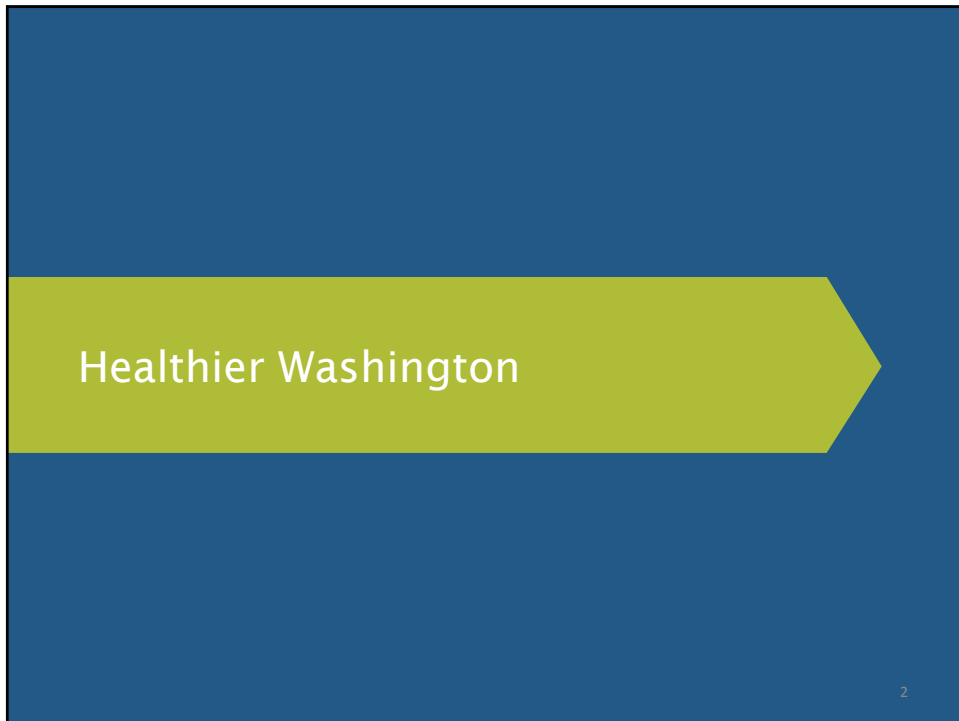




## Working Together for a Healthier Washington




Nathan Johnson  
Chief Policy Officer, HCA  
January 16, 2015



# Healthier Washington

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## Healthier Washington: Context

**Key Legislation.** Washington enacted legislation furthering delivery system reform:

- **SB 5732/HB 1519 (2013):** Cross-system performance measures for health plan contracting and system monitoring
- **HB 2572 (2014):** Value-based purchasing reform; increasing transparency; empowering communities, standardized performance measures
- **SB 6312 (2014):** Integrated whole-person care, integrated purchasing through managed care

**State Innovation Models (SIM) Initiative.** Under SIM, Washington is launching key initiatives that invest in Washington’s infrastructure to support multi-payer health transformation:

- **Community Empowerment and Accountability:** Start-up development of the Accountable Community of Health Initiative
- **Practice Transformation Supports:** Development of a Practice Transformation Support Hub to support providers.
- **Payment Redesign:** Four payment models that drive health system purchasers and payers toward greater accountability for improved health outcomes and reduced cost of care
- **Analytics, Interoperability, Measurement and Transparency:** Builds analytic and measurement capacity and diverse tools needed to translate and visualize data from multiple sectors into actionable information.

**Medicaid Delivery System Transformation.** Complementary Medicaid flexibility and authority to pay for services and advance care models statewide that accelerate health and quality improvement and reduce costs.

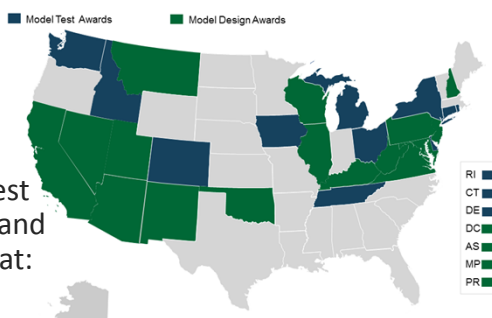
- **Medicaid** is the single largest purchaser in Washington State with the leverage, incentive and responsibility to drive health system reform.

