EXECUTIVE CHAMBERS

HONOLULU

David Y. Ige
GOVERNOR

Steering Committee
March 31, 2015

Proposed Agenda

1. Welcome and introductions

2. State Innovation Models
    A. Review of Health Care Transformation and SIM 1
    B. Expectations for SIM 2
        a. Areas of focus
        b. Catalysts
        c. Deliverables
        d. Staff
        e. Consultants

3. Committees and responsibilities
    A. Meeting Schedule
    B. Organizational chart and workflow
    C. Proposed committee responsibilities and membership
        a. Who's missing?

4. Next steps
    A. Work with Dr. Bruce Goldberg
    B. Proposed all-stakeholder meetings

5. Other business

6. Adjournment

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Hawaii Health Care Innovation Models Project
Steering Committee Meeting
March 31, 2015

Committee Members Present:

Beth Giesting, Chair
Jennifer Diesman
Marya Grambs
George Green
Christine Hause
Robert Hirokawa
Alan Johnson
Roy Magnusson
Ginny Pressler
Christine Sakuda
Rachael Wong

Committee Members Absent:

Mary Boland
Gordon Ito
Jill Oliveira Gray
Kelly Stern

Staff Present:

Joy Soares
Debbie Shimizu
Abby Smith

Chair Giesting welcomed the group to the first steering committee meeting for the second State Health Care Innovation Models (SIM) Design grant and reviewed the brief history of health care transformation in Hawaii. Starting in 2012 the Hawaii Healthcare Project-HIPA partnership sponsored innovation learning sessions and mapping out innovation priorities for Hawaii such as patient-centered medical homes and care coordination networks. In 2013 we embarked on our first SIM grant's planning efforts and held the Hawaii Health Summit. The first SIM plan was released in 2014 and was followed by the award of federal grants to develop an All Payer Claims Database (APCD), a No Wrong Door plan for long-term services and supports, and a second SIM planning effort, starting in early 2015.

Giesting reminded the committee that the Center for Medicare and Medicaid Innovation intends SIM to accelerate health care delivery change via a state-led process supported by broad stakeholder input and engagement. The expected result is better health, better quality, and improved cost-effectiveness. In our view, the "triple aim" is joined by the imperative to ensure equity in health and access across our culturally diverse island state.

Project Director Soares shared information on SIM grants awarded to other states during rounds 1 and 2, and then itemized the deliverables for round two, due by January 31, 2016. These are:

- Description of health care environment
- Health system design and performance objectives
- Delivery and payment innovations
- Population health plan
- Workforce plan
- Health IT plan
- Financial analysis
- Monitoring/evaluation plan
- Operational plan

Soares went on to highlight the targeted interventions and populations for SIM 2, namely, behavioral health (BH) integration with primary care (awareness, diagnosis, and treatment) for adults enrolled in Medicaid who get services in primary care settings and have mild to moderate behavioral health conditions, including those with co-morbid chronic physical illnesses. A pilot effort might also target seriously/persistently mentally ill individuals cycling through the judicial or corrections systems. She also reported that Hawaii is well on its way to having 80% or more of primary care practices (PCP) being patient-centered medical homes (PCMH); this is good but not adequate to meet BH/PCP integration needs.

Soares outlined the reasons these individuals and conditions were targeted for SIM 2:

- Feedback from stakeholders, providers, community during SIM 1.
- Behavioral health conditions disproportionately affect the most vulnerable populations.
- While transformation in Hawaii is progressing, BH has largely been left out of innovations.
- The hospitals' Community Health Needs Assessment (CHNA) identified mental illness as the number one preventable cause of hospitalization in 2012.
- SIM Round 1 actuarial analysis showed the average total cost for individuals with a BH diagnosis was three times the average total cost for individuals without a BH diagnosis.

She noted that, in addition, mental illness is a co-existing condition for 34% of potentially preventable hospitalizations and almost 10% of hospital readmissions. Potentially preventable/avoidable ER and hospital stays for all causes amounted to $350 million in 2012.

