



Building Connections Between Villages & Healthcare

Village Movement California Annual Conference
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Speakers



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About West Health

West Health is dedicated to lowering the cost of healthcare. Our research, policy, advocacy, and philanthropy enable successful aging for seniors.



OUTCOMES-BASED PHILANTHROPY

APPLIED MEDICAL RESEARCH

POLICY RESEARCH AND ADVOCACY

Funded by Gary and Mary West, our mission includes enabling seniors to successfully age in place.

We are focused on improving access to high-quality, affordable health and support services, while preserving and protecting seniors' dignity, quality of life and independence.



The convergence of social and medical need

Senior's face healthcare ecosystem challenges:

- Peak population of Baby Boomers turn 85 in 2030
- Medicare demand: 11,000/day become eligible for Medicare
- 2025 projected total healthcare spend estimated at \$5.6 Trillion - 1/3 spent on hospital-based services
- Spending per capita is over \$16,000/year and expected to grow 4-6% over the next several years
- The burden of chronic disease & social drivers of health, and the affordability of healthcare & insurance increasingly associated with adverse health outcomes and cost to taxpayers



Opportunity to address the gap between social care and medical care:

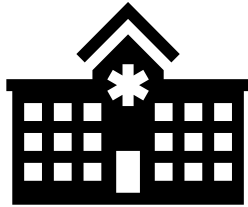
- The Village Model is expanding to more cities and regions
- According to VtV Network, there are over 264 Villages in operation and 55 in development in 43 states and DC
- In California, there are ~ 50 Villages representing over 5,000 individuals

As Villagers age, they need additional services and supports to maintain independence

Villages and healthcare organizations share similar goals yet have new challenges



How to keep older adults well and thriving in the community, out of hospitals and nursing homes



Healthcare Organizations



Village Movement

Modifying Traditional Care Options

- Healthcare organizations are taking on more **financial risk** for large groups of older adults
- Government's goal is all older adults are in an "**Accountable Care**" arrangement by 2030
- Currently, 51% of eligible seniors are enrolled in **Medicare Advantage**
- CMS Innovation Center **develops and tests** healthcare payment and service delivery models to improve patient care, lower costs, and align payment systems to promote patient-centered practices

Innovations in Community Support Options

- As Villages grow, they are continually looking for new and **better ways to serve** the older adults in their communities
- In more mature Villages, members are getting older, and **needing more support** to maintain independence
- Village growth is constrained by limited or **unreliable funding sources** particularly in middle- and lower-income communities
- **Sustainable funding sources are needed**, for Villages to survive and thrive

Assumptions preceding any connections between Villages and healthcare organizations

Villages

- Know their members well and can pick up on changes
- Members trust each other; they know they are part of a community that has their back
- Vital social connections reduce the frequency of loneliness and isolation
- Provide practical services supporting independence and autonomy
- A valuable resource during crises or disasters (think recent fires or the pandemic)

Healthcare Organizations

Growing recognition that communities need to address social drivers of health both by providing support (meals, transportation, social engagement) and having the ability to detect changes in status (being the eyes and ears of the community)

- Increasing number of healthcare organizations incentivized to deliver high quality care and lower costs
- Healthcare organizations have limited awareness if patients are getting sick, or chronic conditions are flaring up, until they arrive in the emergency room or get admitted to the hospital
- If they were aware of changes in status, they may have interventions or programs that can prevent conditions from worsening- and get people the care they need

It's clear to us... Mutually beneficial relationships are needed among Villages and healthcare organizations

The big question: How do Villages make the case to build a partnership with healthcare entities, and will healthcare organizations provide financial support for Villages?

Hospital Operating Margins Remain Below Pre-Pandemic Levels



KEY TAKEAWAYS

- California hospital operating margins were approximately 1.1% in 2023.
- Operating margins remain below their 2019 values of 5.2% due to historic expense growth.

Source(s): Findings produced by Kaufman Hall using data sourced from Syntellis Performance Solutions, now part of Strata, and Definitive Health.

