

# Washington State Innovation Models 1<sup>st</sup> Quarter Progress Report



**February 1 – April 30, 2016**

The Healthier Washington team submits quarterly reports to the Center for Medicare and Medicaid Innovation (CMMI) focusing on the progress made toward the program milestones and goals of the Healthier Washington initiative.

The information here follows CMMI's request to highlight only a few Healthier Washington elements within the specified progress report domains below. Within this summary, you will find highlights of the successes and lessons learned from this past quarter. To submit questions or feedback go to [www.hca.wa.gov/hw](http://www.hca.wa.gov/hw) to contact the Healthier Washington team.

## Success Story or Best Practice

- Model 1 / Early Adopter of Fully Integrated Managed Care Program went “live” on April 1, 2016. Only a few operational issues surfaced and were managed quickly. The ACH in the region has published a robust set of “lessons learned” to help the state learn from this ground-breaking experience, and inform the planning for other regions to adopt. (Note: North Central regional service area has declared their intention to fully integrate before 2020.)
- HCA announced in April its process to receive submissions of Patient Decision Aids to be certified by the HCA chief medical officer, with input from a review panel of subject matter experts and an expert evidence review where needed. A full strategic communications plan is being assembled with FAQs, fact sheets, and other key materials produced for outreach to stakeholders and potential participants.
- Healthier Washington co-sponsored a conference on value-based purchasing. Other co-sponsors included King County, the Washington Health Alliance, and the Washington Roundtable. Attendance included more than 90 health care stakeholders, representatives from purchasers, providers, health plans, brokers and other interested parties. Feedback from attendees was overwhelmingly positive. Feedback from the conference will be used to shape future events and to spread and scale strategies.

## Challenges

Encounter-based to value-based payment model has held several working sessions with stakeholders on developing a workable model for community access hospitals. The team is developing an acceleration plan in an attempt to preserve the January, 2017 pilot date.

The Greater Washington multi-payer model has continued to evolve from a both policy and procedure perspective, from a data aggregation strategy to an advanced primary care medical home model that aims to strengthen primary care through a regionally-based multi-payer payment reform and care delivery transformation. A plan is being developed to expedite a final decision and move forward.

One of the biggest risks we've experienced on the SIM program is the ability to use of all of the SIM funding available to the state. A dramatic under-spend in Grant Year 1 positioned HCA to aggressively plan a compression of the spend in Grant Year 2. Our carryover agreement has been submitted. We are waiting on CMS to approve the carryover agreement and allow us to finalize our Year 2 budget. The

operations team closely monitors expenditures by each team and is prepared to assist all team leads in processing payments. Robust dashboards have been developed to enable the team to stay on track.

## Governance

No changes have occurred in governance of the Analytics, Interoperability and Measurement (AIM) team in this period, however, an AIM director was appointed. Additionally, AIM hired five new team members, including two data scientists, two data analysts, and one technical analyst. Nearly 90 percent of AIM funded positions have been filled.

Patricia Lashway was appointed to the Healthier Washington Executive Governance council upon her appointment as Interim Secretary of the state Department of Social and Health Services. Secretary Lashway replaced Kevin Quigley as DSHS Secretary on the governance council.

The Healthier Washington Core Team (a key decision-making group) now meets bi-weekly and during the “off” weeks the time is used to “design” work for the upcoming meeting. Meetings are now much more informative and allow for cross-cutting dialogue.

## Stakeholder Engagement

Accountable Communities of Health (ACH) held bi-weekly development council calls with ACH leads. Q1 topics included “consumer” engagement, Medicaid transformation, value-based purchasing, practice transformation and sustainability. A quarterly convening was held in March with an emphasis on Medicaid transformation, community engagement and ACH projects/evaluation.

To support integration of physical and behavioral health in our early adopter region, daily calls took place with the fully-integrated managed care plans, county officials, ACH representatives, and behavioral health providers. The calls promptly identified and resolved implementation issues. The Health Care Authority convened the Early Warning System Steering Committee comprised of county officials, ACH representatives, behavioral and physical health providers, criminal justice system representatives, managed care plans, and consumers.

The team working on alternative payment models for federally qualified health centers (FQHC) and rural health clinics (RHC) has held several convenings with stakeholders to advance both lines of work:

A Paying for Value conference was co-sponsored with King County, the Washington Health Alliance and the Washington Business Roundtable.

In April, a webinar series was launched, starting with the “ACP: Concept to Contract,” to educate health stakeholders on different components of the Accountable Care Program.