Per Soares, SIM 2 will develop a plan of action with the following aspects:

Primary Care Practice Support Services

- Primary care resource center – provide CME and support
- Add emerging professions (e.g. CHWs and pharmacists) and other BH professionals to team (psychologists, social workers, etc.)
- Adequate reimbursement to support integration and care coordination
- Population management tools
- Access to specialty care when appropriate

Enhanced Care Coordination

- Medicaid Health Homes - #1 (FQHCs) and #2 (small practices)
- Develop infrastructure for community care networks
- DPS pilot – address SMI/SPMI population
- Include new members on team – community health workers, pharmacists, others
- Foster integration of community resources to address psychosocial and economic needs
- Health IT tools to support information exchange and coordination

Payment Reform

- Develop payment models that support behavioral health integration
- Incentivize and support providers to identify and treat BH conditions in the primary care setting (e.g. SBIRT)
- Incentivize providers to effectively manage and coordinate care
- Explore risk adjustment strategies – essential to ensure providers are not penalized for providing care to sicker/complicated patients
- Reimbursement for new members of team – community health workers, pharmacists (medication management)

Health Information Technology

- Common population health management tools
- APCD – data collection, analysis, use
- Dashboard
- Increase utilization of delivery system tools (ADT feeds, secure messaging, CCD)
- Leverage federal funding opportunities
- Promulgate data standards and governance to bolster information exchange

Workforce

- Primary care resource center
- Support the training, development and sustainability of "emerging roles" such as
  - CHW
  - Pharmacist
- Telehealth BH consults
- Identify scope of practice barriers for BH, OH and school-based providers
- Support medical education residency programs that integrate BH with primary care

Policy Levers

- Payment levers (e.g. global and bundled payments, etc.)
- Federal funding and policy change to support HIT, HIE, and transformation/innovation
- Develop transformation structure and sustainability plan

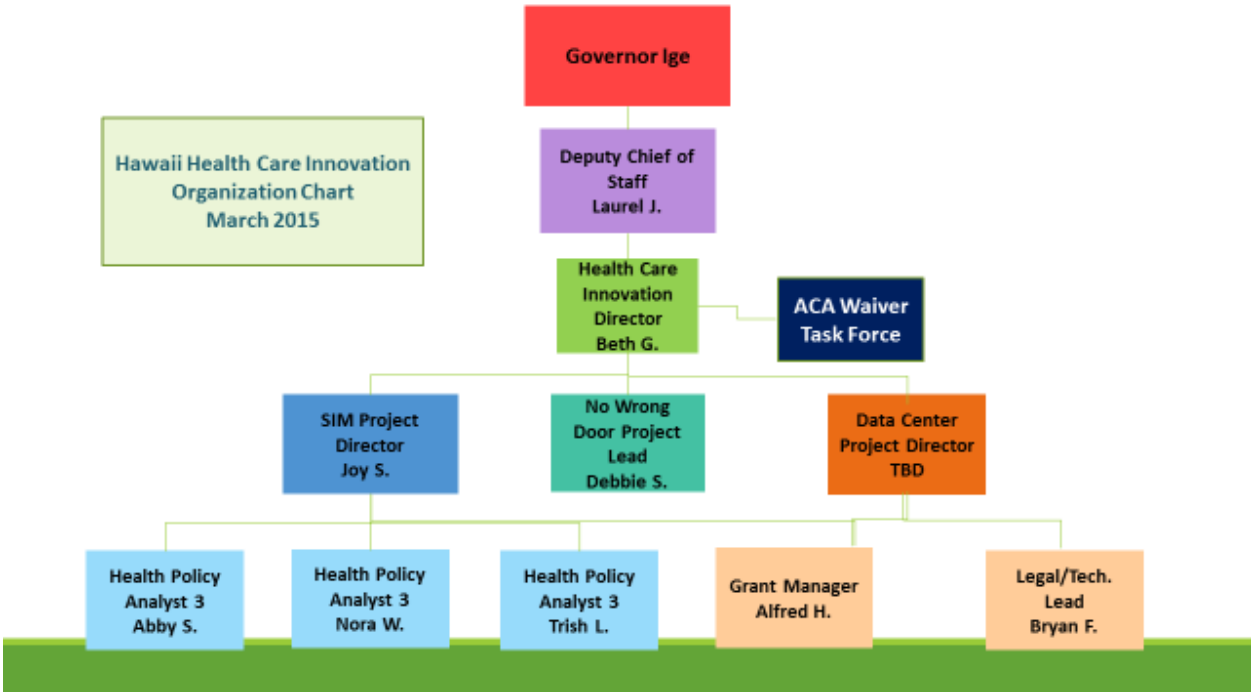
Oral Health

- 1999 DOH study showing worst rates of decay and unaddressed dental needs, particularly for children. Reliable current data on OH lacking but DOH working on updated surveillance report.
- Interventions:
  - Support DOH in rebuilding OH program
  - Explore value-based purchasing
  - Develop ROI analysis to prove the value of oral health services

