Delaware's Road to Value

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To learn more about "Delaware's Road to Value," contact the office of Cabinet Secretary Dr. Kara Odom Walker at 302-255-9045 or email Executive Assistant Azsana Wing at azsana.wing@delaware.gov. Or visit www.ChooseHealthDE.com.

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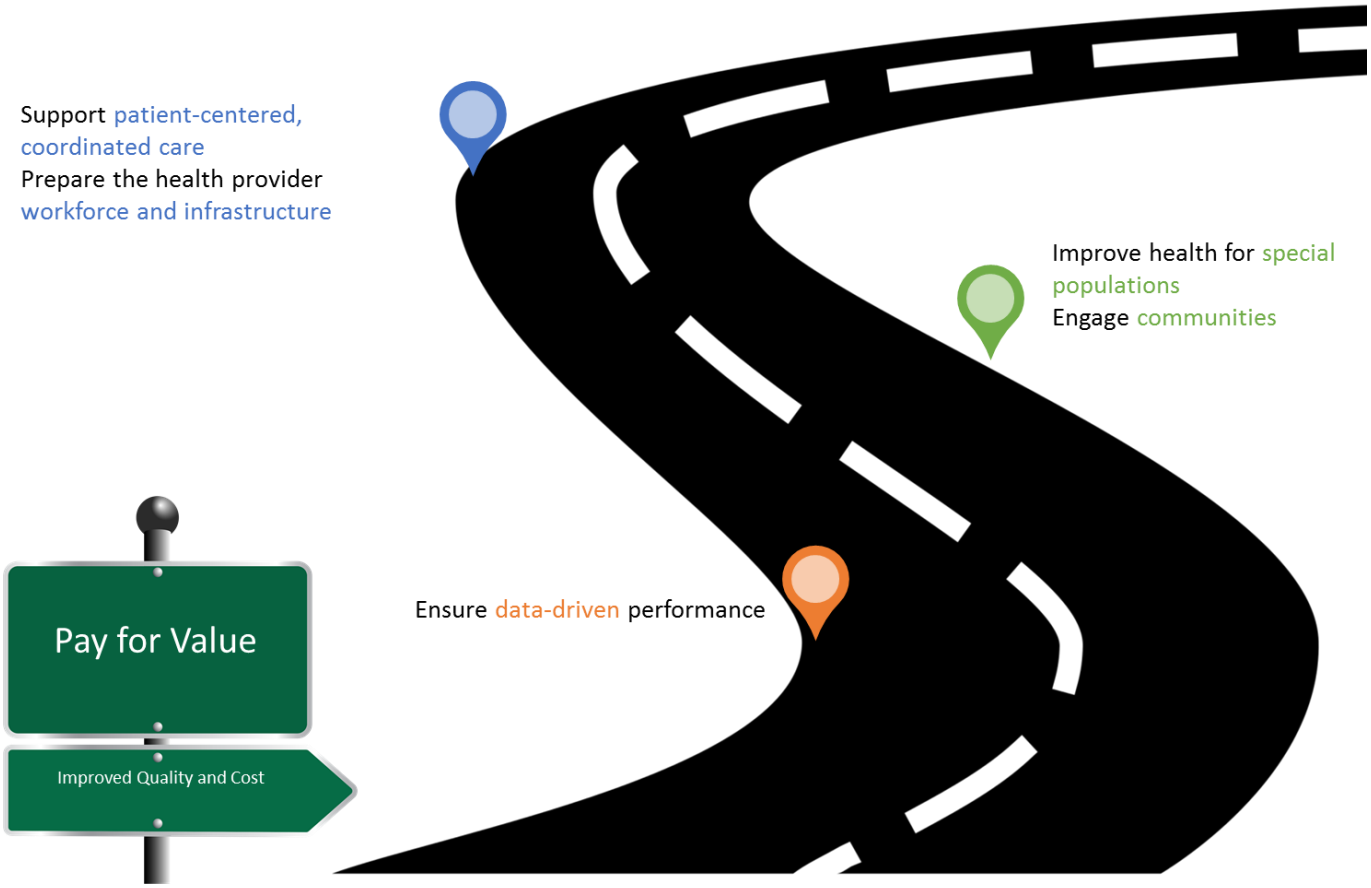

RECOMMENDATIONS SUMMARY

Background: On September 7, 2017, Governor John Carney signed landmark legislation, approved by the General Assembly, giving authority to the Department of Health and Social Services (DHSS) to establish a health care spending benchmark for Delaware. The legislation came just weeks after a federal analysis found Delaware had the third-highest per capita level of health spending of all the states.

