Washington State Innovation Models
2nd Quarter Progress Report

May 1 – July 31, 2016

The Healthier Washington team submits quarterly reports to the Center for Medicare and Medicaid Innovation (CMMI) focusing on the progress made toward the program milestones and goals of the Healthier Washington initiative.

The information here follows CMMI's request to highlight only a few Healthier Washington elements within the specified progress report domains below. Within this summary, you will find highlights of the successes and lessons learned from this past quarter. To submit questions or feedback go to http://www.hca.wa.gov/about-hca/healthier-washington to contact the Healthier Washington team.

Success Story or Best Practice

The three components of the Hub moved forward this quarter, having negotiated an interagency agreement with University of Washington for a web-based resource portal and having completed the RFP process and named Qualis Health as the Apparently Successful Bidder on contracts to develop a Regional Connectors Network and deliver Practice Coaching, Facilitation and Training.

All nine Accountable Communities of Health (ACHs) submitted plans for their regional health projects by the July 29 deadline.

Read more about this	
	Practice Transformation Support Hub
	Accountable Communities of Health

Challenges

Practice Transformation Support Hub. Turnover of leadership on the Practice Transformation Support Hub team delayed the publication of Requests for Proposals for Regional Connectors Network and deliver Practice Coaching, Facilitation and Training. The new director, Mary Beth Brown, has taken the helm and activities have moved forward.

Alternative Payment Model 2: Encounter-based to value-based. The Model 2 team faced significant challenges navigating stakeholder relationships regarding development of alternative payment models for Federally Qualified Health Centers (FQHCs)/Rural Health Clinics (RHCs). Over the last quarter the Model 2 team held two working sessions and worked closely with stakeholders to advance model development. In order to meet established timelines and commitments, the Model 2 team is moving forward with a solicitation for FQHCs and RHCs to identify first movers for adoption on January 1, 2017.

Alternative Payment Model 4: Greater Washington Multi-payer. The Model 4 team encountered a challenge when the apparent lead organization withdrew its participation due to unrelated business reasons. Shortly thereafter, the Model 4 team engaged in exploratory discussions with other interested provider groups and payers. Subsequent discussions have been positive and productive. The Model 4 team is currently working with interested providers and payers to finalize a statement of work and contract in the third quarter with a launch date on or before January 1, 2017.

Plan for Improving Population Health. There were challenges when, based on CMMI feedback, the Department of Health (DOH) modified the Plan's direction. Some external stakeholders had hoped it would primarily focus on upstream prevention. Our modified direction emphasizes both clinical and upstream, with a focus on aligning their respective strategies and resources. We are addressing stakeholders' input with a structured feedback process, including multi-sector partner events.

Governance

There were no substantive changes to the Healthier Washington governance structure in the second quarter, though there have been some noteworthy developments:

- The Healthier Washington Leads team continues to meet as a way for project leads to discuss internal processes, get peer-to-peer feedback and guidance on operational tasks and project maturation, and elevate decisions to the Healthier Washington core team. It was decided that the leads group should be officially chartered as a way to solidify the purpose and responsibility of the group within the SIM effort.
- The third Healthier Washington Summit was held on July 19, 2016, and the focus was on understanding and communicating our component parts and moving forward as a cohesive Healthier Washington system. Healthier Washington executive leadership announced test areas of diabetes and well-child visits that will allow us to test alignment of the component parts of SIM as a system. The summit was well attended, informative, and motivational.

