



# Partners For Kids

Saving Money by Improving Health for  
Our Most Vulnerable Children



PARTNERS  
FOR KIDS<sup>SM</sup>

**“Partners For Kids takes the traditional focus on health care and shifts it to a focus on children’s overall health. It is the premier innovative pediatric health care delivery model in the country.”**

*Nick Lashutka, President, Ohio Children’s Hospital Association*



**Children who qualify for health coverage under Medicaid are some of Ohio’s most vulnerable residents. Their families may not have the resources to keep them well, or to care for them when they are sick. When those children do need treatment, navigating a complex medical system may seem impossible.**

For more than 20 years, Partners For Kids has helped those children who are most in need get the best care at the best value. One of the nation’s oldest pediatric accountable care organizations, Partners For Kids is a partnership between Nationwide Children’s Hospital and more than 1,000 doctors, and is an extension of Nationwide Children’s long-standing mission of serving all children regardless of their ability to pay.

Partners For Kids acts as a bridge between the state’s five Medicaid Managed Care Plans and the actual care that approximately 330,000 children in central and southeastern Ohio receive under those plans. So not only is it one of the nation’s oldest pediatric accountable care organizations; because it is responsible for so many children, it is also one of the nation’s largest. And Partners For Kids continues to thrive because its model works.

Since its founding in 1994, Partners For Kids has proven that it can provide high-quality care at a lower cost. It actually rewards physicians for preventing illness and for good health outcomes, not for large numbers of visits or procedures.

“Partners For Kids takes the traditional focus on health care and shifts it to a focus on children’s overall health,” says Nick Lashutka, president of the Ohio Children’s Hospital Association. “It is the premier innovative pediatric health care delivery model in the country.”

With the lower cost for care that this model achieves, Partners For Kids and Nationwide Children’s are able to reinvest in programs that lead to long-term health for children.

“Ohio’s focus is on value – quality care at a sustainable cost,” says Greg Moody, director of the Governor’s Office of Health Transformation. “We want to create an environment where every provider is on a path to value arrangements. It is very helpful to have Partners For Kids as an example we can point to of an organization that has done it the right way.”

# The History of Partners For Kids

Incremental growth has been a key to the success of Partners For Kids. It took years to build a physician network, to learn how to best collect and analyze data, and to become comfortable with the financial risk involved in caring for 330,000 children covered by Medicaid. In fact, the organization was founded in 1994 with only 13,000 children.

Partners For Kids began during an era when many health maintenance organizations (HMOs) were becoming insolvent. HMOs in poor financial condition were not reliably paying hospitals and care providers for services, leaving those hospitals and providers without a way to recoup their costs.

Nationwide Children’s Hospital and community physicians created Partners For Kids to help solve those problems. Partners For Kids would be completely financially responsible for the care some children receive under Medicaid. In return, the HMOs contracted to care for Medicaid-eligible children would pay Partners For Kids a set amount per child up front – what is called a capitation fee. Nationwide Children’s and member physicians then would be responsible for allocating the money most effectively to ensure high-quality care.

If a child needed little care, Partners For Kids saved money and reinvested it into other services for children. If a child needed a great deal of care, Partners For Kids paid for the cost above the capitation fee.

“If you do a really good job caring for children when they are young, you can change the trajectory of their lives,” says Kelly J. Kelleher, MD, director of the Center for Innovation in Pediatric Practice in The Research Institute at Nationwide Children’s and a Partners For Kids board member. “You make them more likely to succeed, less likely to be on Medicaid, more likely to graduate high school, more likely to be healthy as they get older. The Partners For Kids model recognizes that you can do all of that, and you can save money for the American health care system.”

