



Centers for Medicare & Medicaid Services

# State Innovation Model Progress Report

## Award Detail

|                             |   |                                     |               |
|-----------------------------|---|-------------------------------------|---------------|
| <b>Award Title</b>          | Delaware:Test R2  | <b>Round</b>                        | 2             |
| <b>Organization Name</b>    | Delaware  | <b>Grants Management Specialist</b> | Gabriel Nah   |
| <b>Type</b>                 | Test  | <b>Project Officer</b>              | Jessica Roach |
| <b>Total Funding Amount</b> | \$35,000,000.00   |                                     |               |
| <b>Description</b>          | 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

|                        |                           |                        |                  |
|------------------------|---------------------------|------------------------|------------------|
| <b>Progress Report</b> | Q2 - 2015 Progress Report | <b>Award Title</b>     | Delaware:Test R2 |
| <b>Report Quarter</b>  | Q2                        | <b>Date Submitted</b>  | 8/31/2015        |
| <b>Report Year</b>     | 2015                      | <b>Approval Status</b> | Pending Approval |

**Date Approved**

**Last Modified By**

Laura Howard

**WBS Not Applicable**



## **Executive Summary**

### **Success Story or Best Practice**

During the second quarter of the grant period, Delaware continued its efforts to engage in dialogue and information sharing with a broad group of stakeholders and community members. This was highlighted through the planning and execution of a public Cross-Committee meeting, held on July 15 in Dover, DE. The goals of this meeting were to share the progress and accomplishments of the program's first year, to promote a cross-committee discussion on issues at the intersection of different elements of our strategy, and to preview major milestones for the coming three months. The meeting was attended by 80 individuals representing 40 organizations.

The meeting utilized an interactive "gallery walk" format that allowed attendees to circulate between six stations, each highlighting the work of one of DCHI's standing committees. Committee chairs were available to answer individual questions in small-group format and collect input on a prompt that was specifically developed for each committee. Following the gallery walk, the co-chairs of the Clinical Committee and the Healthy Neighborhoods Committee each presented a deep dive into the work of their committee, highlighting how all components integrate to support care delivery innovation.

An online survey was sent to all participants following the meeting. The vast majority of the respondents strongly agreed or agreed that the meeting was a valuable use of time, that it was a valuable opportunity to learn more about the work of the DCHI and its committees and that it was a valuable opportunity to contribute feedback about the work being done by the DCHI and its committees. Feedback received will be incorporated into the planning of the next cross-committee meeting, to be scheduled this fall.

## **Challenges Encountered & Plan to Address**

One of the challenges Delaware faced this quarter was related to the launch of the Common Scorecard to over 20 testing practices. The scorecard was designed to be multi-payer so that practices could receive information across their entire patient panel. Payers, naturally, have different priorities and approaches which required careful attention to ensure continued engagement. From the beginning of the SIM work, the HCC has actively communicated with the major payers. It established communication with heads of the payer organizations as well as with the staff who are responsible for actually producing the metrics to ensure that all levels of the organization are appropriately engaged. As a result, in this initial testing phase of the scorecard, the largest commercial and Medicaid payers are providing data. The second largest commercial payer and the second Medicaid MCO are engaged and are planning to submit data in early 2016. This would not be possible without consistent communication with the payers at the correct levels.

Capturing scorecard data from claims information was a primary design decision in this first version of the scorecard. However, collecting and aggregating the data in a similar method across payers and grouping that information consistently into practices was not straightforward. Payers had different systems to gather and output data and different internal representations of practices and metrics. As the project moved into the implementation phase, we established 1-2 touchpoints per week with each participant in the development process (DHIN, its vendor, each payer) to actively work through issues, including: resourcing, specific measure technical requirements, aggregation of data, display of information, security and hosting, etc. By actively engaging each party on a regular basis, we were able to quickly surface and resolve issues, prevent miscommunication, and minimized delays and errors.