Stakeholder Engagement

Key stakeholder engagement activities in the second quarter included:

- The Health Innovation Leadership Network convened for its quarterly meeting with a focus on integration of physical and behavioral health. The meeting represented opportunities and action of multiple sectors, including payers/purchasers, providers and community.
- State partners continue to engage ACH staff and leads on the Development Council Call. This is the most consistent engagement mechanism and allows us to be responsive. The ACH team also held a convening in June with a focus on value-based purchasing, held a webinar on supportive housing, and participated in several tribal engagement workshops in partnership with HCA and American Indian Health Council.
- HCA held weekly calls with managed care organizations, behavioral health providers, ACHs, county staff, and a consumer representative in Southwest Washington to address issues about the integration of physical and behavioral health (payment model 1). HCA increased engagement with other counties, to educate county commissioners on the benefits of implementing the model in their region.
- The Model 2 team has worked with FQHCs and RHCs in two intensive working sessions. The focus of the sessions has been to drive toward adoption of alternative payment model 4 on January 1, 2017. CAH stakeholders have been convened in two working sessions this quarter, getting closer to resolution around delivery components of the model.
- The Model 3 team continued to educate and engage key stakeholders involved in purchasing and transformation through events, webinars, and individual outreach. Specifically, Model 3 met with a CEO of a large group practice to learn more about their plans to adopt accountable care

strategies, and the HCA director was the keynote speaker at an annual broker conference where she presented our Paying for Value strategy.

- The ad-hoc performance measures workgroup convened to take a second review of pediatric measures in the Statewide Common Measure Set. Other work has been completed to align measures going into 2017 state purchasing contracts with those in the common measure set.

Read more about this	
	Health Innovation Leadership Network
	Accountable Communities of Health
	Paying for value
	Integrated Physical and Behavioral Health
	Performance Measures

Population Health

In response to CMMI feedback, the Department of Health (DOH) adjusted the Plan's strategy. Instead of a one-time document, DOH is developing a website to house the Plan's elements, including strategies, tools and resources. It will include population health strategies within and outside clinic walls, and emphasize multi-tiered alignment of strategy, policy and resources. The intention is to transition the site to the Practice Transformation web portal, ensuring that the Plan remains a living and sustainable resource. To further assist multi-sector partners with connections to value-based purchasing, we have contracted with Dr. Sanne Magnan, co-chair of the National Academy of Medicine's Roundtable on Population Health Improvement. She will deliver the opening plenary at the state public health conference, as well as provide workshops and stakeholder events in both Eastern and Western Washington in early fall.

The P4IPH Interagency and External Advisory group held a joint meeting in late May. Agenda included presentation on State Health Assessment by Cathy Wasserman, state epidemiologist for non-infectious disease, and discussion of criteria for prioritizing population health measures.

All nine ACHs submitted project proposals in the second quarter and are nearing the launch of the required ACH SIM projects. Each of these projects demonstrates some degree of linkage between population health and health care delivery systems and our approach going forward will be to emphasize this unique opportunity within the ACHs to continue reinforcing this approach. Themes include: community health workers (CHWs) and blood pressure management; CHWs and care transitions / reduction in hospital readmissions; CHWs pathways "hub" model for increased coordination; CHWs in a health-housing partnership; care coordination and behavioral health risk assessment; co-location of behavioral and primary care; whole-person care collaborative; coordinated opioid response; education and awareness of long-acting reversible contraceptives.

Health Care Delivery System Transformation

The Practice Transformation Support Hub continued activities related to supporting health care delivery system and provider practice transformation. Activities this quarter included:

- Posted 2 RFPs to select a Hub vendor for 1) Practice Coaches and 2) Health Connectors. The team also developed an inter-agency agreement to select the University of Washington for web portal development.
- Conducted a survey of providers through the Clinical Engagement Accelerator Committee to identify progress and barriers as related to integration of clinical and behavioral health services and progress to value-based payment.
- Participated in conversations with Washington State Medical Association leaders about the work of the Hub and how they could be involved in providing ongoing input.
- Participated in a joint meeting of the Washington State Association of Local Public Health Officers (WSALPHO) and the Washington Association of Family Practice Physicians to talk about opportunities for public health and primary care providers to work together, including on practice transformation.

