



Green & Healthy Homes Initiative®

Healthy Homes: Unlocking the Potential through Innovative Funding

June 22nd , 2018

Michael McKnight

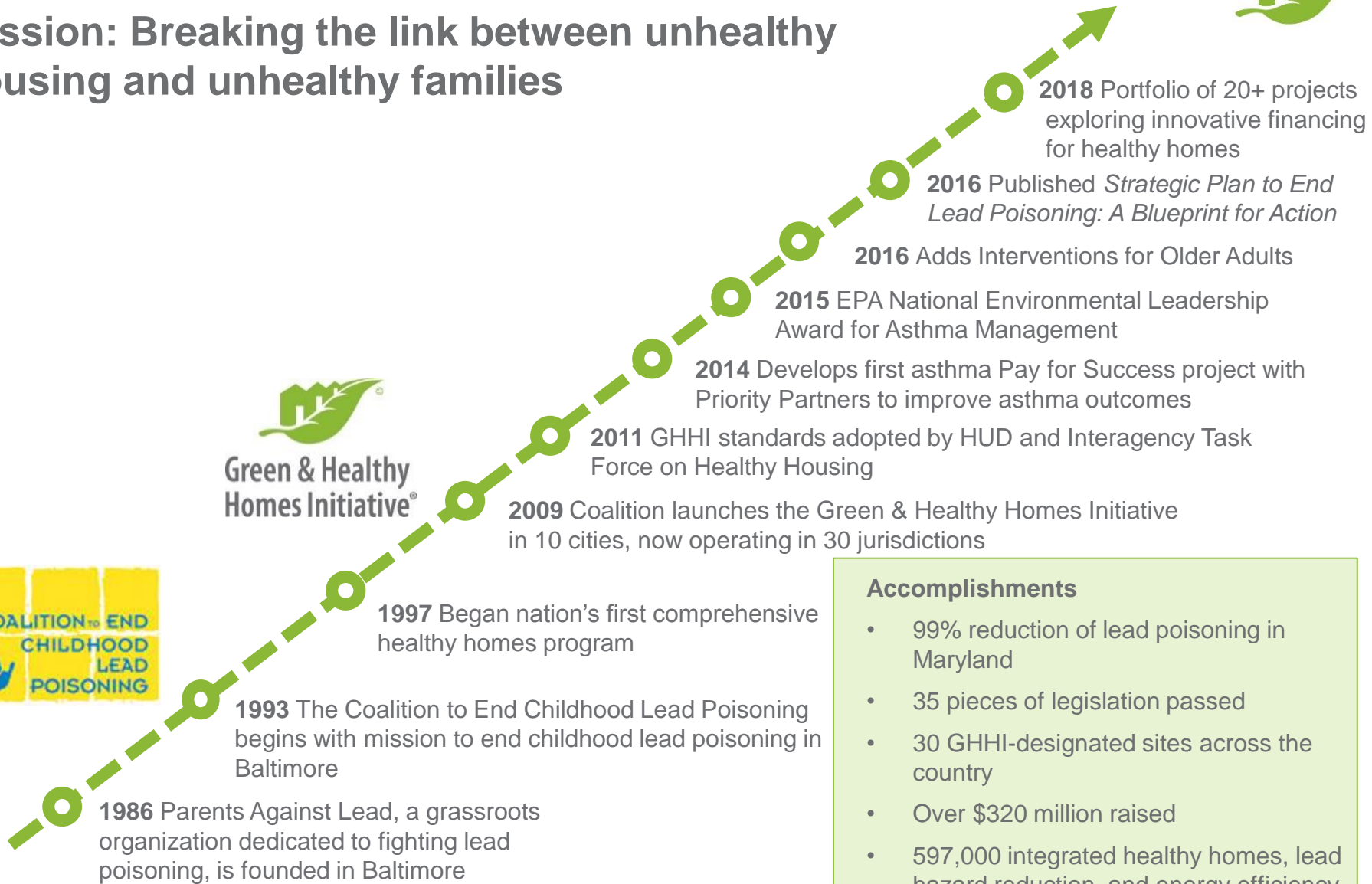
Our History



Mission: Breaking the link between unhealthy housing and unhealthy families



Green & Healthy Homes Initiative®



Accomplishments

- 99% reduction of lead poisoning in Maryland
- 35 pieces of legislation passed
- 30 GHHI-designated sites across the country
- Over \$320 million raised
- 597,000 integrated healthy homes, lead hazard reduction, and energy efficiency units in partnership with HUD

Assessment Team

- Environmental Health Educator
- Environmental Assessor / Energy Auditor



Comprehensive Scope of Work

Cross-Trained Inspectors and Contractors



- **Lead Hazard Control**
- **Weatherization**
- **Mold** remediation
- **Integrated pest management:** gel baits, glue traps, reducing entry points, cleaning/behavioral change
- **Venting** kitchen, bathroom, and dryer
- Removal or steam cleaning of **carpets**
- **Air filtering** system installed in child's bedroom
- **Air conditioners** and dehumidifiers
- **Structural repairs** (e.g. plumbing, patching, carpentry)
- **Injury Prevention** (e.g. fall for older adults)
- **Quality Assurance / Quality Control** Assessment

