Executive Summary

In 2015, the Centers for Medicare and Medicaid Services (CMS) awarded the District of Columbia (DC) a State Innovation Model (SIM) grant to develop a strategy to deliver better care, increase efficiency of health care spending, and improve population health. To aid in developing this strategy, this environmental scan aims to present the current state of health care in DC. While DC boasts one of the nation's highest health care coverage rates, disparities exist between the health outcomes of many residents. Key challenges to achieving DC's goals are discussed further in the environmental scan and outlined below.

HEALTHCARE DISPARITIES

Racial & ethnic groups have significantly poorer health outcomes in key geographic and socio-economic areas

- Average life expectancy is almost 15% higher for White compared to African American DC residents [1]
- Wards 7 & 8 have the lowest incomes in DC, and diabetes rates in these Wards are nearly twice the national average [2]
- Hispanics newly diagnosed with HIV were more likely to be younger than other racial groups [3]

FRAGMENTED SYSTEM

DC is a microcosm of the national disjointed healthcare system, where residents navigate between unconnected sites of care, contributing to poor health outcomes

- DC's HIE infrastructure is still maturing, leading to data sharing challenges
- ED use & non-psychiatric inpatient admissions decrease by almost 40% once homeless individuals receive Permanent Supportive Housing services [4]
- Residents with multiple health and social needs may have 4+ more silo-ed agencies providing case managers [5]

INEFFICIENT SERVICE UTILIZATION

Too often, individuals use the ER for primary care & aren't linked to community-based care after hospital discharge, leading to hospital readmissions

- DC's 30-day Medicare hospital readmission rate is 65 per 1,000, compared to 45 per 1,000 nationally [6]
- DC's emergency department utilization rate is almost twice the national rate at 746 emergency department visits per 1,000, versus 423 nationally [7]
- 25% of DC residents do not have access to a personal doctor to help them navigate the healthcare system, compared 18% nationally [8]

DC MEDICAID SPEND

The majority of Medicaid expenditures are from a very small percentage of Medicaid beneficiaries with exceedingly high costs for the fee-for-service (FFS) population

- 5% of Medicaid beneficiaries account for 60% of Medicaid spending, including costs for long-term services and supports [9]
- Average per person spending in FFS is almost seven times the per person amount in managed care (~$27,000/year in FFS compared to ~$4,000 in managed care) [10]
- 22% of the FFS population had an inpatient stay compared to 9% in managed care [11]

These challenges demonstrate DC's need for transformation in its healthcare system. The environmental scan will describe in greater detail each of these challenges, as well as the current initiatives in place and future planned initiatives to address these challenges.

The environmental scan also describes DC's health system and population health baseline, including population demographics, health risk factors, healthcare utilization, and rates of healthcare coverage. The environmental scan lays the groundwork for the State Health Innovation Plan (SHIP), which will describe DC's five-year strategy for addressing these challenges through payment model reform, improvements in care delivery, enhanced linkages between medical and socially-focused services and health information exchange. The initiatives explained throughout the SHIP will, in addition to addressing these challenges, present a roadmap to improve and reduce disparities in health outcomes, by supporting the delivery and payment of high-quality, cost-effective, person-centered health care services to DC residents in all eights wards.

References

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