Read more about this	
	Practice Transformation Hub web page
	Practice Transformation Support Hub Fact Sheet

Payment and/or Service Delivery Models

Between June 1, 2016 and August 1, 2016 HCA continued technical assistance to the fully-integrated managed care organizations participating in Payment Model 1, and rapidly addressed transition issues as they arose. Highlights from the first 90 days of fully-integrated managed care implementation include:

- Molina Healthcare of Washington and Community Health Plan of Washington (CHPW) created back up strategies to manually process claims and support cash flow security to providers.
- CHPW and Molina have worked collaboratively to standardize processes, and achieved approximately 85 percent alignment of authorization requirements, contracting structures, and data submission processes.
- Based on data supplied by the Emergency Department Information (EDIE) system, emergency department visits for Molina members enrolled in a fully-integrated plan averaged 6 percent lower for April through June.

The Payment Model Test 2 team explored avenues to move forward with a solicitation of FQHCs and RHCs to identify first movers that are interested in Alternative Payment Model (APM) 4 adoption on January 1, 2017. CAH payment and delivery system redesign work began to draw clarity around final model delivery system elements.

The two Accountable Care Networks (ACNs) developed under Payment Model Test 3 finalized their 2017 expansion plans in July. One or both ACNs will be available in four additional counties starting in January 2017: Grays Harbor, Skagit, Spokane, and Yakima. During the last two weeks in July the ACN operations and communications staff conducted a survey of public employees currently enrolled in one of the two networks. Survey results and patient testimonials will be used to inform messaging and educational materials for 2017 open enrollment.

In June, the Payment Model 4 team began conversations with an interested provider organization to participate as the lead organization in Model 4. A meeting was scheduled for August with the intention of adhering to original timeline to launch Model 4 by or before January 2017. At the same time, the Model 4 team conducted exploratory discussions with a different provider and payer.

Read more about this	
	Paying for value web page

Leveraging Regulatory Authority

The team continued development of the Medicaid Transformation waiver proposal and, in particular, the link to HCA's Value-Based Roadmap. Significant opportunities for ACHs to collaborate with their provider communities were identified and will aid in moving toward alternative payment models that reward value. This also creates additional opportunities for reinforcement of the APM goals of Model Test 2.

Read more about this	
	Medicaid Transformation web page
	Paying for value web page

Workforce Capacity

The Industry Sentinel Network, which the initiative supported, completed its first round of data collection survey July 31. There was strong participation and response in this first round: 106 responses from 177 facilities. Facility types included but were not limited to Specialty Medical Clinics, Behavioral-medical health clinics, FQHC or community clinics, primary care medical clinics, acute care hospitals large and small, education, nursing and personal care facilities, dental and psychiatric/substance abuse hospitals. The survey results will be reviewed and analyzed and then presented at the Health Workforce Council September 30. The next round of data collection will launch in November as planned.

Discussions with team leads from each operational area on the role of community health workers continued in May 2016. Operational next steps will be reviewed with Core Team August 30, 2016.

Health Information Technology

The Analytics, Interoperability and Measurement (AIM) program experienced a great period of change and growth during this quarter. In May, June and July we:

- Released the first Healthier Washington Data Dashboard to all Accountable Communities of Health (ACHs) and local health jurisdictions around the state. These interactive dashboards support the business intelligence and analytics needs of ACHs and local health jurisdictions, providing access to metrics and population health data, to aid in identifying and implementing community priorities and strategies that improve health. The dashboards will build upon themselves over time, with regularly refreshed data and additional metrics and functionalities released every 12 weeks to stakeholders across the state. All data in the dashboards is de-identified and aggregated and the starter set of metrics selected for inclusion into the dashboards were derived from the Statewide Common Measure Set and prioritized by ACHs across the state.
- Decided on an overall approach for procuring and implementing an analytics infrastructure, and started procuring the first components - a master data management tool and a data model. In July, we drafted content for a master data management request for proposals.
- Worked closely with the ACHs and the Center for Community Health and Evaluation to identify likely data needs for each ACH's regional health project.
- Engaged with Payment Model leads to provide data and analysis support.
- Collaborated with our SIM evaluators (University of Washington and RTI) to continue defining data needs, and put in place appropriate processes and controls to provide data to them.
- Continued work on acquiring two key data sources for Healthier Washington work – Public Employee Benefits (PEB) data, and Medicare data.

