



Paying for Value Webinar Series

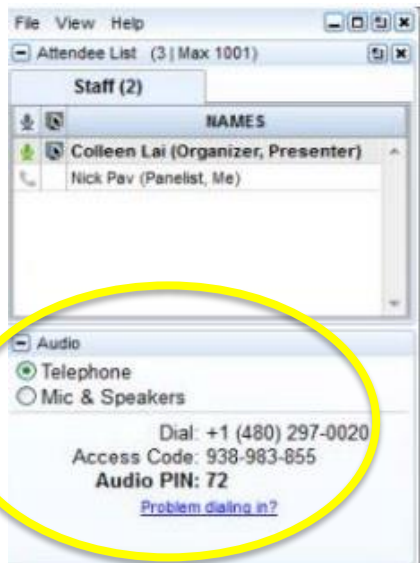
Value-based purchasing and Medicaid Transformation

March 28, 2018

Before we get started, let's make sure we are all connected

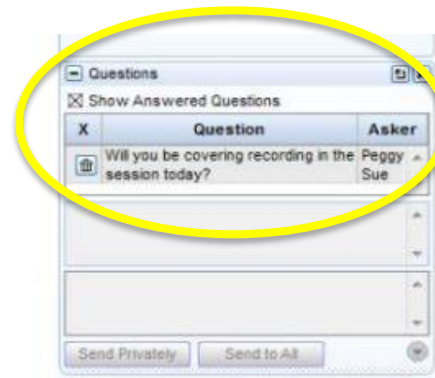
Audio Options

- Mic & Speakers
- Telephone: Use your phone to dial the number in the "Audio" section of the webinar panel. When prompted, enter your access code and audio pin.



Have questions?

Please use the "Questions" section in the webinar panel to submit any questions or concerns you may have. Our panelists will answer questions at the end of the presentation.



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Today's presenters

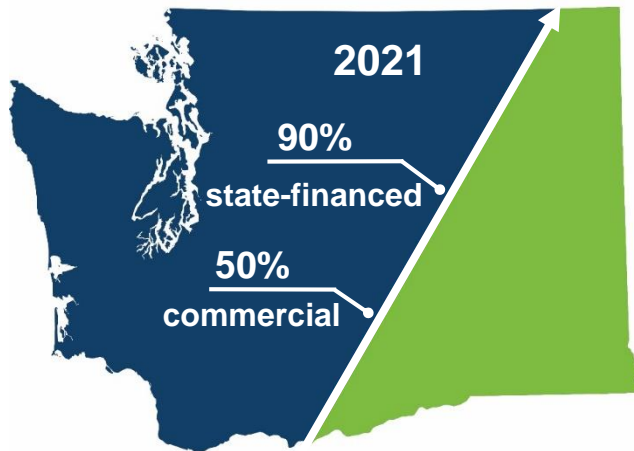
- JD Fischer, Medical Program Specialist
- Marc Provence, Director, Office of Medicaid Transformation
- Chase Napier, Healthier Washington Community Transformation Manager
- Moderator: Kennedy Soileau, Health Transformation Communications Manager

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HCA: purchaser, innovator, convener

**HCA purchases health care for over 2.2 million people,
with a \$10 Billion annual spend.**



- Medicaid (Apple Health)
 - 1.9 million clients
- Public Employees Benefits
 - 370,000 covered lives
- School Employees Benefits (2020)
 - 144,000 more covered lives coming

Tools to accelerate VBP and health care transformation

- 2014 legislation directing HCA to implement VBP strategies
- SIM Round 2 grant (Healthier Washington), 2015-2019
- Medicaid Transformation, 2017-2021

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Designing for better results

