

Greater Columbia ACH

Director's Report

February 18, 2016



1 STATE OF REFORM, JANUARY 7, 2016

Aisling Fernandez and I attended the State of Reform on January 7th at the Hilton Hotel at SeaTac. This was my fourth annual conference, and I have found them remarkably helpful in setting the stage for health care in the new year. D.J. Wilson, President of Wilson Strategic and the host of SOR, does an amazing job of anticipating the big issues and of attracting speakers who give candid insight and share their business experiences with the audience. The opening panel at this year's conference was Dorothy Teeter, Jeff White, David Snodgrass, and Alex Rule.

The subject was Purchasers Accelerating Value in their Health Care Spend.

Jeff White, Director of Health Strategy, Boeing

"Get consumers more engaged by meeting their demand. The ACO approach was a supply side population management approach that started with the big healthcare systems. Aligning employers and the healthcare system required a different kind of engagement. Boeing's approach is expensive, but businesses can work with brokers on different types of contracts that are more reasonable."

Dorothy Teeter, Director, Health Care Authority

"WA is far and away the biggest purchaser of healthcare insurance. Washington spends \$10 billion a year to purchase care for 2 million people. HCA focuses on the Triple Aim as their North Star (Better Health, Better Care, Lower Costs) HCA believes they do not want one-offs (insurance contracts), but want to align with TA. Focus on the signal, and not the noise. Use dollars in the best way they know. There is an 80% overlap in delivery system partners, so the potential for savings is the integration of systems. They are beginning with their two big populations, Public Employee Benefits, and Medicaid recipients. Regardless of the population mix, the healthcare strategy is the same."

David Snodgrass, President/CEO, Healthcare Management Administrators, Inc.

"Most businesses are only sponsoring a health plan, and they are not in the business of running a health plan. It is important to partner with brokers and others who know about the business of health plans. You have to be strategic. There are a number of employers looking to encourage employees to be healthier, but the plan has to engage the consumer. Brokers are not under threat but their role has changed. The biggest change is to have a broker/partner to consult with an employer, help them in find the worksite wellness policies. Brokers are becoming advocates for healthcare. As rules of brokering increase, so does the need to have a personal broker."

Alex, VP, Sales, Northwest Region, Arthur J. Gallagher

"Employers are recognizing that they need to be better informed about healthcare costs. There is a relative lack of engagement from employers."

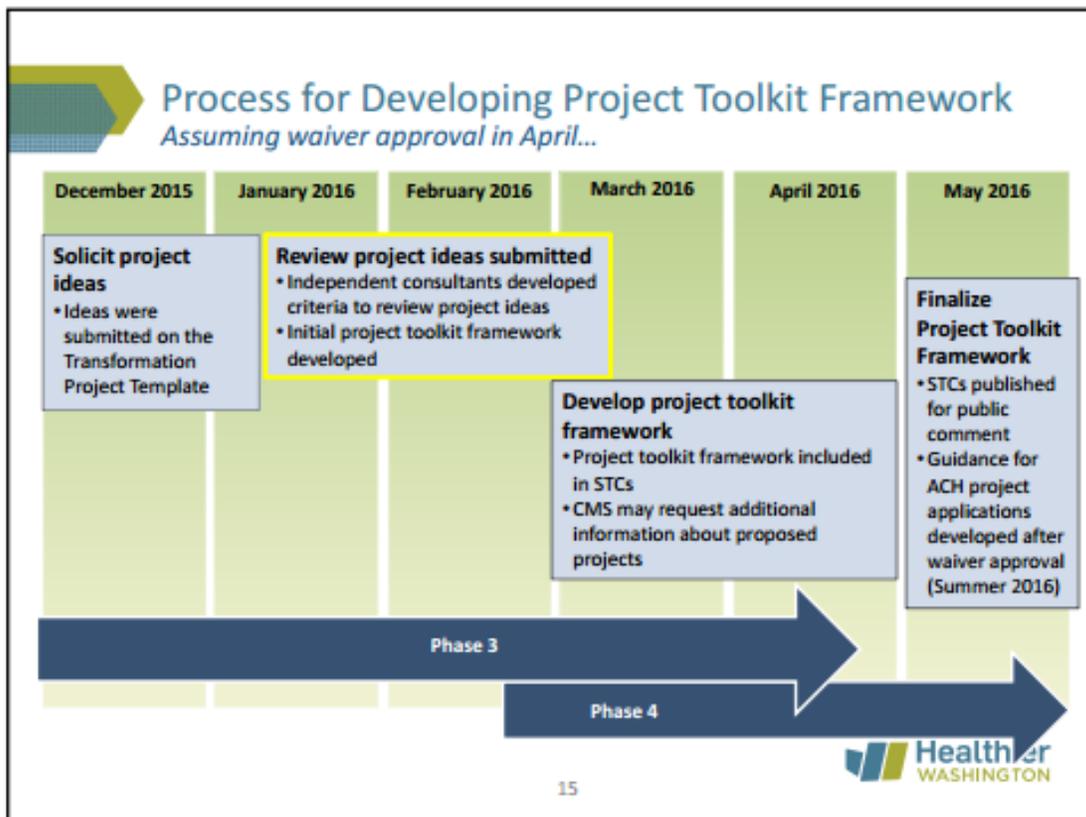
Dorothy: "The HCA's role is to help others understand contracts like the MCO contract, and share it with others. And lead the way away from fee for service to helping others understand a better path. Help push the concepts. If you are in the care delivery system, have alignment with performance measures. You need to build your healthcare delivery system around the measures."

