



# Value Based Reimbursement and SIM

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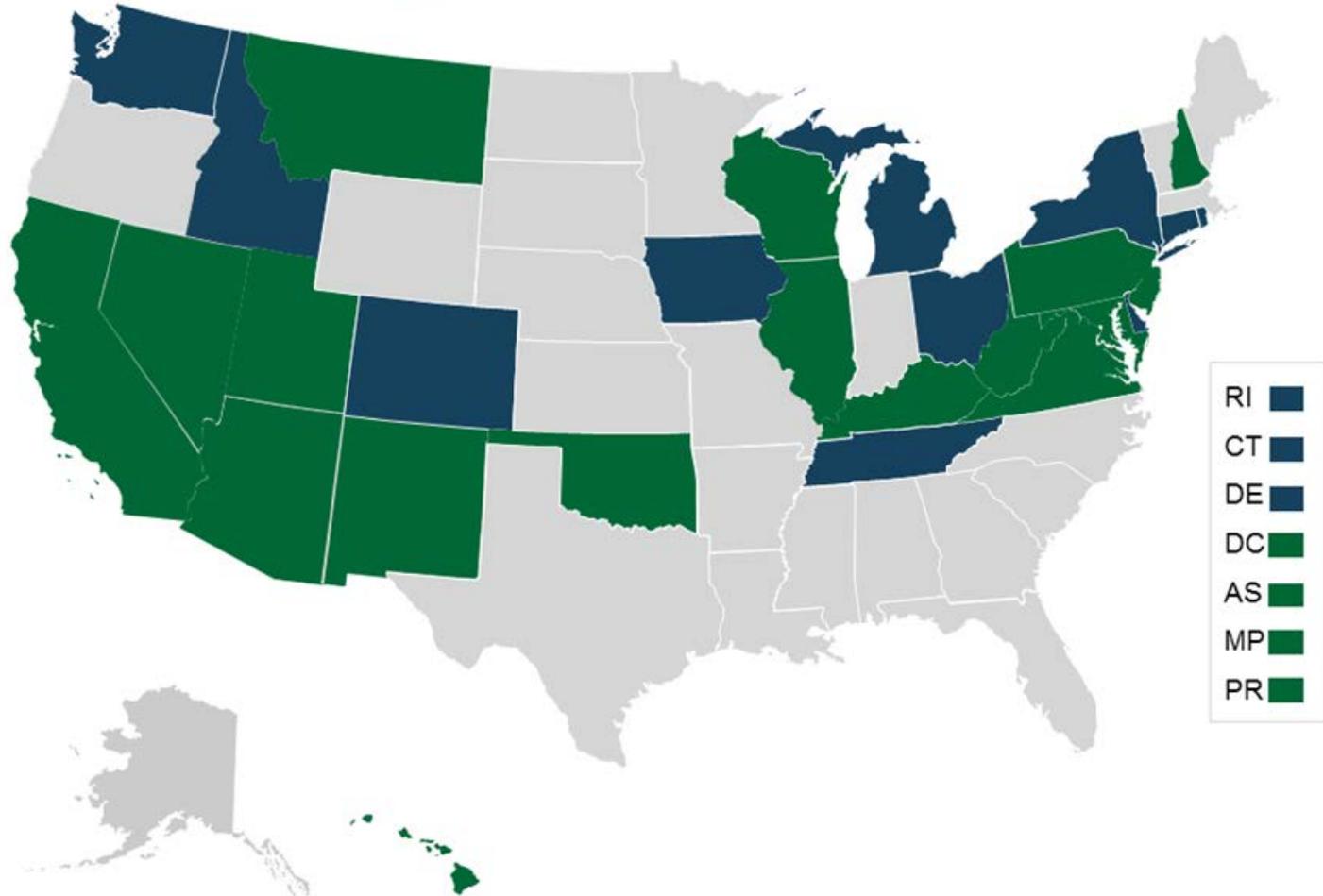
# Iowa is a SIM Round 2 Test State

- On December 16, 2014 CMS announced
  - 11 Test states (\$620m)
  - 21 Design states (\$43m)
  - Iowa received approval for \$43.1m over 4yrs
  - Funds released 1 year at a time
    - One pre-implementation year & three test years
  - Each year the state requests a non-competing extension to draw down more funds

# Round 2 SIM Awards

Model Test Awards

Model Design Awards



Source: Centers for Medicare & Medicaid Services

# SIM Vision:

## Transforming Healthcare to Improve the Health of Iowans



### Medicaid Innovation Timeline:

- **2014** – Expand Medicaid
  - Implement value-based incentives using VIS
  - Implement member engagement strategies
- **2015** – SIM Planning and Medicaid Moderation preparation
- **2016** – SIM Test Begins (three years 2016, 2017, and 2018)
  - Introduce MCOs
  - Align value-based programs across payers
  - Continue to build VIS quality platform
  - Integrate LTC/BH/CYSHCN quality standards into VBPs
  - Improve data and transparency (Alerting, Claims)
  - Support delivery system (TA, CCTs, SDH )

# 2014 Medicaid Innovations

## Value Based Purchasing Achievements:

- Established ACO contracts with 5 Health systems
- Implemented aligned Healthy Behavior (HB) measure for ACOs and Members
- Introduced VIS quality framework for Medicaid Population