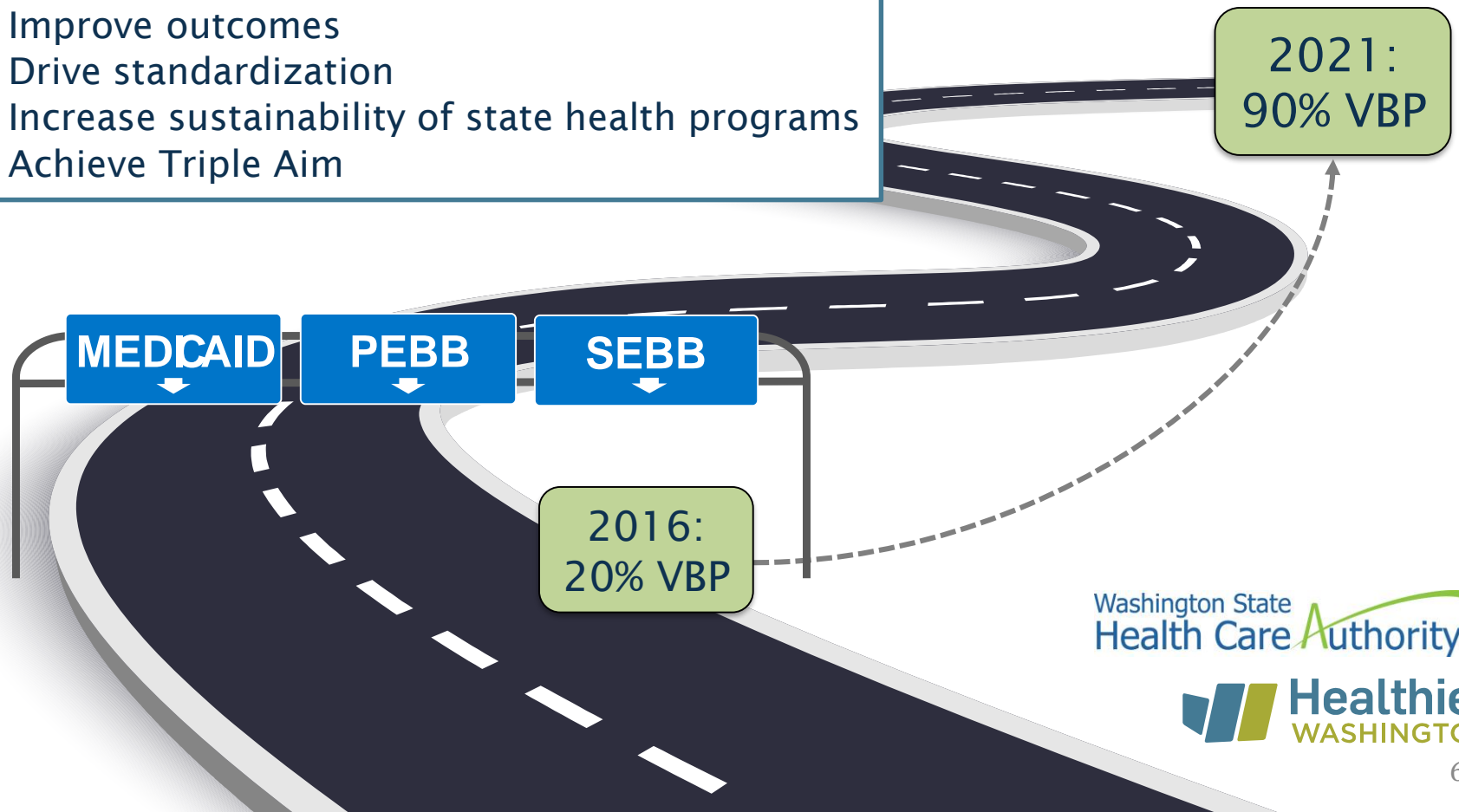




Value-based purchasing roadmap

Using incentives to drive change

- Reward patient-centered, high quality care
- Reward health plan and system performance
- Align payment and reforms with CMS
- Improve outcomes
- Drive standardization
- Increase sustainability of state health programs
- Achieve Triple Aim



