

Department of Health & Human Services
Centers for Medicare & Medicaid Services
Room 352-G
200 Independence Avenue, SW
Washington, DC 20201



FACT SHEET

FOR IMMEDIATE RELEASE
February 21, 2013

Contact: CMS Media Relations
(202) 690-6145

State Innovation Models Initiative:

The Center for Medicare and Medicaid Innovation (Innovation Center) announced six Model Testing, three Model Pre-Testing, and 16 Model Design Awardees for the State Innovation Models initiative on February 21, 2013. The State Innovation Models Initiative is providing nearly \$300 million to support the development and testing of state-based models for multi-payer payment and health care delivery system transformation with the aim of improving health system performance for residents of participating states. The projects will be broad based and focus on people enrolled in Medicare, Medicaid and the Children's Health Insurance Program (CHIP). All states are committed to models that yield better health and reduced costs.

Over \$250 million in Model Testing awards will support six states that are ready to implement their State Health Care Innovation Plans. A State Health Care Innovation Plan is a proposal that describes a state's strategy to use all of the levers available to it to transform its health care delivery system through multi-payer payment reform and other state-led initiatives.

Three states that will receive pre-testing assistance will use the funding to continue to work on a comprehensive State Health Care Innovation Plan. States receiving pre-testing awards under the State Innovation Models initiative will have six months to submit their State Health Care Innovation Plans to CMS.

The 16 States that will receive Model Design funding will produce a State Health Care Innovation Plan. States will use these Health Care Innovation Plans to apply for an anticipated second round of Model Testing awards. States receiving Model Design awards under the State Innovation Models initiative will also have six months to submit their State Health Care Innovation Plans to CMS.

Note: Descriptions and project data are estimates provided by the state and are based on budget submissions required by the State Innovation Models initiative application process.

States Receiving Testing Awards

Arkansas—

Funding Amount: Over the next 42 months, the State of Arkansas will receive up to \$42 million to implement and test its State Health Care Innovation Plan. Continued funding will be subject to state performance, compliance with the terms and conditions of award, and demonstrated progress towards the goals and objectives of the State Innovation Model initiative.

Description: The Arkansas model for a sustainable, patient-centered health care system is based on two complementary strategies—population-based care delivery and episodes-based payment—that are being launched statewide with the support of both public and private insurers.

Under provisions of the plan, by 2016 a majority of Arkansans will have access to a patient-centered medical home, which will provide comprehensive, team-based care with a focus on chronic care management and preventive services. Persons with complex or special needs (e.g., developmental disabilities) will also have access to health homes, which will work with their medical homes to coordinate medical, community, and social support services. Payments will include performance-based care coordination fees, as well shared savings for medical homes based on their ability to reduce total cost of care while also achieving goals for quality.

Arkansas will also continue to institute and expand its system of episode-based care delivery for acute, procedural, or ongoing specialty care conditions, using a retrospective payment approach that will reward providers who deliver high-quality, cost-effective and team-based care across an entire episode of care. Service for special needs populations will be further enhanced by payments reflecting each client's assessed level of need.

Maine—

Funding Amount: Over the next 42 months, the State of Maine will receive up to \$33,068,334 to implement and test its State Health Care Innovation Plan. Continued funding will be subject to state performance, compliance with the terms and conditions of award, and demonstrated progress towards the goals and objectives of the State Innovation Model initiative.

Description: Maine will test its plan for improving the quality of health care and improving the health of all citizens by aligning benefits from MaineCare (the state's Medicaid program) with benefits from Medicare and commercial payers to achieve and sustain lower costs for the Medicaid, Medicare and CHIP populations while maintaining access to care, improving care quality, and improving patient satisfaction.

The Maine innovation model will support the formation of multi-payer Accountable Care Organizations (ACOs) that commit to providing greater value in return for performance-based payment for high quality care. These ACOs will agree to meet established quality standards for clinical care and publically report on their performance. Through the provisions of the plan, Maine will support and strengthen enhanced primary care; support and strengthen alignments between primary care and public health, behavioral health, and long-term care; support the development of new workforce models for the transformed system; and align measures, data and analytics across providers. In addition, the State of Maine will implement payment reform across public/private payers; spread the patient-centered medical home model of enhanced, integrated primary care; and achieve transparent understanding of the costs and quality outcomes of patients across all payers statewide.

