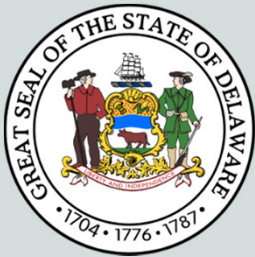


*Transforming Delaware's Health:  
A Model for State Health Care System Innovation*



# State Innovation Model (SIM) Update

May 2, 2013

## Agenda for today

Session	Time
Overview of SIM	9:15
Overview of key workstreams	9:45
Approach	10:15
Discussion	10:30

## Agenda for today

### Session

### Time

Overview of SIM

9:15

Overview of key workstreams

9:45

Approach

10:15

Discussion

10:30

# What are the goals of this effort?

## The “**Triple Aim**”

---

1. Improving the health of Delawareans
2. Improving health outcomes
3. Reducing health care costs



## SIM is an opportunity to help us achieve our goals

» **Nearly \$300M in grants** to support state-based models for multi-payer payment and health care delivery system transformation

» **25 states awarded Model Design, Pre-testing or Testing grants**

» Innovation plans must

- Be **Governor-led** and **multi-payor**
- Achieve the **Triple Aim**
- Incorporate broad range of **stakeholder input**

**Delaware has  
been awarded a  
design grant**



## Other states are using SIM to drive innovation at scale (1/3)

### Arkansas



- Patient-centered health care system with population-based models and episode-based payment for acute care
- By 2016 a majority of Arkansans will have access to a patient-centered medical home (PCMH)

### Maine



- Alignment of benefits from MaineCare (the state's Medicaid program) with benefits from Medicare and commercial payers to achieve and sustain lower costs for the Medicaid, Medicare and CHIP populations
- Formation of multi-payor Accountable Care Organizations (ACOs)

### Massachusetts



- Support for primary care practices to transform into PCMHs
- Shared savings / shared risk payments for primary care with quality incentives based on a statewide set of quality metrics

## Other states are using SIM to drive innovation at scale (2/3)

### Minnesota



- Expanded scope of care provided by ACOs to include long-term social services and behavioral health services
- Creation of linkages between the ACOs and Medicare, Medicaid, and commercial insurers to align payments to provide better care coordination
- “Accountable Communities for Health” to integrate care with behavioral health, public health, social services, etc., and share accountability for population health

### Oregon



- System of Coordinated Care Organizations (CCOs)—risk-bearing, community-based entities governed by a partnership among providers, the community, and entities taking financial risk for the cost of health care
- CCO model will begin with Medicaid and be spread to additional populations and payors, including Medicare and state employee plans

## Other states are using SIM to drive innovation at scale (3/3)

### Vermont








- Shared-savings ACO model that involves integration of payment and services across an entire delivery system
- Bundled payment model that involve integration of payment and services across multiple independent providers
- Pay-for-performance model aimed at improving the quality, performance, and efficiency of individual providers.
- Formation of multi-payor ACOs

- These states already have a plan for change that they are testing and implementing
- Delaware, like 15 other states, is beginning the process of developing a transformation plan



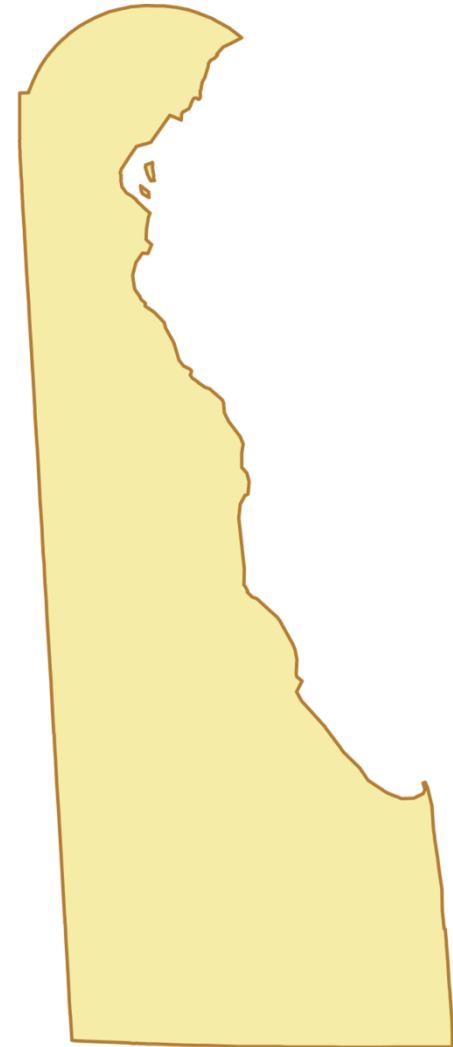
# There is a strong foundation to build from as we begin our journey

