

Executive Summary

Summary of Idaho's Model Test

Idaho is transforming its healthcare system through a shared vision of delivering patient-centered, effective, and coordinated primary care services through a patient-centered medical home (PCMH) model – the foundation for primary care delivery. By February 2017, 110 primary care clinics will be part of Idaho's Statewide Healthcare Innovation Plan (SHIP) model.

Our model is built around the patient. We envision a healthcare system where Idahoans can get the care they need, as close to home as possible, through services that are integrated and coordinated across the Medical-Health Neighborhood. The design of this vision continues to be led by a partnership between healthcare professionals, payers, advocates, and State leadership, drawing from the collective knowledge and experience of providers and other stakeholders to implement our ambitious plan. Our new care model is supported and incentivized by value-based payments that emphasize outcomes and value instead of volume and, in doing so, improves health outcomes while effectively controlling costs.

Idaho's vision is rooted in the knowledge that quality healthcare is not possible without dedicated, skilled healthcare professionals. Our SHIP model provides supports at every level for clinics as they transform to the PCMH model. Public Health Districts (PHDs) and the PCMH transformation vendor provide resources and technical assistance to clinics throughout the transformation. Clinics also receive financial incentives to assist with the administrative costs of establishing a PCMH model. Seven Regional Collaboratives (RCs) are supporting clinics by working to improve the coordination of care within the Medical-Health Neighborhood and identifying and sharing best practices for successful care coordination.

The RCs and PHDs also play an important role in fulfilling our vision of improved population health. As the RCs finalize their organizing activities and become more operational, they will use regional data from community health assessments and the SHIP statewide data analytics vendor to identify unmet needs and, working with PHDs and the Idaho Healthcare Coalition (IHC), support local population health improvement initiatives.

The IHC remains at the helm of our State's transformation and was reaffirmed in 2016 through executive order as the public-private leadership of this initiative. Of most importance is the IHC's role in performance monitoring of Idaho's seven goals that are the pathway for the State to fully realize all aspects of our vision. A summary of our success to date is best understood by examining the progress of each goal.

AY2 Progress and AY3 Objectives by Goal

Goal 1: Transform primary care clinics across the State into PCMHs.

Progress toward the goal of 165 primary care clinics transforming to the PCMH model by 2019 is on track with 55 clinics advancing toward the PCMH model in AY2 SHIP Cohort 1.

Idaho has effectively met our success measures to provide supports and technical assistance to SHIP Cohort 1 clinics as they transform to the PCMH model. The PHD SHIP staff, PCMH transformation vendor, and the Idaho Department of Health and Welfare (IDHW) SHIP Team have assisted clinics with: (1) developing individualized Transformation Plans to identify clinic-specific goals, (2) establishing mentorship relationships between more experienced and less experienced clinics, and (3) connecting

clinics with the PCMH transformation vendor, PHD SHIP Team, and IDHW SHIP Team through a web portal.

In AY2, 81 clinics submitted an application to participate in SHIP Cohort 2, of which 55 will be selected to participate. Based on lessons learned in AY1, Idaho streamlined the process and extended the timeframes for application to Cohort 2. Between SHIP Cohort 1 and SHIP Cohort 2, a total of 110 clinics will be participating in SHIP as of February 2017.

The AY3 objectives under Goal 1 are to:

- Continue to support clinics in the SHIP Cohort 1.
- Enroll 55 new primary care clinics into SHIP Cohort 2.
- Distribute financial incentives to SHIP Cohort 2 clinics and monitor fraud/abuse protections.
- Provide technical assistance to SHIP Cohort 2.
- Recruit clinics for SHIP Cohort 3 AY4 participation.

Goal 2: Improve care coordination through the use of electronic health records (EHRs) and health data connections among PCMHs and across the Medical-Health Neighborhood.

