Washington State Medicaid Transformation Project (MTP) Demonstration
Section 1115 Waiver Annual Report
Demonstration Year: 1 (January 9, 2017 to December 31, 2017)
Federal Fiscal Quarter: Third Quarter (April 1, 2017 to June 30, 2017)

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Introduction

On January 9, 2017, the Centers for Medicare and Medicaid Services (CMS) approved Washington State's request for a Section 1115 Medicaid demonstration, entitled "Medicaid Transformation Project." The activities under the Demonstration are targeted to improve the system to address local health priorities, deliver high-quality, cost-effective care that treats the whole person, and create sustainable linkages between clinical and community-based services.

Over the next five years, Washington aims to:

- Integrate physical and behavioral health purchasing and service delivery to better meet whole person needs
- Convert 90 percent of Medicaid provider payments to reward outcomes instead of volume
- Support provider capacity to adopt new payment and care models
- Implement population health strategies that improve health equity
- Provide new targeted services that address the needs of the state's aging populations and address key determinants of health

The State will address the aims of the Demonstration through three programs:

- Transformation through Accountable Communities of Health (ACHs) and Delivery System Reform Incentive Payment (DSRIP) Program
- Long-term Services and Supports (LTSS) – Medicaid Alternative Care (MAC) and Tailored Supports for Older Adults (TSOA)
- Foundational Community Supports (FCS) – Targeted Home and Community-Based Services (HCBS) for eligible individuals

Healthier Washington

The Washington State Health Care Authority (HCA) manages the work of the Demonstration under the banner of Governor Jay Inslee's Healthier Washington initiative. Healthier Washington is a multi-sector partnership working to improve health, transform care delivery, and reduce costs.

To learn more about Healthier Washington, visit www.hca.wa.gov/hw.

Demonstration Year 1 – Annual Report

In accordance with STC 76 and 42 C.F.R. § 431.428, this report summarizes the MTP activities and accomplishments for the first year of the Demonstration. This report documents accomplishments, project status, and operational updates and challenges. During this first year of the demonstration, planning and ramp-up efforts have been the primary focus. As a result, the state does not have utilization data or case study findings to include in this Annual Report.

A comprehensive Demonstration webpage continues to be updated and is available at https://www.hca.wa.gov/about-hca/healthierwashington/medicaid-transformation.

Policy and Administrative Updates

The state, with CMS guidance, is in the process of evaluating opportunities to utilize the 1115 waiver authority to provide more effective substance use disorder treatment by requesting federal financial participation for IMD expenditures.

For additional information regarding overall demonstration updates, please refer to the Overall Demonstration Development/Issues section of the quarterly report that follows this Annual Report.

Annual Expenditures

During the period of April 1, 2017 through June 30, 2017, each of the nine Accountable Communities of Health (ACHs) earned $1 million in Design Funds for successful completion of Phase I Certification. During the period of July 1, 2017 through September 30, 2017, each of the nine ACHs earned an additional $5 million for successful completion of Phase II Certification.

DSRIP Funding					
	Q1	**Q2**	**Q3**	**Q4**	**DY1 Total**
Accountable Community of Health (ACH)	January 9, 2017 – March 31, 2017	April 1, 2017 – June 30, 2017	July 1, 2017 – September 30, 2017	October 1, 2017 – December 31, 2017	January 1, 2017 – December 30, 2017
King County		$1,000,000	$5,000,000		$6,000,000
Southwest WA		$1,000,000	$5,000,000		$6,000,000
Better Health Together		$1,000,000	$5,000,000		$6,000,000
Olympic Community of Health		$1,000,000	$5,000,000		$6,000,000
Pierce County		$1,000,000	$5,000,000		$6,000,000
Cascade Pacific Action Alliance		$1,000,000	$5,000,000		$6,000,000
North Central		$1,000,000	$5,000,000		$6,000,000
North Sound		$1,000,000	$5,000,000		$6,000,000

Greater Columbia		$1,000,000	$5,000,000		$6,000,000

There are no reportable service expenditures for services under the demonstration at the time this report is submitted. The LTSS services for TSOA and MAC went live on September 11, 2017. Services for Foundational Community Supports cannot go live until the state and CMS reach approval on the Foundational Community Supports Protocol.

Service Expenditures					
	Q1	**Q2**	**Q3**	**Q4**	**DY1 Total**
	January 9, 2017 – March 31, 2017	April 1, 2017 – June 30, 2017	July 1, 2017 – September 30, 2017	October 1, 2017 – December 31, 2017	January 1, 2017 – December 30, 2017
Tailored Supported for Older Adults	–	–	–	–	–
Medicaid Alterative Care	–	–	–	–	–
Foundational Community Supports	–	–	–	–	–

Demonstration Evaluation

HCA submitted an initial draft of its Evaluation design. The state is responding to CMS comments and will provide revisions by October 9, 2017.

State Legislative Developments

The state legislative session convened on January 9, 2017. The regular 105-day regular session was followed by three Special Sessions and adjourned sine die on July 20, 2017. The 2017-19 state operating budget that passed provided spending authority for the MTP demonstration.

Public Forums

In accordance with STC 11, the state satisfied its DY1 post-award forum commitments between January 30, 2017 and March 15, 2017. HCA, DSHS and ACH leaders held nine regional public forums throughout Washington, providing the public an opportunity to provide meaningful comment on the progress of the demonstration. Additional details were included in the state's quarterly report submitted to CMS on June 1, 2017. A copy of the presentation slides is available at: https://www.hca.wa.gov/assets/program/2017-03-28-FINAL-Public-Forums-Core-Deck.pdf.

Quarterly Report – April 1, 2017 to June 30, 2017

This section of the report summarizes the MTP activities from April 1, 2017 through June 30, 2017. This quarterly report includes details pertaining Demonstration implementation activities, including stakeholder education and engagement, planning and implementation activities, and development of key demonstration policies and procedures.

Summary of Key Accomplishments of the Quarter

Highlights of the quarter that are further described in the report are:

- All nine ACHs completed Phase 1 Certification and met the requirements for full funds distribution
- Development of the ACH Project Plan template
- Selection of the Financial Executor
- Release of a Third-Party Administrator procurement
- Release of Independent Assessor procurement
- Opportunities for continued stakeholder and partner engagement in Demonstration development, including webinars, program-specific presentations across the state, and public comment periods on key Demonstration documents

Stakeholder and Partner Engagement

Demonstration Wide Stakeholder Engagement

Medicaid Transformation w*ebpage and communication strategy:* Upon receipt of approval from CMS, final protocols were posted to the webpage for public review. Draft protocols and other relevant program documents were updated on the webpage as well for public review and transparency with stakeholders. Program-specific frequently asked questions were routinely updated in response to public interest and inquiry. Questions were generated from a variety of forums, including webinars, presentations and stakeholder interaction, as well as to clarify and define programmatic development components. One-page documents summarizing the Demonstration, as well as for each of the three initiatives under the Demonstration, continue to be available online. The webpage is continually updated as new materials are developed. Broad communication with stakeholders and the general public is maintained through existing Healthier Washington, HCA/DSHS and partner agency communication channels, including feedback network blasts, social media posts and quarterly email newsletter digests.

