

Executive Director's Report

Health Services Cost Review Commission

June 10, 2015

Planning and Implementation of Care Coordination and Alignment Activities

Funding Administration

As reported in the May Commission meeting, BRFA funds were placed in rates on May 1 to provide for use in implementing initiatives to support the success of the All Payer Model. Out of these funds, \$11.5 million will be provided to CRISP, the state designated Health Information Exchange entity, to fund additional planning and start up costs of expanded IT and analytic infrastructure and continued consulting support for implementation of care coordination and alignment activities. The responsibilities of CRISP and the use of these funds is defined and directed under a Memorandum of Understanding with HSCRC. MHCC administers the funds with the support of HSCRC.

As reported in the May Commission meeting, an initial budget of \$495,000 was submitted for a 90 day intense planning process for state level infrastructure. This budget was incorporated into the Memorandum of Understanding after review by MHCC and HSCRC. Three additional budgets have been submitted by CRISP. The first budget of \$1.08 million will provide for consulting resources to support the Regional Transformation process and the infrastructure strategic plans due from each hospital on December 1, 2015. A second budget of \$.9 million will provide for consulting resources to assist in developing alignment strategies and approaches. These two consulting budgets and scopes have been reviewed and approved by staffs of HSCRC, DHMH, and MHCC. These budgets will be incorporated into the Memorandum of Understanding. A third draft budget of \$6.2 million has been submitted to HSCRC and MHCC staff for initial review. This budget proposes that CRISP move forward on implementing some aspects of the state level integrated care and care coordination infrastructure, while continuing planning on others. The budget is designed to leverage federal funding sources to support the development of the state-level infrastructure. This budget and workplan will be reviewed by a CRISP steering committee that is being convened to guide the implementation of the state-level infrastructure. The budget and work plan will also be reviewed by the CRISP Executive Committee. Once this budget is approved by CRISP, HSCRC staff will incorporate it into the Memorandum of Understanding. HSCRC staff will provide regular updates to the Commission

relative to updates to the budgets and to the Memorandum of Understanding. CRISP will engage an independent auditor to perform an audit of expenditures for these activities.

Overview of Activities

There are three streams of activity underway:

1. Transformation Support
2. Alignment Support
3. Development of state level IT and tools to support care coordination and integration

Transformation Support

On June 11, the transformation support activities will be kicked off with the grant awardees for the Regional Partnerships for Health System Transformation approved by the Commission at the May 2015 meeting. A draft reporting template has been developed, and this process and reporting template will be extended to all hospitals as they prepare their strategic plans for care coordination and alignment which are due to be provided to HSCRC by December 1, 2015. Four forms of support will be provided to the regional grantees and will be extended to all hospitals/collaboratives:

1. Learning Collaboratives
2. Webinars
3. Shared site for resources
4. Individual Consultation (Regional Planning Grantees)

A steering committee will help guide the development and adaptation of the transformation support process and consulting engagement.

Alignment Models

HSCRC, DHMH (Medicaid), and CRISP staffs have begun informal conversations with stakeholders regarding alignment strategies and approaches. In the near term, we will outline a stakeholder approach and define a work group process to support these efforts.

The transformation support steering committee will also help guide the development of these initiatives.

Development of State level IT and tools

This encompasses implementation activities being undertaken based on the recommendations of the Care Coordination work group, including:

- State level IT tools to support care coordination
- Leveraging existing and new data to support care coordination efforts, including the ability to share care profiles at the point of service

- Securing new data sources (CMS data) to support care coordination efforts
- Connecting ambulatory providers and LTPAC to CRISP

CRISP has formed a steering group to guide the process and to provide customer input and expertise in the development and implementation of these enhancements and processes. This steering committee will meet in the coming weeks to review the work plan and budget proposal and will make recommendations on aspects of the state-level infrastructure that are ready for implementation and the planning process for the more comprehensive infrastructure.

The chart below depicts an overview of the timeline for implementation. This is a living document that will be updated regularly.

CRISP Integrated Care Network Infrastructure & Tools Implementation Timeframes																										
	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
CRISP Governance																										
ICN Infrastructure Steering Committee	Monthly Steering Committee Meetings or Calls																									
Executive Committee																										
CRISP Board																										
State-Level IT Infrastructure																										
Care Management Tools																										
Leverage Existing Data and Enhance Tools																										
Data Sharing Policy																										
Sharing data on high risk patients																										
Risk Stratification Tools																										
Health Risk Assessment and Care Profile Planning																										
Secure New Data Sources (w/MHA)																										
CMS Data Request																										
Provider Connectivity																										
Ambulatory Connectivity																										
Transformation Support																										
Learning Collaborative/Webinar																										
Shared Site for Resources																										
Individualized Support for Grantees																										
Interim/Final Plan																										
Alignment																										
Timeline Under development																										

Rate Year 2016 Update and Funding for Infrastructure Acceleration

During the initial year of model performance, hospitals and their physician and long term care partners performed well, meeting or exceeding nearly all of the new model performance objectives¹. In order to make the model sustainable and also to meet the aggressive timelines set forth in the Model Agreement for extension of the Model, we need to accelerate the implementation of care improvements, care integration and alignment, and care coordination. Staff has worked with hospitals, Commissioners, Maryland Hospital Association, CRISP, DHMH, Medicaid and other commercial payers, physicians other provider representatives, and broad multi-stakeholder work groups to develop an overall strategy to

¹ While readmissions were reduced, Maryland fell short of the readmission reduction targets it set.

augment and accelerate infrastructure. We were aided in this process by expert consulting resources and facilitators. The Care Coordination Work Group report was presented to the Commission in its April meeting. The strategic roadmap and overview of a plan for implementation was presented in the May Commission meeting. Further updates on implementation plans were outlined above for this June meeting.