Align
services & funding



Braid
relevant resources



Coordinate
service delivery



Philanthropy



Government



Private-sector



System

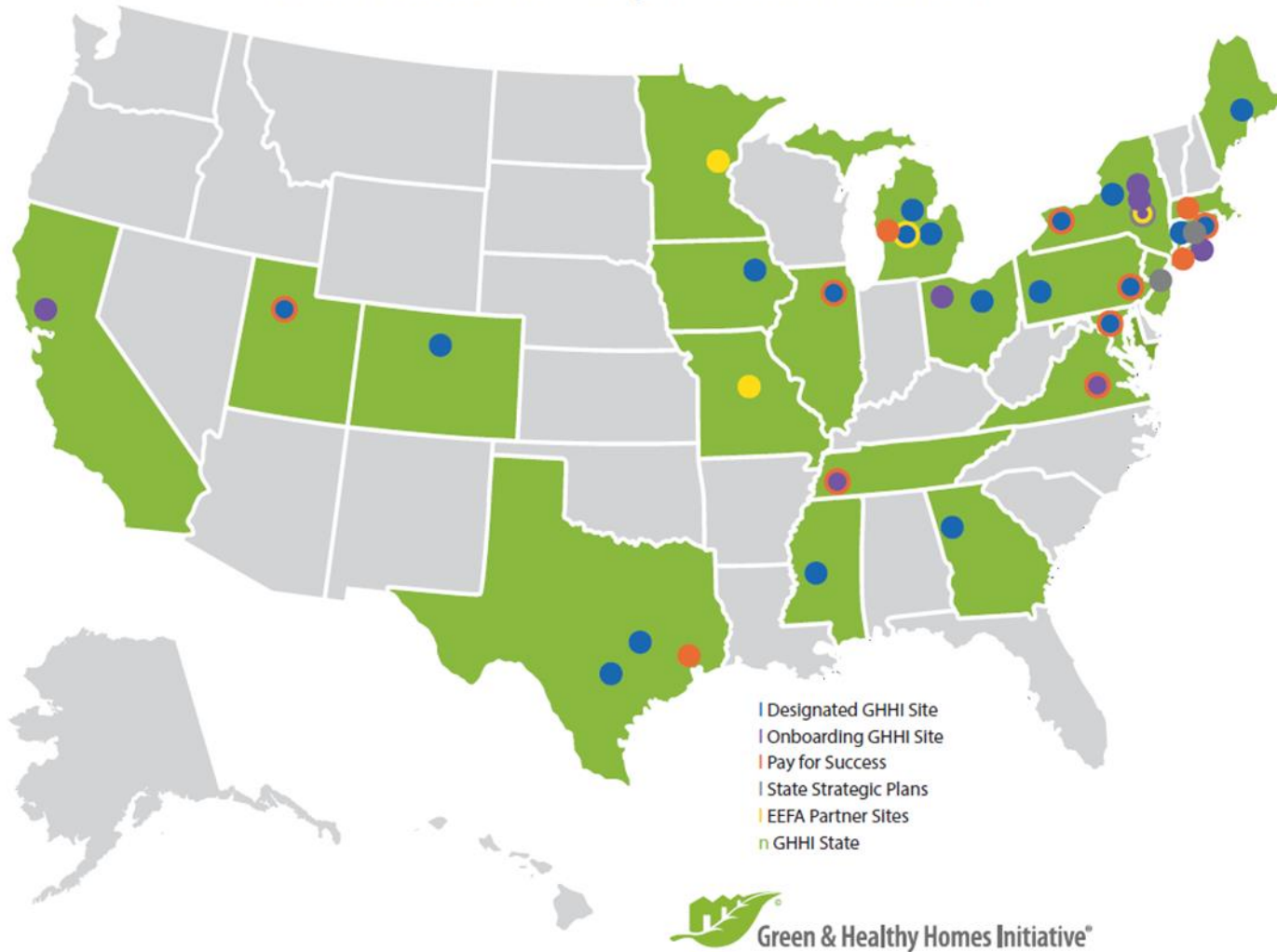
- Single intake system
- Comprehensive assessment
- Coordinate services
- Integrated interventions
- Cross-trained workers
- Shared data



Outcomes

- Lead-hazard reduction
- Asthma-trigger control
- Household injury prevention
- Energy efficiency
- Weatherization
- Housing rehabilitation
- Aging in place

GHHI at Work: Building a National Movement



Innovative Funding Support for Integrated Energy, Health & Housing Interventions (non-healthcare related)

- Attorney General Funds
 - \$2.3 million – Buffalo
 - \$1 million – Syracuse
 - \$1 million – Rochester
 - \$697,000 – Rhode Island
- Settlement Funds \$1.2 Million – Austin, TX
- Public Service Commission following utility merger:
 - \$19.6 million to MD State Housing Department; and
 - \$19 million to Baltimore City Housing Department
- Utility Funds – Constellation Energy Funds - \$1 Million for furnace replacement and roof repair
- New York State Energy Research & Development Authority (NYSERDA) pilot project with NY Dept of Health and NY Medicaid
- Aging in Place Funding

Using Program Outcome and Impact Data

GHHI Baltimore

- **66%** reduction in asthma-related hospitalizations
- **62%** increase in asthma-related perfect school attendance
- **88%** increase in never missing work due to their child's asthma

GHHI Philadelphia*

- **70%** fewer asthma-related client hospitalizations
- **76%** fewer asthma-related client ED visits

GHHI Cleveland**

- **58%** reduction in asthma-related client hospitalizations
- **63%** reduction in asthma-related client ED visits