Tribal Partner Engagement

The Health Care Authority (HCA) Tribal Affairs team is composed of the Tribal Affairs Administrator, the Healthier Washington Tribal Liaison, and the Tribal Operations and Compliance Manager. The team has been involved in vigorous and ongoing tribal outreach, support, and engagement activities provided throughout the state. Tribal outreach and engagement events are provided below.

- Teleconference calls to discuss tribal outreach and engagement:
    - Yakama Nation, *April 3, 2017*
    - Chehalis Tribes, *April 6, 2017*
    - Better Health Together ACH, *April 27, 2017*
- Conference or federal Tribal Consultation-provided presentation of the Demonstration for the following events:
    - CMS Tribal and Urban Indian (I/T/U) Training, *April 4-5, 2017*
    - Health and Human Services (HHS) Tribal Consultation, *April 12, 2017*
    - Attended Chronic Disease and Self-Management "Wisdom Warrior" training, Pendleton, OR, *June 12-16, 2017*
    - American Indian Health Commission (AIHC) "Tribal Behavioral Health Summit", Fife, WA, *June, 23, 2017*
- American Indian/Alaska Native (AIAN) Advocacy Boards, provided overview presentation of MTD program for the following events:
    - AIHC Delegates meetings (April 14, 2017 – Suquamish, WA; June 8, 2017 – Spokane, WA)
    - Northwest Portland Area Indian Health Board meeting, April 17-18, 2017, Ocean Shores, WA
- HCA Monthly Tribal Meeting:
    - Provided overview presentation of MTD program, *April 24, 2017*

    - Provided MTD program updates, *May 22, 2017*, *June 26, 2017*
- Provided overview presentation of MTD program, DSHS State Indian Policy Advisory Group, *April 13, 2017*
- Accountable Communities of Health (ACH) Tribal Support:
    - Provided tribal engagement training for the Pierce County ACH, *May 30, 2017*
    - Provided overview of draft Tribal Protocol, Tribal Projects and ACH Tribal Communication and Collaboration Policy for Olympic Communities of Health ACH, Sequim, WA, *June 26, 2017*
    - Participated in ACH Convening, Chelan, WA, *June 28-29, 2017*
- DSHS Aging and Long-Term Support Administration (ALTSA) tribal liaisons met with a number of tribes to discuss Medicaid services and Initiative 2 of the demonstration during this quarter, below is a list of engagements.
    - DSHS Indian Policy Advisory Subcommittee meetings for Aging and Developmental Disability Services: *April 11, 2017; May 9, 2017, June 13, 2017*
    - DSHS Indian Policy Advisory Committee meetings: *April 13, 2017*
    - Yakama Nation, Makah Tribe, Lower Elwha Tribe, Chehalis Tribe meeting: *April 3, 2017*
    - Muckleshoot Tribe Consultant meeting: *April 3, 2017*
    - Centers for Medicare and Medicaid Indian (CMS) Region 10 Trainings for Indian Health Service, Tribal, and Urban Indian Health Staffs: *April 4, 2017*
    - Kalispel Tribe meeting: *April 12, 2017*
    - Quinault Tribe meeting: *April 10, 2017*
    - Shoalwater Bay Tribe: *April 10, 2017*
    - Makah Tribe: *April 18, 2017*
    - State-Tribal Kinship Care Conference: *April 20-21, 2017*
    - Spokane Tribe: *April 24, 2017, May 22, 2017, June 19, 2017*
    - Muckleshoot Tribe and Consultant Meeting: *June 7, 2017*
    - Lower Elwha Tribe Meeting: *June 8, 2017*

DSRIP Program Stakeholder Engagement Activities

Representatives of HCA have participated in numerous stakeholder engagement activities, including public forums, presentations, emails, webinars, and direct technical assistance.

- In April, briefing documents were released to key stakeholders regarding opportunities and incentives for pursuing mid-adopter status for integrated managed care. The briefing documents were provided to assist in reinforcing the link between the ongoing state-led efforts in moving to integrated managed care, and the core objectives of the Demonstration.
- HCA staff delivered presentations to various stakeholder groups during this quarter. These include, but are not limited to:
    - Department of Early Learning and General Public, *April 2017*
    - Northwest Regional Primary Care Association, *May 2017*

- HCA hosted a webinar on June 20, 2017 to highlight key updates DSRIP program development and protocol approval updates, and described the Project Plan template. There were 300 registrants, and 230 attendees, with active participation in the question and answer portion of the webinar. A recording of the webinar was posted online: https://www.hca.wa.gov/about-hca/healthier-washington/meetings-and-materials.
- The Project Plan template was released for two rounds of review and comment: ACH and targeted stakeholder review and comment on June 2 – 9, 2017 and public review and comment on June 16 – 30, 2017.

LTSS Program Stakeholder Engagement Activities

On June 1, 2017, the Department of Social and Health Services (DSHS)/Aging and Long-Term Support Administration held its fifth in-person stakeholder meeting regarding the demonstration. It was well attended in-person and by phone. This meeting focused on development updates for the LTSS and FCS programs and included representatives from the LTSS stakeholder community, housing and employment providers, managed care organizations, advocates, Area Agencies on Aging, and other interested parties. The June meeting provided updates on public outreach and marketing activities, rule making process for both LTSS and FCS programs, field staff training, and third party administrator procurement. Program managers also reviewed the MAC and TSOA benefit packages with stakeholders. A recipient of Family Caregiver Support Program, the program upon which MAC and TSOA were modeled after, spoke about his experience with the services and supports utilized and how it impacted their family.

FCS Program Stakeholder Engagement Activities

This quarter included extensive FCS engagement activities, described below:

April 2017

- HCA staff sat on a panel at the National Council for Behavioral Health Conference, discussing the FCS program and the supportive housing benefit, *April 3, 2017*
- HCA and ALTSA presented at the Washington Association of Community Action Partnerships state conference, discussing the FCS program with potential supportive housing and supported employment providers, *April 6, 2017*
- DSHS' Division of Behavioral Health and Recovery (DBHR) facilitated a supported employment information session for behavioral health providers in the North Sound Region, *April 20, 2017*
- DBHR facilitated a supported employment information session for behavioral health providers in King County, *April 26, 2017*

May 2017

- HCA and DBHR staff presented before the Traumatic Brain Injury Council, discussing the FCS program and the supported employment benefit, *May 4, 2017*
- Supportive Housing Fidelity reviewers training, *May 8, 2017*
- HCA and DBHR staff sat on three panels at the Washington Low-Income Housing Alliance Conference to End Homelessness, discussing the FCS program and opportunities for providers,

local governments and other stakeholders to participate and partner in support of the program, *May 10, 2017*

- HCA and ALTSA staff participated in the Corporation for Supportive Housing National Summit to discuss Washington State's approach for the Foundational Community Supports program with national stakeholders, *May 24-26, 2017*

June 2017

- HCA staff presented at the ALTSA stakeholder's meeting on FCS implementation activities, *June 1, 2017*
- HCA and DBHR staff met with King County housing finance officials to discuss potential partnerships to connect the supportive housing beneficiaries with affordable housing, *June 5, 2017*
- Yakima regional behavioral health provider meeting, *June 13, 2017*
- Behavioral Health Conference – presentation on supportive housing services and the FCS program and a drop-in session on supported employment and Individual Placement and Support principles, *June 15, 2017*
- Presented at the Association of People Supporting Employment (APSE) national conference for employment for people with disabilities, *June 22, 2017*

DSRIP Program Implementation Accomplishments

ACH Certification – Completion of Phase I and Initiation of Phase II

Critical steps in Washington's Medicaid Transformation demonstration require Accountable Communities of Health to satisfy a two-phase certification process. The certification process ensures each ACH is capable of serving as the regional lead entity and single point of performance accountability for transformation projects. Through this process, the state will confirm that each ACH is qualified to fulfill the role as the regional lead and therefore eligible to receive project design funds.