Soares also pointed out that Hawaii's SIM priorities are echoed in the work other states are planning:

- 25 SIM states are strengthening BH/primary care integration
- 25 states are investing in community health workers
- 19 states are expanding telehealth
- 15 states are offering patient portals and other digital tools
- 14 states are investing in and using APCDs to understand their health care costs and map interventions.

Chair Giesting highlighted the Innovation Organization Chart below:



Soares told the committee that consultants will be hired to provide expertise needed to detail our plans. Consultants will include Bruce Goldberg to guide work on structure sustainability, Medicaid maximization, and HIT strategic planning, and the Hawaii AHEC, which will carry out provider focus groups on all islands. A request for proposals, expected to be posted by April 2nd, will solicit a third consultant with expertise in delivery and payment innovation, financial analysis and return on investment, evaluation and monitoring, and writing our SHIP.

Led by Soares, the committee reviewed the proposed responsibilities, schedule, and membership for the Steering Committee and identified some additional stakeholders to invite. The committee also reviewed the charters and proposed members for other SIM committees and made recommendations (members were also invited to email names to Soares and Giesting after the meeting). The steering committee agreed that its future regular meeting day will be the first Tuesdays from noon to 1:30 for the months of May through January. In addition, four "all-committee" meetings were proposed:

- SIM strategies and plans with Bruce Goldberg (June)

- Initial SHIP draft and committee check-in (September)
- Structure and Sustainability Plan Agreement (November)
- Final SHIP celebration and next steps (January)

Committee questions, recommendations, and discussion included:

- In answer to why SIM is focusing on adults, staff answered that we're trying to narrow our scope to a population not otherwise being addressed, and one where a significant return on investment can be expected. We will continue to stay in touch with and support as much as possible DOE and other initiatives that target children. In addition, our oral health focus will be aligned with DOH, which is likely to address children's dental needs. Member Hirokawa noted that Hawaii Primary Care Association is working closely with DOH and HDS on an oral health assessment in schools.
- The shortage of psychiatrists is a big issue. Prescriptive authority for psychologists must be given more consideration.
- It is encouraging that we are focusing on adults because we may be able to get good results very quickly. Transforming the behavioral health system will be a long-term commitment, but this is a good place to start and get departments working together.
- The state hospital is in crisis and over-crowded. Community-based adult BH services have to be built/rebuilt.
- Make sure the APCD is integrated throughout our innovation plans rather than being a separate, compartmentalized effort.
- A committee member asked about the No Wrong Door project. Shimizu clarified that it is a federal grant for planning access to Aging and Disability Resource Center Programs and long term support services.
- The question of sustainability was raised, which must be answered during the course of SIM 2 planning. Bruce Goldberg will help us with the discussion.
- The consultants are likely to meet the steering committee and some other committee members but are not expected to attend all the meetings in person or remotely.
- A concern was voiced that, since SIM is a statewide effort, more committee members should be from neighbor islands. Staff agreed that that was problematic since the only funds available are from the federal grant, which won't support stakeholder travel. Attending meetings by teleconference is an option but far from a good one. Members are encouraged to share SIM proceedings and queries with members. If possible, SIM staff would make themselves available to discuss SIM issues when statewide agencies or associations meet with neighbor island agencies.
- Concern was also expressed about having enough behavioral health experts on steering committee since the focus is behavioral health. Suggestions of additions to the committee are welcome.
- The SIM 1 plan was at the 50,000 foot level. This SHIP is intended to be an implementation plan. Among the items to address are means to fund proposed activities and ensure sustainability.

The meeting was adjourned at 1:24 p.m.

