagnosed with diabetes.

Potential Cost Structure

An article published by the Diabetes Prevention Program Research Group outlined the effort and costs in running a DPP program.¹ The costs were determined by surveying the 27 programs in the study group to determine an average cost. Most of the costs are associated with the Lifestyle Case Manager (LCM) who conducts group sessions, individual visits, and supervised activity sessions in conjunction with a trainer. The cost estimate also includes materials, marketing and administrative overhead.

Assuming the effort was similar for Verdant, to serve 50 people in the first year, the cost would be ~\$70,000. In the study, the program continued for 3 years, with lower costs in years 2 and 3.

Item	Provider	Units	Subjects (%)	Total cost (\$)
Year 1				
Baseline history and physical exam	Physician	1.0	100	91
Exercise test		1.0	19	22
Core curriculum	LCM	16.0	100	377
Materials		1.0	100	9
Supervised activity sessions	LCM	4.3	60	60
	Trainer	4.3	40	44
Lifestyle group sessions	LCM	0.4	100	11
In-person visits	LCM	7.7	100	105
Phone calls	LCM	2.3	100	14
Reminder phone calls	Secretary	29.4	100	48
Tool box				102
Overhead				517
Total per person cost (year 1)				\$1,399

To move forward, Verdant could:

- Seek out a partner organization (ex. YMCA) with experience in operating the program.
- Identify independent contractors with expertise to staff the program with existing Verdant staff and resources used for marketing, registration, etc.

¹ *Costs Associated With the Primary Prevention of Type 2 Diabetes Mellitus in the Diabetes Prevention Program*, Diabetes Prevention Program Research Group, 2001, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1402339/>