



Date: January 18, 2011

To: The Honorable Bob Bethell, Chair
House Aging and Long-Term Care Committee
Members, House Aging and Long-Term Care Committee

From: Bruce Witt, Director
Government Relations
Justin Loewen, CEO
Via Christi HOPE, Inc.
Via Christi Villages

Re: Via Christi Villages and HOPE

Date: January 18, 2011

Good morning. Chairman Bethell and members of the Committee, I am Bruce Witt, Government Relations Director for Via Christi Health, the largest provider of health care services in Kansas.

I appreciate the opportunity to tell you about the programs and services we offer to seniors and why we take our role as advocates so seriously. Via Christi Villages provides a diverse array of services for seniors in Kansas and north-central Oklahoma. We own or manage sixteen (16) senior living ministries ranging from independent living, assisted living to skilled nursing facilities. Collectively, we currently care for over 1,700 seniors in these ministries.

Via Christi Villages also offers seniors several different and innovative services including Via Christi InMyHome and Via Christi HOPE, a cost-effective care model designed to allow seniors to remain in their homes as long as safely possible.

Via Christi HOPE was the first PACE (Program of All-Inclusive Care for the Elderly) program in Kansas. Since opening the program in the fall of 2002, the Wichita PACE program has served over 530 adults in Sedgwick County and currently has an enrollment of 213.

Via Christi HOPE is a program that is attractive to seniors and has great potential for savings to the Kansas Medicaid program at a time when caseloads are increasing and our population is aging. To provide you with an overview of just how PACE can play a crucial role in helping keep costs down while offering high-quality care, I have asked Justin Loewen to tell you more about our PACE model, Via Christi HOPE functions. Justin is the CEO of Via Christi HOPE.

The PACE philosophy is to keep older adults at home with supportive medical care, homemaker and nursing services and coordinated physician interventions for as long as it is medically safe. PACE is an

HOUSE AGING & LTC

DATE: 01/18/11

ATTACHMENT #3

3-1

alternative to traditional long-term care placement and operates as a capitated, managed care model for preventive, acute and long-term care services.

Via Christi HOPE is a fully capitated program receiving a single monthly payment from Medicare, Medicaid and in some cases, private pay (for those enrollees not eligible for Medicaid). PACE assumes all costs included in the program. This combination of funding sources creates a funding pool for these services:

- | | |
|---------------------------------|---|
| ✓ Primary Care | ✓ Long-Term Care – Nursing Facility or Assisted Living |
| ✓ Physician Services | ✓ Acute Care – Inpatient & Outpatient |
| ✓ Pharmacy | ✓ Durable Medical Equipment |
| ✓ Laboratory & X-Ray | ✓ Transportation |

In addition, we provide over 4,000 hours of home care services each month to promote independence and safety as individuals remain in their home. Under the capitated payment methodology, the state incurs no additional costs as the needs of our participants increase. Furthermore, Medicaid costs are between 5% and 25% lower in relation to a comparable non-PACE population. Further, Medicaid saves approximately \$1,000 per month for every enrollee that would otherwise be cared for in a nursing facility.

While PACE is a managed care program, our payment methodology aligns the incentives of the enrollee and the program. Via Christi HOPE assumes full financial risk for participants' care without limits on the amount, duration, or scope of services. Our organization is at risk for and accountable for the quality and quantity of all services provided. This is to say, our success as a program is dependent on our ability to anticipate, identify and meet the unique needs of our enrollees while promoting safety and independence in their home.

A report compiled by the Program on Aging, Disability, and Long-Term Care, Cecil G. Sheps Center for Health Services Research at the University of North Carolina at Chapel Hill concluded that PACE improves Outcomes for older adults:

- PACE participants are more likely to maintain their physical function.
- PACE participants have lower rates of nursing home admission, and spend fewer days in hospitals, nursing homes and assisted livings, even though all PACE participants are certified for nursing home care.
- PACE enrollees are over three times as likely to have advance directives as the general population.
- In the first 12 months after enrollment, mortality is decreased by 32%.
- Overall, PACE participants have lower mortality rates, compared to similar nursing home patients.
- PACE participants at the end of life are able to die at home more than twice as often as others nationally.