## **Governance**

As the recipient of the CMMI SIM Round 2 funding, the Delaware Health Care Commission is the entity responsible for the management of the federal grant and for ensuring that all activities and deliverables of the grant are carried out. The position of Executive Director of the HCC was vacant as of July 15 and a replacement was quickly identified. Laura Howard assumed the position on August 3 and will be the main point of contact at the HCC moving forward. Mrs. Howard joined HCC after consulting for the State of Delaware with Public Consulting Group, leading outreach and communications on the Health Insurance Marketplace. Since 2013, Laura has worked with the Health Care Commission, DHSS and the Department of Insurance to effectively guide stakeholder engagement, support the state's in-person assister program, and promote the Marketplace to Delawareans. Laura brings 15 years of health policy experience to the HCC, having previously worked for lobbying and advocacy firms at the national level and as a self-employed grassroots advocacy and communications consultant.

The board of the DCHI also made progress in identifying its Executive Director. The job posting was advertised using various methods. The Executive Search Committee reviewed the applicants and three candidates were selected for phone interviews, which were conducted in late July/early August. Interviewers together completed an evaluation form which included quantitative and qualitative components and made a recommendation on whether to advance candidate to an in-person interview. The Search Committee has proposed to advance two of the three candidates to in-person interviews which will be conducted in late August/early September, with a hiring decision expected in late September. The DCHI Board and all committees continue to meet monthly and work towards stated goals and objectives.

## Stakeholder Engagement

Delaware continues to actively engage stakeholders in designing and implementing the SIM initiative. Specific stakeholder engagement activities include the following:

- Monthly meetings of the DCHI Board and DCHI committees, with membership from across the state and stakeholder groups. All meetings are open to the public.
- Regular meetings of State leaders and DCHI Board officers with payers.
- Meetings of State leaders and DCHI Board officers with professional societies and associations including, in this quarter, the Delaware Healthcare Association and the Delaware Academy of Family Physicians
- Meetings of State leaders and DCHI Board officers with hospitals and employers including, in this quarter, the leadership of Christiana Care Health System, Nanticoke Health Services, Bayhealth Medical Center, St. Francis Hospital and Nemours/A.I. duPont Hospital for Children and W.L. Gore & Associates.
- Active input from the Patient and Consumer Advisory Committee of the DCHI.

Based on the attendance and feedback surrounding the July 15 cross-committee meeting, DCHI plans to host similar cross-committee meetings on a quarterly basis which will be open to the public. The State's vendor has made progress in designing a website for the initiative and the vendor has worked with the Patient and Consumer Advisory Committee to gather input on and refine key messages, target audiences and effective tactics for stakeholder engagement and outreach.

## Population Health

The Healthy Neighborhoods Committee of DCHI continues to shape the design and implementation of Delaware's population health strategy. Over the past quarter, the Committee made significant progress on (1) defining a draft operating model, (2) aligning on a draft set of neighborhood boundaries, and (3) engaging with leaders of health systems.

1) The Committee engaged in a series of dialogues on elements of an operating model, including organizational structure, governance, support needed, and interaction with other organizations. As part of these sessions, Committee members also reviewed models of population health collaboratives from around the country. This process resulted in a draft operating model paper that outlines the following key elements:

- a. Each Neighborhood will be led by an inclusive multi-stakeholder Council that will assess needs, identify gaps, and determine a strategy to be carried out by Task Forces at the local level
- b. Neighborhoods will be supported by full-time staff focused on project management, community engagement, and technical support
- c. Neighborhoods will partner with the DCHI, state agencies, health systems, and donors on integrating with other statewide healthcare innovation efforts, sharing data, and funding

2) Neighborhood boundaries were determined by identifying roughly contiguous census tracts of 50,000-100,000 individuals and then adjusting the regions to reflect socioeconomic status, healthcare patterns, commonly recognized community groupings, and feedback from stakeholders.

3) The Committee engaged in conversations with health systems leaders, both individually and through the Delaware Healthcare Association, on opportunities to collaborate. Near term opportunities include health system participation on Neighborhood Councils and Healthy Neighborhood support for health system initiatives related to community benefit requirements and needs assessments.

