

Greater Columbia ACH

Director's Report

July 28, 2016



1 GCACH STAFF & PRESIDENT ATTEND ACH QUARTERLY CONVENING

President Martin Valadez, and staff members Carol Moser and Aisling Fernandez attended the Health Care Authority's (HCA) ACH Leader Convening June 29-July 1. The meeting coincided with WSHA's Rural Hospital Leadership Conference so our opening session was an interactive discussion among hospital and ACH leaders about the challenges of rural hospitals. ACHs need to be as inclusive as possible, and help coordinate care through available community resources like housing, food, and social services. By understanding the issues of the rural hospitals, ACHs can help articulate the needs of rural hospitals to policy makers, and be a voice in the community to change the way people think about healthcare.

The Georgia Health Policy Center challenged ACH leaders to think of being stewards of their organizations. Effective leadership plays a key role in the long term sustainability of coalitions and relies on many factors including:

- Clarity of mission, vision, and key strategies
- Alignment by coalition members to the overall plan
- Data that informs decision making
- A collective mindset of stewardship

Nathan Johnson, Chief Policy Advisor for the HCA had some powerful messages for ACH leaders. He described ACHs as being a systemic approach to gaps in the system. They are not a subsidiary of the state. They are made to change health. ACHs are doing hard work. They are taking conflicted interests to accomplish tasks together. ACHS are pursuing real and meaningful accountability.

He also advised ACHs to be clear on what and how we add value to the health system. We need to be clear on what we are trying to measure. If we don't have meaningful, multi-sector approaches, we lose. 80% of health is determined outside clinical walls. Build these linkages through ACHs. We are the entire pie!

Nathan and Kali Morris (HCA) also shared some insights regarding ACHs role in the Medicaid Transformation including value based payments. The HCA has achieved agreement on major policies related to the Waiver, and one of the key components of Initiative 1 are ACHS. ACHS are almost all but approved. HCA is currently focusing on the most difficult piece, budget neutrality and incentive payments. Nathan has characterized that CMS is emotionally invested in this Waiver, and that we should reach a principled agreement this summer.

2 VALUE-BASED ROAD MAP, 2017-2021

On June 16, the HCA feedback network blast introduced the agency's value-based road map. A national imperative led by Medicare, the biggest payer in the U.S., is moving away from traditional volume-based health care payments to payments based on value. Like Medicare, the Washington State Health Care Authority (HCA) is transforming the way it purchases health care. As directed by the Legislature in statute, and as a key strategy under Healthier Washington, HCA has pledged that 80 percent of HCA provider payments under State- financed health care programs—Apple Health (Medicaid) and the Public Employees Benefits Board (PEBB) program—will be linked to quality and value by 2019. HCA's ultimate goal is that, by 2019, Washington's annual health care cost growth will be 2 percent less than the national health expenditure trend.

To further align with the Centers for Medicare and Medicaid Services (CMS) payment reform efforts and accelerate the transition to value-based payment, HCA is currently in negotiations with CMS for an 1115 Medicaid transformation waiver. **If approved, the waiver presents a unique opportunity to accelerate payment and delivery service reforms and reward regionally-based care redesign approaches that promote clinical and community linkages through State-purchased programs.**

These payment reforms are expected to demonstrate better outcomes and lower costs for patients. **What is the role of ACHs in advancing Value Based Strategies?**

- Planning and decision-making authority on Medicaid transformation projects
- Implementation and performance risk for transformation projects
- Identifying systemic barriers to VBP arrangements
- Rewarding providers undertaking new VBP arrangements
- Incentives for quality improvement based on availability of funds through the reinvestment pool.

To ensure quality and performance thresholds are being met, HCA will withhold an increasing percentage of plan premiums, to be returned based on achieving a core subset of metrics from the statewide common measure set. Here are the measures that were sent to all MCO leadership for their 2017 contracts:

For children ages 20 and under:

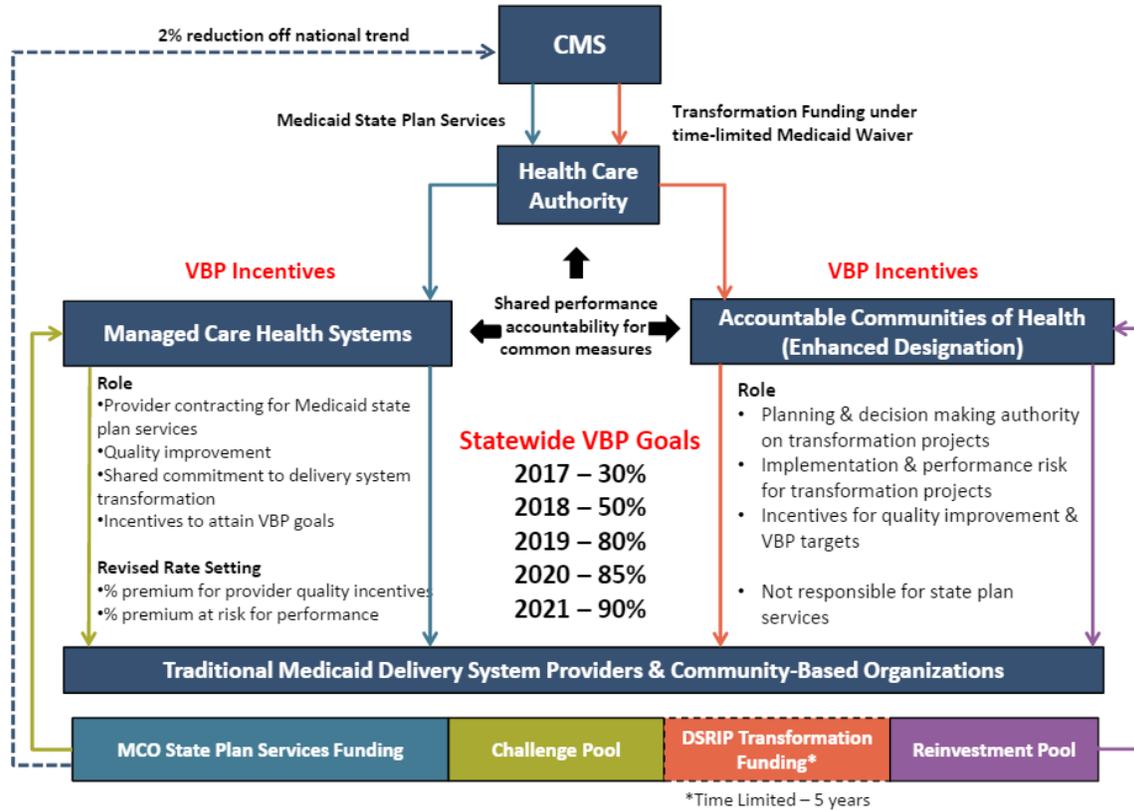
- 1. Childhood immunization status (combo 10)**
- 2. Well- child visits in the 3rd, 4th, 5th and 6 years of life**
- 3. Medication management for people with Asthma**

