# State Innovation Model Progress Report

## Award Detail

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| **Award Title** | Delaware:Test R2 | **Round** | 2 |
| **Organization Name** | Delaware | **Grants Management Specialist** | Gabriel Nah |
| **Type** | Test | **Project Officer** | Katie Shannahan |
| **Total Funding Amount** | $35,000,000.00 | | |

**Description**   Delaware will: (1) support ten community-based population health programs (Health Communities); (2) develop an IT infrastructure to support a cross-payer scorecard of core measures available to providers with related tools for patient engagement and price and quality transparency; and (3) engage payers in the development of a pay-for-value model and a total-cost-of-care model for providers (including independent PCPs), with the goal of attributing all Delawareans to a primary care provider during the performance period. In addition, the state will offer technical assistance to providers focusing on models of integrated, team-based care and transition to value-based payment models. Delaware will implement workforce development strategies to build competencies and address the current workforce and will also develop educational programs to address the needs of model participants.

## Progress Report

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| **Progress Report** | Progress Report 4 - Award Year 2 | **Award Title** | Delaware:Test R2 |
| **Report Number** | 4 | **Award Year** | 2 |

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| **Approval Status** | Approved | **Date Submitted** | 3/2/2017 |
| **Date Approved** | 3/13/2017 | **Last Modified By** | Katie Shannahan |
| **Reporting Period Start Date** | 11/1/2016 | | |
| **Reporting Period End Date** | 1/31/2017 | | |
| **WBS Not Applicable** | ☐ | | |

# Executive Summary

**Success Story or Best Practice**

The Delaware Health Care Commission (HCC), in conjunction with the Delaware Center for Health Innovation (DCHI), facilitated a Practice Transformation Learning Collaborative targeted towards primary care providers and their practice staff on January 24 and received extremely positive feedback on the event. Over 100 stakeholders (including providers, payers, and policy makers) attended the event and participated in interactive discussions on the future of primary care in Delaware, team-based care, and payment reform. Learning objectives focused on value-based care, understanding the Medicare Access and CHIP Reauthorization Act (MACRA) and building capabilities to deliver better care through practice transformation. Other components of the learning collaborative included a better utilization of team based care and a networking session on key initiatives from the DCHI, on Behavioral Health Integration and Workforce Curriculum.
Particular attention was also paid to the tools and resources currently available to practices to assist in their transformation efforts. Post-event surveys indicated that the vast majority of respondents found the sessions Extremely Useful or Very Useful. These surveys will also assist DCHI and HCC in leveraging lessons learned from this event and planning future stakeholder engagement activities such as the DCHI Cross-Committee meetings.

**Challenges Encountered & Plan to Address**

A challenge encountered in Q4 was the lack of clarity on the Common Scorecard's path forward. Both the DCHI Board and Clinical Committee have been facilitating conversations on a number of potential uses for the Scorecard, including, but not limited to using quality, utilization, and cost data to inform policymaking and monitor the impact of DCHI initiatives; being the source of truth for quality, utilization, and cost measures for payers to reference in value-based payment arrangements; making provider performance accessible to consumers; and use as a clinical performance improvement tool. HCC, DCHI and DHIN collaborated and recommended that DHIN will keep the scorecard functioning in its current state until all options are considered by the DCHI Board and Clinical Committee and a decision is made regarding a path forward.

A second challenge involves the Behavioral Health Integration (BHI) program. Originally envisioned as a Year 2 activity, the delay in fully developing the scope of the program and the hiring of a Program Manager has negatively impacted the launch of the testing program. A description of the BHI program has been developed and circulated to interested stakeholders through the DCHI Clinical Committee. Additional details on the Program Manager's role will be included in the job description before circulating to a wider audience asking for referrals of interest. The BHI program is on track to launch in Q1 of Year 3.

**Governance**

Delaware welcomed Gov. John Carney and his administration, including DHSS Cabinet Secretary Dr. Kara Odom Walker, in Q4. Prior to becoming Governor, Carney served as Delaware's at-large Congressman for six years, and has been Delaware's Lieutenant Governor and Secretary of Finance. During his tenure as Lt. Gov., Carney served as Chair of the HCC.

A Delaware native, Sec. Walker earned her BS in chemical engineering from the University of Delaware and her MD from Jefferson Medical College in Philadelphia. She has an MPH from the Johns Hopkins School of Public Health and an MHSR from the UCLA School of Public Health, where she also completed a post-graduate fellowship in the Robert Wood Johnson Clinical Scholars program. She is a board-certified family physician and has published research papers on physician workforce issues, health care organization and delivery.