The Performance Measures Coordinating Committee convened in March to discuss ongoing evolution of the common measure set and what topic areas should be reviewed.

Meetings were held with stakeholders to develop a new multi-payer pilot strategy (model 4).

The AIM team collaborated with the three identified AIM-ACH liaisons. AIM also was the focus of a Healthier Washington quarterly webinar.

## Population Health

The External Advisory Board for the Plan for Improving Population Health (P4IPH) has begun convening under the leadership of Dr. Gary Goldbaum. The External Advisory Board is working to identify key focus areas that will serve as a starting point for the P4IPH framework. CMMI has refocused our efforts on process and we have decided on a dynamic website for the P4IPH final product.

ACH leaders continued to engage as members of the P4IPH External Advisory Board. Developments focused on strategies to ensure investments are sustainable, including delivery system transformation and clinical-community linkages as a critical step toward upstream investment.

## Health Care Delivery System Transformation

The first quarter of GY2 (Feb-April) was focused on the request for proposal (RFP) development for the three Practice Transformation Support Hub components:

1. practice coaching, facilitation and training,
2. regional health connectors, and
3. the web-based Resource Portal.

The Practice Transformation Support Hub director departed in February and the team carried on to complete the RFPs and publish them. Responses were due April 25.

A significant decision was made to negotiate an inter-agency agreement with the University of Washington to use their web design and content curation services. The vendor selection decisions made with regards to RFPs 1 and 2 will allow us to finalize our plans to deploy connectors in every region as well as the ability to offer coaching and training services.

## Payment and/or Service Delivery Model(s)

The Health Innovation Leadership Network (HILN) focused its April quarterly meeting on paying for value, demonstrating for health system leaders across the state the roles of providers, purchasers, consumers and others in transforming the system through incentives.

In February and March the Health Care Authority held “knowledge transfer” sessions for the early adopter region between the two fully-integrated managed care organizations (MCOs), various stakeholder groups across the state and the Southwest Washington community. These sessions provided opportunities to ensure that the MCOs were adequately prepared to accept responsibility for managing behavioral health services in the region. HCA conducted a readiness review of the MCOs to ensure adequate networks, policies and procedures were in place before implementation. On April 1, fully-integrated managed care launched in Clark & Skamania counties for 120,000 Medicaid beneficiaries. Between April 1 – April 30 HCA worked with the MCOs and local stakeholders to refine policies and procedures and troubleshoot minor implementation issues.

The payment and delivery redesign work for critical access hospitals focused on specific delivery components that will drive payment redesign discussions. For FQHC/RHC APM 4 development, we have begun to draw clarity around the framework and are addressing detailed issues affecting the model.

The state's accountable care program partners (ACP) continued operations and stabilization after the January 1, 2016 launch. Weekly meetings with both ACP partners occur to monitor implementation, including care transformation activities. Teams and ACP partners engaged in contract amendments and expansion planning to offer the ACP product in additional counties beyond the five-county Puget Sound region in 2017. Spread and scale strategy activities began, starting with a purchaser conference on March 1.

A new vision for a pilot approach to a multi-payer initiative is being designed to leverage an integrated network of small, independent providers.

### **Leveraging Regulatory Authority**

Washington State continues to pursue a Section 1115 waiver from the Centers for Medicare and Medicaid Services. The waiver team issued a statewide solicitation for project ideas to be used in the development of a Medicaid Transformation project framework. It was encouraging to see the number of submissions relating to the integration of physical and behavioral health, which is a key goal under SIM. We continued to engage our ACHs to a significant degree in identifying potential opportunities through the waiver to advance person-centered and value-based care across the state.

### **Workforce Capacity**

The CHW Task Force recommendation report is under review with the objective of integrating recommendations into the Healthier Washington operational plan.

Health Workforce Sentinel Network survey is under development and progressing well with input from various stakeholders. It is on track to have the survey implemented in summer 2016.

### **Health Information Technology**

AIM drafted a request for information (RFI) for a "Business Intelligence/Analytics Platform" and released it on April 2. This document was our first attempt at defining clearly the business, technical and functional requirements of the infrastructure we will need for AIM. We hope to use vendor responses to the RFI to guide the rest of our work in designing, procuring and implementing a "BI/Analytics Platform" to meet our Healthier Washington investment area and stakeholder needs.

### **Continuous Quality Improvement**

The University of Washington evaluation team has finalized its evaluation plan, met with team members working on payment redesign, defined the data elements for evaluation of two proposed payment models, and submitted rapid cycle reflections on the progress of the payment models, HUB, and AIM team support for the SIM evaluation.

