

THE IT STRATEGY OF THE WASHINGTON STATE HEALTH CARE AUTHORITY (HCA)

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1. Executive Summary

Improving the health, safety, and well-being of its constituents is a key objective of government, and the COVID-19 pandemic has further highlighted the importance of protecting the lives and livelihoods of residents everywhere. Washington’s Health Care Authority (HCA) purchases health care for more than 2.7 million Washington residents through Apple Health (Medicaid), PEBB¹ and SEBB² - in addition to being the State’s Behavioral Health authority, and recognizes the importance of technology in enabling its business objectives. In this context, HCA undertook an effort to define an IT Strategy that can serve as a “north star” for its IT investments.

The HCA IT Strategy comprises twelve statements that can be grouped into three components: (i) Goals (to guide HCA Priority IT Initiatives towards the organization’s mission), (ii) Enabling Strategies (to enable IT projects to achieve strategic Goals), and (iii) Foundational Criteria (to establish essential conditions that must be met by IT initiatives to be approved). The HCA IT Strategy statements have been crafted not only to collectively ensure alignment with relevant existing strategies in the State³, but also to provide HCA-specific IT direction, consistency for IT initiatives across the agency, and a foundation for IT delivery management.

In addition to providing clear guidance for IT investments, the HCA IT Strategy serves as a sounding board for the nine Priority IT Initiatives that the agency has either confirmed funding or has submitted an associated budget request. The effort confirmed that HCA’s priority IT initiatives comprehensively address the IT Strategy Goals and highlighted a set of considerations for HCA to tackle as it moves to execute on the defined Strategy – these considerations span four categories: measuring outcomes, identifying & mitigating risks, ensuring stakeholders’ alignment, and readying execution.

As HCA moves towards the next few years of work under the guidance of the agency’s 2022-2025 strategic plan, the HCA IT Strategy will help select and deliver IT initiatives that best enable the organization’s mission to provide equitable, high-quality health care through innovative health policies and purchasing strategies.

The purpose of the HCA IT Strategy is in fact to establish a framework, consisting of five “Goals”, four “Enabling Strategies”, and three “Foundational Criteria”, to utilize for the assessment of IT investments and ensure that any initiatives selected meet and support the priorities defined by the HCA Strategic Plan.

¹ Public Employees Benefits Board

² School Employees Benefits Board

³ HHS Coalition IT strategy, State of Washington IT strategy, HCA data strategy, HCA priority IT initiatives, Draft HCA agency strategic plan

2. The HCA IT Strategy

Washington’s Health Care Authority (HCA) – the State’s Medicaid agency and Behavioral Health authority that also oversees the PEBB and SEBB Programs – recently finalized its Strategic Plan 2022-2025. The plan provides a vision for “A healthier Washington” and establishes three primary Goals for the agency: “Ensure equitable access to integrated, whole person care”, “Achieve value-based care through aligned payments and systems”, “Build person and community-centered systems”. In this context HCA recognizes the importance of technology in enabling the Goals it has set forth, and has defined its agency-level IT Strategy to best support its strategic plan. The purpose of the HCA IT Strategy is in fact to establish a framework to utilize for the assessment of IT investments, ensuring that any initiatives selected meet and support the priorities defined by the HCA Strategic Plan.

The HCA IT Strategy builds on a fact base that incorporates (i) perspectives from HCA’s Leadership team, (ii) a mapping of relevant existing strategies within the authorizing environment⁴, and (iii) results from expert interviews around relevant initiatives from other states. The combined output of this work, constituting the HCA IT Strategy and shown in the exhibit below, is represented by twelve statements that can be grouped in three distinct but interconnected components: Goals, Enabling Strategies, and Foundational Criteria.

Exhibit 1: The HCA IT Strategy



Each of the three components serves a different function in guiding the vision for IT investments at HCA, as detailed below.

⁴ HHS Coalition IT strategy, State of Washington IT strategy, HCA data strategy, HCA priority IT initiatives, Draft HCA agency strategic plan

2.1 Goals

The HCA IT Strategy Goals are meant to guide Priority IT Initiatives towards the organization's mission; they constitute a set of objectives to be met collectively by the IT initiatives being considered – and highlight any potential gaps. In particular, if any of the Goals are not met by the collective set of IT initiatives, the resulting gap needs to be addressed by re-evaluating the portfolio of initiatives considered (e.g., adding at least a new IT initiative, swapping an existing IT initiative with a new proposed one, etc.).

