New York Medicaid Redesign

Health System Redesign:
Brooklyn Work Group

Working together to build a more affordable, cost-effective Medicaid program

July 28, 2011
Meeting Agenda

- Welcome/Introductions – Work Group Members
- Review of Work Group Charge and Timeline
- Status of Health Care Delivery in Brooklyn
- Regional Hearing Ground Rules
- Closing Remarks
Welcome/Introductions

Stephen Berger
MRT Health System Redesign – Brooklyn Work Group

MEMBERS:

- Stephen Berger, Chair
- Ramon Jesus Rodriguez
- Elizabeth Swain
- William Toby
- Arthur Webb
Work Group Charge and Timeline

Stephen Berger
Assess the strengths and weaknesses of Brooklyn hospitals and the health care system.

Assess the future viability of these systems to deliver appropriate health care to Brooklyn.

Make recommendations that will lead to a high quality, financially secure and sustainable hospital and health care system for Brooklyn.
## Work Group Timeline

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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</thead>
<tbody>
<tr>
<td>June 15</td>
<td>Charge to Chair/Work Group from State Health Commissioner</td>
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<tr>
<td>July 28</td>
<td>Brooklyn Public Hearing</td>
</tr>
<tr>
<td>Ongoing</td>
<td>Brooklyn Site Visits by Health System Redesign</td>
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<tr>
<td></td>
<td>Brooklyn Work Group</td>
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<tr>
<td>September 21</td>
<td>Brooklyn Public Hearing</td>
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<tr>
<td>Ongoing</td>
<td>Review Public Comments</td>
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<tr>
<td>November 1</td>
<td>Recommendations due to the State Health Commissioner</td>
</tr>
<tr>
<td>TBD</td>
<td>Other meetings to be scheduled</td>
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</table>
Status of Health Care Delivery in Brooklyn

Richard M. Cook
Brooklyn Community Profile
There are an estimated 330 DOH regulated health care providers/services in Brooklyn including:

- 17 Hospitals
- 42 Nursing Homes
- 45 Diagnostic and Treatment Centers
- 6 Federally Qualified Health Centers

Over 2.5 million people live in Brooklyn.

21.7 percent of Brooklyn residents live below the poverty line compared to 17 percent for the rest of NYC and 14.2 percent in the State.*

*Source: U.S. Census Bureau
In 2009, Medicaid enrollment in Brooklyn was approximately 1 million recipients while Medicaid spending was approximately $8 billion.

- 18 percent of Medicaid recipients include people living with one or more chronic or complex, high-need conditions. This group accounts for an estimated 53 percent of Brooklyn Medicaid spending.

In 2010, 78.5 percent of Medicaid recipients were enrolled in managed care.

Between 2007-2010, managed care enrollment increased 5 percent while fee-for-service decreased by 1.8 percent.

For this same period, inpatient hospital spending decreased by 4.3 percent while State wide spending decreased by 3.9 percent.
Health Care Delivery System in Brooklyn
# Health Care Facilities in Brooklyn

<table>
<thead>
<tr>
<th>REGULATED HEALTHCARE PROVIDERS/SERVICES</th>
<th># OF FACILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td>17</td>
</tr>
<tr>
<td>Hospital Extension Clinic</td>
<td>87</td>
</tr>
<tr>
<td>Diagnostic and Treatment Center</td>
<td>45</td>
</tr>
<tr>
<td>Diagnostic and Treatment Center Extension Clinic</td>
<td>84</td>
</tr>
<tr>
<td>Federally Qualified Health Clinic</td>
<td>6</td>
</tr>
<tr>
<td>Ambulatory Surgery Center</td>
<td>11</td>
</tr>
<tr>
<td>Adult Day Health Care</td>
<td>12</td>
</tr>
<tr>
<td>Certified Home Health Agency</td>
<td>13</td>
</tr>
<tr>
<td>Hospice</td>
<td>2</td>
</tr>
<tr>
<td>Long Term Home Health Care Program</td>
<td>11</td>
</tr>
<tr>
<td>Residential Health Care Facility – Skilled Nursing facility</td>
<td>42</td>
</tr>
</tbody>
</table>
Brooklyn has 17 Hospitals

-- 5 public hospitals
  (3 Health and Hospitals Corporation, SUNY Downstate Medical Center and a VA Hospital) and 1 public psychiatric center

-- 11 private voluntary

Many are clustered in the northeast and central regions
Brooklyn Health and Poverty Status
Brooklyn’s Poverty Status by Neighborhood

- Poverty is concentrated in the north central neighborhoods of Brooklyn.
- This area of the borough also has high mortality rates overall.
Several of Brooklyn’s neighborhoods consistently rank in the top quartile among NYC neighborhoods for chronic health conditions and risk factors.