Most recently, Sec. Walker worked as Deputy Chief Science Officer at the Patient-Centered Outcomes Research Institute (PCORI), a nonprofit, nongovernment organization in Washington that is authorized by Congress to improve evidence available to help patients, caregivers, employers, insurers and policymakers make informed health care decisions. There, she managed the Institute's research investments. She formerly taught Family and Community Medicine at the University of California, San Francisco, as an Assistant Clinical Professor, and has worked with several national organizations to advocate for health equity and for access to quality health care in minority and underserved populations. Sec. Walker will be a member of the HCC as well as the DCHI Board.

The DCHI Board renewed all Committee Chairs, Co-Chairs, and Board Officers in Q4. The DCHI Board also approved new members for four of its standing Committees and voted to install former DHSS Secretary Rita Landgraf as an at-large board member. She will continue on the Board and stay on as Chair of the Patient and Consumer Advisory Committee.

**Stakeholder Engagement**

DCHI held a Cross-Committee meeting on November 1 and received positive feedback on the structure and content of the meeting. Representatives from Delaware's payer community were in attendance and provided substantial updates on their movement forward on payment reform, detailing their plans and alignment with the principles of DCHI and the Common Scorecard. This information was well received by attendees and additional information was requested for inclusion in the next Cross-Committee meeting. The meeting agenda also included two deep dives – one for Healthy Neighborhoods and one on the coordination of the Workforce Curriculum with Practice Transformation – followed by breakout sessions that enabled additional conversations with smaller groups around challenge areas for problem solving.

Furthering its path toward sustainability, DCHI engaged a new communications vendor, Tapp Network, to provide assistance in the development of a comprehensive communications plan that was a main action step resulting from the Board's strategic planning exercise that highlighted the need to enhance stakeholder awareness of DCHI initiatives. Tapp worked with the Board and committees to understand goals and work products in order to develop various communications channels to be launched in Q1 2017.

The DCHI Board and Patient and Consumer Advisory Committee began discussions on changes to the structure of the Committee moving forward that would allow for the inclusion of the patient and consumer perspective in all DCHI initiatives. This structure will be finalized in the next quarter.

**Population Health**

DCHI's Healthy Neighborhoods Committee transitioned away from an operational structure to a governance structure in Q4. This work allowed for the formation and implementation of three sub-committees to address three issues: Data support and evaluation; Resource and sustainability; Clinical advisory. These subcommittees will guide three regional councils, which will serve as the operational structure for the work in the communities. The Healthy Neighborhoods Committee also increased its strategic partnerships statewide through Committee member composition.

DCHI hired a full-time Program Manager for Healthy Neighborhoods, overseeing all of the operational work at the local council level. The Wilmington local council rolled out a soft launch in January and formed a behavioral health task group in addition to forming groups focused on maternal child health and chronic disease. The Sussex County Council transitioned its location to be centrally located in the county and increased the Lead Council membership in Q4. The Sussex County Council has also been working on its Community Plan, which is now 90% complete. Finally, the Dover/Smyrna Council working group was established.

**Health Care Delivery Transformation**

A total of 101 practices and 347 providers are enrolled in SIM Practice Transformation support services. This includes 191 MDs, 93 NPs, 46 DOs, and 17 PAs. 200 of the 347 providers are family practice specialists. Practice Transformation vendors continue to submit data using revised reporting tools, which shows there is wide variation in Milestone Pass Rates by vendor. However, each vendor does have at least one Milestone for which the Pass Rate is above 85%. This quantitative data from the revised reporting tools allows the HCC to recognize practice-level progress and pinpoint practice-level areas for improvement in order to maximize intervention efficiency. For instance, the data shows that enrolled practices are making progress towards implementing a process of following-up after patient hospital discharge and implementing the process of contacting patients who did not receive appropriate preventive care, while many practices may need additional assistance with implementing a multi-disciplinary team for high risk patients and documenting plans for patients with behavioral health care needs. Vendors also identified common challenges to successful practice transformation including, staffing resources, behavioral health integration, and IT capabilities.

Members of the DCHI Clinical Committee have also been working on developing a BHI business use case tool, which is meant to estimate the potential profit or loss that a practice can expect to generate through BHI. The tool is driven based on the assumptions a practice inputs; it is not a forecast of expected revenue, rather, it is intended to help a practice translate their own information (panel size, number of clinicians) into a business case. Development of the BHI testing program continued with launch planned for Q1 2017.