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## The Center for Medicare and Medicaid Innovation (CMMI) State Innovation Models (SIM) Initiative

In 2014, a \$1M model test grant from CMMI for the SIM Initiative—along with \$1M from the state—made it possible to design and test new health care payment and service delivery models that:

- improve health system performance,
- increase quality of care,
- and decrease costs.



Source: Centers for Medicare & Medicaid Services





## Healthier Washington: Better Health, Better Care, Lower Costs

**On December 16, 2014, Washington State was awarded \$65 million four-year grant from the Center for Medicare and Medicaid Innovation (CMMI).**



*"I want every family to have access to affordable, effective health care, a healthy environment, and an opportunity to learn so their kids thrive...There has never been a state more determined to innovate the way it delivers health care. The Healthier Washington project provides the necessary strategy and investments to accelerate change."*

-- Governor Jay Inslee

*"Healthier Washington will drive accountability to the local level...benefitting our population's health and the taxpayer."*



-- Dorothy Teeter,  
Director, HCA

*"Preventing disease, ensuring a safe and healthy environment, ...and integrating behavioral and physical health care means improved health for everyone..."*




-- John Wiesman  
Secretary, DOH

*"DSHS is excited about the prospects this holds for better serving our clients and advancing our mission of transforming lives."*




-- Kevin W. Quigley  
Secretary, DSHS

## Healthier Washington Better Health, Better Care, Lower Costs

By 2019, a Healthier Washington will:

- Shift 80 percent of health care purchasing from paying for volume to *paying for value*.
- Have integrated physical and behavioral health services in Medicaid that *serve the whole person*.
- See engaged *communities driving local health innovation* and partnering with the state on health purchasing.





## Strategies, Investments and Goals

SIM FOA DOMAINS:	WASHINGTON'S APPROACH TO INNOVATION		
<ul style="list-style-type: none"> <li>• Plan for population health</li> <li>• Health care delivery system transformation approach</li> <li>• Quality measure alignment</li> <li>• Payment and/or service delivery system model</li> <li>• Leverage regulatory authority</li> <li>• Health information technology</li> <li>• Stakeholder engagement</li> </ul>	<b>STRATEGIES:</b> <ol style="list-style-type: none"> <li>1) Healthy communities</li> <li>2) Integrated care &amp; social support</li> <li>3) Pay for value — State as first mover</li> </ol>	<b>INVESTMENTS:</b> <ol style="list-style-type: none"> <li>1) Community empowerment &amp; accountability</li> <li>2) Practice transformation support</li> <li>3) Payment redesign</li> <li>4) Analytics, interoperability and measurement</li> <li>5) Project management</li> </ol>	<b>GOALS:</b> <ul style="list-style-type: none"> <li>• Improve population health</li> <li>• Transform delivery systems</li> <li>• Reduce per capita spending</li> </ul> <p style="font-size: 1.2em; font-weight: bold; color: #4F81BD;">A HEALTHIER WASHINGTON</p> <p style="font-size: 0.8em; color: #4F81BD;">Legislative Support: • HB 2572 • SB 6312</p>

## Community Empowerment and Accountability

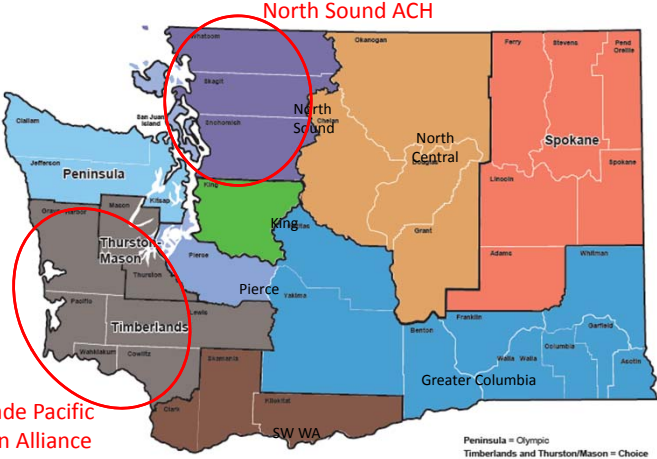


**Accountable Communities of Health (ACHs) will:**

- Provide a multi-sector voice for delivery system reform, shared health improvement goals and regional purchasing strategies.
- Serve as a forum for regional collaborative decision-making to accelerate health system transformation, focusing on social determinants of health, clinical-community linkages, and whole person care.
- Accelerate physical and behavioral health care integration through financing and delivery system adjustments, starting with Medicaid.



