



# **Session 1**

## **HCBO-Payer Relationship**

**Presented by:**  
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[aidsunited.org](http://aidsunited.org)

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# AIDS UNITED



*Community* LEADERSHIP  
BUILDING  
Policy & Advocacy  
**Strategy** Formative Research Grantmaking  
CAPACITY BUILDING  
*Technical Assistance*

# AIDS UNITED – Who We Are

*AIDS United is a national, non-profit organization with a singular mission and focus to end AIDS in the US*

# AIDS UNITED – What We Do

- We lead the charge for responsive and effective federal, state, and local policies that benefit people living with and at risk for HIV
- We invest in innovative models to meet the needs of communities affected by HIV/AIDS
- We have given more than \$104M in direct funding and leveraged \$117M to increase capacity of communities and organizations responding to HIV in the US
- We inform the field with best practices and lessons learned

# AIDS UNITED – How We Do It

- We advance advocacy based on sound public policy; strategic grantmaking to affected communities; targeted & tailored capacity building for organizations responding to the epidemic; and, research & evaluation to inform the field
- We work within a social justice framework that challenges the foundational issues of racism, sexism, homophobia and transphobia, socioeconomic inequality, gender discrimination, and stigma

# Individual Coaching

Any HCBO interested in individual coaching by The Menges Group regarding establishing and strengthening relationships with payer organizations should reach out to Zach Ford and/or Paola Barahona at AIDS United's Sector Transformation email address, [ST@aidsunited.org](mailto:ST@aidsunited.org)

After eligibility screening, HCBOs will be put in contact with The Menges Group to set up introductory meetings

# Speakers



**Joel Menges**

Chief Executive Officer



**Poornima Singh**

Vice President, Director, Government  
Contracting and Correctional Health  
Services



**Mohammed Hamdan**

Research Consultant

# Session 1 Goals

- Attendees will achieve a baseline understanding of the payer environment and learn to assess their strengths and opportunities to strategically engage with the payer community
- Identify service gaps payers face that ASOs are ideally positioned to fill
- Discern which payers cover large populations of people living with, or at risk of, HIV, as well as other at-risk populations

# Why Partner with Payers?

- The ACA has increased access to health coverage for PLHIV via the private market and Medicaid expansion
- PLHIV are increasingly covered by Medicare, and Medicare beneficiaries are increasingly enrolling in MCOs
- With grant funding diminishing, it is increasingly important for HCBOs to deliver services through contracts with MCOs and other payers
- This creates an additional path for reimbursement of HCBOs' existing medical services and non-medical support services – as well as opportunities for HCBOs to develop/deliver new services of value to the payer community and to PLHIV

# Payer Environment

- Procurements – Medicaid MCO contracts are typically awarded through a competitive bid process
- Community Involvement – many payers are striving to partner with organizations to better address social determinants of health
- Financial Incentives – health plans experience higher costs for members with low health status – but also receive higher payments
- Pharmacy Costs: Rx represents a large share of HIV health expenditures – the average annual per person cost for HIV medication regimen exceeds \$20,000. These costs will decrease considerably as patent expirations occur, which will change the health plans' economics of facilitating access to and adherence with HIV drug regimens.

# Opportunities to Work with MCOs and Payers

- Procurements: MCOs need to favorably differentiate themselves against competitors – partnerships with HCBOs can achieve this
- Community Involvement: many states require MCOs to contract with FQHCs – HCBOs can help facilitate these partnerships
- Financial Incentives: to avoid poor health and increased medical dollars for members, MCOs are willing to spend additional administrative dollars
  - Every \$1.00 investment made in HIV support services that lowers the MCO's medical costs by at least \$1.00 is a welcome expense

# Service Gaps in the Payer Community

- Establishing meaningful community connections
  - Addressing social determinants of health is beyond the boundaries of traditional health benefits
- Finding and retaining members
  - High-risk populations experience greater transiency and generate substantial health care costs via ED admissions
- High HIV drug costs and low adherence rates

# High-Risk and At-Risk Populations

- People living with HIV
- People at-risk of contracting HIV
- Persons with multiple chronic diseases
- Persons with comorbid behavioral and physical health conditions
- Individuals transitioning back to the community from an incarceration

# Payers Covering High-Risk Populations

- Medicaid: Many new PLHIV are now Medicaid eligibles via Medicaid expansion in 30+ states; most of these individuals are enrolled in Medicaid MCOs
- Medicare: many PLHIV qualify for Medicare via a disability, and a growing population of PLHIV are aging into Medicare. Many PLHIV on Medicare are also impoverished and are “dually eligible” for Medicaid
- Private Health Insurance: PLHIV covered through employer-based or individual private insurance (e.g., the health exchanges created by the ACA)
  - Blue Cross and Blue Shield entities often hold significant market share

# SWOT Analysis

- **Strengths:** What are your differentiators? Describe your experience (length, populations, outcomes) and demonstrate your understanding.
- **Weaknesses:** Assess your weaknesses to better understand what you can offer payers
- **Opportunities:** Identify gaps in the continuum of care where your organization can have a role
- **Threats:** Does your model match your organization's capacity? Is there funding to support your mission?

# Questions?

# Upcoming Webinars in this Series

August 14th:	Reaching out to Payers
September 20th:	Establishing Effective Contracts with Payers
October 11th:	Creating the Pilot Program
November 15th:	Collaborative Learning
December 6th:	Next Steps

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