Initial Legislation: House Joint Resolution 7, sponsored by Rep. Valerie Longhurst and Sen. David McBride, authorized DHSS Secretary Dr. Kara Odom Walker to establish a health care spending benchmark with a growth rate linked to the overall economy of the state. It was the first step in evaluating the total cost of health care in the state and a major step in transforming Delaware's health care system to a more outcome-driven system and away from a system that pays for care based solely on the number of room days, visits, procedures and tests. As expressed in House Joint Resolution 7, stakeholders will "provide feedback to assist the Secretary in developing the annual benchmark and recommending comprehensive solutions for reducing the cost growth trend in the State's health care spending while promoting and preserving access to high quality, affordable health care for all Delawareans." DHSS is committed to a transparent, data-driven and collaborative benchmark development process.

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Health Care Costs in Delaware: Delaware's per capita health care costs are more than 27 percent above the U.S. average, ranking the state third-highest in the country, behind only Alaska and Massachusetts, according to best comprehensive spending data released in June 2017 by the Centers for Medicare and Medicaid Services (CMS). The CMS analysis of all insurance payers – Medicare, Medicaid and private – found that per capita spending in Delaware for 2014 was $10,254, compared to the U.S. average of $8,045. State-level spending ranged from a high of $11,064 per capita in Alaska, to a low of $5,982 in Utah. Without changes, the analysis estimates that Delaware's total health care spending will more than double from $9.5 billion in 2014 to $21.5 billion in 2025. (Note: A caveat to this data is the data lag of three years which may not capture recent trends.)

STRATEGIC SUMMARY:

Strategy I: Improve Health Care Quality and Cost: Implementing a statewide health care spending benchmark with a growth rate linked to the overall economy of the state creates a path to transforming Delaware's health care system to a more outcome-driven system and away from a system that pays for care based solely on the number of room days, visits, procedures and tests.

Strategy II: Pay for Value. There is consensus that the current volume-based payment systems contribute to health care cost growth, including overutilization and waste. Additionally, it is recognized that a small subset of patients with complex health care needs account for the majority of health care expense. Using an all-payer model, the State of Delaware can create a transformative payment model that moves all payers (Medicare, Medicaid, and commercial) towards a prospective, value-based reimbursement system holding providers, operating through one or more Accountable Care Organizations (ACOs), and the State of Delaware, accountable for population health outcomes. The State of Delaware recommends that a new entity create contracted health plans and/or accountable care organizations through total cost of care contracting, whereby provider entities take responsibility for the health and health care costs of a population of patients. Additionally, the State of Delaware and all-payers should continue to refine the primary care-based health care homes to provide incentives for care coordination and better health outcomes. The state must begin to transform Medicaid and Managed Care Organization (MCO) contracts into a more innovative program designed to reform payment and delivery of services by contracting for value not volume.

Strategy III: Support Patient-Centered, Coordinated Care. Patient-centered care recognizes that a person's health is determined by physical, psychological, and environmental factors, and offers approaches that empower patients while responding to "whole-person" care. The State of Delaware should embark on several steps to improve the coordination of care across primary care, behavioral health, long-term care, public health, and social services, including development of systems to improve communication and secure data-sharing across providers, and provision of technical assistance to targeted providers to support this coordination and integration.

Strategy IV: Prepare and Support the Health Provider Workforce and Health Care Infrastructure Needs. There are significant provider shortages, particularly in primary care, dental, and mental health and substance abuse. As a large segment of the primary care workforce is nearing retirement and fewer medical students are pursuing primary care, further shortages are anticipated across the state and nationally. As a greater challenge, without a state medical school, it is even more critical to invest in downstream residency and recruitment tools such as loan repayment programs. Also, the challenge within the substance abuse treatment system in retaining and recruiting professionals must be addressed. There needs to be a series of shifts towards focused investments in the provider workforce based on needs and gaps and across the health care infrastructure to better meet current and anticipated future needs, recognizing that patient-centered care and integrated care environments will demand new skills and competencies. New categories of community health workers and patient navigators may also be required to achieve the coordinated and whole-person care.

Strategy V: Improve Health for Special Populations. Targeted interventions focus resources on high-need populations and communities experiencing health disparities and social inequities. The state needs to pursue evidence-based programs for individuals with disabilities who have some of the highest

disparities, in-home visiting programs for low-income mothers and parents, an evidence-based lifestyle intervention program for those at risk of developing diabetes, violence-prevention strategies for young people at risk, and school-linked mental health supports for children.

