



IDAHO DEPARTMENT OF  
**HEALTH & WELFARE**

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The Honorable C.L. "Butch" Otter  
Governor of Idaho  
P.O. Box 83720  
Boise, Idaho 83720-0034

Subject: Idaho Healthcare Coalition Progress Report

Dear Governor Otter:

The Idaho Healthcare Coalition (IHC) was established in 2014 by Executive Order 2014-02. The IHC is charged with expanding on the work of the Idaho Healthcare Council by leading development of an integrated, coordinated healthcare system in Idaho that focuses on improved population health, improved individual health outcomes, and cost efficiencies.

On December 16, 2014, Idaho received a State Innovation Model award of \$39,683,813 over 4 years. The Model Test began February 1, 2015, with the first year focusing on the pre-implementation phase. I am providing an overview of progress since the IHC was established and the award received. The report provides an overview of Idaho's progress addressing item No. 5, a-f, as outlined in Executive Order No. 2014-02.

This document demonstrates the advancements made by the IHC and its commitment to the State Healthcare Innovation Plan. Please let us know if you have questions or require additional information.

Sincerely,



RICHARD M. ARMSTRONG  
Director

RMA/cc

enclosure

cc: Ted Epperly, M.D.  
Denise Chuckovich  
Cynthia York



# Idaho Healthcare Coalition

## Quarterly Progress Report SFY15 Q3



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# INTRODUCTION

The Idaho Healthcare Coalition (IHC) was established in February of 2014 through Executive Order 2014-02 to implement state healthcare initiatives and develop a plan to effectively address healthcare delivery. The IHC builds on the work of the Idaho Medical Home Collaborative (Collaborative) established by Executive Order 2010-10 in September 2010. The Collaborative launched a Patient Centered Medical Home (PCMH) pilot model of care to address the transformation of Idaho's healthcare system to a PCMH model. The work of the Collaborative provided the foundation for development of a State Healthcare Innovation Plan (SHIP), which outlines a blueprint for redesigning Idaho's healthcare system. The Collaborative sunset in 2014, however, this group of engaged stakeholders continues to meet monthly and advise the IHC in the transformation of primary care to the medical home model.

In December 2014 the Idaho Department of Health and Welfare (IDHW) received a state innovation model grant for \$39,683,813 from the Center for Medicare and Medicaid Innovation (CMMI) that funds a four-year model test that began on February 1, 2015, to implement the 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.

IHC appointees include representatives of private and public payers, legislators, health system leaders, primary care providers, nurses, healthcare associations, and community representatives (Appointee Directory – Appendix A). The IHC meets on a monthly basis via telephone conference and face to face to lead the development of an integrated, coordinated healthcare system in Idaho that focuses on improved population health, improved individual health outcomes, and cost efficiencies.

# MEMBERSHIP UPDATE

The current IHC roster of appointees has been included (Appendix A). The professional affiliation, expertise, and contribution to the IHC is included in the matrix. The IHC and its workgroups have identified additional nominees for consideration of appointment by the Governor.

The 2015 IHC meeting calendar has been established and includes the following meeting dates:

- I. March 11, 2015
- II. April 8, 2015
- III. May 13, 2015
- IV. June 10, 2015
- V. July 8, 2015
- VI. August 12, 2015
- VII. September 9, 2015
- VIII. October 14, 2015
- IX. November 4, 2015
- X. December 9, 2015

# ACCOMPLISHMENTS & PROGRESS

## A. Facilitate and support the transformation of primary care practices to the PCMH model:

The Idaho Medical Home Collaborative (IMHC) Pilot ended in September 2014, however, all clinics transforming to the PCMH model continue as an Idaho Medicaid Health Home provider and continue providing coordinated/integrated care. Three of the four payers participating in the multi—payer pilot have continued their medical home programs. Currently 30 original pilot providers continue to offer a medical home program serving approximately 4,500 Idahoans.

