

Healthcare Reform Post AF4Q: A National Network of Regional Collaboratives Continues Healthcare Reform From the Ground Up

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The Aligning Forces for Quality (AF4Q) initiative established and/or strengthened 14 multi-stakeholder alliances across the country that embarked on a rare collaboration to improve the quality of healthcare. Over the life of the program, much was learned about how these unique organisms grow, thrive, and survive in the healthcare ecosystem. Many of these insights and lessons learned are captured and explored in this supplement.

This article considers the future of regional health improvement collaboratives (RHICs), which include the former AF4Q alliances. Although the fundamentals that drove AF4Q remain, RHICs continue to evolve due to ongoing changes in the national landscape and the healthcare industry. This piece reflects on what has changed in the national landscape, how RHICs are changing, and the relevance of RHICs to healthcare delivery reform as the country advances toward a system that pays for value, not volume, and approaches health from a population perspective.

Overview

The Network for Regional Healthcare Improvement (NRHI) is a national network of 35 RHICs that operate on a regional or state basis across the United States. NRHI's mission is to improve health and healthcare in communities across the country through its active and engaged network of RHICs.

To understand NRHI, it is important to understand RHICs. An RHIC provides a trusted meeting ground where the providers, purchasers, patients and payers in a region or state can plan, facilitate, and coordinate the many different activities required for successful transformation of a healthcare system. Beyond the ability to bring competing stakeholders to a common table, RHICs have different skill sets that include data analytics, delivery system and payment reform, public and private performance

reporting, and quality improvement and practice transformation, among others. An RHIC does not deliver or pay for healthcare services.

RHICs are nonprofit, nongovernmental organizations based in a specific geographic region, such as a metropolitan region or state. To be part of NRHI, an organization must be governed by a multi-stakeholder board comprising healthcare providers (eg, physicians and hospitals), payers (eg, health insurance plans), purchasers of healthcare (eg, employers, unions, retirement funds, government), and consumers. Although many RHICs have been in existence for 20 years or longer, the continuing transformation of the US healthcare system has brought increasing attention to RHICs on the national, state, and local levels as ideal candidates to develop coordinated, multi-stakeholder solutions for cost and quality problems.

Because of their unique and neutral role within a community or state, and their investment in local relationships, RHICs are emerging as the engines of local transformation, actually doing the difficult work of implementation. National leaders and policymakers have much to learn from RHICs about what strategies work in various marketplaces and how to implement those strategies.

As a network, NRHI connects RHICs to each other to share strategies, tools, and best practices, and helps draw national attention to successful regional innovations to accelerate the adoption and spread of innovation. Almost all AF4Q alliances were also part of NRHI's network, although the majority of NRHI's members were not AF4Q alliances.

The Fundamentals of AF4Q Remain

The philosophy and guiding principles that undergirded AF4Q and its alliances remain consistent and fundamental among RHICs today:

- Change in healthcare happens locally because healthcare is local. The Robert Wood Johnson

Foundation (RWJF) invested heavily in financial and technical support to local, regional, and state organizations because it understood that these entities were in the best position to impact their communities. Specifically, these organizations invested in and cared deeply about local relationships and they understood the unique dynamics of their local marketplace. AF4Q allowed these local relationships to expand and deepen. To be part of NRHI's network, each RHIC must similarly be deeply integrated and invested in its geographic region or state.

- True transformation of a system as complex as healthcare demands that all stakeholders are involved in the solution. This is particularly true for payment reform, which can only be implemented if all stakeholders are involved, because both purchasers and providers have to change, and in an aligned way. AF4Q alliances brought together people who got, gave, and paid for healthcare. Some stakeholders were more easily engaged, and those with the most to lose due to change were typically more difficult to bring to—and keep at—the common table. The fundamental strategy of including all stakeholders remains at the heart of RHICs. In fact, to be part of NRHI's network, an RHIC must be governed by a board with members representing each stakeholder group.
- Transparency of healthcare information is a critical lever to advance transformation. AF4Q expanded public reporting efforts throughout the country and underscored the need to tailor messages effectively to consumers. The alliances, with guidance and support from RWJF, explored and tested different ways to publicly report quality information in a way that would matter to all community members. Continuing this core principle, NRHI members are advancing toward greater transparency of information reporting through various initiatives. For example, some RHICs are making healthcare cost and quality information available so purchasers can select high-performing networks in a region. These market forces, in turn, prompt practices across a region to improve quality.

What's Changed Post AF4Q?

The national landscape has evolved dramatically since the start of AF4Q. There is now greater pressure to understand and change how healthcare is paid

for. Although the United States is no longer in the great recession that plagued AF4Q for several years, the financial recovery has been slow and prolonged. The low-value, high-cost healthcare system continues to prevent employers from increasing salaries and wages, limits the creation of new business and jobs, and siphons funds away from public services, such as infrastructure development and education. Consumers are increasingly displeased as they pay a larger proportion of healthcare costs without accurate or relevant information to guide their decisions. According to a recent Reuters poll of voters, both Democrats and Republicans want to know what the next president will do to lower rising healthcare costs—a priority that participants identify as second only to national security.¹

The federal administration has taken a strong leadership role in driving value-based purchasing since the start of AF4Q and has created new “carrots and sticks” to advance its policies. Most recently, the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA, also known as the Sustainable Growth Rate bill, or more colloquially, “the Doc Fix”) authorized CMS to adopt alternative payment methodologies for Medicare providers. This legislation is particularly compelling because it is market-based and has bipartisan support and, as such, will continue beyond the current administration. Alternative payment models (APMs) create greater urgency for the industry to advance providers along the continuum of paying for value rather than volume. Specifically, 30% of traditional Medicare payments will be tied to APMs, accountable care organizations, or medical homes by the end of 2016; this figure jumps to 50% by the end of 2018. State Medicaid agencies are also following suit and including APM requirements in managed care contracts. MACRA requires changes that RHICs are already implementing: measuring and reporting quality and cost information, enabling payment reform, and supporting practices that are transforming.

