ChooseHealth
DELAWARE

Delaware's State Health Care Innovation Plan

September 17-18th, 2013


WELCOME

Agenda for today

Introduction and background	**30 min**
Q&A	30 min
Overview of plan	30 min
Q&A	30 min

Approach for today's discussion

- Goal is to have an open, interactive discussion
- General format – presentation, then questions and discussion
- We will try to be informal – just raise your hand to start the conversation
- If we are pressed for time, we will limit comments and questions to 2 minutes per person to ensure fairness and broad participation

Introduction

- A lot going on in healthcare across Delaware
- In the last few months an effort has been underway to improve how we pay for and deliver healthcare
- Today we would like to share with you where we are in the process and get your feedback so we can make improvements together

Before we get started, a few definitions

Care coordinator	▪ Member of health care team who helps connect clinicians and patients to simplify care
Fee-for-service	▪ Today's primary payment model – rewards volume
Pay-for-value	▪ Outcomes-based payment model linked to quality and utilization effectiveness
Total cost of care	▪ Outcomes-based payment model linked to quality and cost effectiveness

Getting started

How we experience healthcare

- Accessing care can be complex and difficult
- It is hard to know how much things cost and how good our care is

Unique characteristics of Delaware to consider

- 2nd smallest state by size and 6th smallest by population
- Growing elderly population – projected to be 9th highest population over 65 by 2030
- Healthcare is both concentrated and fragmented
- ~50% of population is covered by publicly funded healthcare

SOURCE: U.S. Census Bureau, Kaiser State Health Facts, HealthLeaders InterStudy data, American Hospital Directory; Financial Compass 2010

Where we are today

Delaware begins transformation with many strengths

- **Better coverage**, better cancer screening coverage
- Has **significant assets** to support the health care system
- **Innovation** yielding positive outcomes in specific efforts

Significant gaps remain vs. Triple Aim

- **Delaware remains unhealthy**
- Health care **quality** generally **average**, **experience** often **below average**
- **Spends 25% more per capita** than national average

Given strengths and investment, current situation is surprising

Understanding why we are here

Structural barriers

- **Payment incentivizes volume of services – not quality**
- **Care delivery is concentrated and highly fragmented**
- Population health approach **not connected** with care delivery