Strategy VI: Engage Communities. Recognizing that health is primarily determined by factors outside of the health care system, the state needs to address social determinants of health, such as living conditions and access to healthy food, and increase opportunities for patients, caregivers and communities to make healthy choices through effective initiatives. Additionally, the state – together with a robust commitment from the private sector – should implement and support a healthy neighborhoods approach to having multidisciplinary, locally based teams that partner with primary care practices, hospitals, behavioral health, public health, social services, and community organizations to provide coordinated care at the neighborhood level. New types of accountable care organizations and payment models should be deployed that focus attention on the need for population health management.

Strategy VII: Ensure Data-Driven Performance. In order to achieve better health care, lower costs, and healthier communities, it is important to set clear targets that align with Delaware's *Road to Value* strategies and monitor performance against them for both quality and cost targets. The state should establish a common scorecard for quality measures across payers, create a single authority on measuring both quality and cost, and establish the governance authority and consequences if goals are not met. Finally, Delaware needs to develop a stakeholder-driven process and approach to determine the outcomes and return on investment for state-funded programs required to improve government's ability to direct limited resources.

Conclusion: The recommendations in this Road Map are interconnected strategies designed to transform health care and improve health in Delaware. The landscape of health care payment and policy is constantly evolving and these recommendations are made as an input for Delaware's collaborative spirit and as a significant step toward paying for value. It is in this neighborly way that the Department of Health and Social Services proposes the *Road to Value* for better health and health care quality for all residents of Delaware.

I. INTRODUCTION

HEALTH AND HEALTH CARE SPENDING

Despite improvements in coverage, affordability of care is threatened. Health care spending per capita in Delaware is higher than the national average. Historically, health care spending has outpaced inflation and the state's economic growth.[1] Health care costs consume 30% (or approximately $1 billion in FY 2017) of Delaware's budget.[2] Medicaid cost per capita and the growth in per capita spending have been above the national average.[3] These challenges are not unique to Delaware – affordability is of equal concern to private employer who provide commercial health insurance, as well as some segments of consumers who have seen increases in deductibles, co-pays, and coinsurance.

Delaware's demographics and population health are key drivers of both spending and growth in spending. Delaware's population is older and is aging faster than the national average – forecasted to be the tenth oldest state by 2025.[4] Delaware is also sicker than the average state, with higher rates of chronic disease, in part driven by social determinants including poverty, food scarcity, and violence.[5] In the most recent publication of America's Health Rankings, Delaware ranked 31st, exceeding the national average in cancer deaths per capita, cardiovascular deaths per capita, diabetes per capita, infant mortality, and premature death.[6]

The hospital landscape is more concentrated in Delaware than in most other markets, with just six acute care hospital systems across the state, with most populations relying on a single hospital for their care. Delaware's hospital systems vary widely in both scale as well as operational efficiency. Primary care and some other physician specialties remain fairly fragmented. Other physician specialties are concentrated. Mental health care is in short supply in some parts of the state.[7]

Increased demand for health care, as well as inefficiencies in the supply of health care, in combination lead to more than 25% greater historical spend per capita than the U.S. as a whole, which itself has among the highest cost health care systems in the world.[8] While Delaware spends more on care, the state's investments have not led to better health or outcomes for Delawareans. Delaware spends more than average, not to get better access or higher quality care, but simply to address the burden of an older and sicker population.

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[1] E.g., Medicaid growth 2010 to 2013 was ~1.8% higher than DE's overall GDP growth. MACPAC, MACStats: Medicaid and CHIP data book, 2011 to 2015; US Census Bureau 2010, 2013; Bureau of Economic Analysis, U.S. Department of Commerce, Interactive Data, GDP in current dollars, all industry total, 2010, 2103

[2] Fiscal Year 2018 Budget Hearing Office of Management and Budget November 15, 2016; Delaware Health and Social Services base budget review FY17

[3] MACPAC MACStats: Medicaid and CHIP Data book December 2016; Kaiser Family Foundation, State Health Facts, Average Annual Medicaid Spending from FY2000 to FY2011 for Full-Benefit Enrollees

[4]Defined by percent of population over age 65. U.S. Census Bureau, Population Division, Interim State Population Projections, 2005

[5] United Health Foundation America's Health Rankings Annual Report 2016

[6]United Health Foundation America's Health Rankings Annual Report 2016

[7] Toth, T. (2014). Delaware Behavioral Health Workforce

[8]2009. Kaiser Family Foundation, State Health Facts, Health Care Expenditures per Capita by State of Residence

