Healthier WASHINGTON

Health Innovation Leadership Network

Quarterly Meeting | April 15, 2016

Summary

The first quarterly meeting for 2016 included a discussion about the importance of understanding the multisector leadership role in accelerating our shared goal to incentivize and deliver quality and value in Washington's health and health care systems. Additionally, there was a spotlight on the Paying for Value investment area, and the Leadership Network received an update on the design and early results of the Healthier Washington evaluation.

Opening remarks

John Wiesman, Healthier Washington Executive Governance Council

- Healthier Washington recently had a successful site visit with CMMI, which was a great opportunity to interface with the leadership. HCA Director Dorothy Teeter and Everett Clinic CEO Rick Cooper passed along their reflections regarding the visit:
    - We heard loud and clear that we cannot noodle around with incremental change. People are really looking to scale value-based care and hit the critical tipping point in incentivizing quality and value.
    - Accountable Communities of Health need to demonstrate their return on investment and early wins.
    - It was humbling to see all the hard work going into initiatives such as the early adoption of fully integrated care in Southwest Washington, the Accountable Care Networks in the Puget Sound region, and the Accountable Communities of Health.
    - We cannot lose focus on sustainability and must place importance on figuring out how we can sustain all of these things after the grant period ends.

Nathan Johnson, Healthier Washington Coordinator, provided a status update.

- Since we last met, we have entered Year 2 of the State Innovation Model grant, which is one of the drivers of Healthier Washington. That means we are transitioning from a design policy development era to one focused on action and implementation.
- This means that the Health Innovation Leadership Network, and the accelerator committees that are attached to it, are transitioning together from a method of education and informing to one as change agents.
- A Healthier Washington symposium was mentioned at the last meeting that would gather some of the sectors represented in the Health Innovation Leadership Network to engage on several focused topics. This was originally planned for a spring timeline, but has now

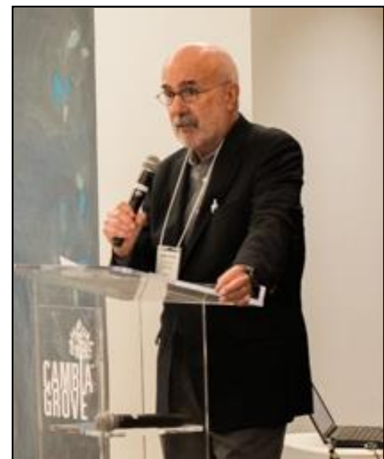
moved to fall. This event would help us all focus on the new phase of Healthier Washington and around three major topics and outcomes that we're aiming for. These agenda items include:

- Celebrating and reflecting the work of Healthier Washington
- Want an opportunity to share successful strategies that are working at a regional or state level and that can be replicated in other systems, whether that be Accountable Communities of Health, individual efforts around integrated care like we're seeing develop in Southwest Washington. Scale and spread is a theme in Healthier Washington and the symposium will provide a forum for that.
- We want to active additional partners in the important work of building Healthier Washington, as many sectors are required to make this work sustainable. This will not be another health policy conference, but rather a more focused, and actionable discussion opportunity.

- We will have an opportunity to engage our regional CMS partners on the symposium timeline we have proposed. We hope to have a strong national presence at this event so that we can better link the federal and state efforts.

Paying for Value Spotlight

Hugh Straley, Dr. Robert Bree Collaborative



- The system right now is getting uneven quality, higher costs, and poor population outcomes and thus, we are not achieving the triple aim. Any system is designed to get the outcomes that it does and we need to change our current system and value-based payment is how we do that. The Bree Collaborative was created in 2011, in an effort to bring together stakeholders to improve quality and reduce costs.
- We will hear today the value-based payment foundational elements, which are aligned incentives, measurement of outcomes, patient-centered coordinated care, and transparency.

Al Fisk, The Everett Clinic

- There are three critical aspects to moving to the paying for value structure: transparency, the right clinical components, and the incentives and benefits structure. Healthcare is currently way too expensive, the quality is extremely variable, and it's bankrupting the country and we would like to think that there should be rewards for those who deliver quality care.
- Purchasers and providers want the same thing. Purchasers want high quality, affordable care that keeps their employees healthy. Patients want high quality, affordable care that keeps themselves and their families healthy. Providers want high quality, affordable care that keeps their patients healthy.
- Purchasers should demand transparency. If there is transparency in cost and quality, purchasers and patients can make more informed decisions. Healthy competition among

providers and clinics will also help drive down prices if patients can see those costs in advance.