All nine ACHs submitted Certification Phase I documentation by the May 15, 2017 deadline. Submissions underwent a review and scoring process by an internal HCA review team, with targeted subject matter experts assigned to review pertinent sub-sections. Upon determination of final scores, each ACH successfully met the requirements of Phase I and approval for the full funding amount of $1 million for Phase I Design Funds. Completed Phase I Certification submissions were posted on the Medicaid Transformation webpage for public review.

For Phase II Certification, ACHs are required to demonstrate evolving maturity of ACH structure and preparation for completing a robust Project Plan application. ACHs began working on Phase 2 submissions on June 17th with a deadline for submission of August 14th. To pass Phase II, ACHs must achieve an overall score of 60 points out of 100, and receive a 60% in each sub-category. Each ACH is eligible to receive up to $5 million in Project Design funds for successful demonstration of meeting Phase II requirements and expectations. Project Design funds will be awarded by tiers based on Phase II Certification scores.

Project Plan Template

The Project Plan is a blueprint for the critical Medicaid transformation work the Accountable Community of Health (ACH) will undertake in its region with community partners. During this quarter, HCA began developing the Project Plan template, with support of the DSRIP Support Team, ensuring compliance with the Special Terms and Conditions.

The Project Plan Template – a document that models the format an ACH must use for their Project Plan – was released for two rounds of review and comment: ACH and targeted stakeholder review and comment on June 2nd – 9th and public review and comment on June 16th – 30th. Each of these rounds of review and comment were also accompanied by a webinar to walk through the Project Plan Template.

State Support for Data-Driven Project Planning

The state expects Accountable Communities of Health (ACHs) to use data to inform their project decision-making throughout the Demonstration. While data needs and resources will differ among ACHs, HCA expects that all ACHs will be able to identify the Demonstration project data and IT infrastructure needed to support their projects, and will work with HCA, their partner organizations, other ACHs, and outside contractors, as appropriate, to ensure the data and infrastructure needed for project success is in place. HCA, the Department of Health (DOH), and the Department of Social and

Health Services' Research and Data Analytics team (DSHS-RDA), and other State agencies, are partnering in support of the objectives under the Demonstration. In particular, the AIM initiative (Analytics, Interoperability, and Measurement) at HCA supports the coordinated collection, and linking, analysis, and dissemination of health care (and health care determinant) data across state agencies, the application of advanced analytics, and encourages public and private sector partnerships to inform decisions and drive action.

To support early ACH data use, in March 2017 the state compiled information from multiple sources to provide ACHs with a "Starter Kit" of foundational regional health data. Subsequent to the initial release, the state released two updates to this "Starter Kit," containing additional regional population health data, which included (but not limited to): regional Medicaid beneficiary access measures; maternal, child and reproductive health indicators; and oral health service utilization

Building off the spring 2017 "Starter-kit" databooks, the state released supplemental data products for ACHs in June 2017:

- Medicaid beneficiary utilization by billing and rendering service provider (where available), by county and broad diagnostic and risk categories;
- Aggregate data related to regional opioid-prescribing patterns and medication assisted treatment information; and
- Decomposition of select Project Toolkit metrics to provide detailed breakdowns by sub-populations, in order to help inform project planning efforts.

In addition, a key state-supported resource is the Healthier Washington Data Dashboard. This tool allows ACHs to explore interactive data on population health and social determinants of health in their regions. These Dashboards are publically available and provide ACHs, and other data users, with the capacity to explore and segment data. HCA will be expanding the scope of measures profiled within the Dashboard in future iterations, in support of demonstration transformation project activities.

DSRIP Performance Measurement Development

During this quarter, the state continued to refine program elements related to measurement, incentive payment timing, high performance incentives and statewide accountability.

Pay for Reporting (P4R)/ Pay for Performance (P4P) Approach

The annual split of P4R and P4P incentive funds will be applied to each project per Table 3 of the Funding and Mechanics Protocol. Incentives for P4R can be earned twice a year, with the P4R amount in a given year evenly split across each 6-month reporting period. P4P will be determined based on annual data compilation by the state, and therefore P4P payments can be earned once per year and will be paid out once the data are calculated.

Project Incentives - Measurement and Payment Timing

Incentives earned for successful project plan submissions in Demonstration Year 1 will be paid in a single installment by the end of DY2 Q1. After DY1, P4R will reflect two time periods each year: January – June

and July – December. The measurement year for P4P metrics and the demonstration year will reflect the same 12-month timeframe. This will allow time for project implementation to take effect and for the measurement period to directly reflect the demonstration year for which the region is accountable for performance. In tandem, this approach provides the opportunity to collect all required data for ACH and state accountability models, which includes (1) toolkit metric results; (2) MCO VBP survey results to determine regional and statewide VBP target attainment; and (3) statewide accountability metric results from a third party vendor. Therefore, each P4P payment will include: P4P performance-adjusted ACH payments, adjustments based on statewide accountability, and DSRIP High Performance Incentive earnings.

Regional ACH progress towards improvement targets will be assessed for performance based on respective baseline years that are lagged by 2 years for the entire demonstration. This allows for the improvement targets to be released prior to the start of the related performance year. Therefore, ACHs and partnering providers will have the regional improvement target expectations available at the beginning of the associated performance year. With full information on their accountability for their portfolio of metrics, ACHs better positioned to tailor efforts towards adjustments in implementation, or approaches to scaling and sustaining projects.

The state will follow a consistent 6-month paid-date run-out across all claims-based performance metrics. Additional dependencies and associated impacts to timing of final P4P incentive payments to ACHs are highlighted below in Table 1.

Table 1: Annual P4P Measurement Cycle Timeline, Using DY 3 as Reference

Timeframe	Task
January-December 2019	Demonstration Year 3 (2019) = Performance Measurement Year (2019)
January-June 2020	6-month period claims data lag
July-August 2020	1-2 months for data processing/verification/validation
September 2020	P4P results are known 1 month to (1) Run QIS model on statewide accountability measures; (2) Draft supporting documentation for CMS. State will submit State QIS Report to CMS.
October-November 2020	Independent Assessor will: (1) Score P4P Achievement Values (AV); (2) Calculate ACH QIS model to determine eligibility for High Performance Funds. ACH P4P AV Results Known by end of November
October-December 2020	90 day review period for CMS review/approval of State QIS Report findings.
December 2020	Final DY 3 P4P Total Funds Known
January-April 2021	Up to 4 months to: (1) Adjust total Project Incentives based on statewide performance; (2) apply AVs to adjust ACH funds; (3) identify total unearned funds; (4) apply ACH QIS to identify ACH-level DSRIP

	High Performance Incentives; and (5) align payment timing with 2nd DY4 P4R payment

Other DSRIP Program activity

Medicaid Value-based Payment Action Team

A critical component of delivery system reform is the pursuit and achievement of value-based payment goals. The Health and Community Capacity Building component (Domain 1) of the project toolkit recognizes the importance of guiding and supporting ACHs and their partnering providers as they work to integrate VBP goals into their transformation projects. The means by which the HCA has chosen to provide that guidance is the development of a statewide Medicaid Value-based Payment (MVP) Action Team. The team's responsibilities are identified as follows:

