

Emerging Strategies to Ensure Access to Health Care Services

Frontier Health System



The AHA Task Force on Ensuring Access in Vulnerable Communities examined ways in which the access to and delivery of care could be improved. As part of that work, this task force explored the creation of a strategy to address the unique geographic challenges faced by frontier communities, including those described below.

Specifically, the task force recommended creating an accountable care organization (ACO) for providers in frontier areas. The Frontier Health System (FHS) is an ACO whose primary role is to provide a framework for integrated and coordinated health care in frontier communities. It would serve as a medical home for all patients in its service area, including Medicare and Medicaid beneficiaries. The FHS model would include frontier health care providers that join together to provide preventive and primary care, inpatient and outpatient care, extended care, and emergency services across local, secondary and tertiary settings. However, unlike traditional ACOs, the FHS model also would provide:

- ➔ Transportation services, which would allow individuals to receive specialized medical care outside of their community and return to their hometown for follow-up care.
- ➔ A full range of services, which, in addition to those mentioned above, also includes swing bed, rural health clinic, ambulance, home-based care and expanded visiting nurse services.

Federal Policy Solutions to Pursue

Federal legislative and policy changes must be implemented in order for frontier communities to take advantage of this strategy.

FHS Demonstration Program. Congress and the Centers for Medicare & Medicaid Services should develop a demonstration program to test the feasibility of the FHS and its ability to ensure access to essential health care services in frontier communities.

The demonstration program would have the following components:

- **Aligned incentives.** Currently, each of the health care providers that should provide services in a frontier community are reimbursed under different payment methodologies. For example, visiting nursing services are paid on a fee-for-service basis, while all inpatient and outpatient services provided by a critical access hospital (CAH) are paid based on reasonable cost. This demonstration program would create a new payment methodology that reimburses all providers under the same methodology, thereby aligning the incentives of all providers in the FHS.
- **Reimbursement.** The new payment methodology would be a combination of different types of

Frontier Communities & Their Challenges

There is no single universally accepted definition of frontier. However, it is often defined as counties having a population density of six or fewer people per square mile.¹ This simple definition, however, does not fully account for the challenges of frontier communities that may hinder access to health care services. These include:

-  **Geographic Isolation:** Physical barriers, such as mountain ranges or large bodies of water
-  **Weather Events:** Snowstorms, whiteouts, fog, heavy rains or floods
-  **Road Conditions:** Disparate road conditions or the availability of paved roads
-  **Distance:** Lengthy distances and long travel times between patients and health care providers
-  **Population Density:** Low populations and low patient volumes for health care providers

reimbursement. Specifically, it could be a combination of these elements:

1. **Advance Payments.** Upfront monthly payments to account for important and required investments to the FHS care coordination infrastructure. For example, costs associated with health information technology, chronic disease management tools and education and training for current or new staff.
2. **Cost-based reimbursement for health care services provided through the FHS.** This would provide financial stability despite low patient volumes and lengthy distances between providers.
3. **Pay-for-performance reimbursement or shared savings.** This component would reward the FHS for care coordination, reduced admissions and readmissions, improved quality outcomes and the reduction of health care costs.



- **Waivers of current Medicare payment rules.** The demonstration also should allow for a system of waivers that would allow for successful implementation of the FHS. These waivers may include:
 - Increasing the CAH 25-bed limit to 35 beds, which would allow for expanded swing bed services;
 - Waiving the 35-mile ambulance rule to allow FHSs to operate in their regional service areas, which often encompass hundreds or even thousands of square miles, even if another ambulance service is located within 35 miles; and
 - Waiving telehealth restrictions.
- **Fraud and abuse laws.** To allow health care providers to form the financial relationships necessary to succeed in the FHS, it is also critical that the demonstration program waive applicable fraud and abuse laws that inhibit care coordination. Specifically, the physician self-referral law and the Anti-kickback Statute, which would prevent the FHS from entering into the financial arrangements necessary to provide integrated and coordinated care.

AHA will continue to explore and promote the FHS model with Congress and CMS.

Hospital and Health System Actions to Deploy

While the FHS is not currently a payment or delivery system reform option under Medicare or Medicaid, hospitals and health systems may want to coordinate care with other community stakeholders, including patients, boards and clinicians. To that end, the AHA has developed a Community Conversations *Toolkit* to help hospitals as they engage in discussions related to the health care services needed in their community.

1. Rural Health Information Hub: Health and Health Care in Frontier Areas. Accessed at: <https://www.ruralhealthinfo.org/topics/frontier#definition>.