Methodist Le Bonheur Center for Healthcare Economics

Annual Report for May 2016 - April 2017

June 15, 2017
As in previous years, this year’s annual report of the Methodist Le Bonheur Center of Healthcare Economics (MLCHE) begins with a description of the mission, history, and objectives of the Center. The rest of the Annual Report summarizes the Center’s specific goals, objectives, and major accomplishments for the just completed 2016-2017 academic year. Finally, the goals and objectives for the 2017-2018 academic year are presented.

**Mission and Brief History:** In March 2003, Methodist Le Bonheur Healthcare, Inc., and the Urban Child Institute (formerly the LHS, Inc.) gave the University of Memphis a donation of $1.0 million to establish The Methodist Le Bonheur Center for Healthcare Economics (hereafter the Center) in the Fogelman College of Business and Economics. The mission of the Center is to address complex health care issues of efficiency, effectiveness, and equity with a focus on emerging health care issues that affect Memphis, Shelby County, and the state of Tennessee.

**Objectives:** Through a variety of research, instruction, and public service programs, the Center works closely with entities both internal and external to the University to accomplish its mission and objectives. In the near term, the key policy objectives emphasized by the Center will include, among other topics:

1. Evaluation of health care programs, such as health care reform, TennCare, and consumer-driven health plans, and the development of strategies and solutions for improving the quality and efficiency of health care delivery;
2. Analysis of regional and state health economic trends;
3. Assistance to stakeholders such as hospitals, nursing homes, and health plans in developing market analyses and business plans; and
4. Dissemination of best practice models to assist employers in the development and implementation of cost-effective strategies for improving employee health and saving health care costs.

**Expertise:** The Center is supported by a superb group of faculty associates who have distinguished themselves in the fields of health care economics and health care administration. These faculty associates are experts in conducting research in a wide range of critical health care issues including:

- Access to health care
- Health insurance coverage
- Adoption and use of eHealth by providers and mHealth by consumers
- Health and health care disparities
- Mental health and opioid abuse
- Cost effectiveness analysis of health care programs and interventions
- Quality improvement in health care
- Employee health benefits
- Hospital cost management
- Methodological issues in data collection, analysis, and management
Specific Goals and Objectives of MLCHE for 2016-2017

Goal 1: Explore external opportunities

Objective 1.1 - Promote visibility through outreach and exchange

- Methodist Le Bonheur Healthcare:
  - Collaborated with Methodist Le Bonheur Healthcare (MLH) by providing expertise and technical assistance on projects of mutual interest. Specific projects included:
    - Worked collaboratively with MLH’s community outreach division, the Methodist Le Bonheur Community Health and Well-Being, on a variety of projects including a newly initiated asthma prevention programs under the joint sponsorship of Le Bonheur Children’s Hospital and the nationally known Green and Healthy Homes Initiative.
    - Analyzed the health and financial implications of Governor Haslam’s Insure Tennessee Program and evaluate the arguments for and against this market-driven alternative to the Medicaid expansion program under the Affordable Care Act (ACA).
    - Offered expertise and advice on the ongoing effort at Methodist to transform its primary care practices into NCQA recognized Patient Centered Medical Homes.
    - Worked closely with physician and non-physician researchers on innovation projects for potential submissions of research proposals.
    - Provided consultation service and offered expertise to the Corporate Office of Methodist Le Bonheur Healthcare on a wide range of business and economic issues.

- Common Table Health Alliance (CTHA)
  - Worked closely with CTHA in developing and maintaining projects of mutual interest. Contact person: Dr. Barry-Lewis Harris, CEO of CTHA
  - Provided data and analytical support for the various community-based projects that promote efficiency and health care quality.

- Tennessee Department of Health
  - Dr. Cyril Chang participated in the establishment and growth of a newly established Tennessee Health Economics Consortium in 2016 under the auspices of the Tennessee Department of Health (TDH). The overarching purpose of the Tennessee Health Economics Consortium was to assist TDH in incorporating basic health economics into public health strategic planning and decision making to improve efficiency and quality of program outcomes.
One of the immediate projects the Consortium was a health economics workshop offered to senior staff members and analysts of TDH in March 2016 to acquaint them with basic health economic concepts and applications of them to public health issues and programs. Another high-priority project was to assist the Commissioner of TDH, Dr. John Dreyzehner, in the development a job description and a recruitment plan to hire TDH’s first Senior Health Economist.

The Tennessee Health Economics Consortium met again in November 2016 with Commissioner John Dreyzehner and his health economics staff in Nashville, Tennessee, to review pending projects and to map out a work plan for the near term and identify specific long-term and immediate-term projects of mutual interest.