## Outcomes:

- ACOs serve roughly 30% of Medicaid lives in Iowa
- 18,230 Wellness Plan members completed both HB activities (HRA and Exam)
- 30% completed wellness exam, compared to 5% in regular Medicaid and 20% in commercial
- Paid \$430K in VIS bonuses,
- PCPs in an ACO were 5% more likely to earn a VIS bonus than non-ACO PCPs

# Value Index Score (VIS)

- Used in Medicaid and Wellmark VBP programs today
- 6 domains – 16 measures
- Not disease focused, but system transformation focused
- Online dashboard provides PCP and ACO level rankings and other utilization reports
- User conferences help identify ways to improve both dashboards and measures as we move forward

# Opportunities Moving Forward

- New partnerships with MCOs
  - Align VIS quality framework across Medicaid
  - Align VBP with other payers (CMS, private)
- New focus on Social Determinants and how to use to improve health outcomes
  - Expand use of HRA
  - Build social needs coordination capacity
  - Analyze and report SDH data
- Support Transformation

# How do you support the system during change?

## Focus on the community

- Establish learning events, share best practices

## Use technology to improve care coordination

- Real-time Admission/Discharge/Transfers data

## Integrate Social Supports/Public Health into care delivery

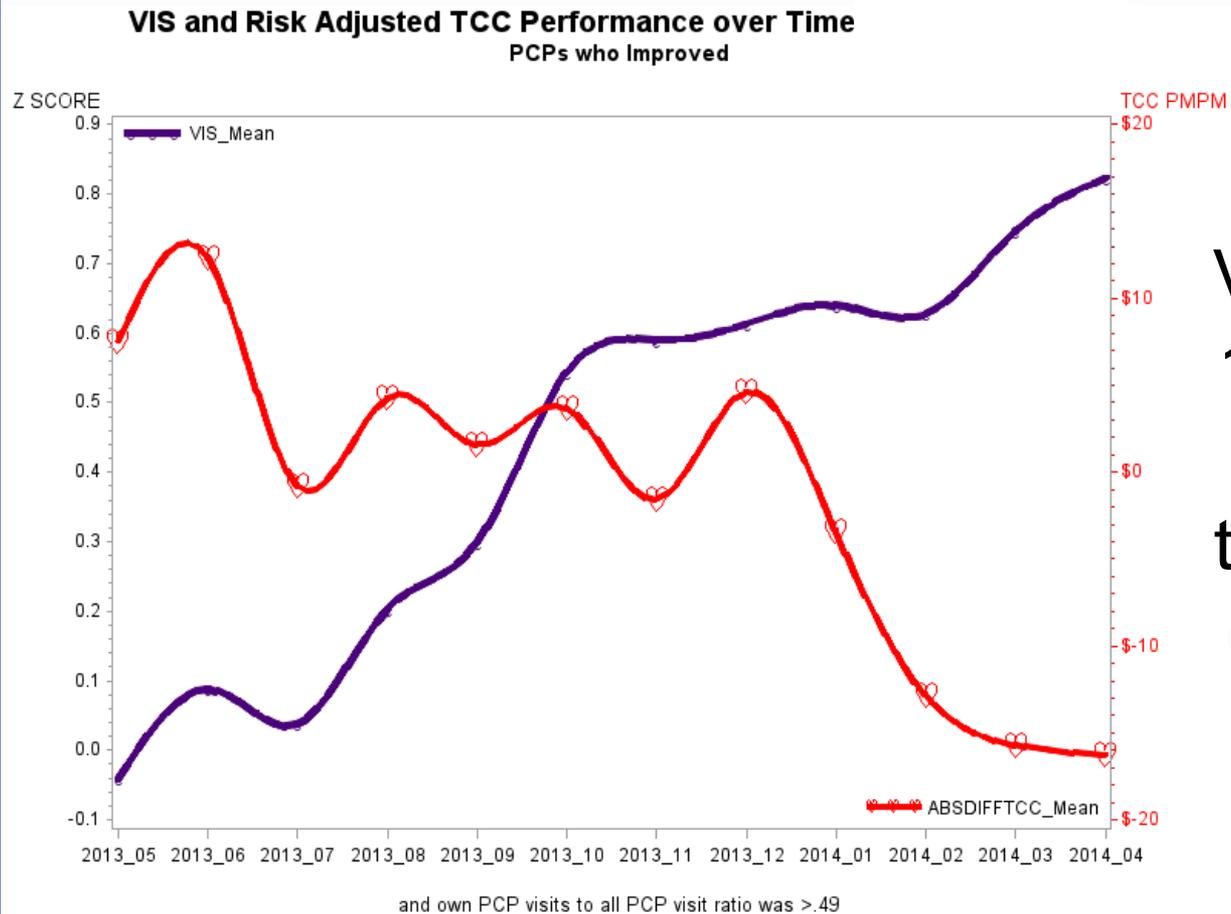
- Develop Community Care Teams



# Achieve Scale and Track Improvements

- By developing value-based purchasing arrangements like other payers, providers and community partners can focus on changes that impact not only the whole person, but all people they serve
- Using VIS to track quality links better quality to lower expenses, as shown on next page

# Iowa Medicaid VIS Results



PCPs that improved their VIS score over a 12 month period also lowered their total cost of care during that same period

# Resources

Website:

<http://dhs.iowa.gov/ime/about/state-innovation-models>

Email:

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