HCA Overview

Dorothy Teeter, Director
Thuy Hua-Ly, Chief Financial Officer
Lou McDermott, Public Employee Benefits Director
MaryAnne Lindeblad, Medicaid Director
Nathan Johnson, Chief Policy Officer
Dr. Dan Lessler, Chief Medical Officer

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Today’s topics

• Agency Introduction
• Budget
• PEBB Program
• Medicaid Program
• Healthier Washington
  – Paying for value
  – Accountable Communities of Health
  – Medicaid transformation
  – Ensuring clinical quality
VISION

A healthier Washington.

MISSION

Provide high quality health care through innovative health policies and purchasing strategies.

VALUES

People First
Innovation
Respect
Public Service
Collaboration
Service Excellence
Leadership
Stewardship
Serving our Customers

HCA Total Calls by Month

12 month total = 1.2 million
Accountability

Scorecards

HCA/Divisions

Fundamentals

Map

Quarterly

Target Review
Medicaid budget and enrollment (05-17)

HCA's GFS Budget vs. Total GFS Budget Over Medicaid Enrollment

<table>
<thead>
<tr>
<th>Biennium</th>
<th>WA State</th>
<th>HCA</th>
<th>Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-2007</td>
<td>$30.2</td>
<td>$4.1</td>
<td></td>
</tr>
<tr>
<td>2007-2009</td>
<td>$32.6</td>
<td>$4.4</td>
<td></td>
</tr>
<tr>
<td>2009-2011</td>
<td>$30.3</td>
<td>$3.8</td>
<td></td>
</tr>
<tr>
<td>2011-2013</td>
<td>$31.2</td>
<td>$4.1</td>
<td></td>
</tr>
<tr>
<td>2013-2015</td>
<td>$33.7</td>
<td>$4.3</td>
<td></td>
</tr>
<tr>
<td>2015-2017</td>
<td>$38.2</td>
<td>$4.0</td>
<td></td>
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</table>
Agency Budget Overview

3% of HCA’s budget supports agency administration.

<table>
<thead>
<tr>
<th>Source</th>
<th>Budget</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>$0.6 billion</td>
<td>3%</td>
</tr>
<tr>
<td>PEB</td>
<td>$4.1 billion</td>
<td>20%</td>
</tr>
<tr>
<td>Medicaid</td>
<td>$16.2 billion</td>
<td>77%</td>
</tr>
<tr>
<td>Total budget</td>
<td>$20.9 billion</td>
<td>100%</td>
</tr>
</tbody>
</table>

Sources: Agency Financial Reporting System (AFRS) Allotments
October 2016 Forecast-to-Budget
The majority of HCA’s Medicaid budget is for client services funded through federal Medicaid and Children’s Health Insurance Programs.

**2015–17 Biennium**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>$16.1 billion</td>
<td>97%</td>
</tr>
<tr>
<td>Administration</td>
<td>$0.4 billion</td>
<td>2%</td>
</tr>
<tr>
<td>HBE</td>
<td>$0.1 billion</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total Medicaid budget</strong></td>
<td><strong>$16.6 billion</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Sources: Agency Financial Reporting System (AFRS) Allotments October 2016 Forecast-to-Budget
Public employee benefits (PEB)
The majority of HCA’s PEB budget is for client benefits.

**2015–17 Biennium**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits</td>
<td>$4.1 billion</td>
<td>95%</td>
</tr>
<tr>
<td>Admin</td>
<td>$0.2 billion</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total PEB budget</strong></td>
<td><strong>$4.3 billion</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Sources: Agency Financial Reporting System (AFRS) Allotments
October 2016 Forecast-to-Budget
Fund 721 for Benefits
Public Employees Benefits Board (PEBB) Program
Total Members Served
367,143
Avg. Age: 46

Active and Self-pay Members
267,889
Avg. Age: 36
- State Agency: 121,423
- Higher Ed/CTC: 111,348
- Employer Groups/Poli.subs (includes some K-12): 34,128
- Self-Pay: 990

Retiree Members
99,254
Avg. Age: 72
- State Agency, Higher Ed/CTC Employer Groups/Poli.subs: 56,097
- K-12: 43,157