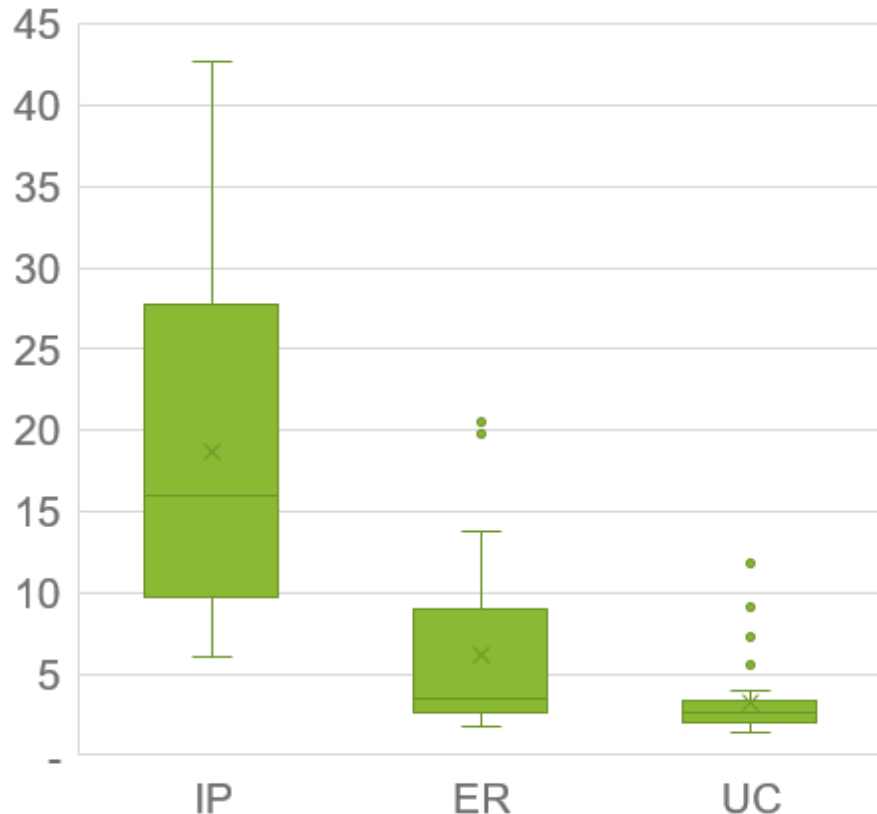
*Philadelphia work done by Philadelphia Department of Health

**Cleveland work done by Environmental Health Watch and Dr. Dearborn, Case Western Reserve University Medical School/University Hospitals

High-utilizer members with asthma have high costs for MCOs

Average Annual Cost to Medicaid Managed Care Company

\$, thousands



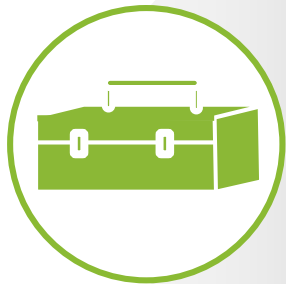
Asthma costs

Managed care companies are paying between \$7,500 and over \$43,000 per year for individual asthma patients who have been hospitalized for respiratory issues.

Savings opportunity

Based on the research, we can save 40% of costs through comprehensive intervention strategies.

Developing an innovative healthy homes funding toolbox...



Medicaid, Chip Waivers & State Plan Amendments



Hospital Community Benefits



Pay for Success



MCOs and Value-based Payments



Medicare Advantage Plans



Administrative resources

Pathway	Requirements	States
CHIP Health Service Initiative – State Plan Amendment	<ul style="list-style-type: none"> • Must be within CHIP admin share • States provide portion of funding 	Michigan (lead), Maryland (lead and asthma), Indiana (lead), Ohio (lead)
Medicaid State Plan Amendment	<ul style="list-style-type: none"> • Identifiable existing service codes and credentialed professionals to conduct services • Must be eligible services 	Missouri (asthma)
1115 Waiver for lead services including window replacement	<ul style="list-style-type: none"> • Budget neutral • Available statewide 	Rhode Island (lead)
1115 Waiver (Delivery Service Reform Incentive Payment Program)	<ul style="list-style-type: none"> • Budget neutral • Available statewide 	New York (asthma)
1115 Waiver (health-related services / flexible services e.g. air conditioners)	<ul style="list-style-type: none"> • Managed Care pathway • Services included in Medical-loss ratio but not in the plan's rates 	Oregon (asthma)

- To maintain non-profit status, hospitals have to utilize resources for community benefit (traditionally used to cover loss for uninsured and underinsured patients)
- Every non-profit hospital has to do a community health needs assessment every 3 years
- Housing interventions are eligible community benefit activities



ELEVATE ENERGY
Smarter energy use for all

Pilot:

- Uninsured asthmatics who are frequent flyers
- Using community benefit and philanthropic resources to serve the patients
- Tracking the results: Do the patients' utilization go down?
- If successful, will be scaled to the larger health system

✓ Medications

✓ Assessment

✓ Education

✓ Environment

✓ Sustainability

Amerigroup uses administrative funds to directly pay for services.