- One of the right clinic models include integrated behavioral health—however, the high copays for behavioral health services is an enormous barrier and should be the same cost as more affordable primary care copays. Another successful clinic model is prescription management which means booting the drug representatives, and letting science influence prescribing, rather than marketing. This model also uses generic drugs for over 92% of their prescriptions, which has saved Everett Clinic customers more than $100 million a year. Imaging management is another clinic model. This includes using an evidence-based system where protocols must be met prior to order imaging. At the Everett Clinic, unnecessary scans were reduced by 29%, saving the clinic approximately $3.2 million annually. Additionally, care programs for complex patients should be considered. These innovative care programs improve outcomes and prevent unnecessary trips to the hospital.
- To summarize, those who pay the bill should also be demanding the right incentives and the right benefit design. Benefit design should be aligned with value-based reimbursement, out of pocket costs and selection of tiered networks. Behavioral health needs to be part of primary care benefits. Innovative care programs for complex patients need to be part of benefit design. The purchasers of care need to collaborate and change the system. To change how providers get paid, we need to move away from payment system based on volume, pilot contracts that pay providers for vale, and incentivize for reaching highest quality standards.

Diana Birkett Rakow, Group Health Cooperative

- Value based purchasing and value based insurance design can mean different things to different people. Value based purchasing includes making sure we're supporting providers in making the right decisions for people and delivering the best care. Value based insurance design includes supporting consumers in making it easier and cheaper to make those same decisions that deliver the best care and deliver care where they most need it.
- David Rolf and Chris Barton are both partners that have worked with Group Health to design benefits that create the type of structure we're talking about, but also then help people get the right information so that they can make great decisions around it.

David Rolf, SEIU 775

- The mission of the SEIU 775 group serves home care aides, and is to transform health care for their members and beneficiaries, and for the clients and consumers they serve. When operating on a fee-for-service system, there were escalating prices and double digit inflation, due to high-level emergency room visits, and low use of primary care services. With Group Health as the key sponsor, the Engaged Sponsor Program was created that created mutual incentives for the union, the health plan, and for the beneficiaries to get a handle on prevention and cost. By increasing price incentives for the members, and

engaging them more actively about integrated care, they program has seen many successful wins.

Chris Barton, SEIU Nurse Alliance Northwest

- In 2008, Group Health began working with union partners to negotiate a value-based insurance design health plan. Through this design, they incentivized and integrated preventative care, chronic care management and wellness into one plan and developed a culture of responsibility to utilize health care in the smartest way.

Jeff White, The Boeing Company

- You don't have to be a large employer to begin having conversations with the health care systems directly. There is a role, however, that the employer community needs to play in the system design. Boeing tries to align their goals around the triple aim, by making sure their health systems model is incentive online, maintains employee choice (providing options), and preserves a simplified approach. Boeing provides a strong incentive to their employees to choose an ACO, which is to receive better care and better outcomes. ACOs are then provided higher patient volume, and Boeing also provides them with a shared savings opportunity, as well as a branding win.

Rachel Quinn, Health Care Authority

- The Health Care Authority purchases health care for over 2.2 million people through Medicaid and PEBB, spending $10 billion annually. In 2014, HCA received a mandate from the legislature to increase value-based payment models. We need to get away from the fragmented, uncoordinated, volume-based systems, and move to an integrated care, engaged, value-based payment system. This system will also have standardized performance measurement, with clinical and financial accountability, and transparency for improved health and outcomes. Purchasing goals to reach by 2019 are:
  - 80% of state-financed health care and 50% of commercial health care will be value-based payment arrangements
  - Washington's annual health care cost growth will be 2% less than the national health expenditure trend
- Key strategies include: purchasing high-value care for Medicaid and PEBB members, engage purchaser, provider and payer partners to accelerate transformation, and align with federal efforts.

Quarterly Update

Healthier Washington Coordinator Nathan Johnson announced some recent successes of the Paying for Value: Early Adopter of Medicaid Integration. These included:

- Successful launch of fully integrated managed-care on April 1. Over 120,000 Medicaid clients enrolled in fully integrated plans in Southwest Washington.
- Released a timeline and memo in February setting forth key milestones for regions to pursue fully integrated managed care between now and 2020.