## Pilot ACHs Announced



**Cascade Pacific:**


- Cowlitz, Grays Harbor, Lewis, Mason, Pacific, Thurston, and Wahkiakum Counties
- Backbone Support – CHOICE Regional Health Network

**North Sound ACH:**

- Island, San Juan, Skagit, Snohomish, and Whatcom Counties
- Backbone Support – Whatcom Alliance for Health Advancement


Peninsula = Olympic  
 Timberlands and Thurston/Mason = Choice  
 Spokane = Better Health Together

Aligning sectors, resources and strategies around community and State priorities



## Payment Redesign

- Model Test 1: Early Adopter of Medicaid Integration**  
 Test how integrated Medicaid financing for physical and behavioral health accelerates delivery of whole-person care
- Model Test 2: Encounter-based to Value-based**  
 Test a value-based alternative payment methodology in Medicaid for federally-qualified health centers and rural health clinics and pursue new flexibility in delivery and financial incentives for participating Critical Access Hospitals
- Model Test 3: Puget Sound PEB and Multi-Purchaser**  
 Through existing PEB partners and volunteering purchasers, test new accountable network, benefit design and payment approaches
- Model Test 4: Greater Washington Multi-Payer**  
 Test integrated finance and delivery through a multi-payer network with a capacity to coordinate, share risk and engage a sizeable population



## Pay for Value and Outcomes

**Learn**

34 King County providers and health plans said they want to be paid for outcomes

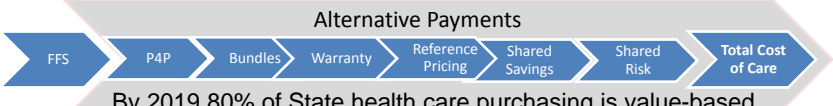
**Strategy**

Design and implement accountable payment and delivery systems


**Goal**

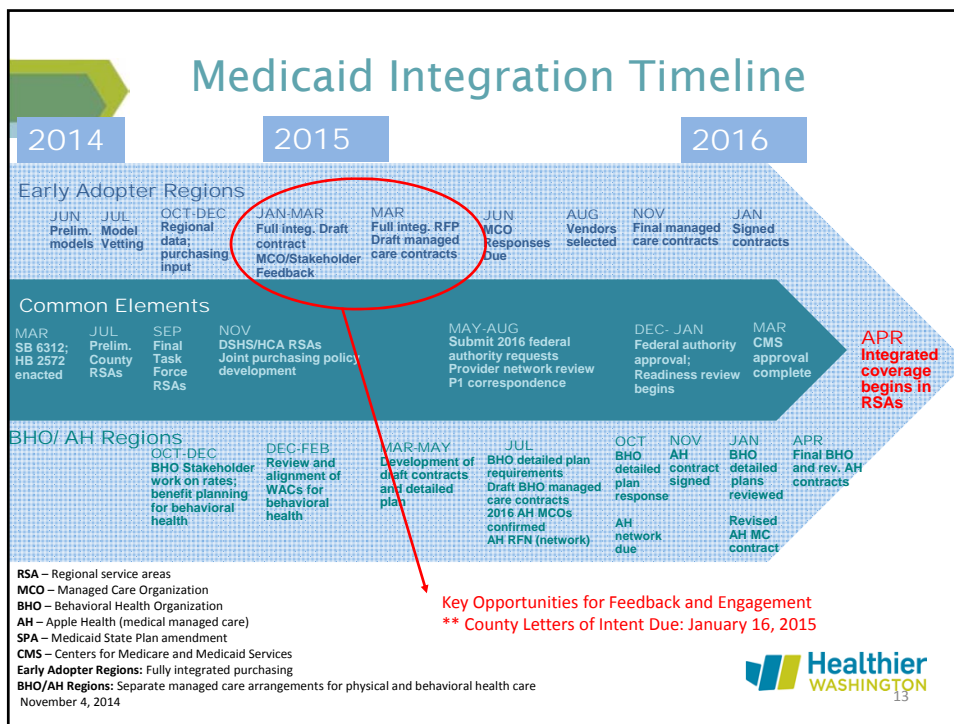
Results WA  
HCA Health Care cost at 1% below national trend

