MEDICAID TRANSFORMATION WAIVER

GUIDE TO DEVELOPMENT OF THE TRANSFORMATION PROJECTS LIST

Washington State Health Care Authority
and Department of Social and Health Services

December 1, 2015

Contents

I.   Purpose of this Document

On August 24, 2015, the Washington State Medicaid program submitted a proposal to the Centers for Medicare and Medicaid Services (CMS) for a Section 1115 Medicaid Transformation waiver. The complete proposal application is available on the Health Care Authority website at: http://www.hca.wa.gov/hw/Documents/waiverapplv2_fix_100815.pdf. It provides detailed background for the rest of this document.

This document presents an opportunity for interested stakeholders and Tribal partners to propose ideas that will help shape the list of delivery system transformation projects to be funded through the waiver. As the first step, we are soliciting details on regional and statewide projects for which there is an evidence or promising-practice research basis to warrant federal investment through the waiver, including possible opportunities for standardization.

- Attachment A includes a template that should be used to submit project suggestions. **Project suggestions must be submitted by January 15, 2016.**

- A webinar has been scheduled for **December 8, 2015** to explain the submission process further and answer questions. To join us for this webinar, please register at: https://attendee.gotowebinar.com/register/2054476330064267521**.**

Details submitted for proposed projects will inform discussions with CMS in early 2016. Not every project proposed will necessarily be implemented under the waiver. Projects must be approved by CMS and will then be supported through waiver investments overseen by Accountable Communities of Health (ACHs). A final list of projects will not be formalized until after an approved waiver is in place.

II.   Medicaid Transformation Waiver Background—Goals and Initiatives

The proposed waiver promotes and advances the state's vision for a Healthier Washington by allowing flexibility and expenditure authority to transform the delivery system for the 25 percent of Washington's population served by Medicaid.

Through the waiver, the State is seeking a federal investment in the following four key goals:

1. Reduce avoidable use of intensive services and settings such as acute care hospitals, nursing facilities, psychiatric hospitals, traditional long term services and supports (LTSS), and jails.

2. Improve population health, with a focus on prevention and management of diabetes, cardiovascular disease, pediatric obesity, smoking, mental illness, substance use disorders, and oral health that is coordinated and whole-person centered.

3. Accelerate the transition to value-based payment, while ensuring that access to specialty and community services outside the Indian Health system are maintained for Washington's tribal members.

4. Ensure that Medicaid per-capita cost growth is two percentage points below national trends.

These goals will be achieved through three initiatives:

1. Transformation through Accountable Communities of Health

2. Broaden Array of Service Options that Enable Individuals to Stay at Home and Delay or Avoid Need for More Intensive Care

3. Provision of Targeted Foundational Community Supports

III. Transformation through Accountable Communities of Health—Proposed Project Examples

This document focusses on gathering project ideas that support Initiative 1, transformation led by Accountable Communities of Health. Washington's waiver application to CMS included *example*s of potential projects organized within three domains that target health systems capacity building, care delivery redesign, and population health improvement. Many of these examples are consistent with projects allowed under similar Medicaid Transformation waivers approved or being reviewed by CMS for other states.[1]

The three domains provide the focal areas for Medicaid transformation projects under Washington's proposed waiver, however they should not be assumed to be mutually exclusive. They may be complementary in that a project in one domain may reference a project in another domain. For example, a care delivery redesign project (Domain 2) may require an element of workforce development and/or support for providers to adopt a value-based payment model (Domain 1) to be successful.

Based on comments from stakeholders and Tribal partners, innovative project ideas have been added to the examples proposed in the waiver application. They are included in the list below. Additional information on each of these projects will be needed for discussions with CMS.

Domain 1 - Health Systems Capacity Building
Strategies and projects that build providers' capabilities to effectively operate in a transformed system. These supports may be needed to complement projects related to care delivery redesign and population health domains, or to support delivery of benefits available through Initiatives 2 and 3.

- Workforce development (in support of care delivery redesign)
- System infrastructure, technology and tools
  - Telemedicine access to services in underserved areas
- Supports for providers to adopt value-based payment models

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[1] For example, projects approved by CMS for investment in the New York Medicaid Transformation waiver are described more fully at: http://www.health.ny.gov/health_care/medicaid/redesign/docs/dsrip_project_toolkit.pdf.

Domain 2 - Care Delivery Redesign
Statewide scaling, spreading, and sustaining of care delivery models that integrate systems of care and supports to address the health and recovery needs of the whole person, develop clinical-community linkages, and build better transitions of care.