2 MEDICAID TRANSFORMATION WAIVER UPDATE, FEBRUARY 4, 2016

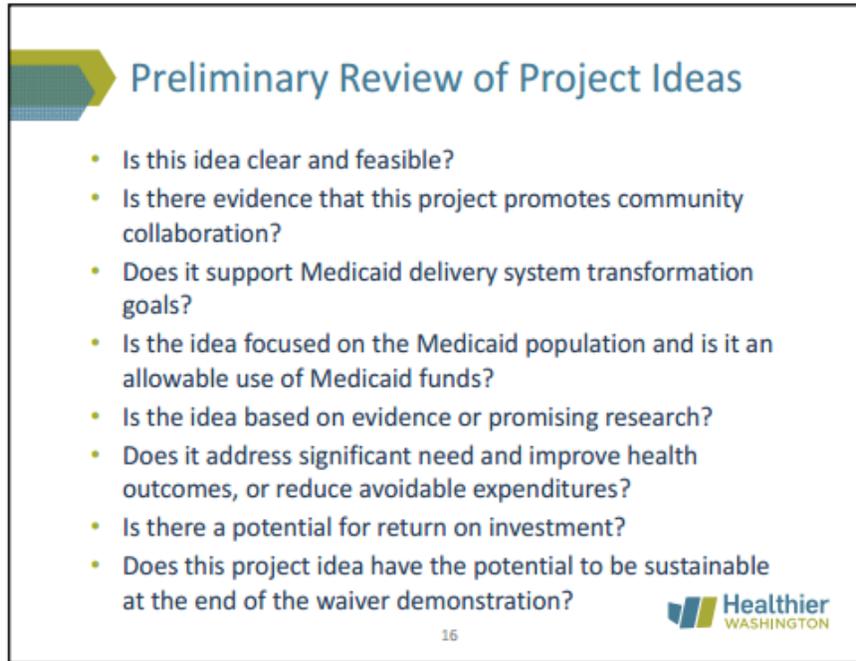
The HCA held a [webinar](#) on February 4th, and updated the audience on CMS conversations, key milestones for waiver approval and laid out the next steps. Some of CMS' key messages:

- Focus on value - Improve health care cost and quality through payment reform.
- Sustainability of transformation efforts is required. Investments need to be catalysts for reform, not ongoing operating budget expansions.
- Investments cannot displace regular Medicaid payment arrangements of other federal financing.
- CMS supports bringing key health and social service agencies together to address social determinants of health.