Compensation:

- The health plan pays for each member who is enrolled in the program:
 - 75% paid after the first home visit
 - 25% paid after month 5 of enrollment (after the two additional home visits are conducted)

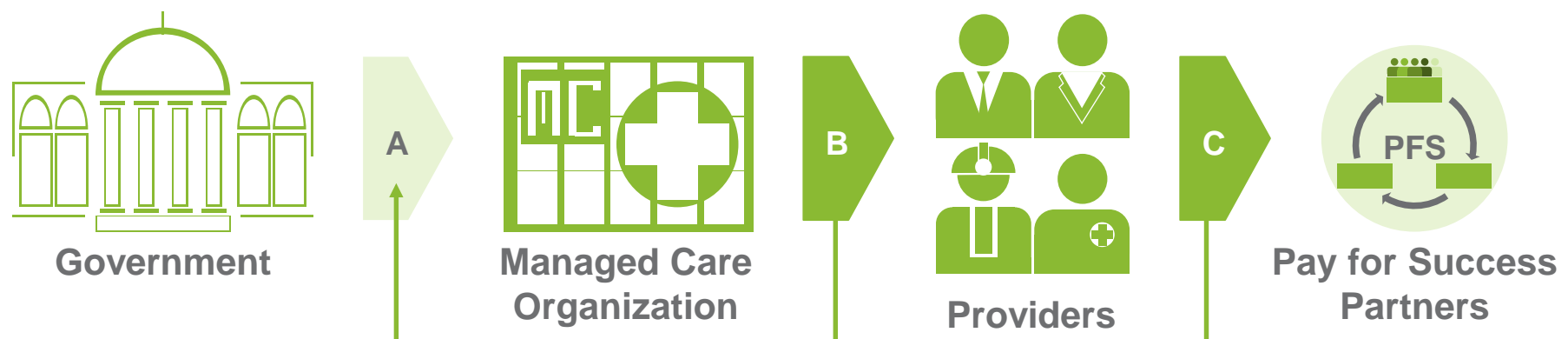
Services Provided:

- GHHI provides “Tier 1” services, which include:
 - asthma education home visits and phone calls
 - home supplies,
 - environmental assessment, and
 - integrated pest management.



Value-based Payment Contracting Diagram

Value-based models can be combined with pay for success financing



Capitation payments inclusive of value-based agreements

- Allows and includes value-based payments under set conditions.

Value-based purchasing agreement

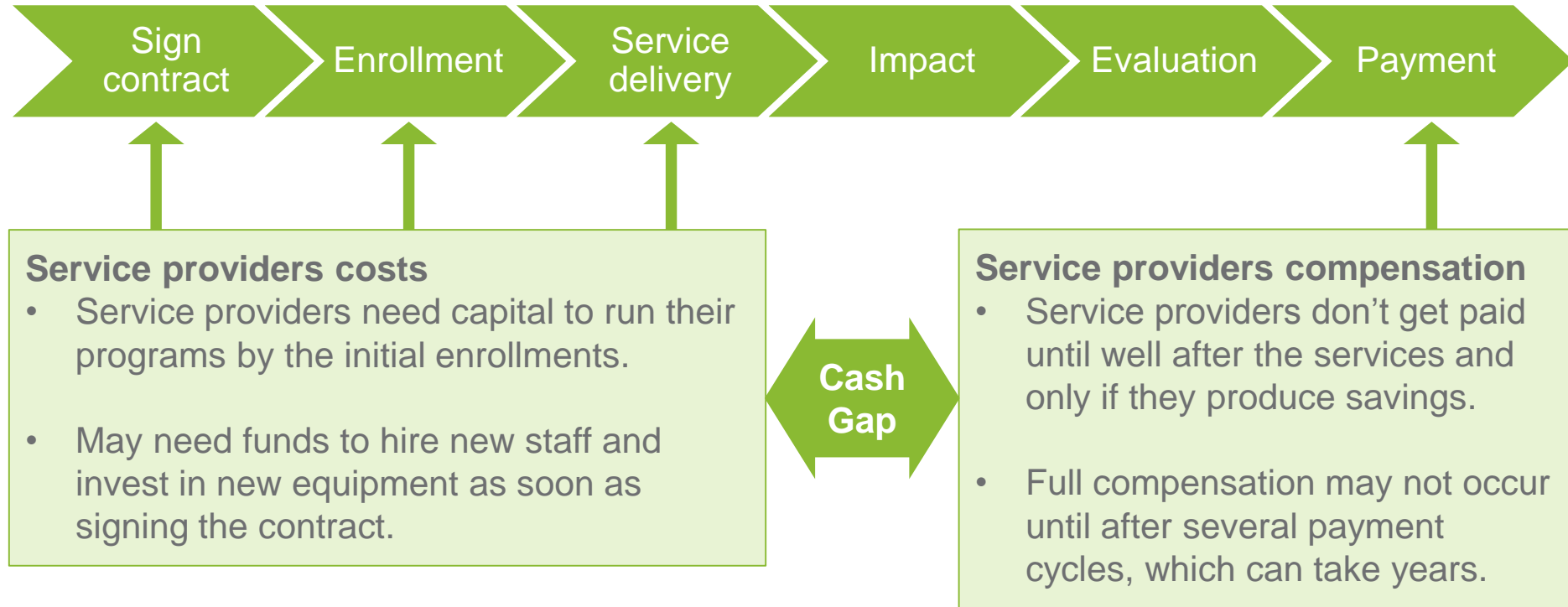
- Outcomes, savings, or risk based contract; and
- Requires actuarial evaluation of savings

Pay for Success Financing (optional)

