# SDOH Strategy How Chartis Helped a Medicaid MCO Address Homelessness





# The Client Challenge

Homelessness among Medicaid enrollees contributes to higher medical costs and higher rates of disenrollment from a lack of engagement. Facing an above-average homelessness rate among their nearly 1 million members, a managed care organization (MCO) decided to leverage housing programs to improve clinical and financial outcomes. The MCO partnered with Chartis to develop and execute a strategy to better manage members experiencing homelessness.

# **Navigating to Next: The Solution**

Partnering with Chartis, the MCO aimed to quantify membership impacted by social barriers and build a roadmap for initiatives focused on removing those barriers. As part of the initial phase of a multi-year roadmap, the MCO sought to strengthen and optimize partnerships with community housing programs.

A key challenge of identifying the social barriers impacting members was insufficient data tracking around the social determinants of health (SDOH). We brought together the needed data by leveraging internal screening and medical history tools, Z codes from internal claims data, and external data, including that from the Homelessness Management Information System (HMIS). We also proposed a more proactive approach to ensure accurate member identification through homeless status coding in electronic health records (EHRs) to enable future identification. These efforts required both coordination among care managers, providers, and community organizations and back-end data management teams to enable clinical and financial outcomes tracking. As a result, the MCO developed a scalable model to grow its strategy from targeted interventions to enterprise member-centric value.

#### THE COST OF HOMELESSNESS

- **Higher medical costs**
- Limited access to preventive care
- Reduced member and provider engagement
- Increased member attrition
- Poorer health outcomes

#### **NAVIGATING TO NEXT: KEY COMPONENTS**



#### **IDENTIFY & PRIORITIZE**

Conduct initial assessment to identify and prioritize appropriate SDOH initiatives



#### **ESTABLISH MEMBER CHOHORTS**

Conduct in-depth Z-code analysis, including primary medical and behavioral diagnosis, demographics, and care utilization



#### SEGMENT MEMBER CHOHORTS

Segment member cohorts by utilization, clinical and SDOH risk factors, and engagement



#### SELECT HIGH-RISK MEMBERS

Select high-risk member cohort for allocating housing units for both interim and permanent accommodations



#### ESTABLISH ROI

Determine ROI and improvements in key clinical and financial metrics by member cohort



## **Client Impact**

Together, we identified a cost reduction opportunity of \$32 million annually for 3,000 members. We developed a homelessness program engaging target member cohorts to drive key clinical and financial outcomes and partnered with housing programs to build synergies for value maximization in housing, care management, and other SDOH services. This allowed for a first-year return of \$2.4 million, based on the initial pilot program that placed 34 high-risk, high-spend members in housing and provided hands-on care management and provider engagement intervention. The MCO will be able to replicate this model of care coordination for additional SDOH beyond housing (e.g., food, transportation, and access) and other lines of business (e.g., duals and foster care).



# How We Are Making Healthcare Better

"Chartis is actively working with clients to address SDOH through financially sustainable frameworks because we believe that addressing social factors is a core part of our healthcare solution and necessary to proactively improve care for one of the most vulnerable populations."

—Pravith Nambiar, Director, The Chartis Group

While the MCO had pre-established partnerships with community housing programs, our engagement helped to achieve:

\$2.4M

in cost reduction opportunity by enrolling 34 high-risk homeless members in housing

\$32M

of expected cost savings opportunity per year for 3,000 members

1

pilot program that can be both scaled for housing and leveraged to address additional social barriers

#### **NEXT INTELLIGENCE:**

### The success of a housing program is dependent on the coordination and engagement of 3 key teams:

#### **Providers:**

Responsible for facilitation of appropriate care services and aftercare planning.

#### **Care Management Teams**

Responsible for early member identification, engagement, and outreach for housing program enrollment, care plan follow up, and aftercare coordination.

#### **Housing Partners**

Responsible for arrangement of additional support services addressing other SDOH needs, such as transportation to and from visits, food insecurity, financial education, and employment.

### **Authors**



Pravith Nambiar
Director
pnambiar@chartis.com



Ahmed Naguib
Associate Principal
anaguib@chartis.com



Frank Venus
Engagement Manager
fvenus@chartis.com



The Chartis Group® (Chartis) is a leading healthcare advisory services firm serving healthcare providers, payers, service organizations, and investors. Different by design, Chartis brings an unparalleled breadth and depth of expertise in strategy, performance transformation, digital and technology, clinical quality and patient safety, workforce, and strategic communications. Learn how Chartis is helping to build a healthier world at <a href="https://www.chartis.com">www.chartis.com</a>.