**Payment and Service Delivery Models**

HCC and DCHI leadership continue to hold regular discussions with the state's main payers in order to foster communication on the payers' plans for rolling out new payment models and to ensure engagement and alignment with other areas of SIM work. Highmark and United Health Care attended the November DCHI Cross-Committee meeting and reaffirmed their commitment to aligning measures for their value-based payment programs with the Common Scorecard to simplify the process for providers.

The DCHI Payment Model Monitoring Committee continues to discuss potential approaches to fostering downside risk adoption in Delaware. The Committee also identified opportunities and challenges ahead during Q4, which included feedback from stakeholders that the shift to value-based payment has been slower than desired. A number of factors, such as significant state budget pressures and a desire for accelerated adoption of innovative payment models, highlight the need for change in the state. The Payment Model Monitoring Committee began a series of virtual meetings on innovative payment models in other states in Q4 in response to this feedback and will leverage best practices and lessons learned from other states to guide payment reform efforts in Delaware.

**Leveraging Regulatory Authority**

In Q3 of Year 2, Delaware's Office of Management and Budget released an RFP for participants in the state employee group health program. Through discussions with DCHI and HCC leadership and consultants, OMB included elements and scoring criteria in the RFP that encouraged applicants to align their offerings with the elements proposed by DCHI and aligning with SIM. In Q4, the winning bidders were announced and both included Total Cost of Care arrangements in their proposals. Contracts will be effective July 1, 2017, the beginning of State Fiscal Year 2018.

The DCHI Strategic Plan was approved by the DCHI Board in Q4, and two of the twelve strategic imperatives identified in the Plan relate to regulatory authority in the state. DCHI will place a renewed focus on identifying where policy solutions are necessary to support innovation and work with policymakers as necessary to bring those solutions to fruition. As noted above, Governor Carney and Secretary Walker are newly engaged in the work of DCHI and the HCC. Both organizations will actively engage the Governor's office and the Department of Health and Social Services to ensure policy solutions are addressed comprehensively. Additionally, DCHI plans to work with the Carney administration to leverage the State of Delaware's purchasing authority to continue to foster provider risk sharing as a critical enabler of quality and affordability.

**Workforce Capacity**

The DCHI Workforce and Education Committee finalized its consensus paper internally on developing a framework for sustainable workforce capacity assessments and introduced the paper to the DCHI Board in Q4 for discussion and feedback. The paper is scheduled to be voted on for approval in Q1 2017. The Graduate Health Professional Education Consortium hired an Executive Director and a Project Manager in Q4. Information on the Health Care Workforce Learning and Re-Learning Curriculum was included in the previously mentioned Practice Transformation Learning Collaborative, and the curriculum's first module was also launched in Q4. An estimated 55 attendees participated in discussions about forming quality improvement teams within a practice. A number of practices are just beginning to become aware of the curriculum offering, so the DCHI and HCC will work to enhance awareness across the primary care provider community. Additionally, the curriculum vendor continues to work with the Practice Transformation vendors to identify potential integration points in an effort to streamline the transformation process for providers and practices.

**Health Information Technology**

In Q4, DHIN continued to work with the payers on formatting data files for integration into the third release of the Scorecard, which did not include any new functionality, but did add an additional payer for a total of three whose data is included. The DHIN technical team and HCC leadership also explored adding display of Practice Transformation milestones into the Scorecard, an original goal. However, after weighing the costs, technical complexity and value gained, the team decided not to pursue that functionality. Work also continued in preparation for Release 4, scheduled for Q1 2017. DHIN, HCC and the DCHI Clinical Committee also began to assess the options for updating measures annually.
In Q4 the DCHI board continued to discuss the path forward for the Common Scorecard as questions still remain regarding its long-term use and sustainability. A sub-group of DCHI Board and Committee members met to discuss potential long-term plans and shared this information with the DCHI Board. DCHI and HCC leadership continued to facilitate internal conversations on the use of the Common Scorecard moving forward.

There has also been progress on the Health Care Claims Database (HCCD) initiative, as DHIN engaged a consulting firm to provide an assessment of the current infrastructure and make any recommendations for how to implement the technology required to meet the goals of the HCCD.