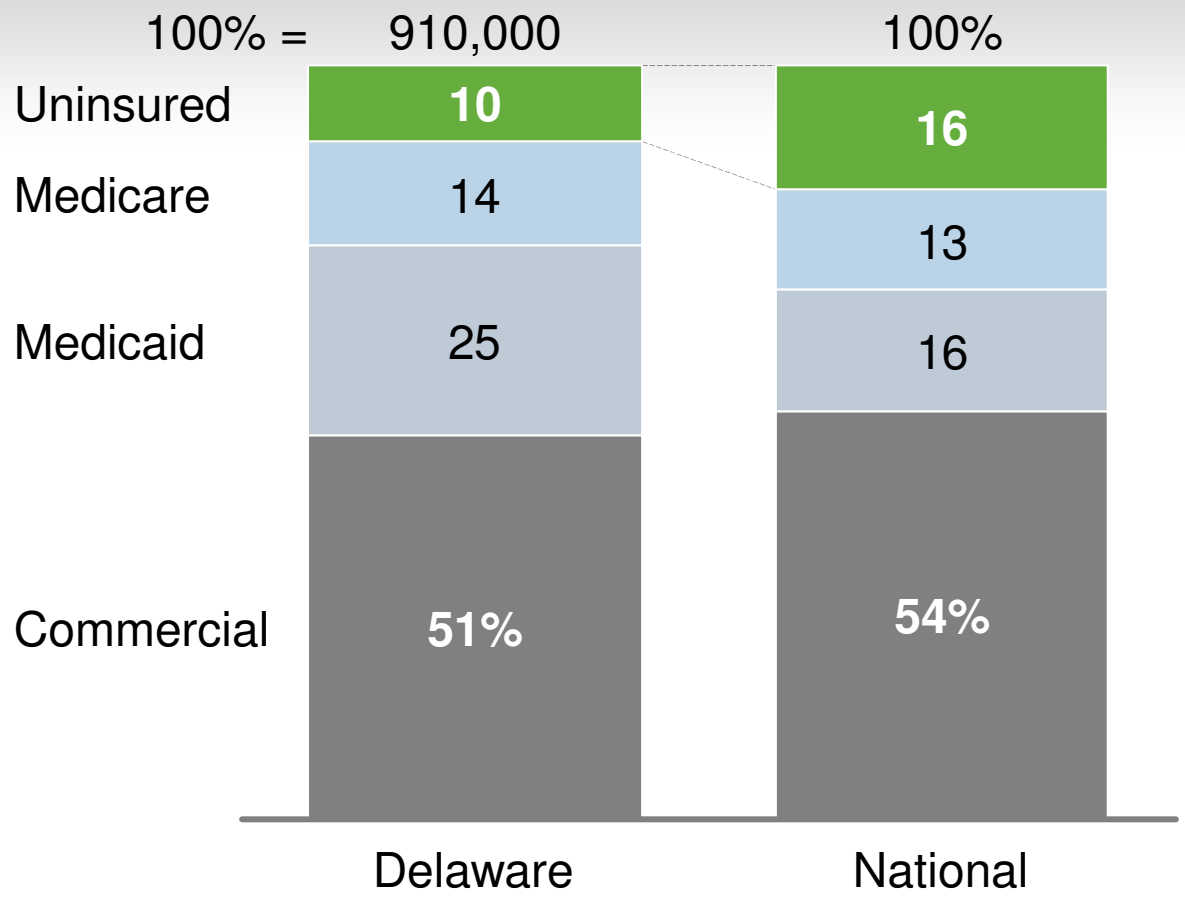
…and operational challenges

- **Workforce has major gaps** in specialties, geographies, and skills
- **Limited transparency** on quality and cost for patients and providers
- **Lack of payer alignment** on payment model, measures, and areas of focus
- **Sustained preference for pilots** vs. designing for scale
- **Community resources spread thin** across many prevention areas
- 10% of Delawareans remain **uninsured**

Delaware has better coverage

Population distribution by payer

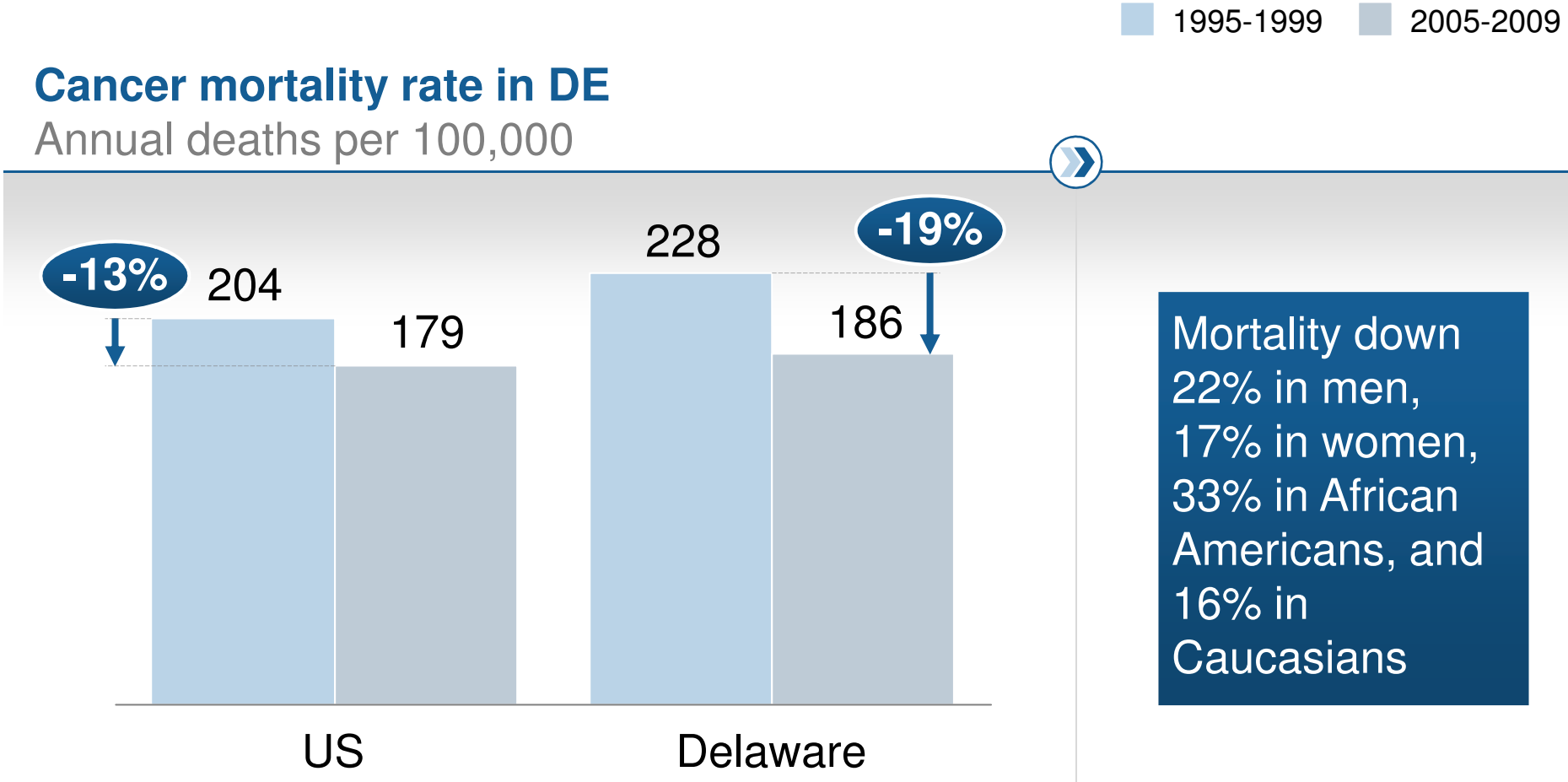
Beneficiaries ('000) and %, 2011 estimate



Access to coverage is expanding

SOURCE: CMS, US Census Bureau, HealthLeaders-Interstudy

Incredible progress in areas like cancer



Mortality down 22% in men, 17% in women, 33% in African Americans, and 16% in Caucasians

"Delaware sees progress in fight against cancer"
– The Washington Post, May 1st, 2013