- Christ Community Health (CCH)
  - Established and maintained a close working relationship with CCH to explore ways to collaborate on mutually beneficial community outreach projects, with a focus on population health and patient-center primary care.

- Church Health Center:
  - Maintained a working relationship with the Church Health Center to explore research and community outreach projects of mutual interest.

- University of Tennessee Health Science Center (UTHSC):
  - Worked closely with a wide range of researchers and administrators on a variety of projects including:
    - Provided advice and expertise to the Chancellor’s Office of UT Health Science Center on a wide range of strategic and operation issues and challenges.
    - Assisted the Executive Vice Chancellor in the design and planning of an international conference endorsed by Asian Pacific Economic Cooperation (APEC), APEC Regulatory Harmonization Steering Committee, CDC, and major American pharmaceutical companies on pharmaceutical supply chain security.

Objective 1.2 - Develop collaborative relationships

- The Sycamore Institute of Nashville, Tennessee
  - Explored collaboration opportunities with this Nashville-based bipartisan health policy think tank.
    - Invited the CEO of the Sycamore Institute and its Policy Analyst to The University of Memphis for an exploratory meeting to discuss projects of mutual interest and to participate in a Health Care Research Journal Club meeting sponsored by MLCHE.
    - Provided research assistance and analytical expertise.
Methodist Le Bonheur Healthcare
- Collaborated with the Corporate Office of Methodist Le Bonheur Healthcare by providing expertise and technical assistance on a wide range of issues and projects. Specific projects included:
  - Analyzed health and financial implications of Governor Haslam’s Insure Tennessee Program and evaluate the arguments for and against this market-driven alternative to the Medicaid expansion program made possible under the Affordable Care Act.
  - Participated in ongoing transformation of Methodist primary care network and practices into NCQA recognized Patient Centered Medical Homes by providing advice and technical expertise.
  - Worked closely with physician and non-physician researchers on innovation projects for potential submissions of research proposals.
  - Provided consultation service and offered expertise to upper management of Methodist Le Bonheur Healthcare on a wide range of business and economic issues.

University of Tennessee Health Science Center (UTHSC)
- Worked closely with UTHSC researchers and administrators on a variety of academic and engaged research projects including:
  - Collaborated with researchers from the Department of Preventive Medicine to submit a Letter of Interest to the Laura and John Arnold Foundation for funding support for a opioid treatment research project.
  - Provided advice and expertise to the Chancellor’s Office of UT Health Science Center on a wide range of strategic and operation issues and challenges.
  - Conducted an economic impact study to document the economic contributions of UT Health Science Center and its major capital projects what were the major building blocks of the medical school’s new five-year master plan.
  - Explored funding opportunities for timely and innovative fundable research projects.
  - UTHSC Department of Pediatrics: Met and interacted with faculty members and researchers to explore opportunities to collaborate on research projects of mutual interest. Made substantial progress in the discussion of potential projects and preparation of research proposals for submission to the Centers for Medicare and Medicaid Services.

ALSAC/St. Jude Children’s Research Hospital
- Met and discussed with ALSAC Marketing staff on opportunities for collaboration on projects of mutual interest.
- Provided expertise and advisory service on nonprofit management projects.

Mississippi State University
Met and discussed at length on research projects of mutual interest with Dr. Ronald E. Cossman of the Mississippi Center for Health Workforce at Mississippi State University. Possible projects to pursue jointly by the Mississippi Center for Health Workforce and the Methodist Le Bonheur Center for Healthcare Economics included the development of a need assessment for Advanced Practice Registered Nurses (APRN) as a potential solution to the emerging primary care physician shortage in Tennessee. Contract person: Ronald E. Cossman, Ph.D., Research Professor, Mississippi Center for Health Workforce, Mississippi State University.

Church Health Center
- Worked closely with the staff and senior administrators of the Church Health Center to assist in the ongoing strategic planning process to position this charitable health care organization for growth in a rapidly changing health care environment.

The Memphis Business Group on Health
- Partnered with this Memphis area business coalition that facilitates the effective and efficient purchases of health services in a series of joint efforts for promoting workplace health promotion and cost-effective disease management programs.