I would happy to provide you more detailed information about Via Christi HOPE or PACE at a later date if invited to do so. It is a unique program that too few policymakers know about yet it offers a win-win for both seniors and the state.

Thank you or allowing me to appear before you today and I am happy to answer any of your questions at this time.

Profiles in Leadership

VIA CHRISTI LEADS INNOVATION IN SENIOR CARE DELIVERY



Capitalizing on demographic trends, enabling technology and unmet market gaps, Via Christi Health (VCH) in Wichita, Kansas, has become a beacon of senior care via a vast portfolio of products and services. Via Christi's innovation and expertise in addressing needs across the elderly population has allowed it to be well-positioned for the upcoming senior population boom as well as payment and delivery model reform.

OVERVIEW

VCH's senior services organization, Via Christi Villages (VCV), owns or manages 16 senior living ministries that include independent living, assisted living and nursing facilities that care for more than 1,700 seniors. Via Christi HOPE's 210-member Program of All-Inclusive Care for the Elderly (PACE) allows state-funded Medicaid participants to age with dignity by providing in-home assistance, proactive medical, physical and emotional care, and nursing facilities under a capitated model. VCV also recently launched InMyHome, a home-based individualized care coordination and long-term care product for more affluent seniors that offers services similar to PACE.

Fulfilling our mission involves providing for the needs of the entire community.

JERRY CARLEY, VCV PRESIDENT & CEO



SUCSESSES

Through its managed care and in-home emphasis, PACE has resulted in 10 percent and 25 percent savings to Kansas Medicaid-only and Medicare-Medicaid dual-eligibles, respectively (saving taxpayers nearly \$1,000 per patient per month). HOPE averages 25-45 acute care days per month, about half of that observed in the general population cohort. VCV attributes part of its success to being an independent entity within Via Christi Health, which allows the flexibility and accountability to bid support contracts competitively, which has even prompted the larger system to become more competitive on a greater scale. VCV has achieved its FY2010 6.5 percent operating margin by putting together the right clinical and administrative team that works together to do what's best for the participant and what's best for the program so that they can continually reinvest in program improvements for their very satisfied members.

“ I took the position because of my desire to serve in a system where all the pieces were in place. ”

DIRK SMITH, M.D., HOPE MEDICAL DIRECTOR

VIA CHRISTI HOPE, PACE PROGRAM

Via Christi HOPE is a capitated Program of All-Inclusive Care for the Elderly (PACE) that covers the entire spectrum of needs for its 210 members (197 of whom are on Medicaid). HOPE is designed to keep patients in their home as long as possible through a proactive program that includes home assistance, transportation, home modification, monitoring and care. Patients also have access to clinical care, transportation, exercise facilities, daily activities and, ultimately, skilled nursing care if necessary. As VCV carries full patient risk, HOPE assesses and anticipates member needs, which prompt administrative and clinical leaders to meet every morning to discuss and collaborate on the day's needs of individual patients. By aggregating service capabilities in-house rather than contracting, VCV ensures higher efficiency, quality and aligned incentives. VCV's ownership of a skilled nursing care facility makes it one of only two PACE programs in the country with its own such facility, essentially enabling VCV to own all of the major components of the continuum, rather than contracting for services. A similar initiative in home care services enables VCV to provide 60 percent of such services itself.

INMYHOME PROGRAM OVERVIEW

Over time, VCV consistently heard its elderly patients lament that they would like to age in their home, but they have little available support to do so. In parallel to the HOPE program, InMyHome (IMH) is designed to do just that, but for affluent individuals who would not yet qualify for skilled nursing. IMH provides members with personalized care coordination and at-home services, much like what adult children would arrange for their parents if they were available to do so. Members pay an age-adjusted entry fee ranging from \$25K - \$45K and a monthly maintenance fee of approximately \$400. Initial entrants must not have any disqualifying medical conditions, but are provided comprehensive services as medical conditions develop throughout the rest of their lives including a discount for residential care when needed. Work is underway to accommodate and reduce costs for members already having long-term care insurance. Launched in January 2010, InMyHome is working with estate attorneys and others to identify new members.

