



*Task Force on
Accountable Care Communities*

TASK FORCE ON ACCOUNTABLE CARE COMMUNITIES

MEETING SUMMARY

June 29, 2018

10:00 am – 3:00 pm

North Carolina Institute of Medicine

630 Davis Drive

Morrisville, NC 27560

Attendees:

- *Co-Chairs:* Miles Atkins, Ron Paulus
- *Steering Committee:* Jason Baisden, Chris Collins, Allison Owen, Jeff Spade; *Via phone:* Shelisa Howard-Martinez
- *Task Force Members:* Paula Swepson Avery, Will Broughton, Tristan Bruner, Brett Byerly, Barbara Morales Burke, Debbie Collins, Kathy Colville, Howard Eisenson, Bob Feikema, Shauna Guthrie, Dee Jones, Ann Meletzke, Nicolle Miller, Kevin Moore, Hannah Randall, Maggie Sauer, Kim Schwartz, Linda Shaw, Tish Singletary, Steve Smith, Anne Thomas, Sheree Vodicka, Mary Warren, Ciara Zachary; *Via phone:* Kim Green, Sharon Nelson

Introductions:

Task Force Co-Chair Miles Atkins opened the meeting and asked Task Force members to introduce themselves. Steering committee members, Task Force members, and guests introduced themselves, including their position and the organization they represent.

Legal Considerations for Partnerships

Edward Chaney, Attorney, Schell Bray PLLC

Mr. Chaney provided an overview of key considerations to make when determining the type of partnership arrangement for a particular set of partners to enter into for an Accountable Care Community (ACC) model. Considerations include how autonomous each partner wants to be, the style of governance and control desired, the tax status and income characterizations of individual partners, how financing and cashflow will be organized, how the resulting partnership or organization will be staffed, levels of liability for each partner, and Medicaid/Medicare licensing and HIPAA considerations. There are three primary frameworks for ACC partnerships: contractual collaboration (most basic form), joint venture (partners come together for collective activity and share in financial gains or losses, and new organization (complete independence in terms of governance).



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In a contractual collaboration partners are coordinated but remain independent and have agreed-upon roles and responsibilities. A Memorandum of Understanding (MOU) would typically be used for this type of partnership. Joint ventures typically involve creation of a limited liability company (LLC). There are more tax considerations involved in this type of partnership, especially for tax-exempt organizations that may be responsible for paying taxes on revenue-producing activities that are not relevant to their charitable purpose. A new organization can be formed using an LLC, which can apply for tax-exempt status. A common method is to form a nonprofit corporation where partners are members and they choose directors to run the organization. In this setup, partners maintain some control in choosing directors, but the board's fiduciary duties are to the new entity not the partners.

Mr. Chaney concluded his presentation with two points of practical advice about partnerships: 1) Developing sophisticated partnerships can be risky, so you need to have the right people at the table with foresight to the issues that may arise. 2) Legal and accounting advisors should be involved from the start.

Questions/Discussion:

Question: What about fraud? Does that make partners responsible?

Answer: An LLC creates an agreement between the parties for the amount they contribute, so they wouldn't be liable for more than what they contributed unless they contributed directly to the harm. Where it could get complicated is if a member of the LLC is providing services, then they could be liable for that as well.

Question: Can you provide some guidance on conflicts of interest? For example, when it comes to the entangling of partners and representation on boards?

Answer: There are actual legal conflicts of interest and then there are perceived or political conflicts of interest. You have to think about what you want to regulate. A good conflict of interest policy will clearly define what a conflict is and what should be done in the event of a conflict. When it comes to positional conflicts, a lot of that comes to politics, but I could see the need to define conflicts more broadly to capture some of those political conflicts.

Question: Can you talk more about the cost differences for the different levels of partnership? What kind of financial commitment will groups be looking at?

Answer: The legal fees for memorializing an agreement won't be that much. An MOU is certainly the least costly. If you form an LLC there are additional filing fees. What will really drive costs is what the activities of the partnership are, how they will be financed, and what the level of complexity is.

Question: If a philanthropic organization provides capital and then they partly own the LLC, is there a limitation on the percentage of the LLC they can own?

Answer: There is no legal limit, it's more a question of what makes sense. But keep in mind that if the philanthropy owns more than 50%, it will get rolled up into their books and accounting.

Chaney presentation [here](#).