The Timeline for 2016:



Criteria to Make the Medicaid Waiver Project List:



The slide features a title 'Preliminary Review of Project Ideas' in blue text, preceded by a graphic of three overlapping arrows in green, blue, and yellow. Below the title is a bulleted list of eight criteria. At the bottom right is the 'Healthier WASHINGTON' logo, and at the bottom center is the number '16'.

Preliminary Review of Project Ideas

- Is this idea clear and feasible?
- Is there evidence that this project promotes community collaboration?
- Does it support Medicaid delivery system transformation goals?
- Is the idea focused on the Medicaid population and is it an allowable use of Medicaid funds?
- Is the idea based on evidence or promising research?
- Does it address significant need and improve health outcomes, or reduce avoidable expenditures?
- Is there a potential for return on investment?
- Does this project idea have the potential to be sustainable at the end of the waiver demonstration?

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Other takeaways included:

- Don't expect to get the \$3 billion
- We are working under a compressed timeline
- Working toward April 2016 for approval
- Ramp-up must occur in the first year
- Linkages to clinical care system are key

The HCA is taking comments until February 21st. Deb Gauck, our Project Manager for the Regional Health Improvement Plan, will be presenting her analysis of the projects as they relate and align with GCACH at the February 18th meeting, and submitting comments on behalf of GCACH.

MEDICAID TRANSFORMATION WAIVER GOALS

- **Reduce avoidable use of intensive services and settings**—such as acute care hospitals, nursing facilities, psychiatric hospitals, traditional long-term services and supports, and jails.
- **Improve population health**—with a focus on the prevention and management of diabetes, cardiovascular disease, oral health, pediatric obesity, smoking, mental illness, and substance use disorders; care should be coordinated and whole person centered.
- **Accelerate the transition to value-based payment**—using payment methods that take the quality of services and other measures into account, while ensuring that access to specialty and community services outside the Indian health system are maintained for Washington's tribal members.
- **Ensure that Medicaid per capita cost growth is two percentage points lower than national trend**—through projects, activities, and services that improve health outcomes and reduce the rate of growth in the overall cost of care for our Medicaid population.

3 NECESSARY STEPS & TIMING TO INCORPORATE

I asked Larry Thompson (HCA, Technical Assistance Team) to help us understand the necessary steps and approximate timing to incorporate GCACH. According to Larry, the paperwork is fairly lengthy and tedious (mainly in gathering up the required documentation and writing answers to questions posed on the forms such as describing our charitable purpose, and how we are funded). Larry believes that we could do nearly all of it ourselves, and use an attorney to answer stumper questions. He estimates that it would take between 5-10 hours of staff time, and 1-3 hours of attorney time

. This easily fits into our remaining TA allotment.

Here is Keith Nagayama's estimated outline:

To receive tax exemption, it can take anywhere from 4-18 months depending on how backlogged the IRS is with applications. This is from the point of submitting the application for tax exemption. Here are the basic steps:

1. Draft and file Articles of Incorporation with the State of Washington;
2. Obtain an Employer Identification Number from the IRS;
3. Adopt Bylaws (which you completed);
4. Adopt Conflict of Interest Policy;
5. Complete and file IRS Form 1023 with the IRS.

Here are some resources:

State of WA: <http://www.sos.wa.gov/corps/NonprofitCorporationsONLINEandpaperregistration.aspx>

IRS: <https://www.irs.gov/Charities-&-Non-Profits/Application-for-Recognition-of-Exemption>

Pro Bono Legal Counsel: <http://wayfindlegal.org/>

It's helpful to have local legal counsel help with the Articles of Incorporation and file for tax exemption, but also general help with filling out these forms.

4 COMMUNICATIONS UPDATE

The [Greater Columbia Accountable Community of Health](http://www.greatercolumbiaaccountablecommunityofhealth.org) website is live! Our website address is: www.greatercolumbiaach.org. If you are a Board member, please get your bio and picture to Aisling so that she can post it to the website! Our next step is to get the monthly e-newsletter off the ground, and the e-bulletins. We will be asking our Priority Working group chairs for content, and updates on their committees.