This award will support the following enhancements in health care infrastructure: the data analytic structure needed for multi-payer claims analysis, public reporting, and secure information sharing; quality improvement support, training, and collaborative learning to achieve accountable care; support for purchaser-led payment reform, including the potential for investment in performance based shared savings; patient training and tools for shared health care decision-making; support for value-based benefit design; and development of new workforce models to more appropriately support the transformed system.

Massachusetts—

Funding Amount: Over the next 42 months, the Commonwealth of Massachusetts will receive up to \$44,011,924 to implement and test its State Health Care Innovation Plan. Continued funding will be subject to state performance, compliance with the terms and conditions of award, and demonstrated progress towards the goals and objectives of the State Innovation Model initiative.

Description: The Massachusetts model builds upon Massachusetts' history of health care innovation and multi-stakeholder engagement, its work to expanding coverage, and recent legislation that commits the Commonwealth and all of its payers and providers to an ambitious transformation of the health care delivery system.

In the Massachusetts model, primary care practices will be supported as they transform themselves into patient-centered medical homes—capable of assuming accountability for cost and offering care coordination, care management, enhanced access to primary care, coordination with community and public health resources, and population health management. The Massachusetts model will strengthen primary care through shared savings/shared risk payments with quality incentives based on a statewide set of quality metrics, as well as payments to support practice transformation.

This award will be used to support public and private payers in transitioning to the specified model; to enhance data infrastructure for care coordination and accountability; to advance a statewide quality strategy; to integrate primary care with public health and other services; and to create measures and processes for evaluating and disseminating best practices.

Minnesota—

Funding Amount: Over the next 42 months, the State of Minnesota will receive up to \$45,231,841 to implement and test its State Health Care Innovation Plan. Continued funding will be subject to state performance, compliance with the terms and conditions of award, and demonstrated progress towards the goals and objectives of the State Innovation Model initiative.

Description: The Minnesota Accountable Health Model will ensure that every citizen of the state of Minnesota has the option to receive team-based, coordinated, patient-centered care that increases and facilitates access to medical care, behavioral health care, long term care, and other services.

To better integrate care and services for the whole person across the continuum of care (including health care, mental health care, long-term care and other services), the Minnesota Accountable Health Model will test a comprehensive, statewide program to close the current gaps in health information, create a quality improvement infrastructure, and provide the workforce capacity essential for team-based coordinated care. In addition to strengthening clinical health care, the Minnesota model for health system transformation will emphasize community health, preventive services, behavioral health, and other support services.

Minnesota will increase the kinds of care offered through ACOs, including for the first time long-term social services and behavioral health services. It will create linkages between the ACOs and Medicare, Medicaid, and commercial insurers, aligning payments to provide better care coordination, wider access to services, and improved coverage. Minnesota also plans to work with community organizations to create “Accountable Communities for Health” that will integrate medical care with behavioral health services, public health, long-term care, social services, and other forms of care, share accountability for population health, and provide care centered on the needs of individuals and families.

This award will enable Minnesota to expand its health information exchange and health information technology infrastructure, develop a workforce of community health workers and care coordinators, and support primary care physicians who wish to transform their practices into Patient-Centered Medical Homes to improve their patients’ overall health.

Oregon—

Funding Amount: Over the next 42 months, the State of Oregon will receive up to \$45 million to implement and test its State Health Care Innovation Plan. Continued funding will be subject to state performance, compliance with the terms and conditions of award, and demonstrated progress towards the goals and objectives of the State Innovation Model initiative.

Description: The Oregon Coordinated Care Model (CCM) proposes to use the state’s purchasing power to realign health care payment and incentives, so that state employees, Medicare beneficiaries, and those purchasing qualified health plans on Oregon’s Health Insurance Exchange will have high quality, low cost health insurance options that are sustainable over time. The Coordinated Care Model will focus on integrating and coordinating physical, behavioral, and oral health care; shifting to a payment system that rewards quality care outcomes rather than volume; aligning incentives across medical care and long-term care services and supports; reducing health disparities and partnering with community public health systems to improve health.

Oregon will begin implementing its model test in Medicaid through its system of Coordinated Care Organizations (CCOs)—risk-bearing, community-based entities governed by a partnership among providers of care, community members, and entities taking financial risk for the cost of health care – and use the State Innovation Models Initiative funding to foster the spread of this new model of care to additional populations and payers, including Medicare and private plans, such as those covering state

employees. CCOs have the flexibility, within model parameters, to institute their own payment and delivery reforms to achieve the best possible outcomes for their membership. They are accountable for the health and care of the population they serve and are rewarded for improving both the quality of care and health care value. CCOs will transition payment for care from a fully-capitated model to payment that is increasingly based on health care outcomes. To accelerate the transition, the Oregon Health Authority plans to create a Transformation Center that will disseminate best practices among CCOs and other health plans, support rapid cycle improvement, and spread the model across payers and into the qualified health plans of the health insurance exchange in 2014.