- Serve as a learning collaborative supporting attainment of Medicaid VBP targets
- Provide a sounding board to HCA on definitions of VBP arrangements
- Prepare providers for value-based service relationships
- Promote provider participation in Medicaid VBP surveys
- Inform the integration of project design and VBP strategy
- Provide a venue to share VBP adoption progress, challenges and solutions

HCA solicited nominations for MVP Action Team members from managed care organizations, Accountable Communities of Health, and health care leaders across the state. From those nominees, a team of 20 members agreed to participate in regular, in-person meetings facilitated by HCA and chaired by a respected health care professional with many years' experience in alternative payment and delivery systems. Members of the MVP AT represent all five MCOs, all nine ACH regions, providers from a variety of organizations (ranging from major hospital systems to small and rural practices), behavioral health providers, and tribal health leaders. During this reporting quarter, the MVP Action team held three meetings, with the initial kick-off meeting occurring late April. Going forward, the Team will convene on a monthly schedule. Regular meetings are facilitated by HCA staff with subject matter expertise provided by the DSRIP Support Team. Dates and summary of topical contents are as follows:

- Kick-off meeting - April 26, 2017: Discussed the role of the MVP Action Team, and provided an overview of the Demonstration
- Meeting on May 5, 2017:
    - Discussed HCA's Value Base Purchasing efforts, and the purchasing and VBP efforts within Medicaid program
    - Gathered feedback on the MCO VBP Survey
- Meeting on June 7, 2017:
    - Discussed HCA's current activities regarding Medicaid Demonstration and VBP
    - Gathered feedback on VBP Provider Survey
    - Discussed the relationship between value-based payment the ultimate success of Toolkit projects

Future topics will include the development of relevant tools, resources and strategies to support ACHs and partnering providers in incorporating sustainable, value-based payment strategies as project planning and design get underway.

DSRIP Support Team

Through the RFP procurement process, HCA selected Manatt Health to serve as the DSRIP Support Team. The DSRIP Support Team's responsibilities include the support of Accountable Communities of Health (ACHs) in the development of Certification applications and Project Plans, development of Technical Assistance (TA) resources for ACHs, and assistance to HCA in the development of key demonstration policies and procedures. Manatt Health, and their sub-contractor OHSU, began work on April 1, 2016. Highlights of the technical assistance provided by the DSRIP Support Team during this quarter include:

- "Funds Flow 101" presentations for ACHs and others
- Design sessions to work through a variety of work streams including: DSRIP Data strategy; Project Toolkit revisions; Project Plan development and VBP Provider Surveys
- Facilitated DSRIP TA office hours on ACH Certification Phase II and the Project Plan template, as well as co-facilitated with HCA on topical sessions related to ACH readiness for demonstration activities at the ACH Convening in June

Financial Executor

HCA selected Public Consulting Group (PCG) as the Washington State DSRIP Financial Executor effective May 15, 2017. The financial executor's responsibilities include, but are not limited to:

- Developing and establishing a web portal to facilitate financial executor functions
- Developing and establishing a provider registration process and portal
- Establishing an HCA-approved funding distribution plan, in accordance with the DSRIP Program Funding and Mechanics Protocol
- Developing management reports to be used by various web portal users and stakeholders to include the state, ACHs, providers, an independent assessor, CMS, the public, and other potential stake holder to be identified
- Cooperating fully with HCA in responding to inquiries from CMS and other relevant authorities regarding financial transactions and in any audits that may be required
- Complying with the Washington State Administrative and Accounting Manual and the Demonstration's Special Terms and Conditions
- Designing, administering, and monitoring the Intergovernmental Transfer (IGT) process for the duration of the Demonstration.

Independent Assessor

On June 13, 2017, HCA released a request for proposals through the state's convenience pool to procure an Independent Assessor (IA) for the DSRIP program. The IA responsibilities include, but are not limited to:

- Assemble an independent review team to perform the following:
    - Lead the design and development of a standardized Project Plan review tool

    - Review and score ACH Project Plans using the standardized Project Plan review tool and by exercising informed, independent judgment based on a thorough knowledge of the goals of the Demonstration and the requirements of the Standard Terms and Conditions (STCs) of the state's agreement with CMS
    - Recommend approval, denial or modification as needed to render the Project Plan approvable, including thorough documentation for the basis of the recommendation
- Lead the assessment of ACH performance for each semi-annual reporting period, and calculate incentive payment adjustments accordingly
- Provide at-risk project identification, guidance and monitoring to ACHs and HCA
- Conduct the Mid-Point Assessment of ACH project plan performance
- Assist HCA in assessment of performance as it relates to value-based payment targets and quality attainment and improvement on sub-set of metrics tied to the Challenge and Reinvestment incentive payment pools
- Responsible for supporting the development and management of ongoing monitoring and reporting activities required by HCA and ACHs

The deadline for response from potential bidders was July 5, 2017. The successful bidder, Myers and Stauffer, was announced with a contract effective date of August 17, 2017.

Upcoming Activities

Implementation ramp-up and planning activities will continue through the next quarter. In future quarterly reports, more detail will be provided about further ACH activities, Project Plans, stakeholder engagement, and other related DSRIP policies and deliverable development.

- Final Project Plan Template release, *Mid July 2017*
- Deadline for ACH Phase II Certification submission, *August 14, 2017*
- Project Plan scoring methodology and review tool development, *August – September 2017*
- Weekly Technical Assistance for ACHs, *Ongoing*

Long-term Services and Supports (LTSS) Implementation Accomplishments

This report summarizes LTSS program development and implementation activities conducted from April 1, 2017 through June 30, 2017. Key accomplishments for this quarter include:

- Completion and approval of Presumptive Eligibility curriculum
- The state executed contracts with the Area Agencies on Aging (AAA)

The state continues its work toward implementation of MAC and TSOA, in the last quarterly report, we indicated the program would implement in July 2017. Due to readiness activities and development timelines we delayed implementation to ensure systems and staff readiness.

Over this reporting quarter the following implementation tasks were completed:

Presumptive Eligibility curriculum

Curriculum was approved by CMS in June. During this review process CMS concluded that administrative hearing rights do not apply to presumptive eligibility decisions. Training materials and policy documents were updated to reflect this change.

Network Adequacy for LTSS programs, MAC and TSOA

Work to identify and update statements of work related to MAC and TSOA was completed, and AAAs began utilizing new contracts in May and June. ALTSA collaborated with the AAAs to establish requirements of network adequacy. By Go Live (implementation), each AAA must have at least one provider for identified services within the five service categories. Enhancements to the provider network for services will continue after implementation and as the number of clients served under these programs increases.

Assessment and systems update

Development continued in the systems that will be used for intakes, assessments, and payments. Testing of the functionality in all systems and the related interfaces may continue into the early part of next quarter.

Staff readiness and training

Training for AAA and HCS staff who will be working with LTSS applicants/recipients participated in in-person training during the months of May and June. Attendees were given access to written materials and training videos regarding the new LTSS programs and overview materials of the FCS program. Follow-up refresher webinars are still scheduled to occur prior to implementation. Staff readiness checklists and on-line Q & A system were developed and are in use.