Recap of key insights and implications

- Compared with other states, Delaware's demographics place greater pressure on health care spending growth, and in turn greater stress on the State budget and local economy
- Fewer competing providers per region means less choice for consumers, and fewer options for referring providers
- Providers that benefit from high market share and scale have an obligation to translate those advantages to better outcomes at a lower cost

HEALTH INSURANCE COVERAGE IN DELAWARE

The State of Delaware has a longstanding commitment to improving insurance coverage, having expanded Medicaid initially in 1996 and then again in 2014. These changes, as well as other changes to the Individual and Small Group markets, ushered in as part of the Affordable Care Act, have reduced Delaware's uninsured rate to 5.7% in 2016.[9] Public programs account for a greater share of health care spending in Delaware than in other states: Medicare covers 19% of the population, compared with 17% of the United States.[10] Medicaid covers 25% of Delaware residents, compared with 23% of the country as a whole.[11]

The State of Delaware Employee Health Plan also accounts for nearly 12% of the population (including those receiving coverage from Medicare as well), a larger share than in most other states.[12] In combination with Medicare and Medicaid, public programs have the potential to play a greater role in shaping delivery system transformation in Delaware than in other states. The State of Delaware purchases health care for approximately 220,000 Delawareans on Medicaid and about 120,000 through the State Employee Health Plan.[13] The State's purchasing power spans more than one-third of the state population, a significantly higher proportion than many other states.[14]

While many commercial payers participate in the market, the vast majority of Delawareans are insured by just three payers. On the Affordable Care Act marketplace, for example, Delaware has only two

[9] 2015. U.S. Census Bureau Population Without Health Insurance Coverage by State: 2013 to 2015
[10]2015. Kaiser Family Foundation, State Health Facts, Medicare Beneficiaries as a Percent of Total Population
[11] In the month of July 2016. Kaiser Family Foundation, State Health Facts, Total Monthly Medicaid and CHIP Enrollment, July 2016. United States Census Bureau QuickFacts, July 2016.
[12] State of Delaware Final Report on the State Employees Health Plan Task Force submitted December 15, 2015; United States Census Bureau QuickFacts
[13] CMS-64 VII Group Break Out Report March 2016; State of Delaware Final Report on the State Employees Health Plan Task Force submitted December 15, 2015;
[14] E.g., the State of PA has purchasing power for ~24% of its population, and the State of Maryland for ~23% of its population. Kaiser Family Foundation, State Health Facts, Total Monthly Medicaid and CHIP Enrollment, December 2016; Maryland Department of Budget & Management, Annual Personnel Report for Fiscal Year 2015, January 1, 2016; Pennsylvania 2016 State Government Workforce Statistics, Total Employment; United States Census Bureau, QuickFacts, July 1, 2016"

participating plans compared with an average of three in other states. For 2018, Delaware will have only one participating plan on the marketplace.[15] All of the participating payers are multistate carriers, meaning that Delaware typically represents a small portion of their total book of business. The state has specific opportunities including:

- The State of Delaware purchases health care for a greater share of the population than most other states, providing an opportunity and an obligation to lead change.
- State efforts to control spending for Medicaid and state employees strictly through fee schedule reductions could lead to further cost-shifting to other commercial populations, unless they support transformation of care delivery on a multi-payer basis.

DELAWARE'S PROGRESS ON PAYMENT REFORM

Delaware has made a significant investment in transitioning to value-based payment models through the work of the Delaware Center for Health Innovation and the Delaware Health Information Network. Leaders in the public and private sectors have collaborated in efforts focused on population-based models of care, with a particular emphasis on improving primary care. The State has supported these changes by setting the expectation for Medicaid Managed Care Organizations (MCOs) and State Employee third-party administrators to offer and promote the adoption of value-based models.

Over the past several years, Delaware has made early progress in this area. Nearly 40% of primary care practices have participated in primary care practice transformation funded by the federal State Innovation Models (SIM) grant.[16] Delaware recently became the first state in the country to achieve universal participation of the adult acute care hospitals in the Medicare Shared Savings Program. Some of these hospital systems, as well as other physician-led Accountable Care Organizations, have recently begun to expand their participation into the commercial segment as well. Overall, 30% of Delawareans are attributed to providers participating in value-based payment models.[17]

DHSS appreciates stakeholders' considerable efforts developing and implementing Delaware's SIM plan and acknowledges the progress made. With the *Road to Value*, DHSS plans to build upon its SIM plan and the successful innovations in the initiative, including leveraging the Delaware Health Information Network.