The IMHC serves a critical role in the capacity of an IHC workgroup. Currently they are completing research and providing input regarding the pros/cons of a state or national PCMH recognition program and specific criteria to be considered when selecting SHIP participating clinics.

The IMHC Pilot evaluation is anticipated to be completed by late spring and will provide the IHC with valuable information specific to the unique payer and clinic characteristics that resulted in improved health outcomes and reduced costs.

## B. Develop regional collaboratives to support local practices in transformation and integration of PCMHs with the medical neighborhood that includes secondary and tertiary care consultants, hospitals, behavioral health and other community support services:

The scope of work to establish contracts with seven public health districts is finalized. This effort will build regional collaboratives in seven districts statewide, provide technical assistance for primary care clinics to become patient centered medical homes (PCMH), identify unmet needs of the medical/health neighborhood, and connect primary care clinics to SHIP resources. This effort is on-track to meet the target implementation date of July 1, 2015.

## C. Recognize the critical issues related to Idaho’s healthcare provider workforce shortage and work closely with the Idaho Health Professions Education Council, established by executive order in 2009, to ensure that SHIP activities align with the Council’s workforce development strategies:

Dr. David Schmitz, Chair of the Idaho Health Professions Education Council (IHPEC), is now an active member of the IHC. The IHPEC is enthusiastic about advising the IHC on workforce education topics and is actively working to identify key topics and strategic initiatives in this area. Dr. Ted Epperly, Chair of the IHC, and IDHW Deputy Director, Denise Chuckovich, met with the IHPEC in February 2015 to discuss specific strategies for moving forward. Dr. Schmitz will bring their recommendations to the IHC this spring.

#### D. Establish quality outcome measures and methods to collect and analyze individual patient and population health outcomes:

The Quality Measures workgroup began meeting in June of 2013. This workgroup established an initial Performance Measures catalog. The initial performance measures to be included in the catalog were targeted because they represent the areas with the most need for health improvement across all Idahoans.

Members of the workgroup represent the following partners: Terry Reilly Health Services, Orofino Clinic, Idaho House of Representatives, Saint Alphonsus Health System, St. Luke's Health System, Children's Healthcare Improvement Collaboration, IDHW Office of Rural Health, IDHW Quality Representative, Blue Cross of Idaho, IDHW Division of Public Health, Nurse Practitioners of Idaho, and Qualis Health.

Dr. Andrew Baron, Chair of the Quality Measures workgroup, has provided data and rationales regarding the metrics selected, why and how they were selected to the Multi-Payer workgroup and the Health Information Technology (HIT) workgroup to provide information on data analysis and payment. While the Quality Measures workgroup has not been officially reconvened, original members have joined the workgroups to help inform and further develop the catalog, determine how the quality metric will be measured and establish how the data will be extracted.

#### E. Advance primary care payment methods that align with the PCMH model, encouraging public and private payers to reimburse for improved health outcomes rather than volume of visits:

The Multi-Payer workgroup began meeting again in November 2014 to make recommendations to the IHC on transforming payment methodology from volume to performance based value. The workgroup is developing a phased-in system of payment transformation that supports primary care practices in maintaining an infrastructure as a PCMH through transition to a payment system based on outcomes.

Members of the workgroup represent the following partners: Blue Cross of Idaho, Regence BlueShield of Idaho, PacificSource Health Plans, United Health Care, Aetna, Idaho Medicaid, Noridian Health Care Solutions (Medicare), St. Luke's Health System, Saint Alphonsus Health System, Idaho Hospital Association, and Primary Health Medical Group.