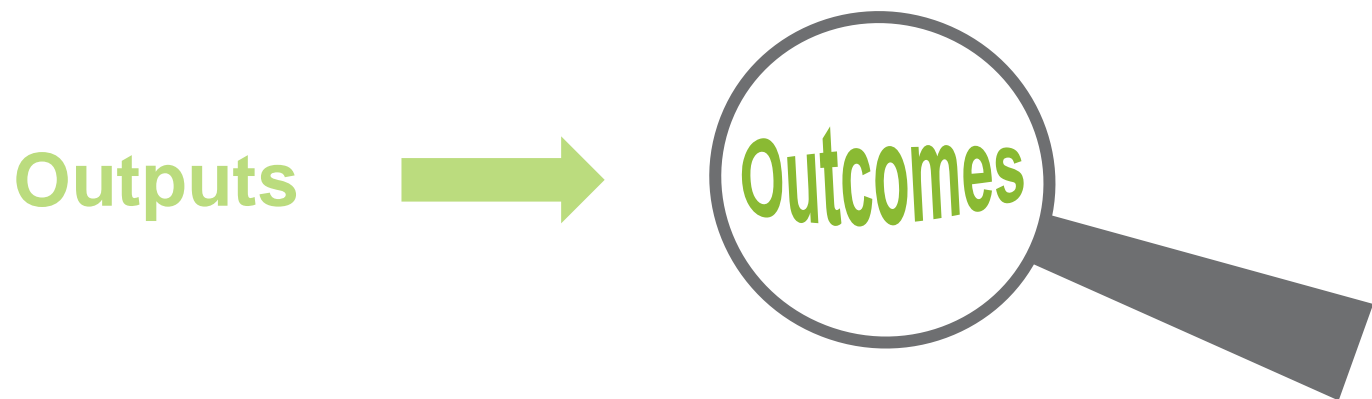
- Open to negotiation
- Option for payment based on:
 - Risk-sharing,
 - Cost-savings, or
 - Other metrics.
- May need to abide contract with MCO

Required to be actuarially sound for CMS approval

Advanced value-based purchasing arrangements let service providers innovate with no risk to Medicaid or MCOs but create a cash-gap

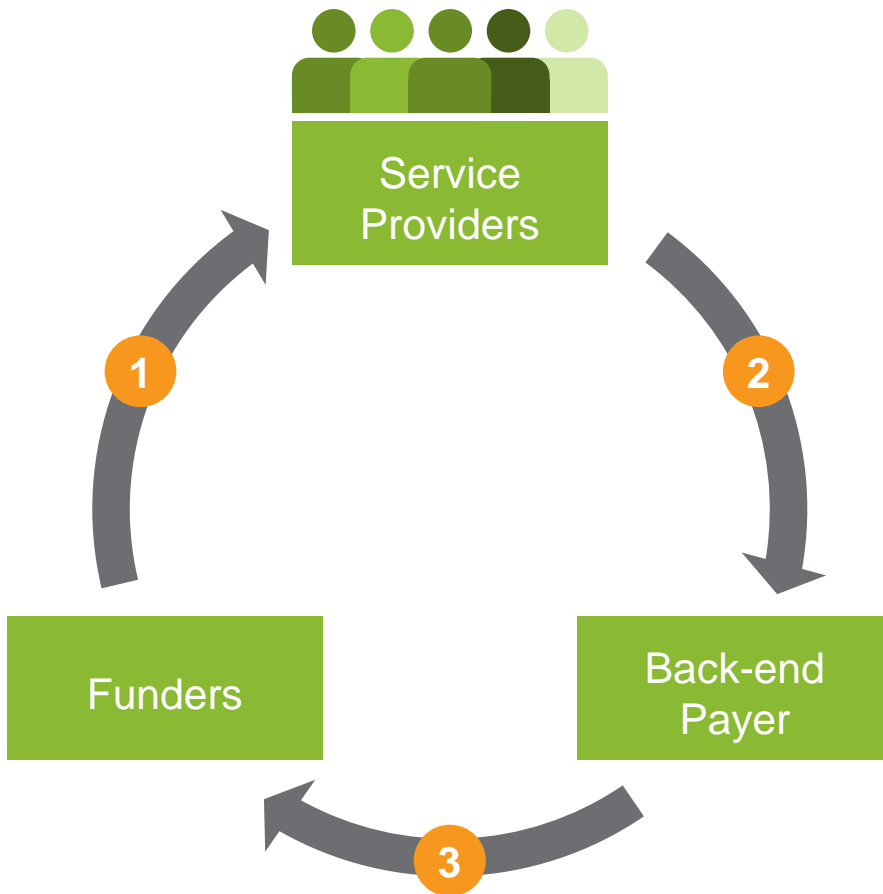


Pay for Success (PFS) financing models are cross-sector partnerships in which private funders pay upfront for a social service and then government, healthcare, or other payers repay the investment if, *and only if*, agreed-upon outcomes are met.



The Pay for Success model

How does Pay for Success work?