Despite this progress, many primary care providers in smaller practices have not yet chosen to participate in value-based models. Moreover, the models that have been adopted by physicians and hospitals have primarily been "upside-only" models where providers bear no financial risk if health care spending grows faster than anticipated. In Medicaid and Commercial segments, payers have not made downside risk models widely available to providers. Multistate payers in both segments have indicated that they are prioritizing shifting to risk within their networks outside of Delaware. In Medicare, downside risk models are available, but providers have yet to adopt them. Some providers have

[15] Department of Health and Human Services USA ASPE Research Brief, "Health Plan Choice and Premiums in the 2017 Health Insurance Marketplace," October 24, 2016
[16] Delaware Health Care Commission, Delaware's State Innovation Model (SIM) Update, August 4, 2016
[17] CMS State Innovation Model Progress Report to CMS, January 11, 2017

described that they will not voluntarily accept financial risk given the possibility that they may not succeed. The Delaware Center for Health Innovation (DCHI) identified the need to accelerate the provision and adoption of these downside risk models as a necessary step to capturing the potential of payment reforms to promote population health and improve affordability.

Recap of key insights and implications

- The State has a foundation in understanding and adopting pay-for-value models; however, the adoption of downside-risk models has been limited.

- Given persistent State budget pressure (for example, health care costs have outpaced state economic growth by over two percentage points),[18] the current pace of adoption of downside risk may not be sufficient to achieve affordability and sustainability goals.

II. OVERVIEW OF IMPLEMENTATION PLAN

The next steps in planning for payment reform in the state of Delaware require that stakeholders spend time and provide significant input into discussions about health and health care in Delaware. No matter how payment or delivery system is reoriented, it is critical to continue to uphold key principles that have emerged in several discussions around value based care:

1) Ensure that Delawareans have choice and the information needed to make better health care decisions.
2) Encourage institutions and design neighborhoods that reinforce healthy choices.
3) Support primary care infrastructure that allows for improved health outcomes, behavioral health integration and improved patient navigation.

RECOMMENDATION ELEMENTS

Future conversations will provide input into these initial strategies over several months. It is critical that more Delawareans are healthier given the cost per capita that Delaware spends in the state. Specifically, key strategies with sub elements within are outlined below and will be modified with additional discussion.

[18] E.g., Medicaid growth 2010 to 2013 was ~1.8% higher than DE's overall GDP growth. MACPAC, MACStats: Medicaid and CHIP data book, 2011 to 2015; US Census Bureau 2010, 2013; Bureau of Economic Analysis, U.S. Department of Commerce, Interactive Data, GDP in current dollars, all industry total, 2010, 2103"

Strategy	Element
Improve Health Care Quality and Cost	1. Establish a value-based framework that allows for transparency in cost and quality 2. Create systems of care that are centered on quality, patient experience and appropriate costs 3. Find ways to reduce unnecessary and inappropriate health care by improving choices for patients and their providers
Pay for Value	1. Establish a health care spending benchmark that monitors for total costs and growth of health care costs 2. Improve the data-driven monitoring of cost that is reoriented toward value 3. Require obtainable value-based thresholds in Medicaid Managed Care Organization(MCO) contracts
Support Patient-Centered, Coordinated Care	1. Create all-payer accountable care organizations that facilitate integration of services and patient-centered medical homes 2. Create reimbursement approaches for safety net services on prevention, care coordination and uncompensated care
Prepare and Support the Health Provider Workforce and Health Care Infrastructure Needs	1. Support primary care workforce, dental, behavioral health, and health professions education 2. Increase the racial and ethnic diversity of the health care workforce 3. Prepare for increased need for safety net providers 4. Invest in telehealth and coordination of services for substance use, rural health and other at-risk populations 5. Invest in provider readiness infrastructure, including primary care and small practices, to ensure the successful adoption of value-based and risk arrangements
Improve Health for Special Populations	1. Strengthen the state's capacity to promote health equity for people with disabilities 2. Continue to focus on maternal-child health through home visiting programs for high-risk mothers and their babies 3. Continue to support behavioral health strategies and expand substance use treatment access for all populations 4. Establish a trauma-informed system of care 5. Use patient-centered medical homes approaches to support prison re-entry populations and their specialized health needs 6. Promote policies that help individuals "age in place."
Engage Communities	1. Improve community-based wellness initiatives by including those public health strategies informed by research on Adverse Childhood Events, prevention of chronic conditions through tobacco cessation, decreased alcohol use, increased physical activity and healthier eating 2. Create population health metrics and community data-driven approaches
Ensure Data-Driven Performance	1. Use public-private process to establish quality and cost targets 2. Create a methodology for accountable care organizations to interpret quality and cost goals 3. Align all payers with the models for total cost of care 4. Strengthen the exchange and Medicare ACO strategies through a multi-prong approach

III. Roadmap Recommendations

The section will provide more detail on the recommendations and sub-elements.

