

Quality   
\$ Costs   
= Value

*Develop  
value-based  
payment  
strategies*

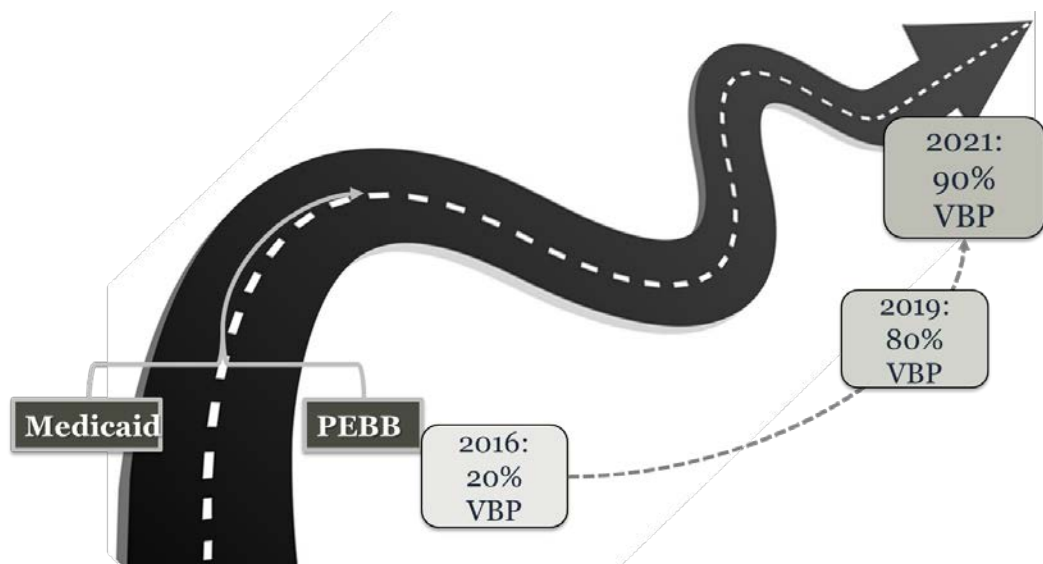
## Paying for Value and Outcomes: Testing Four Payment Models

Four payment models have been designed to support health care delivery system transformation. They make up Healthier Washington’s “paying for value” strategy.

By paying providers based on value of care delivered, including patients’ satisfaction with their health care experience and improved health outcomes, it moves the state away from paying a fee for every service and rewards quality.

As the purchaser for more than 2 million public employees and Apple Health (Medicaid) clients, the state Health Care Authority (HCA) is leading change in the market by accelerating the use of value-based reimbursement.

In 2016 the HCA released its roadmap to achieving 90 percent value-based health care purchasing (VBP) within five years, a path that fundamentally changes the way health care is paid for and provided in Washington State. The road map represents a commitment to leverage purchasing strategies to support the health care delivery systems in achieving the Triple Aim and sets a five-year timeline to achieve this goal.



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Healthier Washington is a multi-sector partnership to improve health, transform health care delivery, and reduce costs. The Health Care Authority provides strategic oversight for this initiative. The project described was supported by Funding Opportunity Number CMS-1G1-14-001 from the U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services. The contents provided are solely the responsibility of the authors and do not necessarily represent the official views of HHS or any of its agencies.

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The Healthier Washington initiative is testing four payment models based on different approaches and strategies.

- **Accountable Care Program (ACP):** The ACP tests an accountable care approach starting with public employees (state, higher-education and school districts enrolled through the Public Employees Benefits Board (PEBB) Program). The provider networks in this program assume clinical, financial and patient experience responsibility for a defined population of public employees. Reimbursement is based on performance across financial guarantees and measures from the Washington State Common Measure Set. Two networks became available to public employees in January 2016. HCA is working with private and public employers to replicate the payment model and further accelerate market transformation.
- **Multi-Payer:** This model leverages existing data aggregation solutions and analytic tools to support providers to coordinate and manage care, share risk and engage a sizeable population across multiple payers.
- **Physical and Behavioral Health Integration:** This model tests how integrated Apple Health financing for physical and behavioral health accelerates delivery of whole-person care. Starting in April 2016, Apple Health beneficiaries in Southwest Washington began receiving the full continuum of comprehensive physical and behavioral services provided through Apple Health managed care plans. The selected managed care plans coordinate care across physical and behavioral health systems, enhancing service delivery for enrollees with complex, high risk, co-occurring disorders. The state will transition towards fully-integrated Apple Health purchasing statewide by 2020.
- **Encounter-based to Value-based:** This model tests value-based payments in Medicaid for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs), and pursues new flexibility in delivery and financial incentives for participating Critical Access Hospitals (CAHs). For FQHCs and RHCs it begins to shift the focus of payment from volume of services and visits by introducing financial flexibility into the care delivery system.

All the payment models will evolve over the course of the initiative.

Learn more about Paying for Value on the Healthier Washington website:  
[www.hca.wa.gov/about-hca/healthier-washington/paying-value](http://www.hca.wa.gov/about-hca/healthier-washington/paying-value)

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