Funding considerations from Medicare Accountable Care Organizations (ACOs)



Who are responsible for Total Cost of Care

- Based on the Fee-For-Service “chassis”
- Given an annual benchmark to beat- and if they do, AND they meet Quality targets, ACOs get to share the savings with Medicare
- For example, data publicly reported for Integra Community Care Network ACO showed Shared Savings in the last five years
 - 2023, \$2,267,281.44
 - 2022, \$2,332,975.00
 - 2021, \$4,453,153.95
 - 2020, \$ 2,039,428.65
 - 2019-A, \$1,177,639.40
- Then ACOs reinvest the savings into programs, such as care coordination, share it with the physician practices, or fund innovations.
- Most often, shared savings are already spoken for and do not go to the programs creating the savings
- Funds aren’t guaranteed, making it hard to plan, even when funds (if they come) are already spoken for

What about Medicare Advantage (MA)?

- MA is a Medicare reinsurance offering by private insurance companies
- MA plans are attractive because:
 - They are a potentially profitable line of business with significant growth potential
 - They get paid a set amount per member, per year (capitation)
 - Receive revenue through premiums, quality bonus payments, and rebates, which can be used to enhance benefits and lower costs for enrollees.
 - Incentivized to attract and retain members, leading to continued growth in the MA program
- MA plans must spend at least 80-85% of the funds they receive from Medicare and premiums on patients
- In comparison to hospitals, MA plans must issue rebates for any excess beyond their 80-85%
- **Recent years, MA refunds have been about \$1B**
- MA plans can support supplemental i.e., non-medical benefits such as:



Food Security and Nutrition

Meals on Wheels

Transportation access

Volunteer ride networks

Medicare navigation

SHIP Counselors

Comprehensive care & Crisis cost

PACE





Let's test it!