- Received a non-binding letter of intent in April from Chelan, Grant, and Douglas Counties to pursue fully integrated managed-care prior to 2020. HCA will begin engaging the counties to transition planning.
- HCA is working with Federally Qualified Health Centers and Rural Health Clinics on a new payment model that would free them from focusing exclusively on encounters as a revenue basis, and allow them to be rewarded for quality and allow them some flexibility to innovate within their delivery system models.

Healthier Washington Evaluation

Erin Hertel, Center for Community Health and Evaluation

- ACHs have spent the last year coming together to become regional multi-sector coalitions with the operational capacity, and the collaboration necessary, to move to action. Action is starting to implement the regional strategies and projects necessary to change healthcare in their region.
- Key Findings from Year 1:
    - All nine regions were formally designated as ACHs. HCA encountered community-driven development, which resulted in variation.
    - All ACHs have built the basic infrastructure and foundation needed to move forward, through governance structures or backbone organizations.
    - ACHs brought together a rush multi-sector representation as part of their group.
    - An ACH member survey was conducted, where participants were able to rate their perception of what kind of progress was taking place. The highest rated was how the backbone organizations were performing. The lowest rated was community engagement and feel strongly that this is an area that needs to keep moving forward and learn how to do better moving forward.
- Progress and next steps for Year 2:
    - Regional health priorities are being identified and preparing for regional health improvement plans.
    - ACHs are undertaking regional projects to achieve “early wins,” to demonstrate ACH value and aid sustainability. As ACHs move forward into developing their projects, the evaluation framework will walk alongside them. The evaluation approach is to be a partner—to provide both formative evaluation along the way and conduct an impact evaluation at the end.

Doug Conrad, University of Washington

- The overall scope of work for the UW SIM evaluation team is to conduct formative and overall impact evaluation of SIM, leading the evaluation of the practice transformation support hub, and leading the evaluation of three different payment redesign models.
- There are a variety of sub-interventions within the SIM—the ACHs, the Hub, payment reform, and AIM. From those interventions, we hope to measure and see environmental

and system changes, and based off those changes, we hope to see changes in individual behavior and individual changes around health and resolving unmet need, and greater use of evidence-based services—both by providers and consumers in terms of demanding that type of transparency and shared decision making.

- Outcomes: improvement in the overall level of population health, improved quality of care, reduced cost growth.

David Mancuso, Department of Social and Health Services

- Will be focusing on working collaboratively on Payment Redesign Model 1—Adoption of Medicaid Integration of Physical and Behavioral health. Behavioral health risk factors are really critical drivers of health outcomes, especially in the Medicaid environment.
- We will be testing and comparing the fully integrated implementation in Clark and Skamania. The expectation is that we will be focusing on measurement areas around access to behavioral health services, greater engagement and quality of care, impacts on utilization of ED services and in-patient care. Are we seeing impacts on quality of life that could impact outcomes in the areas of employment, housing stability, criminal justice involvement?
- We will be rounding up data sources such as state agency administrative data, Provider One, and some external agency sources.

Tao Kwan-Gett, University of Washington

- UW is conducting an evaluation of the Practice Transformation Support Hub, which is an area focused primarily on how to help practices change their daily work in primary care and behavioral health in pursuit of the triple aim.
- Some of the evaluation questions are related to clinical community linkages, physical and behavioral health care integration, and value-based payment. Our strategy will be to conduct a survey of a sample of practices measuring their state of development in each of these areas, then track the use of Hub services by practices in the state over two years. And then repeat the process and see what changes have occurred.

Next Steps

John Wiesman

- Going from the design to the test phase, we have arrived at a real level of detail and can now proceed with rich discussions about transforming the health care system. As accelerators, we have an opportunity in the circles we participate in, to press the need for purchasers and others to demand and ask for value-based payments and to have those value-based insurance plans design. In the networks we're in, we can raise this as an issue to accelerate the conversation about where Washington is going.
- Folks are now talking about the "quadruple aim," which includes the work life of the Provider and trying to preventing burnout, which can happen to providers who are delivering care in these changing systems.

- Potential next agenda items:
  - Social determinants of health
  - Using technology to make services more convenient
  - Bringing value-based care to marginalized populations and communities