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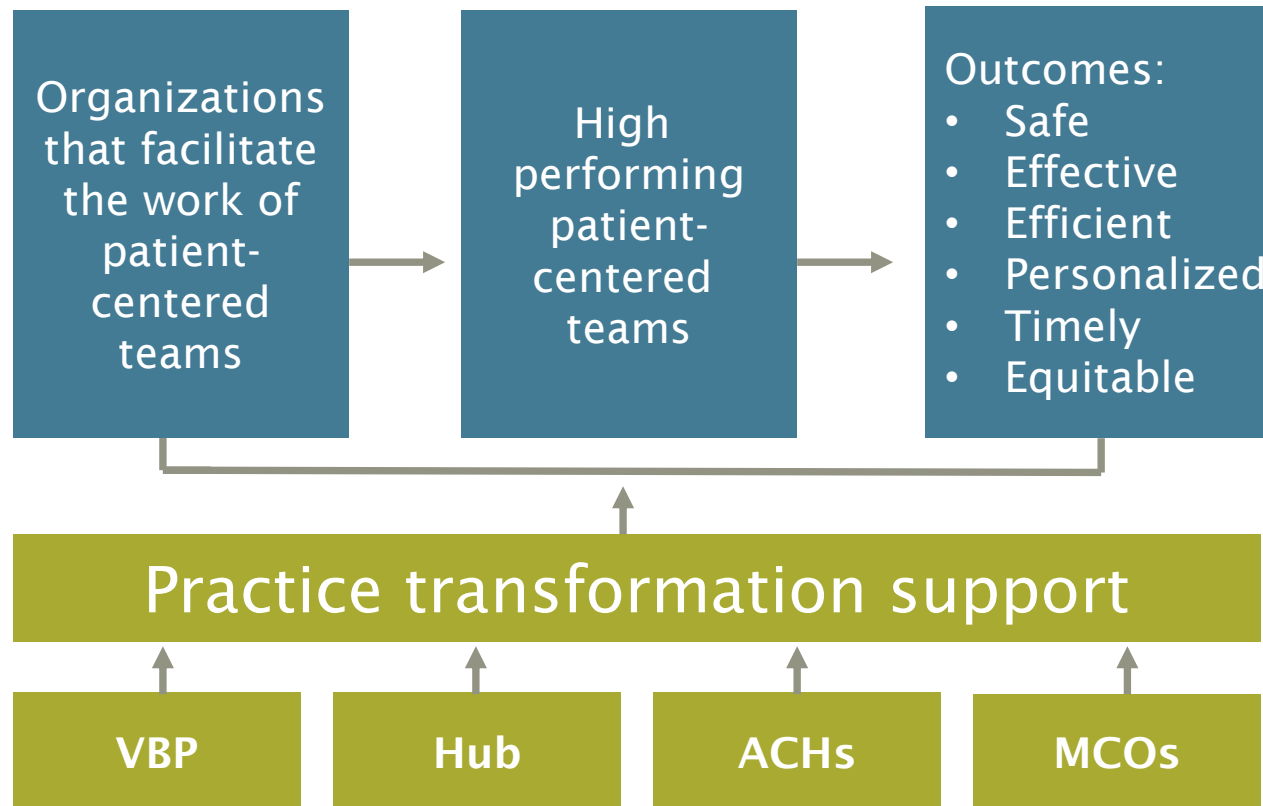
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Examples of state VBP efforts

PEBB – State Employees	Apple Health - Medicaid
<ul style="list-style-type: none">• Accountable Care Program, ACO model with up and downside risk to incentivize clinical and quality accountability• Total Joint Replacement Bundle and Center of Excellence• Contracts with HCA require bidders to offer substantially similar ACO program (risk sharing and care transformation approaches) to spread VBP in the marketplace	<ul style="list-style-type: none">• 1% MCO premium withhold based on quality and provider VBP arrangements• Behavioral and physical (financial) health integration in Southwest WA, statewide by 2020• Exploring a value-based model for rural settings• Medicaid Transformation: regional VBP goals tied to incentive payments

Practice transformation





Efforts to advance VBP in Medicaid

- State Innovation Model (SIM) grant
 - Establishing the Accountable Communities of Health
 - Moving to integrated managed care
 - Building out the Practice Transformation Support Hub
- 1% withhold in MCO contracts
- Convened the Medicaid Value-based Payment (MVP) Action Team

Medicaid Transformation



Medicaid Transformation = VBP

The movement toward value-based payment models is critical to the success and sustainability of Medicaid Transformation.