Post-implementation support planning was under development during this quarter in order to provide prompt support to field staff who will be conducting intake, assessment and authorization work for LTSS programs during the first several weeks post Go Live.

Data and reporting

Necessary data elements were identified during this quarter. Initial tracking and reporting tool needs were outlined and development was started. This work is ongoing and updates will be provided in future quarterly reports.

Quality Assurance

During this quarter the financial and functional QA review details for MAC and TSOA were compiled. The post implementation review process for presumptive eligibility was also developed and will be completed in December 2017 for the August-October time period. Additional updates will be included in future quarterly reports.

State Rule Making

Changes to the Washington Administrative Code (WAC) necessary for MAC and TSOA programs were submitted for public review and comment. There was a delay in filing rule due to processing comments submitted during the public review period. Rule will be filed in the next quarter.

Provider Contracts

During this reporting period, the state executed contracts with the Area Agencies on Aging that included language about staff qualifications for completing presumptive eligibility and conflict free case management.

Other LTSS Program Activities

Conflict Free Case Management

DSHS/ALTSA consulted with CMS during this quarter in regards to developing policy on conflict free case management in those areas of the state where the Area Agencies on Aging are challenged to find a provider and thus provides the service themselves due to rural area, cultural needs or financial sustainability issues. Further refinement of this policy will continue into the next quarter as ALTSA works with the AAAs based upon CMS's guidance. Updates will be included in future quarterly reports.

Upcoming Activities

As noted above, the implementation of these programs have been delayed to ensure systems are ready and that individuals responsible for implementing the program have the tools and resources necessary to be successful. Implementation activities will continue into next quarter. In future quarterly reports the state will provide more details about these activities, stakeholder engagement, and other related issues.

- Implementation of LTSS programs and filing of final state rule, *DY1 Quarter 3*
- LTSS Stakeholder meeting No. 6, *October 2017*
- Caregiver month – statewide outreach and marketing strategy implemented, *Fall 2017*

Foundational Community Supports (FCS) Implementation Accomplishments

This report summarizes FCS program development and implementation activities conducted from April 1, 2017 through June 30, 2017. Key accomplishments for the quarter include:

- Procurement completed for the Third Party Administrator
- Finalization of changes to the Washington Administrative Code (WAC)

Third Party Administrator Procurement

On June 7th, HCA announced that Amerigroup will serve as the Third Party Administrator (TPA) for the FCS program and are actively working on preparations to begin delivering services once final approval of the FCS protocol is received.

State Rule Making

Changes to the Washington Administrative Code (WAC) were finalized during the month of June. HCA implemented changes that authorized the delivery of FCS services (pending final approval of the protocol). DBHR implemented changes to create specific supportive housing and supported employment certifications for licensed behavioral health agencies.

Other FCS Program Activity

DBHR Technical Assistance: Provided technical assistance for nine supported employment providers on the Individual Placement and Support (IPS) model.

Upcoming Activities

Until approval is received for the FCS protocol, planning and implementation activities will continue. It is anticipated that initial service delivery will occur soon after the FCS protocol is approved. Future reports will provide updates on final implementation planning and status of FCS service provision.

- Kresge Foundation and Stewards of Affordable Housing for the Future (SAHF) Housing and Health Care Round Table, Washington, D.C. *July 20, 2017*
- Supported Employment Fidelity reviewers training. *August 8, 2017*
- Spokane Regional Provider meeting. *August 13, 2017*
- TANF Summit for State TANF Directors. *August 15, 2017*
- Wraparound and Intensive Services (WISe) Symposium – Youth in Transition providers, family members and youth. *August 26, 2017*
- WA State Certified Peer Conference. *August 29-30, 2017*
- National Alliance on Mental Illness (NAMI) Conference Panel on FCS services. *September 15-16, 2017*
- Conference on Co-Occurring disorders. *October 2017*

Quarterly Expenditures

During the period of April 1, 2017 through June 20, 2017, each of the nine Accountable Communities of Health (ACHs) earned $1 million in Design Funds for successful completion of Phase I Certification.

DSRIP Funding					
	Q1	**Q2**	**Q3**	**Q4**	**DY1 Total**
Accountable Community of Health (ACH)	January 9, 2017 – March 31, 2017	April 1, 2017 – June 30, 2017	July 1, 2017 – September 30, 2017	October 1, 2017 – December 31, 2017	January 1, 2017 – December 30, 2017
King County		$1,000,000			$1,000,000
Southwest WA		$1,000,000			$1,000,000
Better Health Together		$1,000,000			$1,000,000
Olympic Community of Health		$1,000,000			$1,000,000
Pierce County		$1,000,000			$1,000,000
Cascade Pacific Action Alliance		$1,000,000			$1,000,000
North Central		$1,000,000			$1,000,000
North Sound		$1,000,000			$1,000,000
Greater Columbia		$1,000,000			$1,000,000

Overall Demonstration Development/Issues

Operational/Policy Issues

Delays in Protocol approvals resulted in timeline delays for the Delivery System Reform program and well as for Foundational Community Support services. Additionally, we are waiting on guidance from CMS for Budget Neutrality monitoring tools.

Financial/Budget Neutrality Development/Issues

Financial

As questions arise, the state and CMS have leveraged monthly CMS monitoring calls to address technical and operational finance related questions.

Budget Neutrality

According to STC 105, a draft working version of the budget neutrality monitoring tool was to be available for inclusion in the state's first quarterly report. Per recent CMS guidance, the state is awaiting further direction from CMS with respect to the status of this tool. It is critical that guidance is provided soon to ensure we are able to monitor and analyze actual expenditures subject to budget neutrality. HCA will continue to raise this issue during monthly monitoring calls.

Consumer Issues

The state has not experienced any major consumer issues during this reporting quarter other than general inquiry about benefits available through the Demonstration.

Quality Assurance/Monitoring Activity

Not applicable for this reporting quarter.

Demonstration Evaluation

HCA submitted an initial draft of its Evaluation design. The state is responding to CMS comments and will provide revisions by October 9, 2017.

Health IT

HCA submitted an initial draft of its HIT Strategic Roadmap to CMS on May 1, 2017. In working with CMS and ONC partners, this document has been in development for several months. The Health IT Strategic Roadmap identifies activities necessary to advance the use of interoperable Health IT and HIE across the care continuum in support of the programmatic objectives of the Demonstration. In addition to this Roadmap, the State has created an Operational Plan that details the first 16 months (remainder of 2017 and 2018) of activities that provide actionable steps to advance Health IT and HIE in support of the Demonstration. The Operational Plan will be updated in 2018 to provide the details for 2019 and annually mid-year for the details of the following year.

Summary of Additional Resources, Enclosures and Attachments

Additional Resources

More information about Washington's demonstration is available at: https://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation.

Interested parties can sign up to be notified of demonstration developments, release of new materials, and opportunities for public comment through the Healthier Washington listserv.

