

Executive Summary

Washington State Innovation Models (SIM) Operational Plan Update Award Year 4

The State Innovation Models (SIM) Operational Plan Award Year 4 Update is a blueprint for how Healthier Washington is working to change the health system to support and reward high-quality, timely, and effective care. It outlines the goals, initiatives, and structure of the SIM grant work and highlights Healthier Washington's plan for sustaining improvements over time.

Healthier Washington is transforming health care in Washington State so that people experience better health during their lives, receive better care when they need it, and care is more affordable and accessible. The work under this initiative follows three strategies: paying for value, health care integration, and empowering communities.

Notable highlights from Award Year 3

Paying for value

- The state continued its progress to shift to health care reimbursement strategies that reward quality and outcomes. These value-based payment initiatives will continue to gain traction in Award Year 4. Notably:
 - The Accountable Care Program has been built into the operations of the Health Care Authority (HCA), expanding the use of a coordinated-care plan for public employees and retirees.
 - Several federally qualified health centers signed on to participate in a new payment methodology while working to find new and innovative ways to provide care to Washingtonians who seek primary care through these providers; and
 - A rural multi-payer model continues to test a maintenance-style arrangement between provider networks and the state. The work seeks to build sustainable solutions for payers and providers that increase health access across rural communities.
- The state has shown national leadership in its commitment to using shared decision making as a tool toward greater patient engagement. The HCA launched its third review of patient decision aids, building on a set of tools that will support providers in conversations with their patients.

Health care integration

- All regions in Washington State will integrate physical and behavioral health services under managed care by 2020. A two-county region went live in 2016, a three-county region in central Washington will make the transition in 2018, and vigorous effort in Award Year 3 paved the way for five additional regions to integrate by January 2019.
- Healthier Washington has aligned its multiple Health IT (HIT) and health information exchange activities into a single strategic roadmap and HIT operational plan. Data is essential to achieving the Triple Aim of better health, better care, and lower costs. Good data drives better quality and consistency of care.

Empowering communities

- Accountable Communities of Health successfully expanded their infrastructure to include financial oversight, governance, clinical leadership, community engagement, data coordination, and program management. Pilot projects continued and an evaluation update is forthcoming.
- The established Plan for Improving Population Health has progressed into an actionable and focused work plan building upon Washington's efforts to "hardwire" prevention and population health into health care transformation.
- The Practice Transformation Support Hub enrolled more than 150 health care practices in coaching services, and launched the online Hub Resource Portal.
- Analytics, Interoperability, and Measurement (AIM) initiative continues to update and maintain the Healthier Washington Data Dashboard, which supports population health and integrates data from multiple sources to enhance health assessments by ACHs and local health jurisdictions.

Work in Award Year 4

Focus on sustainability

As Healthier Washington turns toward the fourth and final year of the SIM grant, the focus shifts from investments and activities to implementation. The work now includes moves toward sustaining the transformations introduced into the health system.

Accountable Communities of Health

In AY4, ACHs will focus on aligning with the state's Medicaid Transformation Demonstration, reinforcing their community vision, and advancing their whole-population approach. ACHs will be funded under SIM to engage in peer learning, coordination, and evaluation. Emphasis is around alignment of the Medicaid Demonstration and the goals of SIM, recognizing both are tools to move ACHs and the state toward value-based payment, whole-person care and population health.

Practice Transformation

Practice Transformation Support Hub

In order to promote alignment across the delivery system, we will continue to align practice transformation resources through the Practice Transformation Consortium, which was formed in 2017 to plan and coordinate practice transformation efforts and reduce redundancies. Practice transformation coaches will support up to 125 practices, and resources will be shared broadly, with ACHs and others.

Shared decision making

In AY4, we will build a business plan for integrating shared decision making and certifying patient decision aids. This includes engaging partners across the state to develop a roadmap to support and continue this work. As we continue to expand the number of certified aids, we plan on providing open access to train providers, using an online tool.

Workforce Capacity

In AY4, we will complete and publish the final Health Workforce Sentinel Network report, which supplies workforce planning data to allow ongoing planning and evaluation of workforce activities and needs. We will continue to identify opportunities for sustainability and integration, including with the Medicaid Demonstration and the Practice Transformation Support Hub.

Paying for Value

Integration of Physical and Behavioral Health

In October 2017, HCA received letters of intent from 24 counties, comprising five regional service areas, committing to integrated physical and behavioral health services under managed care, effective January 1, 2019. HCA will continue working on implementation in these regional service areas, while preparing to bring the remaining 10 counties on by January 2020. The integration of agency and administrative functions will continue in AY4, and we will move further toward the integration of the DSHS Behavioral Health Administration into the Health Care Authority.