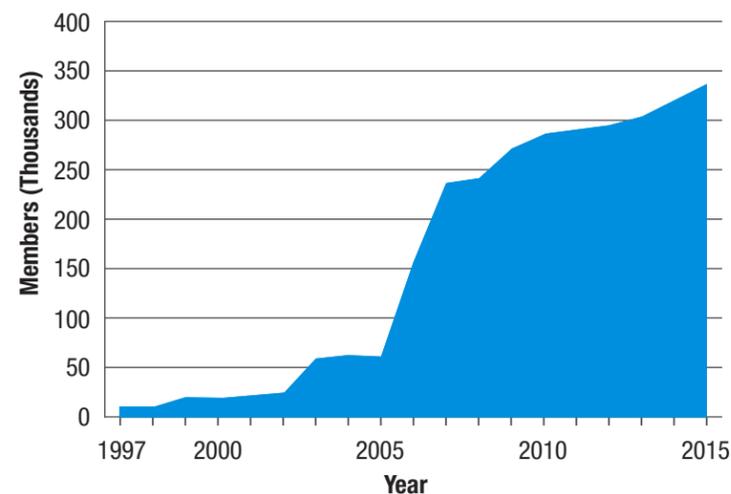
Partners For Kids has also worked to expand access to medical services for these children. Nationwide Children’s employs or has relationships with most

pediatric medical and surgical specialists in central and southeastern Ohio, so it can provide specialty care to those who need it. Children who attend well visits with primary care physicians, stay current on vaccination schedules and have regular care for chronic conditions, though, do not need as much expensive specialty care. To encourage community primary care physicians to open their doors to these patients when the program launched, Partners For Kids reimbursed providers for services at a greater rate than Medicaid or the HMOs themselves would.

Partners For Kids began by being financially responsible for the care of just those 13,000 children in 1994. As Ohio delegated the care of more children covered by Medicaid to Medicaid Managed Care Plans, Partners For Kids expanded as well. It is now responsible for the care of approximately 330,000 children, or about 95 percent of the pediatric Medicaid population in 34 mostly urban and rural counties in central and southeastern Ohio.

“We have been doing this for a long time,” says Tim Robinson, Nationwide Children’s chief financial officer and a Partners For Kids board member. “We’ve been able to build our expertise and our capabilities as the population has grown. It can be daunting to jump into this, to put an organization’s finances at risk. Our own slow initial growth enabled us to really understand how to do it and to become comfortable with it.”

## Evolutionary Growth: Patient Membership



# Partners For Kids Today

As an accountable care organization, Partners for Kids brings together health care providers to offer high-value, coordinated care to a defined patient population. Partners For Kids still counts Nationwide Children’s as its sole hospital member, but has grown to include nearly 340 primary care physicians, more than 680 specialists and more than 330 advanced practice professionals, such as physician assistants. Its board of directors has 17 members; eight from Nationwide Children’s, eight care providers, and one parent of a child enrolled in Medicaid.

In some respects, Partners For Kids works as it did in 1994. It receives capitation fees from Ohio’s five current Medicaid Managed Care Plans for the 330,000 children it covers, and it pays caregivers for the services they render. While the initial aim was to solve the challenges presented by HMOs, Partners For Kids and the current Medicaid Managed Care Plans now work hand-in-hand to marry quality care with cost savings and a focus on keeping children healthy.

“Our model works because of our partnership with the health plans,” says Sean Gleeson, MD, the president of Partners For Kids. “PFK and the health plans bring complementary skills to the partnership. We learn from their experiences in areas outside of central and southeastern Ohio. They are the experts at managing payment systems. Our expertise is providing care and being engaged with patients at the bedside or in a physician’s office. When we each do what we do best, the system works for the children.”

The collaboration with the health plans, and Partners For Kids’ current size, allow for a greater influence than ever before in managing the health of an entire population.

“We are responsible for millions of transactions between caregivers and children,” says Robinson. “We can see when there are gaps in quality or gaps in service. For a child with asthma, for example, we can tell what drug has been prescribed, if that prescription has been filled and if it has been effective. Does the child return to the Emergency Department? Is there another drug our providers should prescribe that will both improve the health of the child and save money on Emergency Department visits?”

