

# IDAHO STATEWIDE HEALTHCARE INNOVATION PLAN



## Statewide **Healthcare Innovation** Plan

Improved health, improved healthcare, and lower cost for all Idahoans

November 18, 2013

# Agenda

- Updates on Statewide Healthcare Innovation Plan (SHIP) Development.
  - October Steering Committee.
  - Center for Medicare and Medicaid Innovation (CMMI) technical assistance site visit.
  - Model testing proposal (MTP) and SHIP timelines.
- Discussion of the SHIP future state.
  - The model at a glance.
  - Role of Idaho Department of Health and Welfare (IDHW).
  - Reformed payment model (2).
  - Statewide health alliance.
  - Performance measures.
  - Regional collaboratives (RCs).
  - Medical neighborhood.
  - Patient-centered medical homes (PCMHs).



## Agenda – con't

- What makes the Idaho model unique.
- Savings assumptions and financial goals
- Next steps.
  - Pre-implementation period activities (2).
  - Ways to stay informed.



# October Steering Committee Meeting

- Last meeting for the Steering Committee.
- Consensus reached regarding all outstanding elements of the model.
- Feedback:
  - Concerns regarding sustainability of the model.
    - *Emphasized that structural elements of the model (Alliance and RCs) must add value and sustain through revenue generation, not dependent upon.*
  - Confidence in this as this is a model unique to the needs of Idaho.
- Steering Committee 2.0.



# CMMI Technical Assistance Site Visit

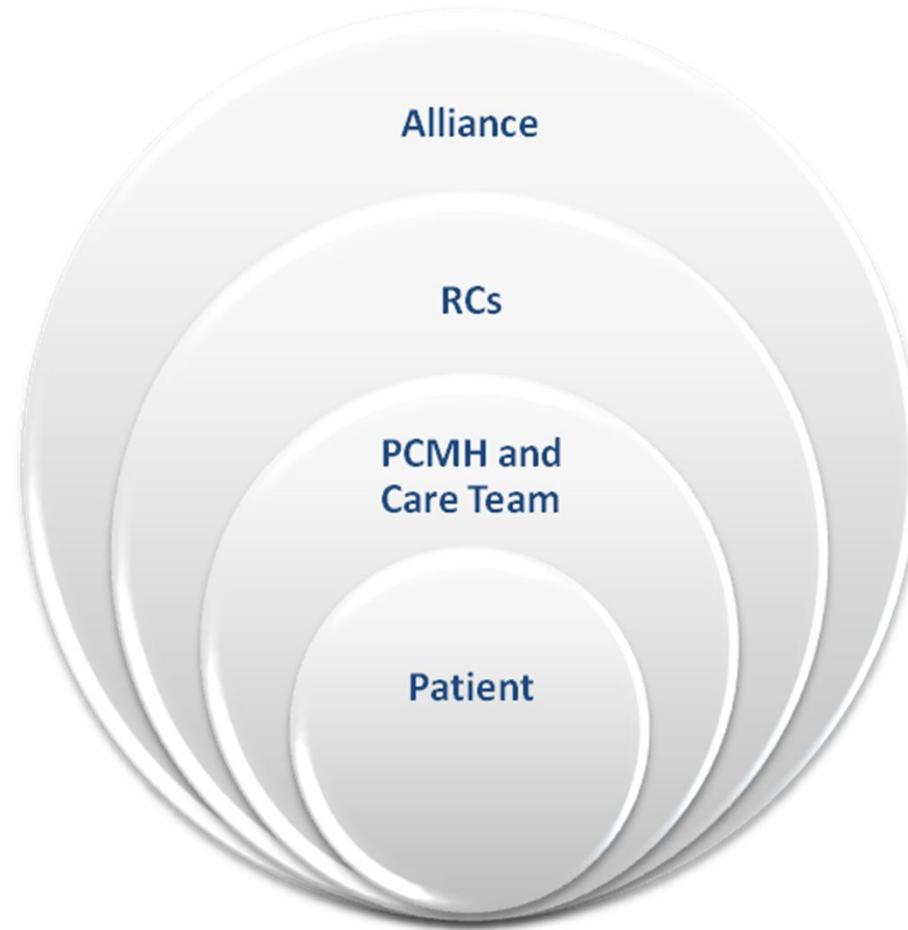
- October 22, 2013 site visit from CMMI technical assistance contractors.
- Feedback:
  - Overall very positive response to the model.
  - Stakeholder support is a strength of the model.
  - Support at the local level, through the RCs, seen as important to the successful implementation of the model.
  - CMMI is interested in seeing that the model can be replicated in other states; a strength is that the model is designed to work in rural areas.
  - CMMI would like to see more on the medical neighborhood to show integration with other health and social services.