Continuous Quality Improvement

Healthier Washington has been collaborating with our state and national evaluators (University of Washington and RTI) to continue defining data needs, and put in place appropriate processes and controls to provide data. More specifically, during this period the University of Washington:

- Obtained approval for its detailed Design Review/Data Security plan from state information security oversight (WaTech)
- Submitted a 250+ page application to the Washington State Institutional Review Board (WSIRB) for the SIM Evaluation project – Years 2-4.
- Refined evaluation approaches and identified desired and feasible data elements to obtain from HUB vendors (Portal and Connectors/Coaches), Payment Models 2 and 3 data suppliers, and for our SIM overall evaluation.
- Held multiple collaborative work sessions with RDA, DOH and the HW team to better understand what is happening in the field and align evaluation activities accordingly.
- Provided coaching to ACHs on project measures and evaluation plans through our partner evaluator Center for Community Health Education.

Healthier Washington has enhanced the capabilities of our change control process by 1) clarifying specific criteria and methods to review, approve, and communicate across the program, 2) create a change request system that both logs and drives the process, and 3) updated our Decision Making Framework.

The overall project management effort has been enhanced by using additional opportunities to review project by project and across projects, project plan, risk and issue, and change request information. One example is partnering with the existing monthly budget review meetings held with the investment areas. These two efforts have created more opportunity for both communication and collaboration across projects, and between the projects and the operations team.

Additional Information

Accountable Communities of Health - Seven ACHs have made progress in the second quarter toward the milestone of "legal status." This transition is community-driven and is based on the desire to establish the ACH as the direct point of authority and decision making, as opposed to an independent backbone organization serving as the final point of authority. HCA has provided some guidance on this subject for consideration, and there is agreement that legal status is the next phase in ACH development and direct accountability for ACH-related funding and activities, in addition to sustainability planning. Two of the nine ACHs were already legal entities. Two of the remaining seven are currently pursuing LLC models. The remaining five are pursuing 501c3 status and several have either filed documentation or received approval from the state. The process surrounding tax-exemption is another phase and we are unsure of the timeline for ACHs to obtain tax-exemption.

Shared Decision Making – The Shared Decision-Making (SDM) team moved forward significantly on the process for soliciting decision aids for certification, as the first state in the nation to do so. They refined their process for certification and received seven decision aids from developers seeking certification. In June, HCA staff traveled to a National Quality Forum (NQF) gathering to participate in the development of a national certification process, and began discussions with NQF to convene a national SDM Network among SIM-funded states.

Healthier WASHINGTON

Grant Year 1 - Budget Status Report
Partner Agency Activity by Investment Area
Expenditures for February 2015-July 2016
Source: Enterprise Agency Financial Reporting

All Partner Agencies By Investment Area	Year 1 Budget	Dollars Spent Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	% Spent	FTE's Spent
Community Empowerment	$ 2,769,598	$ 732,254	$ 361,678	$ 134,892	$ 1,397,093	$ 2,625,916	95%	4.0
Practice Transformation	$ 1,830,774	$ 8,308	$ 40,341	$ 60,110	$ 558,444	$ 667,202	36%	4.9
Payment Redesign	$ 2,116,825	$ 11,801	$ 174,214	$ 143,699	$ 577,273	$ 906,987	43%	3.7
Analytics, Interoperability & Measurement	$ 9,443,606	$ -	$ 28,902	$ 346,670	$ 2,307,955	$ 2,683,526	28%	11.3
Project Management	$ 2,923,744	$ 75,640	$ 197,855	$ 736,138	$ 1,435,263	$ 2,444,897	84%	12.3
TOTAL	**$ 19,084,547**	**$ 828,003**	**$ 802,989**	**$ 1,421,509**	**$ 6,276,027**	**$ 9,328,528**	**49%**	**36.2**