“As a hybrid organization, not just a provider of health care, we look at the world differently,” Robinson says.

Over time, Partners For Kids has developed a number of initiatives that allow it to impact child health on a large scale. Three in particular stand out: the Physician Incentive Program, the Pharmacy Program and Care Navigation.

### Ohio Market

Contracted with 5 Medicaid Managed Care Plans covering over 330,000 lives in urban and rural Ohio (34 counties)

**5 Statewide Health Plans**  
 Buckeye | CareSource | Molina  
 Paramount | UnitedHealthcare Community

## Physician Incentive Program

Partners For Kids once paid community care givers at rates higher than Medicaid just to open their doors to children who are Medicaid eligible. It still does pay community physicians who are members of Partners for Kids a 5 percent premium over Medicaid rates. But many of the incentives now offered target areas of child health that need to be improved.

Partners For Kids data, for example, has shown that well-child exams for adolescents lag behind other ages. So the organization pays member providers an extra amount per patient, ages 12-17, when one of those visits is completed (if the patient did not have a well visit in the previous year). Partners For Kids recognizes the importance of health maintenance visits for the very youngest children as well, and so it provides well-visit bonuses for children younger than 15 months and for those 3-6 years of age.

Incentives are also in place to decrease the over-prescription of antibiotics and certain other drugs. The organization goes further, though, and sends

physicians call lists for patients due for visits who have not scheduled them. Partners For Kids staff members will even travel to physician offices to help them schedule wellness appointments.

Jill A. Neff, DO, a community physician about 80 miles southeast of Columbus in Jackson, Ohio, is a member provider who has looked to the organization for strategies to boost well visits. Her office now spends time during patient visits for illnesses to schedule those same patients for future well visits. Dr. Neff is waiting for final data, but she believes overall well visits have increased under the strategy.

“I am in a small community, and I think Partners For Kids could be helpful to all of the caregivers here,” Dr. Neff says. “If we all understand that a patient with a certain condition can best be treated a certain way, and that treatment actually saves money in the long run, it’s good for all of us. Partners For Kids helps get that point across.”

## Care Navigation

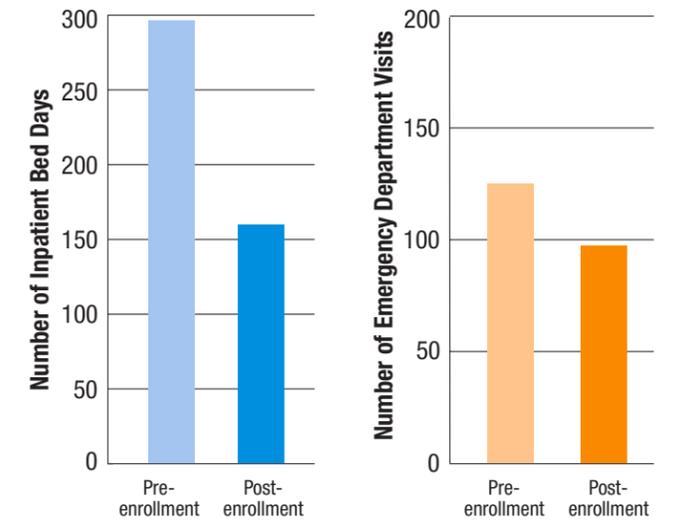
Some children need more than regular wellness visits. For patients with complex health issues, Partners For Kids offers Care Navigation. Social workers, nurses and quality outreach coordinators individually work with families to help them navigate the health care system.

Care coordinators can help schedule several physician appointments on one day, reducing the number of trips families must make. Care coordinators may also attend physician appointments with patients; ensure patients get screenings and interventions they need for their individual conditions; help connect patients with useful community resources; and help patients learn self-management as they grow, so they can transition successfully to adult health care.