The HCA IT Strategy has the following five Goals:

1. Support the delivery of high-value health care by promoting member engagement through technology
2. Promote IT as a strategic investment, enabling seamless information exchange to support HCA's Strategic Plan Goals
3. Facilitate care coordination, value-based payment model adoption & social determinants of health by investing in interoperability
4. Leverage technology to reduce administrative burden & barriers to accessing care while improving health equity and stance on privacy and security
5. Prioritize delivering rapid value for programs and Washingtonians through incremental delivery

2.2 Enabling Strategies

Enabling Strategies constitute a set of complimentary approaches for HCA to enable a cohesive, streamlined execution across all of its IT initiatives. While they do not constitute pre-conditions for approval of IT initiatives, Enabling Strategies represent what HCA believes to be best practices that are applicable to each IT initiative.

The HCA IT Strategy has the following four Enabling Strategies (note that numbering continues from the previous component):

6. Adopt agile delivery methodology and modular development for IT projects whenever possible
7. Promote open, transparent, and accountable processes to be responsible stewards of resources⁵
8. Ensure bidirectional communication and engagement of appropriate project representatives to support cogent messaging
9. Utilize consistent project management methodologies and skilled project managers to execute and manage IT projects

2.3 Foundational Criteria

Foundational Criteria provide a set of criteria each IT project/ initiative should tackle while being defined. They constitute essential conditions that must be met by IT initiatives to be approved.

The HCA IT Strategy has the following three Foundational Criteria (note that numbering continues from the previous component):

⁵ Including reuse of previous investments, per HHS Coalition Enabling Strategies and State of Washington Statewide IT strategy

10. Facilitate effective and efficient management of HCA programs⁶ and coordination across the HHS Coalition
11. Apply statewide and/or HHS Coalition standards in providing solutions to business needs
12. Use human-centric design principles to improve member, provider and staff experience across channels

3. HCA Priority IT Initiatives

Once the IT Strategy is defined, it is important to ensure each of its Goals is supported and addressed by the collective set of IT initiatives to be prioritized. The following sections briefly summarize how HCA ensured it had a set of priority initiatives that address the organization’s IT Strategy Goals, and ensure the agency is well set up for the execution phase.

3.1 Overview of the Priority IT Initiatives

HCA currently has nine priority initiatives in its portfolio, ranging from initiatives that involve the broader HHS Coalition, to initiatives that focus on improving HCA’s Programs: Medicaid, Behavioral Health, PEBB, and SEBB. The full list⁷ of initiatives, their acronyms, and their funding status, is included in the table below.

Table 1: HCA’s Priority IT Initiatives

Acronym	Initiative Name	Funding Status (as of 12/16/21)
MPI	HHS Coalition Master Person Index	<i>Funded – in progress</i>
POS	Pharmacy Point of Sale Replacement	<i>Funded – in progress</i>
FADS	Fraud and Abuse Detection System	<i>Funded – in progress</i>
PEBB/SEBB	PEBB/SEBB modernization	<i>Funded⁸</i>
CIE	Community Information Exchange	<i>Budget requested⁹</i>
Consent	Electronic Consent Management	<i>Budget requested⁹</i>
EHR	Electronic Health Record as a Service	<i>Budget requested⁹</i>
IES	HHS Coalition Integrated Eligibility System	<i>Budget requested⁹</i>
HB 1477	Comprehensive Crisis Response System	<i>In planning phase</i>
SPU	State Policy Unit	<i>In planning phase</i>

3.2 Priority IT Initiatives Relationship To The HCA IT Strategy Goals

As part of the effort to define its IT Strategy, HCA conducted a mapping of the priority IT initiatives against the IT Strategy’s Goals. As highlighted in a previous section of this document, the mapping’s objective was to highlight if any gaps existed in terms of Goals not being supported by any proposed initiatives. The exhibit below highlights how the Health Care Authority’s priority IT initiatives comprehensively address IT Strategy Goals, with each initiative in fact directly supporting multiple Goals and indirectly supporting additional ones.