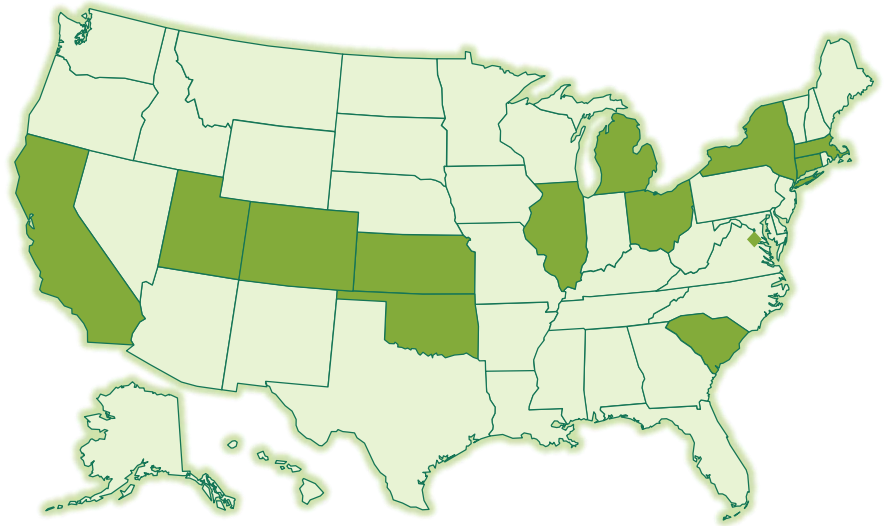
Steps

- 1** Funders provide upfront capital to scale evidence-based services
- 2** Intervention results in a social impact, often cost savings, that the back-end payer values
- 3** Payer repays funders once outcomes are evaluated

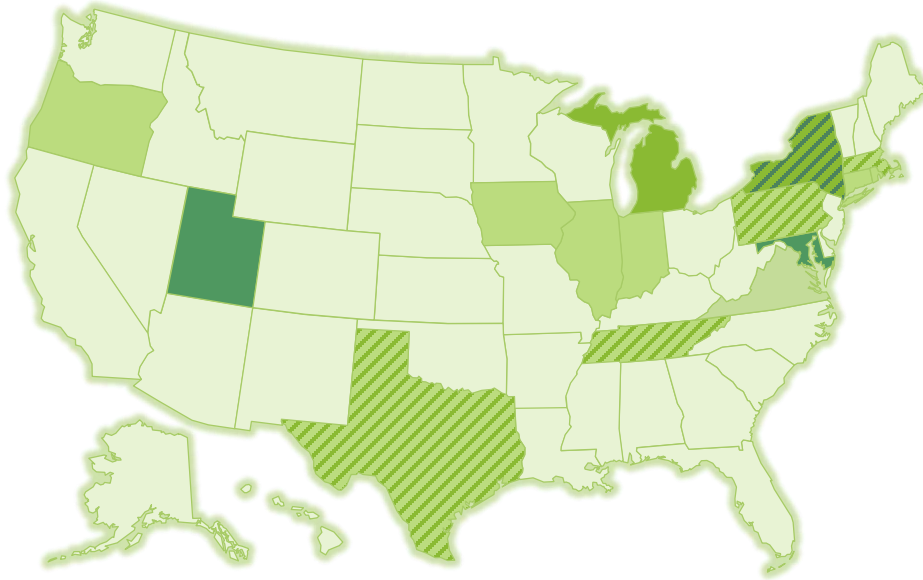
Pay for Success across the nation

There are over 20 active PFS transactions across a range of issues in the U.S., with dozens more in development

- Chicago: early childhood education
- CT: substance abuse & family stability
- CT: maternal child health
- Cuyahoga Co.: homelessness/child welfare
- DC: water runoff
- Denver: homelessness
- Grand Rapids: maternal child health
- OK: criminal justice
- LA County: criminal justice, homelessness
- MA: criminal justice, employment
- MA: homelessness
- MA: workforce development
- New York City: criminal justice
- NY: criminal justice, employment



- Salt Lake Co.: criminal justice
- Salt Lake Co.: homelessness
- Santa Clara Co.: homelessness
- Santa Clara Co.: mental health
- SC: prenatal care
- UT: early childhood education



Funders



Transaction structuring

- Baltimore -Johns Hopkins Medicine
- Salt Lake County Office of Housing
- New York City – Affinity Health Plan

Feasibility ongoing

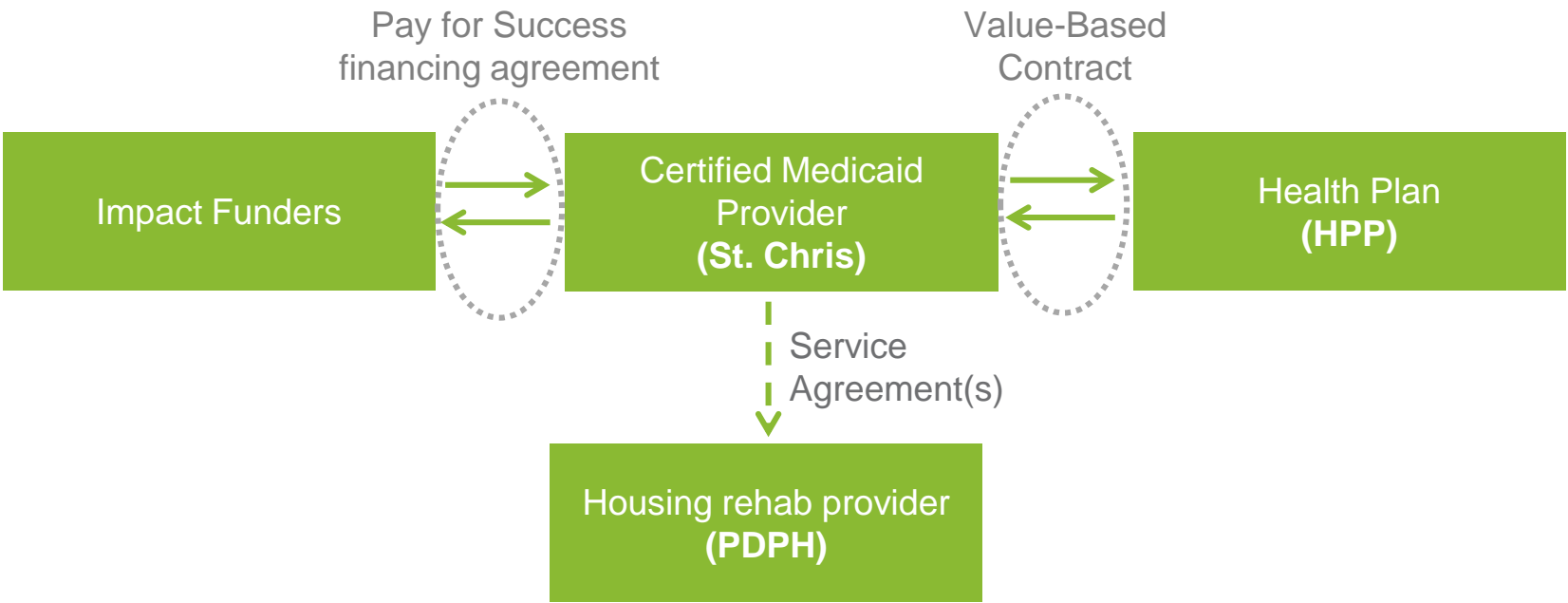
- Chattanooga-green|spaces
- Philadelphia-Energy Coordinating Agency
- Worcester-UMass Memorial
- Oregon-Community Services Consortium
- Indiana-Indiana Joint Asthma Coalition
- Chicago-Presence Health
- Houston-Community Health Choice
- Rhode Island-State Medicaid
- Richmond Health District
- New York State Energy Research and Development Authority (NYSERDA)
- CT – Connecticut Greenbank
- IA – Des Moines healthy homes coalition

