

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	<i>Identify point person, telephone number, e-mail address:</i> Shawnie Haas, Executive Director, SignalHealth, (509) 249-5046, shawniehaas@signalhealthwa.com <i>Which organizations were involved in developing this project suggestion?</i> Greater Columbia Accountable Community of Health
Project Title	<i>Title of the project/intervention:</i> Clinical integration for Medicaid and dual eligible beneficiaries
Rationale for the Project	
<p><i>Include:</i></p> <ul style="list-style-type: none"> • <i>Problem statement – why this project is needed.</i> According to the American Hospital Association, “clinical integration is needed to facilitate the coordination of patient care across conditions, providers, settings, and time in order to achieve care that is safe, timely, effective, efficient, equitable, and patient-focused. To achieve clinical integration we need to promote changes in provider culture, redesign payment methods and incentives, and modernize federal laws.”¹ Signal Health is the only Clinically Integrated Network (CIN) in central Washington, with approximately 450 primary, specialty, and tertiary care members. • <i>Supporting research (evidence-based and promising practices) for the value of the proposed project.</i> The Washington State Institute for Public Policy (WSIPP) has identified Accountable Care Organizations (ACO), which include “aligned physician network[s], with physicians integrated... through clinical integration”,² as an evidence-based policy that can lead to better outcomes.³ • <i>Relationship to federal objectives for Medicaid with particular attention to how this project benefits Medicaid beneficiaries.</i> The project will: 1) increase and strengthen coverage of low-income individuals as it will provide clinically integrated services for Medicaid and dual eligible beneficiaries; 2) increase access to, stabilize, and strengthen provider networks available to serve Medicaid and low-income populations as it will provide clinically integrated services for Medicaid and dual eligible beneficiaries across providers; 3) improve health outcomes for Medicaid and low-income populations as clinical integration improves performance on diabetes mellitus, congestive heart failure, coronary artery disease, and preventive care measures;⁴ and 4) increase the efficiency and quality of care for Medicaid and other low-income populations through initiatives to transform service delivery networks as clinical integration reduces health care costs.³ 	
Project Description	
<p><i>Which Medicaid Transformation Goals are supported by this project/intervention? Check box(es)</i></p> <p><input checked="" type="checkbox"/> Reduce avoidable use of intensive services</p> <p><input checked="" type="checkbox"/> Improve population health, focused on prevention</p> <p><input checked="" type="checkbox"/> Accelerate transition to value-based payment</p> <p><input checked="" type="checkbox"/> Ensure Medicaid per-capita growth is below national trends</p>	

¹ Source: American Hospital Association. Accessed January 2015 at <http://www.aha.org/advocacy-issues/clininteg/index.shtml>.

² Source: The Advisory Board Company. Accessed January 2015 at <https://www.advisory.com/research/care-transformation-center/care-transformation-center-blog/2014/09/deciphering-the-reform-alphabet>.

³ Source: WSIPP. Accessed January 2016 at <http://www.wsipp.wa.gov/BenefitCost/Program/594>.

⁴ Kautter J, et al. *Evaluation of the Medicare Physician Group Practice Demonstration: Final Report*. Research Triangle Park, NC: RTI International, 2012.

