CMMI
State Innovation Models (SIM) Grant

Input on Oregon Application Framework

August 30, 2012
Grant Opportunity

Awarding Agency: Centers for Medicare and Medicaid Innovation

Purpose: To test whether new delivery system and payment models get superior results when they are delivered in the context of a state health care innovation plan.

Eligibility: States only, with Governor’s endorsement

Awards:

• 25 awards of $1-3 million for model design, 1 year project period
• 5 awards of $20-60 million for model testing, 3.5 year project period (6 months readiness and 3 years implementation)
States may apply for one of two types of awards

<table>
<thead>
<tr>
<th>Description</th>
<th>Funding Amount</th>
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<tbody>
<tr>
<td>- Provide financial and technical support to states to for their planning and design efforts</td>
<td>- $1-3 million per state</td>
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<tr>
<td>- Plans will be comprehensive and include multi-payer payment and delivery system models</td>
<td>- Support for up to 25 states</td>
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<tr>
<td>- Models should strive to move states toward community-led integrated care strategy and promote improvements in cost, quality and population health</td>
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**Model design**

- Provide financial and technical assistance to states that are ready to implement a State Health Care Innovation Plan, including testing and evaluating multi-payer, outcomes-based payment and delivery models
- Move the preponderance of care in the state from models that reward service volume to clinical and financial models that reward better health, better care, and lower cost through improvement
- Second round of funding anticipated in spring of 2013

**Model testing**

- $20-60 million per state, over 3+ years
- Support for up to 5 states
CMMI Goals for State Innovation Models

The premise is that multi-payer models that have broad stakeholder input and engagement will achieve sustainable transformation that improves health system performance.

• CMMI will partner with states to develop and implement broad-based State Health Care Innovation Plans

• States should:
  – Plan, design, test, and support evaluation of new payment and service delivery models in the context of larger health system transformation
  – Utilize the tools and policy levers available to them
  – Engage a broad group of stakeholders in health system transformation
  – Coordinate multiple strategies into a plan for health system improvement
CMMI Goals for State Innovation Models

• Oregon’s model of health system transformation fits this funding opportunity well

• Oregon is beyond the design phase:
  – The Coordinated Care Organization (CCO) model includes a new service delivery model that includes behavioral and physical health integration, an emphasis on patient-centered primary care homes and a new payment model
  – Oregon’s Medicaid waiver was approved in July, providing us with tools, policy levers, and flexibility to use them.
  – A robust stakeholder engagement process in the year leading to the legislation and waiver application.
  – The coordination of multiple strategies is at the heart of our health system transformation.
A reformed health system will reward those who care for the health of entire populations

Acute Health Care System
- High quality acute care
- Accountable care systems
- Shared financial risk
- Case management and preventive care systems
- Population-based quality and cost performance
- Population-based health outcomes
- Care system integration with community health resources

Coordinated Seamless Health Care System
- High quality acute care
- Accountable care systems
- Shared financial risk
- Case management and preventive care systems
- Population-based quality and cost performance
- Population-based health outcomes
- Care system integration with community health resources

Community Integrated Health Care System
- High quality acute care
- Accountable care systems
- Shared financial risk
- Case management and preventive care systems
- Population-based quality and cost performance
- Population-based health outcomes
- Care system integration with community health resources
CMS will partner with states to drive health system transformation

**States’ Role**
- Convene broad group of stakeholders to design transformative delivery system and multi-payer payment models
- Implement and test the models for cost, quality, population health improvements

**Innovation Center Role**
- Provide technical assistance to states
- Provide Medicare data to states (as applicable)
- Evaluate impact of models

**Together**
...we will work to create a more coordinated health system that improves overall population health
Use of Grant Funds

Examples of Allowable Costs

- Technical resources necessary to implement new models
- Data collection, analysis, reporting
- Coordination with Innovation Center rapid cycle evaluation
- Health information exchange cost associated with the model
- Web and internet collaborative learning and communication cost
- Project management and reporting cost

Examples of Prohibited Costs

- To supplant existing federal state, local, or private funding of infrastructure or services
- To satisfy state matching requirements
- To pay for the use of specific components, devices, equipment, or personnel that are not integrated into the entire service delivery and payment model proposal
Oregon Proposal in progress

• CCOs are the model to be tested
• Focus on key payment and delivery system elements as part of test:
  – Global budget and incentives from State → CCOs
  – Alternative payment methods from CCOs → providers
  – Spread of the PCPCH model
  – Integration of physical and behavioral health
  – New workforce development (NTHWs, etc.)
  – Long-term care alignment strategies
  – Evidence-based guidance for providers and consumers

• Test model “spread” among individuals eligible for Medicare and Medicaid and potentially as a choice for PEBB members
Oregon Proposal in progress

• Create an Oregon Innovation Center to provide the support necessary for rapid and broad implementation of transformation across the state
  – Innovator Agents
  – Technical assistance, coaching, and tools
  – Assistance with provider engagement
  – Learning collaboratives, conferences and workshops, information sharing and networking
  – Data access and analytics
  – Support for HIT and HIE functionality
Feedback

1. Support for changing payment methodology
   a) Support for a "starter set" of payment reforms:
   b) Technical assistance/how-to-guides from payment experts
   c) Supports (e.g. access to grouper software for identifying episodes of care)
   d) Risk mitigation strategies to make it easier to test new payment methods
Feedback

2. Support for Health Information Exchange functionality.
   a) Alerts systems (e.g. to notify plan or primary care team when individual is admitted, discharged, or transferred)
   b) Tools for proactive population health management (e.g. registries, or record locator services)
   c) Tools for shared care planning
   d) Measurement and reporting
Feedback

3. Support for engaging providers to deliver care differently (other than payment reform)
   a) Communication supports
   b) Identifying and supporting change agents for practices (e.g. physician or other "practice champions")
      Tools for shared care planning
   c) Identification of non-financial incentives for practice transformation (e.g. preferred contracting status)
   d) Learning opportunities (e.g. focused T.A. sessions, web-based learning opportunities, etc.)
Feedback

4. Learning Collaboratives – focus on:
   a) Payment reform
   b) Health equity / eliminating health disparities
   c) Integrating physical and behavioral health
   d) Provider engagement
   e) Member engagement
   f) Other
Feedback

5. Data Access and Analytics
   a) Access to a standard set of timely reports via web portal
   b) Information about the non-medical supports and services used by CCO clients
   c) Increasing analytical capacity at state level
   d) Analytical software, tools, and training
   e) Technical supports for using data
Poll Results

Which of these transformation support strategies would you prioritize? (multiple votes allowed)

<table>
<thead>
<tr>
<th>Strategy</th>
<th>%</th>
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<tbody>
<tr>
<td>Support for changing payment (starter set of payment reform options, tools, technical assistance, etc.)</td>
<td>40%</td>
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<tr>
<td>Support for health information exchange functionality</td>
<td>25%</td>
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<tr>
<td>Support for engaging providers to deliver care differently</td>
<td>43%</td>
</tr>
<tr>
<td>Learning collaboratives (various topics – PCPCH implementation, health equity, payment reform, etc.)</td>
<td>37%</td>
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<tr>
<td>Data access and analytic products or tools</td>
<td>27%</td>
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Other questions or feedback?
For more information

- Funding Opportunity Announcement:

- CMMI State Innovation Models webpage: