

# **SIM Testing Grant Proposal Stakeholder Webinar**

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Thursday, July 10<sup>th</sup>  
9:00-10:00am PT

# Agenda for the Webinar

1. CMMI Funding Opportunity Announcement
2. Review of the State Health Care Innovation Plan
3. Overview of the State of California's Proposal

# CMMI Funding Opportunity Announcement

- CMS Innovations Center: *“The purpose of the [Center] is to test innovative payment and service delivery models to reduce program expenditures...while preserving or enhancing the quality of care furnished to individuals under such titles.”*
- Center will award up to 12 State Innovation Model (SIM) Testing Grants from \$20 million to \$100 million, for a total of \$700 million.
  - Amount based on the size of state’s population and scope of proposal.
- Grants will last four years, including a year of planning.

# CMMI Funding Opportunity Announcement

- FOA laid out very specific requirements and structure.
- 55 pages TOTAL *double-spaced*, including project narrative, budget, financial analysis, and operational plan.
- Proposal will be uploaded Friday, July 18, with awards announced in the fall.
- Projected start date is January 1, 2015, and grants will run through December 31, 2018.

# CMMI Funding Opportunity Announcement

- California received a SIM Design grant in March 2013.
- Design grant supported the development of the State Health Care Innovation Plan.
- Draft Innovation Plan was released in October 2013 and final plan submitted to CMS in March 2014.
- California's proposal for a SIM Testing grant based on the [Innovation Plan](#).



# California State Health Care Innovation Plan

The California Innovation Plan includes four initiatives and six building blocks, which are collectively designed to achieve savings within three years, as well as to catalyze longer term transformations of the health care delivery system. The Innovation Plan brings together leadership from California's public and private sectors to work together to implement these initiatives and building blocks.

The Innovation Plan has three overarching goals designed to advance the Triple Aim:

1 Reduce health care expenditures regionally and statewide.

2 Increase value-based contracts that reward performance and reduce pure fee-for-service reimbursement.

3 Demonstrate significant progress on the Let's Get Healthy California dashboard.

## TRIPLE AIM

Lower Costs

Better Health Care

Better Health

Let's Get Healthy California (LGHC) is the foundation for the Innovation Plan. LGHC identifies six goals to achieve health and create health equity: Healthy Beginnings, Living Well, End of Life, Redesigning the Health System, Creating Healthy Communities, and Lowering the Cost of Care.

## INITIATIVES

### MATERNITY CARE

**ISSUE** C-sections are more costly than vaginal deliveries and can lead to adverse maternal outcomes. C-sections have increased from 22% to 33% from 1998-2008.

**GOAL** Reduce elected early deliveries, reduce C-sections, increase Vaginal Birth After Delivery.



### HEALTH HOMES FOR COMPLEX PATIENTS (HHCP)

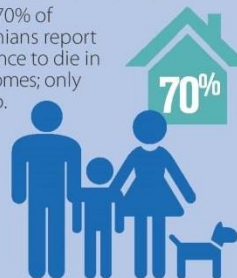
**ISSUE** 14 million CA adults have 1 or more chronic conditions. 5% of CA population accounts for over 50% of health care expenditures.

**GOAL** Expand HHCP model to provide high-risk patients with better coordinated care.



### PALLIATIVE CARE

**ISSUE** 70% of Californians report preference to die in their homes; only 32% do.



**GOAL** Better align care with patient preferences with new benefit and payment approaches.

### ACCOUNTABLE CARE COMMUNITIES (ACC)

**ISSUE** More than 75% of health care costs are due to chronic diseases, which are highly preventable, and in which significant racial and ethnic disparities exist.

**GOAL** Pilot ACCs to improve the health of the entire community by linking community prevention activities with health care.



## BUILDING BLOCKS

# BUILDING BLOCKS

## WORKFORCE

**ISSUE** Fewer than 25% of the state's medical graduates enter into primary care. More demand is expected as up to 5.9 million Californians gain insurance coverage.

**GOAL** Enhance training opportunities for key healthcare workforce personnel. Expand and integrate the use of frontline and lower cost health workers such as community health workers.