West Health is exploring options

Mechanism for Village funding from healthcare entities is still being determined



The Village Common of Rhode Island

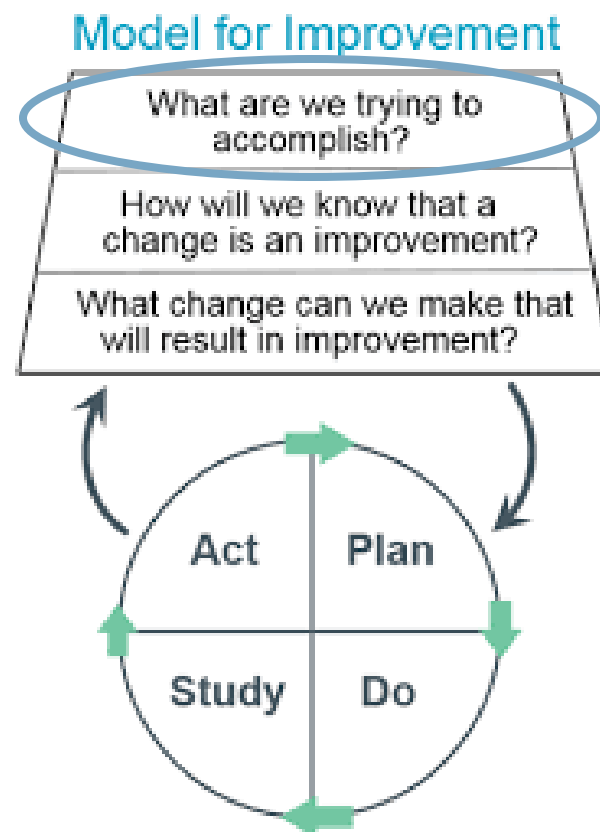
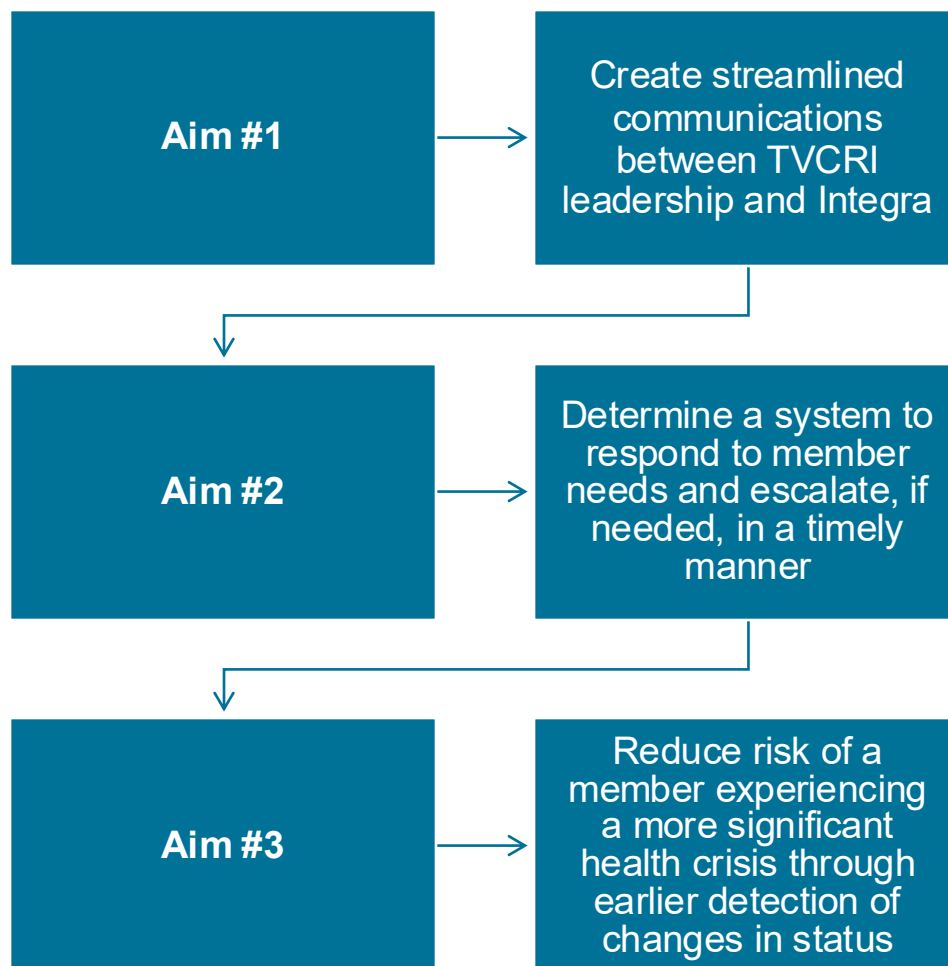
Aging Better Together

- Established in 2014
- Community of doctors, nurses, social workers, pharmacists, community health workers, and patients working together to improve the health and well-being of the community
- Made up of the Care New England Health System and independent primary care providers across Rhode Island
- Offers appointment help with transportation, care management, social work, behavioral health assistance, and education/enrichment opportunities
- A non-profit, volunteer-driven membership village that supports older adults who wish to age in their home via a network of local villages - communities of mutual support
- Started in 2014 with Providence Village
- 2019, The Village Commons of Rhode Island (TVCRI) was launched
 - 6 Villages
 - 7 in development