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The Joyful Complexity of Measuring Social Determinants of Health

Emma Olson, Coordinator, Culture of Results Evaluation and Communications, North Carolina Center for Health and Wellness – UNC-Asheville

Ms. Olson began her presentation describing why measuring social determinants of health is complex: social forces influence each other and are influenced by laws, policies, and systems in the larger environment. A brief introduction to Results Based Accountability (RBA) was provided as background to the examples of the processes and outcomes measures developed. The basic principles of RBA are common ground, common language, and common sense. Two types of accountability are used in RBA: population accountability (well-being of whole populations) and performance accountability (well-being of people served by an organization, program, or project). The RBA process starts with the result (the ends/population accountability/progress on a community level) and moves to the means (the performance accountability/the measures of strategies employed, the work being done).

Examples of this process and outcomes measure development include:

- Community Food Strategies – Regional Community Indicators: Multi-year work to train partners in RBA developing and prioritizing community indicators which were aggregated, then beginning to “turn the curve” through key strategies
- WNC Healthy Impact – Regional Priority Scorecard for SDOH: Support the network in creating regional community health assessment priorities (3) including SDOH and community indicators infused with RBA processes
- UNCA Community Engagement Council: Led RBA exercises for faculty and staff across departments to identify results, workgroup on community indicator “buckets” and sample indicators connected to performance measures
- Future Group – Crosswalk of Asheville and Buncombe County Strategic Plans: Multidisciplinary research team reviewed strategic plans for common themes and community indicators
- Mobilizing Action for Resilient Communities: Trainings for “tipping grant” recipients rolled up into overarching measures and connected to community indicators
- Mothering Asheville Steering Committee: RBA exercise to create the vision for grant proposal and prioritizing community indicators and performance measures as connected to strategies

The overall lessons learned from these community processes are: 1) Connect results to measures and strategies – this is bidirectional; 2) Consider alignment and rolling up – think about how each partner/strategy contributes to the overall impact. Aligning measures and breaking down siloes of protection can be helpful to catalyzing action; 3) Make comparisons to understand needs and take an equity approach – stratify and disaggregate data; 4) Promote data-driven decision making; and 5) Prioritize measures to streamline the complexity. When prioritizing measures, consider: data power, communication power, and connective/proxy power.

Questions/Discussion:

Question: Average length of time this process tends to take?



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Answer: Varies, the 7-step RBA thinking process should be done in under two hours. Most of the examples of the initiatives I provided are multi-year efforts.

Comments: Multiple comments about how useful the RBA process has been for some of the Task Force members.

Olson presentation [here](#).

Prioritization of Quality Metrics for Medicaid Transformation

Michelle Ries, Project Director, NCIOM

Ms. Ries provided an overview on the Task Force on Health Care Analytics. The charge of the Task Force had been to reach stakeholder consensus on a concise set of quality measures to be used by Medicaid to drive population health under Medicaid transformation. To develop a reasonable list of measures, they focused on measures already vetted at the federal level, assess how/whether measures met elements of the Quadruple Aim, and considered best practices from other states. Their criteria for evaluation were: 1) Harmonization: consistency with existing measures; 2) Importance/Relevance: measures drive quality improvement in actual care settings; 3) Feasibility: measures support future alignment across payers; will be supported by existing HER or other reporting systems; and 4) Usability: Measure data can be used for accountability and performance improvement to achieve higher quality care.

The Task Force utilized Qualtrics survey and Likert Scale rankings, as well as small group discussions after presentations in order to come to consensus on a working draft set of measures. The scope of the Task Force was not to provide recommendations on how these measures would be operationalized but did provide a few overall recommendations around risk adjustment, attribution, performance targets and language of measurement, infrastructure and methodology to support data collection and sharing, as well as opportunities to ongoing measure development and revision.

Questions/Discussion:

Question: On risk adjusting, any ideas on what you would include if you talked about standardized risk adjusting scoring?

Answer: My understanding was that as different incentives and ways of using the data are developed, to ensure that you are comparing apples to apples.

Ries presentation [here](#).



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Development and Discussion of Recommendations

Facilitators: Brianne Lyda-McDonald, Berkeley Yorkery, Adam Zolotor

Four groups discussed potential recommendations from the Task Force related to legal considerations and outcomes measures development. All meeting attendees reviewed and discussed previously-developed recommendations and provided comments and edits.

Wrap-Up and Next Steps

Brianne Lyda-McDonald, Project Director, NCIOM

Ms. Lyda-McDonald gave a brief presentation on the upcoming meeting dates and topics we will cover.

Lyda-McDonald presentation [here](#).