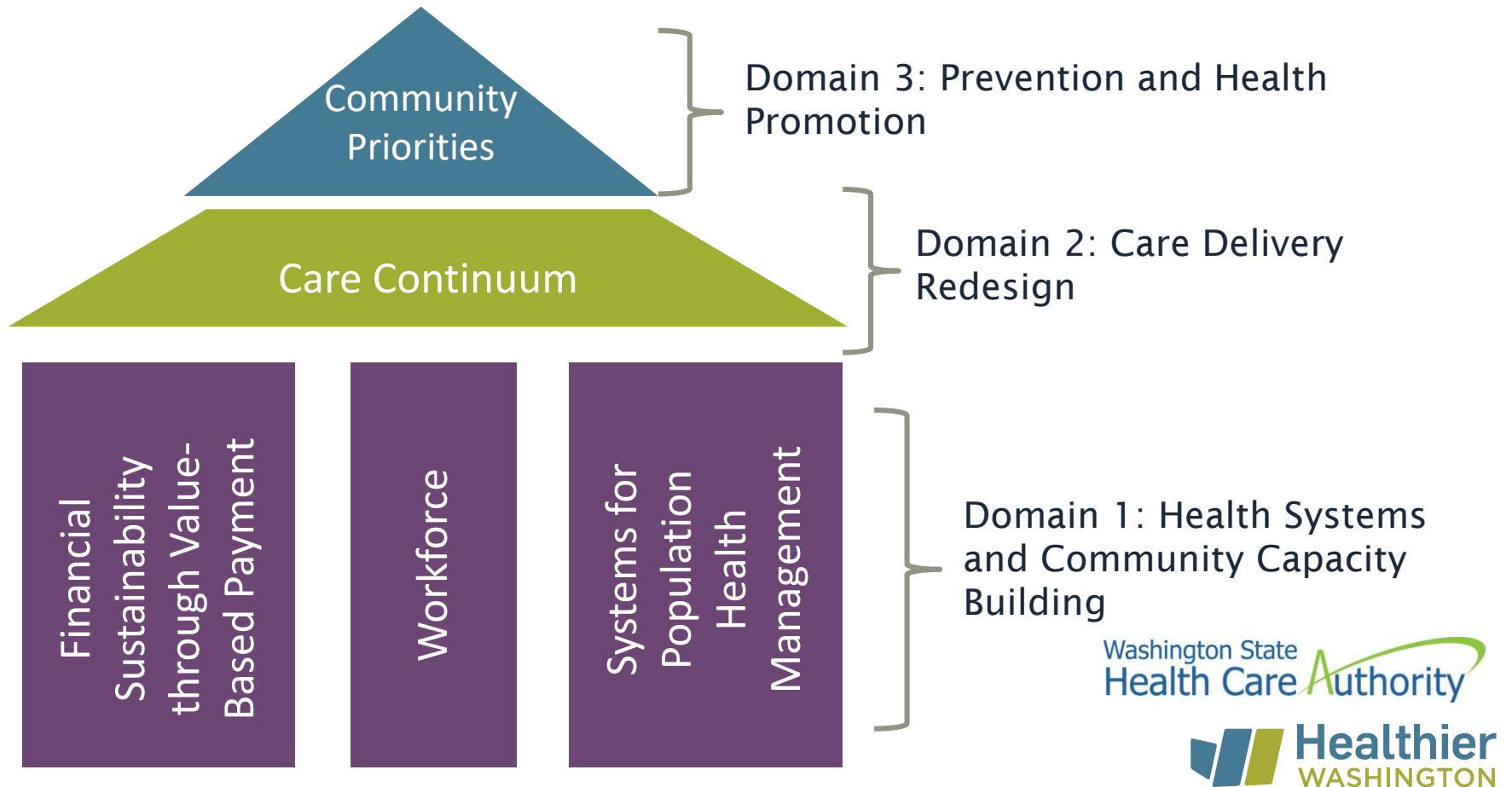
Medicaid Transformation goals

Achieving the Triple Aim

- Reduce avoidable use of intensive services and settings
- Improve population health
- Accelerate the transition to value-based payment
- Ensure that Medicaid per-capita cost growth is below national trends