- Bi-directional integrated delivery systems
    - Expand Collaborative Care IMPACT/Mental Health Integration Program (MHIP) model statewide[2]
    - Scale and spread behavioral health-based whole-person care management
    - Community-based model—seamless link to community behavioral health agencies for technical assistance, behavioral health consultation, and interdisciplinary teams that support complex health needs/social determinants of health and recovery in environment of choice
- Access to care coordination, case management and transitional care
    - Complex care management for high-risk emergency department users
    - Care coordination for transitions from jail to community
    - Care transition interventions for skilled nursing facility (SNF) residents
    - Care transition following acute behavioral health interventions
- Outreach, engagement and recovery supports
    - Asthma home-based self-management (Tribal focus)
    - Integrated mobile services outreach and engagement
    - Pre-enrollment outreach and engagement for homeless individuals

Domain 3 - Population Health Improvement—Prevention Activities
Focus on clinical and community prevention and health promotion for Medicaid beneficiaries, consistent with the goals of the waiver.

- Mental Health and Substance Use Disorders
    - Targeted early intervention for first episode psychosis (with potential support from Initiative 3 and coordination with "Get Help Early" tools and resources[3])
    - Substance use disorder continuum of care
    - Early identification, screening, and referral
    - Opiate overdose prevention
- Chronic disease prevention
    - Smoking, pediatric obesity, diabetes, cardiovascular disease
    - Oral health prevention and management of early childhood caries
- Promote Healthy Women, Infants, and Children (safe pregnancy and delivery)

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[2] See evidence base at: https://aims.uw.edu/collaborative-care/evidence-base; http://integratedcare-nw.org/

[3] See tools and resources available at: www.dshs.wa.gov/GetHelpEarly

IV. How to Submit Suggestions for Transformation Projects

The State's immediate focus is on obtaining further information from stakeholders and Tribal partners to more fully describe potential project ideas in upcoming discussions with CMS toward waiver approval. Through the submission of completed project templates we expect to gather essential details for projects already proposed on the list above and for new ideas not currently represented.

- Project suggestions must be submitted by interested stakeholders or Tribal partners, using the "*Template for Transformation Project Suggestions*" provided in Attachment A. The State expects to have a finite set of projects and may narrow the array of projects prior to final decisions made by CMS.

- For favorable review it should be clear that projects are:

    o Designed to promote the integrity and objectives of the state's Medicaid program
    o Designed to positively impact a substantial number of Medicaid enrollees
    o Transformative and explicitly support the goals of the waiver
    o Evidence-based or promising practices with strong potential for measurable return on investment over the course of the waiver (i.e., within 5 years if possible)
    o Substantially different than other CMS funded initiatives (e.g., they are new and innovative, or they augment or leverage current initiatives)
    o Designed to address significant community health needs in the ACH region or statewide, with evidence of collaboration in project planning.

- Please e-mail completed project templates by **January 15, 2016,** to MedicaidTransformation@hca.wa.gov, with the subject "Medicaid Waiver Project". All submissions will be posted to the Medicaid Transformation web site http://www.hca.wa.gov/hw/Pages/medicaid_transformation.aspx as they are received and follow-up public comments are welcomed. If questions arise, the HCA will contact individuals identified on the completed templates for clarification.

- A webinar will be conducted on **December 8, 2015**, to introduce the process for suggesting transformation projects and answer questions. Answers to questions will be made available in periodic feedback e-blasts, and on the Medicaid Transformation web site, and via further webinars if needed. For updates and further details, please check: http://www.hca.wa.gov/hw/Pages/medicaid_transformation.aspx.

- We anticipate support from an independent consultant to help evaluate the compilation of suggestions and comments on project ideas. This will include recommendations on criteria for evaluating, linking, aggregating, prioritizing and augmenting suggestions to build a preliminary transformation project list[4] for the State's negotiations with CMS and for communication with stakeholders and Tribal partners.

- Approval of the state's Medicaid transformation project list will be made by CMS and reference to this can be expected in Special Terms and Conditions of an approved waiver.

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[4] The "project list" is sometimes referred to as a project "toolkit" or project "menu."

Attachment A: **TEMPLATE FOR TRANSFORMATION PROJECT SUGGESTIONS**

For projects to be considered for inclusion in the Medicaid Transformation Project List, please provide the information requested in the template. We are looking for summarized information – **2-3 pages maximum per project**.
Please email completed templates by **January 15, 2016,** to MedicaidTransformation@hca.wa.gov with the subject **Medicaid Waiver Project**. Thank you for your interest and support.