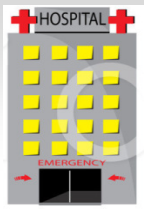
SOURCE: DHSS Report – Cancer Incidence and Mortality in Delaware, April 2013

Best-in-class assets

Data Senders

DHIN

Data Receivers



Aggregates all known data about each patient

- Lab results
- Radiology reports
- Pathology reports
- Hospital ADTs
- Transcribed reports
- +/- Medication history

Auto-print

or

Populate EMR

or

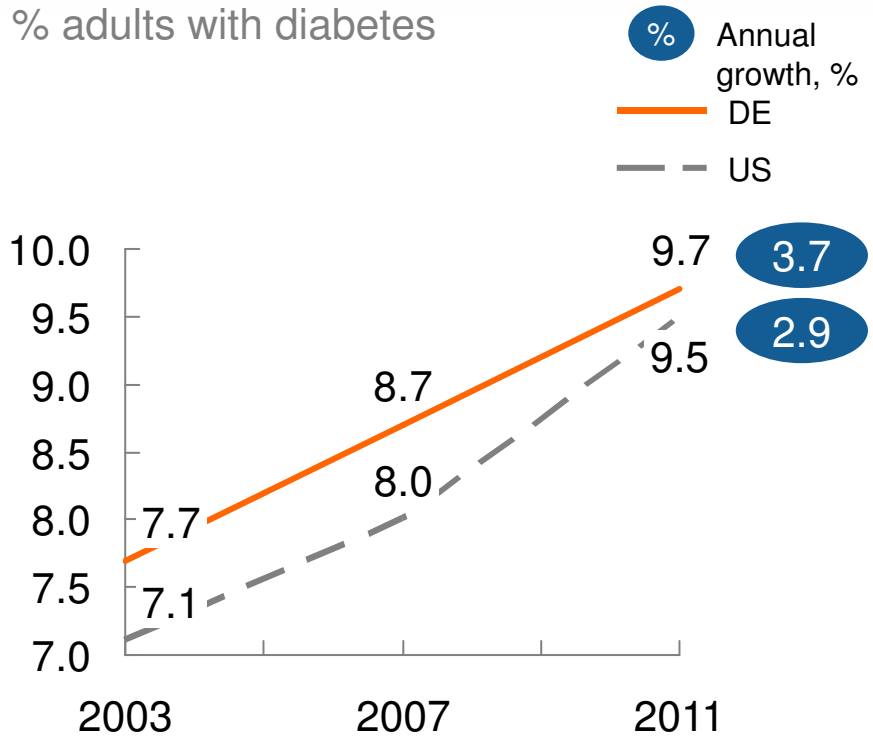
View data via web portal

…and continuous innovation

However, significant chronic disease burden

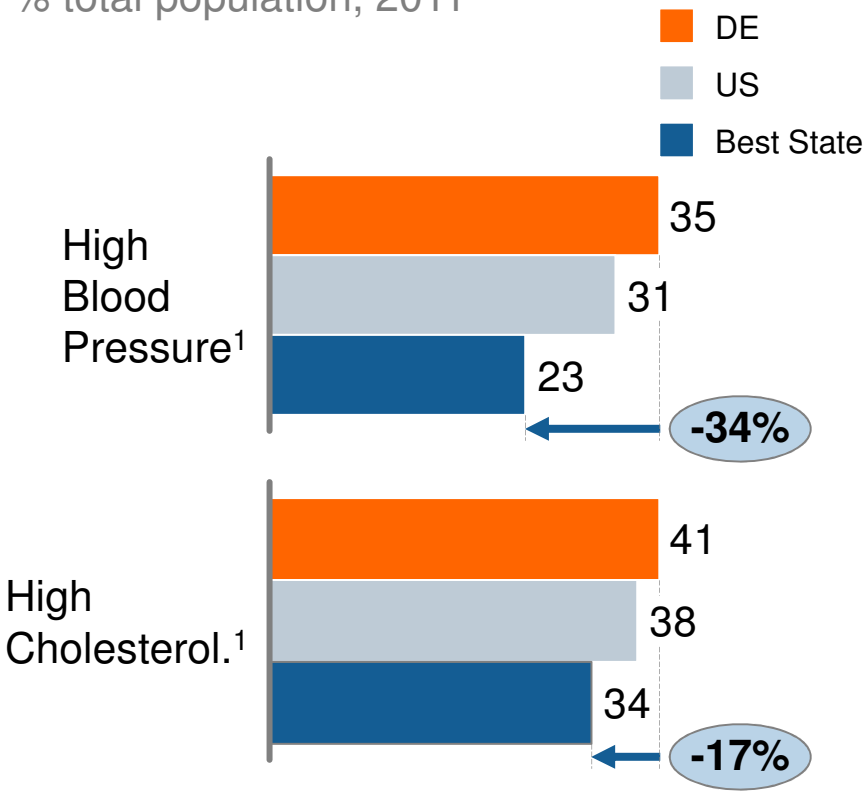
Diabetes prevalence over time

% adults with diabetes



Prevalence of Cardiovascular risk factors

% total population, 2011



1 Respondents >=18 years old, who have been told by doctor that have High Blood Pressure or High Cholesterol levels

SOURCE: BRFSS, America's Health Rankings, CDC Behavioral risk factor surveillance