Objective 1.3 - Plan, prepare and submit research grant and service contract proposals for external funding

The Urban Child Institute (UCI) of Memphis, Tennessee
- Actions:
  - Following the success of the previous academic year, Dr. Cyril Chang, the Director of MLCHE, continued his service on the Board of the Urban Child Institute (UCI), a charitable nonprofit organization dedicated to the advancement of health and well-being of children in Shelby County, Tennessee, and a strong and sustained supporter of the mission of the University of Memphis.
  - Working closely with the UoM Office of Development, Dr. Chang, along with Dr. Stanley Hyland, an Emeritus Professor of Anthropology of the University of Memphis, represented the University of Memphis in the application for funding of $2 million for supporting several ACE (Adverse Childhood Experiences) prevention research projects, an planning grant for an a altruism research and treatment center, and the creation of a new University of Memphis initiative under the brand name of iIMPACT to coordinate future campus-wide early childhood research. Effort is underway for
continued support for next year’s funding needs of the University of Memphis.

- Results:
  - The University of Memphis was awarded a total of 2 million of research funding support by UCI in April 2017.
  - Provided advise and worked closely with UCI in the development of a new 3-year strategic plan.

- Tennessee Action Coalition

- Action: A proposal was submitted to the Tennessee Action Coalition ($50,000) to conduct a 3-phase study of the economic impact of expanded practice role of nurse practitioners in Tennessee. The Methodist Le Bonheur Center for Healthcare Economics was awarded $14,352 for Phase I analysis in September 2015 with Dr. Chang serving as the PI.

- Result: The Center submitted a proposal for $28,000 to UTK and the Tennessee Action Coalition for Phase II funding and the application is pending.

- Additional state and local grants

- Actions: Submitted research proposals to a variety of nonprofit, state and local foundations and funding agencies.

- Results: Received the following grants and awards:

  2015-16 A subcontract project funded ($91,650) to conduct a cost analysis of the Le Bonheur Asthma Project and an economic feasibility study of setting up a dedicated asthma unit in the Le Bonheur Children’s Hospital as an alternative to the more expansive ER care.

  2014 A research project funded ($42,000) by the University of Tennessee Health Science Center to conduct an economic impact study of the major capital projects projected in the new UTHSC Campus Master Plan.

  2013 An engaged research project funded ($40,000) by United HealthCare to conduct a utilization analysis of ED services under the UnitedHealthcare Community Plan of Tennessee.
2013  “Return on Investments in Public Health in Shelby County, Tennessee,” $10,350 awarded by the Healthy Shelby Project of the Memphis Fast Forward Initiative.

2011-13  “Aligning Forces for Quality,” a $60,000 subcontract grant received from the Healthy Memphis Common Table for cost analysis under a $1.3 million grant awarded by the Robert Wood Johnson Foundation for the Aligning Forces for Quality Project.

2011-13  “Cost Analysis of the Nurse-Family Partnership Program,” $41,625, a subcontract grant awarded by the Le Bonheur Children’s Hospital under a principal grant funded by the Health Resource and Services Administration, the U.S. Department of Health and Human Services.

**Objective 1.4** Explore consulting opportunities

- **Christ Community Health Services of Memphis, Tennessee**
  
  o **Actions:** Explored consulting opportunities with Christ Community Health Services to offer expertise and analytical capacity to assist this one of the only two Federally Qualified Community Health Centers in the Memphis area with their research and data analysis needs.
  
  o **Result:** Discussion and negotiation ongoing.

- **Tennessee Rural Health Partnership**

  o **Actions:** Explored and discussed collaboration opportunities with Tennessee Rural Health Partnership and Tennessee Hospital Association with a focus on (a) rural health workforce shortages, (b) economic and health care implications of workforce shortages, and (c) the different pathways to a better solution for rural health care challenges.

  o **Result:** A service contract under negotiation.

- **Methodist Le Bonheur Healthcare**

  o **Action:** Worked closely with the Corporate Office of Methodist Le Bonheur Healthcare, Le Bonheur Children’s Hospital, and Methodist College of Nursing in providing expertise and technical assistance on a wide range of research and operational issues and projects.

    - **Result:** Discussion and negotiation ongoing.
Goal 2: Study and analyze health economic trends and issues

Objective 2.1 Study emerging health care issues in Tennessee and the Mid-South Region

Actions and Results:

- **Action:** Gathered and analyzed relevant data on the potential impacts of Affordable Care Act (ACA) and its pending repeal and replacement on health and health care delivery in Tennessee for purpose of state-wide dissemination.

  - **Results:** A series of Health Care Issue Briefs prepared and released by MLCHE (http://www.memphis.edu/mlche/academics/publications.php) including:


- **Actions:** Drafted and published op-ed articles on current health policy issues in major Tennessee newspapers.
- Results: Dr. Cyril Chang, the Director of MLCHE, published the following op-ed articles:


- Actions: Analyzed hospital utilization and emergency department visits and prepare issue briefs and occasional topical reports.