Addressing VBP

A foundation of Medicaid Transformation



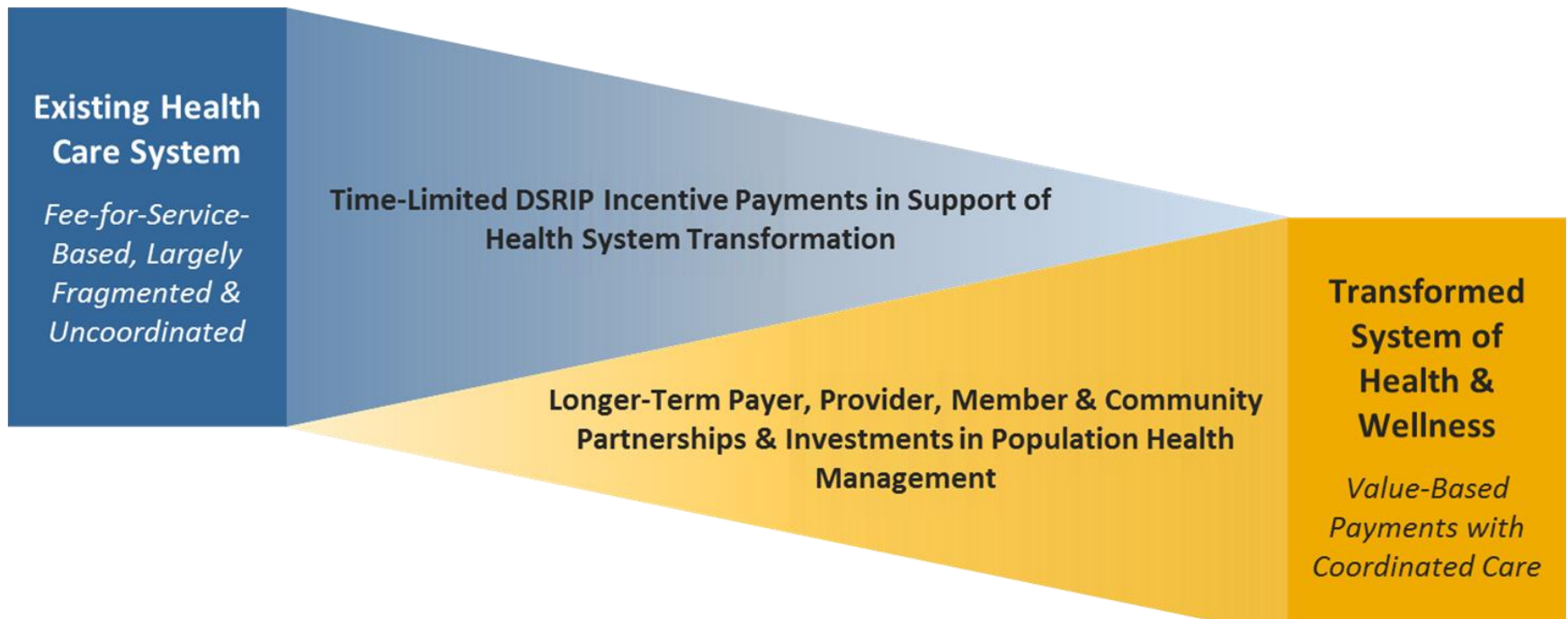
ACH projects

Project	Better Health Together	Cascade Pacific Action Alliance	Greater Columbia	Healthier Here	North Central	North Sound	Olympic	Pierce County	SWACH
2A: Bi-directional Integration of Care	✓	✓	✓	✓	✓	✓	✓	✓	✓
2B: Community-based Care Coordination	✓	✓			✓	✓		✓	✓
2C: Transitional Care		✓	✓	✓		✓			
2D: Diversions Interventions					✓	✓	✓		
3A: Addressing Opioid Use	✓	✓	✓	✓	✓	✓	✓	✓	✓
3B: Reproductive and Maternal and Child Health		✓				✓	✓		
3C: Access to Oral Health Services						✓	✓		
3D: Chronic Disease Prevention and Control	✓	✓	✓	✓	✓	✓	✓	✓	✓

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Delivery System Reform Incentive Payment (DSRIP) and Value-based payment (VBP)



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Four key ingredients

1. An attributed and identifiable population
2. An accepted and measurable definition of “value”
3. A means of collecting and reporting information/data on those measures for the attributed population
4. A means of influencing behavior (e.g., timely feedback, quality assessments, financial incentives)