#### F. Provide guidance to expand health information technology (HIT) at the practice level, enhancing PCMHs' use of electronic health records (EHRs), enabling the coordination of care and redundancies found in the current healthcare delivery system and, at the state level compiling population health data for quality measurement and improvement:

The HIT workgroup was reconvened in August 2014. They are tasked with providing the IHC with recommendations on how: 1) the HIT component solutions and system architecture can be developed, 2) to integrate within a comprehensive HIT solution(s), 3) to support the Request for Proposals (RFP) development process and selection of external HIT vendors, 4) to advise on how to support the quality reporting initiatives set forth in the Model Test Proposal, and 5) to assist with developing a sustainability plan.

Members of the workgroup represent the following partners: Blue Cross of Idaho, Boise VA Medical Center, IDHW Information Technology Services Division, IDHW Medicaid Division, IDHW Public Health Division, Idaho Health Data Exchange, Idaho Primary Care Association, Kootenai Health, Primary Health Medical Group, Qualis Health, Regence BlueShield of Idaho, Saint Alphonsus Regional Medical Center, St. Luke's Health System, and Terry Reilly Health Services.

#### G. Develop a long-range plan for sustainability and growth of Idaho's transformed healthcare system:

The IHC is committed to developing a long range plan for sustainability for the proposed improvements in Idaho's healthcare system design. The IHC strategy is to get as many primary care practices transformed to PCMH over the 4-year life of the grant, while simultaneously measuring and demonstrating improvements in care, better health outcomes and reduced costs. The aspects of the model test that prove to be valuable to the payers and providers are the model elements that will be supported long term, after the model test is complete.

Developing a multi-payer strategy that shifts the payment model from volume to value will be critical in the long term sustainability of the model test. We have had additional payers join the initiative, which will help create a broader base of payers who are reimbursing for outcomes rather than volume.

# APPENDICES

Appendix A – Idaho Healthcare Coalition Appointees

# Idaho Healthcare Coalition Appointees – Appendix A

Executive Order No. 2014-02 charged the IHC with expanding on the work of the Idaho Healthcare Council by leading development of an integrated, coordinated healthcare system in Idaho that focuses on improved population health, improved individual health outcomes and cost efficiencies.

Members of the IHC shall be appointed by and serve at the pleasure of the Governor and include representatives from the Idaho Health Care Council, the Idaho Medical Home Collaborative, and others from the healthcare provider community, private and public payers, policy makers, and consumers.

Appointee	Rational for Engagement	Timeframe for Engagement	Appointee Role/Responsibilities
<b>Idaho Healthcare Coalition Leadership</b>			
Ted Epperly, MD President and CEO Family Medicine Residency of Idaho ~Member, Idaho Medical Home Collaborative ~Member, Idaho Healthcare Council	Dr. Epperly is a nationally-respected healthcare system transformation leader and has led Idaho's efforts in transformation over the past two years during Idaho's model design phase and now will lead our Model Test Plan (MTP) as chair of the Idaho Healthcare Coalition (IHC).	May 2013 – Present	Idaho Healthcare Coalition Chair
Denise Chuckovich, Deputy Director Idaho Department of Health & Welfare ~Member, Idaho Medical Home Collaborative ~Member, Idaho Healthcare Council ~Member, Multi-Payer Work Group	Ms. Chuckovich serves as Co-Chair of the IHC and IDHW lead on Idaho MTP implementation. As the state agency responsible for MTP implementation. IDHW leadership is critical to the success of Idaho's efforts.	September 2012 – Present	IDHW lead on MTP and IHC co-chair
<b>State Leadership</b>			
Richard Armstrong, Director Idaho Department of Health & Welfare ~Member, Idaho Healthcare Council	Mr. Armstrong is the director of the Idaho Department of Health and Welfare and provides critical cabinet level leadership. He has identified the MTP as a high priority IDHW strategic initiative.	September 2012 – Present	Mr. Armstrong provides highest level leadership within IDHW and Idaho state government officials. He participates in monthly IHC meetings and provides strong liaison relationships with other cabinet members, Governor's Office, legislators.