**Alternative Payments**



By 2019 80% of State health care purchasing is value-based



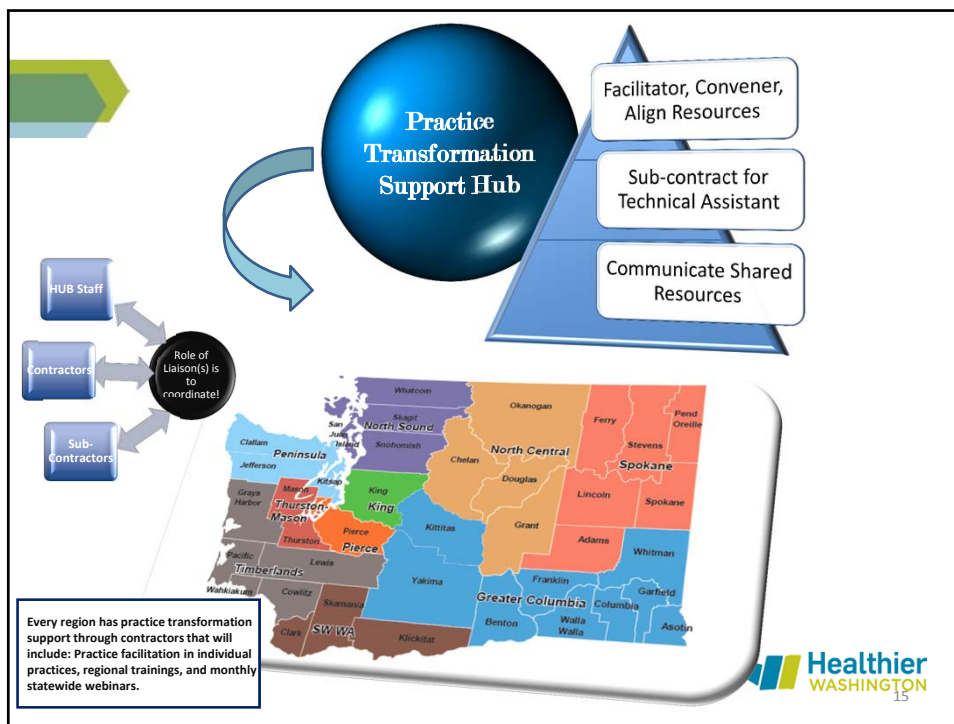


## Practice Transformation Support Hub

This “hub” or clearinghouse will serve as a convener and coordinator of the State’s transformation and innovation efforts.


Operating like an extension service, the Hub will offer technical assistance to providers and communities with their initiatives to improve population health, integrate physical and behavioral health care, and lower costs.


**Healthier WASHINGTON**  
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## Analytics, Interoperability and Measurement

- A consistent set of measures for health performance
  - Common measures to inform purchasing strategy have been set*
- Enhance information exchange capacity to support care delivery, clinical-community linkages and improved health
- Bolster analytic capacity at state and community levels