Staff has proposed an addition to rates for infrastructure as part of the annual update to global budgets for rate year 2016. Letters from several payers and purchasers have asserted that hospitals should already have adequate incentives under the All Payer Model and global budgets to make these investments with the expectation that these investments will generate savings as well as care improvements. Staff recognizes and agrees with these premises. Over time, we would expect hospitals to make investments and changes to adapt to the new Model and to generate a return on that investment. Hospitals are already making investments, and reports on those investments will be submitted to HSCRC at the same time hospitals submit their annual filings. However, we need to accelerate investments and ensure that infrastructure is implemented in a way that is consistent with the approach outlined in the All Payer Model Agreement. The approach must demonstrate our readiness to sustain the Model and to coordinate and integrate care.

As reported in the section above, HSCRC, MHCC, and DHMH staffs are working with the providers and other stakeholders, CRISP, and consultants to implement a transformation support process that endeavors to aid regional collaboratives and hospitals in developing the plans for these changes. Consulting and CRISP development activities will be funded through the implementation of 2014 BRFA funds, use of MHIP fund balances provided for in the 2015 BRFA, and outside grants. The rate adjustment proposed by HSCRC staff as part of the update process is intended to help fund the rapid cycle development of care coordination and care planning for high needs and complex patients, support of chronic care improvement, and other specific care integration and alignment activities.

Staff expects that the investments will result in improved care and reductions in Potentially Avoidable Utilization, as well as generating a return on the investment. The return on investment will be recognized in future updates, with adjustments for Potentially Avoidable Utilization, including shared savings. If necessary, savings should be accelerated if Medicare or All Payer Model performance deteriorates.

In summary, hospitals and HSCRC are working under an aggressive implementation timeline that will require substantial changes in the delivery system, with early focus on high needs patients, chronic care improvement, and primary care supports. Staff acknowledges the input from payers and purchasers regarding the expectation of investments and returns on investments under global budgets. In staff's judgment, the proposed infrastructure funding through the 2016 update together with the transformation support process will help guide and accelerate this investment process.

Recognition of Efforts for the 2016 Update

The first year of the new All Payer Model (Calendar Year 2014) began in a complex time, with the implementation of the new Model coinciding with the expansion of coverage for individuals brought about under the Affordable Care Act (ACA). Medicaid expanded coverage to more than 200,000 new individuals and individual coverage was expanded through new subsidized insurance products that are not medically underwritten and offered through the exchange. These complex changes required numerous policy adaptations and developments.

I want thank all of the HSCRC staff, the Maryland Hospital Association staff, the hospitals, Commissioners, work groups, and Alice Burton who have contributed to the progression during such a complex time.

I especially want to thank David Romans for guiding us through the 2016 update process, including the Medicaid expansion and uncompensated care update with the sophisticated analysis that was enabled through the combination of HSCRC data and CRISP IDs. Sule Gerovich also deserves a special thanks and recognition for her leadership in bringing forward the policy changes and methods of global budget administration. I also want to thank Jerry Schmith, Ellen Englert, and Dennis Phelps for their guidance and administration of all of the rate updates that have been required.

Future Strategy Session on HSCRC Performance Measurement

The Commission has invited the HSCRC Performance Measurement Work Group members and other experts to participate in a meeting on June 22, 2015 from 9:30 to noon to discuss the future of the Commission's performance measurement program and workplan. The discussion will focus on updating our performance measurement system to reflect and support the various systems transformation initiatives in the state. To this end, we they dedicate 2 hours to presentations and discussions to help determine key objectives and needed stakeholders to develop a statewide, incentive-based performance measurement system strategy that supports better care coordination, population health and patient centered care. HSCRC staff will update the group on the status of the existing measures and the activities of the Work Groups. Dr. Stephen Cha of CMMI will present on CMMI's measurement strategy at large and Dr. Tom Valuck of Discern Health will discuss an ideal design and provide a gap analysis.

Graduate Medical Education (GME) Update

On May 20th, DHMH, the University of Maryland, and Johns Hopkins Medicine co-sponsored an all-day summit on the future of graduate medical education. Outside speakers for the summit included Dr. Eric Holmboe from the Accreditation Council for Graduate Medical Education, Dr. Bruce Blumberg from Kaiser Permanente of Northern California, and Ankit Patel from Center for Medicare and Medicaid Innovation. The summit brought together over 100 graduate medical education and healthcare leaders from around the State to discuss what the goals of a new GME model should be and steps that would need to be undertaken to modernize GME in Maryland. The feedback received during this summit will be incorporated into GME workgroup recommendations. The GME workgroup's next meeting is

scheduled for June 17th. Additional information can be found on the GME workgroup website:
<http://dhmh.maryland.gov/gme/SitePages/Home.aspx>

Emerging Leaders

Sule Gerovich, PhD has been included in the Emerging Leaders program sponsored by the Millbank Memorial Fund and the Reforming States Group. This prestigious opportunity has been extended to 25 individuals nationally who are working in leadership roles in developing and implementing health care reform. The program is designed to enable participants to develop skills that will enhance their effectiveness in addressing challenges in today's increasingly complex health policy environment.

Staff Focus

Staff will be focused on the following activities:

- Completing the update on rate orders for rate year 2016. The targeted date for completion of rate orders is the end of July.
- Continuing and accelerating the focus on alignment models, and state level, regional and hospital transformation planning and implementation.
- Preparing the report of the Consumer Engagement and Education efforts.

Next Meeting of HSCRC

There will be no July meeting of the Commission. The next meeting will be held on August 12, starting at 1 PM.