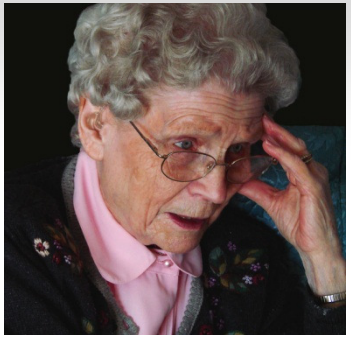
Patients have said some things work well[1]

Effective care coordination

"Helen" –
65 year old woman who needed elective joint replacement surgery

- Care manager RN assigned to her
- RN met with patient at surgeon's office and visited home to evaluate needs
- Saw patient daily in hospital and facilitated post-op meds and transfer home
- Helen able to have her care customized and needs attended to, and to participate in care

Care needs for individuals with disabilities



"Ruth" –
Homeless, alcoholic, diabetic woman with mental illness

- Got connected with a care coordinator/health coach, who provided access to mental health services and pharmacy assistance
- Increased access to appropriate coordinated services
- Reduced utilization of emergency dept.
  - formerly 6 visits within a 6 week period

1 All patient names and pictures have been changed

SOURCE: May 7th Kickoff session – patient stories submitted by attendees

Patients have also shared their concerns[1]

Ineffective care coordination

- **"Dave"** is diabetic with emphysema and dementia
- Lack of coordination among his prescriptions leads to drug interactions, and frequent ER trips

Care needs for disabilities

- **"Jon"** is a deaf and was in a car accident with minor injuries
- No one at ER could sign with him to understand the emotional trauma he was experiencing

Access to mental health care

- **"James"** developed psychotic illness in college, but with no mental health services dropped out
- Homeless and using illegal substances, has legal difficulties

Inappropriate care setting

- **"Mary"** is a cancer survivor and needs a medical procedure every six weeks
- Before switching to Medicare/Medicaid her procedure was performed in an outpatient setting, but now it costs more for inpatient

Lack of primary care access

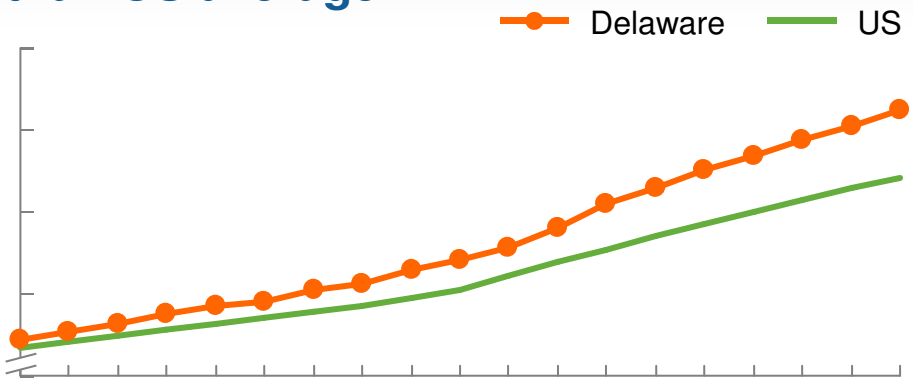
- **"June"** has congestive heart failure and has to monitor her fluid retention
- Realizing she had gained weight she could not get an appointment with her doctor for a month, so two days later went to the ER

1 All patient names and pictures have been changed

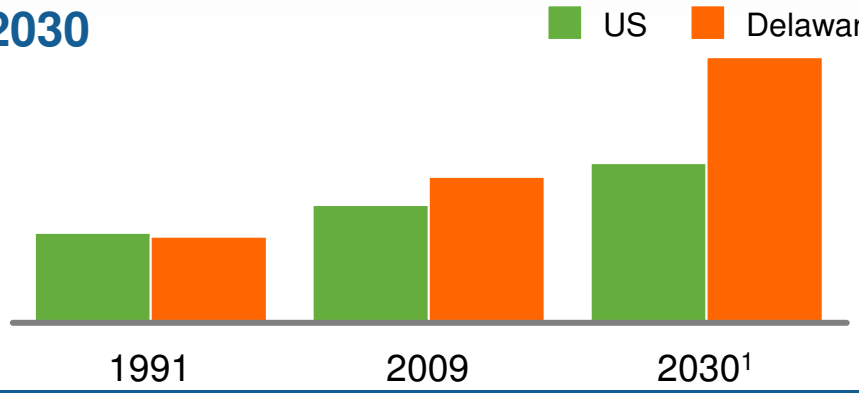
SOURCE: May 7th Kickoff session – patient stories submitted by attendees

Delaware spends $8 billion on health care

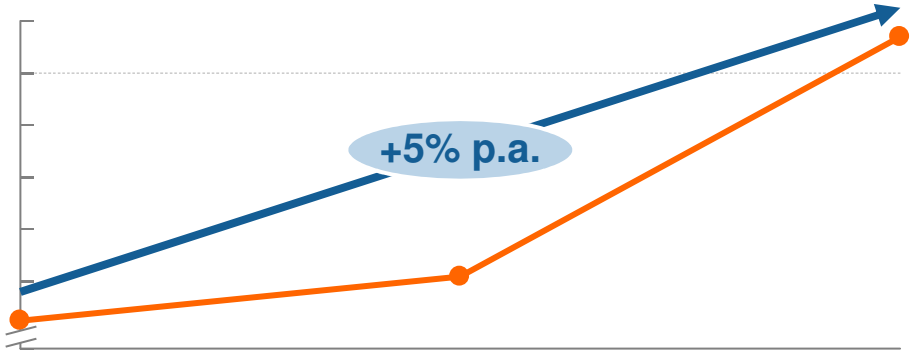
Spending per capita is *25%* higher than US average