HCA	Year 1 Budget	Dollars Spent Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	% Spent	28.0 FTE's
Community Empowerment	$ 2,632,894	$ 732,254	$ 361,678	$ 128,595	$ 1,353,084	$ 2,575,611	98%	3.00
Practice Transformation	$ 703,309	$ 8,308	$ 40,341	$ 26,618	$ 239,059	$ 314,325	45%	1.00
Payment Redesign	$ 2,004,756	$ 11,801	$ 174,214	$ 143,699	$ 577,273	$ 906,987	45%	3.66
Analytics, Interoperability & Measurement	$ 7,958,585	0	$ 28,902	$ 259,999	$ 1,451,580	$ 1,740,480	22%	6.28
Project Management	$ 2,526,939	$ 75,640	$ 197,855	$ 735,887	$ 1,281,312	$ 2,290,695	91%	10.71
TOTAL	**$ 15,826,484**	**$ 828,003**	**$ 802,989**	**$ 1,294,799**	**$ 4,902,308**	**$ 7,828,099**	**49%**	**24.65**

DOH	Year 1 Budget	Dollars Spent Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	% Spent	7.4 FTE's
Community Empowerment	$ 39,395					$ -	0%	
Practice Transformation	$ 1,030,156			$ 22,419	$ 275,113	$ 297,532	29%	2.9
Payment Redesign	$ 39,395					$ -	0%	
Analytics, Interoperability & Measurement	$ 877,794			$ 86,671	$ 610,438	$ 697,109	79%	1.0
Project Management	$ 155,010			$ 251	$ 66,191	$ 66,442	43%	0.5
TOTAL	**$ 2,141,750**	**$ -**	**$ -**	**$ 109,341**	**$ 951,742**	**$ 1,061,083**	**50%**	**4.4**

DSHS	Year 1 Budget	Dollars Spent Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	% Spent	5.2 FTE's
Community Empowerment	$ 97,309			$ 6,296	$ 44,009	$ 50,305	52%	1.0
Practice Transformation	$ 97,309			$ 11,073	$ 44,272	$ 55,345	57%	1.0
Payment Redesign	$ 72,674					$ -	0%	
Analytics, Interoperability & Measurement	$ 227,353				$ 43,408	$ 43,408	19%	1.0
Project Management	$ 111,336				$ 6,777	$ 6,777	6%	0.2
TOTAL	**$ 605,980**	**$ -**	**$ -**	**$ 17,369**	**$ 138,465**	**$ 155,834**	**26%**	**3.2**

DSHS - RDA	Year 1 Budget	Dollars Spent Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	% Spent	3.0 FTE's
Community Empowerment	0					$ -		
Practice Transformation	0					$ -		
Payment Redesign	0					$ -		
Analytics, Interoperability & Measurement	$ 379,874				$ 202,529	$ 202,529	53%	3.0
Project Management	0					$ -		
TOTAL	**$ 379,874**	**$ -**	**$ -**	**$ -**	**$ 202,529**	**$ 202,529**	**53%**	**3.0**

OFM - GOV OFFICE	Year 1 Budget	Dollars Spent Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	% Spent	0.9 FTE's
Community Empowerment	0					$ -		
Practice Transformation	0					$ -		
Payment Redesign	0					$ -		
Analytics, Interoperability & Measurement	0					$ -		
Project Management	$ 130,460				$ 80,984	$ 80,984	62%	0.9
TOTAL	**$ 130,460**	**$ -**	**$ -**	**$ -**	**$ 80,984**	**$ 80,984**	**62%**	**0.9**