Residents have reported lack of access to medical care.

Source:
Significant Reliance on Hospitals for Health Care

2009 Commonwealth State Scorecard on Health System Performance Ranked New York 50th for Avoidable Hospital Use and Cost
Prevention Quality Indicators (PQI) measure inpatient hospital visits that might have been avoided or treated through better preventative care.

--Within Brooklyn, the northeast communities have the highest rates of inpatient care that might be avoided.

Source: SPARCS 2010 (partial year).
PQI Rates by Condition Effect
Brooklyn’s Neighborhoods differently
(Quartile rank among Brooklyn Zip Codes)

Acute PQI Conditions
Dehydration, Bacterial Pneumonia, Urinary Infections

Diabetes
- Second Highest Rates
- Highest Rates

Source: SPARCS
2010 (partial year)
18 percent of adult med-surgical admissions, a total of 34,400 admissions, were for conditions that are treatable in ambulatory settings.

- 1/5th higher than statewide

The percent of hospital days that are potentially preventable are 4 percent higher in Brooklyn compared to the State, accounting for almost 200,000 days of hospital care in Brooklyn.
Statewide, 4 percent of admissions are potentially preventable readmissions. As a whole, Brooklyn’s readmissions are similar (3.9 percent), although some facilities, shown in dark orange, have higher potentially preventable readmissions.

Medicaid not dual eligible, Mental health and substance abuse admissions excluded

PPR - A readmission is considered to be clinically related to a prior admission and potentially preventable if there was a reasonable expectation that it could have been prevented.
Emergency Department use in Brooklyn is not markedly different than the rest of the State or City but many visits could be handled outside the hospital

- There are 800,000 emergency room visits in Brooklyn per year.
- 45 percent of ED visits at Brooklyn hospitals are not emergencies and can be considered “primary care treatable.”
- The “not evaluated” category includes patients with a principle diagnosis of injury, mental health, alcohol, or substance abuse.

Source: ED Treat and Release Patients NYU Algorithm
Map for all inpatients shows:

- local dominance by select hospitals;
- intense competition in north-central Brooklyn with no distinct market leader.
91 percent of Brooklyn Hospitals patients come from Brooklyn

BUT ...

24 percent of Brooklyn patients leave Brooklyn for hospital care particularly in the high margin services such as surgery.

Outmigration of these services represents an estimated $1.1 billion in lost revenue opportunity.

<table>
<thead>
<tr>
<th>Service</th>
<th>Come from Brooklyn</th>
<th>Leave Brooklyn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical</td>
<td>92%</td>
<td>16%</td>
</tr>
<tr>
<td>Surgical</td>
<td>89%</td>
<td>31%</td>
</tr>
<tr>
<td>Obstetric</td>
<td>94%</td>
<td>24%</td>
</tr>
<tr>
<td>Pediatric</td>
<td>89%</td>
<td>26%</td>
</tr>
<tr>
<td>Newborn</td>
<td>91%</td>
<td>28%</td>
</tr>
<tr>
<td>Psych*/Subst</td>
<td>88%</td>
<td>28%</td>
</tr>
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</table>

* Does not include Kingsboro Psychiatric Center
Declining admissions at some facilities are correlated with less favorable operating margins.
Opportunities for Health System Redesign

- Improved health care outcomes and quality:
  - Reduced Admissions (PQIs)
  - Reduced Readmissions (PPRs)
  - Reduced Use of Emergency Rooms

- Case management capacity of Medicaid managed care.
- Use and further development of quality primary care.
Health System Redesign: Brooklyn Work Group Hearing Ground Rules

Jason Helgerson
Health System Redesign: Brooklyn Work Group Hearing Ground Rules

- We want to hear from as many people as possible.
- All speakers will have two minutes to present their idea(s).
- The purpose of the hearing is to gather ideas on how to improve quality, access and health system viability in Brooklyn.
- We will document every idea we receive today.
- If you have individual specific concerns regarding the Medicaid program, please see Department staff.
Closing Remarks
We would like to hear from you!

**Website:**
http://health.ny.gov/health_care/medicaid/redesign/

**E-mail your suggestions/comments to:**
brooklyn@health.state.ny.us

**Follow us on:** Facebook and Twitter