## Health Care Delivery Transformation

With respect to the goals and critical elements of a statewide approach to preparing health system transformation, the HCC released a Request for Proposal for Practice Transformation Services in Q2. The RFP seeks 3-4 vendors to conduct pre-transformation assessment, develop practice transformation support curriculum, and complete semi-annual assessments against milestones for each practice site engaged in the initiative. The HCC held pre-bid meetings and published responses to more than 100 vendor questions in July 2015. Review of proposals is currently underway and awards are expected to be announced in September 2015.

The Clinical Committee, with direct support from the Delaware Health Information Network (DHIN), has been ramping up on activities related to beta-testing the Common Scorecard. Q2 activities include:

- Conducted webinar for payer representatives on their role during the testing phase;
- Collected feedback from participating practices to better understand measure relevance to practice, accuracy of data and attribution (forthcoming), and clarity and functionality of user interface; and
- Conducted a series of working sessions to identify areas to improve alignment between the Common Scorecard and provider scorecards.

There was progressive movement on other fronts in Q2 including:

- Emerging consensus on Care Coordination design and vendor services
- Identifying common challenges collected from the Cross-Committee meeting
- Active discussion on roll out of practice transformation and transition to Common Scorecard v2.0

## Payment and Service Delivery Models

The DCHI Payment Model Monitoring Committee met in May and June 2015 to continue work to transition to outcomes-based payment models that incentivize both quality and management of total medical expenditures. Specifically, during these meetings, the members reviewed elements of total cost of care models and discussed them in depth. The elements of the models included definition of total cost of care (e.g. benefit or provider exclusions, types of claims used), application of risk adjustment, definition of baseline total cost of care, benchmarks, and risk corridors that protect against chance payments. Lastly, the committee identified elements that are potential areas of standardization across payers in the state.

The Committee also analyzed example Medicare models already adopted by practices and ACOs. It reviewed examples of shared savings payouts under different parameters (e.g. a 1-year or 3-year historic baseline) in order to understand the mechanics of these models and tradeoffs made when designing using different parameters.

During the last quarter, HCC, DCHI, and the Delaware Division of Medicaid & Medical Assistance began initiating discussions with payers in the state to align on the measures for the value-based payment models scheduled to begin rolling out next year. As the payers begin to design their models (across states in many instances), Delaware is taking steps to ensure that the measures they are using for their scorecards have a high degree of overlap with Delaware's scorecard to ensure ease of use by providers and continued participation from payers.

## **Leveraging Regulatory Authority**

The State continues to leverage its role as a purchaser of healthcare to encourage payer participation in SIM activities, in particular through the Division of Medicaid and Medical Assistance (DMMA) and the State Employee Benefits Program.

The standards for Qualified Health Plans selling products on the Health Insurance Marketplace have proven to be another important lever for the State. In Q2, an internal workgroup was formed to look at previous QHP standards and evaluate any changes needed, including consideration of any areas in which the state may advance the goals of the SIM initiative.

The HCC has also made an effort to ensure that all relevant state agencies are at the table through the DCHI committee structure, with the goal of ensuring that all relevant policy levers will be considered. Between the HCC and the DHIN, this includes, for example, the Secretary of Health and Social Services, the Director of the Office of Management and Budget, the Department of Insurance, the Director of the Division of Public Health, the Director of DMMA, and others.

## **Workforce Capacity**

The HCC, with the DCHI Workforce and Education Committee members, have been actively collaborating on several fronts during the second quarter. Three subcommittees are leading the work in the following areas: 1) streamlining credentialing process across the state; 2) developing a learning/re-learning curriculum and aligning that curriculum with practice transformation and care coordination; and 3) conducting research to establish a workforce capacity plan and model to ensure access to high quality, affordable health services by adequately trained health care providers. These areas are critically important to guide a myriad of short and long-term healthcare needs in an effort to balance supply and demand for different categories of healthcare workers.