“Children with medical complexity spend the most time in the hospital, have some of the worst health outcomes, and their families have difficulty managing all that must be done,” says Kimberly Conkol, RN, Partners For Kids’ director of Care Navigation. “Care Navigation helps change this reality for these patients.”

Data from 2014 show that patients enrolled in Care Navigation for at least 120 days saw hospital inpatient admissions and Emergency Department visits decrease. Partners For Kids is working to expand the program to build on its success. The organization now has approximately 45 care coordinators. That number will more than double by 2017.

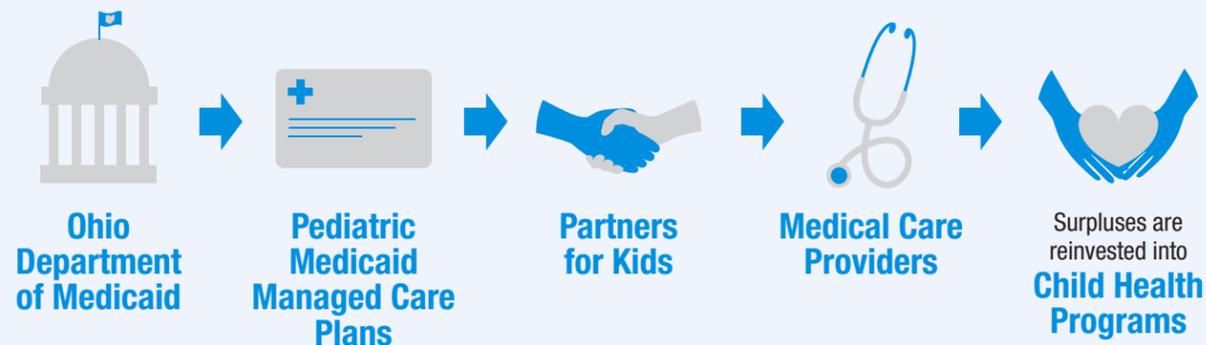
**Pre- and Post-enrollment Utilization Characteristics of Selected Patients Enrolled in Care Navigation in 2014**



“Sometimes people just don’t know the right questions to ask,” says Deb Luciano, LISW-S, a Partners For Kids care coordinator who has been a pediatric social worker for 18 years. “Patients can fall through the cracks for the simple reason that they miss appointments and forget to reschedule them. I get to know my families. I stay with them. I want them to feel empowered to get the best for their child.”

## Partners For Kids Flow of Funds

Partners For Kids receives funds for each child in the program for the child’s medical care.



# Pharmacy Program

One of the biggest drivers of health care costs is prescription medication. Partners For Kids' Pharmacy Program works to hold down those prescription costs in several ways while still providing patients with the medication they need.

First, Partners For Kids pharmacists provide guidelines to physicians who may be unaware that some medications are less expensive, more effective or more widely covered by health plans than others. Physicians are not always aware of how much their prescribing practices may cost.

For example, the antipsychotic medication Abilify® is priced by pill, not by strength of dose. Two 5 milligram pills of Abilify® cost nearly twice the amount of one 10 milligram pill. Abilify® is long-acting, so the single 10 milligram pill is just as effective. If all Partners For Kids patients currently on Abilify® took just one dose per day, the potential savings is more than \$350,000 per year.

Partners For Kids pharmacists are now working to educate Abilify® prescribers of the difference. Other changes in prescribing patterns of behavioral health medications, such as using certain generic attention deficit hyperactivity disorder treatments instead of brand-name counterparts, are also driving down costs.

The Pharmacy Program works with the Medicaid Managed Care Plans to give patients better access to certain treatments that the plans do not already cover, and provides information that allows the plans to save money even outside of Partners For Kids. In one case, a Partners For Kids analysis found that an ophthalmic antihistamine costing \$100 was most often utilized by certain plans when an equally effective one costing approximately \$10 was available. The Pharmacy Program developed guidelines to help the plans transition to the less expensive medication in any geographic area.