Vermont—

Funding Amount: Over the next 42 months, the State of Vermont will receive up to \$45,009,480 to implement and test its State Health Care Innovation Plan. Continued funding will be subject to state performance, compliance with the terms and conditions of award, and demonstrated progress towards the goals and objectives of the State Innovation Model initiative.

Description: The state of Vermont proposes to develop a high performance health system that achieves full coordination and integration of care throughout a person's lifespan, ensuring better health care, better health, and lower cost for all Vermonters. The Vermont model for health system transformation will: increase both organizational coordination and financial alignment between clinical specialists and Vermont's Blueprint for Health advanced primary care practices; implement and evaluate value-based payment methodologies; coordinate with other payment reforms on developing a financing and delivery model for enhanced care management and new service options for Vermonters eligible for Medicare and Medicaid; and accelerate development of a learning health system infrastructure that will support delivery system redesign and state evaluation activities.

Vermont will achieve these goals through three models: a shared-savings ACO model that involves integration of payment and services across an entire delivery system; a bundled payment model that involve integration of payment and services across multiple independent providers; and a pay-for-performance model aimed at improving the quality, performance, and efficiency of individual providers. In addition to supporting implementation of the models described above, the award will fund the following enhancements in health system infrastructure: improved clinical and claims data transmission, integration, analytics, and modeling; expanded measurement of patient experience of care; improved capacity to measure and address health care workforce needs; health system learning activities essential to spreading models and best practices; and enhanced telemedicine and home monitoring capabilities.

States receiving pre-testing support

Colorado--

Funding Amount: Over the next 6 months, the State of Colorado is receiving a Pre-Testing Assistance Award of \$2,000,422 to further develop and refine its comprehensive State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Colorado is receiving a Pre-Testing Award from the Centers for Medicare & Medicaid Services to further develop and refine its comprehensive State Health Care Innovation Plan, building on its proposal to implement and test its Statewide Health Innovations Fostering Transformation program (SHIFT) that will integrate behavioral health and clinical health care. This Pre-Testing Award is funded through the State Innovation Models initiative of the Center for Medicare & Medicaid Innovation. The proposal meets the requirements set forth in the Funding Opportunity Announcement and the Centers for Medicare & Medicaid Services recommends this applicant for a Pre-Testing Assistance Award.

The SHIFT model would support the formation (at the practice level) of Integrated Primary Care Providers —developed within the framework of Colorado’s existing Medicaid Accountable Care Collaboratives using incentives and forms of payment tied to the provider’s level of readiness for risk acceptance and the level of behavioral and clinical care integration achieved.

Colorado’s primary target population for the SHIFT program is high-risk, high-cost individuals and co-occurring chronic disease and behavioral health issues (including mental health and substance abuse). In addition, Colorado SHIFT addresses population health by incorporating preventive strategies. Colorado views the integration of physical and behavioral health as a starting point for broader integration, including public health, oral health, and long-term services and supports.

New York--

Funding Amount: Over the next 6 months, the State of New York is receiving a Pre-Testing Assistance Award of \$1,000,000 to further develop and refine its comprehensive State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: The state of New York is receiving a Pre-Testing Award from the Centers for Medicare & Medicaid Services to further develop and refine its comprehensive State Health Care Innovation Plan.

New York has proposed to test six different components of the comprehensive plan, including: First Episodic Psychosis (FEP) Teams; Extended Care Transitions support; Community-Based Care Management for Older Adults; Transitioning to Community-Based Care for Institutionalized People with Developmental Disabilities; Accountable Care Organizations (ACOs); and Regional Quality Improvement Collaboratives.

Related HIT improvements would focus on: promoting electronic health record adoption; expanding provider access to data; creating an All Payer Database for claims data; developing data-driven care management tools; and creating monitoring systems that will collect and aggregate health, quality, and cost indicators for each care model.