Idaho has begun laying the foundational systems needed to improve care coordination through data sharing. All 55 SHIP Cohort 1 clinics have EHRs that support health information exchange (HIE) connectivity. Idaho has also made significant strides in connecting SHIP Cohort1 clinics to the HIE and sharing/receiving HIE transactions for care coordination.

Idaho incentivizes connection to the State's HIE, the Idaho Health Data Exchange (IHDE), by covering several fees normally associated with a clinic's connection to the HIE. In AY3, Idaho plans to continue using Model Test grant funds to cover the one-time electronic health record (EHR) interface connection fee to aid in reducing any barriers that fees may pose to a clinic's connection to IHDE. In addition, IDHW is exploring options to expand financial support by leveraging HITECH funding.

In AY2, Idaho's Medicaid program released a tiered payment structure that provides further incentives for clinics to connect to IHDE. Through this structure, clinics receive a higher per member per month (PMPM) payment for achieving view access to IHDE through the clinical portal. Clinics can achieve an even higher PMPM payment by establishing a bi-directional connection to IHDE. Moving forward, these payment enhancements through Medicaid will continue to motivate, support, and sustain provider investments in connecting to IHDE.

Progress has also been made toward increasing hospital connections to IHDE in order to achieve the goal of 21 hospitals connected by the end of AY4. By the end of AY3, an additional three additional hospitals are expected to connect to IHDE.

Idaho is in the process of updating its statewide health information technology (HIT) plan. This update will involve consolidating previously disparate HIT plans, including the SHIP HIT Plan, into a unified strategy that sets five-year targets for HIT transformation in the State. This alignment between SHIP HIT efforts and the statewide HIT plan will benefit the advancement of Goal 2 activities in AY3.

The AY3 objectives under Goal 2 are to:

- Evaluate and enhance Cohort 1 connections to IHDE.
- Connect 55 Cohort 2 clinics to IHDE.

- Connect additional hospitals to IHDE.
- Continue to align SHIP HIT activities with the statewide HIT plan.

Goal 3: Establish seven RCs to support the integration of each PCMH with the broader Medical-Health Neighborhood.

Idaho has established seven RCs, each with an executive team that focused in AY2 on building RC membership and developing strategic plans. The strategic plans were a critical exercise in helping each RC define its role in Idaho’s healthcare system transformation with an eye toward sustainability. The RC membership varies in each region from 8 to 25 members with most RCs including local SHIP Cohort 1 clinics as members.

Idaho’s PHD SHIP staff play a major role in supporting PCMH transformation at the regional level. In AY2, the PCMH transformation vendor provided training to PHD SHIP Quality Improvement Specialists in their role as PCMH coaches to lay the foundation for on-the-ground sustainable supports for existing and future clinics. PHD SHIP staff, leveraging regional resources and expertise, are also working with local providers and community-based organizations to conduct regional health needs assessments and will, with support from the IHC, implement regional quality improvement and wellness initiatives in AY3.

The AY3 objectives under Goal 3 are to:

- Implement strategic plans for each RC.
- Implement evaluation plans to ensure RCs provide guidance on regional quality improvement and Medical-Health Neighborhood integration.
- Identify and address gaps in participants in the Medical-Health Neighborhood in each region.
- PHD staff will communicate with SHIP PCMHs regarding the supports available from RCs.
- Continue health initiatives focused on improving population health.

Goal 4: Improve rural patient access to PCMHs by developing Virtual PCMHs.

In AY2, Idaho began laying the groundwork to create 50 Virtual PCMHs by the end of AY4. The IHC approved the Virtual PCMH requirements, standards, and the designation process. IDHW procured contractors to develop curricula and provide training for Community Health Workers (CHWs) and Community Health Emergency Medical Services (CHEMS) personnel. IDHW developed marketing and educational activities to promote use and training of CHWs and recruit candidates for CHW roles. Likewise, outreach and education was provided to emergency medical service agencies on CHEMS, and a mentoring program for CHEMS was established for those interested in participating in the model. Idaho aims to establish 13 CHEMS programs throughout the State and train 125¹ CHWs by the end of AY4.