⁶ It is important for the IT Strategy to cover all the HCA program areas (i.e., including PEBB/ SEBB) and their corresponding initiatives

⁷ Note that *ProviderOne* is not included in this list as it is considered a non-IT-specific priority

⁸ Self-funded on fees from plans

⁹ Pending as of Nov 8th, 2021; CIE, Consent, EHR and Integrated Eligibility are in the Governor’s Budget

Exhibit 2: Mapping of Priority IT Initiatives to the HCA IT Strategy Goals

✓ Initiative **directly** supports strategic objective ✓ Initiative **indirectly** supports strategic objective

HCA IT Strategy Goals	HCA Priority Initiatives									
	MPI	POS	FADS	PEBB/ SEBB	CIE	Consent	EHR	IES	HB 1477	SPU
1 Support the delivery of high-value health care by promoting member engagement through technology		✓		✓	✓	✓	✓	✓	✓	✓
2 Promote IT as a strategic investment, enabling seamless information exchange to support HCA's strategic plan goals	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3 Facilitate care coordination, value-based payment model adoption & social determinants of health by investing in interoperability	✓	✓			✓	✓	✓	✓	✓	✓
4 Leverage technology to reduce admin burden & barriers to accessing care while improving health equity and stance on privacy & security	✓	✓			✓	✓	✓	✓	✓	✓
5 Prioritize delivering rapid value for programs and Washingtonians through incremental delivery	✓	✓	✓	✓				✓		



4. Relationship To Existing Strategy Documents In The Washington Ecosystem

The HCA IT Strategy needs to fit harmoniously in the ecosystem of other relevant strategies the State has adopted, to encompass guidance from these documents that is appropriate for HCA’s IT initiatives, and to add where possible meaningful direction that is specific to HCA. To that end, HCA identified four strategies that needed to be considered – as shown in the table below.

Table 2: Existing strategy documents used as inputs to this effort


Strategy	Source
HHS Coalition IT Strategy 2021-2024	https://www.hca.wa.gov/assets/program/HHS-coalition-it-strategy-2021-2024.pdf
State of Washington Statewide IT Strategy 2021-2025	https://ocio.wa.gov/sites/default/files/public/State-IT-Strat-Plan-2021-25.pdf?bl2gw
HCA Strategic Plan 2022-2025	https://www.hca.wa.gov/assets/60-0076-HCA-strategic-plan.pdf
HCA Data Strategy 2021-2025	https://www.hca.wa.gov/assets/program/data-strategy.pdf

As part of this effort, HCA mapped the major components of each strategy to draft HCA IT Strategy statements, in order to identify any gaps to address or enhancements to apply. The following exhibit summarizes in a

snapshot what was mapped as part of the process that led to the final twelve HCA IT Strategy statements highlighted in a previous section of this document.

Exhibit 3: Mapping of existing strategy documents in the Washington ecosystem

	Content	Total no. of elements	Aligned with HCA IT Strategy
HHS Coalition IT Strategy 2021-2024	<ul style="list-style-type: none"> • 7 goals • 7 enabling strategies 	14	✓
State of Washington Statewide IT Strategy 2021-2025	<ul style="list-style-type: none"> • 5 goals, with 3 to 5 objectives for each goal 	20	✓
HCA Strategic Plan 2022-2025	<ul style="list-style-type: none"> • 3 goals, with 5 to 11 strategies for each goal 	24	✓
HCA Data Strategy 2021-2025	<ul style="list-style-type: none"> • 4 domains, with 7 to 8 themes and objectives for each domain 	29	✓



4.1 HHS Coalition IT Strategy 2021-2024

The HHS Coalition consists of four state agencies: the Department of Children, Youth & Families, the Department of Health, the Department of Social and Health Services, and the Health Care Authority, as well as the state’s public-private Health Benefit Exchange. Coalition organizations expend approximately \$17 billion annually¹⁰ delivering more than 75 health and human service programs to more than 2.9 million Washingtonians each year. Additionally, public health programs improve population health for Washingtonians. In 2021, the five leaders came together and developed an IT strategy to align the investments in technology projects across the coalition organizations.

The HCA IT Strategy aligns with the HHS Coalition IT Strategy by further specifying examples of how HCA will deliver on Goals of the broader coalition. For example, one of the HHS Coalition Goals for IT investments is “Improving equitable access and outcomes for all.” The HCA IT Strategy identifies a Goal for HCA’s IT investments to “Leverage technology to reduce barriers to accessing care while improving health equity and HCA’s stance on privacy & security.” Additionally, the Coalition Strategy defines one of its Goals as “Ensuring good stewardship of public dollars.” The HCA IT strategy adds an enabling strategy to this goal with “Promote open, transparent and accountable processes to be responsible stewards of resources”.