## HEALTH INFORMATION TECHNOLOGY & EXCHANGE (HIT & HIE)

**ISSUE** HIT and HIE are vital components for achieving greater health care clinical integration and efficiency and improving quality and accountability. While adoption of electronic health records is increasing, gaps remain across the state.

**GOAL** Continue California's strong track record and improve the spread and use of HIT and HIE.



## ENABLING AUTHORITIES

**ISSUE** There may be rules and regulations that impede implementation of the initiatives and building blocks.

**GOAL** Explore any changes in authorities that could facilitate faster, broader or deeper spread of transformation.



## COST AND QUALITY REPORTING SYSTEM

**ISSUE** Lack of a central reporting system makes it difficult to track overall cost and quality of care.

**GOAL** Create a robust reporting system that promotes transparency and monitors trends in health care costs and performance.



## PUBLIC REPORTING

**ISSUE** Greater public reporting is needed to enhance transparency and accountability to spur competition and improvement.

**GOAL** Create a vehicle for monitoring LGHC indicators and Innovation Plan initiatives.



## PAYMENT REFORM INNOVATION INCUBATOR

**ISSUE** Continued innovations are needed to achieve the goals of the Innovation Plan.

**GOAL** Develop, implement, evaluate, and spread successful payment reforms to better align incentives and reward value.



### ACCOUNTABILITY

The Innovation Plan's key initiatives and building blocks will be implemented and monitored by state, federal, and private purchasers. The Secretary of Health and Human Services, along with key partners, will host annual regional meetings with the heads of hospitals, health plans, county health departments, physician groups, and others to review progress on regional metrics. These meetings will also provide an opportunity for information sharing regarding early successes and challenges.

### KEY PARTNERS

- California Department of Health Care Services
- California Department of Managed Health Care
- California Department of Public Health • California Office of Health Information Integrity • California Office of the Patient Advocate
- California Office of Statewide Health Planning and Development
  - California Public Employees' Retirement System
- Centers for Medicare and Medicaid Services (CMS), *requested*
  - Covered California • Integrated Healthcare Association
- Pacific Business Group on Health • Payer Partners • Provider Partners

# Highlights of State of California's Proposal Overview

1. Plan for Population Health Improvement
2. 4 Initiatives and 6 Building Blocks
3. Innovation Conferences
4. Budget
5. Evaluation
6. Stakeholder Letters of Support



# Review of Innovation Plan

Overarching goals:

1. Reduce health care expenditures over 3 years.
  - LGHC overall target is to bring health care expenditures growth in line with GSP growth by 2022.
  - Regional targets will be set.
  - Projected savings from Testing grant: \$1.4 - \$1.8 B / \$60 M investment.
2. Increase value-based contracts that reward performance, reduce pure FFS reimbursement.
3. Demonstrate significant progress on the LGHC indicators.

The Innovation Plan has three overarching goals designed to advance the Triple Aim:

1  
Reduce health care expenditures regionally and statewide.

2  
Increase value-based contracts that reward performance and reduce pure fee-for-service reimbursement.

3  
Demonstrate significant progress on the Let's Get Healthy California dashboard.

# Review of Innovation Plan: Initiatives

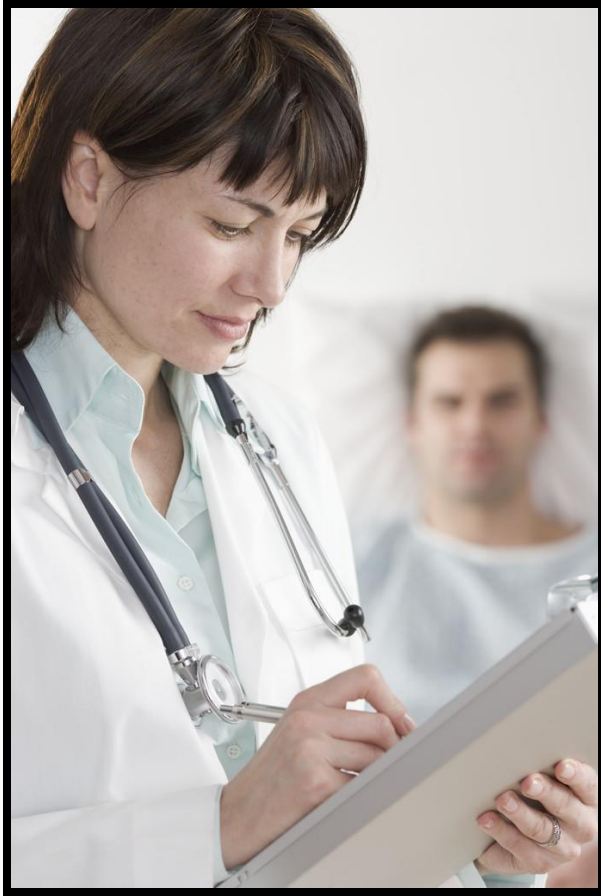
## Maternity Care: Improve quality and reduce elective C-Sections

