Appendix A: Community Readiness Assessment

Overview

This community readiness assessment is designed to evaluate the feasibility of a community-based Medicaid ACO in a New Jersey community. This self-assessment tool can be used by ACO leaders to evaluate the ACO's current stage in the development process and identify the areas it needs to improve in order to participate in the New Jersey Medicaid ACO Demonstration Project.

The assessment corresponds with Sections 2 and 3 of this toolkit to assess ACO readiness in the following seven key areas:

1. Establishing a Leadership and Governance Structure
2. Partnering with Stakeholders
3. Performing Data Analysis and Building an Information Technology Infrastructure
4. Improving Care Delivery
5. Ensuring Quality Improvement
6. Developing a Business Plan
7. Developing a Work Plan

ACOs can score their readiness in each of these areas with the following values, which correspond with the organization of content in the toolkit:

- The Conceptual Level (1 point)
- The Essential Level (2 points)
- The Advanced Level (3 points)

Individual scoring criteria for each section and question are provided. Scoring should be strict. If the ACO does not meet every aspect of the question's criteria, fewer points should be assigned. If the person scoring the ACO's level of development does not know how to score the ACO for a particular question, he or she may refer to the corresponding section in the toolkit narrative to assess the level of ACO development. If there is still doubt to the ACO's level, he or she should round down (for example if the reviewer is not sure if the question deserves a response of conceptual level or essential level, he or she should round down to the conceptual level).

SECTION 1: **Establishing a Leadership and Governance Structure**

Q1: Does the ACO have an established board of directors that meets New Jersey regulatory requirements and encourages ACO success?

✓ **Conceptual Level (1 pt)** – The ACO understands the New Jersey regulatory requirements for its board of directors.

✓ **Essential Level (2 pts)** – The ACO has identified prospective organizations/individuals for its board and has voting representation from at least two consumer organizations.

✓ **Advanced Level (3 pts)** – The board of directors is confirmed and board-level committees, subcommittees, and a community advisory board are established.

Score: _____

Q2: Has the ACO established a management team to oversee day-to-day ACO operations?

✓ **Conceptual Level (1 pt)** – The ACO understands the minimal requirements it needs to get established.

✓ **Essential Level (2 pts)** – The ACO has appointed an executive director and identified a phased-in strategy to recruit personnel.

✓ **Advanced Level (3 pts)** – The ACO has its key management personnel in place including an executive director and some or all of the following: data analyst(s), care coordinator(s), legal officer(s), financial officer(s), and/or grant writer(s).

Score: _____

Q3: Has the ACO developed by-laws and become a nonprofit corporation?

✓ **Conceptual Level (1 pt)** – The ACO understands what its bylaws should entail and that it must be certified as a nonprofit organization in New Jersey.

✓ **Essential Level (2 pts)** – The ACO has developed a set of bylaws including voting rights and procedures, and has applied to become a New Jersey nonprofit corporation.

✓ **Advanced Level (3 pts)** – The ACO has developed a comprehensive set of bylaws, is certified as a New Jersey nonprofit corporation, and has either applied for or received its federal 501(c)(3) status.

Score: _____

ESTABLISHING A LEADERSHIP AND GOVERNANCE STRUCTURE SCORE
(Add all scores in section and divide by 3) _____

SECTION 2: **Partnering with Stakeholders**

Q1: Has the ACO begun to collaborate with health care stakeholders?

✓   **Conceptual Level (1 pt)** – The ACO understands the essential role that health care stakeholders play in the organization and has identified several health care stakeholders for initial outreach.

✓   **Essential Level (2 pts)** – The ACO has achieved the New Jersey Medicaid Accountable Care Organization Demonstration Project requirements by receiving the support of all general hospitals, 75 percent of Medicaid primary care providers, and four qualified behavioral health providers in its designated area.

✓   **Advanced Level (3 pts)** – The ACO has achieved the New Jersey Medicaid Accountable Care Organization Demonstration Project requirements by receiving the support of all hospitals, 75 percent of Medicaid primary care providers, and four qualified behavioral health providers in its designated area. The ACO also has broad support from FQHCs, clinics, and specialists, and has formed contractual relationships with managed care organizations. One or more health care stakeholders have also been designated as an "ACO Champion."

Score: _____

Q2: Has the ACO begun to collaborate with community stakeholders?

✓   **Conceptual Level (1 pt)** – The ACO understands the essential role that community stakeholders play in the organization and has identified several community stakeholders for outreach.

✓   **Essential Level (2 pts)** – The ACO has a written community engagement plan, but the plan has not been fully implemented. The ACO has engaged many community stakeholders, and some informal stakeholder relationships have been established. The ACO has also satisfied the community stakeholder presence requirement with its board membership structure.