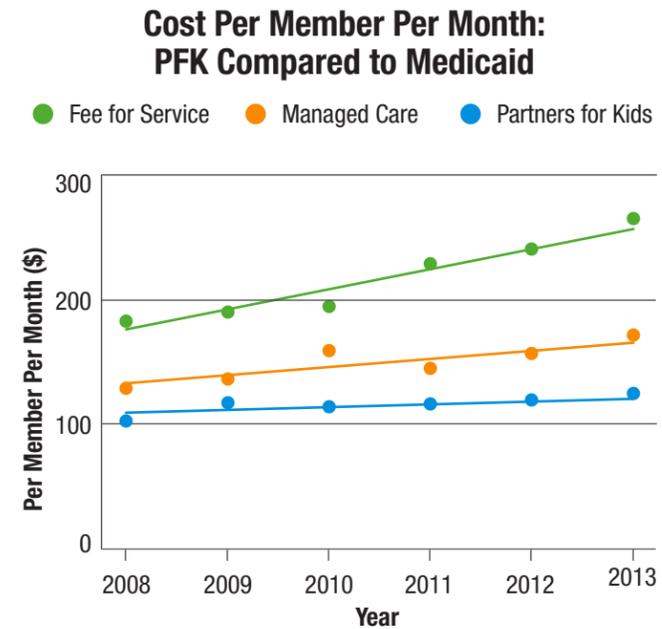
“We have access to a lot of data that can help drive our guidelines and decisions,” says Chet Kaczor, PharmD, MBA, director of Pharmacy Services for Nationwide Children’s Hospital. “Physicians may have comfort with one medication over another, even if there are better options. We are able to see where cost savings with quality care are possible, and we focus on those areas.”

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Chet Kaczor, PharmD, MBA, Director of Pharmacy Services,  
Nationwide Children’s Hospital and Partners For Kids

# Measures of Success

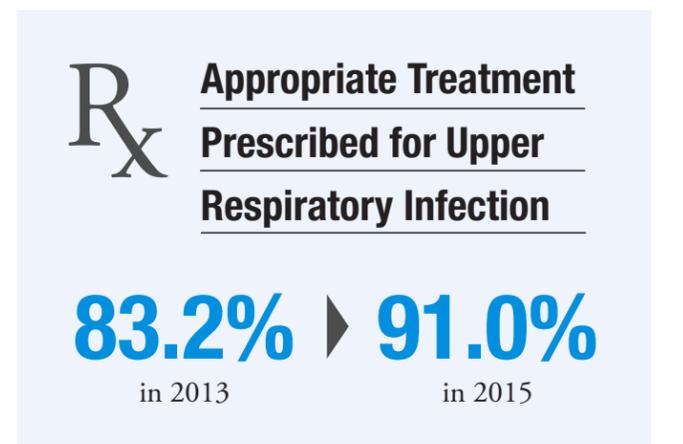
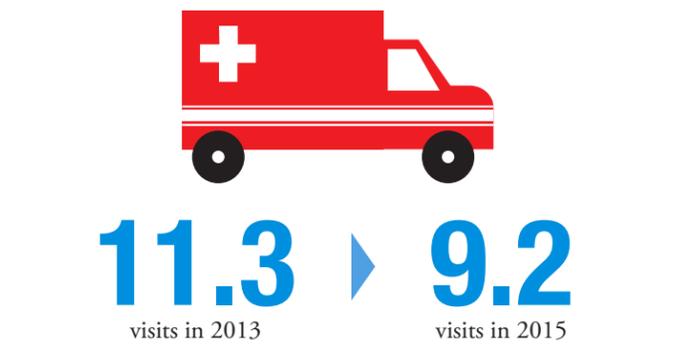
Physician incentives for quality care, better drug prescription practices, Care Navigation and a focus on illness prevention have led to cost savings. A 2015 study, led by Dr. Kelleher and published in the journal *Pediatrics*, found that Partners For Kids member-per-month costs are less than traditional Ohio Medicaid fee-for-service and Medicaid Managed Care Plans, and Partners For Kids costs have grown at a slower rate.