Encounter-based to Value-based

We plan to use AY4 to sustainably transition APM4 fully into agency business at HCA, an activity that has already begun. The majority of the work will focus on promotion of APM4 in order to spread and scale the model, and the implementation of a data sustainability plan to ensure data support continues beyond SIM. For rural multi-payer, we evolved this part of the model in AY3 to shift from a narrower approach that focused on smaller rural hospitals to a broader model that is inclusive of all rural providers and one that embraces a multi-payer, globally budgeted approach.

Value-based Purchasing

This work is focused on both the Accountable Care Program (ACP) for public employees in Washington State as well as targeted efforts to engage payers and purchasers and support the market in the move to value-based purchasing and payment. To further scale and spread the accountable care option, this work will continue in 2018 through several strategies, including facilitating discussions between the two current ACP networks and provider groups from other payment models. The state also will continue engagement of senior purchaser leaders through the Washington Health Alliance Purchaser Affinity Group, targeted presentations to purchaser groups, and meetings with public and private purchasers.

Greater Washington Multi-Payer

The Greater Washington Multi-Payer model seeks to accelerate the adoption of value-based payment by increasing access by providers to patient data across multiple payers and health systems. The resulting multi-payer product will have the capacity to coordinate care, share risk, and engage a large population comprising commercial, Medicaid, public employee, and Medicare beneficiaries. In AY4, we will work to transmit claims data to our urban and rural provider networks, facilitate the expansion of the model to additional providers and/or payers, explore incorporating our provider networks into Accountable Care Program networks.

Analytics, Interoperability, and Measurement (AIM)

In AY4, AIM will focus on sustainability for integrated data and analytics within HCA to support ongoing health systems transformation. SIM funding is focused on completing the state and federal evaluation of the SIM grant and developing analytic capacity that can leverage the data and analytic infrastructure being created through other SIM investments and agency funding.

Performance measures

In AY4, we will build upon previous work evolve the Statewide Common Measure Set. Through the Performance Measures Coordinating Committee, the common measure will be monitored, and the committee can help us test new and innovative strategies as we move into the future of measurement.

All Payer Claims Database

In AY4, we will work with the Office of Financial Management to provide reports on the common measure set for ACHs and determine use-cases and ongoing viability for this resource.

Budget for Award Year Four

The budget for Year 4 is significantly smaller than previous years. This ramp-down is intentional, and shifts our focus to sustainability and using lean principles in our operations, partnerships, and internal subject matter expertise.

SIM Award Year 4 Proposed Budget

Investment Area	Proposed Budget Amount	Percentage of Budget
Accountable Communities of Health	603,515	6%
Practice Transformation	2,113,197	21%
Payment Redesign	1,760,681	17%
Analytics, Interoperability and Measurement (AIM)	3,850,013	38%
Project Management	1,734,680	17%
Total proposed Award Year 4 budget	10,062,086	100%

End State Vision – Beyond SIM

Healthier Washington’s vision for a transformed health system is one where our three foundational strategies of paying for value, whole-person care, and strong clinical-community linkages are embedded in the health system. Significant progress toward the end state vision will be made by February 2019, the conclusion of the SIM grant.