Post-feasibility transition

- Buffalo-YourCare Health Plan
- Grand Rapids-Spectrum Health
- Houston-UnitedHealthcare
- Memphis-Le Bonheur Children's Hospital
- Philadelphia-Health Partners Plans
- Springfield-Baystate Health

The Pay for Success feasibility project looked at a potential arrangement between Health Partners Plans, St. Chris, and healthy homes providers like PDPH.

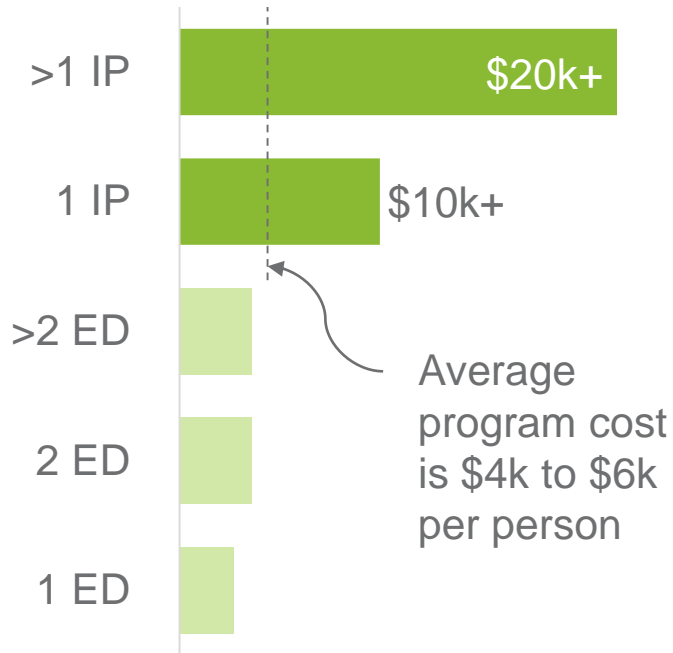
- Allows service providers to **obtain necessary working capital to scale services.**
- **Shifts risk to external impact funders** who agree upfront to get repaid only if intervention successfully produces cost savings to HPP.



Project economics are promising; further work needed to develop payment mechanisms and service provider capacity.

Business Case

Strong ROI for patients who have been hospitalized for asthma.



Payment Mechanisms

Other payment mechanisms in practice and in development:

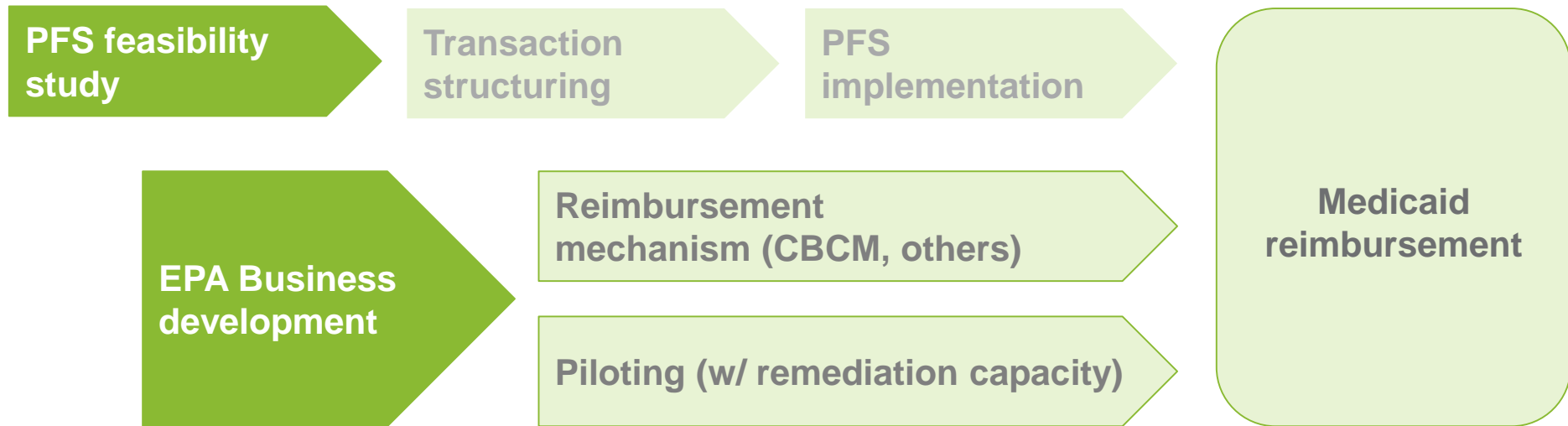
- Community Based Care Management(CBCM)
- Room to Breathe