**Continuous Quality Improvement**

In Quarter 4, the evaluation team, led by Concept Systems, Inc., finalized the design and began to facilitate an implementation/process evaluation plan to compressively gather data across multiple data collection efforts to inform a complete view of the DE SIM initiative. As part of this design, the evaluation team defined evaluation parameters within the context of the logic model, considered data specifications, considered ways to communicate preliminary evaluation findings to HCC and the Utilization Committee, and reviewed the data collection plan outlined in the operational plan relative to available resources.
During Q4, the evaluation team worked to determine and develop quantitative and qualitative analysis procedures to synthesize information across the multiple data collection platforms. Quality assurance and data management plans were initiated for each data collection activity to ensure accuracy and consistency. This includes data collection check-lists, standard operating procedures, and database management. Additionally, the evaluation team identified sensitizing concepts to help organize and frame the evaluation questions. An initial coding scheme was also established to inform the analysis of the qualitative data, such as interviews, participant observations, and review of documents. In Quarter 4, the evaluation team also facilitated meetings with HCC and the Utilization Committee. As previously reported, the Utilization Committee plans for and informs the system on the use of evaluation findings. Both meetings provided valuable insights in terms of stakeholder engagement and data collection inquires. To that end, the committee meetings focused on the evaluation purpose, design, and operation plan in terms of data collection activities and timeline.
An annual evaluation report will be produced in Q1 2017.

**Additional Information**

# Metrics

| Metric Name | Performance Goal | Current Value |
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# Risk Factors

| Risk Factors | Current Priority Level | Current Probability | Current Impact | Prioritized Risk Mitigation Strategy | Current Next Steps | Current Timeline |
|---|---|---|---|---|---|---|
| Confusion among providers between TCPI and SIM funding opportunities | 1 | Low | Low | Maintain dialogue with TCPI grantee to ensure coordinated messaging and strategy | Continue to meet periodically with the Delaware TCPI awardee to share information, enrollees, and strategies | Next call to be scheduled in March |
| Curriculum is not implemented in timely way to support change | 3 | Medium | Medium | Establish strong vendor management practices including deliverables-based contracts with intermediate milestones and oversight by the State | Continue to meet regularly with curriculum vendor to assess activities in support of timely implementation of modules | Curriculum Module 1 to launch in Q1, Module 2 in Q2 and Module 3 in Q3 |
| Elimination of collaborative agreement disconnects APRNs from care team | 1 | Low | Low | Conduct education and promote awareness of the role of APRNs in care team | Ensure communication with curriculum and Practice Transformation vendors to ensure APRNs are incorporated into the care team | Curriculum vendor currently finalizing design of Modules to roll out in Year 3/PT vendors recruiting Wave 2 of practices |
| Inability to align on focus area | 3 | Medium | Medium | Ensure staff support to allow for Neighborhood alignment | Year 3 Op Plan includes support for HN project | Wave 2 Neighborhoods scheduled for roll out by Q4 2017 |

| Risk | | | | Mitigation | Status | Timeline |
|---|---|---|---|---|---|---|
| Insufficient capacity within DHIN or other agencies to lead HIT initiatives | 3 | Medium | Medium | Identify external/alternate vendor to lead initiatives | Continue bi-weekly communication with DHIN/HCC to monitor capacity and project progress | Release 4 scheduled for March 2017 |
| Lack of funding for sustainability | 4 | Medium | Medium | Prioritize activities and focus only on those with significant results | Continue dialogue with stakeholders to identify areas of priority; Use the State-led evaluator's Utilization Committee to ensure rapid evaluation of activities and course correct as needed | Meet with stakeholders in March to prioritize Carryover request based on evaluation of activities to date |
| Lack of measurable success for pilot Neighborhood(s) | 2 | Low | Low | Ensure adequate staff available to provide support to pilot(s) | Support for HN included in Y3 budget to provide resources for Wave 1 and 2 Neighborhoods | Data subcommittee to evaluate data collection activities to determine measures of success |
| Low consumer interest in engagement tools | 1 | Medium | Low | Increase awareness through outreach and education | Consumer tools have not been launched yet | Consumer engagement tools to be developed in Year 3 |
| Low payer participation | 3 | Low | Low | Active, regular conversations with payer representatives across segments | Continue to regular phone and in person meetings with major payer stakeholders to continue engagement | Biweekly calls with Highmark and United teams; Quarterly leadership meetings with Highmark |