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). The project will impact Medicaid and dual eligible beneficiaries in Kittitas and Yakima Counties.*
- *Relationship to Washington’s Medicaid Transformation goals. The project will: 1) Reduce avoidable use of intensive services and settings as clinical integration reduces hospital discharges;⁴ 2) Improve population health as SignalHealth members will record patient information and clinical data, collect and regularly update a comprehensive health assessment, use data for population management, and implement evidence-based decision support;⁵ 3) Accelerate the transition to value-based payment (payment model 2, encounter-based to value-based) as SignalHealth Federally Qualified Health Center, Rural Health Clinic, and/or Critical Access Hospital members will provide clinically integrated services; and 4) Ensure that Medicaid per-capita cost growth is two percentage points below national trends as clinical integration reduces health care costs.³*
- *Project goals, interventions and outcomes expected during the waiver period, including relationship to improving health equity/reducing health disparities. The project goal is to provide clinically integrated services for Medicaid and dual eligible beneficiaries in Kittitas and Yakima Counties. SignalHealth will continue to develop the following CIN components: a set of clinical and administrative metrics defining the network’s performance improvement goals, membership selectively limited to those physicians able to advance those goals, a system to monitor physician performance against those goals, a physician-led governance structure to oversee program operations (supported by administrative staff), an information technology infrastructure to identify improvement opportunities and facilitate exchange of patient information between participants, performance-based payment incentives to motivate physician achievement of goals, and joint contracting with commercial payers/employers for physician services.² Expected project outcomes include an improvement or reduction, as applicable, in the 52 prevention, chronic, acute measures listed in the *Washington State Common Measure Set for Health Care Quality and Cost*; and the 20 health/wellness, utilization, and disparities measures listed in the *Report to the Legislature: Service Coordination Organizations – Accountability Measures Implementation Status*. Maxwell et al. state “safety-net ACOs [contribute] to achieving the Triple Aim in Medicaid... [by] delivering care for vulnerable populations”, thus improving health equity.⁶*
- *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. The Centers for Medicare and Medicaid Services offers several ACO programs, including the Medicare Shared Savings Program, Pioneer ACO Model, and Next Generation ACO Model, whereby shared savings fund the development of CIN components.*
- *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. The project will engage business, community- and faith-based, consumer, education, food system, health care provider, hospital, housing, local government, philanthropy, public health, social services, transportation, and tribal organizations in Kittitas and Yakima Counties.*

⁵ National Committee for Quality Assurance. *PCMH 2014 Standards and Guidelines*. Washington, D.C.: National Committee for Quality Assurance, 2014.

⁶ Maxwell J, Bailit M, Tobey R, Barron C. Early observations show safety-net ACOs hold promise to achieve the Triple Aim and promote health equity. *Health Aff Blog*. 2014;Sept 15.

Core Investment Components
<p><i>Describe:</i></p> <ul style="list-style-type: none"> • <i>Proposed activities and cost estimates (“order of magnitude”) for the project. Proposed activities include developing a set of clinical and administrative metrics defining the network’s performance improvement goals, membership selectively limited to those physicians able to advance those goals, a system to monitor physician performance against those goals, a physician-led governance structure to oversee program operations (supported by administrative staff), an information technology infrastructure to identify improvement opportunities and facilitate exchange of patient information between participants, performance-based payment incentives to motivate physician achievement of goals, and joint contracting with commercial payers/employers for physician services. SignalHealth will request funding for joint contracting activities. WSIPP cost results are not yet available for ACOs. However, the American Hospital Association estimates annual costs to develop contracting capabilities for a 200 bed, 1-hospital system with 80 primary care physicians and 150 specialists to be \$150,000 per year.⁷</i> • <i>Best estimate (or ballpark if unknown) for:</i> <ul style="list-style-type: none"> ○ <i>How many people you expect to serve, on a monthly or annual basis, when fully implemented. SignalHealth members will serve an estimated 37,373 Medicaid and dual eligible beneficiaries per year.</i> ○ <i>How much you expect the program to cost per person served, on a monthly or annual basis. At an annual cost of \$150,000, the program will cost \$4 per participant per year.</i> • <i>How long it will take to fully implement the project within a region where you expect it will have to be phased in. The project is already operating in the region.</i> • <i>The financial return on investment (ROI) opportunity, including estimated amounts and associated ROI timeline. WSIPP benefit-cost results are not yet available for ACOs. However, WSIPP found that ACOs have demonstrated a 1.9%-7.5% reduction in health care costs.³</i>

Project Metrics
<p><i>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.</i></p> <p><i>Wherever possible describe:</i></p> <ul style="list-style-type: none"> • <i>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/waiverappl.pdf pages 46-47. Process measures will include the number of SignalHealth Medicaid and dual eligible beneficiaries in Kittitas and Yakima Counties who receive clinically integrated services. Outcome measures will include the 52 prevention, chronic, acute measures listed in the <i>Washington State Common Measure Set for Health Care Quality and Cost</i>; and the 20 health/wellness, utilization, and disparities measures listed in the <i>Report to the Legislature: Service Coordination Organizations – Accountability Measures Implementation Status</i>.</i> • <i>If no specific benchmark performance data are currently available, what efforts will be undertaken to establish benchmark performance ahead of any proposed project implementation? County-level benchmark performance data are available for the <i>Washington State Common Measure Set for Health Care Quality and Cost</i>.</i>

⁷ American Hospital Association. *The Work Ahead: Activities and Costs to Develop an Accountable Care Organization*. Chicago, IL: American Hospital Association, 2011.