Progress updates for Quarter 2 include:

- Credentialing subcommittee is actively meeting with the Div. of Professional Regulations, and major payers in the state.
- A consensus paper with recommendations to improve credentialing processes for the state, providers and payers is underway.
- The Learning/Relearning subcommittee drafted a consensus paper to outline recommendations to support curriculum development and implementation and will release a request for proposal for Graduate Medical Education Consortium facilitation in Fall 2015.
- Dr. Allison Shevock, epidemiologist for the HCC, has conducted extensive workforce capacity research and in-depth analysis of current statistical data on Delaware's industry and occupation projections using Department of Labor data. She also presented her analyses on Delaware population projections and continues to delve into detailed data regarding race and ethnicity.

Compilation of these activities will support the development of a Delaware-specific health workforce planning model and alignment of care coordination consensus paper.

## **Health Information Technology**

The HCC and the DCHI continue advancing the implementation of Delaware's Common Scorecard. Over the past quarter, the DHIN completed implementation of the scorecard, making it ready for release by the end of July/ early August. DCHI and HCC worked closely with payers to develop and test data feeds for the metrics and finalize the specifications for the attribution lists. The teams developed a process to support practices during the testing phase and trained DHIN staff and payer representatives on scorecard functionality. They also developed potential questions and support materials for DHIN and payers to address inquiries from the testing practices. HCC and DHIN have continued calls (1-2 per week) to manage the program and also held weekly calls with each of the payers to ensure continued progress.

As mentioned in our last report, the DCHI has enrolled over 20 practices into the testing group for the Common Scorecard. Over the past quarter, webinars were created and delivered to brief the practices on the scorecard and prepare them for the testing period. DCHI also began visiting practice sites to solicit feedback on the measures, identify potential impact on clinical and claims submission workflow, and understand how this fits in with other reporting the practices are already doing. The Common Scorecard will be one of the tools used to support payment reform models beginning in 2016.

## **Continuous Quality Improvement**

As described in the first quarterly report this year, Delaware has three tools to monitor progress against program goals: (1) the Overall Program Dashboard that will provide an overview of the state's progress on its overarching goals for achieving the Triple Aim; (2) the Common Scorecard that will link quality, experience, utilization, and cost measures to value-based payment models for primary care practices; and (3) the population health scorecard.

This quarter, Delaware has focused on working with several of its committees to elaborate further on the initial draft of the Overall Program Dashboard. The Clinical and Workforce Committees of the Delaware Center for Health Innovation each spent time reviewing the first draft and proposing a set of refinements to improve the overall dashboard. Thematically, these refinements included (1) making the measures more closely tied to the outcomes Delaware aspires to achieve (instead of measures of process) and (2) making some of the measures broader. For example, the first draft of the overall scorecard had a clinical measure that was more narrowly focused on the statewide achievement of one of the transformation milestones on the common scorecard. Instead, a revised measure may look at the pace of achievement of the broad set of transformation milestones. The DCHI Board will consider and adopt a revised overall scorecard in the following quarter.

In Q2, the HCC began development of an RFP for a state-led evaluator. This RFP will be released early in Q3.

## **Additional Information**

## Metrics

**Metric Name**

**Performance Goal**

**Current Value**

## Risk Factors

**Risk  
Factors**

**Current Priority  
Level**

**Current  
Probability**

**Current  
Impact**

**Prioritized Risk Mitigation  
Strategy**

**Current Next  
Steps**

**Current  
Timeline**



# WBS

| <b>Vendor</b>      | <b>Category of Expense</b> | <b>Primary Driver</b> | <b>Total Expenditure</b> | <b>Metric Name</b> | <b>Carry Over Funds</b> | <b>Rate/ Unit Cost</b> | <b>Comments/ Notes</b> | <b>Payments Received</b> |
|--------------------|----------------------------|-----------------------|--------------------------|--------------------|-------------------------|------------------------|------------------------|--------------------------|
| AES                | Consultation Services      |                       | \$52,500                 |                    | No                      |                        |                        | \$11,812                 |
| ab+c               | Contract                   |                       | \$57,475                 |                    | No                      |                        |                        | \$23,765                 |
| McKinsey & Company | Consultation Services      |                       | \$7,900,000              |                    | No                      |                        |                        | \$2,100,000              |



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