- Provider data submissions for quality improvement purposes.
- Acknowledge participating providers/outcomes in provider directories and consumer websites.
- Institute value-based payments through health plans.
- Provide technical assistance around patient engagement.



# Review of Innovation Plan: Initiatives

## Health Homes for Patients with Complex Needs: Spread care models



- Determine key components and functionality.
- Conduct a readiness survey and identify candidate sites.
- Provide a complement of technical assistance and support, such as: care coordination, motivational interviewing and behavior modification, data driven improvement, empanelment, team based care, palliative care, etc.
- Support inclusion of Community Health Workers.

# Review of Innovation Plan: Initiatives

## Palliative Care: Enhance options for patients

- Health homes for patients with complex needs develop protocols for palliative care.
- Enhance training of current personnel in palliative care.
- Explore pay for performance measures and possible registry.



# Review of Innovation Plan: Initiatives

## Accountable Communities for Health: Three pilots of a new population health model

- Collaborative model linking health care systems with community resources and interventions.
- Portfolio of interventions that span clinical and community settings, including those that involve linking the two settings together.
- Focus on one condition, such as diabetes, asthma or cardiovascular care.
- Development of a local Wellness Fund as a vehicle for pooling resources to sustain the ACH.



# Review of Innovation Plan: Building Blocks

## Workforce

- Build on OSHPD's current workforce investment strategy.
- Mini-grants program to enable “early adopter” providers to develop their readiness to hire Community Health Workers (CHWs).
- Statewide engagement process with CHWs to develop recommendations.



# Review of Innovation Plan: Building Blocks

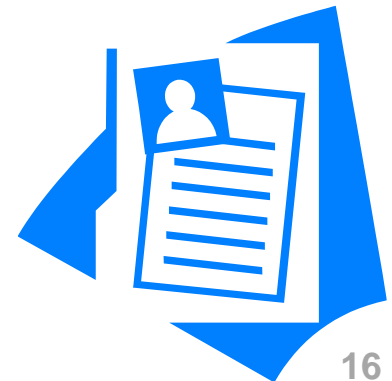
## Enabling Authorities

- Most system and payment reforms can be accomplished through contractual arrangements.
- Some changes in authority may be necessary to facilitate faster, broader, or deeper spread of transformation. Such changes being explored include:
  - Federal waiver or State Plan Amendment to implement Health Homes for Patients with Complex Needs in Medi-Cal
  - Medicare hospice waiver to allow Medicare enrollees to obtain concurrent palliative and curative care
  - State Plan Amendment to implement Medicaid option regarding reimbursement for preventive services
  - Legislation to develop cost and quality transparency data base
  - Legislation to harmonize state and federal HIT/HIE laws and regulations

# Review of Innovation Plan: Building Blocks

## Health Information Technology/Health Information Exchange

- Technical assistance regarding EHRs to providers who not eligible for Meaningful Use dollars.
- Harmonize federal and state laws.
- Plan for how best to integrate claims with electronic health record (EHR) and registry data, including a registry for advanced directives.
- Spread of “Blue Button” Initiative.
- Large-scale stakeholder engagement regarding HIE.





