

Washington State Innovation Models 2nd Quarter Progress Report



May 1 – July 31, 2015

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

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

Success Story or Best Practice

The Paying for Value strategy achieved an important milestone in the second quarter. After lengthy negotiations, the Washington State Health Care Authority (HCA) in June named two Accountable Care Program options for public employee benefits:

- University of Washington Accountable Care Network
- Puget Sound High Value Network LLC

These options will be open first to state employees residing in the Puget Sound region beginning in January 2016.

The two selected networks are committed to implementing the contractual requirements of care transformation across all network partners.

Read more about this

[Paying for value web page](#)

[ACP fact sheet](#)

Challenges

Recruitment. Selecting and hiring a director for the Healthier Washington Analytics, Interoperability and Measurement (AIM) investment area remains a challenge due to the job's complexity. Healthier Washington leadership has addressed this gap by identifying the key accountabilities of the position and assigning responsibilities to other AIM team members, such as project managers, security and data governance specialists, and the HCA's Chief Information Officer.

The lack of a director has not impacted work plans or timeframes because of the swift and adaptive approach to mitigating the gap. However, leadership considers hiring a staff director (as opposed to a contractor) as a key success factor. In the third quarter leadership plan to enlist the assistance of a recruiting firm. Additionally, the Healthier Washington team will continue to identify and mitigate risks associated with having this position unfilled.

Co-location of Healthier Washington staff. An early challenge included team building, coordination and collaboration for a new and forming Healthier Washington team that was spread out across multiple floors and various buildings across town. Via facilities/space planning, the Healthier Washington team within HCA co-located, with ample “float” and collaboration space for team members from other agencies and Healthier Washington consultants. Since co-locating in July, a new and productive energy of collaboration and team emerged.

Governance

Health Innovation Leadership Network (HILN). The second quarterly meeting of the Health Innovation Leadership Network (HILN) took place in July. Building on the first quarter kickoff meeting, during which HILN members agreed to a role focused on action and acceleration, the second meeting focused primarily on the development of subcommittees, called “accelerator committees.” The accelerator committees, comprised of leadership from HILN and participants from organizations not represented HILN, will form in the third quarter and focus on specific and timely efforts that directly impact the achievement of Healthier Washington aims.

The role of HILN is documented in meeting summaries available to the public.

Program documents. The program charter, Core Team charter, and decision-making framework were delivered in the second quarter. Detailed program management tools (such as risk logs, issue logs, and work plans for all investment areas) were also successfully deployed and are systematically updated, reviewed regularly and maintained.

Recruitment. Several key leadership positions were successfully filled in the second quarter:

- Medicaid Transformation Manager, responsible for the two Medicaid-focused payment model tests.
- Practice Transformation Support Hub Director.
- Healthier Washington Department of Health Connector was replaced after the departure of the previous incumbent.

With a majority of the Healthier Washington team and key consultants in place, Healthier Washington leadership held a mid-year summit that gathered program team members and consultants for the first time. The summit generated productive team building and identified opportunities for alignment across the complex Healthier Washington initiative.

Stakeholder Engagement

Key second quarter stakeholder engagement activities in the second quarter included:

- A quarterly webinar focused on payment redesign activities. The webinar presented an overview and update of the four payment model tests, followed by questions and answers. Approximately 170 attendees participated virtually and submitted more than 25 questions.
- HCA reviewed and incorporated more than 1,100 comments from stakeholders to the fully-integrated managed care contracts, which integrates behavioral health services (mental health and chemical dependency services) into managed care. This is the “Early Adopter” program or Payment

Model Test 1. HCA also engaged managed care organizations to educate them on the new services that will fall under a fully-integrated model.

- Healthier Washington staff, in partnership with the two designated Accountable Communities of Health (ACHs) and seven design communities, participated in presentations across the state. Topics included SIM activities on governance, practice transformation, Medicaid transformation, and ACH expectations for 2015 and 2016.
- The Practice Transformation Support Hub sponsored a variety of stakeholder engagement and partner activities to ensure service alignment with provider and community needs, including a listening tour that engaged with a variety of community and agency groups.
- The Performance Measures Coordinating Committee reconvened in June to continue to evolve the Statewide Common Measure Set. Engagement with commercial payers delivered a key accomplishment: an agreement to voluntarily participate in reporting from the 52 common measures and submit data for each of those measures.