## Key elements in Delaware

-  Lots of ongoing innovative projects (e.g., the Patient-Centered Medical Home for asthmatic children, the “Independence at Home” demonstration for Medicare patients)
-  Infrastructure in place for information-sharing with the Delaware Health Information Network
-  Experience creating real, meaningful multi-stakeholder change in health care (e.g., through the Delaware Cancer Consortium)
-  Putting in place a Federal Partnership Exchange to facilitate expanded coverage
-  Broad committed stakeholder community

## We will need to account for unique characteristics of Delaware as we develop our transformation approach

- Small population compared to other states
- Diversity within the state geographically
- Represents a microcosm of America demographically
- Growing elderly population – projected to be the 9<sup>th</sup> highest population over 65 by 2030
- Concentrated health insurance (three payors account for more than 65 percent of lives) landscape
- High concentration of providers
- Already transitioned to Medicaid Managed Care



## Agenda for today

Session	Time
Overview of SIM	9:15
Overview of key workstreams	9:45
Approach	10:15
Discussion	10:30

## **Approach to health system transformation is organized in 6 streams**

**Delivery System**

**Population Health**

**Payment Model**

**Data / analytics**

**Workforce**

**Policy**

## Delivery system



### Goals

- Describe how better care should be delivered and population health improved, including targeted analysis of utilization and case studies about different models and input from consumers (e.g., PCMHs)

### Areas of focus

- Assess different health care delivery models
- Analyze health system structure, including current health care delivery model, and evaluate potential changes and innovations
- Analyze delivery model options
- Assess and identify future quality measures
- Develop a strategy and plan to implement the new quality measurements
- Develop a plan to create and implement the new delivery model

**Chair:** Bettina Riveros

**Sponsor:** Rita Landgraf

# Population Health



## Goals

- Identify and prioritize potential wellness and population health programs

## Areas of focus

- Assess population health requirements
- Analyze options for population health improvements
- Map together options of population health and health care delivery model
- Develop a plan for improving population health

**Chair:** Lolita Lopez

**Sponsor:** Karyl Rattay

# Payment Model



## Goals

- Identify the right payment model (e.g., pay for value, episodes and capitation) to incentivize providers to optimize quality and better manage costs

## Areas of focus

- Analyze peer state programs
- Analyze data to inform evaluation of payment models
- Synthesize analyses and implications for payment model
- Analyze options for change, including potential impact and trade-offs
- Develop preferred payment option and impact
- Develop financial forecast of impact of new payment models
- Develop plan to implement payment model

**Chair:** Matt Swanson

**Sponsor:** Bettina Riveros

## Data / analytics



### Goals

- Define the requirements relative to the delivery and payment models, assess how well current systems meet these needs and then evaluate options for how to proceed

### Areas of focus

- Build an inventory of health data sources and systems
- Assess health data capacity and infrastructure
- Assess health data flow and reporting needs for State Innovation Plan
- Identify linkages among data systems
- Analyze options to close analytic gaps and build future-state analytic capabilities
- Develop plan for building data analytic capacity for State Innovation Plan

**Chair:** Jan Lee

**Sponsor:** Gary Heckert



# Workforce



## Goals

- Define and identify path forward to achieve required changes in workforce numbers, composition and effectiveness

## Areas of focus

- Assess changes required in workforce, including current state assessment, quantified gap and financial analysis
- Analyze options for workforce changes
- Develop plan for workforce development and implementation

**Chair:** Kathy Matt

**Sponsor:** Jill Rogers

# Policy



## Goals

- Identify opportunities to align state agencies, policies and purchasing to support care delivery and payment model changes

## Areas of focus

- Assess requirements for policy, regulatory, and/or legislative changes
- Analyze options for policy changes
- Develop plan for policy change implementation, including technical advice into changes needed to achieve the State's vision

**Chair:** TBD

**Sponsor:** Brenda Lakeman

## Agenda for today

Session	Time
Overview of SIM	9:15
Overview of key workstreams	9:45
Approach	10:15
Discussion	10:30