# Review of Innovation Plan: Building Blocks

## Cost and Quality Transparency Data Base

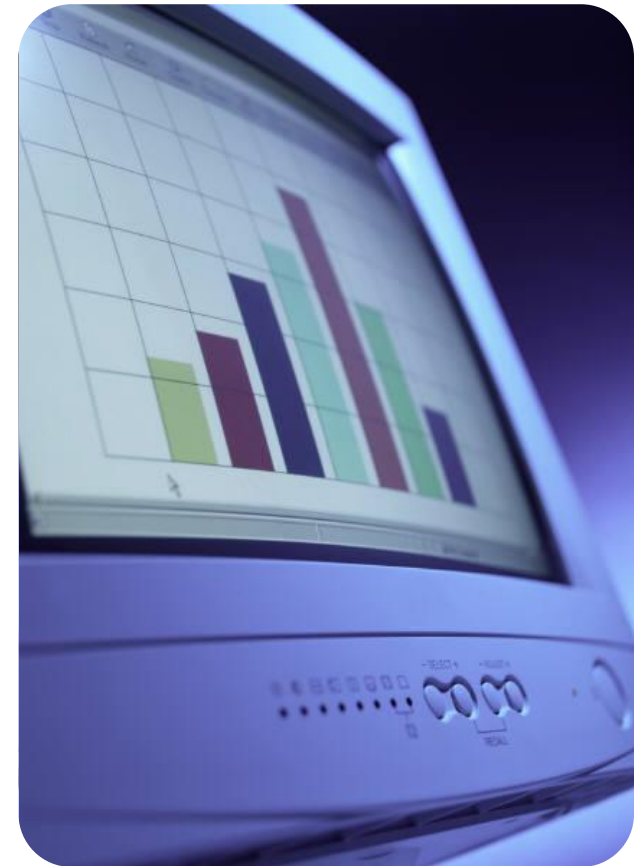


- Develop system-wide vehicle to enable greater consistency, transparency, and monitoring of trends in health care costs and performance.
  - Value-based purchasing requires complete data for accurate and effective benchmarking to achieve high program performance.
- Extensive stakeholder discussions about the data base.

# Review of Innovation Plan: Building Blocks

## Public Reporting

- Develop an interactive website to track LGHC, SIM and other indicators.
  - E.g., Total cost of care, quality, community health indicators by region.
- Ability for stakeholders to “upload” and share interventions.



# Review of Innovation Plan: Building Blocks

## Payment Reform Innovation Incubator

- Provide technical assistance regarding payment reform methods and options.
- Develop specific payment reform metrics and data analysis for the four initiatives.
- Produce annual state and regional reports on cost and quality targets.



# Highlights of State of California's Proposal Plan for Population Health Improvement requirement in FOA

- Relationship to California's three plans:
  - Let's Get Healthy California
  - California Wellness Plan
  - Statewide Plan to Promote Health and Mental Health Equity (August 1)
- Review and align existing plans with FOA requirements.
- Incorporate specific strategies, as appropriate, in SIM initiatives to further address tobacco, diabetes, and obesity.



# Highlights of State of California's Proposal Innovations Conference

- Expands annual LGHC Task Force meetings
- Bring together stakeholders from across health care, public health, and other relevant sectors to:
  - Review LGHC Dashboard
  - Share progress of SIM initiatives and building blocks.
  - Identify additional priorities associated with LGHC for the coming years.
  - Stimulate new initiatives, drawing from the Plan for Population Health Improvement as well as LGHC.