End State Vision: The programmatic view of a healthier Washington	
Accountable Communities of Health (ACHs)	ACHs are fully functional regional conveners in their respective communities, and are conducting their projects under the Medicaid Demonstration, while also keeping a whole-population perspective not limited to Medicaid beneficiaries. ACHs continue to partner closely with the state, as well as all partners who contribute to health, including social determinants. ACHs use data and analytics to both understand and manage the health of the people who live in their region.
Practice Transformation Support Hub	The provider community and ACHs have heightened awareness of the importance of clinical provider support in health systems transformation, especially in moving providers to value-based payment (VBP). Practice transformation resources, coaching, and technical assistance are available, and there is a roadmap and evidence supporting the types of assistance that works well. Because this support is robust and easily accessible, advances in readiness for VBP, integration, and improved linkages to community resources for providers will be apparent.
Workforce	The recommendations from the Community Health Worker Task Force and Industry Sentinel Network data provide a runway for meaningful workforce health policy that is focused on supporting providers in moving to VBP and integrated physical and behavioral health care. This foundation can be seen in how ACHs understand and use workforce related data in their community projects, as well as how engagement of community health workers is built into health programs. Their solutions allow for dynamic care teams and better methods for keeping communities healthy.
Shared Decision Making	Washington State will continue to review and certify patient decision aids in a variety of treatment areas, allowing for a robust library of high quality aids for providers to use in support of better decision-making for their patients. Purchasers will have the resources necessary to require the use of decision aids in their contracts with payers, and the state will continue to offer training and support to other states interested in pursuing this model. Certification activities will be built into the business of state government to empower patients and their families to seek information through positive interactions with providers in order to make the best, informed decisions for them, which take into account their personal preferences and values.
Payment Model 1 / Integration of Physical and Behavioral Health Services	As a result of integration activities, each Medicaid client will have a single entity responsible for their care. This will create a more holistic approach to care that reduces cost and redundancy, and has a profound impact on quality of life for people with physical and behavioral comorbidities. The health agencies that administer and pay for this care will be more efficient, and the environment will promote readiness for clinical integration.
Payment Model 2 / APM4 and Rural Multi-Payer Model	<p>Under APM4, federally qualified health centers and rural health clinics are held accountable for increasing the value of care delivered and are financially rewarded for delivering high quality care. In turn, this allows for innovation in providing care in rural areas, so that patients can have the access they need and providers can have the flexibility they need to manage their whole population.</p> <p>Under the rural multi-payer demonstration, we will have reached agreements in principle on the model, and engaged in a mutually beneficial partnership with CMS. Through this work, rural and isolated areas will be able to better integrate and coordinate systems of care, and the financing model creates a unique value proposition for both payers and providers. Mitigating exposure</p>

End State Vision: The programmatic view of a healthier Washington

	where necessary, the transformed system will be able to create operational efficiencies while improving the quality of care delivered.
Payment Model 3 / Accountable Care Program	All active PEBB employees can proactively select a health plan and benefit from a robust health literacy campaign. PEBB members will make informed decisions about their health plans and enrollment in VBP options where providers are accountable for the cost and quality of care. We will start to bend the cost curve. Expansion of the ACP in existing and new counties takes place through the addition of more covered lives and new provider groups, which will signal to the market that it is time to move away from fee-for-service arrangements in favor of value-based options. We will continue to share our story with other purchasers to spread and scale VBP arrangements outside of state-financed health care.
Payment Model 4 / Multi-Payer	The Model 4 test will produce a knowledge base to help providers understand how to use data to manage the health of their populations. Multi-payer claims data will continue to be consolidated into a digestible, actionable format, facilitating population health management and VBP adoption. The lessons learned from this model will allow for continued engagement with other payers in order to support an all-payer data aggregation solution.
Analytics, Interoperability and Measurement (AIM)	An advanced analytic function within the AIM program is operating and sustainably funded in the agency model of data governance and decision support. A data warehouse with linkages to high-value external data sources has been built and is being used. This integrated data system is flexibly built to be modified over time to meet high-value use cases related to health system transformation, including the transition to VBP arrangements, whole-person care, and community engagement. The agency creates reports and dashboards for internal and external stakeholders that present a consistent, timely, accurate, and clear view of agency priorities and accomplishments. Partners and stakeholders are able to access Medicaid claims and encounter data to inform decision making, while protecting the privacy of beneficiaries and complying with federal and state laws. ACHs have access to detailed Medicaid information on patients' use of services, chronic conditions, and providers. This information is available in multiple formats and has consistent designations of key sub-populations.
Performance Measures	We will continue to leverage HCA's internal Quality Measures & Monitoring Improvement (QMMI) process to identify appropriate measures to tie to VBP in contracts, ensuring alignment with the Statewide Common Measure Set to reduce the burden on providers through the reporting of quality measures. Additionally, HCA will continue to use the oversight of the Performance Measures Coordinating Committee to evaluate the implementation of the Common Measure Set, ensuring alignment with state and national measurement priorities and requirements. The Washington State all-payer claims database allows for additional capacity and depth in price and quality reporting.
Health IT/Health Information Exchange	Through our integrated and aligned Health IT Operational Planning activities, HCA and partners (ACHs, providers, payers, state agencies) will collaboratively identify and support several data and health IT and information exchange activities needed to support service delivery and payment transformation. This collaborative, cross-sector approach will help ensure that we are responding to local needs and are aware of and seeking to leverage resources available across the state.
Communications	Healthier Washington is the conduit for carrying out the HCA's vision of "a healthier Washington." Healthier Washington is the brand for strategic breakthroughs in advancing delivery system and payment reform in Washington State. Healthier Washington implements strategies until such time that they are healthy enough to be incorporated into existing work streams by state agencies. Strategic communications and partnerships are essential components to achieve this vision and keep our key partners engaged.