The program management team recently began use of a new portfolio management tool called TeamDynamix. The tool allows all team members to see the work list and activities of all other team members. Entries by team members allow senior leaders and project management leaders to view the "health" of the project. While the tool doesn't accommodate all of our team needs, it is a useful work plan tracker that will allow us to build planning capacity in our team leads.

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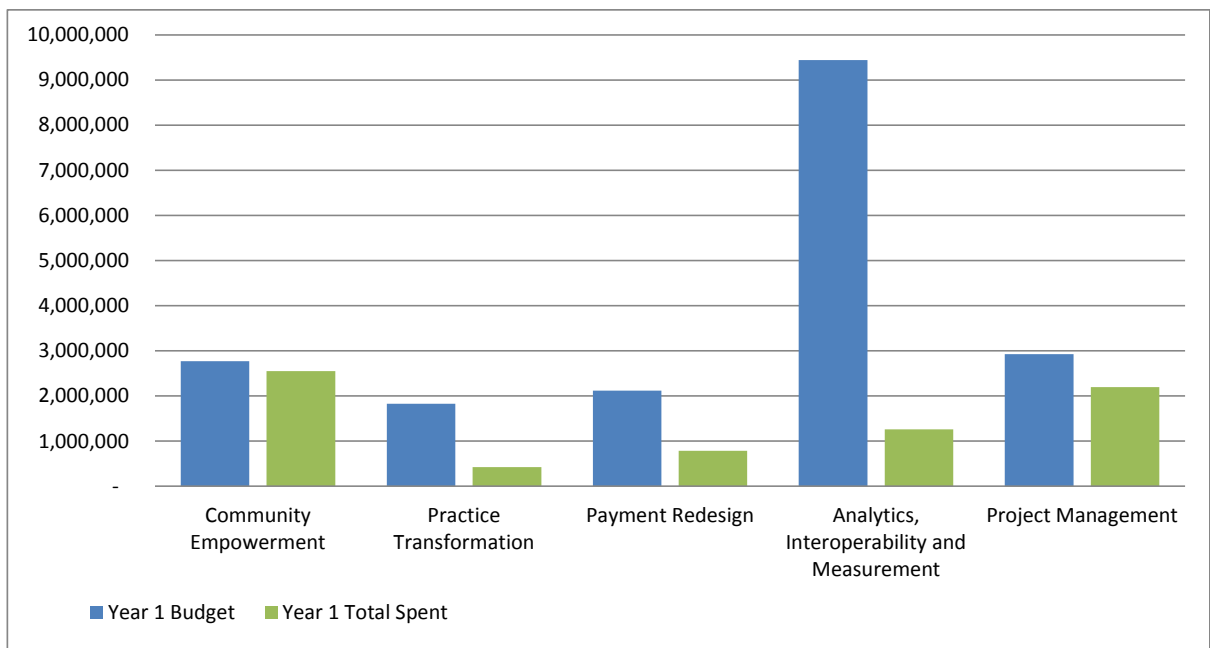
**Year 1 Quarter 4 Update - Budget Status Report**

**Expenditures for February 2015-March 2016**

**Combined expenditures and FTE's for all Partner Agencies (HCA, DOH, DSHS, OFM-GOV)**

From: Enterprise Agency Financial Reporting

	Year 1 Budget	Total Spent	
Community Empowerment	2,769,598	2,551,664	92%
Practice Transformation	1,830,774	428,397	23%
Payment Redesign	2,116,825	784,451	37%
Analytics, Interoperability and Measurement	9,443,606	1,262,484	13%
Project Management	2,923,744	2,194,265	75%
	<b>19,084,547</b>	<b>7,221,261</b>	<b>38%</b>





Grant Year 1 Quarter 4 Update - Budget Status Report  
 Partner Agency Activity by Investment Area  
 Expenditures for February 2015-March 2016  
 Source: Enterprise Agency Financial Reporting

