

MSS Fall Conference

**Improving Quality Healthcare
Bill of South Carolina -
*Participating in a Statewide Telemedicine
Network***

Rep. G. Murrell Smith
Chairman

Healthcare Budget Subcom
Ways & Means
SC House of Representatives

Budget

Healthcare Funding in the State Budget

The Interconnectivity of the State
Budget and Healthcare Agencies



Healthcare Budget

The State plays a key role in South Carolina's Healthcare system

There are several state agencies responsible for various aspects of that system, some of which are classified as "Healthcare" agencies

These agencies present their annual budget requests to the Governor's Office, the House of Representatives, and the Senate

Every dollar counts, and the way those dollars interact is critical to recognizing efficiencies and effective applications of care from the state

The SC General Assembly develops, debates, and must pass an Appropriations Bill each year, which provides funding for all of state government, including the authorization of federal funding

Healthcare agencies account for nearly 40% of the total state budget and

Healthcare Budget Subcommittee

The House Ways & Means Budget Subcommittees begin meeting as early as September to hear from state agencies regarding budget requests

The Healthcare Subcommittee receives testimony and considers budget requests from 11 state agencies, various local and statewide providers, the public, and other members of the House of Representatives

Work closely with the Executive Budget Recommendations and the Senate Finance Committee throughout the process

Healthcare Subcommittee members:

- ❖ G. Murrell Smith – Chairman – Sumter
- ❖ Bill Clyburn – Aiken
- ❖ Jimmy Bales – Richland
- ❖ Durham Cole – Spartanburg

Major Healthcare Agencies

Department of Health and Human Services - DHHS - SC Medicaid

Department of Disabilities & Special Needs - DDSN

Department of Mental Health - DMH

Department of Social Services - DSS

Department of Health & Environmental Control - DHEC

Department of Alcohol & Other Drug Abuse Services - DAODAS

Vocational Rehabilitation Department

Commission for the Blind

Public Employee Benefit Authority - PEBA

s and Other Changes

Changing the Way Healthcare is Delivered

number of healthcare providers in
state, especially in rural areas, is a
growing concern

essential that the state work
through coordinated efforts between
agencies, hospitals, and other
providers



Costs of Providing Care

Federal and State laws regarding the delivery of care have changed dramatically over the last decade, and are likely to continue to evolve rapidly as more and more data becomes available

Healthcare costs continue to be a concern throughout the country, and with the SC Medicaid budget representing a combined federal and state funding total of over \$7 billion dollars in SC (over \$1 B in state funds alone) it is imperative that efficiencies in costs are realized and quality measurers are recognized

Ensuring Quality

The increased prevalence of health data throughout the system has resulted in more specific quality measures

We can now identify individuals with complex and serious illnesses which are the highest utilizers of services and therefore make up a substantially larger percentage of overall costs

While lowering the overall cost of care is important, it must be approached from a comprehensive and collaborative perspective that the quality of care provided does not decrease as a result

Over the last several years, the increase in available and reliable data has allowed SC to focus on these high-utilizers as a means of controlling costs and providing coordinated quality care, starting with the SC Medicaid program at HHS

Healthy Outcomes Program



- ❖ Commonly referred to as HOP
- ❖ Budget Proviso in the State Appropriations Bill - Established in 2013 – Proviso number 33.22 in the FY 15-16 Budget
- ❖ The Proviso title is “Medicaid Accountability & Quality Improvement Initiative”
- ❖ Primary goal is to increase overall health of the most vulnerable, while being as efficient and effective as possible with available funds

HOP - Long Term Goals

Improve health quality and coordination of care for
at-risk population

Strengthen patient engagement and compliance

Reduce health disparities and improve patient
outcomes

Create greater collaboration and increase use of best
practices

Lower healthcare costs in a way that best works for
each community

HOP Enrollment

As of August, 2015, there are 13,394 participants enrolled in HOP – an increase from 9,189 in 2014

70% of the enrollees are under a care plan so far

Focus on high-utilizers of inpatient services and/or emergency departments

70% of enrollees screened are in high need of further evaluation and behavioral health intervention

These experiences are being utilized in ongoing applications and will be invaluable for future innovations in healthcare delivery in South Carolina