Contact Information	*Identify point person, telephone number, e-mail address* *Which organizations were involved in developing this project suggestion?*
Project Title	*Title of the project/intervention*

Rationale for the Project

Include:
- *Problem statement – why this project is needed.*
- *Supporting research (evidence-based and promising practices) for the value of the proposed project.[i]*
- *Relationship to federal objectives for Medicaid[ii] with particular attention to how this project benefits Medicaid beneficiaries.*

Project Description

Which Medicaid Transformation Goals[iii] are supported by this project/intervention? Check box(es)
- ☐ Reduce avoidable use of intensive services
- ☐ Improve population health, focused on prevention
- ☐ Accelerate transition to value-based payment
- ☐ Ensure Medicaid per-capita growth is below national trends

Which Transformation Project Domain(s) are involved? Check box(es)
- ☐ Health Systems Capacity Building
- ☐ Care Delivery Redesign
- ☐ Population Health Improvement—prevention activities

Describe:
- *Region(s) and sub-population(s) impacted by the project. Include a description of the target population (e.g., persons discharged from local jail facilities with serious mental illness and or substance use disorders).*
- *Relationship to Washington's Medicaid Transformation goals.*
- *Project goals, interventions and outcomes expected during the waiver period, including relationship to improving health equity /reducing health disparities.*
- *Links to complementary transformation initiatives—those funded through other local, state, or federal authorities (such as the Health Home program and Early Adopter/Behavioral Health Organization regional purchasing) and/or Medicaid Transformation Initiatives # 2 and 3.*
- *Potential partners, systems, and organizations (e.g., health and social service providers, ACH participants) needed to be engaged to achieve the results of the proposed project.*

Core Investment Components

Describe:
 • *Proposed activities and cost estimates ("order of magnitude") for the project.*
 • *Best estimate (or ballpark, if unknown) for:*
      o How many people you expect to serve, on a monthly or annual basis, when fully implemented.
      o How much you expect the program to cost per person served, on a monthly or annual basis.
 • *How long it will take to fully implement the project within a region where you expect it will have to be phased in.*
 • *The financial return on investment (ROI) opportunity, including estimated amounts and associated ROI timeline.*

Project Metrics
The State will monitor implementation of transformation projects at regional and statewide levels through process and outcome measures. Each project will require clearly defined outcomes that relate to the goals and specific process steps.   *Wherever possible describe:*   • *Key process and outcome measures (and specific benchmark performance data if known) against which the performance of the project would be measured. Include priority measures sets described in the Waiver application, http://www.hca.wa.gov/hw/Documents/waiverapplv2_fix_100815.pdf, pages 46-47[iv].*   • *If no specific benchmark performance data are currently available, what efforts will be undertaken to establish benchmark performance ahead of any proposed project implementation?*

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[i] The Washington State Institute for Public Policy, http://www.wsipp.gov, has identified "evidence-based" policies that can lead to better outcomes; Behavioral health research reports developed by the Research and Data Administration are available at: https://www.dshs.wa.gov/bhsia/division-behavioral-health-and-recovery/decision-support-and-evaluation

[ii] Medicaid objectives as stated in GAO report 15-239, April 2015, http://www.gao.gov/products/GAO-15-239:
- Increase and strengthen coverage of low income individuals.
- Increase access to, stabilize, and strengthen provider networks available to serve Medicaid and low-income populations.
- Improve health outcomes for Medicaid and low-income populations.
- Increase the efficiency and quality of care for Medicaid and other low-income populations through initiatives to transform service delivery networks.
- Criteria established for specific demonstrations described through an informational bulletin or State Medicaid Director's Letter – available at: http://www.medicaid.gov/federal-policy-guidance/federal-policy-guidance.html.

[iii] Transformation goals as stated in Washington's Medicaid Transformation waiver, http://www.hca.wa.gov/hw/Documents/waiverappl.pdf:
- Reduce avoidable use of intensive services and settings such as acute care hospitals, nursing facilities, psychiatric hospitals, traditional LTSS and jails.
- Improve population health, with a focus on prevention and management of diabetes, cardiovascular disease, pediatric obesity, smoking, mental illness, substance use disorders and oral health; that is coordinated and whole-person centered.
- Accelerate the transition to value-based payment, while ensuring that access to specialty and community services outside the Indian Health system are maintained for Washington's tribal members.
- Ensure that Medicaid per-capita cost growth is two percentage points below national trends.

[iv] This includes the statewide common measure set for tracking health care quality and cost across multi-payer public and private health delivery systems: http://www.hca.wa.gov/hw/Documents/pmcc_final_core_measure_set_approved_121714.pdf and the subset of 2016 Medicaid contract common performance metrics. It also includes priority measures for critical behavioral health and community support services recommended by the 5732/1519 Steering Committee and reported to the Legislature in "*Service Coordination Organizations – Accountability Measures Implementation Status*", (page 36) at: http://www.hca.wa.gov/documents_legislative/ServiceCoordinationOrgAccountability.pdf.