Idaho completed two major milestones in AY2 that are critical to advancing the telehealth component of the Virtual PCMH. Early in AY2, Idaho developed a telehealth expansion and implementation plan and selected a telehealth contractor to help expand telehealth technology in Virtual PCMHs, including training and technical assistance. In AY3, Idaho will finalize the telehealth application for PCMHs and will begin accepting applications from PCMHs who want to receive technical assistance in incorporating telehealth in their clinic.

The AY3 objectives under Goal 4 are to:

- Continue to recruit clinics to become Virtual PCMHs.

¹ Idaho reduced its original goal of training 200 CHWs to 125 due to limited funding sources to pay for CHWs.

- Begin incentive payments for Virtual PCMHs meeting criteria.
- Continue recruiting and engaging CHEMS and CHWs.
- Contract for CHW training.
- Develop and implement new telehealth programs in PCMHs.

Goal 5: Build a statewide data analytics system that tracks progress on selected quality measures at the individual patient level, regional level and statewide.

In AY2, Idaho stakeholders worked collaboratively to operationalize the design for Goal 5 and establish critical infrastructure for data reporting and analytics. The IHC’s HIT Workgroup and the Clinical Quality Measures Workgroup modified the clinical quality measures to operationalize the measures and developed a measure reporting schedule. The schedule phases-in reporting to allow sufficient time for clinics to develop data collection processes, and for Idaho to build the data analytics infrastructure needed to produce reports on the data.

Idaho successfully procured a data analytics contractor that will provide analytics services and evaluate outcomes for the clinical quality measures. With the assistance of the contractor, Idaho made significant strides in AY2 toward defining and operationalizing the reporting pathway for clinical quality measures from cohort clinics to IHDE and then ultimately to the data analytics contractor for analytics and the production of reports.

The AY3 objectives under Goal 5 are to:

- Operationalize data reporting on AY3 and AY4 clinical quality measures.
- Define baselines for the initial four clinical quality measures.
- Provide technical assistance to support 110 SHIP clinics reporting data on four clinical quality measures and 55 clinics reporting on an additional six measures.
- Distribute clinical quality measure reports to RCs and other stakeholders.

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

In AY2, the IHC and Multi-Payer Workgroup developed an Idaho alternative payment model framework based on the Health Care Payment Learning and Action Network Model.² The framework delineates a continuum that advances from fee-for-service (FFS) to value-based payment strategies, and reflects the different payment methodologies in the Idaho marketplace.

Data was collected from Medicaid, Medicare, and commercial payers on payments made across the payment methodologies in Idaho’s framework using a common reporting template developed in collaboration with payers. Payers reported the following data for calendar year 2015 across all lines of business:

- Percentage of beneficiaries per payment structure, e.g., FFS, Shared Savings, etc.
- Total percentage of payments (paid or accrued) to providers per payment structure.
- Total payments paid to providers.

² The Health Care Payment Learning and Action Network was established by the U.S. Health & Human Services Department to create a forum for public-private entities can exchange best practices regarding how to transition to alternative payment models that emphasize value. More information can be found at: <https://innovation.cms.gov/initiatives/Health-Care-Payment-Learning-and-Action-Network/>

The AY3 objectives under Goal 6 are to:

- Report to the IHC the results of AY2 payer data³.
- Collect the second year of data from Medicaid, Medicare, and commercial payers to track progress toward paying for value.
- Analyze data and report progress to IHC.

Goal 7: Reduce overall healthcare costs.