✓   **Advanced Level (3 pts)** – The ACO has a written community engagement plan. Community representatives are fully integrated into the ACO and have roles on the community advisory board. The board of directors has an active community stakeholder presence, with some in a leadership role. Informal and formal mechanisms are in place, and the ACO has established specific programs with community organizations and services that will help residents gain access to care and encourage active participation in their own health care plans.

Score: _____

Q3: Has the ACO begun to collaborate with government entities and residents?

✓ **Conceptual Level (1 pt)** – The ACO understands that in addition to provider and community stakeholders, residents, government officials, and public health and social services offices must also be engaged.

✓ **Essential Level (2 pts)** – The ACO engaged a number of local politicians and won some support, has set up public feedback mechanisms, and has begun to collaborate with local public health and social services offices.

✓ **Advanced Level (3 pts)** – Political entities in the area support the ACO, as do the vast majority of community residents. Local and state social services and public health offices are active partners, provide input and possibly services on a regular basis, and at least one representative serves on the board of directors. Residents are also aware of the feedback mechanisms in place for them and have an active voice through the community advisory board.

Score: _____

PARTNERING WITH STAKEHOLDERS SCORE
(Add scores in section and divide by 3) _____

SECTION 3: **Performing Data Analysis and Building an Information Technology Infrastructure**

Q1: Does the ACO have a functional data strategy?

✓ **Conceptual Level (1 pt)** – The ACO understands the importance of data to care management and has identified sources of data. It is also aware of the basic requirements needed to perform data analysis.

✓ **Essential Level (2 pts)** – The ACO has set data-related goals and has at least one reliable source of data. A rudimentary data structure is in place, and the ACO intends to share information between providers and facilities, and analyze data. The ACO also has a method in place to promote provider use of electronic health records (EHRs).

✓ **Advanced Level (3 pts)** – The ACO has a robust data strategy. It has at least two reliable sources of data and the capability to exchange this data among providers, facilities, and the ACO data analysts. It has a plan, which is consistent with time and resources, to develop a functioning HIE or access data from an already established HIE, an internal database and analysis software, and has a plan for providers without EHRs to obtain them, though more than half of them already have EHRs. There is at least one full-time staff member dedicated to data analysis.

Score: _____

Q2: Does the ACO have a robust IT infrastructure?

✓ **Conceptual Level (1 pt)** – The ACO knows the elements it needs to establish a minimum data infrastructure, and plans to obtain these elements.

✓ **Essential Level (2 pts)** – The ACO has an internal database and access to data for analysis purposes.

✓ **Advanced Level (3 pts)** – The ACO has a sophisticated internal database and either hosts, or has access to, an HIE.

Score: _____

Q3: How many ACO providers use EHRs?

✓ **Conceptual Level (1 pt)** – Less than 30 percent of ACO providers currently use electronic health records (EHRs), but providers are aware of their benefits and resources available to help them convert to EHRs.

✓ **Essential Level (2 pts)** – Between 30 and 75 percent of ACO providers currently use EHRs. These EHRs are also compatible with each other and the health information exchange (HIE) that the ACO receives data from (if applicable). The ACO has also recommended an EHR type to its providers.

✓ **Advanced Level (3 pts)** – Over 75 percent of ACO providers currently use EHRs that are interoperable with each other and the ACO's HIE. At least 50 percent of these providers use the ACO-recommended EHRs or another interoperable EHR with discrete data fields.

Score: _____

PERFORMING DATA ANALYSIS &
BUILDING AN INFORMATION TECHNOLOGY INFRASTRUCTURE SCORE
(Add all scores in section and divide by 3) _____

SECTION 4: **Improving Care Delivery**

Q1: Does the ACO have existing care management teams?

✓ **Conceptual Level (1 pt)** – The ACO understands the importance of care coordination and has a plan to develop a care management strategy.

✓ **Essential Level (2 pts)** – The ACO has identified some patients who will potentially benefit from care management. It has at least one internal care team or an external care team that works with the ACO.

✓ **Advanced Level (3 pts)** – The ACO has its own multidisciplinary care team(s) and a robust method of identifying patients that would benefit from care team interventions. It actively coordinates with hospitals, FQHCs, and its own data analysts to identify patients and track patient progress. Care teams also have access to community resources such as food pantries and homeless shelters to help patients with non-medical, health-related problems.

Score: _____

Q2: How does the ACO perform care management activities?

✓ **Conceptual Level (1 pt)** – The ACO has the desire to develop a care management strategy.

✓ **Essential Level (2 pts)** – The ACO has developed a care management framework that identifies patients and provides them with the opportunity to enroll in care management services and build a relationship with a PCP.

