# **CASE STUDY**

# Improving Healthcare Quality and Access throughout Kentucky

Kentucky's University Directed Payment Program



Sellers Dorsey collaborated with a long-standing provider coalition, including the University of Louisville School of Medicine and University of Louisville Health (collectively "UofL"), as well as the Norton Children's Medical Group (NCMG) and University of Kentucky (UK), to implement a directed payment program (DPP). By raising Medicaid funding levels from the Medicare equivalent to the average commercial rate (ACR), the program has expanded access and improved patient outcomes for both UofL Health, one of Kentucky's most significant health systems, and NCMG, the area's largest pediatric provider.

#### **PROGRAM FOCUS**

This program is critical to the health of Kentucky's future generations as it provides both primary care and pediatric specialty care to one in five children in the Kentucky Medicaid program. This initiative supports statewide access to UofL's healthcare system – a physician group of over 700 providers with 80 sub-specialties at 200 practice locations.

The team has worked with the coalition over three program years to:

- **Preserve and enhance** the existing supplemental funding stream of UofL.
- Achieve **double-digit improvement** on several of 14 equality measures.
- Qualify providers for 100% of the at-risk quality performance-based payments.

## **PROGRAM CREATION**

Sellers Dorsey worked closely with the coalition to:

- Design a transformative, value-based program.
- Educate key leaders on innovative methodologies and approaches.
- Increase the hospital payment methodology to the commercial equivalent for all coalition members.
- Develop relationships with key coalition stakeholders, State officials, and vendors.
- Ensure program participation for all entities of UofL's acquisition of the Kentucky One system.
- Secure CMS approval for a multi year program.
- Facilitate implementation.

#### **EMERGING IMPACTS**

The funding made possible through this DPP is having the following impacts in Kentucky:



Prevented the closure of a failing health system and critical hospital in the state.

Improved access by opening an urgent care clinic in a medically under served neighborhood.



Increased well child visits by 56% for children one to 15 months.

Exceeded the national 90% benchmark for diabetes care.



Changed workflows and programs to increase focus on preventive care metrics.

Enhanced staffing levels for care coordination and engagement.



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#### **CLIENT INSIGHTS**

"I'm so pleased with all the success we have enjoyed over the past few years and know we would not be where we are without the help of Sellers Dorsey. I am very appreciative of that help and the relationship we have developed."

#### — Jerry Johnson,

Chief of Staff to the Executive Vice President for Health Affairs, University of Louisville

"The success we've been able to achieve has been in partnership with Sellers Dorsey.

They've made a tremendous impact, and we are thankful for the relationship we've been able to grow over the years."

#### — Shelley Gast,

System Vice President Managed Care & Payor Strategy, Norton Healthcare

Through our service to an array of clients in the Medicaid and healthcare landscape, we pursue **our mission to improve health care quality, equity, and access for vulnerable populations in the United States**.

# **About Sellers Dorsey**

Sellers Dorsey is the nation's leading consulting firm with expertise in Medicaid. Since 2000 we have consulted on a range of financing, policy, and operational projects in over 40 states, delivering a fully integrated suite of services to a wide array of clients.

## **Our Team**

Our experts have senior leadership experience as former Medicaid and human services officials across the U.S. Our team offers a breadth of expertise and is dedicated to finding creative ways to better serve Medicaid beneficiaries.

## **Our Clients**



Hospitals, Physicians, and Acute Care Providers



LTSS Providers



States, Counties, and Other Public Entities



Managed Care Plans



Foundations and Advocacy
Organizations



Private Equity
Firms



**Solution Partners** 

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