Bringing Integra and TVCRI together



Using the Model for Improvement Methodology

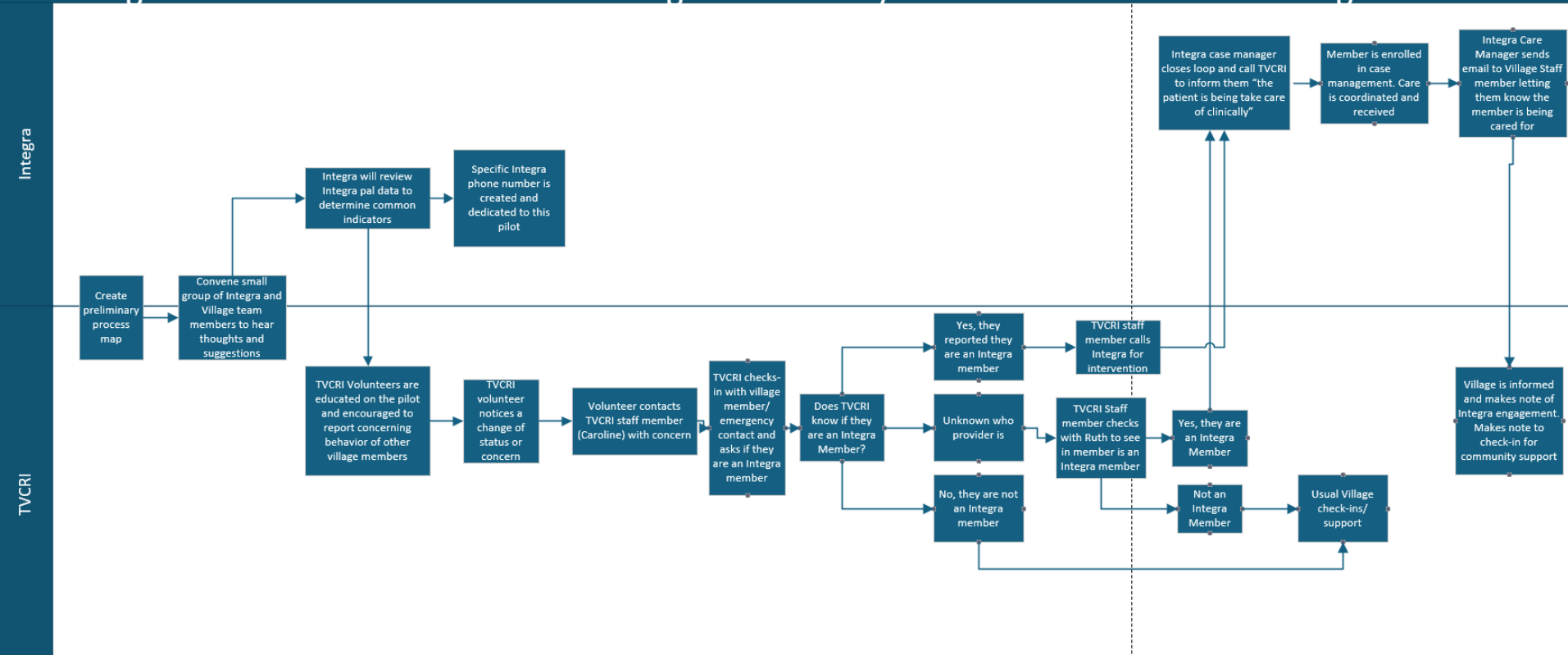


How would Integra be alerted of changes in status of Village members who were also members of Integra



Activation Process Map

The Village Common of Rhode Island and Integra Community Network Accountable Care Organizations



Connecting Integra patients being discharged from the ED, Hospital, Skilled Nursing Facility back to their home



Depicts the components and steps for Integra's transitions team to connect their patients to The Village Commons of Rhode Island (TVCRI).