Value-Based Health Care

Given Delaware's health ranking of 31st in the nation, combined with having the third-highest per capita costs, presents a context in which statewide transformation and all-payer inclusion is the best approach to improve the State's use of both public and private health care dollars. Monitoring health care costs that continue to push out other priorities in the state budget are another essential driver of change. The strategies outlined in this document improve the incentives to better leverage state spending in health care, slow spending trends, and improve rates of the uninsured, while improving quality of care.

Relationships Between Strategies for Value-Based Health Care

For all of the strategies, the strategies are not siloed as independent strategies, but are interconnected and essential for one another to work. To move towards improved population health, individuals need access to care and the ability to navigate the care system. In order for Delaware providers to better provide high quality care, they also need transparent access to clinical information from other relevant care providers. Finally, it is important to reorient the payment system to support prevention efforts rather than visits and illness.

Strategy I: Improve Health Care Quality and Cost

Context: Growing consensus suggests that fee-for-service payment systems that are oriented toward services and visits are a significant factor in overutilization and waste in the healthcare delivery system. Similar to models in other states moving toward an accountable care model with total cost of care contracting can move providers and behaviors toward population health. Using risk-adjusted payment, organizations assume risk and responsibility for the health, cost and quality of care. With ACO structures, patient-centered medical homes also can help primary care practices evolve to provide payments to better coordinate and manage care in a patient-centered manner.

Sub-elements:

Establish a value-based framework that allows for transparency in cost and quality

Use an established framework to coordinate with established measurement groups that can define core and common measures for different patient populations. Ensure that the measurement group can provide transparent reporting of cost and quality data that is available and actionable to consumers, providers and organizations.

Create systems of care that are centered on quality, patient experience and appropriate costs

Ensure that providers and their organizations are able to access the information on clinical outcomes and patient-centered outcomes that also can identify opportunities for reducing costs, using services

wisely and improving effectiveness. Data should be meaningful, accurate, actionable and where possible, real-time.

Find ways to reduce unnecessary and inappropriate health care by improving choices for patients and their providers

Since up to 30% of health care is unnecessary or wasted[19], provide value-based strategies that are data- and evidence-driven to improve choices for consumers and their providers. Using the statewide health exchange and an established list of services, develop appropriate feedback loops to monitor performance and quality.

STRATEGY II: PAY FOR VALUE

Context: Advanced models of all-payer or accountable care organizations have incorporated value-based payment structures. Using data-driven approaches, total cost of care allows for risk-adjusted payments that include quality and infrastructure for population health management. This also allows improved pathways to understand risk in those contracts. The contracts should be modified particularly for addressing social determinants of health and any health care costs that directly impact the state budget.

Establish a health care benchmark that monitors for total costs and growth of health care costs

Using a health care spending benchmark, the governance, authority and stakeholder hearing process should develop potential quality improvement actions to be triggered if health care spending were to exceed that target. Based on other states' experiences, the passage of a global budget target would require new legislation, as well as the data and analytics necessary to set the target, measure the state's performance against it, and report on that performance.

Improve the data-driven monitoring of cost that is reoriented toward value

The data used is a critical component of a successful model. The data must be adjudicated between sources and the methodology for calculating the total costs, risk adjustment, and state economic growth must be performed by a trusted independent expert authority. This element is essential to create the pathway toward an open discussion that all can trust and believe in its accuracy.

STRATEGY III: SUPPORT PATIENT-CENTERED, COORDINATED CARE

Context: Patient-centered care and medical homes are intended to care for the whole person given their circumstances, physical, emotional, social and environmental factors. Coordination of care is focused on the patient and allows for providers to both communicate and coordinate treatment and care plans.

Create all-payer accountable care organizations that facilitate integration of services and patient-centered medical homes

Delaware's innovation work has expanded the scope and technical resources to better integrate behavioral health and primary care. Improving the coordination of services, particularly though total cost of care contracts will allow improved coordination of health care, long-term care, public health,

[19] https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2690367/

social and behavioral health services. The focus of health and populations can be supported through multiple strategies focusing on how services are paid for and organized. Allowing for greater flexibility in the health care landscape would better support innovative strategies. The Health Resources Board should be examined closely for its role and purpose in allowing for system growth and right-sizing.