New York submitted a Pre-Testing Assistance Award request also to support activities related to organizing collaboration with statewide and regional stakeholders; quantifying and describing the current health care environment in New York; and completing legal, regulatory and policy and cost analyses relating to implementation of new payment and service delivery models. The state plans to convene a series of stakeholder meetings in various regions across the state including meetings in: Buffalo,

Rochester, Syracuse, New York city and Albany. Working with a consultant, the state will also collect and analyze health care pattern utilization data for public and private payers; conduct business process and systems analyses; and develop quality improvement systems, performance standards and related metrics. The proposal meets the requirements set forth in the Funding Opportunity Announcement and the Centers for Medicare & Medicaid Services recommends this applicant for a Pre-Testing Assistance Award.

Washington--

Funding Amount: Over the next 6 months, the State of Washington is receiving a Pre-Testing Assistance Award of \$999,975 to further develop and refine its comprehensive State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: The state of Washington is receiving a receiving a Pre-Testing Award from the Centers for Medicare & Medicaid Services to further develop and refine its comprehensive State Health Care Innovation Plan, building on its proposal to implement and test a model for improving maternal/infant care and managing chronic conditions through a multi-payer-supported approach to integrated care.

Washington's model test would create virtual Accountable Care Organizations (ACOs) that would integrate and coordinate the efforts of primary care providers, specialists, and health care facilities, redesigning care delivery and payment by shifting from fee-for-service to alternative methods that provide incentives for care integration, quality improvement, and higher value. The model would work through the state's quality collaboratives—the Bree Collaborative and the Puget Sound Health Alliance—to convene multiple payers, providers, and others to develop and promote the adoption of a common set of transparent, evidence-based quality and utilization metrics and evaluation criteria.

Washington also proposes to use its Pre-Testing Assistance Award to support the development of an aligned, transformative design model to include the following specific activities: leveraging and integrating Regional Collaborative community health and community prevention activities in multi-payer models; transforming public financing and payment systems to support integrated medical and behavioral health service delivery; providing change management and leadership and design support to engage multiple payers and providers; and expanding and sustaining efforts to apply evidence-based strategies for improvement in health care quality. The proposal meets the requirements set forth in the Funding Opportunity Announcement and the Centers for Medicare & Medicaid Services recommends this applicant for a Pre-Testing Assistance Award.

States Receiving Model Design Support

California—

Funding Amount: Over the next 6 months, the State of California will receive up to \$2,667,693 to develop their State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: California intends to utilize existing state and national initiatives including capitated payment models, accountable care organizations, bundled episode payments, the Coordinated Care Initiative for dual-eligible Medi-Cal and Medicare beneficiaries, and the state's Section 1115 Medi-Cal Bridge to Health Care Reform Waiver to inform their model design. California's design process will involve a broad range of advocacy groups that will address its diverse and geographically spread population in order to develop a model that reflects California's complex health care and financing environment.

Connecticut—

Funding Amount: Over the next 6 months, the State of Connecticut will receive up to \$2,852,335 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Connecticut will collaborate with public and private stakeholders to design a transformed health care delivery system that incorporates promotion of integrated care models; use of the Health Insurance Exchange to inform and connect consumers to coverage; expanded supply of primary care physicians and other professionals; and increased engagement among regulators, providers and consumers. The resulting payment and delivery system model will advance greater alignment across multiple payers on contracting and payment strategies that promote value over volume, greater consistency in quality and other performance metrics, and expanded primary care.

Delaware—

Funding Amount: Over the next 6 months, the State of Delaware will receive up to \$2,485,118 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Delaware proposes to build upon a strong local foundation for innovation in order to develop a system-level transformative healthcare plan that can serve as a scalable model for the nation. Through the collaborative planning process, Delaware will design a model to accelerate the adoption of payment and service delivery models across public and private payers; enhance health data collection and analytic capacity to support care coordination and outcomes-based payment models; and integrate workforce planning, behavioral health and public health initiatives.

Hawaii—

Funding Amount: Over the next 6 months, the State of Hawaii will receive up to \$937,691 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Hawaii proposes to develop a state innovation model informed by accountable care arrangements, patient-centered medical homes and bundled payment methodologies. Specific planning initiatives will include examining standardized definitions and payment approaches for patient-centered medical homes and care management services; analyzing opportunities for reducing waste and eliminating unnecessary variation in administrative procedures among plans; identifying and addressing differences among plans in how licensed providers are reimbursed; and methods for reimbursing

telehealth services. The resulting integrated health care model will incentivize standardized efficiency, accessibility, and quality outcomes.