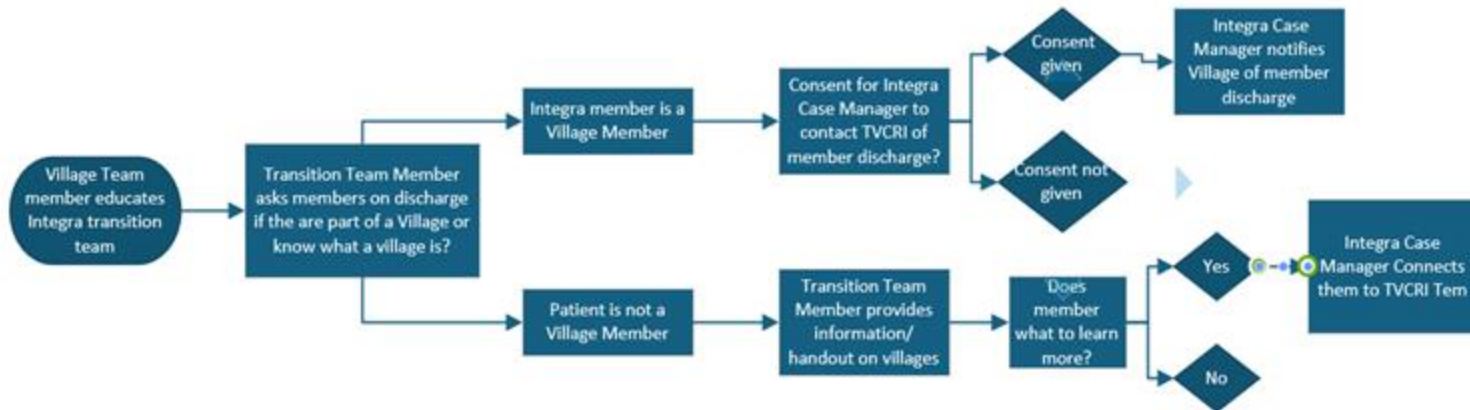
Integra patients who were not part of TVCRI were given literature and contact information about the village

Integra Process Map

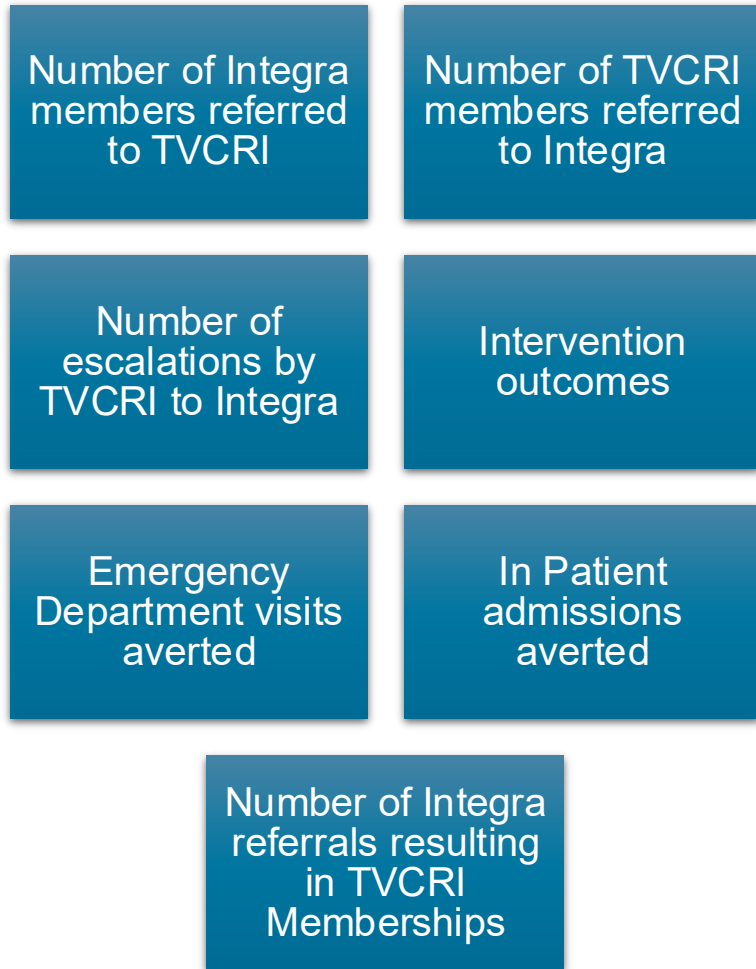
The Village Commons of Rhode Island and Integra Community Care Network Accountable Care Organizations