HOP Providers and Partnerships

100% hospital participation from the 57 Medicaid designated hospitals in SC, leading to 45 HOPs - *multiple collaborators*

HOPs are paid for each enrollee under care plan management

70 primary care safety net providers working in conjunction with Hospitals – FQHCs, RHCs, Free Clinics

30 participating behavioral health clinics – DMH DAODAS

HOP Funding

Funding may only be accessed if the hospitals, clinics, and other providers serving the uninsured population work together

Must adhere to health improvement initiatives detailed in the proviso, which are reviewed and updated each year during the budget process

Focused on improving health outcomes

First step to realigning how hospitals manage the uninsured and spend allotted funding (DSH) on administering care for this population

DP Proviso - Additional Initiatives

Continuing investment in Telemedicine Infrastructure and operational funding with an increase of \$2 M in recurring state dollars and \$10 M in capital funding in this year's budget (FY 15-16)

USC leading an open access Telemedicine Network
the SC Telehealth Alliance

HHS is contracting with MUSC Hospital Authority
working with USC's School of Medicine to develop
statewide teaching partnerships and rural residency

Integrating Efforts

Telemedicine in South Carolina

The statewide Telemedicine Network is one of the best tools SC has in addressing the low provider base problem and enhancing a coordinated approach to improving health care statewide.

SOUTH CAROLINA
Telehealth
ALLIANCE

 **MUSC Health**
Medical University of South Carolina



Why Telemedicine?

South Carolina is a largely rural state - with such a large number of towns and counties, Telemedicine is essential in delivering quality care throughout much of the state, as well as within the underserved populations of urban areas

South Carolina has a provider problem – with a low number of specialists statewide. This is a major concern from a long-term perspective, one of the best ways the state has in addressing this issue is through this technology

Over the last several years, the number of Telehealth and Telemedicine services provided in SC have continued to increase, and new applications are recognized and developed regularly

Telemedicine in SC

Today, South Carolina is at the forefront of statewide utilization of telemedicine networks – an estimated 8,000 tele-consultations each

psychiatry consultations through the SC Department of Mental Health have provided over 30,000 behavioral health consultations since implementation, and MUSC's Telestroke program – REACH MUSC is approaching 2,000 consultations a year

Virtual Tele Consultation (VTC) – the number of connected outpatients and physician practices has grown by 212% in the last year along with applications through various specialty consultations expected to reach 800 annual consults by the end of the state fiscal year (15-16)

Paying SC's Network



- ❖ The SC General Assembly has authorized nearly \$70 M in total funds over the last three state Fiscal Years
- ❖ That includes an estimated \$30 M for the build out of network infrastructure
- ❖ Remainder of funding is combined from state appropriations and authorized federal funding for operations and continued development

Telepsychiatry – Mental Health

The SC Department of Mental Health (DMH) has lead efforts to find innovative ways of treating individuals with psychiatric disorders by partnering with SCHA to bring Telepsychiatry to the Emergency Department starting in 2007

For individuals needing behavioral health services Telepsychiatry can provide a multitude of benefits to both the hospital and the consumer by reducing the length of stay from as long as 48-72 hours, to as little as 24 hours per patient

Not only are the cost savings evident, but more importantly, the quality of care provided dramatically increases by allowing for faster diagnosis and treatment

Furthermore, the need to rely on law enforcement, judge orders, and court examiners diminishes

telestroke – REACH MUSC

This hugely successful initiative has provided life and brain saving care to thousands of South Carolinians who would have otherwise had worse outcomes following a stroke, using MUSC as a hub of expertise for 18 spoke hospitals

Since the program was established, the percentage of South Carolinians within 60 minutes of expert stroke care has increased from 38% to 96%

The program achieves crucial response times to treat stroke victims that would not be possible without telestroke

Patients in rural areas treated in a telestroke network are estimated to save over \$1,400 in costs per patient treated

MUSC Center for Telehealth

are principals of the MUSC
Center for Telehealth

Efficient Use of SC Resources

Enhance Access to Cutting
Edge Care

Coordinated Care Delivery

Established and developed the
Telehealth Alliance -
maximizing telemedicine to
transform and maximize the
efficiency of the South Carolina
healthcare system.