Moving Forward

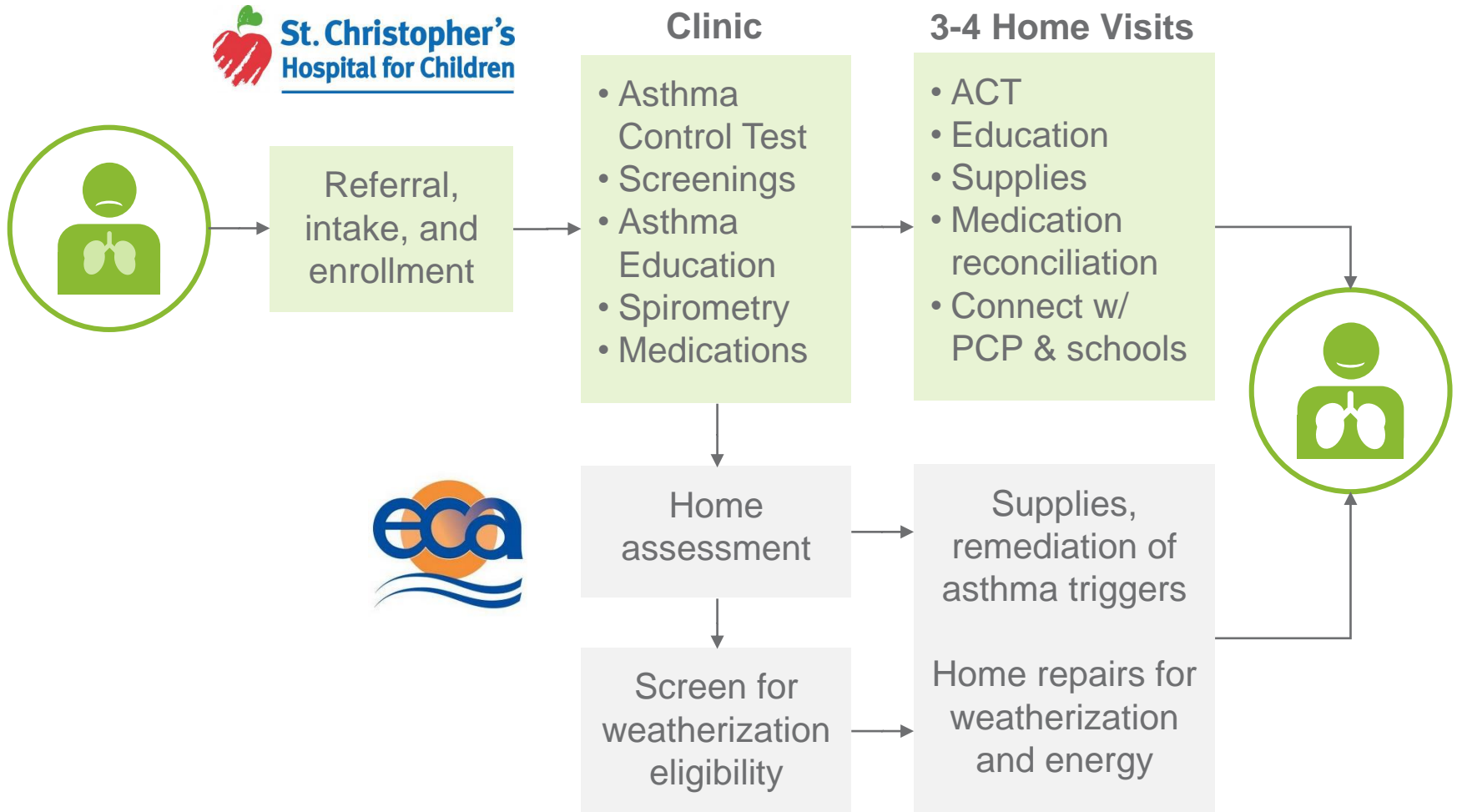
Funding toolbox: CBCM may be the most straight-forward tool to use now.

Remediation capacity: There is room to build service provider capacity to meet the level of need in Philadelphia (i.e. hundreds per year).

We are building on the feasibility study by strengthening service provider capacity and continuing to work towards Medicaid reimbursement.



This current project aims to expand local service provider capacity by leveraging ECA's energy and weatherization expertise.



Key considerations for healthy homes programs when engaging healthcare entities

Defining the population you serve

Documenting your services

Your capacity / scaling needs

Value-proposition / business case / return on investment

Identifying the evidence base

Establishing a process flow

Documenting your outputs, outcomes, and other metrics

Information sharing

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