Read more about this

[Paying for value web page](#)

[Accountable Communities of Health](#)

[Practice Transformation Support Hub Fact Sheet](#)

[Integrated Physical and Behavioral Health](#)

[Performance Measures](#)

Population Health

The Plan for Improving Population Health will build on the work of the Prevention Framework, including the framework's identified focus areas, objectives, strategies and interventions. The goal of the plan is to provide ways for improving population health on a regional level and develop a toolkit of evidence-based practices. It was determined in the second quarter that the timeframe for development of the plan is now August 2015 to September 2016.

The project lead met with internal and external leadership and partners, developed a draft charter, and hired a dedicated position to manage the plan's development and completion. Plans are in place to form internal and external advisory committees, establish assessment and evaluation plan requirements, and establish communication structures.

Two pilot Accountable Communities of Health (ACH) were officially designated as ACHs. North Sound ACH and Cascade Pacific Action Alliance demonstrated a strong foundation for regional health improvement efforts and collaborative partnership with the state.

Designation allows continued regional health improvement planning and implementation. The ACH framework calls for regions to identify and consider existing community needs assessments, initiatives and assets. This information informs the development of regional strategies to address ACH priorities. As an example, the Cascade Pacific Action Alliance is currently implementing a Youth Behavioral Health Coordination Project to identify children with behavioral health challenges as early as possible in both

educational and health care settings, and connect at-risk children bi-directionally with community-based interventions and treatment services.

The Plan for Improving Population Health will align with and serve as a resource to ACHs as they identify priorities and corresponding evidence-based practices and strategies.

Health Care Delivery System Transformation

The Practice Transformation Support Hub began its design and development phase in the second quarter. Key activities and deliverables included:

- Hired a Practice Transformation Support Hub Director.
- Hired a DSHS Practice Transformation Consultant.
- Developed work plans and aligned cross-agency staff and accountabilities.
- Developed a communications strategy map to guide cross-agency stakeholder engagement and messaging efforts.
- Developed and implemented a stakeholder engagement plan to apply user-centered design strategy to inform development, phased implementation, and prioritization of Hub services.
- Held three listening sessions with providers and provider organizations across the state to inform Hub design and priorities.
- Developed a plan to build on existing quality improvement and practice transformation resources and efforts to provide tools, resources, and technical assistance for practice transformation activities.
- Initiated inventory assessment of publicly-funded practice facilitation agencies in the state to better understand their current and three-year priorities for their services. Interviews looked for insights on how to align these practice facilitation initiatives and promote cross-agency synergy.

Read more about this

[Practice Transformation Hub web page](#)

[Practice Transformation Support Hub Fact Sheet](#)

Payment and/or Service Delivery Models

Payment Model Test 1-Early Adopter. HCA finalized the managed care contracts to integrate mental health and chemical dependency services into physical health managed care plans. HCA drafted a request for proposals to procure managed care organizations (MCOs) to provide fully-integrated services in the southwest regional service area and established new standards to measure adequacy of substance use disorder services.

Per CMMI’s request for clarification in the first quarter report, the Early Adopter “interactive model” allows users to choose from a menu of evidence-based physical and behavioral health interventions that could be accelerated in this model. Users can choose how many (and which) interventions to implement, which population to apply the intervention to, and the level of resources to direct toward the intervention. The model provides an estimated cost savings based on the users’ choices and parameters.

Payment Model Test 2—Encounter-based to Value-based. Representatives of Critical Access Hospitals met to discuss challenges and opportunities to realizing the value-based purchasing goals. Subsequently, Critical Access Hospital executives submitted letters of intent to work with HCA to develop new payment and delivery approaches. Additionally, an RFP was released to recruit an expert to help navigate alternative payment model development with Federally Qualified Health Centers and Rural Health Clinics.

Payment Model Test 3—Accountable Care Program. See *Success Story* on page 1.

Payment Model Test 4—Greater Washington Multi-Payer. Healthier Washington reached the final stages of model test 4 design, with plans to release a Request for Application in the third quarter. This multi-payer initiative aims to advance value-based purchasing across Washington by empowering providers to take on risk, better coordinate care, and more effectively manage population health through an innovative claims and clinical data aggregation platform.

