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North Central Accountable Community of Health Governing Board

July 14, 2015

Healthier Washington Overview

Barry Kling

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We know our health care system needs to improve, for reasons of both quality and cost.

- Healthier Washington is an ambitious plan for Washington State to use its leverage as a major purchaser of health care to drive change.
- The Accountable Community of Health (ACH) we've agreed to lead is a key element.
- These slides provide a quick overview of those plans.

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The Triple Aim and the State's Three Strategies

1. **Better Health: Improve the health of the population.**
2. **Better Care: Enhance the patient care experience (including quality, access and reliability).**
3. **Lower Cost: Reduce, or at least control, the per capita cost of care.**

1. **Build healthy communities and people** through prevention and early mitigation of disease throughout the life course.
2. **Drive value-based purchasing** by rewarding quality heath care over quantity, with state government leading by example as Washington's largest purchaser of health care "First Mover".
3. **Improve chronic illness care** through better integration of care and social supports, particularly for individuals with physical and behavioral health co-morbidities .

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The State's plans for health transformation:

- The State Health Care Innovations Plan (SHCIP) is the overall plan, developed under Round 1 State Innovation Models federal funding and published in January, 2014.
- The State Innovation Models Round 2 grant proposal, submitted in July 2014, requests about $93M and explains how the state would use the money to implement the SHCIP over 4 years beginning in 2015. The state actually got about $65M.
- More recently, the state has started work on a Medicaid Section 1115 Gobal Waiver proposal, which could provide significant funding for system improvement.
- So let's look at key elements of these plans.

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Key Concept: Accountable Community of Health

- **Regionally based, voluntary collaboratives** that **align actions to achieve healthy communities**, improve health care quality and lower costs.
- Based on the premise that no single sector or organization in a community can create **transformative, lasting change** in health and health care alone.
- Clinical, community, and government entities must coordinate their efforts and actions around **clearly defined goals that support whole-person health.**
- Shift from traditional State- community engagement approaches to those of **partnership to achieve mutual aims.**

Slide content courtesy of John Wiesman, DrPH, Washington State Secretary of Health, July., 2014

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Key Concept: Accountable Community of Health

- **Collectively impact health** through regionally driven priorities and solutions
- Develop and **work in partnership with the state** on health systems transformation
- **Maintain a local identity** while aligning with State efforts
- **Develop a region-wide health assessment and regional health improvement plan**, including Medicaid purchasing alignment
- **Driver of accountability** for results
- **Forum for harmonizing** payment models, performance measures and investments
- Health **coordination** and workforce **development**

- **There remain many unanswered questions on ACHs. ACH and Healthier Washington leaders are often heard describing this as "designing the aircraft as it hurtles down the runway."**

Slide content courtesy of John Wiesman, DrPH, Washington State Secretary of Health, July., 2014

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Health care system improvement objectives in the Innovation Models Grant Operational Plan

- **1. Accountable Communities of Health**
  - …invest in Accountable Communities of Health (ACHs) that will develop a sustainable presence in their communities and partner with the state to achieve the project's goals.
  - ACHs will provide the organizational capacity for local communities to implement the plan for population health, link community supports with practice transformation, and enhance local data collection and analytic capacity.
  - **Start-up funding from the grant through 2019. After that?**

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Health care system improvement objectives in the Innovation Models Grant Operational Plan

- **2. Practice Transformation Support**
  - **Education, training and consulting services aimed at providers and provider organizations.**
  - **"…integrate physical and behavioral health, develop clinical community linkages and…value-based purchasing models….[apply] expertise in clinical practice transformation….[provide] tools to engage individuals and families in their health."**
  - **State Department of Health leads this.**

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Health care system improvement objectives in the Innovation Models Grant Operational Plan

- **3. Payment Redesign – Four test models**
  1. Early adopter regions integrate physical and behavioral health financing and services. MORE ON THIS BELOW.
  2. Pioneer new payment methodologies and service delivery models for FQHCs, Rural Health Clinics; new flexibility for Critical Access Hospitals.

  3 and 4 – Accountable delivery and payment models featuring total cost of care accountability with high value networks and consumer oriented benefit design.
- Medicaid purchasing of physical, mental health and chemical dependency treatment fully integrated by 2020.
- Move 80% of purchasing away from fee-for-service by 2019.
- That's FAST!

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Health care system improvement objectives in the Innovation Models Grant Operational Plan

- **4. Analytics, Interoperability, Measurement**
  - …improved alignment, adaptability and analysis of existing and newly acquired data…will drive real-time health system improvement and long term health technology innovations…[and] amplify current clinical data collection efforts…critical for effective delivery of health care. Greater price & quality transparency.
  - Key element is all-payer database.
  - Better health data down to the neighborhood level would be very useful.

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Regional Service Areas Were Designated in Late 2015

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HCA Pilot and Design Grants 2015

- **Cascade Pacific and North Sound ACHs received Pilot Grants**
  - A Pilot Grant ACH must implement several basic ACH functions right away and evaluate their progress after 6 months.
  - $150K+
- **The others (including us) received Design Grants.**
  - A Design Grant ACH is still in the formative stages and must make significant progress during 2015 toward establishment of an ACH in 2016.
  - $100K

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North Central ACH Design Grant 2015

- The Leadership Group that organized our ACH planning activities in 2014 is continuing to provide leadership now.
- But its first major task is to develop a governance structure with feedback from a broad range of partners, and then implement it by establishing the Governing Board.
- Once that governance structure is in place, the ACH Governing Board will assume leadership and the Leadership Group will disband.

