Partners

*Healthcare partners:* Spectrum Health, Priority Health

*Service providers:* Health Net of West Michigan, Asthma Network of West Michigan (ANWM), Healthy Homes Coalition of West Michigan (HHCWM)

*Technical assistance provider:* Green & Healthy Homes Initiative

Project status

The partners have determined that a targeted asthma Pay for Success program is feasible but will require additional steps, including a pilot, prior to structuring a transaction.

Feasibility assessment

GHHI determined feasibility across six categories and found that Pay for Success financing is viable.

- Technical: Positive actuarial projections; track record of cost savings and outcomes exists for service providers
- Economic: Model projections show ROI when targeting inpatient and multi-ED patients for both adults and children (commercial and Medicaid) based on medical cost savings alone
- Operational: Team has robust working relationships; Priority Health currently partially reimburses ANWM for services of 175 members a year; capacity to scale to 250 members with single MCO payer
- Sociopolitical: Stakeholders supportive of innovation and asthma-focused community interventions
- Payment mechanism: Multiple end-payer needs to be secured to expand to scale and impact of project
- Capital availability: Robust local PFS activity shows that funders are active and open to innovation

*Feasible project scenario*

- 3 year service period
- 396 total enrollees (3 cohorts of 132 pediatric asthma patients)
- $1.08 million projected net benefit in medical cost savings over 10 years

Outstanding issue: payer identification

The team looks to identify one or more end payers for the project, with several options available that include local MCOs and state government agencies. Multiple payers will enable the project to expand services to a larger scale and have a broader impact.

Path forward

- Plan and launch pilot to test process flow model, referral methods and enrollment processes; confirm key budget assumptions
- Identify and engage potential end payers
- Secure resources for post-feasibility activities