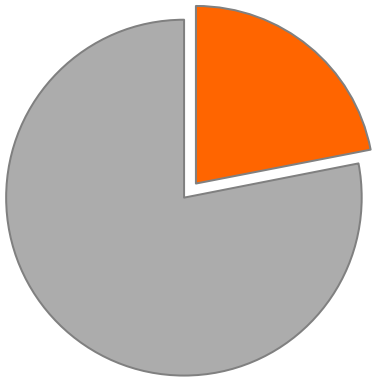
At this rate, Delawareans will spend *40%* of their income on healthcare in 2030



Premiums have gone up *5%* per year for families between 2006 and 2011



22% of the state budget is spent on healthcare



1 Assume that 2009-2030 CAGR for Delaware and US health care costs and GDP is the same as their respective 1991-2009 CAGR

SOURCE: Kaiser Family Foundation, State-Level Employer-Sponsored Insurance Coverage (ESI), SHADAC, 2013; Medicaid.gov: Delaware U.S. Census Bureau: State and Local Government Finance

Discussion and feedback

- What are the biggest challenges you face in managing your own health?
- What are your perspectives on the need to:
  - Improve the health of Delawareans?
  - Improve health care quality and patient experience?
  - Reduce health care costs?
- What other feedback do you have?

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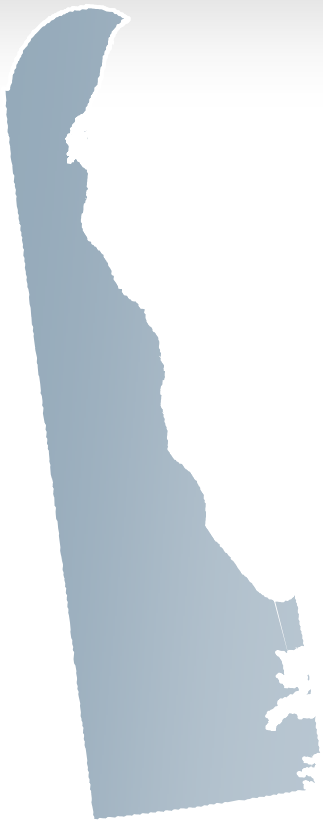
Delaware's goals for achieving the Triple Aim…

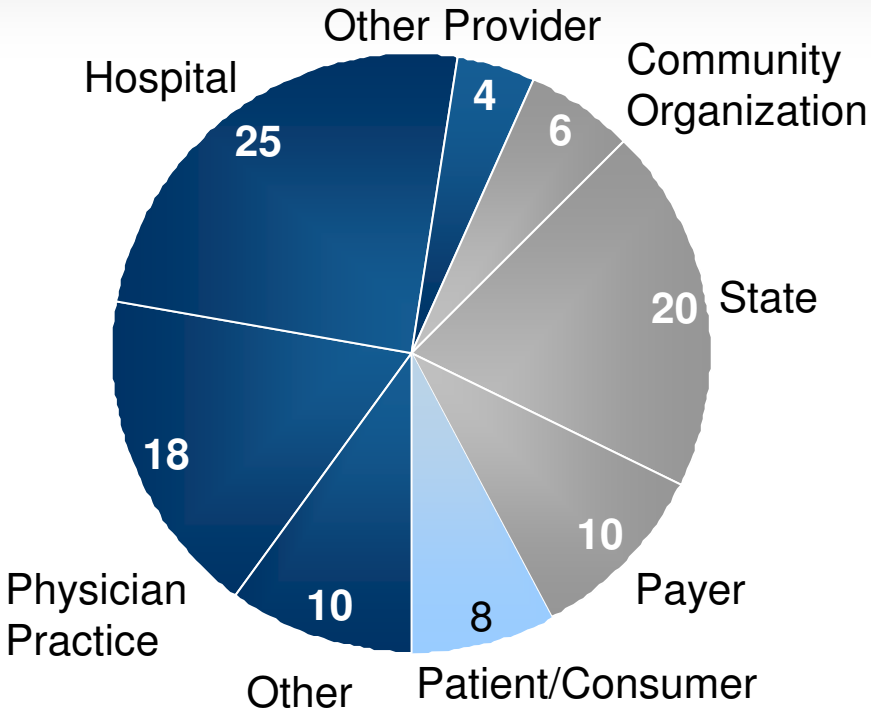
- Delaware will be one of the **healthiest states in the nation;** and
- Delaware will be a **national leader in health care quality and patient experience;** and
- Delaware will **significantly reduce** health care **costs**