SC Telehealth Alliance

2014, the SC Telehealth Alliance was formed through a collaborative and strategic planning process, bringing multiple members and various stakeholders together

There are now over 100 participants within the SC Telehealth Alliance, consisting of state government agencies, hospitals, clinics, schools, and other healthcare providers

The following are members of the SC Telehealth Alliance Strategic Plan Steering Committee:

SC DHHS, DMH, MUSC, USC, SC Hospital Association, Greenville Health System, Hampton Hospital, Office of Rural Health, Palmetto Care Connections, Palmetto Health & SCETV

8 Primary Objectives

Establish the SC Telehealth Alliance (2014)

An open-access telehealth network that allows all providers to collaborate, consult and receive educational support directly in the setting in which they treat patients

Videoconferencing units that are a low cost burden are being placed throughout the state, with a focus on the areas in greatest need

The benefits of telemedicine are best realized through collective effort and collaboration

Deliver Services Over an Open-Access Telehealth Network

Allow and facilitate collaboration, consultation and educational support directly in the setting in which patients are treated

Videoconferencing units are being placed throughout the state, with a focus on areas in greatest need

MUSC Center for Telehealth Objectives

Maximize Statewide Telestroke Coverage – REACH MUSC

Worth repeating – this program has increased the percentage of citizens within an hour of expert stroke care from 38% to 96%

In the last year, telestroke consults grew by 59%, expected to reach nearly 2,000 annual consultations this year (FY 15-16)

Implement a Critical Care Outreach (Tele-ICU) Program

Tele-ICU initiatives are improving care for the sickest patients throughout the state, but the upfront costs of these programs are often too expensive for many regional medical centers

As a new initiative, tele-ICU monitoring and multidisciplinary collaboration will be provided to hospitals who serve as the regional hub for rural areas

When applied comprehensively, this initiative will complement the other hospital-based efforts by allowing more patients to remain in their regional center and

MUSC Center for Telehealth Objectives

Increase Access for Medically Underserved Children with School-based Telehealth

School-based care is often difficult to sustain as they are inefficient sources of income for providers

Telemedicine allows the providers to serve multiple schools in the same day, as well as bring in additional care such as mental health, speech therapy and asthma management

Telemedicine also allows school clinics to operate in rural areas regardless of the size of school

Children along the I-95 corridor and other rural areas of the state receive less preventative care and visit the emergency room twice as often for conditions such as asthma. School based care can reduce access barriers that lead to this reality

Improve Access to Health Education for Providers and Patients

Using a dedicated, broadband healthcare network, the South Carolina AHEC (Area Health Education Consortium) coordinates innovative programs through a statewide network of 40+ locations

Through videoconferencing and online courses, a significant amount of provider education and training is provided in support of telehealth initiatives

MUSC Center for Telehealth Objectives

Encourage Telehealth Development and Innovation

A Development and Innovation grant program will be launched, providing assistance to telehealth efforts in the development stage

Preferences will be given to programs that have potential to be sustainable, save costs, improve care, are scalable to the state as a whole and are in line with the healthcare goals of South Carolina

Open Innovative Portals for Care

Investments will be made in programs that open innovative portals of care that allow for earlier intervention at earlier points along the health continuum

In-home monitoring, in-home consultation, mobile device integration, and community health kiosks may be deployed under this umbrella

In coordination with local providers and MUSC's population strategies, these interventions will target significant areas of need in SC such as chronic disease control, compliance with recommended care, early detection of illness and episodic primary care

Other Telemedicine Statistics

An estimated 8,000 Tele-consultations are being provided every year – roughly 75% of these are through MUSC

over 70 connected sites statewide participating in the network

now over 30 sites with connected outpatient Virtual Tele-consultations, which will increase the number of outpatient specialty consultations to an estimated 800 in the current Fiscal Year

Hopefully, South Carolina will eventually see a shift away from the use of “Tele” – it’s all healthcare

Moving SC Forward



- ❖ According to the US Department of Health & Human Services, there are 78 Medically Underserved Areas and Populations in SC
- ❖ Only through coordinated efforts from both the public and private sectors will we be successful in providing quality and reliable care to those underserved areas
- ❖ The state budget is a critical first step, and continued investment in the utilization of Telehealth and Telemedicine are vital components

Questions?

–Thank you