## Guiding principles

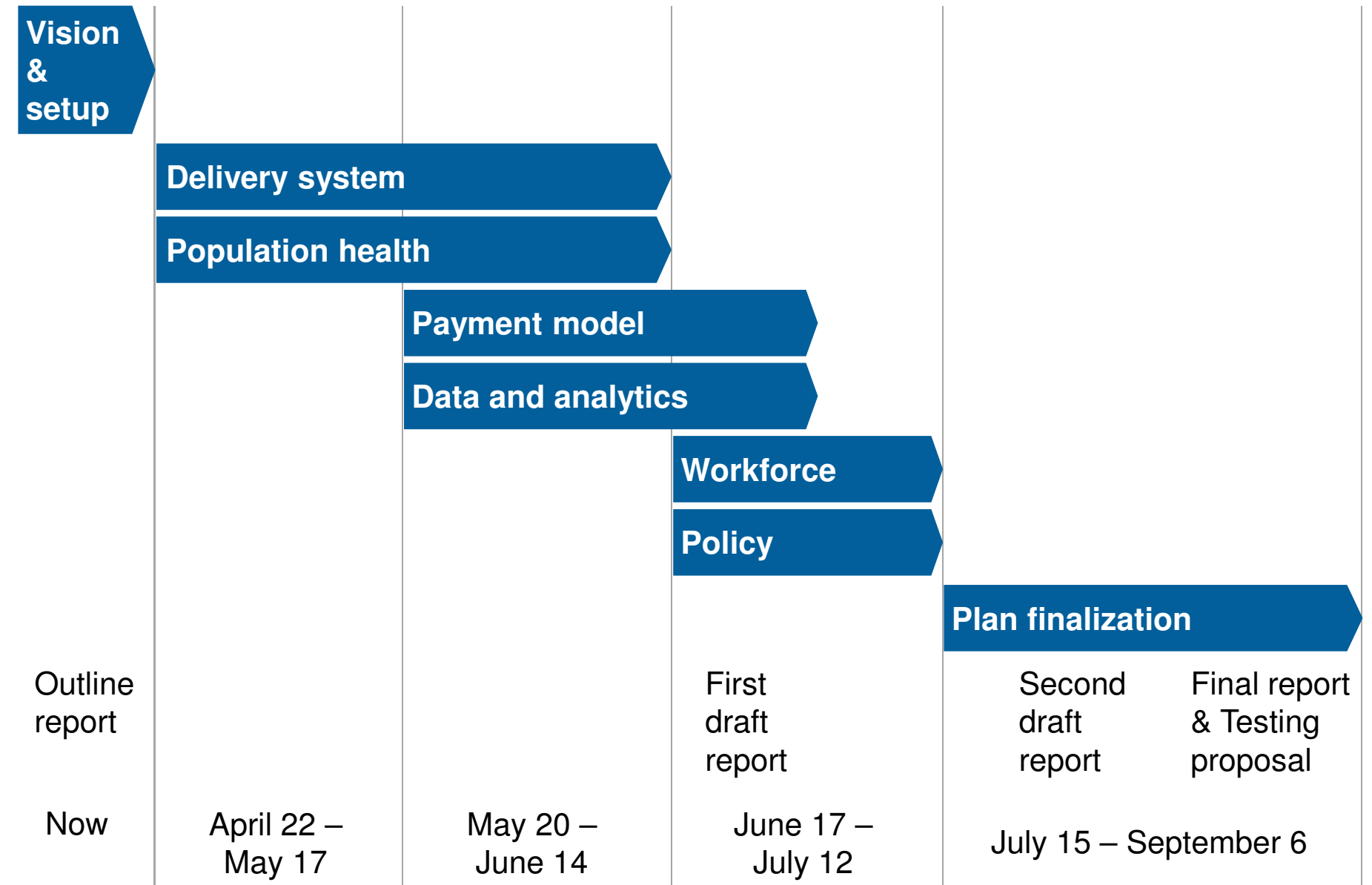
### Impact

- Develop a health care transformation strategy that is **multi-payor and multi-stakeholder** and focuses on **achieving the “Triple Aim”**
- **Be one of the leading states** in innovation and impact
- Achieve measurable results in **three years** through practical implementable goals
- Meet the near term objective of developing the State Innovation Plan while focusing on the **primary goal of transforming Delaware’s health care**