Idaho—

Funding Amount: Over the next 6 months, the State of Idaho will receive up to \$3,000,000 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Idaho seeks to mature the capabilities of current health care improvement initiatives of Medicaid and other organizations such as Blue Cross, Regence BlueShield, PacificSource, Idaho Primary Care Association, Idaho Chapters of the American Academy of Pediatrics and American Academy of Family Physicians, Idaho Hospital Association, Idaho Medical Association, Governor's Office, Idaho Legislature, Idaho Department of Insurance, the Idaho Health Data Exchange and the North Idaho Health Network. The design project activities will address the needed resources to enhance communication and coordination of care across the health care continuum; opportunities for improved patient care management through patient-centered medical homes; and mechanisms to link the local health care system through partnerships with hospitals, primary care providers, and county health and social service agencies. The multi-stakeholder development process will result in a plan that will serve as the blueprint for integrating Idaho's patient-centered medical homes and move the state towards an accountable, integrated and sustainable health care delivery and payment system.

Illinois—

Funding Amount: Over the next 6 months, the State of Illinois will receive up to \$2,088,530 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Illinois aims to develop a plan that will build upon the delivery and payment system reforms already underway in the state, including changes implemented under Illinois' Care Coordination Innovations Project, and the CMS Coordinated Care for Medicare-Medicaid Enrollees Demonstration, as well as innovations being spearheaded by private insurers. The planning activities will include the development and integration of three models: a Provider-Driven Model; a Plan-Provider Partnership Model; and a Plan-Provider-Payer Model. These models will feature robust coordination among health plans, providers, and payers with the goal of enhancing care management and ultimately expanding the payer base.

Iowa—

Funding Amount: Over the next 6 months, the State of Iowa will receive up to \$1,350,711 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Iowa seeks to develop a transformative health care plan by addressing mechanisms to implement integrated care delivery models, developing strategies for payment alignment among Iowa's key health care payers, and establishing incentives to move towards value-based purchasing and unified quality outcomes. Specific activities will include expansion of the multi-payer ACO methodology to

address integration of long term care and behavioral health services; designing strategies that encourage personal health and well-being; and assuring an adequate workforce. The goal of Iowa's model will be to hold total health care cost growth to less than two percent, and reduce total cost of care for those participating in integrated models.

Maryland—

Funding Amount: Over the next 6 months, the State of Maryland will receive up to \$2,371,299 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Maryland seeks to create a model that both integrates patient-centered medical care with community-based resources through a statewide expansion of Community-Integrated Medical Homes (CIMH), and enhances the capacity of local health entities to monitor and improve population health through the use of new data tools and geographic information system (GIS) mapping capabilities. During the Model Design period, the state will engage both public and private payers to establish the governance structure for the CIMHs and set programmatic standards. Simultaneously, the state will facilitate the participation of local health improvement coalitions to refine the tools and resources necessary to rapidly implement the new model.

Michigan—

Funding Amount: Over the next 6 months, the State of Michigan will receive up to \$1,653,705 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Michigan's proposed design process will focus on transforming service delivery and payment models in four foundational areas: Patient/family-centered health homes; coordination and accountability of the Medical Neighborhood; a care-bridge to behavioral health and long-term care; and integration between and among healthcare and community resources, including the Pathways Community Hub model. The state will facilitate alignment of program elements and outcome metrics across payers, prioritize investments in health information exchange and data analytic capacity, incorporate commitment to population health in line with the National Quality Strategy, and identify policy and other levers to support future implementation. Michigan aims to develop the infrastructure to prepare the state for rapid testing, roll-out, and monitoring of the plan following the design period.

New Hampshire—

Funding Amount: Over the next 6 months, the state of New Hampshire will receive up to \$1,605,378 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: New Hampshire's plan will lay out a framework for aligning consumer access across delivery system "silos," payer support for outcomes-based long term care services, and global accountability for cost-effectiveness and outcomes. A central tenet of the transformation activities will target opportunities for improved coordination across systems for individuals who are either in need of or at-risk for needing long-term support services; this population will be targeted due to the complex health

needs and the cross-cutting nature of the services and payments needed to coordinate their care. Through this process, New Hampshire will leverage ongoing activities in the development of the new system and align the ongoing state and national quality initiatives with the new system.

Ohio—

Funding Amount: Over the next 6 months, the State of Ohio will receive up to \$3,000,000 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Ohio will develop a plan to improve overall health system performance through statewide implementation of innovative payment and delivery models. Ohio proposes a planning process that engages public and private stakeholders to formalize a comprehensive plan to build upon ongoing transformation activities, with potential refinements based on learning to date and stakeholder feedback. The goal of the project will be to create a roadmap for expanding the capacity and availability of qualified medical homes to most Ohioans, and to define and administer episode-based payments for acute medical events across Medicaid/CHIP, Medicare, and commercially insured patients.