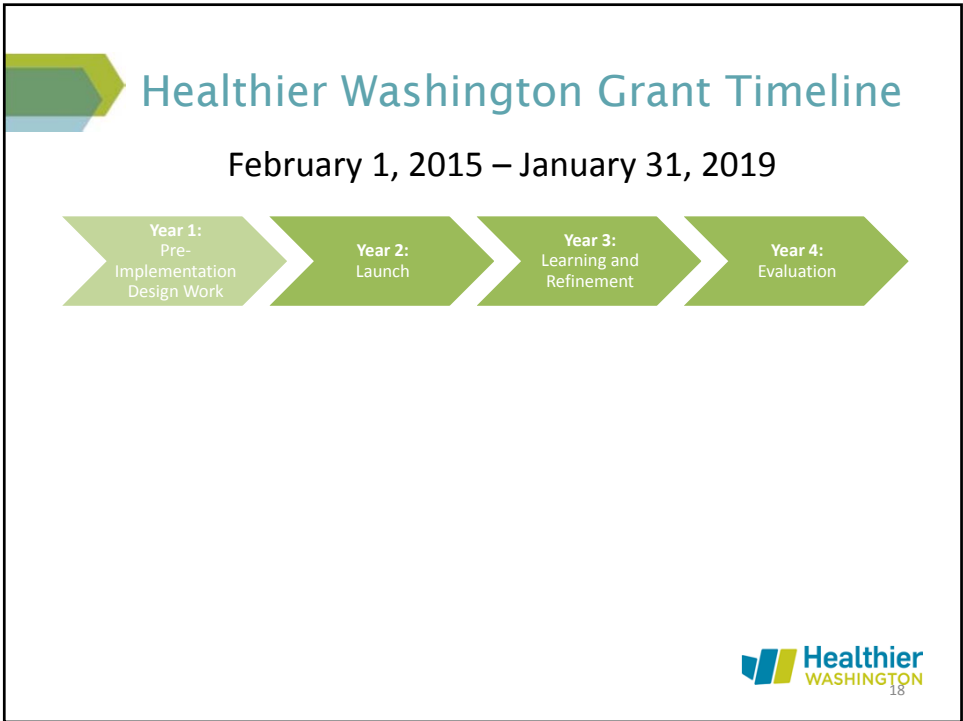


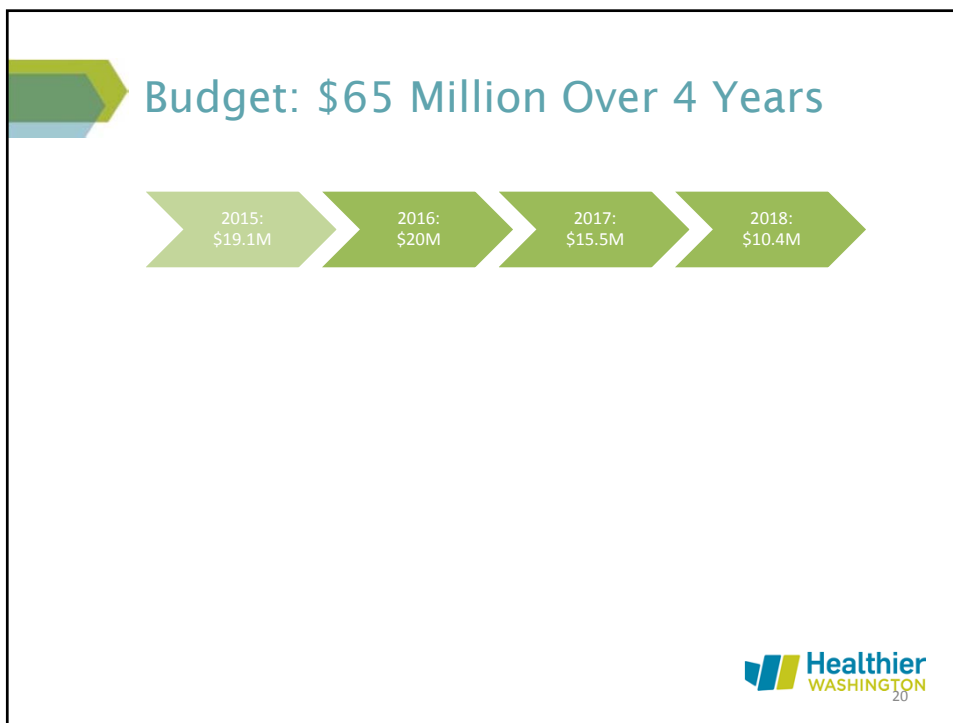
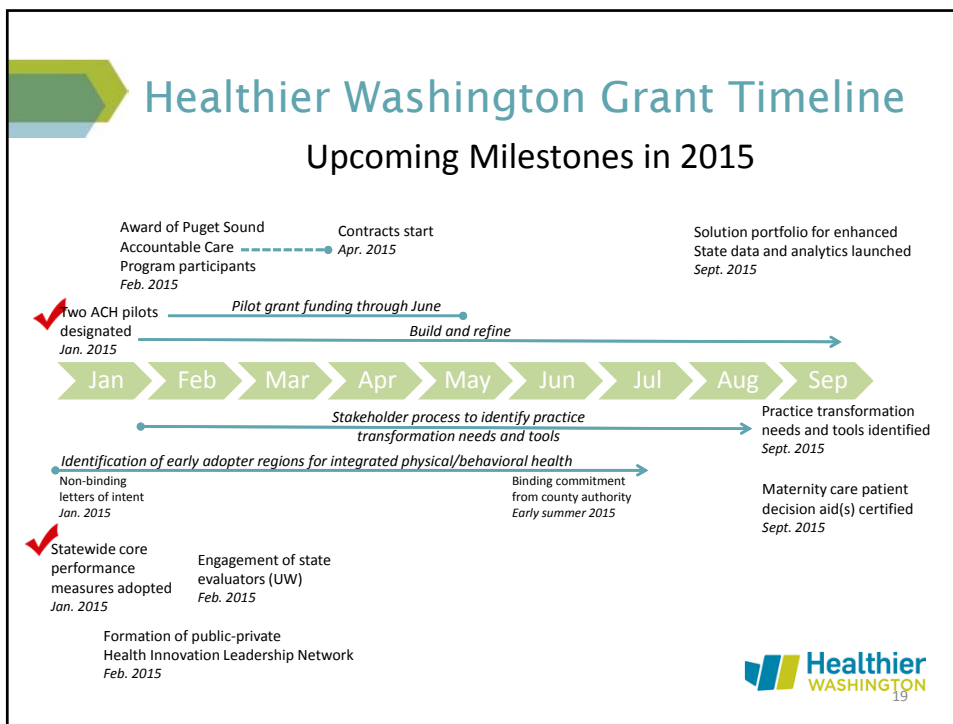