This report includes expenditures currently claimed against Grant Year 1

Healthier Washington

Grant Year 2 - Quarter 2 - Budget Status Report

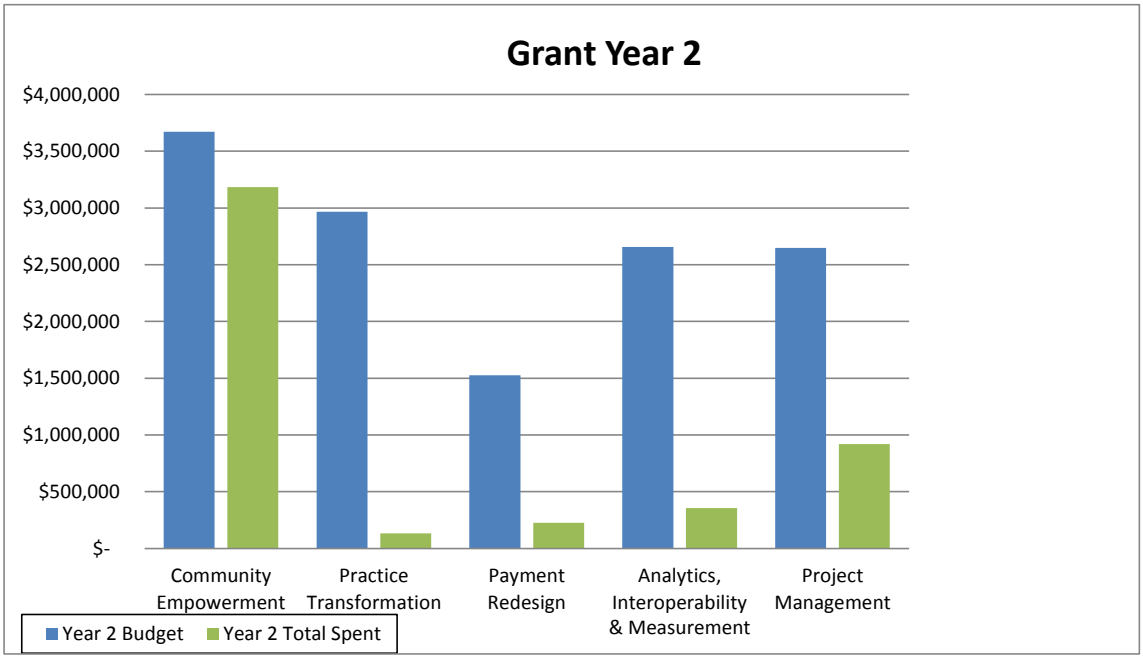
Expenditures for February - July 2016

Combined expenditures and FTE's for all Partner Agencies (HCA, DOH, DSHS, OFM-GOV)

From: Enterprise Agency Financial Reporting

	Year 2 Budget	Total Spent	
Community Empowerment	$ 3,669,797	$ 3,183,068	87%
Practice Transformation	$ 2,966,270	$ 132,286	4%
Payment Redesign	$ 1,524,071	$ 224,909	15%
Analytics, Interoperability & Measurement	$ 2,655,752	$ 355,378	13%
Project Management	$ 2,647,420	$ 917,905	35%
TOTAL	**$ 13,463,310**	**$ 4,813,546**	36%

Sum of Amount Row Labels	Total
CMM6	**4,813,545.84**
A5F11	3,183,067.62
A5F12	132,285.63
A5F13	224,909.35
A5F14	355,377.93
A5F15	917,905.31
Grand Total	**4,813,545.84**



Grant Year 2 - Quarter 2 - Budget Status Report
Partner Agency Activity by Investment Area
Expenditures for February-July 2016
Source: Enterprise Agency Financial Reporting

All Partner Agencies By Investment Area	Year 2 Budget	Dollars Spent					% Spent	FTE's Spent
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
Community Empowerment	$ 3,669,797	$ 3,027,761	$ 155,307			$ 3,183,068	87%	3.00
Practice Transformation	$ 2,966,270	$ 22,161	$ 110,124			$ 132,286	4%	1.00
Payment Redesign	$ 1,524,071	$ 68,028	$ 156,881			$ 224,909	15%	3.66
Analytics, Interoperability & Measurement	$ 2,655,752	$ 144,808	$ 210,570			$ 355,378	13%	6.28
Project Management	$ 2,647,420	$ 278,048	$ 639,858			$ 917,905	35%	10.71
TOTAL	**$ 13,463,310**	**$ 3,540,805**	**$ 1,272,740**	**$ -**	**$ -**	**$ 4,813,546**	**36%**	**24.65**

This report includes expenditures currently claimed against Grant Year 2
Interagency Partners continue to spend down Grant Year 1 budgets