Tammy Perkins, Sr. Special Assistant for Health and Social Services Office of the Governor ~Member, Idaho Medical Home Collaborative ~Member, Idaho Healthcare Council	Ms. Perkins represents the Governor's office on the IHC. Governor Otter has been a strong supporter of healthcare system transformation since he took office in 2007.	June 2013 – Present	Represents Governor's Office, communicates key policy direction from governor, and serves a conduit back to governor re IHC policy recommendations.
Elke Shaw-Tulloch, Public Health Division Administrator Idaho Department of Health & Welfare	Ms. Tulloch represents the state Health Division within the Department of Health and Welfare.	August 2013 – Present	Ms. Tulloch represents the state level public health division perspective She provides critical perspective on public health integration with primary care, as well as population health perspective.
Mary Sheridan, Chief Bureau of Rural Health and Primary Care Public Health Division, Idaho Department of Health & Welfare ~Member, Idaho Medical Home Collaborative	Ms. Sheridan represents the state level rural health and primary care office.	September 2012 – Present	Ms. Sheridan provides a focus on rural healthcare delivery that is critical to Idaho's model test initiative. She has strong experience in rural healthcare provider needs, telehealth application, critical access hospital relationships, and needs.
<b>Idaho Healthcare Council Representatives</b>			
Scott Carrell, Executive Director Idaho Health Data Exchange ~Chair, HIT Work Group	Mr. Carrell represents the Idaho Health Data Exchange which will play a key role in data sharing and analytics in Idaho's MTP.	June 2013 – Present	Mr. Carrell represents the Idaho Health Data Exchange, a critical element of Idaho's model test. The IHDE will provide connectivity for PCMHs participating in the model test.
Susie Pouliot, Chief Executive Officer Idaho Medical Association ~Member, Idaho Medical Home Collaborative	Ms. Pouliot represents the Idaho membership association for Idaho physicians.	June 2013 – Present	Ms. Pouliot represents Idaho's physician community, including primary care and specialty care.
<b>Idaho Medical Home Collaborative Representatives</b>			
Scott Dunn, MD Idaho Academy of Family Physicians ~Co-Chair, Idaho Medical Home Collaborative	Dr. Dunn is an independent family physician practicing in a small Idaho community.	June 2013 – Present	Dr. Dunn represents a small rural physician practice that has fully implemented PCMH and achieved NCQA level 3 recognition.
Tom Fronk, Executive Director Idaho Primary Care Association	Mr. Fronk represents the membership association for Idaho's 13 community health centers. The CHCs have clinic sites in 40 locations across the state, including many rural communities.	June 2013 – Present	Mr. Fronk represents Idaho's 13 CHCs which provide primary care, dental and behavioral health services to 10 percent of Idaho's population.

