

## Advancing Payment Reform for Health Centers in California

### THE ISSUE

The Affordable Care Act (ACA) has elevated the Triple Aim – to improve patient experience and population health while reducing total per capita costs – as a guiding goal for delivery system transformation that promotes value over volume of care. Health centers currently receive most of their payments based on the volume of face-to-face encounters and recognize the importance of considering alternative payment models to support delivery system change to achieve the Triple Aim.

### THE PROJECT

The California Primary Care Association (CPCA), representing over 1000 community clinics and health centers, and the California Association of Public Hospitals and Health Systems (CAPH), representing 21 public hospitals, engaged JSI to help advance payment reform in the California safety-net. JSI:

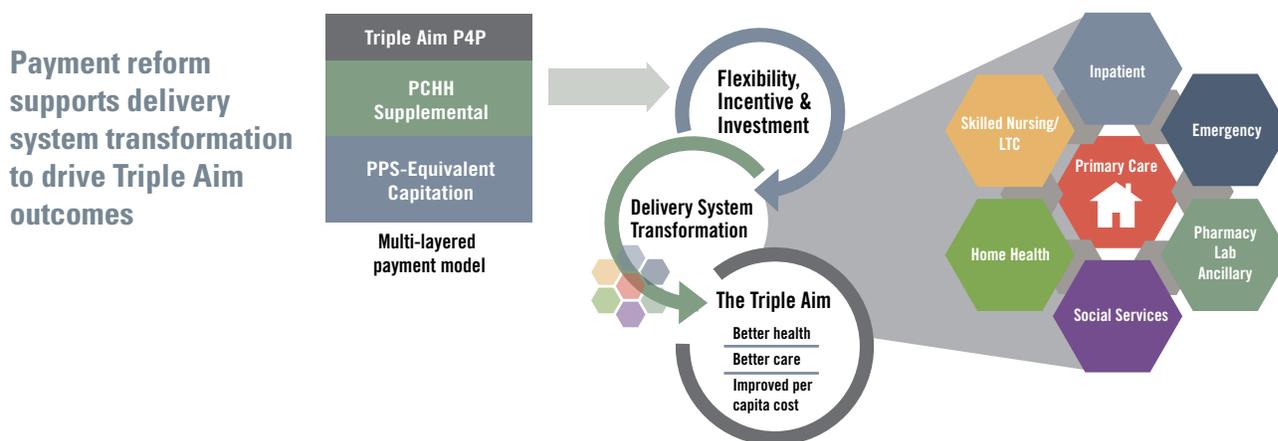
- Conducted research on payment reform models
- Interviewed public and private sector experts and leaders from state Medicaid agencies, primary care associations, and California health centers
- Synthesized research findings and incorporated feedback from CPCA stakeholders
- Crafted payment reform principles and a comprehensive payment reform strategy
- Presented research findings and facilitated discussions with 30+ safety-net audiences statewide
- Facilitated CPCA/CAPH stakeholder workgroups and wrote policy memos to advance a payment reform pilot and a patient-centered health home (PCHH) initiative
- Provided technical assistance for policy discussions with FQHC, Medicaid, and health plan leaders
- Assisted CPCA and CAPH in payment reform policy development (California Senate Bill 147)

### THE RESULTS

The following documents are examples of key deliverables from JSI’s research on payment reform:

- *Building a Foundation for Payment Reform for Community Health Centers in California* (Jan 2012) lays out a conceptual framework and vocabulary for payment reform and findings on the question: Which primary care payment reform models should health centers consider?
- *A Position Paper for Patient-Centered Health Home* (Dec 2011) outlines recommendations regarding the opportunity presented by Section 2703 of the ACA.
- *Update on Payment Reform Trends* (Jan 2013) outlines trends and case studies on payment reform and delivery system transformation in the broader health system in which primary care participates.

Blue Shield of California Foundation and The California Endowment continue to support JSI’s technical assistance to CPCA and CAPH in payment reform. As of July 2015, California is considering a senate bill enabling a Federally Qualified Health Center Payment Reform pilot and is pursuing a Section 2703 State Plan Amendment to implement health homes for complex patients.



Payment reform supports delivery system transformation to drive Triple Aim outcomes

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