Create reimbursement approaches for safety net services on prevention, care coordination and uncompensated care

During a time when potentially more and more people are falling off of insurance coverage or unable to afford coverage on the health insurance marketplace, the state should be prepared for greater numbers of uninsured. Uninsured people are more likely to access care through emergency departments and hospital care that is uncompensated. Focusing reimbursement strategies on prevention and primary care access may allow vulnerable populations to maintain provider continuity and care plans, but also will require reimbursement approaches for such services to safety net providers.

Strategy IV: Prepare and Support the Health Provider Workforce and Health Care Infrastructure Needs

Context: There are two important areas that challenge the health care delivery system: workforce shortages and provider readiness to transform their practices. There are significant provider shortages, particularly in primary care, dental, and mental health and substance abuse. As a large segment of the primary care workforce is nearing retirement and fewer medical students are pursuing primary care, further shortages are anticipated across the state and nationally. Also, the emerging challenge within the substance abuse treatment system to retain and recruit professionals needs to be addressed. Providers are predominantly in an environment of providing services on a fee-for-service system and have not engaged in a value- and risk-bearing arrangements. Data analysis is critical to transform their practices. In addition to creating new incentives for value-based health care, the workforce may also need to be reoriented to better reflect the need to focus on prevention, wellness and mental health needs. In concert with other strategies, a series of focused investments in the provider workforce and across the health care infrastructure are needed to better meet current and anticipated future needs, recognizing that patient-centered care and integrated-care environments will demand new skills and competencies. New categories of community health workers and patient navigators also may be required to achieve the coordinated and whole-person care.

Support primary care workforce, dental, mental health, and health professions education

Delaware is unique in that it does not have a medical school. The state has invested in pipeline funding to support its educational pipeline. It may be time to consider whether the pipeline is the gap in investment or whether it is time to focus state policies, such as financial incentives, on providers who will stay and work in the state, particularly in underserved communities and rural areas downstate. Additionally, it may be time to reconsider the requirement for dental residency, as many states are moving away from this requirement. Finally, the mental health and geriatrics workforce is in need of a major boost in those who are trained in addiction medicine.

Increase the racial and ethnic diversity of the health care workforce in the state

Demographic trends in the state are rapidly changing. In order to meet the needs of both racial and ethnic diversity, improved quality is often linked to provider-patient relationships that are linguistically

and racially concordant. Workforce strategies should take this into consideration to plan for future demographics.

Prepare for increased need for safety net providers

As more patients are priced out of health care coverage, it may put additional fiscal and workforce pressures on the safety net system. Increasing the number of safety net providers and considering ways to increase the level of reimbursement of safety net providers may be needed to meet the increased demand of services and avoid more costly preventable hospitalizations and utilization.

Invest in telehealth and coordination of services for substance use, rural and other at-risk populations

Future telemedicine requires a robust telehealth strategy that is widely accepted and reimbursed. It is particularly robust to assist with access to specialty care, consultative services and other coordination of care services. For the increasing number of aging Delawareans, people with disabilities and others who have limited access to public transportation, telehealth care be another critical strategy to improve access and coordination.

Invest in provider readiness infrastructure, including primary care and small practices, to ensure the successful adoption of value-based and risk arrangements

Transforming health care requires specific technical and financial investments to get providers prepared for data-driven quality reporting and monitoring. A pool of funds should be identified to assist this innovation and transformation.

STRATEGY V: IMPROVE HEALTH FOR SPECIAL POPULATIONS

Context: There is evidence that there is a lack of resources dedicated to communities experiencing health disparities and social inequities, including people with disabilities. Evidence has shown that nationally 5% of the population accounts for nearly 50% of health care spending.[20] There has been little success in caring for this population in a coordinated way. Attention to payment strategies that are focused on outcomes for certain populations can be effective, including using focused medical homes for those with complex conditions, bundled payments, or separate total cost of care contracts. Best practices should incorporate tools to better manage medically complex and high-need populations.

Interventions that focus resources on high-need populations and communities experiencing health disparities and social inequities can underscore all of the delivery system reforms. The state needs to expand evidence-based programs including building the state's capacity to promote health equity for people with disabilities, in-home visiting programs for low-income, first-time mothers and parents, an evidence-based lifestyle intervention program for those at risk of developing diabetes, violence-prevention strategies for young people at risk, and trauma-informed, school-linked mental health supports for children.

[20] U.S. Department of Health & Human Services, Agency for Healthcare Research and Quality, The High Concentration of U.S. Health Care Expenditures, Research in Action, Issue 19

Strengthen the state's capacity to promote health equity for people with disabilities

A 2013 Delaware public health assessment found that people with disabilities, who have worse health statuses and outcomes than people without disabilities, do not have equitable opportunities to access health care.[21] Key strategies include improvements in systems and services, increased use of telehealth, building access to recreational facilities, and inclusion with health promotion activities.