Summary of Enclosures and Attachments

Attachment Reference	Document Title/Description
A	State Contacts
B	Request for Proposals – Independent Assessor

Attachment A: State Contacts

Identify the individual(s) that CMS may contact should any questions arise:

Area	Name	Title	Phone
Demonstration and Quarterly Reports	Kali Klein	Manager, Medicaid Transformation	(360) 725-1240
DSRIP Program	Kali Klein	Manager, Medicaid Transformation	(360) 725-1240
LTSS Program	Kelli Emans	Managed Care Program Manager, DSHS	(360) 725-3213
FCS Program	Jon Brumbach	Senior Health Policy Analyst, Medicaid Transformation	(360) 725-1535

For mail delivery, use the following address:

Washington Health Care Authority
Division of Planning, Policy and Performance
628 8th Ave SE
Olympia, WA 98501

Health Consulting Services Second Tier Solicitation # 16-026 for Category 7 (Delivery System Reform)	
Responses must be submitted via email to:	contracts@hca.wa.gov per instructions at end of WR
2nd Tier Solicitation Coordinators:	Angela Hanson and Holly Jones
Expected work period:	July 10, 2017 through December 31, 2021
Category: 7 (Delivery System Reform)	
Maximum Compensation for this Work Request: $2,500,000.00 ($500,000 for first 6 months, and then $500,000/year thereafter)	

2nd Tier Solicitation Schedule			
ACTIVITY	SUGGESTED TIMEFRAMES	DUE DATES	TIME
2nd Tier Release Date	1 business day	June 13, 2017	
Questions from Bidders Deadline	2 business days	June 16, 2017	2:00 p.m., Pacific Time
HCA Response to Questions	2 business days	June 20, 2017	
Response Deadline from Bidders	10 business days from release	June 28, 2017	2:00 p.m., Pacific Time
Evaluation Period (approximate time frame)	5 business days	June 29 – July 7, 2017	
Oral Presentation (if necessary)	2 business days	July 11 – July 12, 2017	
Projected Announcement of Apparent Successful Bidder (ASB)	1 business day	July 13, 2017	
Debrief Request by Bidder	3 business days after ASB announcement	July 18, 2017	
Hold Debriefing Conference Calls	2 business days	July 18 – July 19, 2017	
Contract Start Date (on or before)	5 business days	July 25, 2017	

PLEASE NOTE:

- Late submissions will not be considered.
- All Bidder communication concerning this 2nd Tier Solicitation must be directed to the 2nd Tier Solicitation Coordinator listed above or their designee. Unauthorized contact with other state employees may result in disqualification.
- If you have any questions please email 2nd Tier Solicitation Coordinator at contracts@hca.wa.gov. Include 2nd Tier Solicitation Number in the Subject Line.
- When responding to this solicitation, indicate 2nd Tier Solicitation number on the right side in the footer of each page of your response.
- A 2nd Tier Work Order number will be assigned after the Work Request is awarded to a pre-qualified bidder from this solicitation and notification sent to all bidders.

- This 2nd Tier Solicitation does not obligate the state of Washington or HCA to contract for services specified herein. HCA reserves the right and without penalty to reject any or all Proposals, to award no contract as a result of this 2nd Tier Soliciation, and to cancel or re-issue this procurement if it is in the best interest of HCA to do so, as determined by HCA in its sole discretion.

HCA Program Information
Purpose and Objectives: The purpose of this Work Request (WR) is to procure an Independent Assessor to support Health Care Authority's (HCA) Section 1115 Medicaid Transformation Project (MTP), as approved by the Centers for Medicare and Medicaid Services (CMS). A copy of the application and related documents can be found at http://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation.
Relevant Background Information: HCA requires a trusted Independent Assessor to assist HCA in successfully carrying out the terms of the Medicaid Transformation Project (MTP). The MTP aims to transform the state's Medicaid delivery system through regional, collaborative efforts led by Accountable Communities of Health (ACHs) and new, supportive services to address relevant social determinants of health. Over the next five years, Washington will: • Integrate physical and behavioral health purchasing and delivery to better meet whole person needs; • Convert 90% of Medicaid provider payments to reward outcomes instead of volume-based; • Support provider capacity to adopt new payment and care models; • Implement population health strategies that improve health equity; and • Provide new targeted services that address the needs of our aging populations and address key social detriments of health. ACHs will lead regional strategies and ensure mutual accountability between health plans, providers, and other community members for these transformation objectives. The MTP will provide up to $1.125 billion in the form of incentive payments tied to projects coordinated by ACHs, based on delivery system reform milestones and outcomes. Delivery System Reform Incentive Program (DSRIP) incentives under this MTP are time limited and project design will reflect a priority for sustainability beyond the MTP period. There are nine ACHs in Washington State. These ACHs are regionally situated, self-governing multi-sector organizations with non-overlapping boundaries that also align with Washington's regional service areas for Medicaid purchasing. They are focused on improving health and transforming care delivery for the populations that live within their respective regions. ACHs are not new service delivery system organizations nor a replacement of Medicaid managed care organizations (MCOs) or health care delivery roles and responsibilities. ACHs include managed care, health care delivery, and many other critical organizations as part of their multi-sector governance and as partners in implementation of delivery system reform initiatives. The MTP began on January 9, 2017. As of the date of this solicitation, the ACHs have passed the first phase of a two-phase certification process to help assure their readiness to undertake and oversee transformation projects. Phase II certification applications are due August 14, 2017. ACHs will also be preparing project plan applications, due November 16, 2017, which will describe in detail their projects. Materials pertaining to ACH certification and project plans are posted on the Medicaid Transformation website at https://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation-resources.

Scope of the Work:
The contractor will perform the work and complete the deliverables described below.

1. Assemble an independent review team to perform all of the functions described in sections 2 through 7, below.
2. ACH Project Plan Assessment
    a. Lead the design and development of a standardized Project Plan review tool to be used in the evaluation and scoring of project plans submitted by ACHs. The review tool must align with the Project Plan template provided by HCA. In developing the review tool, the Contractor may be asked to work with HCA's DSRIP Support Team contractor.
    b. Organize and conduct a public comment process on the review tool and incorporate feedback.
    c. Develop and conduct a webinar for ACHs on how project plan applications will be reviewed and scored.
    d. Provide feedback to the DSRIP Support Team on any "how to" guides for ACHs as examples of what the Contractor believes to be successful Project Plan application constructs.
    e. Review and score all project plans submitted by ACHs using the standardized Project Plan review tool, exercising informed, independent judgment based on a thorough knowledge of the goals of the Medicaid Transformation Demonstration and the requirements of the Standard Terms and Conditions (STCs) of the state's agreement with CMS. **In order to maintain independence and objectivity, the Contractor's personnel providing services under this contract must provide written assurance, in a form provided by HCA, that they have no affiliation with the ACHs or their partnering providers.** The review and scoring must be completed during a six-to-eight week period scheduled to begin October 23, 2017 and ending no later than December 23, 2017.
    f. While the review and scoring is conducted independently and objectively, the Contractor will, as part of its review, engage in active feedback designed to assist ACHs and the DSRIP Support Team in addressing shortcomings in Project Plan applications and otherwise improving the quality and likelihood of success of Project Plans. Such feedback may be written, verbal, or both.
    g. Based on its review, the Contractor will assign a numeric score to each Project Plan application and recommend its approval, denial, or modification as needed to render the application approvable. Based on that review and scoring, the Contractor will calculate the associated incentive payment amount for each Project Plan application for Demonstration Year 1, and the maximum project valuation for Demonstration Years 2 through 5.
    h. The Contractor will thoroughly document the basis on which it made its recommendation, including its approach, reasoning, evidence, assumptions, calculations and conclusions. This documentation will be produced in such a way as to be instructive to the ACHs and understandable by the general public.
    i. In the event of any challenge to the Project Plan review process or outcome, the Contractor will cooperate with HCA in providing, verbally or in writing as required, additional information explaining its review and findings.