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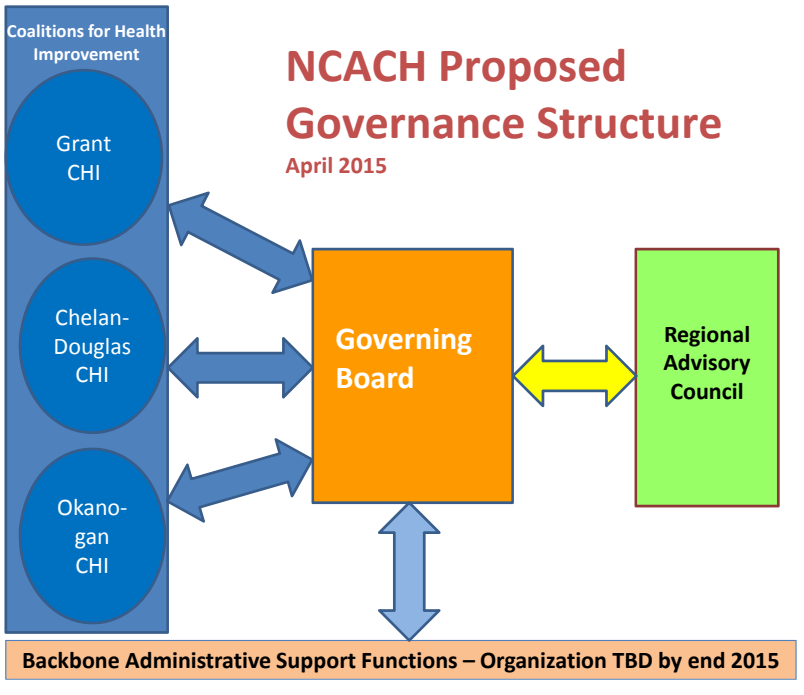
NCACH Proposed Governance Structure

April 2015



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Major NCACH Design Grant Tasks 2015

1. Develop and implement governance structure including Governing Board, Advisory Council, local Coalitions for Health Improvement
2. Broaden engagement in ACH.
3. Develop plans for "backbone" functions. Backbone functions are administrative supports that enable the ACH to function by hiring and overseeing staff and programs, receiving funds, analyzing data, etc.
4. Conduct two initial health improvement initiatives in 2015.
5. Inventory available community health needs assessments and existing community health improvement efforts, to lay the groundwork for a regional CHNA in 2016.
6. Develop options for sustainability of the ACH.
7. Submit an "ACH Readiness Proposal" to HCA by 11/30/15.

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ACH Highlights Expected for 2016

- Creation of the ACH and its functions, including $150K start-up funding from HCA, hiring staff.
- Develop regional Community Health Needs Assessment, and lay the groundwork for a regional Community Health Improvement Plan.
- Engage with HCA, providers, health plans and other partners on the initiation of payment reform (including integration of physical and behavioral health care) by HCA in Medicaid and PEBB.
- Plan additional population health improvement initiatives.

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Early Adopter

- HCA Goal: Fully integrated care for physical and behavioral health services by 2020. HCA will contract with Managed Care Organizations for chemical dependency, mental health and physical health care. MCOs will work with provider organizations.
- Originally, two paths to integrated BH & physical care:
  1. Early Adopter status, which requires complete integration by April 1, 2016. Only one region attempting this.
  2. RSNs morph into Behavioral Health Organizations (BHOs), which purchase capitated behavioral health care (chemical dependency and mental health) between now and 2020. Medicaid physical health purchasing remains separate until then. For CD-RSN this would mean merger with Spokane RSN, integration via a Spokane solution by 2020.
- A third path was developed allowing formation of a North Central BHO in April 2016, with work toward full integration as soon as possible but before 2020. Grant, Chelan and Douglas are pursuing this option.
- Okanogan opted out for now with regard to BH, but is expected to eventually become part of fully integrated care in this region.
- Work to establish a 3-county BHO is under way. A detailed BHO proposal must be submitted by October 30, 2015.

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Possible Medicaid Section 1115 Waiver

- A Medicaid Section 1115 waiver allows a state to use existing Medicaid funds over a 5 year period to implement system improvements that will save at least as much money as the waiver provides.
- The Health Care Authority is working on a waiver proposal, which is still in the conceptual phase.
- The general idea is that by implementing more effective whole-person care the state can create a virtuous cycle in which the prevention of unnecessary care can fund continued whole-person services.
- As much as $3B+ may be involved.
- ACHs would have a significant role.
- The proposal will continue to develop over the coming year. We will have opportunities for input.

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Some of the Open Questions

- Exactly what will be expected of ACHs? Much of what we have heard so far consists of general principles and isn't very operational.
- Will ACHs be just another level of bureaucracy or will we be able to make a meaningful contribution to improved health and health care?
  - Will the state really accept a meaningful partnership with ACHs?
  - Will ACHs have significant influence, or just express opinions now and then and act as a local HCA contractor?
  - How will ACHs afford to do all the things they are supposed to do? HCA funding will not be enough.
- Will the special circumstances of rural health care be taken into account as system changes are designed and implemented?
- Is the concept of recycling savings to invest in system improvement realistic? If the state or an MCO saves money on Medicaid will it really be reinvested?
- Population health improvement requires more than better clinical care. Yet so far the plans focus mainly on care improvement. Effective community based interventions are expensive. Is population health improvement a serious part of the plan, or just something receiving lip service?

We get to help answer these questions

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With so many unknowns,

Why Be Involved?

For me, it's simple.

Major changes are coming and will significantly affect our communities.

We need to be at the table to have a voice.

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Thanks for listening.

Contact Information:

Barry Kling, MSPH, Administrator
Chelan-Douglas Health District
200 Valley Mall Parkway
East Wenatchee, WA 98802
Phone: 509-886-6480 Cell 509-264-7045
Barry.kling@cdhd.wa.gov

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