## MTP and SHIP Timelines

- The Final SHIP will be submitted to the State on November 22.
- The State will perform the final review and submit the SHIP no later than December 31.
- All research and design elements of the MTP will be submitted on November 22.
- CMMI intends to release the funding award opportunity for the grant no later than Jan 31.
- It is unclear when the announcement of successful proposals will be made.



# The Model at a Glance



## Role of IDHW

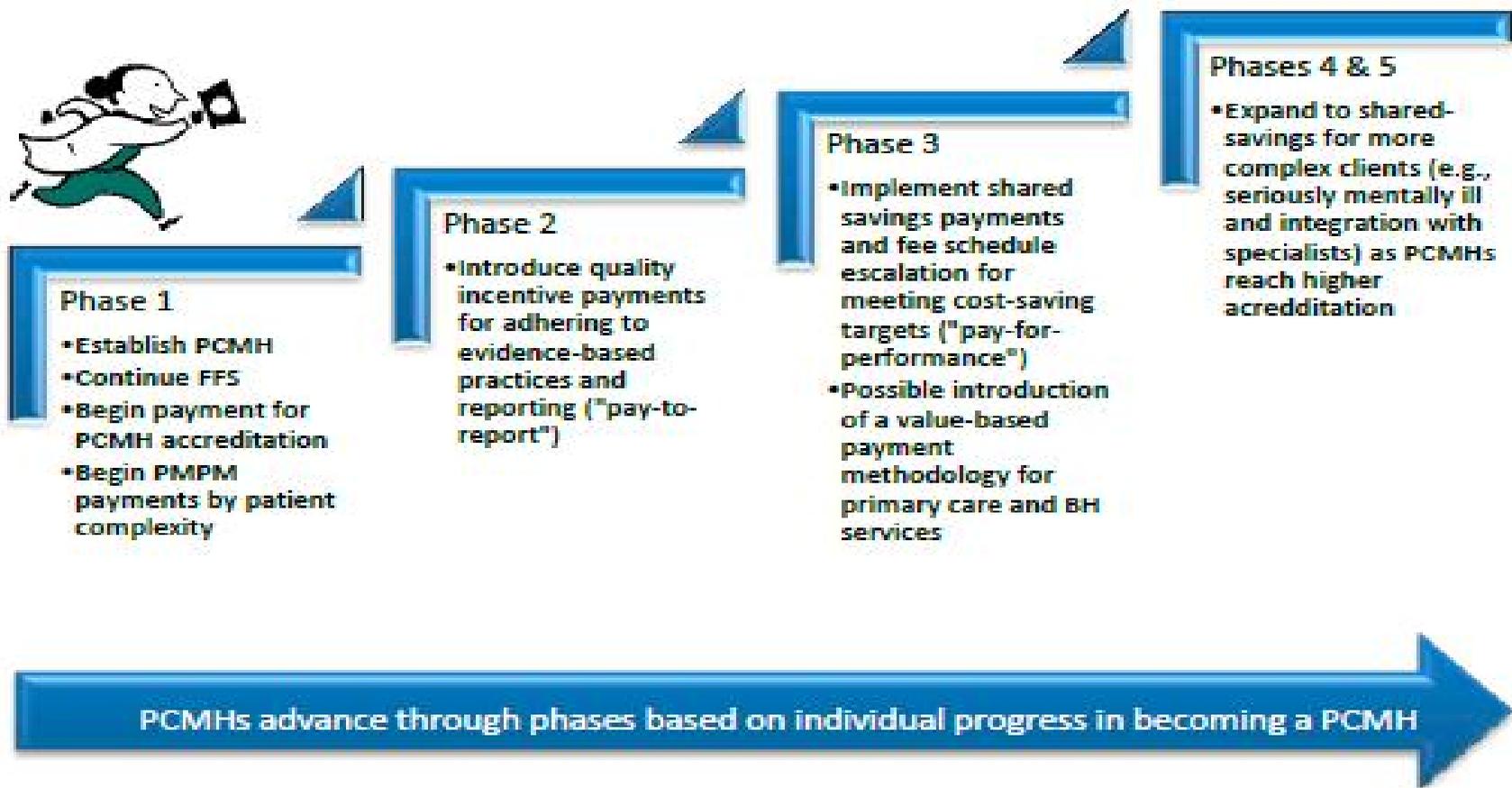
- IDHW will serve as the grant administrator, should the State receive grant funds to move forward with the model.
  - IDHW will not assume an active role in the oversight of the system transformation, but will support the Alliance in its growth.
- IDHW will also participate as the single State authority of the Medicaid program.
- IDHW will implement payment mechanisms across Medicaid primary care, public health, behavioral health (BH), and long-term care services and supports (i.e., home- and community-based services) to support the coordination and integration of these services within the PCMH and across the medical neighborhood.