All Partner Agencies By Investment Area	Year 1 Budget	Dollars Spent					% Spent	FTE's Spent
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
Community Empowerment	\$ 2,769,598	\$ 732,254	\$ 361,678	\$ 134,892	\$ 1,322,841	\$ 2,551,664	92%	4.0
Practice Transformation	\$ 1,830,774	\$ 8,308	\$ 40,341	\$ 60,110	\$ 319,638	\$ 428,397	23%	4.9
Payment Redesign	\$ 2,116,825	\$ 11,801	\$ 174,214	\$ 143,699	\$ 454,737	\$ 784,451	37%	3.6
Analytics, Interoperability & Measurement	\$ 9,443,606	0	\$ 28,902	\$ 346,670	\$ 886,912	\$ 1,262,484	13%	9.0
Project Management	\$ 2,923,744	\$ 75,640	\$ 197,855	\$ 736,138	\$ 1,184,632	\$ 2,194,265	75%	12.4
<b>TOTAL</b>	<b>\$ 19,084,547</b>	<b>\$ 828,003</b>	<b>\$ 802,989</b>	<b>\$ 1,421,509</b>	<b>\$ 4,168,761</b>	<b>\$ 7,221,261</b>	<b>38%</b>	<b>33.9</b>

HCA	Year 1 Budget	Dollars Spent					% Spent	28.0 FTE's
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
Community Empowerment	\$ 2,632,894	\$ 732,254	\$ 361,678	\$ 128,595	\$ 1,307,686	\$ 2,530,213	96%	3.0
Practice Transformation	\$ 703,309	\$ 8,308	\$ 40,341	\$ 26,618	\$ 216,898	\$ 292,164	42%	1.0
Payment Redesign	\$ 2,004,756	\$ 11,801	\$ 174,214	\$ 143,699	\$ 454,737	\$ 784,451	39%	3.6
Analytics, Interoperability & Measurement	\$ 7,958,585	0	\$ 28,902	\$ 259,999	\$ 607,454	\$ 896,354	11%	5.0
Project Management	\$ 2,526,939	\$ 75,640	\$ 197,855	\$ 735,887	\$ 1,103,330	\$ 2,112,713	84%	11.0
<b>TOTAL</b>	<b>\$ 15,826,484</b>	<b>\$ 828,003</b>	<b>\$ 802,989</b>	<b>\$ 1,294,799</b>	<b>\$ 3,690,105</b>	<b>\$ 6,615,896</b>	<b>42%</b>	<b>23.6</b>

DOH *	Year 1 Budget	Dollars Spent					% Spent	7.4 FTE's
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
Community Empowerment	\$ 39,395					0	0%	
Practice Transformation	\$ 1,030,156			\$ 22,419	\$ 87,777	\$ 110,196	11%	2.9
Payment Redesign	\$ 39,395					0	0%	
Analytics, Interoperability & Measurement	\$ 877,794			\$ 86,671	\$ 151,348	\$ 238,019	27%	1.0
Project Management	\$ 155,010			\$ 251	\$ 21,917	\$ 22,167	14%	0.5
<b>TOTAL</b>	<b>\$ 2,141,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 109,341</b>	<b>\$ 261,042</b>	<b>\$ 370,383</b>	<b>17%</b>	<b>4.4</b>

DSHS *	Year 1 Budget	Dollars Spent					% Spent	5.2 FTE's
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
Community Empowerment	\$ 97,309			\$ 6,296	\$ 15,155	\$ 21,452	22%	1.0
Practice Transformation	\$ 97,309			\$ 11,073	\$ 14,963	\$ 26,036	27%	1.0
Payment Redesign	\$ 72,674					0	0%	
Analytics, Interoperability & Measurement	\$ 227,353					0	0%	
Project Management	\$ 111,336					0	0%	
<b>TOTAL</b>	<b>\$ 605,980</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,369</b>	<b>\$ 30,119</b>	<b>\$ 47,488</b>	<b>8%</b>	<b>2.0</b>

DSHS - RDA	Year 1 Budget	Dollars Spent					% Spent	3.0 FTE's
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
Community Empowerment	0					0		
Practice Transformation	0					0		
Payment Redesign	0					0		
Analytics, Interoperability & Measurement	\$ 379,874				\$ 128,110	\$ 128,110	34%	3.0
Project Management	0					0		
<b>TOTAL</b>	<b>\$ 379,874</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 128,110</b>	<b>\$ 128,110</b>	<b>34%</b>	<b>3.0</b>

OFM - GOV OFFICE	Year 1 Budget	Dollars Spent					% Spent	0.9 FTE's
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
Community Empowerment	0					0		
Practice Transformation	0					0		
Payment Redesign	0					0		
Analytics, Interoperability & Measurement	0					0		
Project Management	\$ 130,460				\$ 59,385	\$ 59,385	46%	0.9
<b>TOTAL</b>	<b>\$ 130,460</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 59,385</b>	<b>\$ 59,385</b>	<b>46%</b>	<b>0.9</b>