- Result: Published Health Care Issue Briefs and occasional Center reports (available at the Center’s Website: http://www.memphis.edu/mlche/):


Objective 2.2 Prepare and publish in peer-review journals to contribute to the research literature

Actions and Results:

- Actions: Purchased jointly with the School of Public Health a large, multi-year hospital dataset, the National Sample of Hospital Emergency Department Dataset, 2012-2015, from the HCUP Project of the federal Agency for Health Research and Quality (AHRQ). The data were acquired for use by health care researchers and graduate students interested in the research of hospital emergency department utilization and cost patterns.

- Results: The data sets have been installed, cleaned and tested.
A special workshop was held in the Fogelman College of Business and Economics on 5/13/2015 to exchange research ideas and plan research agenda with about 20 participants in attendance.

Between August 2015 and May 2016, three research manuscripts were planned and prepared by members of MLCHE, Cyril Chang, PhD, Paige Powell, PhD, and Xinghua Yu, MD, PhD, for conference presentation and journal submission.

- **Actions:** Prepared and submitted manuscripts to peer-reviewed academic journals.

- **Results:** Submitted and published the following peer-reviewed articles in 2015-16 Academic Year by Dr. Cyril Chang and researchers affiliated with the Center:


  - Kim, Hyunmin, Goldsmith, J. V., **Chang, C. F.** et al. "Mobile Health Application and Health Literacy: Opportunities and Concerns for Cancer Patients and Care Givers” under review at Journal of Cancer Education.

  - Powell, P. M., Yu, Xinhua, and **Chang, C. F.** “National Trends in Hospital ED Visits among Those with and without Multiple Chronic Conditions,” under review at Hospital Topic.


  - Isehunwa, O. O., Carlton E. L., **Chang, C. F.** et al., Access to employee wellness program and use of preventative care services


Goal 3: Increase visibility of the Center within the University of Memphis and in the external Memphis health care community

Objective 3.1 Engage in collaborative research and service activities with health-related units/departments across the University of Memphis campus to promote engaged research
Actions and Results:

- **Action**: Building on the success and momentum from previous academic years, The Methodist Le Bonheur Center of Healthcare Economics (MLCHE) continued to organize and hold monthly interdisciplinary research seminars under the funding support of Health Care Research Journal Club.

- **Result**: A total of 6 well-attended seminars were held in 2016-2017. The first three sessions held in the fall of 2016 were devoted to UT and UoM research projects that had received funding support from the Urban Child Institute. The presenters of three seminars in the spring of 2017 discussed topics ranging from the repeal of ACA to altruism treatment and to community health center. In addition to their education value, the seminars also provided a forum for healthcare practitioners and university researchers to network and exchange research ideas.

Objective 3.2 Provide research opportunities and assist in the development of a richer research environment

- **Actions**: Serving as a campus resource, MLCHE provided leadership and resources to promote healthcare research among faculty researchers and graduate students.

  - **Results**:

    - Provided 3 competitive faculty summer research grants totaling $23,000 to encourage health care research in the Fogelman College of Business and Economics and the UoM School of Public Health
    - Offered travel funds for faculty members and graduate students to attend health care conferences
    - Sponsored healthcare speakers for research seminars
    - Provided graduate and undergraduate internships to work on health care projects

Objective 3.3 Serve the external health care community in the greater Memphis area

**Actions and Results**:

- In the 2016-17 Academic Year, Dr. Cyril Chang continued his service to the Board of Directors of the Urban Child Institute. He served as a member of the
Board Directors and was active as members of the Institute’s Investment Committee that oversaw the management of the Institute’s investment portfolio of $144 million and the Nomination Committee.

**Objective 3.4:** Engage print and other media outlets to promote the Center’s visibility and outreach

- Engaged print media and contributed op-ed articles on TennCare and health-related topics:
  - Published newspaper op-ed page articles:
  - Newspaper Interviews:
    - Featured and quoted at length in a Memphis Commercial Appeal article, dated March 7, 2017, by reporter Kevin McKenzie on President Trump’s health care views.
    - Quoted at length by report Kevin McKenzie of the Memphis Commercial Appeal in a January 8, 2016, article, “Politics aside, Memphs girds to battle for governor’s insure Tennessee Plan,” for Dr. Chang’s remarks on Gov. Bill Haslam’s Insure Tennessee Plan made at a community forum on the campus at the Baptist Memorial Hospital.
    - Quoted by reporter Jane Roberts of the Memphis Commercial in her article, “Methodist Le Bonheur Opens Pediatric ER in Germantown,” dated March 3, 2016. Dr. Chang explained the advantages of having pediatricians trained in ER care to delivery emergency care for children and why parents prefer the hospital ER to a pediatrician’s office for their sick kids.
    - Interviewed and quoted at length by reporter Kevin McKenzie of the Memphis Commercial Appeal in his article, dated January 8, 2016,
“Politics Aside, Memphis Girds to Battle for Governor’s Insure Tennessee Plan.” Dr. Chang discussed his views on the economic benefits of expanding Medicaid and political challenges facing the Governor’s plan.