# Reformed Payment Model

- Transforms statewide from a system that rewards the volume of services (through predominantly fee for service [FFS] arrangements) to rewarding the value of services (through quality incentives, shared savings, etc.).
- New payment structure to support PCMHs include:
  - Transformation start-up costs.
  - Accreditation payments.
  - Per member per month (PMPM) payments.
  - Quality incentive payments.
  - Total cost of care shared savings arrangements.

# Reformed Payment Model – con't



# Statewide Health Alliance

- Established as a 501(c)(3) or independent body corporate and politic organization (similar to the Idaho health insurance exchange).
- Creates quality and performance standards and develops baseline data and statewide quality metrics.
- Provides ongoing support, encouragement and consultation to practices endeavoring to transform to a PCMH. Examples of assistance include:
  - Assisting PCMHs in identifying strategies and resources needed to sustain practice changes.
  - Facilitating resources needed across the various levels of the model to achieve transformation goals.
  - Providing assistance through trained staff/consultants to guide primary care physicians (PCPs) through the accreditation process.



# Performance Measures

- **Year 1:** Alliance contracts with an independent quality review organization to collect baseline data on all measures in the Performance Indicator Catalog.
- **Year 2:** PCMHs begin reporting on required performance measures electronically or via paper records, depending on their reporting capacity. The Alliance, working with the RCs, identifies new measures to add to the Performance Indicator Catalog. The RCs, in consultation with the Alliance, identifies additional performance measures to be reported in Year 3 for their respective regions.
- **Year 3:** PCMHs report on statewide performance measures and regional-specific measures. The Alliance's quality committee evaluates data from multiple sources to identify additional performance measures to be added to the Catalog.



## Regional Collaboratives

- Responsible for helping primary care practices identify gaps in their practice and providing the assistance needed to facilitate the transformation process. RCs will also assist established PCMHs as they endeavor to enhance their capacity within the model.
- Responsible for assessing local needs and providing local solutions to the area's healthcare gaps.
- Formed by the Alliance and serves as local extensions of the Alliance.
- Formed initially by the Alliance and then evaluate in Year 3 or later to determine whether RCs should become independent organizations.



## Medical Neighborhood

- The larger healthcare infrastructure in which a PCMH operates. The medical neighborhood includes the PCMH itself, along with the range of other healthcare providers, as well as State and local public health agencies and social service organizations.
- Generally includes specialists, hospitals, BH and long-term care services and supports. However, the medical neighborhood may include any service provide necessary to complete the care of the member.
- May also include social service supports including housing, food assistance, and employment support.
- Facilitating participation in the medical neighborhood will be a key function of the RC.