4.2 State of Washington Statewide IT Strategy 2021-2025

In 2021, the Washington State Office of the Chief Information Officer (OCIO), published the Statewide information Technology Strategic Plan 2021-2025. The plan provided a vision for “Better Government Through Technology”, and a mission for “Personalized and Optimized Government”.

The HCA IT Strategy aligns with the Statewide Information Technology Strategic Plan by supporting the Efficient & Effective Government goal area. As an example, one objective in the statewide plan is “Improve customer

¹⁰ Not including PEBB and SEBB

experience across channels”, and the HCA IT Strategy has a goal, “Support the delivery of high-value health care by promoting member engagement through technology.” Further, in the Accountable IT Management goal area, an objective of the Statewide IT Strategy is “Improve project outcomes with better practices” and the HCA IT strategy further specifies this with an enabling strategy, “Utilize consistent project management methodologies and skilled project managers to execute and manage IT projects”.

4.3 HCA Strategic Plan 2022-2025

In 2021, the Washington Health Care Authority finalized their agency Strategic Plan 2022-2025. The plan provided a vision for “A healthier Washington”, and a mission to “Provide equitable, high-quality health care through innovative health policies and purchasing strategies”.

The HCA Strategic Plan sets forth three primary Goals which can each be supported by content from the HCA IT Strategic Plan. Goal 1 “Ensure equitable access to integrated, whole person care” is supported by the HCA IT Strategy goal “Support the delivery of high-value health care by promoting member engagement through technology.” Goal 2 “Achieve value-based care through aligned payments and systems” is supported by the enabling strategy, “Facilitate care coordination, value-based payment model adoption & social determinants of health by investing in interoperability”. Goal 3 “Build person and community-centered systems” is further specified with the foundational criteria, “Use human-centric design principles to improve member, provider and staff experience across channels.”

4.4 HCA Data Strategy 2021-2025

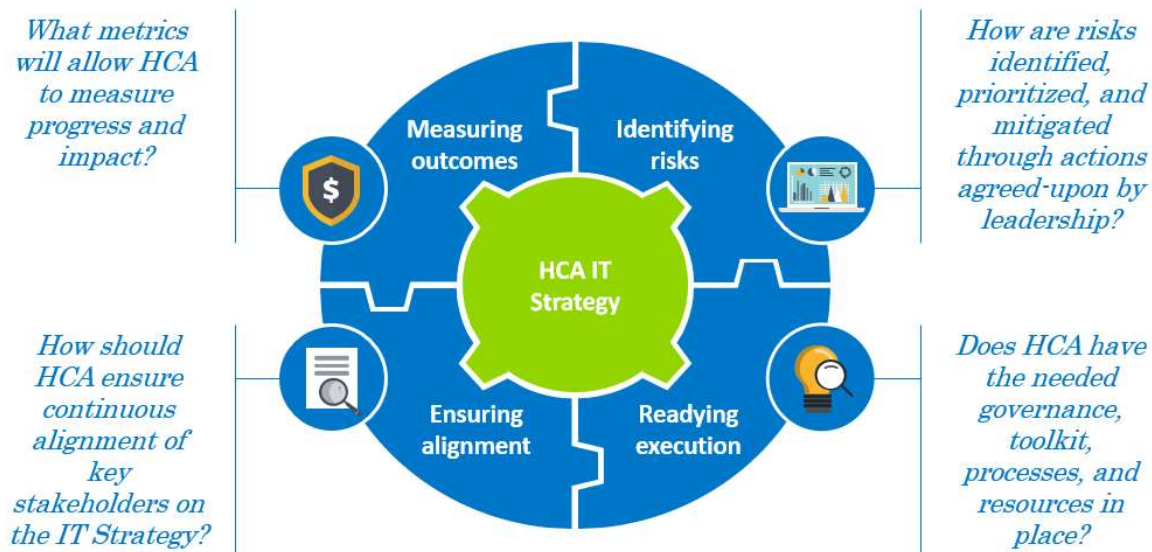
Since the agency-wide realignment efforts in 2015, one of the priorities for HCA executive leadership was to establish and grow a decision support and data governance function. The agency has made numerous significant investments in the agency’s data, which is widely understood as “our second most valuable asset at HCA after our staff”, recently defining a Data Strategy for 2021-2025. The data strategy focuses on data integrity, standardization, data security/privacy, and user experience to support HCA’s overall business and program strategy.