ADVANTRA MEDICARE COLLABORATION

VCH's unique collaboration with Coventry Health is designed to reduce utilization and improve health among a Medicare Advantage population. This initial three-year, 10,000-patient program represents a true provider-payor partnership in which Coventry will collaborate with VCH physicians to improve care delivery and reduce inefficiency. Advantra Total Care will provide care navigation and on-call services in return for a fee-for-service arrangement coupled with a regular monthly patient management fee to physicians. Shared savings will accrue for physicians and hospitals if certain thresholds are met.

IMPLICATIONS FOR ASCENSION HEALTH

The senior services programs have evolved over time at Via Christi and have culminated in a full and comprehensive service offering for the poor and vulnerable as well as the affluent. The organization has been able to bridge the often observed divide between the acute care system and primary, specialty and post-acute care in a cohesive and integrated way that aligns incentives for all stakeholders. The PACE and InMyHome programs will serve as important and valuable models of what a continuum of care can look like as Health Ministries begin to formulate continuum strategies within their own systems. Strong operating margins, important referral streams, high patient and provider satisfaction, tied together by the relationship with the patient is a strong value proposition at VCV.

CONTINUED

Aging with Dignity

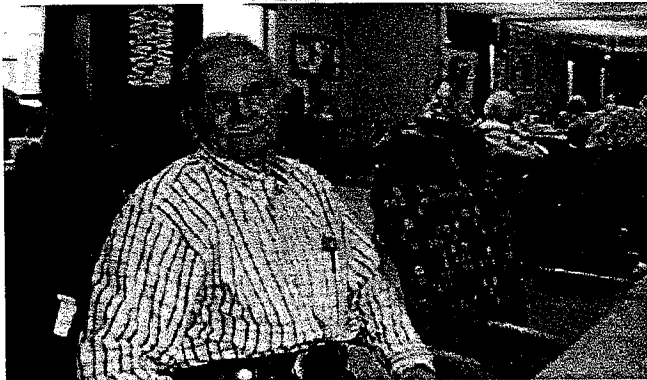
VIA CHRISTI CONTINUED



Ruth and John Coultis' Story

Ruth joined InMyHome a few months ago and shortly thereafter needed a hip replacement. IMH was immediately on the task of coordinating in-home rehabilitation services for Ruth, eliminating the need for her to find and obtain any of the necessary services herself. Her surgical outcome has been remarkably successful, but even that outcome pales in comparison to her satisfaction with her IMH caregiver, Tina. "There is a time in your life when someone like Tina can make your life so much better. I have the assurance that someone is always available to talk to us and is there to help," she said. IMH is a strong fit with the Mission of Via Christi Health and Ascension Health. John and Ruth feel a personal connection with Tina, and believe that IMH is an extension of Via Christi Health's Catholic culture, as the program's philosophy is centered around truly caring for the patient in all aspects – physical, emotional and spiritual.





Rachel and Wayne Jones' Story

After spending two months in the hospital with congestive heart failure, Rachel joined HOPE. Rachel was bedbound and fragile, and HOPE helped to provide her with medication, coordinated care, and facilitated activities through its daytime programs. "HOPE has saved my life," she said. "I was in a wheelchair when I came in. I couldn't climb steps. Now I can go up the front steps, and I can walk with a walker ... and even use a cane at home. They have just worked miracles with me." Rachel's husband, Wayne, joined HOPE within a year of Rachel, and daughter Ann is extremely thankful. "This program has been a godsend for all of us," she said. "We couldn't have asked for anything better. You don't have to feel all alone."

These pages were excerpted from
Profiles in Leadership: Leading Practices Across
Ascension Health Fall 2010.

CASE CONTACT

Jerry Carley
+1 316.946.5206
jerry.carley@viachristi.org

Janell Moerer
+1 316.858.4939
janell.moerer@viachristi.org