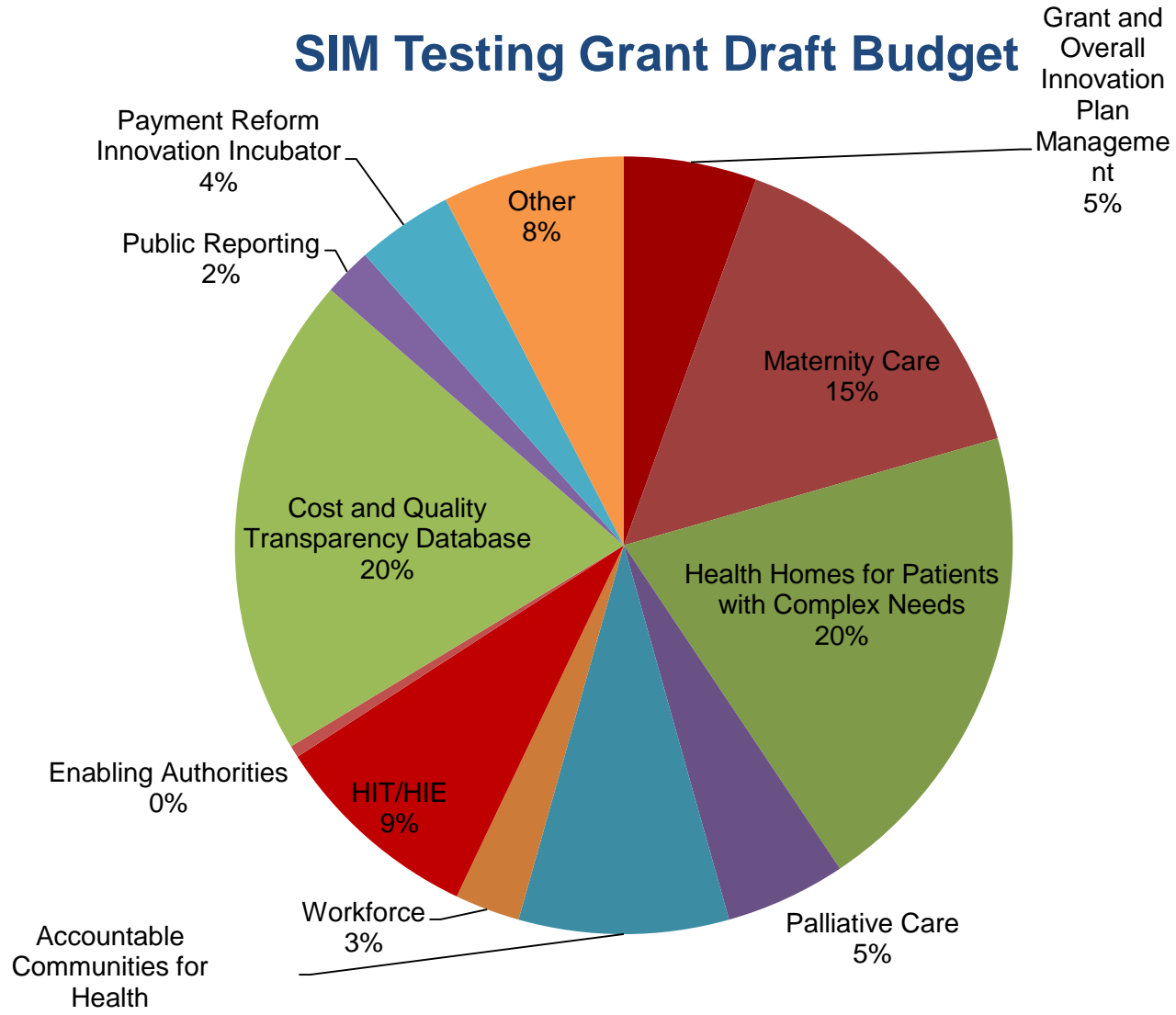
# Review of Innovation Plan: Accountability Process



- Accountability and transparency are key to the success of the Plan.
- Annual or semi-annual regional meetings to review progress of regional metrics.
- State leadership, along with public purchasers, private employers and others will host meetings with heads of hospitals, health plans, county health departments, physician groups, health center etc.
- Forums offer an opportunity for information sharing regarding early successes and potential barriers.

# Highlights of State of California's Proposal

## SIM Testing Grant Draft Budget



# Evaluation

- CHHS will hire an independent evaluator to monitor the implementation of the initiatives and building blocks
- In addition, CMS will contract with an independent evaluator that will conduct "rapid-cycle evaluations" to promote real-time learning as well as an impact evaluation at the conclusion of the grant



# Questions and Comments

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For more information see: <http://www.chhs.ca.gov/pages/pritab.aspx>  
Email any questions or comments to: [innovate@chhs.ca.gov](mailto:innovate@chhs.ca.gov)