Goal 4: Promote wellness and health promotion programs for a healthier community

Objective 4.1 Initiate a wellness research program to gain new research knowledge and contribute to the research literature

Actions and Results:

- Contacted, met, and discussed projects of mutual interest with researchers with an interest in wellness research from the UoM School of Public Health

- Developed a multi-phase research plan to explore the effectiveness and cost effectiveness of employer-based wellness programs. This far, the efforts have resulted in the development of at least three research papers and the publication of a full-length, original contribution article in a high-impact, top ranked health services research journal:


Objective 4.2: Develop working relationships with external partners and stakeholders to explore collaborative opportunities

Actions and Results:

- Contacted, met, and discussed projects of mutual interest with representatives from a wide range of community partners including:

  - Tennessee Department of Health
  - Shelby County Mayor’s Office
  - Memphis Fast Forward
  - Congressman Steve Cohen’s Office
  - The Memphis Bioworks
  - The Memphis Medical Society
  - Healthy Memphis Common Table Health Alliance
  - The Urban Child Institute
- The Methodist Le Bonheur Healthcare, Inc.
- The Regional Medical Center at Memphis
- The Memphis Business Group on Health
- College of Medicine, the University of Tennessee Health Science Center
- Colleges of Nursing and Pharmacy of the University of Tennessee Health Science Center
- Christ Community Health Care

Objective 4.3 Participate in community wellness and health promotion activities

Actions and Results:

- Worked with QSource™ Tennessee, the Center for Healthcare Quality in Tennessee, in providing expertise in economic evaluation of health promotion and intervention programs

- Worked with the Memphis Common Table Health Alliance in promoting health and wellness of residents and employees of the greater Memphis area

Goal 5: Provide analytical expertise to external stakeholders

Objective 5.1 Provide technical assistance as a community resource on health care economics matters

Actions and Results:

- Offered expertise and pro bono consultation service to the Tennessee Department of Health

- Provided health insurance coverage and other data to a variety of external stakeholders including the Memphis newspaper The Commercial, Shelby County Government, the Memphis Common Table Health Alliance, Methodist Le Bonheur Healthcare, and numerous other business and civic entities and individuals.

- Worked with and provide business expertise to senior administrators of University of Tennessee Health Science Center on a wide range of strategic planning issues of mutual interest.
Primary Goals for 2017 - 2018 and Evaluation Metrics

**Goal 1:** Explore external opportunities  
- Continue to promote visibility through outreach and exchange activities  
- Plan, prepare, and submit grant proposals  
- Explore consulting opportunities

**Goal 2:** Study and analyze health economic trends including the impact of the repeal and replacement of the Affordable Care Act in Tennessee and related state health reform issues  
- Measure the economic contributions of RNs and APRNs  
- Continue the collection and analysis of data for Tennessee Hospital Data series and the publication of periodic Health Care Issue Briefs on issues relating to potentially avoidable hospitalizations and non-urgent emergency room visits  
- Collect and compile reliable TennCare data and documentation  
- Analyze TennCare’s financial status and disseminate information to inform the public of TennCare’s past, present and future

**Goal 3:** Increase visibility of the Center within the University of Memphis campus and in the external Memphis Health Care community  
- Manage the University of Memphis Health Care Research Journal Club as a forum for health policy discussion and exchange of ideas for practitioners in the health care community and academic researchers.  
- Engage in collaborative research and service activities with health-related units/departments across the University to promote engaged research  
- Serve the external health care community in the greater Memphis area  
- Engage printed and other media outlets to promote the Center’s visibility

**Goal 4:** Promote wellness and health promotion programs for a healthier community  
- Develop a close working relationship with external partners and stakeholders to explore collaborative opportunities  
- Participate in community wellness and health promotion activities

**Goal 5:** Provide analytical expertise to external stakeholders  
- Provide technical assistance to external stakeholders such as Methodist Le Bonheur Healthcare, Common Table Health Alliance, The Urban Child Institute, and major local employers
End of Report

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