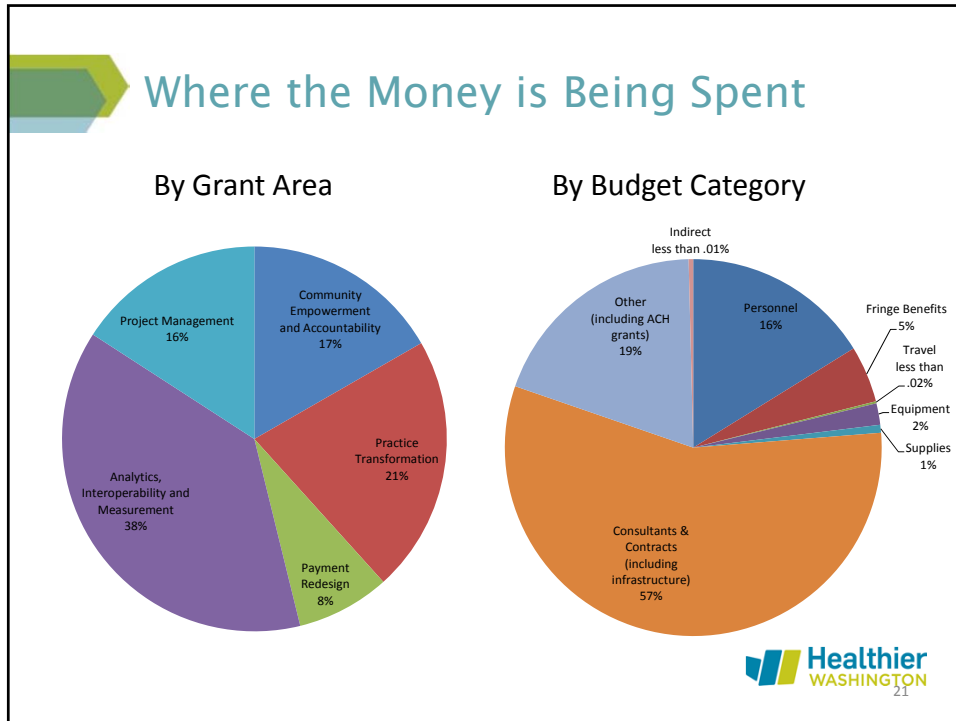
## Analytics, Interoperability and Measurement

### High-Priority Measurement Topics

PREVENTION	ACUTE CARE	CHRONIC ILLNESS
Adult Screening(s)	Avoidance of Overuse	Asthma
Behavioral Health/Depression	Behavioral Health	Care Coordination
Childhood: early and adolescents	Cardiac	Depression
Immunizations	Cost and Utilization	Diabetes
Nutrition/ Physical Activity/ Obesity	Readmissions/Care Transitions	Drug and Alcohol Use
Obstetrics	Obstetrics	Functional Status
Oral Health	Patient Experience	Hypertension and Cardiovascular Disease
Safety/Accident Prevention	Patient Safety	Medications
Tobacco Cessation	Pediatric	
Utilization	Potentially Avoidable Care	
	Stroke	








## Opportunities to Participate

- **Join the Healthier Washington Feedback Network**
  - Sign up at: [healthierwa@hca.wa.gov](mailto:healthierwa@hca.wa.gov)

NOTE: If you signed up for the State Health Care Innovation Plan Feedback Network, you are already signed up.
- **Visit the website for:**
  - State Innovation Models grant status updates
  - Information on ACHs and regional discussions
  - Statewide Core Performance Measures updates

[www.hca.wa.gov/hw](http://www.hca.wa.gov/hw)





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Thank you!