For Adults age 21 and up:

- 4. Controlling high blood pressure**
- 5. Comprehensive Diabetes Care (HbA1c) Poor control**
- 6. Comprehensive Diabetes Care: Blood Pressure Control**
- 7. Antidepressant Medication management: effective acute phase treatment, and effective continuation phase treatment**

HCA will use the same measures in all provider VBP arrangements. In addition, through use of time-limited funding under the Medicaid transformation waiver, MCOs will be able to earn financial incentives for achieving annual VBP target. In 2018 and each year thereafter, the MCOs' accountability for each of these new contract components will grow progressively. Finally, the Apple Health program changes include the creation of a "challenge pool" to reward exceptional managed care performance and a "reinvestment pool" to provide similar regional incentives for exceptional performance attributable to the broader participants in an ACH.

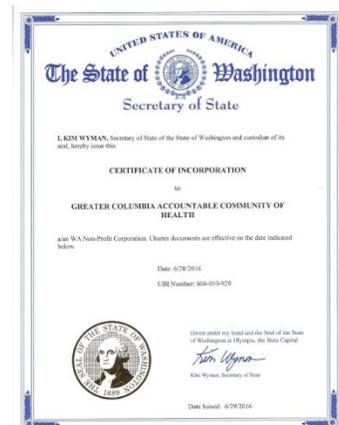
Washington State Value-Based Purchasing Framework



3 STEPS TOWARD 501(c)3 UPDATE

With help from Board Member Jefferson Coulter, the Greater Columbia ACH is now officially recognized in Washington State as a Non-Profit Corporation. The remaining task towards tax exempt status is completing and filing IRS Form 1023 with the IRS! Carol will be working on this last step with help from Jefferson and our accountant, and hopes to be tax exempt by the end of 2016.

- ✓ Draft and file Articles of Incorporation with the State of Washington
- ✓ Obtain an Employer Identification Number from the IRS
- ✓ Adopt Bylaws
- ✓ Adopt Conflict of Interest Policy
- 5. Complete and file IRS Form 1023 with the IRS.



In addition, a bank account has been established with Numerica Credit Union, and GCACH has invested \$115,818 in a Certificate of Deposit with a dividend rate of 1.69%. This laddered approach helps us maximize the money we have in the bank, but allows for a certain amount of liquidity.

4 REGIONAL HEALTH IMPROVEMENT PLAN AND SIM PROJECT

Deb Gauck and staff met with each Priority Workgroup twice during the past month to review and answer questions on the Draft Regional Health Improvement Plan, and to request each Workgroup to submit a project that could be considered as our State Innovation Model project.

The HCA has defined an ACH regional health improvement project as having:

- A set of coordinated, multi-sector activities
- A focus on one (or more) regional health priorities
- A design to produce measureable progress toward a health improvement goal

In addition to a project that can be scaled up regionally, each ACH is to develop and implement a Regional Health Improvement Plan (RHIP). Per HCA's requirements they require at a minimum:

- Summary of regional assessment and needs inventory efforts to date
- Initial regional priorities
- Strategies to mobilize and coordinate ACH member and partner organizations to contribute to the identified priorities
- Initial action plan
- Initial regional measures

Recognizing the limited budget availability for ACHs, HCA does not plan to prescribe the portion of the total budget to support this regional health improvement project. This means that while a portion of the funding ACHs receive through the SIM grant needs to go toward the identification, implementation and/or sustainment of the required project, it is appropriate for ACHs to leverage existing projects and outside resources.

Our RHIP was developed by a consultant who has been very successful in writing and receiving grants. We hope to leverage her work in the years to come by applying for grants for our priority projects!

5 SIM PROJECT FUNDING GETS \$50,000 BOOST!

I am excited to let you know that HCA has received approval for \$50,000 (per ACH) project funding! Here are the details:

- This funding comes from Healthier WA SIM Year 1 carry-over, and **needs to be spent in alignment with category three of our current contract by January 31, 2017.**
- HCA expects to award funds following the approval of our submitted ACH SIM project, and the target due date is July 29, 2016.
- HCA recognizes that the disbursement of these funds will require a contract amendment, and this will include a new quarterly projection and reporting requirement. They will follow-up with more detail as they work with their internal contracts staff.