## Patient-Centered Medical Home

- Delivers care that emphasizes care coordination and communication to transform primary care and focuses on the core attributes and functions of comprehensive care, patient-centeredness, coordinated care, accessible services, and quality and safety.
- Includes team of healthcare professionals that will be held accountable for coordinating care across the larger medical neighborhood of specialists, hospitals, BH, and long-term care services and supports.
- Delivers comprehensive and patient assessment that takes into account the individual's BH and socioeconomic needs.
- Provides access to doctors that utilize health information technologies to better connect with the medical neighborhood, RC, and the Alliance to manage care more efficiently.

## What Makes the Idaho Model Unique

- ***Expansive Stakeholdering:*** Approximately 60 stakeholder engagements were held around the State. This included the addition of six non-scheduled outreach efforts in the form of town halls to remote, frontier areas of the State. Included nearly 300 unique participants.
- ***Multi-Payer (All Payer) Participation:*** All payers and system actors participated via the Steering Committee or one of the work groups, thus ensuring that there will be no large actors in the system abstaining from participation.
- ***Statewide Provider Participation:*** All providers can participate in the model and receive the same incentives for participation; there are no geographical or business line restrictions.
- ***A PCMH for all:*** The PCMH will serve all Idahoans regardless of acuity level. Idaho believes that all patients benefit from a usual place of care. PCMH will be the vehicle through which all primary care services are provided.



## Savings Assumptions and Financial Goals

- Increase in generic fill rate to 85%: \$9 million over three years.
- Reduce hospital re-admissions by 1.5%: \$36 million.
- Reduce hospitalizations by using IMPACT or IOCP by 1.5%: \$50 million.
- Reduce non-emergent ER use (5% reduction in total ER): \$1.2 million.
- Reduce preventable early deliveries: 1% of total NICU: 0.245% of inpatient maternity: \$1.1 million.
- Other assumptions: 0.5% cut to outpatient, specialty, and diagnostics/imaging utilization, and 0.25% cut to durable medical equipment: \$12 million.
- All of these savings are offset by \$39 million in increased payment for PCP costs (PMPM payment).
- Total three-year savings of \$70 million.



## Next Steps

- Grant funding is for 42 months.
  - Six-month implementation period begins immediately upon grant award.
  - Three years considered the “testing” period.
  - Assuming FOA is released the latter part of January 2014, implementation phase could begin as early as May 2014.
    - Previous model testing grant awards occurred three and a half months after funding announcement was released.
- SHIP includes proposal that an Idaho SHIP Implementation Steering Committee oversee pre-implementation activities to prepare for rapid implementation of the model.

# Pre-Implementation Period Activities

- Form the Alliance.
- Develop criteria and process for Alliance board selection and initial staffing plan.
- Prepare staffing recruitment documents and other operational readiness activities.
- Develop ICM State Plan Amendment.
- Select national accreditation organizations that will be recognized.
  - Designation of PCMHs will begin early in Year 1.
- Continue communications with stakeholders to prepare for the implementation of the model, including outreach and education of consumers and providers to encourage participation in the model.



## Pre-Implementation Period Activities – con't

- Develop criteria and the process by which funding to help with start-up costs will be provided to PCP practices transforming to PCMHs.  
Planning will address:
  - Development of a readiness review to determine practice gaps and needs.
  - Funding amounts.
  - Milestones to measures progress.
  - Timeframes to be met as a condition of funding.
  - Monitoring of progress.
  - Conditions for continued funding and/or recoupment of funds.
- Develop criteria and the process by which funding will be provided to help established PCMH's expand and enhance their capacity within the model.



# Ways to Stay Informed

- **Ways of Staying Informed:**

- Website: [www.IdahoSHIPproject.dhw.idaho.gov](http://www.IdahoSHIPproject.dhw.idaho.gov).
- To get on this list to receive future updates, email Julie Wall at [WallJ@dhw.idaho.gov](mailto:WallJ@dhw.idaho.gov).

- **Ways to Be An Advocate:**

- Share the SHIP informational video found at [www.IdahoSHIPproject.dhw.idaho.gov](http://www.IdahoSHIPproject.dhw.idaho.gov).
- Reach out to and educate legislators and county officials.
- Inform and engage consumers on improvements being made to their system of care.