### Approach

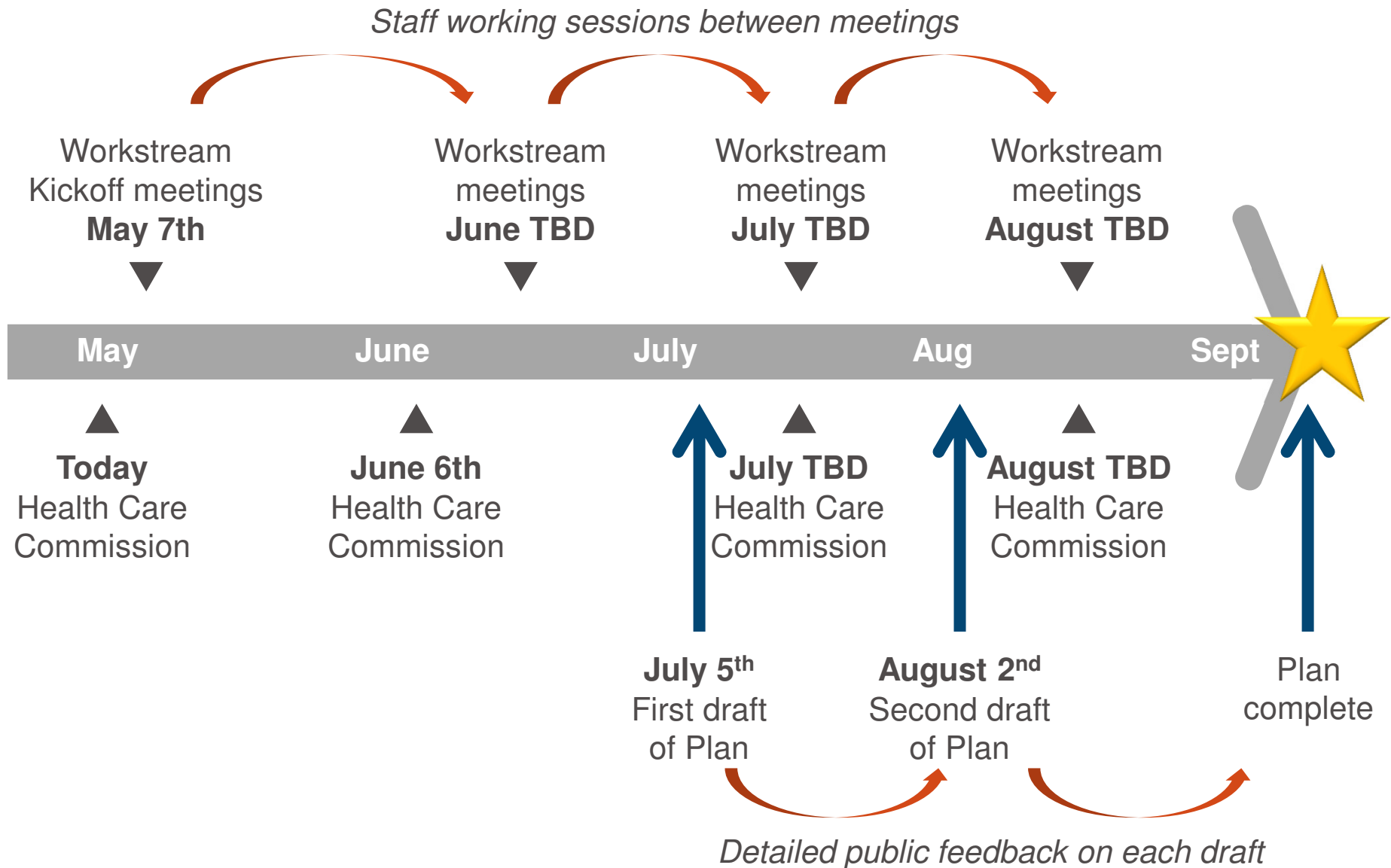
- Focus on the **best interests of all Delawareans** and respect the voice of consumers (not just traditional stakeholders)
- Have no **“sacred cows”**
- Make use of **best practice** where possible, applying pragmatic judgment
- Focus on **getting to a practical plan**, rather than a long conceptual debate

## Workstreams will follow a tight timetable this Spring and Summer



# Timing of key meetings

PRELIMINARY



# Agenda for May 7<sup>th</sup> workstream kickoff session

TENTATIVE

Session	Time
Welcome and introductions	10:00
Case for change	10:30
Stories and experiences	11:30
Break	12:15
Workstream sessions	
▪ Care delivery	1:00
▪ Population health	2:00
▪ Break	3:00
▪ Payment model	3:15
▪ Data/analytics, Workforce and Policy	4:15



## What we need from you

- Raise issues and share your ideas
- Commit the necessary time and energy to participate in SIM workstreams and cross-workstream sessions
- Respect the viewpoints of other stakeholders
- Be willing to consider really changing the status quo





## Agenda for today

Session	Time
Overview of SIM	9:15
Overview of key workstreams	9:45
Approach	10:15
Discussion	10:30

## Questions for discussion

**The goal of this effort is to develop an overall plan for transforming Delaware's health care.**

1. What are most important **health and health care challenges** facing **Delawareans**?
2. What are the **biggest changes** you would like to see in the next three years?
3. What are examples of **health care innovation in Delaware** that we can build on?
4. How do we ensure that that makes sense for **patients, providers and payors**?



## Wrap-up

- Attend the workstream kickoff meetings on May 7<sup>th</sup> from 10am–5pm
- Check the website for additional information