How we got started: developing a plan

Example attendance of one meeting

Percent



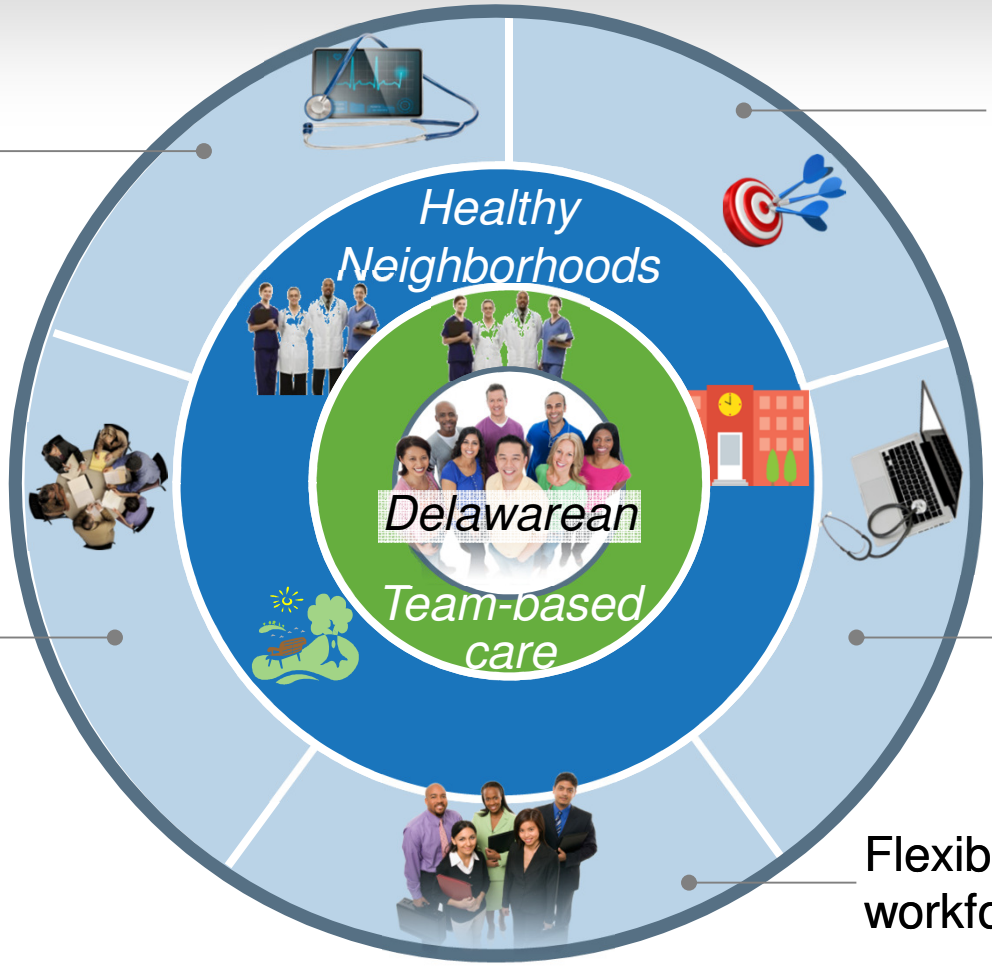
- **Multi-stakeholder**
- **Public/Private**
- **Open and transparent**

By the numbers

~40 working sessions and meetings totaling > ***75*** hours

More than ***100*** people, and over ***40*** organizations in at least one session

Framework for DE's health transformation



Health information at point of care

Payment linked to outcomes

Multi-stakeholder governance

Shared resources and services to support providers

Flexible workforce

DRAFT

Core elements of the plan

- Empower Delawareans to **better manage their health** with information, tools, resources, and education

- **Care coordination** for high risk, including **integration** with behavioral health and primary care, and more effective **diagnosis and treatment**
- **Common principles** and provider **scorecard** to promote transparency
- **Shared resources and services** to support providers

- **Two tracks** for moving toward outcomes-based payment linked to quality and cost
- **Flexible provider models** to optimize participation and innovation
- Funding for provider **investment in care coordination**

- **Healthy Neighborhoods program** focuses on community level **promote health, wellness, prevention, and primary care** (e.g., through medical homes)

Enablers

- **DHIN provides single interface** for providers and for patients that supports care coordination and patient engagement
- **Risk stratification** and **care gap services to support providers**

- Vision for Delaware as a **"Learning State"**
- Holistic approach to workforce that offers **accessible** and **coordinated** education/training, promotes **diverse** and **geographically** distributed workers, and empowers **top-of-license** practice

- **A policy environment that** makes transformation possible (e.g., licensing)
- Stand up **new governance structure** to support transformation and ensure momentum over time