Continue to focus on maternal-child health through home visiting programs for high-risk mothers and their babies

Delaware has had success with family home visiting programs, but certainly have more to do to reduce the racial and ethnic disparities in infant mortality. Another strategy to improve birth outcomes and racial and ethnic disparities is to provide prenatal care earlier in identified pregnancies.

Continue to support behavioral health strategies and expand substance use treatment access for all populations

Several efforts are underway to better coordinate behavioral health in Delaware, including addressing the opioid crisis, preventing overdoses, and assisting adolescents with mental health concerns. The state should consider using a single-funding entity to track, coordinate and manage funding from across state agencies and services to avoid duplication and improve quality. A center of excellence approach to an evidence-based treatment system would also better address the gaps in care.

Establish a trauma-informed system of care

With ongoing violence in Wilmington, the downstream impacts of adverse childhood events over many generations are creating barriers to overcoming social inequities. Using the trauma-informed care approach, the health care system and social services sector can better flag and care for those at risk.

Use patient-centered medical homes approaches to support prison re-entry populations and their specialized health needs

The State of Delaware has a growing prison population. In addition to strategies to reexamine the juvenile justice and corrections system, it is also important to consider the special needs to coordinate physical and mental health for those reentering society. Medicaid waivers that create a medical home structure for those leaving prisons can be established to better support the need for coordination of eligibility and services.

Promote policies that allow individuals to "age in place"

Programs that allow more people to "age in place" may help improve patient outcomes and satisfaction as well as bend the cost curve. Physicians and patients can consider alternatives to hospital settings and nursing facilities – including hospice, palliative care, and home and community-based services and supports.

[21] Centers for Disease Control and Prevention (2013). 2012 Behavioral Risk Factor Surveillance System (BRFSS)

STRATEGY VI: ENGAGE COMMUNITIES

Context: Historically, the State of Delaware has not approached health from a unified population health perspective. Population health is at the core of this approach, and the inclusion of social determinants of health in how Delaware delivers and pays for services has been shown to have a major impact on the health and well-being of our communities. Community health workers play a pivotal role in promoting healthier neighborhoods and navigating the complex health care landscape. Additionally, communities and stakeholder must continue to engage in the feedback process for quality and cost transparency to have an impact. This step is an important part of keeping everyone accountable and moving toward value.

Improve community-based wellness initiatives include those public health strategies informed by research on Adverse Childhood Events, prevention of chronic conditions through tobacco cessation, decreased alcohol use, physical activity and healthier eating

A review of policies and regulations should be considered that encourages healthy behaviors. Tobacco cessation strategies have been highly successful at reducing cancer outcomes. Additional approaches and legislative changes could be considered alongside health and wellness approaches around physical activity, healthier eating and positive environmental influences.

Create population health metrics and community data-driven approaches

Data-driven quality metrics also should include population health metrics, including measures that track social determinants of health. Building a workforce that supports community data-driven strategies, including community health workers and the use of community health teams in the state's managed care contracts will ensure better outcomes for all Delawareans.

STRATEGY VII: ENSURE DATA-DRIVEN PERFORMANCE

Context: The ability to use best practices and proven methods is reliant on the integrity of the data system and the ability to analyze data so it is useful and meaningful to the health care delivery system. It is not clearly understood that the state, providers and insurers should grades themselves on their ability to measure their performance against a set of indicators. Using a common set of measures that are both useful and meaningful across provider groups can be a common language and incentive for measuring value.

Use public-private collaboration to establish quality and cost targets

The potential of public-private partnerships to assist in developing the tools, methodology and risk-adjustment factors to determining performance and outcomes are essential for success. The payer structures, oversight and authority need to be flexible for changes in the economy, health care context and current affairs.

Create a methodology for accountable care organizations to interpret quality and cost goals

Using an Accountable Care Organization (ACO) approach also will indicate that there is a need to have a common methodology that stakeholders, providers and hospitals all have given a review and full assessment. In an ongoing way, through hearings or other open processes, stakeholders should continue to provide input on both quality and cost goals, benchmarks and targets. Creating an ongoing feedback mechanism ensures that learning takes place. This will allow practices to adjust and modify to

obtain the results they need to achieve. The role of the Delaware Health Information Network and a new unified Health Care Authority should be better delineated, along with a plan for sustainable funding and independent decision making. Such a Health Care Authority needs to be further described in detail and developed with broad stakeholder input on the structure, authority and role.