3. ACH Semi-Annual Report Assessment

   a. The approved project plan for each ACH will include performance milestones that must be met by ACHs and their partnering providers, as described in the DSRIP Planning Protocol (https://www.hca.wa.gov/assets/program/MTP-Attachment-C-DSRIP-Planning-Protocol.pdf - NOTE: This is a draft and is being revised as to format; however, the content is largely unchanged.). ACHs will be responsible for certifying that milestones have been met (see next section).

      1. The Contractor will develop, in collaboration with HCA, a standardized reporting form and criteria that Contractor will use for reviewing such ACH certifications. Those criteria will be consistent with the approved DSRIP Planning Protocol.
      2. The Contractor will develop guidance documents that reflect the process for calculating incentive payments.
      3. Prior to the first ACH report described in subsection b, below, the Contractor will develop and conduct a webinar(s) for ACHs to describe the process and requirements to be followed by the ACHs in submitting the report. The webinar(s) will also describe the process and criteria to be used by the Contractor in evaluating the report and assigning achievement values.

   b. At least twice each year, beginning in 2018, each ACH will submit a report to HCA, using the standardized reporting form, describing its progress against the milestones and metrics included in its approved project plan, and requesting payment, as described in the DSRIP Funding and Mechanics Protocol.

      1. The Contractor will review each ACH semi-annual report, together with data generated by the state on performance metrics, and will calculate achievement values to be used in determining incentive payments in accordance with the Funding and Mechanics Protocol. Semi-annual reports are due January 31 and July 31 of each year.

         a. No later than February 25 or August 25 (i.e., following submission of the January 31 and July 31 semi-annual reports, respectively), the Contractor will issue a written document to HCA thoroughly describing its findings and recommending: (a) payment to the ACH based on the calculated achievement value; (b) a request to the ACH for additional information needed to complete the review. In the event that the Contractor determines that additional information is necessary, the Contractor will specify the information needed in a request to the ACH. Contractor's recommendations regarding incentive payments will be in accordance with the approved DSRIP Funding and Mechanics Protocol, including calculation of achievement values.

      2. The Contractor will, upon request by HCA, meet with an ACH following the review of its semi-annual report to provide an oral debriefing and review of the Contractor's findings and to offer recommendations for improving project performance relative to goals.

c. As part of its assessment of project plan performance, the Contractor will notify HCA of any projects that the Contractor deems to be at risk for less than acceptable performance and the basis for its determination. Following review of the notification by HCA, the Contractor may be asked to present its findings and recommendations for improved project performance to the ACH in question.

4. At-Risk Project Identification, Guidance and Monitoring - Based on the information contained in the ACHs' reports, information gathered from the state, or other monitoring and evaluation information collected, the Contractor shall identify particular projects as being at risk of not being completed in a manner that would result in meaningful delivery system transformation. Once these concerns are identified by the Contractor, they must be reported to HCA immediately. With input from the Contractor, HCA may require such projects to meet additional progress milestones in order to receive DSRIP funding in a subsequent semi-annual reporting period. On a case-by-case basis, when appropriate, the Contractor shall work with HCA to develop additional progress milestones for at-risk projects, based on information contained in the ACH's semiannual reports or other monitoring and evaluation information collected to improve performance so that the ACH will be in alignment to receive DSRIP funding in a subsequent semi-annual reporting period.

5. Mid-point Assessment

   a. The contractor will conduct, in Demonstration Year 3 (2019), a mid-point assessment of ACH project plan performance (as described in the STCs and in the Funding and Mechanics Protocol) to systematically identify recommendations for improving individual ACH performance in the implementation of their project plans. The Contractor will make recommendations to HCA on the extent to which each ACH project plan merits continued funding, and will recommend appropriate actions (e.g., continuation, modification, corrective action, or discontinuation) to HCA and will thoroughly describe the basis for its recommendations.

      1. At least six months prior to the mid-point assessment, the Contractor will deliver to HCA a written mid-point assessment review plan and evaluation tool. HCA will review the plan and evaluation tool and, based on that review, the Contractor will make changes and provide a final version to HCA no later than four months prior to the mid-point assessment.

      2. The Contractor's review plan will include a plan to communicate with ACHs regarding the review process and any actions that may be required of the ACHs in supporting the review.

      3. The Contractor's recommendations to HCA will be specific, actionable, and designed to guide each ACH in improving its performance in the implementation of its project plans. The Contractor will thoroughly document its findings and recommendations.

   b. In the event of any challenge to the mid-point assessment review process or outcome, the Contractor will cooperate with HCA in providing, verbally or in writing as required, additional information explaining its review and findings.

6. VBP Incentive Pools

a. Challenge Pool – As described in HCA's Value-based Road Map (https://www.hca.wa.gov/assets/program/vbp_roadmapw-ah.pdf), managed care organizations (MCOs) are eligible to receive funds from a challenge pool on the basis of exceptional performance relative to a core set of measures of quality and patient experience. The Contractor will assist HCA in the following ways:

    1. Confirm the set of performance measures to be used and the target level of achievement for each measure;
    2. Establish the methodology for measuring MCO performance relative to targets;
    3. Develop necessary formulas that relate payments from the challenge pool to levels of performance relative to targets;
    4. Conduct a webinar describing the methodology; and
    5. Conduct the annual assessment of MCO performance and calculate the corresponding payments to be made from the challenge pool.

b. Reinvestment Pool – As described in HCA's Value-based Roadmap, ACH regions are eligible to receive funds from a reinvestment pool which may be directed toward regional health transformation activities. Such funds may be earned annually based on a region's performance relative to: (a) achievement of value-based payment targets; and (b) a core set of quality improvement targets. The Contractor will assist HCA in the following ways:

    1. Confirm the set of performance measures to be used and the target level of achievement for each measure;
    2. Establish the methodology for measuring a region's performance relative to targets;
    3. Develop necessary formulas that relate payments from the reinvestment pool to levels of performance relative to targets;
    4. Conduct a webinar describing the methodology; and
    5. Conduct the annual assessment of ACH regional performance and calculate the corresponding payments to be made from the reinvestment pool.

7. Monitoring and Reporting – The Contractor will be responsible for the following monitoring and reporting activities:

    a. Develop templates and instructions for all reports referenced in sections 1 through 4, above;
    b. Develop review tools for all reports referenced in sections 1 through 5, above;
    c. Review all reports referenced in sections 1 through 5, above, for accuracy, completeness and compliance with instructions, and provide written summaries of the reviews;
    d. Support HCA in the completion of its quarterly reports to CMS by providing information for, or reviewing information contained in, specific sections of the report as needed; and
    e. Contractor will participate, at the request of HCA, in annual public forums which will afford the public an opportunity to provide meaningful comment on the progress of the demonstration.

INDEPENDENCE:

The Contractor's effective performance of duties under this contract depends on the Contractor maintaining independence. The Contractor assures HCA that it has no affiliation with ACHs or their partnering providers and will not enter into any such affiliation for the term of the contract with HCA. In the event that the Contractor identifies any relationship between any of its staff performing the work under this contract and any AHC or partnering provider that could be perceived as compromising the Contractor's independence, the Contractor will immediately suspend such relationship and immediately notify HCA in writing of the action taken. HCA reserves the right to terminate the agreement for failure of Contractor to maintain independence.