David Peterman, MD, President Primary Health ~Co-Chair, Multi-Payer Work Group	Dr. Peterman is a pediatrician and represents a large primary care organization.	June 2013 – Present	Dr. Peterman brings the perspective of both a pediatrician and president of an independent multi-clinic family practice.
Neva Santos, Executive Director Idaho Academy of Family Physicians	Ms. Santos represents the Idaho membership association for Idaho family physicians.	June 2013 – Present	Ms. Santos represents Idaho's family practice physician community.
Dave Schmitz, MD Family Medicine Residency of Idaho, ~Chair of Idaho Health Professions Education Council	Dr. Schmitz works with family medicine residents who are practicing in rural Idaho communities.	July 2014 – Present	As chair of the Idaho Health Professions Education Council Dr. Schmitz is working in concert with IHC to develop workforce strategies to support Idaho's model test.
Larry Tisdale, CFO Idaho Hospital Association ~Member, Multi-Payer Workgroup	Mr. Tisdale represents the membership association for Idaho's hospitals.	June 2013 – Present	Mr. Tisdale represents Idaho's hospitals including large hospital systems as well as many small critical access hospitals.
<b>Healthcare Provider Community Representatives</b>			
Andrew Baron, MD, Medical Director Terry Reilly Health Services ~Chair, Quality Work Group ~Co-chair, BH/PC Integration Work Group ~Member, HIT Work Group	Dr. Barron is medical director at Terry Reilly Health Services, a FQHC, serving large numbers of uninsured Idahoans.	July 2013 – Present	Dr. Barron represents a community health center perspective, serving many low-income and uninsured patients. He has a particular interest in behavioral health/primary care integration and co-chairs that IHC workgroup.
Keith Davis, MD Independent Physician President Idaho Medical Association Board of Trustees	Dr. Davis is an independent family physician practicing in a large rural area. He is the only physician in his county and represents the views of rural physicians.	June 2013 – Present	Dr. Davis represents small rural practice perspective. Also in leadership role at Idaho Medical Association.
Mike Dixon, MD, Executive Director, North Idaho Health Network	Dr. Dixon represents a network of physicians in North Idaho.	June 2013 – Present	Dr. Dixon represents views of physician networks.
David Pate, MD, President and CEO St. Luke's Health System	Dr. Pate represents a large Idaho healthcare system with multiple sites in S. Idaho.	June 2013 – Present	Dr. Pate brings the perspective of a large healthcare delivery system in S. Idaho.

<b>Private and Public Payer Representatives</b>			
Melissa Christian, Vice President, Network Management Regence BlueShield of Idaho ~Member, Multi-Payer Workgroup	Ms. Christian represents a large private payer in Idaho.	This payer has been participating in multi-payer discussions in Idaho since 2010.	Ms. Christian represents one of Idaho's largest private insurers who play a critical role in developing a value based reimbursement plan for Idaho PCMHs.
Jeff Crouch, Vice President, Provider Services Blue Cross of Idaho ~Co-Chair, Multi-Payer Workgroup	Mr. Crouch represents a large private payer in Idaho.	July 2013 – Present	Mr. Crouch represents one of Idaho's largest private insurers who play a critical role in developing a value based reimbursement plan for Idaho PCMHs.
Michael Mercy, MD, Medical Director, PacificSource ~Member, Multi-Payer Workgroup	Dr. Mercy represents a large private payer in Idaho.	July 2013 – Present	Dr. Mercy represents one of Idaho's largest private insurers who play a critical role in developing a value based reimbursement plan for Idaho PCMHs.
Anne Wilde, JD, Representative Employers Health Coalition of Idaho ~Member, Multi-Payer Workgroup	Ms. Wilde represents large employers' interests in improving Idaho's healthcare system.	May 2014 – Present	Ms. Wilde represents Idaho's large employers whose understanding and support of PCMH and shifting reimbursement models will be critical to payer support of PCMH reimbursement.
<b>Policy Maker Representatives</b>			
Lee Heider, Senator, Idaho Legislature Chair, Senate Health and Welfare Committee ~Member, Idaho Healthcare Council	Senator Heider provides legislative perspective and support to Idaho's healthcare transformation plan. He has been an unfailing supporter of the SHIP and instrumental in developing Senate support for the plan.	July 2013 – Present	Senator Heider, as chair of the Idaho Senate Health and Welfare Committee, provides senate level leadership and connectivity for Idaho SHIP. He speaks regularly in support of the SHIP in senate hearings, and healthcare discussions.
Fred Wood, MD, Representative Idaho Legislature Chair, House Health and Welfare Committee ~Member, Idaho Healthcare Council	Representative Wood provides legislative perspective and support to Idaho's healthcare transformation plan. He has been an unfailing supporter of the SHIP and instrumental in developing House support for the plan. Rep Wood is also a physician, so brings that invaluable perspective to discussions as well.	July 2013 – Present	Representative Wood, as chair of the Idaho House Health and Welfare Committee, provides house level leadership and connectivity for Idaho SHIP. Provides legislative leadership and support for SHIP in key legislative settings.