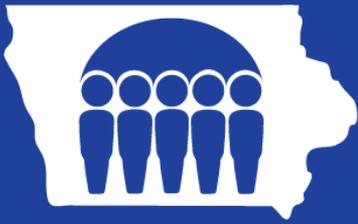




State Innovation Model (SIM) Steering Committee

Charles M. Palmer, Director, Department of
Human Services

Jennifer Vermeer, Medicaid Director



State Innovation Model (SIM)

- Grants available to Governors from the Centers for Medicare and Medicaid Innovation
- 2 tracks: design (Iowa) or testing
- Funding to develop State Healthcare Innovation Plan (SHIP)
- Submit SHIP in December
- Will apply for testing grant

2013 Design:
State Health Care
Innovation Plan

2014 Testing:
Application for funds /
authority to test

2016? Implementation



Stakeholder Process – Learning and Listening Sessions

- Three learning sessions conducted April - June:
 - Accountable Care Organizations, Long Term Care and Wellmark model
- Six listening sessions conducted July – September:
 - Ottumwa, Newton, Council Bluffs, Cedar Rapids, Fort Dodge, Waterloo
 - Also discussed Iowa Health and Wellness Plan
- Presentations at other meetings by invitation



Stakeholder Process – Workgroups

- **Four workgroups: Metrics & Contracting; Member Engagement; Behavioral Health Integration; Long Term Care Integration**
- **Conducted (July – September)**
 - *Meeting 1*: overview, need for transformation, ACOs
 - *Meeting 2*: what works, what doesn't, goals & vision
 - *Meeting 3*: 10 to 12 recommendations, prioritized
 - *Meeting 4*: refine prioritized recommendation; commented on priorities



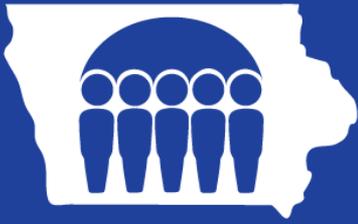
Stakeholder Process – Consumers

- Two meetings: SIM overview, need for change, vision and goals, ACO overview, accountability and measures
- Feedback
 - Many questions
 - Desire to understand how this fits with other initiatives, such as Balancing Incentive Program, Health Homes, and MHDS Redesign
 - Questions about how this will work for persons with other insurance and certain disability groups, how it might work in rural areas



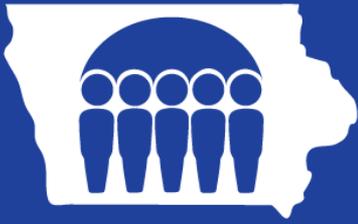
Steering Committee

- Review the work completed thus far, including the Workgroups
- Workgroup recommendations have been synthesized in overall recommendations
- Steering Committee provide review and feedback to those recommendations



Medicaid's Role in Delivery Reform

- Medicaid:
 - Relies on the same health care system as all other payers to deliver care
 - Uses similar payment and contracting methods
 - Impacted by the same cost and drivers as other payers
 - The 2nd largest payer, covers 23% of Iowans
 - The primary payer of Long Term Care Services



Step 1: State Healthcare Innovation Plan (SHIP)

- 5 year plan – delivered to CMS
- 19 required components, including:
 - Vision statement for system transformation
 - Well-defined “AS IS” for current system and “TO BE” for transformed state
 - Barriers and opportunities
 - Population health status measures, social/economic impacts on health
 - Timeline



Step 2: Model Testing Grant Proposal

- 2012: 6 states received ~ \$45 - \$55 million
- Anticipated 2nd round in early 2014
- Number of awardees unknown
- SHIP is part of testing grant



SIM Levers

- ✓ Align payers and payments to provide 'critical mass' to support needed investments to change
- ✓ Value based payment reform
- ✓ Organized, coordinated delivery systems
- ✓ Build on developing health homes/medical homes
- ✓ Engage individuals in becoming and staying healthier



- Strategy 1: Implement multi-payer ACO* methodology across Iowa's primary health care payers



- Strategy 2: Expand multi-payer ACO methodology to address integration of long term care services and supports and behavioral health services



- Strategy 3: Incorporate population health, health promotion, member incentives

* 'Accountable Care Organizations' are a reimbursement method that incentivizes accountability for outcomes and lowers costs



Discussion of Key Recommendations *(refer to white paper for details)*

- Regional approach and contract requirements
- Provider relationships
- Accountability and alignment with other payers
- Increased transparency and data sharing
- Reimbursement



5 Year Accountability Timeline

Accountability increases as additional systems are brought into the Total Cost of Care budget

Step 1:
Implement Health and Wellness Plan

Step 2:
Expand ACO model for full Medicaid population

Step 3: Add Behavioral Health Services

Step 4: Add Long Term Care (Institutional and HCBS)

Timing of steps determined by readiness exercise between the State and ACO



Value Index Score (VIS)

Member
Experience

Primary &
Secondary
Prevention

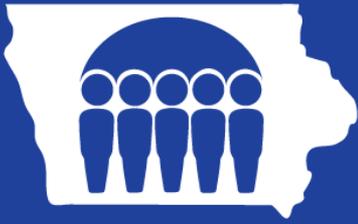
Tertiary
Prevention

Population
Health

Continuity of
Care

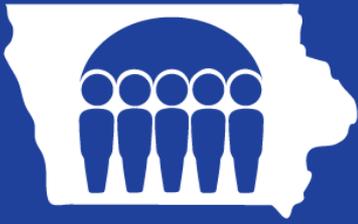
Chronic and
Follow-up
care

Efficiency



Discussion of Key Recommendations *(refer to white paper for details)*

- Integrating behavioral health care services
- Integrating long term care supports and services
- Member engagement and encouraging healthy behaviors
- Provider support and appropriate workforce
- Creation of reinvestment fund



Questions

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