At the same time, Partners For Kids target measures of quality care and patient outcomes are holding steady or improving. Asthma patient visits to the Emergency Department decreased almost every month in 2015 from comparable months in 2012-2014 – that is, there were fewer visits in January 2015 than in Januaries of previous years. About 91 percent of upper respiratory tract infections are treated appropriately without prescribing antibiotics, up from 83 percent in 2013.

One of the most important examples of improvement has been among children who have certain neurologic diagnoses, such as cerebral palsy, and who also need a feeding tube. These are some of the sickest Partners For Kids patients – they frequently are admitted to hospitals and must deal with many different parts of the health care system. It is difficult for them and stressful for their families.

## Partners For Kids Asthma Emergency Department Visits per 1,000 Member Months (Excluding disabled population)



“If we can change things for this population, if we can help them, then we can help any population,” says Dr. Gleeson, the Partners For Kids president.

The number of days that those patients spent in the hospital per month dropped significantly from the beginning of 2011 to the end of 2014, Partners For Kids data shows.

Partners For Kids takes those kinds of statistics into account in continually improving physician incentives, Care Navigation, the Pharmacy Program and other initiatives.

“We’re not just assuming we’re doing the right thing,” Dr. Gleeson says. “We’re going through a very hard self-examination with the same rigorous academic standards that we use in research. Is what we are doing working? How is it working? How can we make it better?”

## Reinvesting in Child Health

Medicaid payments often don't entirely cover the cost to care for patients, so most health care institutions have a Medicaid shortfall. The cost containment that Partners For Kids has achieved allows Nationwide Children's to reduce its shortfall, and shows that a pediatric accountable care organization can be viable over the long term.

When there are surpluses, Partners For Kids and Nationwide Children's can use them to support wellness programs throughout central and southeastern Ohio.

"We are not going to get to the best outcomes unless we invest in community services that keep children healthy in their neighborhoods and schools," says Jessie Cannon, director of Community Wellness for Nationwide Children's Hospital and Partners For Kids.

Some programs and services that have benefitted directly from Partners For Kids savings include:

### **Integrating Professionals for Appalachian Children (IPAC)**

The Athens, Ohio-based rural health network works to increase well visits for teenagers, access to long-acting reversible contraceptives (LARC) and prenatal care for young mothers. IPAC also promotes the use of progesterone, a hormone proven to reduce premature births in women who have already experienced a premature birth.

### **Chapter Quality Network Asthma Project**

This program of the Ohio Chapter, American Academy of Pediatrics, helps pediatricians implement national guidelines to improve the care and outcomes of children

with asthma. Partners For Kids has collaborated with the Ohio AAP to bring the program to medical practices throughout the state.

### **School-Based Asthma Therapy**

Nationwide Children's Hospital's School-Based Asthma Therapy was in four schools at the beginning of the 2013 academic year; three years later, it's in more than 100 schools. This program recognizes that some children with asthma do not have consistent access to asthma control medications at home. Children who enroll can receive this medication at school, and their parents can be trained to dispense the medication at home. The program has been shown to increase school attendance and decrease Emergency Department visits.

### **Columbus City Schools Care Connection**

An expanded partnership between Nationwide Children's Hospital and Columbus City Schools allows children who do not regularly visit a primary care doctor to receive some health services at school. Students in eight schools have access to a Nationwide Children's nurse practitioner, who can diagnose common illnesses and prescribe medicine. Behavioral support is also available at select schools.

### **Welcome Home**

Teenagers who have been discharged after behavioral health inpatient stays need ongoing care. The Welcome Home program from Nationwide Children's offers them evidence-based computer programs to help with the transition. In some cases, it provides them with electronic tablets to complete those programs.

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