By transforming the way healthcare is delivered, Idaho expects to lower the overall cost of care for Idahoans. In AY2, a financial analysis was conducted to project the anticipated cost savings and return on investment (ROI) of Idaho's SHIP. The analysis found that over the three year testing period of the model, Idaho can expect to see a projected total savings of \$89.56 million, after factoring in payment to primary care providers to coordinate care and adhere to the PCMH model. Net savings are \$34.1 million for Medicaid, \$32.0 million for commercial payers, and \$23.5 million for Medicare. Projected ROI for Medicare and Medicaid populations combined is 44% for the three years. The projected ROI for all populations combined is 124% for the same time period.

The AY3 objective under Goal 7 is to:

- Collect data from payers needed to conduct the cost savings analysis and return on investment.

End State Vision

In 2013, Idaho's diverse group of statewide stakeholders and IDHW set forth the vision for the State's healthcare system. The vision statement was drafted by the IHC.

"An innovative, ambitious, forward-thinking plan for the State of Idaho — will be centered on building a robust primary care system statewide through the delivery of services in a patient centered medical home (PCMH) model of patient-centered, team-based, coordinated care. Care will be integrated and coordinated across all healthcare services in the State, yielding cost efficiencies and improved population health. Idaho will achieve its vision of system-wide reform that, with the commitment of commercial payers and Medicaid, will move Idaho from a system that rewards the volume of services (through predominantly fee for service (FFS) arrangements) to a system that rewards the value of services (through quality incentives, shared savings, etc.). Payment methods will incentivize providers to spread best practices of clinical care and achieve improved health outcomes for patients and communities. Key to the success of the model is the development of the Idaho Healthcare Coalition (IHC) and its Regional Collaboratives (RCs) which will support clinics at every level throughout and after the transformation to a PCMH. The newly formed IHC will oversee the development of this performance-driven model. Together, the IHC and RCs will support the PCMHs in activities to transform and improve the system, including collecting data required to monitor and establish performance targets, providing regional and PCMH-level performance feedback, identifying and spreading evidence-based clinical practice, and providing on-going resources and support to achieve the Triple Aim of improved health outcomes, improved quality and patient experience of care, and lower costs of care for all Idahoans."

Since then, Idaho has been making steady progress toward achieving this vision for the State's healthcare system.

³ After signing a non-disclosure agreement with Mercer, Idaho's Program Management and Financial Analysis vendor, payers submitted aggregate data to Mercer. Mercer collected data from payers, instead of IDHW or another Idaho entity, in part to ensure the privacy of payer data. All payer data is aggregated prior to reporting so that no individual payer's data is identifiable to IDHW, the IHC, or CMMI.

At the end of the Model Test period in 2019:

1. A minimum of 165 primary care clinics around the State will be providing patient-centered, team-based, coordinated care through the PCMH model. Care will be integrated and coordinated across all medical and health services in the Medical-Health Neighborhood which will contribute significantly to community and statewide improved population health.
2. The RCs and PHDs will be providing on-the-ground support for transformation and improved population health initiatives as described in the PHD's mission and goals and each RC's strategic plan.
3. The IHC will continue to guide, oversee, and monitor the expansion and impact of Idaho's performance-driven model. Working with the RCs, PHDs, and IDHW, the IHC will continue to support PCMHs in activities that will expand and cement Idaho's healthcare transformation.
4. The IHC will work with payers through the Multi-Payer Workgroup and other avenues to continue to accelerate the transition to alternatives to FFS payment. A process for monitoring progress will have been developed in collaboration with payers to replace the independent data collection and financial analysis available during the Model Test period.
5. Workforce expansion efforts will continue through the addition of CHEMS and CHWS, as well as numerous other initiatives to address Idaho's health care professional workforce shortages.
6. At least 165 clinics will be reporting on a core group of clinical quality measures across multiple payers. Payers will use this information to inform value-based payment approaches and reward quality care. Information will be used to identify regional opportunities for clinical care best practice and local and statewide health areas needing targeted population health improvements. Idaho will be exploring with healthcare professionals and other stakeholders the best ways to share this information in order to empower patient choice and spread the highest quality healthcare as the standard of care. In addition, all clinics will be using EHRs as care coordination tools, and will be sharing and receiving information from the IHDE, as will numerous hospitals around the State.