Dec. 2016 Enrollment
PEBB coverage by district

[Map showing PEBB coverage by district with color codes for different percentage ranges: 1.5% - 4%, 4.1% - 6%, 6.1% - 8%, 8.1% - 12%, 12.1% - 21%]
**PEBB Member medical plan enrollment**

Dec. 2016 Total Enrollment
- UMP: 242,318
- Group Health: 107,235
- Kaiser Permanente: 6,444
- Premera Supplemental Plan F: 11,146
Medicaid

* Purchases health care for 1.9 million people
* Most – 1.55 million – receive care through five MCOs
* $8 billion annual spend
* Populations served include children, pregnant women, disabled adults, elderly persons, former foster care adults, and adults covered through Medicaid expansion
Washington’s uninsured rate has dropped from 14% to 5.8%.

Source: American Community Survey, U.S. Census, September 2016
Managed Care Enrollment

- Amerigroup Washington Inc
- Coordinated Care of Washington
- United Health Care Community Plan
- Community Health Plan of Washington
- Molina Healthcare of Washington Inc
Medicaid coverage by district
Legislative directives for transformation

• E2SHB 2572: Transforming the Health Care Delivery System
• 2SSB 6312: Fully Integrated Medicaid Managed Care
• SHB 1879: Integrated Medicaid Managed Care for Foster Children
• 2ESHB 2376 / Subsections 213 (1)(d-g): Appropriation for Medicaid Transformation Demonstration Waiver Initiatives
Healthier Washington

- Focusing on whole-person health
- Rewarding value over volume
- Empowering local communities
Ensuring care focuses on the whole person
Roadmap to a value-based system

- Reward patient-centered, high quality care
- Reward health plan and system performance
- Align payment and reforms with CMS
- Improve outcomes
- Drive standardization
- Increase sustainability of state health programs
- Triple Aim

2016: 20% VBP
2019: 80% VBP
2021: 90% VBP
Building healthier communities through regional collaboration

Accountable Communities of Health:

• Local, community approach to improving health
• Based on identified needs
• Focused and coordinated across sectors
Medicaid Transformation Demonstration

• Five-year demonstration of innovative strategies to improve health outcomes and use resources wisely
• Authorizes up to $1.5 billion in federal investments with no further/ongoing GF-S
• Three initiatives:
  1. Transformation through Accountable Communities of Health
  2. Long-term Services and Supports
  3. Foundational Community Supports for Housing and Employment
Timeline

Pre-Implementation Activities for the Medicaid Transformation Demonstration

- Agreement in principle
- STC Public Review
- STC Negotiations
- Project Toolkit
  - 30-day Public Review
- Regional Public Forums
- Protocols development
- Demonstration Begins
- Demonstration Year 1
- Protocols due to CMS
  - 60-120 days post approval
Demonstration public forums

Purpose: Inform and invite dialogue with the public in each of the nine ACH regions

Proposed Schedule

- January 30, Kingston
- February 1, Olympia
- February 8, Tacoma
- February 22, Seattle
- February 25, Vancouver
- March 1, Mt. Vernon
- March 11, Tri Cities
- March 12, Spokane
- Week of March 13, Wenatchee
Ensuring clinical quality
Measuring quality: The Common Measure Set

**What do the measures focus on?**

**Access to primary care**
Are children and adults visiting a primary care doctor at least once per year?

**Prevention**
Are patients getting recommended health screenings and immunizations they need to help them stay well?

**Acute care**
Are hospitals doing what they can to promote patient safety and the best outcomes for patients?

**Chronic care**
Are patients with chronic conditions getting care from their doctor that is recommended to help them manage their health?
Driving care transformation

• Vision: Create a healthier Washington by moving the delivery system to a single, measurable standard of evidence-informed, high-quality care.

• Recent areas of focus:
  – Managing the UMP+ contracts
  – The Dr. Robert Bree Collaborative
  – Shared decision-making (certification of patient decision aids)
  – Center of Excellence for PEBB Program
  – Pharmacy Summits
Emerging Care Delivery Issues

• Responding to the opioid use crisis
• Ensuring timely access to services
• Specialty drugs cost and utilization
Questions?

More Information:
http://hca.wa.gov

Nathan Johnson, Chief Policy Officer
Policy, Planning & Performance
nathan.johnson@hca.wa.gov
Tel: 360-725-1880