\* Grant Year 1 invoicing not final

This report includes expenditures currently claimed against Grant Year 1

Following Federal guidance, further expenditures against Grant Year 1 are pending Carryover approval by CMMI

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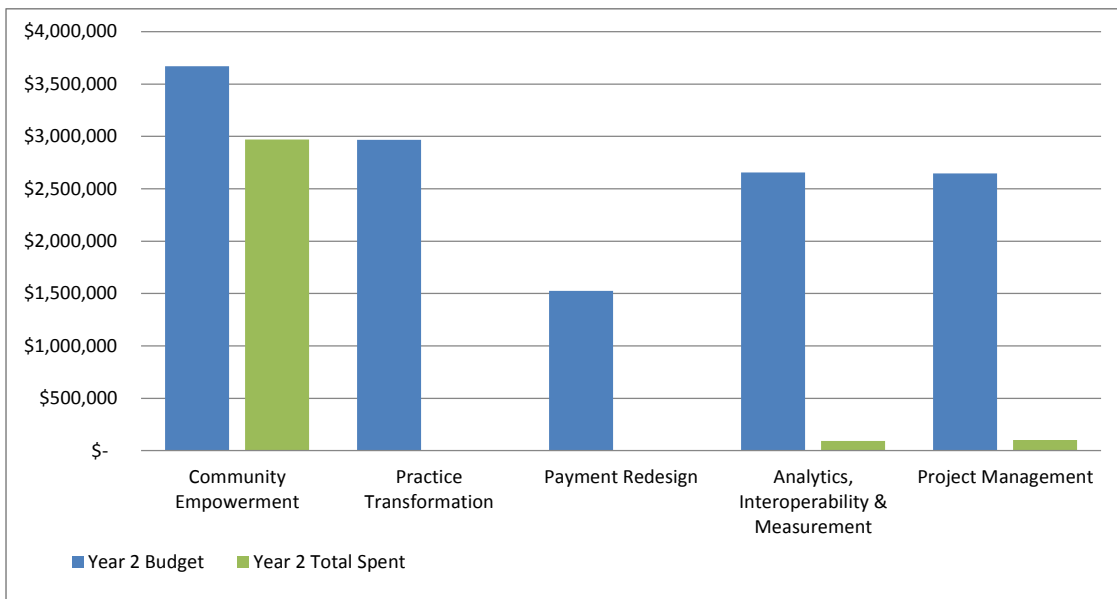
**Year 2 Quarter 1 - Budget Status Report**

**Expenditures for February-April 2016**

**Combined expenditures and FTE's for all Partner Agencies (HCA, DOH, DSHS, OFM-GOV)**

From: Enterprise Agency Financial Reporting

	Year 2 Budget	Total Spent	
Community Empowerment	\$ 3,669,797	\$ 2,970,584	81%
Practice Transformation	\$ 2,966,270	\$ 127	0%
Payment Redesign	\$ 1,524,071	\$ 684	0%
Analytics, Interoperability & Measurement	\$ 2,655,752	\$ 92,814	3%
Project Management	\$ 2,647,420	\$ 100,811	4%
<b>TOTAL</b>	<b>\$ 13,463,310</b>	<b>\$ 3,165,020</b>	<b>24%</b>





Grant Year 2 Quarter 1 Budget Status Report  
 Partner Agency Activity by Investment Area  
 Expenditures for February-April 2016  
 Source: Enterprise Agency Financial Reporting

All Partner Agencies By Investment Area	Year 2 Budget	Dollars Spent				Total	% Spent	FTE's Spent
		Qtr 1	Qtr 2	Qtr 3	Qtr 4			
Community Empowerment	\$ 3,669,797	\$ 2,970,584				\$ 2,970,584	81%	
Practice Transformation	\$ 2,966,270	\$ 127				\$ 127	0%	
Payment Redesign	\$ 1,524,071	\$ 684				\$ 684	0%	
Analytics, Interoperability & Measurement	\$ 2,655,752	\$ 92,814				\$ 92,814	3%	
Project Management	\$ 2,647,420	\$ 100,811				\$ 100,811	4%	
<b>TOTAL</b>	<b>\$ 13,463,310</b>	<b>\$ 3,165,020</b>				<b>\$ 3,165,020</b>	<b>24%</b>	

This report includes expenditures currently claimed against Grant Year 2  
 Following Federal guidance, further expenditures are pending Grant Year 1 Carryover approval by CMMI  
 Interagency Partner budgets and expenditure data will be reported after Grant Quarter 2 (May-July 2016)