Roles



VBP Support Roles

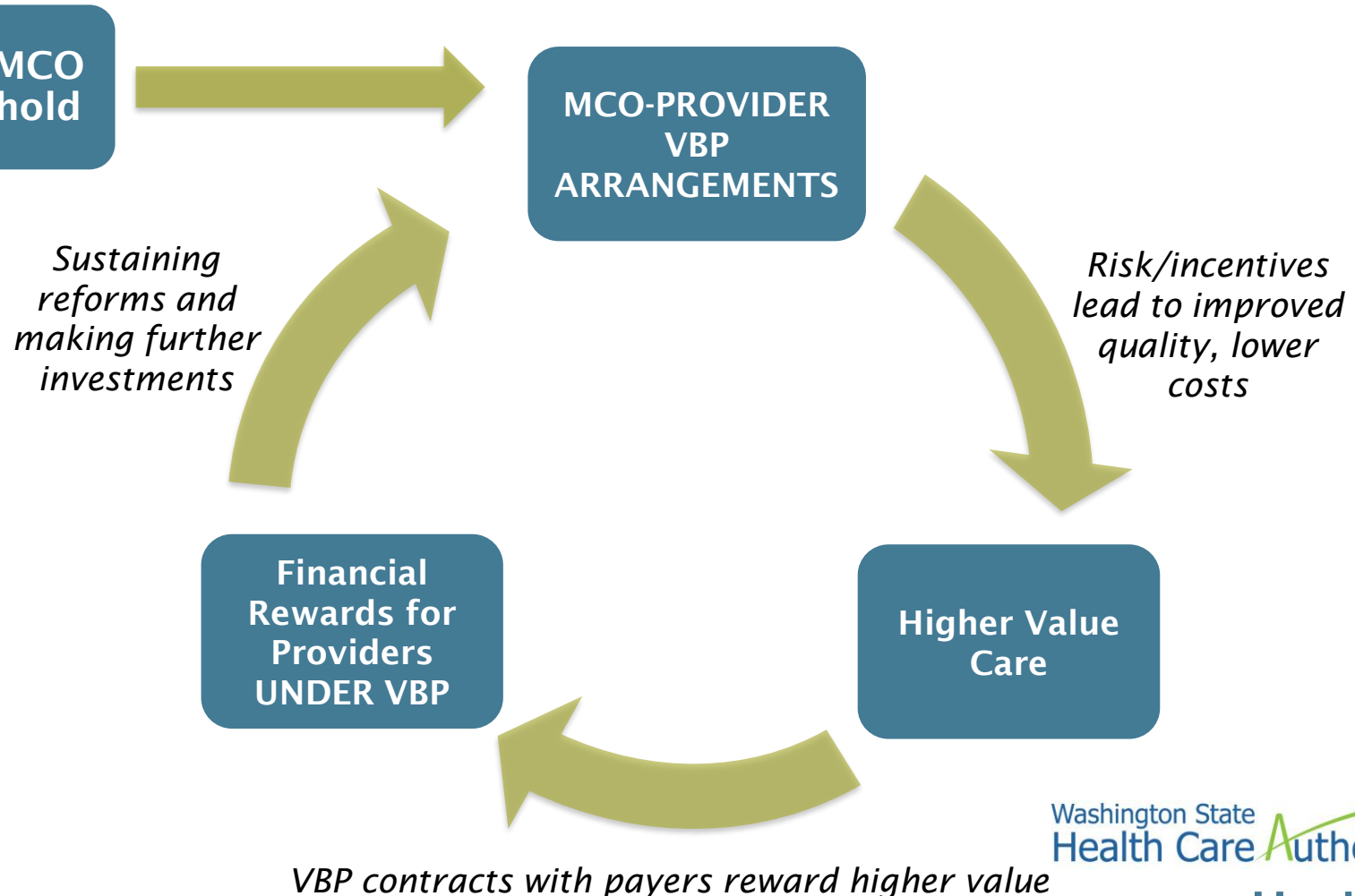
- **Health Care Authority:** Advancing VBP through incentives (Medicaid Transformation) and contracting (MCOs)
- **Managed Care Organizations:** Contracting with providers and establishing payment methodologies to support quality and outcomes.
- **Providers:** Engage in negotiations and execute on quality programs, including improving performance according to contract expectations.



ACH Support Role

- DSRIP activities must support sustainable transformation, including supporting providers to take on VBP arrangements.
- ACHs help to facilitate conversations that are better addressed at a multi-sector level rather than in isolation.
- ACHs do not interfere with MCO-provider contracting but can address barriers and promote enablers.

