The evolution of Initiative 1

The next phase of the Medicaid Transformation Project

Washington State is pursuing a five-year renewal of our Section 1115 Medicaid demonstration waiver, called the Medicaid Transformation Project (MTP). MTP allows our state to create and continue to develop projects, activities, and services that improve Washington's health care system using federal Medicaid funding. All work under MTP benefits those enrolled in Apple Health (Medicaid).

Washington State is currently in the last year of the current MTP waiver, which ends December 31, 2022. If approved, the MTP renewal will **begin January 1, 2023, and end December 31, 2027**.

Building on MTP's successes

The current initiatives funded by MTP are moving our state toward:

- Paying for value instead of fee-for-service.
- Integrating physical and behavioral health care, including financial and clinical integration.
- Improving substance use disorder (SUD) treatment.
- Addressing health-related social needs (HRSNs), such as food, transportation, and education services.

Through the renewal, the Health Care Authority (HCA) will build on the successes of MTP by applying lessons learned from the first MTP waiver, including evaluation findings. We want to ensure the Apple Health program can better coordinate care and deliver services that address health and HRSNs. One way to achieve this is through the evolution of Initiative 1, while ensuring complementary connections with Apple Health.

Initiative 1 evolution overview

The goals of the renewal are to:

- Ensure equitable access to whole-person care, empowering people to achieve their optimal health and well-being in the setting of their choice.
- Build healthier, equitable communities with communities.
- Pay for integrated health and equitable, value-based care.

To reach these goals, HCA, Accountable Communities of Health (ACHs), and other partners will focus on **clinical integration, HRSNs, and community-based care coordination (CBCC).** Our vision is to foster coordinated roles across entities, including ACHs and managed care organizations (MCOs). More specifically, HCA seeks to have ACHs participate in a targeted set of priorities in partnership with MCOs, rather than have ACHs select projects across many priority areas.

By evolving Initiative 1, the state can build momentum and align CBCC across the health care system by bringing key partners together. These include ACHs, MCOs, and the Department of Health (DOH), including Care Connect Washington[1]. These entities, along with HCA, will define roles and build on essential infrastructure, financing, and sustainability strategies.

Note: HCA continues to partner with Tribes and Indian health care providers (IHCPs) on the unique health needs of American Indian/Alaska Native people, with MTP being a tool to improve outcomes. While this document is focused on the evolution of ACH activities, similar efforts with Tribes and IHCPs will continue and be refined through Tribal consultation in the renewal.

[1] Care Connect Washington is an integrated public health utility implemented by DOH to align state and local resources through a community hub, often in partnership with ACHs, to address locals needs during the COVID-19 pandemic.

Clinical integration

In 2020, Washington State completed financial integration of behavioral and physical health care. Now, the state is focusing on clinical integration and implementing a statewide, standardized assessment, with support from MCOs, ACHs, providers, and others. The assessment, called the Washington Integrated Care Assessment (WA-ICA), will improve the patient-provider relationship and further:

- Support whole-person care by creating one system for physical and behavioral health care, rather than having separate systems.
- Improve provider communication and reduce unnecessary duplication of services.
- Expand access to behavioral health to include mental health and SUD treatment.
- Link people with critical community services, such as housing and employment support.

HCA is interested in accessing federal funding to support WA-ICA. Funding would equip providers with self-assessment tools and provide technical assistance and training opportunities so providers can participate in the WA-ICA.

HRSNs

HCA wants to explore payment mechanisms for the delivery of non-medical HRSNs that combine with clinical care to support healthy communities. To accomplish this, HCA is considering how the MTP renewal could demonstrate payment and delivery of targeted HRSN services. HCA is also looking at if existing Medicaid authorities, such as managed care and state plan authority, might be used to pay for allowable HRSN services.

HCA is currently determining which HRSN services to fund through MTP and other authorities. Examples of HRSN services include transportation supports, respite services, home-delivered meals, educational services and supports, and supports for justice-involved populations as they transition into the community. HCA is also looking at coordination and connections between existing MTP programs like supportive housing services through Foundational Community Supports.

CBCC

HCA's vision of CBCC is to ensure Apple Health enrollees receive coordinated health and social services to address their physical and behavioral health and social needs. HCA proposes to implement "Community Hubs" in close partnership with DOH's Care Connect Washington.

Community Hubs would serve as regional networks that identify and engage with people who have health and social needs and help connect them to community organizations and resources. Additionally, Community Hubs would work with existing health care coordination entities to support continuity between clinical health care services and social supports. There will be multiple points of entry, supported by community information exchange technology and further development of workforce capacity.

Community Hub functions would:

- **Identify and engage** individuals who are likely to have multiple health and social needs, potentially tailoring services to a specific group**,** such as people exiting jail or another correctional facility.
- **Screen** individuals for HRSNs using a standardized screening tool and determine the appropriate organizations with the resources and knowledge to address those specific needs.
- **Connect** individuals with these community-based organizations that can help address their social needs.
- **Follow up** to ensure individuals are connected and facilitate completion of HRSN services.
- **Track** outcomes of individuals receiving HRSN services.
- **Coordinate** the delivery of all HRSN services.