Pennsylvania—

Funding Amount: Over the next 6 months, the Commonwealth of Pennsylvania will receive up to \$1,560,135 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: The Pennsylvania plan builds upon current private and public sector payer and provider initiatives to advance new care delivery models and payment methodologies. The plan places strong emphasis on the need for innovative models on transitions of care, telemedicine and care management. Through the promotion of accountable provider entities responsible for population based care, the state aims to develop a model that deploys community-based care teams to provide more appropriate services to “super-utilizers” and enhance access to public health preventive services by better integrating the services into the provider community. The model will also motivate alignment of patient, provider, and payer interest through gain-sharing models. Infrastructure to support the model design will incorporate expanded health information technology to facilitate health record data sharing, advanced telemedicine services particularly in rural areas, and objective measurement of healthcare workforce data to make improvements to existing training.

Rhode Island—

Funding Amount: Over the next 6 months, the State of Rhode Island will receive up to \$1,631,042 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Rhode Island intends to develop a model that builds upon the patient-centered medical home initiative and focuses on a community-centered delivery system. The model will leverage the opportunities provided by the state's Health Benefits Exchange and Medicaid initiatives. Planning activities will facilitate a multi-stakeholder process to review current state payment and delivery system reform initiatives; identify data sources and baseline data for outcomes measures and financial analysis;

and identify policy lever changes available and needed to effectuate the State Health Care Innovation Plan. The resulting plan will define strategy and mechanisms for moving Rhode Island's health care delivery system to a value-driven, community-based, and patient centered system.

Tennessee—

Funding Amount: Over the next 6 months, the State of Tennessee will receive up to \$756,000 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Tennessee proposes to develop and integrate specific and scalable purchasing strategies into the TennCare Medicaid managed care model. Specifically, the design process aims to accelerate efforts to hold health care providers accountable for both cost and quality of care by identifying and rewarding the best-performing providers in accordance with federally-recognized quality metrics. The project identify evidence-based payment and service delivery models and decide how one or more of these models could best be used in Tennessee of effectiveness of patient-centered medical homes, ACOs, and other integrated care models.

Texas—

Funding Amount: Over the next 6 months, the State of Texas will receive up to \$2,895,219 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description: Through the Designing the Texas Innovative Health Care Model project, Texas seeks to develop a common understanding and consensus among participants (payers, providers, and other stakeholders) around the design of innovative models as well as the elements needed to successfully implement such models. Specific issues to be addressed are gaps in health information technology and information exchanges (HIT/HIEs), administrative, clinical and financial data sources and requirements, and performance measures needed to design and test alternative payment systems that incorporate quality-based outcomes. Texas also will work towards aligning various initiatives taking place across the state to transform the delivery and payment of health care. Texas plans to leverage the resources and activities of additional quality-improvement initiatives underway including: the Texas Institute of Health Care Quality and Efficiency established through recent legislation to support implementation and evaluation of innovative payment and delivery systems across payers; the formation of federally recognized accountable care organizations (ACOs) and other advanced quality-based entities around the state; and HIT infrastructure

Utah—

Funding Amount: Over the next 6 months, the State of Utah will receive up to \$942,458 to develop its State Health Care Innovation Plan. Funding will be subject to successful completion of the terms and conditions for the State Innovation Model initiative.

Description Utah proposes to design an innovative statewide initiative to facilitate improved physician/patient communication and care coordination, with the goal of improving health care quality and lowering costs. The state will convene a multi-stakeholder group that will address strategies for

healthcare transformation in five key areas: expanded health information technology; adequate healthcare workforce; wellness and healthy lifestyle promotion; payment reform; and medical malpractice and dispute resolution.

About the Innovation Center

The Innovation Center was created by the Affordable Care Act to test innovative payment and service delivery models to reduce program expenditures while preserving or enhancing the quality of care provided to Medicare, Medicaid and the Children's Health Insurance Program (CHIP) beneficiaries. The Center is committed to refining the Medicare, Medicaid and CHIP programs to deliver better care for beneficiaries while reducing costs. The Innovation Center also offers technical support to improve the coordination of care and share lessons learned and best practices throughout the health care system.

For More Information

More information on the State Innovation Models initiative can be found at:
innovation.cms.gov/initiatives/State-Innovations.