| Risk | Likelihood | Impact | Mitigation Strategy | Status | Timeline |
|---|---|---|---|---|---|
| Low provider participation in practice transformation services | 4 | High | Medium | Conduct additional outreach and education regarding the opportunity | Communicate with vendors about expectations for enrollment in Y3 | Wave 2 enrollments to begin in Q1 2017 |
| Low provider participation in VBP models | 4 | Medium | Medium | Provide a variety of channels for regular provider input | Clinical Committee to engage in provider outreach; DCHI to launch stakeholder communications | Communications to launch in Q1 2017 |
| Messaging does not reach target audience | 2 | Low | Low | Conduct focus groups to test messages and channels for delivery | DCHI communications vendor to launch stakeholder communications | Communications to launch in Q1 2017 |
| Stakeholder participation wanes over time | 3 | Medium | Low | Provide regular progress reports so stakeholders know the impact of their contributions | Monthly progress reports included in SIM update at HCC meetings; continue regular engagement with stakeholder groups | Next public Cross-Committee meeting scheduled for Q2 2017 |
| Stakeholders unable to deliver necessary data to produce scorecards | 3 | Medium | Medium | Monitor delivery schedule similar to vendor management, with regular checkpoints | Quarterly release data for Scorecard continues | Release 4 with updated data scheduled for March 2017 |
| Vendors unable to deliver HIT functionality on time | 1 | Low | Low | Establish strong vendor management practices including deliverables-based contracts with intermediate milestones and oversight by the state | All current planned functionalities for the Scorecard are implemented. | Release 4 of scorecard on track for March 2017 |

# WBS

| Vendor | Category of Expense | Primary Driver | Total Unrestricted Funding (obligated funds) | Metric Name | Carry Over Funds | Rate/ Unit Cost | Comments/ Notes | Total Payments (spent funds) |
|---|---|---|---|---|---|---|---|---|
| Concept Systems Inc. | Contract | | $250,000 | | No | | Contracted state-led evaluator | $82,710 |
| Delaware Center for Health Innovation | Contract | | $35,280 | | No | | Contracted administrative support | $16,800 |
| ab+c Creative Intelligence | Contract | Driver 1 | $835,125 | | Yes | | Media and public relations firm supporting patient, consumer and stakeholder engagement as well as website maintenance and development | $35,818 |
| ab+c Creative Intelligence | Contract | Driver 1 | $835,125 | | No | | Media and public relations firm supporting patient, consumer and stakeholder engagement as well as website maintenance and development | $79,342 |
| AES Professional Services | Contract | Driver 3 | $4,112 | | Yes | | Report generation and data analysis for Practice Transformation program | $4,112 |
| Remedy | Contract | Driver 3 | $1,200,000 | | Yes | | Contracted practice transformation | $71,000 |

| | | | | | vendor | |
|---|---|---|---|---|---|---|---|
| Medical Society of Delaware | Contract | Driver 3 | $1,200,000 | | Yes | Contracted practice transformation vendor | $32,000 |
| MedAllies | Contract | Driver 3 | $1,275,000 | | Yes | Contracted practice transformation vendor | $40,375 |
| New Jersey Academy of Family Physicians | Contract | Driver 3 | $1,200,000 | | Yes | Contracted practice transformation vendor | $58,000 |
| Public Consulting Group | Contract | Driver 4 | $591,600 | | Yes | Consulting services supporting Workforce & Education and Patient & Consumer Advisory committees | $29,280 |
| University of Delaware | Contract | Driver 4 | $222,360 | | No | Contracted vendor for workforce curriculum | $3,517 |
| University of Delaware | Contract | Driver 4 | $222,360 | | Yes | Contracted vendor for workforce curriculum | $79,925 |
| Public Consulting Group | Contract | Driver 4 | $591,600 | | No | Consulting services supporting Workforce & Education and Patient & Consumer Advisory committees | $65,280 |
| McKinsey and Company | Contract | Driver 6 | $4,100,000 | | Yes | Consulting support for Clinical/Delivery, Population Health, Health IT, and Payment | $1,679,540 |

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| | | | | | | workstreams as well as overall project management | |
| McKinsey and Company | Contract | Driver 6 | $4,100,000 | | No | Consulting support for Clinical/Delivery, Population Health, Health IT, and Payment workstreams as well as overall project management | $718,959 |
| Delaware Health Information Network | Contract | Driver 7 | $249,480 | | Yes | Statewide Common Scorecard | $43,200 |

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