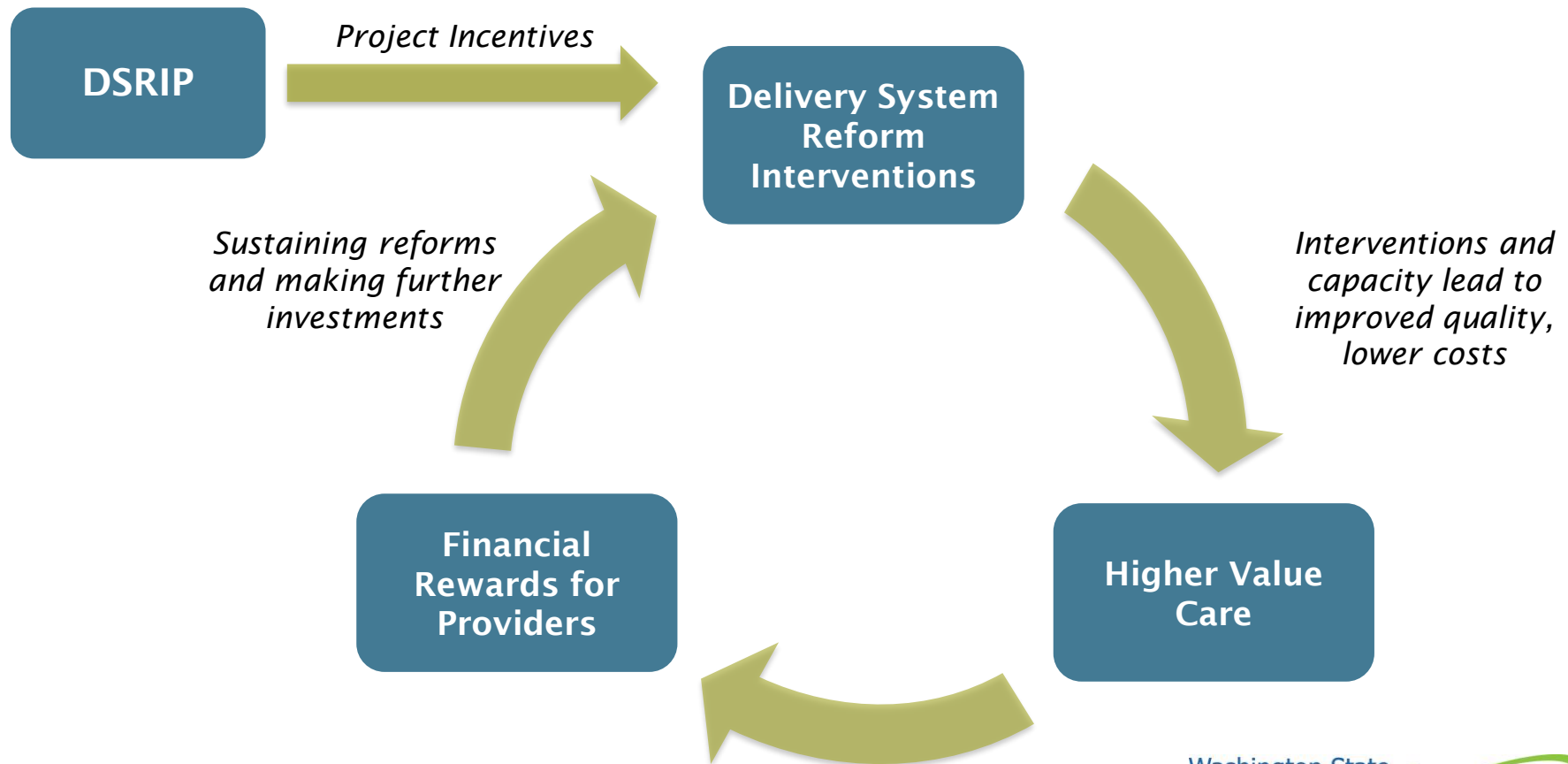
VBP example: MCO Role



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ACH support role



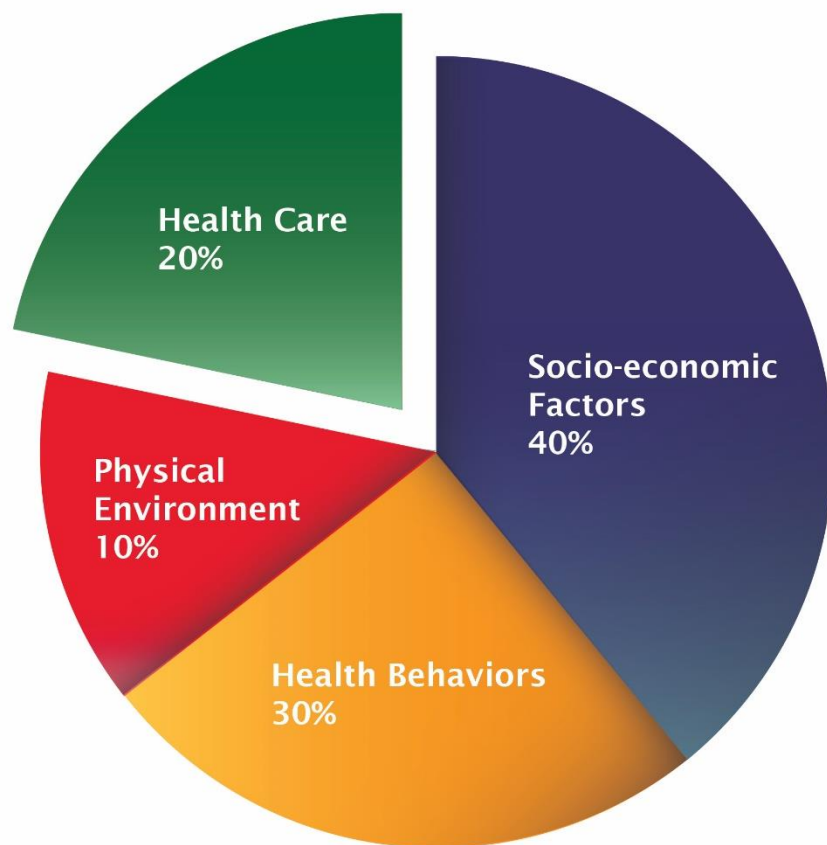
VBP Contracts with payers reward higher value

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Where we go from here

The 20/80 rule



Health is more
than health care.

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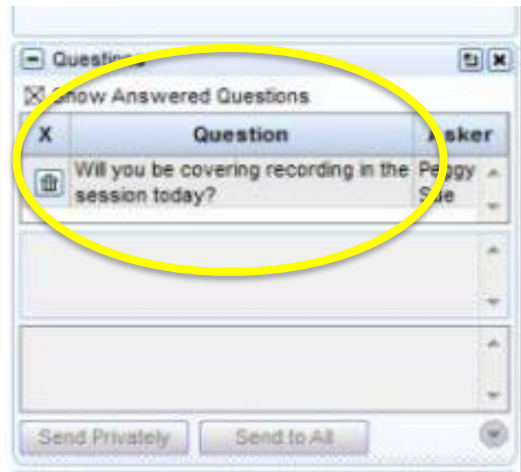
Takeaways

- Washington state is transforming the way it purchases health care.