Phase

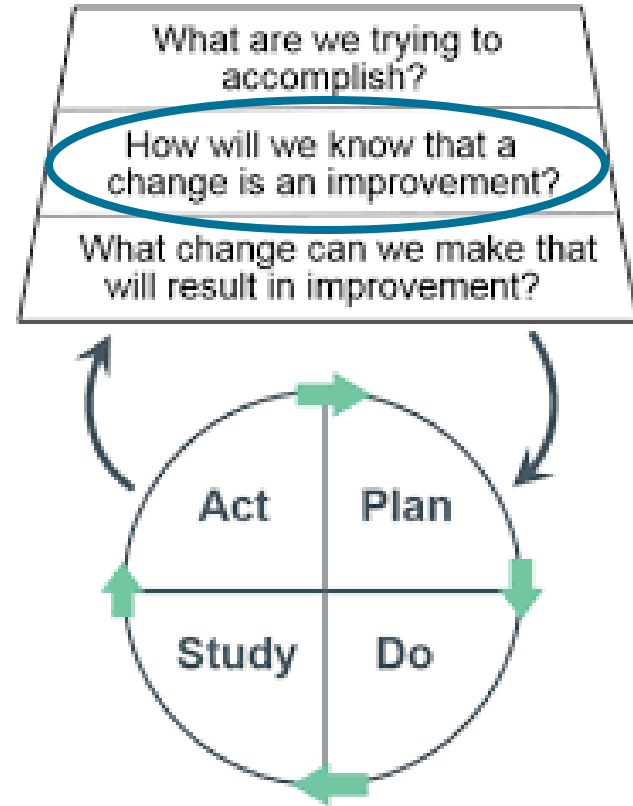
Integra



Data collection & measures



Model for Improvement



Much success was achieved in establishing processes, developing bidirectional education, building trust and rapport among collaborators.

Understanding the finances helps make the case

Investment Costs Jan-Apr 2025	Operational Costs Ongoing	Cost Savings (potential)
<ul style="list-style-type: none"> • \$5K from VMC via West Health research funding • TVCRI used funding for expenses r/t printed materials and staff time • No new expenses for Integra besides staff time 	<ul style="list-style-type: none"> • Recruiting volunteers to participate in pilot and education & training • Some additional time for Integra on care coordination & education, care management and clinical oversight 	<ul style="list-style-type: none"> • ED visits- \$1000-\$1700 • Hospitalizations- \$17,061 • Value Drivers <ul style="list-style-type: none"> • Preventive care • Early intervention • Community Support • Reduced crisis care

One averted hospitalization = >3x the initial investment



Results (so far)

Data reflects activity from March 2025
– September 2025 included below.



78 Integra patients referred to TVCRI

- Integra providing Village brochures to interested patients being discharged from hospital or Skilled Nursing Facility

10 TVCRI members referred to Integra

- TVCRI is identifying village members who might benefit from Integra's services

Two distinct process workflows

- Together, the organizations established and tested activation process for coordinated care bidirectional communications

Number of averted ED visits

- Aspiring to begin tracking intervention outcomes

Pilot challenges

We learn more from what doesn't work than what does

Fundamental requirements

- There must be a mechanism for ACOs to know if beneficiaries belong to a Village
- Villages need to know if their members belong to a healthcare organization with financial risk- that may have resources traditional physician practices do not (e.g., ACOs, MA, etc.)
- Village members need to co-design these processes to ensure their perspectives are heard and addressed (re: privacy, processes, experiences, and outcomes)
- *Example: if TVCRI members were informed, allowed to have a voice, a seat at the table, and ultimately consented to sharing who their doctor is, matches to ACOs could easily be generated.*



What's next for Integra and TVCRI?

- TVCRI member survey
- TVCRI focus groups
- Invite non-leader village members to participate on the planning committee
- Make progress on new processes for sharing physician or health plan information in the Village data base so that matches to Integra can be made
 - Explore other innovations to solve this problem



What's next for VMC and the Villages nationally?

- Articulating with data, the value of Villages to the Healthcare ecosystem
- VMC actively pursuing efforts to connect with health systems in California
- Exploring reimbursement, value-based care alignment, and potential payer/provider partnerships.





Questions & Discussion

Thank you!

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