Timeline and Work Period of Performance:

- The anticipated period of performance for this work is July 20, 2017 to December 31, 2021, and may be extended at the sole discretion of HCA.
- **The Work Order will be contingent on funding.**

Experience, Qualifications and additional Certifications:
Mandatory:

- **Resume(s) of staff that will do actual work.**
- Minimum 10 years' experience in the following areas:
  - Health program/project design, development and evaluation;
  - Health care delivery system organization and financing;
  - Value-based payment design and implementation; and
  - Government health programs including Medicaid.

Highly Desirable:

- Experience with Section 1115 waivers and DSRIP programs

References (OPTIONAL): *References must be completed in Table 1: Reference(s)*

- Bidder is to provide three (3) references who the Bidder feels best correspond to the Scope of Work and Purpose of this Work Request. References are to be provided by filling out the form in Exhibit A: Reference Template.
- HCA will contact references directly – Do Not send in pre-written reference letters, as they will be disregarded. HCA may, or may not, at HCA's discretion, contact references. HCA may evaluate references at HCA's discretion.
- References should not be HCA employees.

To Bidders: Please ensure that you have included the following information in your response, as these are the items that will be used to evaluate your response: In your response state the number, repeat the question, and provide your responses below that. Submit your questions, resumes, and references in one pdf document.

Technical Proposal

1. (MS) In 25 or fewer pages, describe your proposed solution, methodology and overall approach to the program's defined Scope of Work. Include all of the following in your response:
   - Names of the consultant(s) you are proposing to do the work under this WR.
   - A detailed explanation of how you can meet each of the items listed in the Scope of Work, above.
   - A detailed project plan, including all project requirements and proposed tasks, activities, etc. needed to support the requirements listed in the Scope of Work.
   - A detailed project schedule to include hours to complete each task, and with a brief description of deliverables that support the requirements listed in the Scope of Work.
   - Any potential risks you consider significant to the success of the project. Include how you would effectively monitor and manage these risks.
   -

2. (MS) In 5 or fewer pages, describe a similar project completed in the last 3 years by the consultant(s) submitted for this 2nd Tier Solicitation. Include the outcomes achieved for the customer. Identify this customer and provide contact information (name, telephone, email, etc.) for this customer. HCA may contact at HCA's discretion.

Experience

3. (MS) Résumé for each staff person including subcontractors submitted for this project (include company names and phones numbers worked for past three years for each individual).

Cost Proposal

4. (MS) Provide:
   - Number of hours required for you to complete the Scope of Work;
   - Hourly rate proposed for consultant(s) to complete the work; and
   - Total cost for completing the Scope of Work.

References

5. (M) Include appropriate references if requested using Table 1: Reference(s).

Mandatory

6. (M) Affirm that the proposed consultant(s) will be available to begin work no later than **July 20, 2017**. Indicate any known staff scheduling issues during the proposed project period including but not limited to other project engagements and holidays.

7. (M) Affirm that Independence will be maintained; there is, and will be, no affiliation with the ACHs or their partnering providers.

8. (M) Affirm that activities and responsibilities under this scope of work will be maintained as distinct, separate, and independent from any other contract that vendor may, or will, have with HCA for services under the MTP, including an assurance that different staff and subcontractors, if any, will be maintained. This distinction, separation, and independence may be subject to verification by HCA, at HCA's sole discretion.

9. (M) Vendor's contact information for this 2nd Tier Solicitation. Include project lead name, title, email, phone & fax numbers.

10. (M) Name of Subcontractor providing services under the resulting Work Order, if applicable.
11. (M) Number of staff that will be available for this 2nd Tier Solicitation.
12. (M) Commit that the staff proposed for this work will actually perform the contracted services. The bidder, by submitting a proposal, agrees that he/she will not remove the selected staff person without the prior approval of HCA Contract Manager. If removal is permitted, the bidder agrees that it will submit the name of the proposed replacement, who must meet the qualifications/experience requirements, for Contract Manager's review and approval before the individual is assigned responsibility for services of any 2nd Tier Contract awarded as a result of this 2nd Tier Solicitation.
13. (M) Affirm availability of staff with knowledge of deliverables in Scope of Work for Oral Interview and Presentation with HCA, if required. Oral Interview and Presentation will be scored separately.

(M) **Mandatory** Requirements must always indicate explicitly whether or not the bidder's proposed services meet the requirement.

(MS) **Mandatory Scored** Requirements must always indicate explicitly whether or not the bidder's proposed services meet the requirement and describe how the bidder's proposed services will accomplish each requirement.

Evaluation Criteria: Responses will be reviewed on a pass/fail basis to determine if the response meets the minimum qualifications and responsiveness. Only responses meeting minimum qualifications and responsiveness will be further evaluated. Responses that do not meet minimum qualifications or responsiveness will be deemed unresponsive and will not move on to evaluations.

Responses that pass the minimum qualifications will be evaluated on both Cost and Non-Cost Elements. HCA reserves the right to award the Work Order to the Bidder whose bid is deemed to be in HCA's best interest, and is not limited to the lowest bid.

Capabilities	**Weight Assigned**
Proposed solution / methodology / project plan / project schedule (1)	80
Related project description (2)	40
Resumes (3)	60
Costs/Price (4)	20
Total	**200**
Oral Interview and Presentation (scored separately, if required)	100

The written proposal will be reviewed and scored by an evaluation team using a weighted scoring system, above. HCA may award a Work Order upon completion of written proposal scoring or, at its sole discretion, may request the top scoring Bidders to participate in an oral presentation. The scores from the written evaluation and the oral presentation combined together will determine the Apparently Successful Bidder.

If oral presentations are conducted, the proposed consulting staff must be available to appear, in person, at HCA's location in Olympia, WA or by teleconference from **July 5, 2017** to **July 6, 2017**. An in-person presentation is preferred. Commitments made by the Bidder at the oral presentation, if any, will be considered binding.

Work Request Submittal Instructions

Complete Responses must be received electronically on or before [Due Date] at 2:00 p.m. (PT). Bidder must complete and submit all pertinent sections of the Work Request as their Work Request Response. Bidder is instructed to deliver the Work Request Response as follows:

a. Attach the completed Work Request Submittal Document to a single email message and send it to contracts@hca.wa.gov.

b. Clearly mark the subject line of the email: **16-026 Response - [Vendor Name]**.

c. The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the 2nd Tier Solicitation Coordinator immediately. To keep file sizes to a minimum, Bidders are cautioned not to use unnecessary graphics in their Proposals.

d. Time of receipt will be determined by the e-mail date and time received at the HCA's mail server in the contracts@hca.wa.gov inbox. The "receive date/time" posted by the HCA's email system will be used as the official time stamp. The HCA is not responsible for problems or delays with e-mail when the HCA's systems are operational.

Exhibit A: Reference Template

Bidder, complete reference(s) and return the following information with your response

Table 1: Reference(s)

This reference applies to the category. Note: Vendor submission of this form constitutes permission for HCA to contact the reference indicated herein.	
Organization Legal Name:	
Contact Name of Reference:	Contact's E-mail:
Contact's Phone Number:	Name of the Vendor's Consultant(s) who are known to this contact:
Time Frame of Services Provided:	Budget for Services Performed by Vendor:
Description of Services Performed:	
(This space reserved for HCA use)	