The coordination of all these activities will be challenging with the loss of SIM grant funds to support key positions at IDHW. Recognizing the important role of managing and monitoring system change, IDHW will identify ways to continue to dedicate resources to this task at the conclusion of the Model Test.

Updated Driver Diagram

Figure 1 shows Idaho's updated master driver diagram. Idaho's aim is to achieve the Triple Aim of (1) improving health outcomes, (2) improving quality, and patient experience of care, and (3) reducing the cost of healthcare in the State. The primary drivers of system transformation are the seven goals of Idaho's SHIP Model, discussed in greater detail in Section B of this Operational Plan. The secondary drivers of system transformation are the outcomes associated with each goal, which will be the areas of focused activity on the part of payers, providers, patients, and others.

Figures 2–5 show the breakdown of each of the four primary drivers, and have been updated to include the revised metrics for each driver that will be monitored and reported to track the model's progress. Accountability targets for each metric are also shown, which will serve as guideposts for evaluating the Model's performance during implementation.

The Driver Diagram has been updated as follows:

- Annual targets updated to align with approved changes to SHIP success measures.
- Updated measurement language consistent with approved changes to SHIP success measures.
- Updated secondary driver language for consistency with updated success measures.

Figure 1 – Driver Diagram

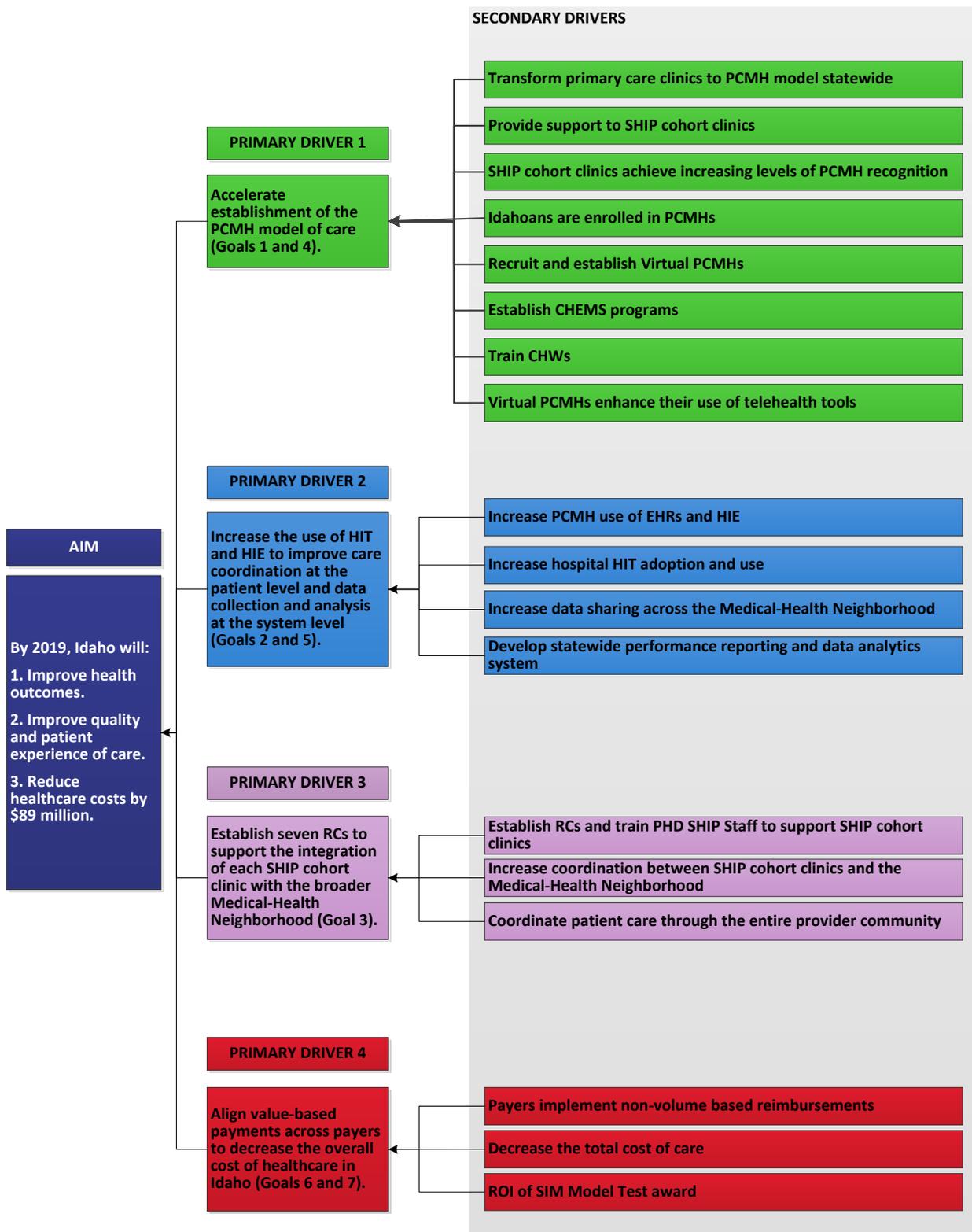


Figure 2 – Metrics for Primary Driver 1

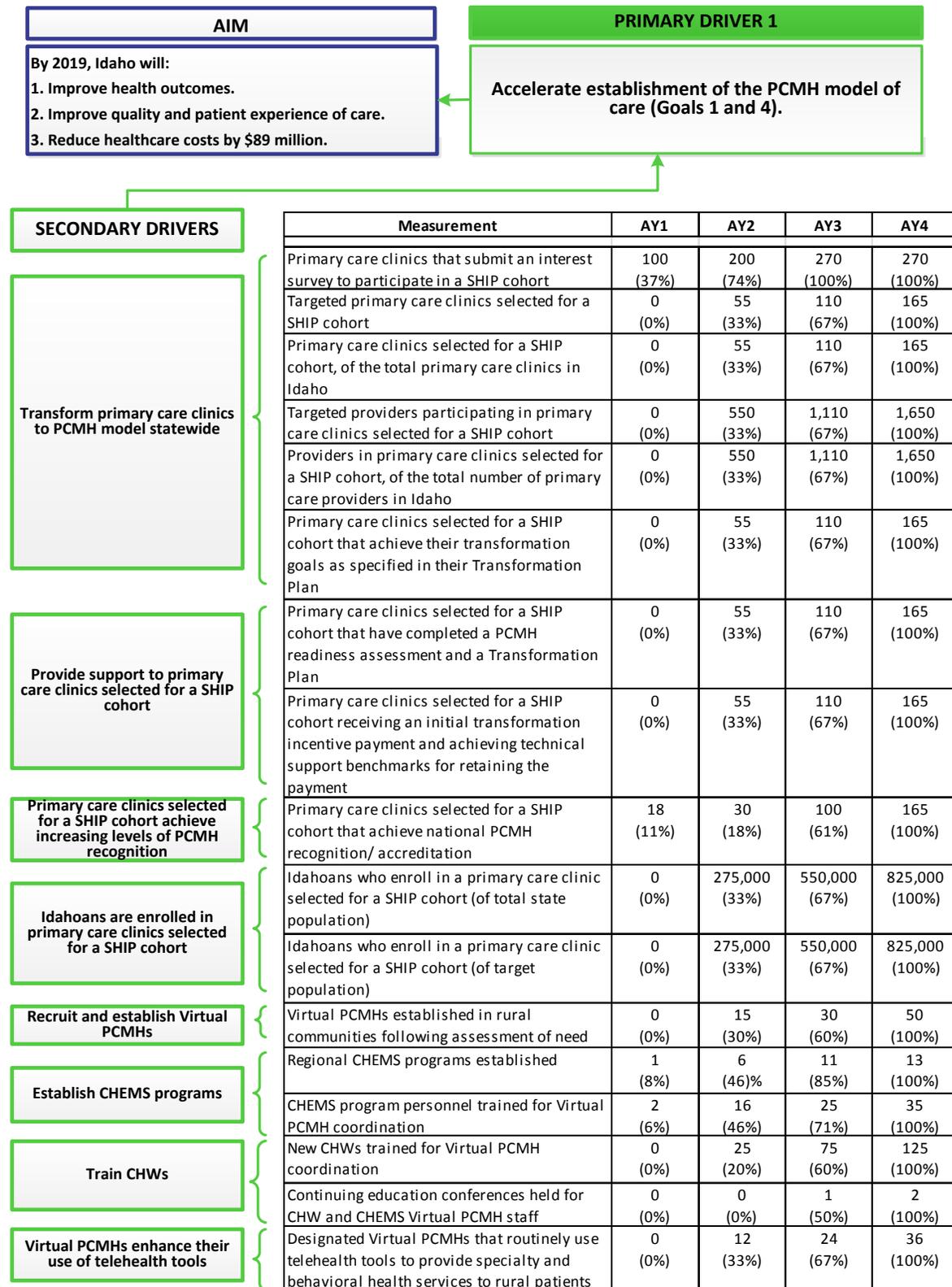


Figure 3 – Metrics for Primary Driver 2

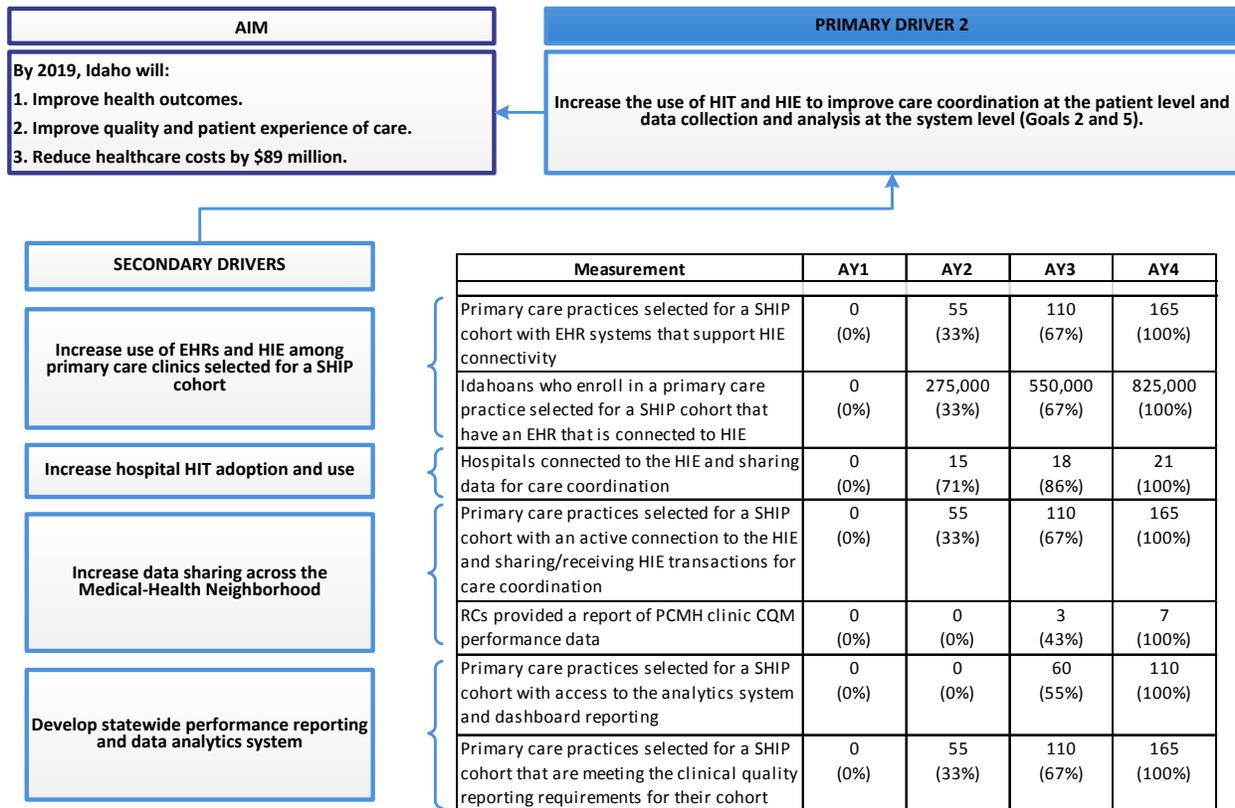


Figure 4 – Metrics for Primary Driver 3

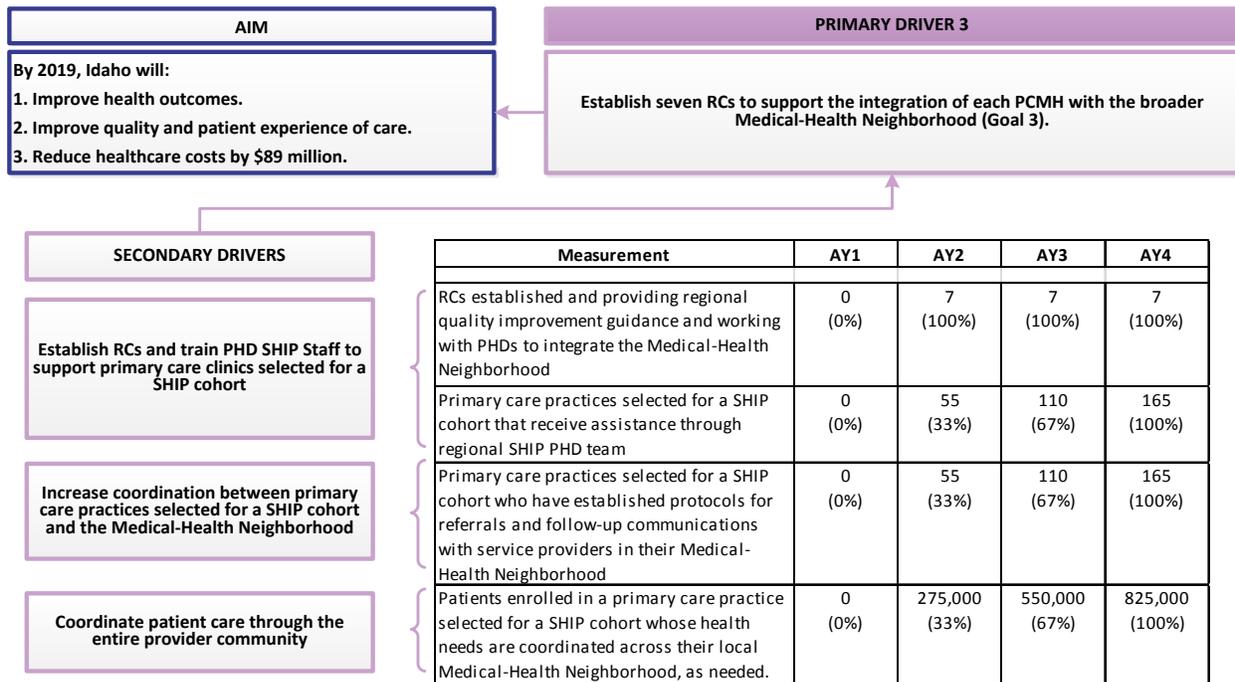


Figure 5 – Metrics for Primary Driver 4