Read more about this

[Paying for value web page](#)

[ACP fact sheet](#)

Leveraging Regulatory Authority

Medicaid Transformation Waiver. Washington intends in the third quarter to submit an application for a Medicaid Section 1115 Waiver designed to bring key SIM initiatives to scale. The waiver builds on elements of value-based purchasing and fully-integrated care, with particular reliance on the role of ACHs as entities that will foster and coordinate those elements. During this reporting period, Washington issued a concept paper to the public, followed by release of a draft waiver application. The Healthier Washington team engaged the public through a series of webinars and presentations, including extensive discussions with ACHs, tribes and many stakeholder organizations. Considerable feedback was collected and incorporated into the draft.

Read more about this

[Medicaid Transformation web page](#)

[Paying for value web page](#)

All-Payers Claims Database (APCD). The Washington State Legislature established a statewide all payer health care claims database to support transparent public reporting of health care information. The Office of Financial Management (OFM) is the agency overseeing this work. OFM will release a Request for Proposals to find a lead organization in the third or fourth quarter to oversee the development of the Washington APCD. Selection of a lead organization is expected by January 2016.

The APCD is projected to be built in phases with financial support from another federal grant (Cycle III and IV). Phase I is slated to be operational by October 2016 and will include state-financed data (state employee and Medicaid) and commercial plans. Phase 2 is slated to be operational by January 2017 and will include state workers' compensation data and additional voluntary data.

Workforce Capacity

In preparation for the Community Health Worker Task Force convening in the third quarter, Healthier Washington engaged in planning for a robust task force progression with actionable policy recommendations to inform the SIM operational plan. The task force, with the HCA Director and Secretary of Health as co-executive sponsors, will be an extensive and broad based task force with membership including representation by those working in the field as well as representatives of clinical, community, physical and behavioral health, employer, nursing, tribal, labor, education, and legislative sectors.

Read more about this

[Community Health Worker Task Force web page](#)

Health Information Technology

The Analytics, Interoperability and Measurement (AIM) program made great progress in the second quarter, with activities and milestones as follows:

- Formed an AIM-specific governance structure while aligned with the overall governance structure of the Healthier Washington initiative. The two primary groups in the governance model include:
 - AIM Steering Committee, consisting of Healthier Washington leadership from HCA, DOH and DSHS. This body is chartered to make decisions about AIM's program scope, cost and schedule, or to escalate to the Core Team or the Healthier Washington Consulted Leadership as needed.
 - AIM team, consisting of AIM-funded personnel, as well as key staff from HCA, DOH and DSHS.
- Built a high-level work plan for AIM, which covers the remainder of 2015 and includes expected deliverables from a Business Intelligence/Shared Analytics (BI/SA) roadmap effort. The major planning deliverable for AIM was creation of a charter, to be approved by the AIM Steering Committee in the third quarter.
- The BI/SA roadmap effort led to a set of business imperatives (i.e., goals and objectives) for the Healthier Washington initiative. The business imperatives were accepted by the AIM Steering Committee and adopted into the AIM Charter.
- The AIM team hired its first two SIM-funded staff: a Healthier Washington privacy and security officer and a project manager.

Continuous Quality Improvement

The University of Washington was brought on board as the state's evaluator in the second quarter and established regular meetings and assigned responsibilities for aspects of the evaluation design. An Evaluation Council was convened and meets monthly.

The evaluation team completed a robust set of meetings and conversations in order to understand the data sources and availability; the activities of the DSHS Research and Data Analysis group, data infrastructure, and the evaluation component relative to physical and behavioral health integration; the activities of the ACH evaluators; the four payment models; and the Practice Transformation Hub.

The information gathered during the second quarter will inform a conceptual model, to be delivered in the third quarter, to guide the qualitative and quantitative analyses of the SIM evaluation. The framework will include but not be limited to a driver diagram that articulates the relationships between:

- Specific interventions and the three core strategies underlying SIM.
- The five strategic investment areas and the three core strategies they support.
- The core strategies and the “Triple Aim” they are attempting to achieve.

Status reporting, budget reporting and milestone tracking have been in place since mid-June. The creation of the program work plan and milestone chart enabled date tracking at the milestone level and the next step will be to standardize metrics for gauging project health, such as timely completion of key milestones, risk mitigations, and issues resolved in a timely manner.