✓ **Advanced Level (3 pts)** – The ACO has a comprehensive care management strategy and tools to help identify and stratify patients such as intake forms, health risk assessments, and other needs assessment tools. There is also a care management timeline that assesses patients from intake, to stabilization, and eventually, graduation. The care teams meet patients where they are, and communicate actively with patients' PCPs; if the patients' do not have a PCP, the care teams help to facilitate a relationship with one.

Score: _____

IMPROVING CARE DELIVERY SCORE
(Add scores in section and divide by 2) _____

SECTION 5: **Ensuring Quality Improvement**

Q1: Does the ACO have an established quality strategy?

✓ **Conceptual Level (1 pt)** – The ACO recognizes the New Jersey-required core and voluntary measures and has the means and infrastructure to track and report them.

✓ **Essential Level (2 pts)** – The ACO has the capability to report the New Jersey-required core and voluntary measures and plans to add additional measures that will benefit the ACO's care management activities.

✓ **Advanced Level (3 pts)** – The ACO currently tracks not only the New Jersey-required core and voluntary measures, but additional measures that benefit the ACO's care management activities. These measures are tied to gain-sharing payments, and the ACO also fosters communication between care teams, data analysts, PCPs, and its board of directors to encourage quality improvement initiatives.

Score: _____

ENSURING QUALITY IMPROVEMENT SCORE _____

SECTION 6: **Developing a Business Plan**

Q1: Has the ACO established a functional gain-sharing arrangement?

✓ **Conceptual Level (1 pt)** – The ACO has decided to develop a gain-sharing arrangement, but will do so within a year of the start of the ACO demonstration.

✓ **Essential Level (2 pts)** – The ACO has either accepted the CSHP gain-sharing arrangement, modified it slightly to suit the needs of its community better, or established its own gain-sharing methodology.

✓ **Advanced Level (3 pts)** – The ACO has either: accepted the CSHP gain-sharing arrangement; modified it slightly to suit the needs of its community better; or established its own gain-sharing methodology. It also has a gain-sharing arrangement with at least one MCO.

Score: _____

Q2: Does the ACO have a functional business plan in place?

✓ **Conceptual Level (1 pt)** – The ACO recognizes that it needs to develop a business plan that compares costs and revenues and measures the total cost of care (TCOC).

✓ **Essential Level (2 pts)** – The ACO has developed a business plan with a total cost of care measurement, but does not have a gain-sharing arrangement in place.

✓ **Advanced Level (3 pts)** – The ACO has developed a business plan with a total cost of care measurement based on its gain-sharing arrangement.

Score: _____

Q3: Does the ACO have access to start up funding from capital sources?

✓ **Conceptual Level (1 pt)** – The ACO has identified outside sources of funding and plans to approach them.

✓ **Essential Level (2 pts)** – The ACO has access to limited start-up funding from its members, a foundation, or a federal or state program.

✓ **Advanced Level (3 pts)** – The ACO has access to significant start-up funding from its members, a foundation, or a federal or state program, as well as funding from a MCO.

Score: _____

DEVELOPING A BUSINESS PLAN SCORE
(Add all scores in section and divide by 3) _____

SECTION 7: Developing a Work Plan

Q1: Does the ACO have an established work plan?

✓ **Conceptual Level (1 pt)** – The ACO understands that it needs a work plan timeline and will develop one.

✓ **Essential Level (2 pts)** – The ACO has a timeline in place and has broad activities and goals outlined on it.

✓ **Advanced Level (3 pts)** – The ACO has completed a detailed one/two-year work plan that aligns closely with the business plan and involves detailed activities and goals.

Score: _____

DEVELOPING A WORK PLAN SCORE   _____

1

Community Readiness Assessment Scoring

What the scoring criteria means:

1. **The Conceptual Level** – The area is a weakness. The ACO has a general idea of this area, but should continue to develop this area in a more practical way.
2. **The Essential Level** – The area is solid. The ACO is doing well in this area, and should continue developing this area.
3. **The Advanced Level** – The area is a strength. The ACO is well ahead of schedule in this area.

All decimals should be rounded down a level (e.g., 1.5 rounds down to the conceptual level, 2.66 rounds down to the essential level).

There is no overall score for this assessment. While the ACO will need to get to at least the Essential level of each section to achieve a successful ACO launch, it is likely that the community is not working at that level yet. Few ACOs will score at the advanced level for individual sections of the assessment, but may score advanced in individual questions.

In addition to assessing the current state of the ACO's community, the results of this assessment can be used to drive the development of a work plan and allocate resources to the correct areas. As a result, the ACO may want to use the assessment as a tool to identify areas of weakness and track ongoing growth.