

# Pathways to a Healthy Bernalillo County

## Return on Investment Analysis: Health Care Home

The majority of Pathways clients have multiple chronic diseases and complex health care needs, many of which can be managed through medication, lifestyle, and regular, comprehensive health care. Numerous factors such as such as language, housing instability, lack of transportation, mental illness, and substance misuse limit the ability of Pathways clients to access the resources they need to maintain good health. In fact, 93 percent of Pathways clients who choose the Health Care Home (HCH) pathway report having been unable to access needed medical care in the past 12 months. When these clients do receive healthcare, it is often uncoordinated and episodic. Utilizing multiple providers on a crisis-by-crisis basis can result in fragmented, less effective care, worse outcomes, and higher medical costs. Conversely, access to comprehensive, coordinated, patient-centered care can reduce health care costs by improving health, decreasing hospitalizations, and reducing use of the emergency department (ED).

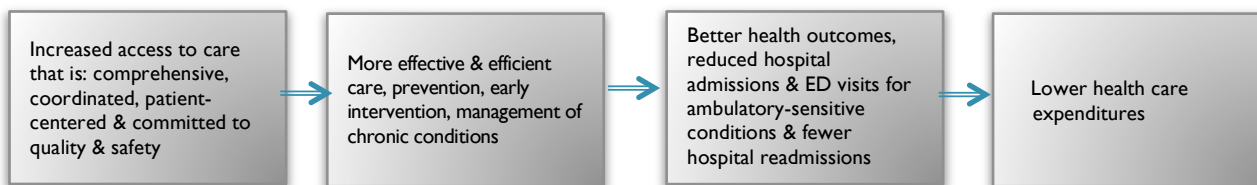
In Pathways, a health care home is defined as: "a clinic-based health care setting where vulnerable adult patients have a regular health care provider and where the care is coordinated, accessible, comprehensive, delivered with quality and safety, and patient-centered."

Connecting medically complex clients to health care homes - clinics or medical practices through which they can receive coordinated, culturally competent care to address the majority of their healthcare needs -- is one of the most critical services Pathways navigators provide.

Seven hundred thirteen (713) Pathways clients have completed the health care home (HCH) pathway since Pathways' inception. Ninety-five percent of these clients characterized their health as "fair" or "poor" upon entry to Pathways and 42 percent said they had gone to the ED or been admitted to the hospital three or more times in the past 12 months. Seventy three percent of HCH clients had experienced mental illness and 20 percent reported problems with substance misuse.

In order to complete the HCH pathway, clients must have seen a provider at their new healthcare home at least twice

### Health care home pathway model



and have obtained health coverage or established a financial assistance plan that will enable them to continue receiving services.

For many clients, reconciling outstanding medical debt is a prerequisite to establishing a health care home. Navigators help clients negotiate with creditors to resolve outstanding balances.

Over half of Pathways HCH clients establish health care homes at a clinic in the University of New Mexico health system. Most of the remaining clients obtain health homes at First Choice Community Health Care, First Nations Community Health Source, or Albuquerque Health Care for the Homeless. All of these providers, including UNM clinics, have received Patient Centered Medical Home (PCMH) recognition.

Many evaluations of the PCMH model have documented reductions in emergency department visits and inpatient hospitalization. There is evidence that medical homes are most beneficial for the highest risk clients, reducing their average health care costs by roughly 4 percent per year.

About 20 percent of the Pathways clients who receive services through UNMH qualify for intensive care management through Care One, a program targeting the most expensive 1 percent of UNMH patients with enhanced and coordinated services. A 2015 cost analysis found that Care One reduced annual per-patient health care costs by approximately \$22,252 per patient per year. Based on these statistics, we estimate that completion of the HCH pathway has produced \$2.4 million in health care cost savings, net

Completion of the healthcare home pathway produced an estimated \$2.4 million in health care cost savings, net savings of \$1.7 million and a benefit-cost ratio of 3.47

savings (benefits minus costs) of \$1.7 million, and a benefit-to-cost ratio of 3.47. Upon exit from Pathways, 84 percent of HCH completers said they had not used the ED or been admitted to the hospital since they began Pathways and 82 percent reported that their overall health has "improved" or "greatly improved."

The full report with citations is available at <http://hsc.unm.edu/community/chwil/pathways/index.html>