The HCA Data Strategy sets forth four domains (data generation and management, data analytics, data dissemination, data governance and metadata management) that will help enable the HCA IT Strategy. For example, the theme “Transparency, visibility and clarity on existing resources and who is doing what in the agency” from the data dissemination domain will be a key stepping stone for the IT Enabling Strategy “Promote open, transparent and accountable processes to be responsible stewards of resources”. In addition, the HCA IT Strategy creates a bridge between the data available, the technology to leverage it, and ultimately HCA’s business objectives – for example, the HCA IT Strategy Goal “Support the delivery of high-value health care by promoting member engagement through technology” provides a clear example of how to use member data.

5. Implementation Considerations

As HCA moves towards implementing its IT Strategy and the associated priority IT initiatives, four broad categories of activities will help enable a successful journey: (i) measuring outcomes, (ii) Identifying risks, (iii) ensuring alignment, and (iv) readying execution. These categories were the focus of a dedicated discussion during an IT Strategy Workshop with HCA’s Leadership team, and are briefly described below.

Exhibit 4: Overview of Implementation Considerations



“Measuring outcomes” will enable HCA to select metrics to measure progress and impact. Measuring the impact on residents and business outcomes should ultimately be the primary way to establish whether IT investments and initiatives are successful. In addition, the selection of outcomes to measure can help better clarify upfront the objectives of an IT initiative, as well as the relationship between the technology needed and the benefit to the final users. For example, establishing that the “number of people served in historically underserved populations” is an outcome to measure can help not only inform how valuable an IT investment is; it can also help clarify for the project team how the technology (and data) should be best used within a specific IT initiative.

“Identifying risks” focuses on identifying, prioritizing, and addressing issues (and potential issues) through mitigation actions agreed-upon by leadership. Typically, the key to the success of these activities is identifying potential issues and the level of magnitude of their impact before they materialize, based on prior expertise or learnings from comparable IT initiatives – including from other states. For example, changes in the technical environment that happen in siloes and are not coordinated may lead to the need for re-work, increased technical debt, and ultimately over-time, over-budget projects.

“Ensuring alignment” aims to define how HCA should ensure continuous alignment of key stakeholders on the IT Strategy and its associated initiatives. In complex, multi-stakeholder environments this typically includes identifying who the different stakeholder groups are (including those that are “internal” and “external” to the organization), what are their needs, and how HCA will respond to these needs (including expected content and frequency of interactions). For example, in instances comparable to HCA’s context, stakeholders across IT, Ops, and Business that are internal to the organization can be aligned through a recurring quarterly IT check-in, while key external stakeholders such as CMS or the Legislator need a dedicated cadence that should follow and be coordinated with internal alignments (e.g., ensuring APD, OAPD, IAPD review & evaluation across coalition initiatives).

“Readying execution” covers the multiple elements of the complex, multi-faceted solution that is needed to drive the execution phase of the HCA IT Strategy and its priority initiatives. In particular, HCA will need to have (a) a dedicated governance that allows and enables all relevant structures to contribute or lead in the most appropriate way, (b) a toolkit that streamlines and makes the approach to communication uniform, (c) a set of processes to ensure alignment on IT initiatives before the move to the implementation phase, and (d) a team to drive execution with expertise in the subject matter and in the organization. For example, ensuring that a consistent “readiness checklist” (including information on funding, resources, milestones, etc.) is applied to each IT initiative being launched typically greatly enhances the chances of a successful implementation.

6. Closing Remarks

Washington’s Health Care Authority is at a crucial and exciting juncture. The foundational work has been done with establishment of the HHS Coalition, its IT strategy, and the joint prioritization of key projects in the federal and state authorizing environments. The opportunity created by the availability of funding to accelerate the work of HCA now cannot be understated. As a result, this situation demands an aligned set of strategic planning documents - the organization’s Strategic Plan, the IT Strategy, and the Data Strategy that together provide a cohesive and comprehensive view into what the organization wants to build for the State’s residents in the next few years. Now that the strategies have been defined and aligned, HCA should build on this momentum and ensure all the strategic planning can be executed seamlessly. HCA is on a mission to provide equitable, high-quality health care through innovative health policies and purchasing strategies. Successfully executing on the HCA IT Strategy, characterized by some early successes or “lighthouse” cases, will provide the organization with a solid, essential foundation to ensure success on this journey.