



Statewide Healthcare Innovation Plan (SHIP)

At-A-Glance

Background:

In December 2014 The Idaho Department of Health and Welfare received a state innovation model (SIM) grant from the Center for Medicare and Medicaid Innovation. This grant will fund a four-year model test that began on Feb. 1, 2015, to implement the Idaho Statewide Healthcare Innovation Plan (SHIP). During the grant period, Idaho will demonstrate that the state’s entire healthcare system can be transformed through effective care coordination between primary care providers practicing patient-centered care, and the broader medical neighborhoods of specialists, hospitals, behavioral health professionals, long-term care providers, and other ancillary care services.

Work on the SHIP began in 2013 when Idaho stakeholders came together to study Idaho’s current healthcare system and develop a plan for transformation. The 6-month planning process involved hundreds of Idahoans from across the state working together to develop a new model of care. In early 2014 Governor Otter established the Idaho Healthcare Coalition (IHC) which has continued to build on earlier stakeholder work and momentum. IHC members include private and public payers, legislators, health system leaders, primary care providers, nurses, healthcare associations and community representatives.

Goal:

The Idaho Statewide Healthcare Innovation Plan (SHIP) will redesign Idaho’s healthcare system to:

- 1) Improve Idahoans’ health by strengthening primary and preventive care through the patient centered medical home, and,
- 2) Evolve from a fee-for-service, volume-based payment system of care to a value-based payment system that rewards improved health outcomes.

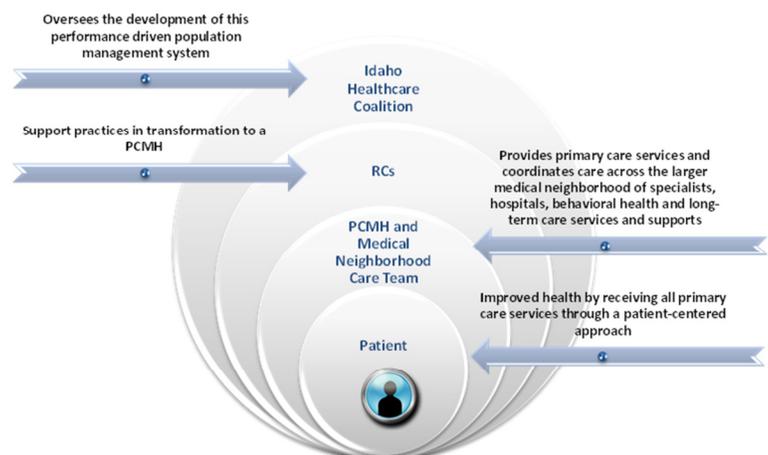
Scope:

The SHIP is a statewide plan that aims to improve the health of **all Idahoans**.

Private insurers as well as Medicaid and Medicare are meeting together to design healthcare reimbursement methods that pay providers for keeping people healthy.

Timeline:

The first year of the four year award period is considered a pre-implementation year dedicated to hiring project staff and contractors (February 2015 – January 2016). By the end of calendar year 2015, the first cohort of primary care clinics will be identified and begin their training to transform to PCMHs.



1 Statewide Healthcare Innovation Plan (SHIP) is supported by Funding Opportunity Number CMS-1G1-14-001 from the U.S. Department of Health and Human Services, Center for Medicare & Medicaid Services.

Program Goals:

Idaho's plan identifies seven goals that together will transform Idaho's healthcare system.

Goal 1: Transform primary care practices across the state into patient-centered medical homes (PCMHs):

Idaho will test the effective integration of PCMHs into the larger healthcare delivery system by establishing them as the vehicle for delivery of primary care services and the foundation of the state's healthcare system. The PCMH will focus on preventive care, keeping patients healthy and stabilizing patients with chronic conditions. Grant funding will be used to provide training, technical assistance and coaching to assist practices in this transformation.

Goal 2: Improve care coordination through the use of electronic health records (EHRs) and health data connections among PCMHs and across the medical neighborhood:

Idaho's proposal includes significant investment in connecting PCMHs to the Idaho Health Data Exchange (IHDE) and enhancing care coordination through improved sharing of patient information between providers.

Goal 3: Establish seven Regional Collaboratives to support the integration of each PCMH with the broader medical neighborhood:

At the local level, Idaho's seven public health districts will convene Regional Collaboratives that will support provider practices as they transform to PCMHs.

Goal 4: Improve rural patient access to PCMHs by developing virtual PCMHs:

This goal includes training community health workers and integrating telehealth services into rural and frontier practices. The virtual PCMH model is a unique approach to developing PCMHs in rural, medically underserved communities.

Goal 5: Build a statewide data analytics system:

Grant funds will support development of a state-wide data analytics system to track, analyze and report feedback to providers and regional collaborative(s). At the state level, data analysis will inform policy development and program monitoring for the entire healthcare system transformation.

Goal 6: Align payment mechanisms across payers to transform payment methodology from volume to value:

Idaho's three largest commercial insurers, Blue Cross of Idaho, Regence and PacificSource, along with Medicaid will participate in the model test. Payers have agreed to evolve their payment model from paying for volume of services to paying for improved health outcomes.

Goal 7: Reduce healthcare costs:

Financial analysis conducted by outside actuaries indicates that Idaho's healthcare system costs will be reduced by \$89M over three years through new public and private payment methodologies that incentivize providers to focus on appropriateness of services, improved quality of care and outcomes rather than volume of service. Idaho projects a return on investment for all populations of 197% over five years.