Empower Delawareans

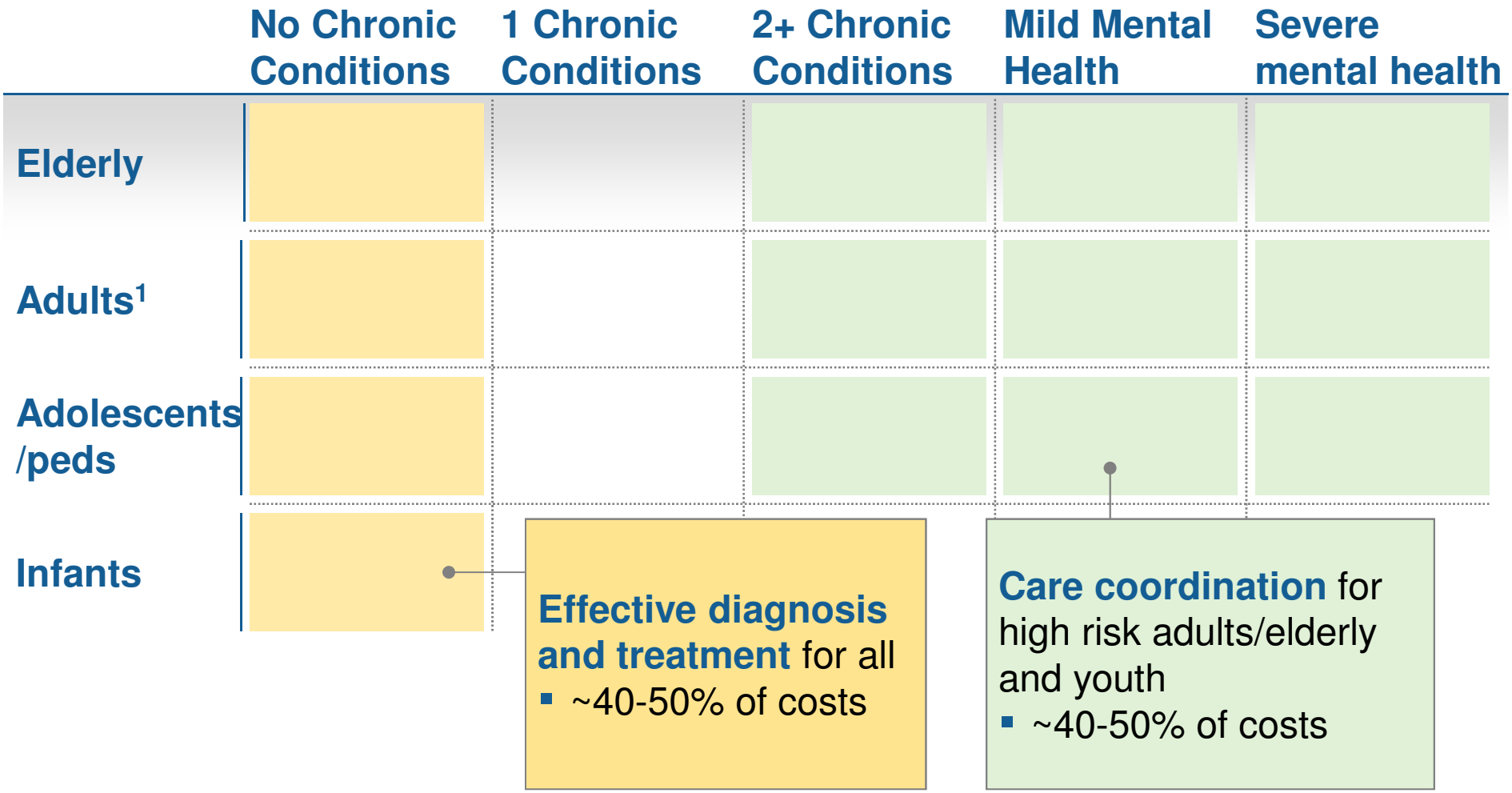
What we've heard

- Individuals want tools and resources to take ownership of their own health
- Current structure is complex

Tools and resources proposed

- Easier access to data
- Awareness campaign
- Healthy Neighborhoods (more later!)