- HCA is aligning its business with national movement away from fee-for-service to payments based on value.
- Medicaid Transformation continues through 2021.
- End result is better care, healthier people, and lower costs for Washington residents.

Q&A

Have questions?

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**Join the Healthier
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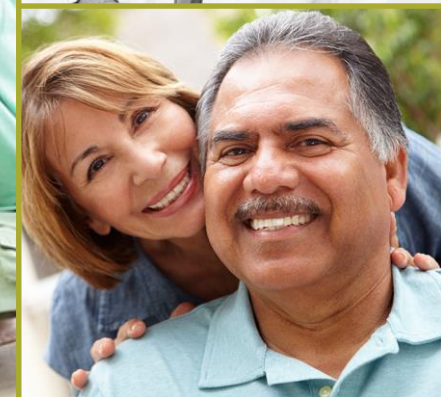
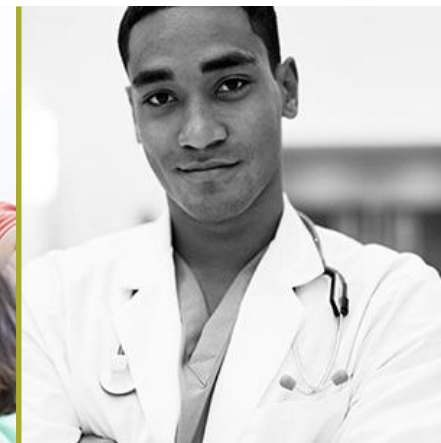
Learn more:

www.hca.wa.gov/hw

Questions:

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