There is far greater provider awareness of the looming, seismic transformation of their industry. With each passing year, providers are feeling the ground shifting beneath them. To be successful in the new world of APMs, providers recognize they need data illustrating their quality and cost performance across all patient panels. They also need support to change how they currently deliver care. Payment reform elevates the need for trusted local partners to work through these changes with providers—a role for which RHICs are extremely well positioned.

Ground Up Collaboration, Above All Else

RHICs are able to accomplish what national organizations, the government, and external consultants cannot: they are able to gain buy-in from otherwise competing and/or reluctant stakeholders and build consensus locally. The secret sauce of successful RHICs is the leadership's ability to get and keep all stakeholders at the discussion table. This requires significant and ongoing investment in "bringing people along" so that everyone understands the community's pain points and how stakeholders either contribute to these or bring relief. This investment is particularly critical for those stakeholders most entrenched in maintaining the status quo. RHICs move beyond polite conversation and then manage and leverage the resulting tension to create change.

Prioritizing ground-up collaboration is particularly critical today, as CMS advances payment reform policy on a national level. Outside entities cannot impose solutions on local marketplaces—this is antithetical to the concept of collaboration. Building collaboration around payment reform takes time because communities need to tackle and work through many messy and difficult issues. Attempting to short-circuit that essential community collaboration will leave insurmountable barriers to progress in place.

Doubling Down on Entrepreneurship

NRHI's RHICs are sustained through various funding sources. RHICs receive funding from membership; federal and state contracts; national, state, or regional philanthropies; and business products they are able to develop and sell to health plans, employers, providers, or other stakeholders. RHICs are increasingly doubling down on entrepreneurial leadership in order to survive and thrive as they transform healthcare. RHICs that have been most successful in developing business products have responded to the needs of local stakeholders, which underscores the value of ground-up collaboration and responding to local priorities. For example, RHICs have developed business products such as primary care practice reports on quality and cost using all payer data. They calculate and provide benchmarks on relative hospital costs for employers to use in benefit design. They develop communitywide clinical information systems to track and inform payers of inappropriate emergency department use.

Becoming more entrepreneurial and responding to local priorities has clarified what products can be bought and sold. More than any other product or skill set, the market wants data for performance measurement, improving outcomes, and value-based purchasing.

Products must be very pragmatic. Although the need to empower consumers and engage them in community collaboration cannot be overstated, there are relatively limited examples where the market is demanding consumer-focused products, including patient experience data and work around end-of-life decision making.

Relationship as a National Network

Although it may appear paradoxical given their focus on local priorities, RHICs are increasingly collaborating to more effectively respond to their local constituents. In other words, as one CEO noted, "We can go farther and faster together." AF4Q was tremendously successful in creating a strong tribe of like-minded alliances, and these practices of peer support and connection continue at NRHI.

NRHI's board of directors (representing 35 RHICs) has made collective action a priority because it understands that RHICs will be less "impactful" if each one transforms only 1 community or state. Acting collectively demands some degree of standardization in their approaches, performance measure development, and common pain points, which NRHI and the RHICs are navigating through initiatives such as the Total Cost of Care initiative and the Center for Healthcare Transparency. These initiatives provide shared grant funding to RHICs, and they also require trust and even giving up individual pursuits when it is in the best interest of the larger group.

RHICs are relying on each other whenever they can for solutions, support, and strategies, as opposed to purchasing services from consultants or third parties. Likewise, they are building capacity within their organizations and looking to fellow RHICs to provide the resources and products needed to change healthcare.

Nationally Relevant Achievements

Over the last year, there has been a major shift in national recognition of RHICs, specifically a growing awareness that regional collaboration is imperative to advance federal policy.

Some examples:

1. The recent MACRA legislation specifically named RHICs as entities well positioned to support providers in practice transformation.
2. RHICs were selected as Practice Transformation Networks as part of the Center for Medicare & Medicaid Innovation's Transforming Clinical Practice Initiative, and NRHI was selected as 1 of 10 Support

and Alignment Networks, in large part because of its network of RHICs.

3. Eleven of the 15 Medicare Qualified Entities that CMS selected to receive and use Medicare claims data to publicly report on provider performance and cost are RHICs.
4. NRHI has a leadership role in the US Department of **Health and Human Services'** Learning and Action Network, so it can infuse its discussions with insights from RHICs' regional on-the-ground implementation work.
5. Nine RHICs are included in the US Agency for Healthcare Research and Quality initiative to study and understand variations across health systems in an effort to improve patient-centered outcomes.

Given their valuable role in advancing federally sanctioned healthcare payment reform, policy makers should support and expand RHICs across the country to put to work their successful and field-tested ability to transform healthcare delivery through regional collaboration.

Conclusion

RWJF's AF4Q initiative was ahead of its time and made an invaluable contribution to advancing multi-stakeholder, multi-payer, regional collaboration. Because

it was on the cutting edge, AF4Q allowed communities to incubate many different strategies and approaches, and demonstrated that RHICs can innovate and test solutions locally in ways other organizations and entities cannot. The opportunity—and challenge—moving forward is to inform national policy and programs while preserving local variations and priorities. The good news is that AF4Q's significant innovation continues on through a strong network of 35 regional collaboratives that is NRHI.

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