Additional Information

Communication. Communication activities occurred in the second quarter to respond to requests to help tell the story of Healthier Washington and what it will achieve:

- HILN members received an “Ambassador’s Toolkit,” a set of communication tools that include summaries of initiative efforts, fact sheets and graphics.
- A series of four videos were completed to illustrate the diversity of collaboration occurring to achieve the aims of Healthier Washington, as well as tell stories of how lives are affected by current system inefficiencies and how Healthier Washington will assist in necessary health systems transformation.

Shared decision making. Healthier Washington, through a grant from the Gordon and Betty Moore Foundation, convened state and national stakeholders in May to discuss the process for certifying patient decision aids in Washington. The feedback led to a draft process document, updated WAC language, and an application process for developers to submit patient decision aids for consideration. Once a certification process is in place, Healthier Washington will spread the use of certified decision aids across the state.

Healthier Washington change management. HCA sponsored several staff members to attend change management training in support of grant-funded activities. As a result, a change management proposal is being developed on how to better support leaders in both primary sponsor and sponsor coalition roles, to help them lead transformational activities and teams, particularly relating to the Healthier Washington team structure.

Healthier Washington Quarterly Expenditure Report



YEAR 1

		Quarter 1 (Feb - Apr 2015)	Quarter 2 (May - Jul 2015)	Quarter 3 (Aug - Oct 2015)	Quarter 4 (Nov 2015 - Jan 2016)	Total Expenditures	Budget	Remaining Balance	% Spent
Community Empowerment	FTE's	2.33							
	A. Personnel	\$24,925	\$49,375			\$74,300	\$252,330	\$178,030	29%
	B. Fringe Benefits	\$7,497	\$14,142			\$21,639	\$75,699	\$54,060	29%
	C. Travel		\$338			\$338	\$7,623	\$7,285	4%
	D. Equipment					\$0	\$0	\$0	
	E. Supplies		\$986			\$986	\$64,900	\$63,914	2%
	F. Consultant/Contractual					\$0	\$1,075,000	\$1,075,000	0%
	G. Construction					\$0	\$0	\$0	
	H. Other (e.g., grants)	\$699,832	\$307,037			\$1,006,868	\$1,277,352	\$270,484	79%
	I. Direct	\$732,254	\$371,878			\$1,104,131	\$2,752,903	\$1,648,773	40%
J. Indirect					\$0	\$16,695	\$16,695	0%	
TOTAL		\$732,254	\$371,878			\$1,104,131	\$2,769,598	\$1,665,468	26%
Practice Transformation	FTE's	0.67							
	A. Personnel	\$6,497	\$20,761			\$27,258	\$308,606	\$281,348	9%
	B. Fringe Benefits	\$1,811	\$6,392			\$8,202	\$92,582	\$84,380	9%
	C. Travel					\$0	\$640	\$640	0%
	D. Equipment					\$0	\$0	\$0	
	E. Supplies		\$904			\$904	\$64,900	\$63,996	1%
	F. Consultant/Contractual		\$1,425			\$1,425	\$1,270,000	\$1,268,575	0%
	G. Construction					\$0	\$0	\$0	
	H. Other (e.g., facilities, services and software)		\$7,024			\$7,024	\$77,352	\$70,328	9%
	I. Direct	\$8,308	\$36,506			\$44,814	\$1,814,079	\$1,769,266	2%
J. Indirect						\$16,695	\$16,695	0%	
TOTAL		\$8,308	\$36,506			\$44,814	\$1,830,774	\$1,785,961	1%
Payment Redesign	FTE's	1.73							
	A. Personnel	\$9,158	\$48,108			\$57,265	\$350,350	\$293,085	16%
	B. Fringe Benefits	\$2,644	\$19,029			\$21,673	\$105,105	\$83,432	21%