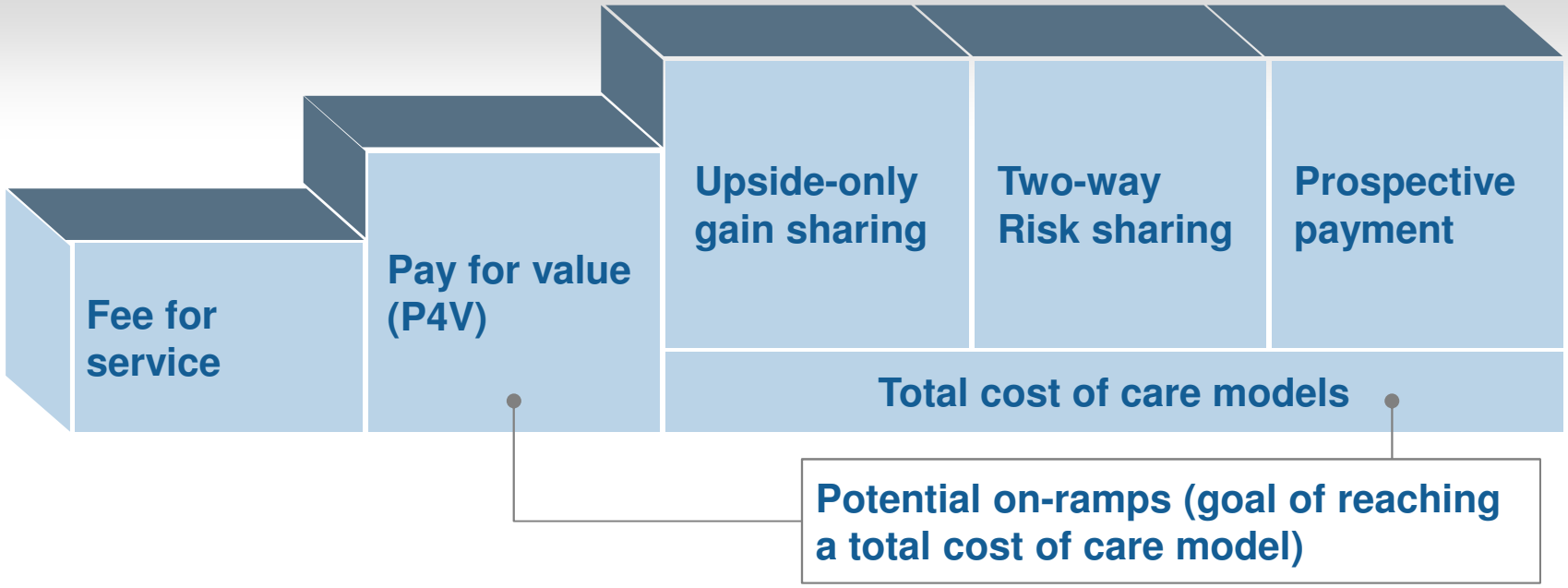
Focus on areas that drive cost



1 Includes pregnant women 2 Mild mental health and severe mental health patients include patients that have chronic conditions (single or multiple)

SOURCE: 1 US Census Data; Health Expenditures by State of Residence (2009), Medicaid Statistical Information System (MSIS) State Summary Datamart (2011), Medicare Geographic Variation Public Use File (2011); based on risk strata spend multipliers from other delivery systems, extrapolated to DE population and cost total

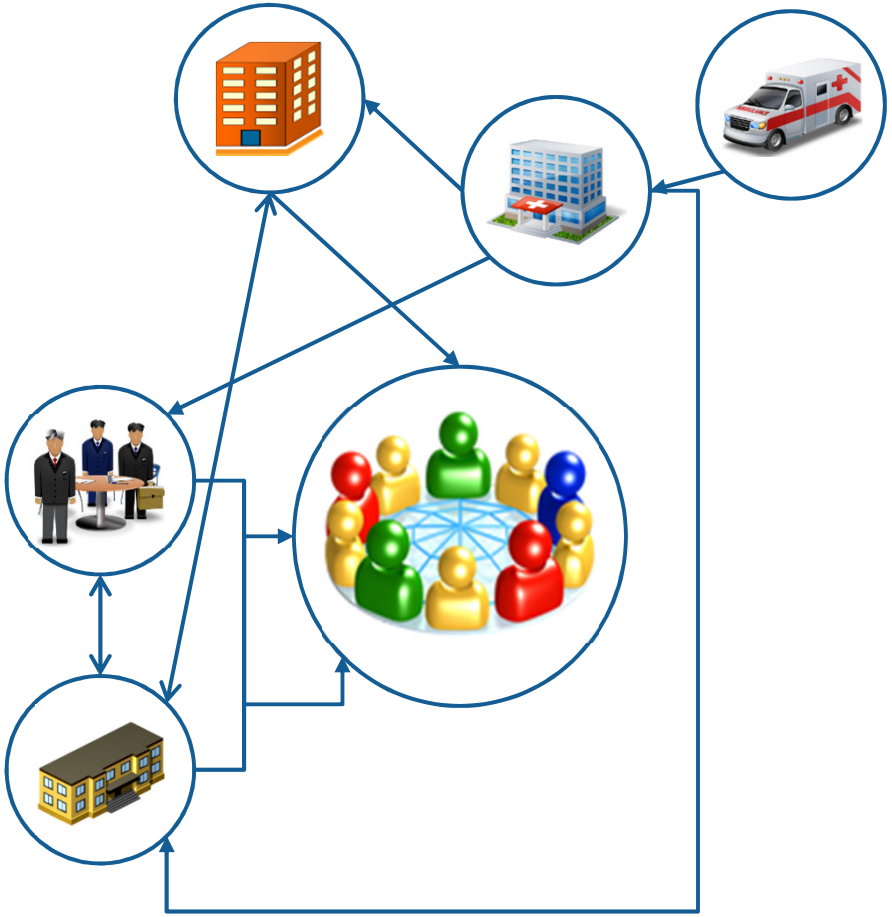
Proposed payment model that incentivizes both quality and lower costs



- **All** would be measured against **same scorecard of metrics**
- **All** would require meeting **quality measures** to qualify for gains
- For **P4V**, would measure **utilization** for payment (reporting **total cost** for information)
- For **total cost of care models**, would measure **total cost** for payment (reporting **utilization** for information)

Healthy Neighborhoods

Today: health and wellness efforts not coordinated or integrated



Vision: Healthy Neighborhoods

- Bring organizations together with common goals for improved health at the local level

How would this all work for me?

What would be the same:

- The same kinds of choices you have today
- Multiple health insurers and providers

What would be new:

- You will have more information and resources available to you about your health
- Healthcare that is local and tailored to your neighborhood needs
- Your providers will work more closely together, and more closely with you
- Your providers will have greater focus on outcomes

Discussion and feedback

- What comments do you have?
- What do you like best about the plan?
- What would you like to see changed or improved in the plan?
- What will be the most important elements of the plan to implement first?

Wrap up

- Health Care Commission standing meetings will always have updates on the status of this work – the next meeting on October 10!
- Please add your name to the distribution list to continue to learn more and contribute
- Please send feedback and/or fill out survey
- More information available on the Health Care Commission website: http://dhss.delaware.gov/dhcc/cmmi/index.html