	C. Travel		\$144			\$144	\$2,424	\$2,280	6%
	D. Equipment					\$0	\$0	\$0	
	E. Supplies		\$904			\$904	\$64,900	\$63,996	1%
	F. Consultant/Contractual		\$66,519			\$66,519	\$1,500,000	\$1,433,481	4%
	G. Construction					\$0	\$0	\$0	
	H. Other (e.g., facilities, services and software)		\$7,024			\$7,024	\$77,352	\$70,328	9%
	I. Direct	\$11,801	\$141,728	\$0	\$0	\$153,529	\$2,100,130	\$1,946,602	7%
J. Indirect						\$16,695	\$16,695	0%	
TOTAL		\$11,801	\$141,728	\$0	\$0	\$153,529	\$2,116,825	\$1,963,297	7%
Analytics, Interoperability and Measurement (AIM)	FTE's	0.25							
	A. Personnel		\$11,621			\$11,621	\$1,191,815	\$1,180,194	1%
	B. Fringe Benefits		\$4,347			\$4,347	\$357,544	\$353,197	1%
	C. Travel					\$0	\$0	\$0	
	D. Equipment					\$0	\$1,200,000	\$1,200,000	0%
	E. Supplies		\$904			\$904	\$64,900	\$63,996	1%
	F. Consultant/Contractual					\$0	\$3,575,000	\$3,575,000	0%
	G. Construction					\$0	\$0	\$0	
	H. Other (e.g., technology and data)		\$7,003			\$7,003	\$3,037,652	\$3,030,649	0%
	I. Direct		\$23,875			\$23,875	\$9,426,911	\$9,403,036	0%
J. Indirect						\$16,695	\$16,695	0%	
TOTAL			\$23,875	\$0	\$0	\$23,875	\$9,443,606	\$9,419,731	0.3%
Project Management	FTE's	6.51							
	A. Personnel	\$57,096	\$117,498			\$174,594	\$755,646	\$581,052	23%
	B. Fringe Benefits	\$17,912	\$42,283			\$60,194	\$226,694	\$166,500	27%
	C. Travel					\$0	\$22,458	\$22,458	0%
	D. Equipment					\$0	\$0	\$0	
	E. Supplies	\$550	\$904			\$1,454	\$64,900	\$63,446	2%
	F. Consultant/Contractual					\$0	\$1,760,000	\$1,760,000	0%
	G. Construction					\$0	\$0	\$0	
	H. Other (e.g., facilities, services and software)	\$83	\$7,534			\$7,617	\$77,352	\$69,735	10%
	I. Direct	\$75,640	\$168,219			\$243,859	\$2,907,049	\$2,663,191	8%
J. Indirect						\$16,695	\$16,695	0%	
TOTAL		\$75,640	\$168,219	\$0	\$0	\$243,859	\$2,923,744	\$2,679,886	8%
Total Year 1 Budget	TOTAL FTE's	11.49							
	A. Personnel	\$97,675	\$247,363	\$0	\$0	\$345,038	\$2,858,747	\$2,513,709	12%
	B. Fringe Benefits	\$29,863	\$86,193	\$0	\$0	\$116,056	\$857,624	\$741,568	14%
	C. Travel	\$0	\$483	\$0	\$0	\$483	\$33,145	\$32,662	1%
	D. Equipment	\$0	\$0	\$0	\$0	\$0	\$1,200,000	\$1,200,000	0%
	E. Supplies	\$550	\$4,604	\$0	\$0	\$5,153	\$324,500	\$319,347	2%
	F. Consultant/Contractual	\$0	\$67,944	\$0	\$0	\$67,944	\$9,180,000	\$9,112,056	1%
	G. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	H. Other (as noted above)	\$699,915	\$335,621	\$0	\$0	\$1,035,535	\$4,547,060	\$3,511,525	23%
	I. Direct	\$828,003	\$742,207	\$0	\$0	\$1,570,209	\$19,001,072	\$17,430,867	8%
J. Indirect	\$0	\$0	\$0	\$0	\$0	\$83,474	\$83,474	0%	
TOTAL		\$828,003	\$742,207	\$0	\$0	\$1,570,209	\$19,084,546	\$17,514,341	8%

Note: State Financial data has been adjusted to fit Federal Budget Categories
 For questions or supporting documents: contact Lori Anthonson 725-1854 or Savannah Parker 725-1321

SIM Federal Grant - Year 1 Quarter 2 - Healthier Washington

February 1, 2015 - July 31, 2015

From: Enterprise Agency Financial Reporting

	Year 1 Budget	Total Spent
Community Empowerment	\$ 2,769,598	\$ 1,104,131
Practice Transformation	\$ 1,830,774	\$ 44,814
Payment Redesign	\$ 2,116,825	\$ 153,529
Analytics, Interoperability and Measurement	\$ 9,443,606	\$ 23,875
Project Management	\$ 2,923,744	\$ 243,859
	\$ 19,084,547	\$ 1,570,209