State Innovation Model Design 2

STEERING COMMITTEE

MARCH 31, 2015

Welcome and Introductions

- Beth Giesting, Chair
- Mary Boland, UH Sch. of Nursing & Dental Hygiene
- Jennifer Diesman, HMSA
- Marya Grambs, Mental Health America
- George Greene, Healthcare Assoc. of Hawaii
- Robert Hirokawa, Hawaii Primary Care Assoc.
- Christine Hause, Kaiser Permanente
- Gordon Ito, Insurance Commissioner

SIM Staff:

- Joy Soares
- Abby Smith
- Nora Wiseman

- Alan Johnson, Hina Mauka
- Roy Magnusson, John A. Burns School of Medicine
- Jill Oliveira Gray, I Ola Lahui
- Ginny Pressler, Dept. of Health
- Christine Sakuda, Hawaii Health Information Exch.
- Kelly Stern, Dept. of Education
- Rachael Wong, Dept. of Human Services

Associated Project Staff:

- Debbie Shimizu, No Wrong Door
- Bryan FitzGerald and Alfred Herrera, APCD

Review: 2012 - 2014

SIM Initiative

SIM is based on the premise that **state-led innovation**, supported by **broad stakeholder input** and engagement, will **accelerate health care delivery system transformation** to provide better health and better care at a lower cost.

SIM encourages public and private sector collaboration to design and test multi-payer models to transform the health care systems in the state.

SIM Round 1 Awards

Model Design States (16)

- California
- Connecticut
- Delaware
- Hawaii
- Idaho
- Illinois
- Iowa
- Maryland
- Michigan
- New Hampshire
- Ohio
- Pennsylvania
- Rhode Island
- Tennessee
- Texas
- Utah

Pre-Testing States (3)

- Colorado
- New York
- Washington

Model Testing States (6)

- Arkansas
- Maine
- Massachusetts
- Minnesota
- Oregon
- Vermont

SIM Round 2 Awards

Model Design (17)

- American Samoa
- Arizona
- California*
- DC
- Hawaii*
- Kentucky
- Illinois*
- Maryland*
- Montana
- Nevada
- New Hampshire*
- New Jersey
- New Mexico
- CNMI
- Oklahoma
- Pennsylvania*
- Puerto Rico
- Utah*
- Virginia
- West Virginia
- Wisconsin

Model Testing (11)

- Colorado*
- Connecticut*
- Delaware*
- Idaho*
- Iowa*
- Michigan*
- New York*
- Rhode Island*
- Ohio*
- Tennessee*
- Washington*

***2nd SIM Award**

Total of 35 SIM States/Territories

SHIP Deliverables

- Description of health care environment
- Health system design and performance objectives
- Delivery and payment innovations
- Population health plan
- Workforce plan
- Financial analysis
- Monitoring and evaluation plan
- Operational plan

Target Populations

Behavioral health integration with primary care – effective awareness, diagnosis and treatment for three populations:

- Patients in primary care settings with mild to moderate behavioral health conditions
- Patients with chronic conditions in combination with behavioral health conditions
- SMI/SPMI

FOCUS IS ON MEDICAID

Rationale for Target Populations

- Feedback from stakeholders, providers, community.
- BH conditions disproportionately affect the most vulnerable populations.
- While transformation in Hawaii is progressing, BH has largely been left out of innovations.
- CHNA identified mental illness as number one preventable cause of hospitalization in 2012.
- SIM Round 1 actuarial analysis showed the average total cost for individuals with a BH diagnosis was three times the average total cost for individuals without a BH diagnosis.

Rationale for Target Populations

- Mental illness is a co-existing condition for 34% of potentially preventable hospitalizations and almost 10% of hospital readmissions (*SIM HHIC analysis*)

- Total annual costs associated with potentially avoidable stays/visits (*SIM HHIC analysis*):
  - ER: $93 million (charges)
  - Preventable hospitalizations: $159 million (estimated cost)
  - Readmissions: $103 million (estimated cost)

SIM 2: Developing a Plan of Action

Primary Care Practice Support Services

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SIM 2: Developing a Plan of Action

Enhanced Care Coordination

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SIM 2: Developing a Plan of Action

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SIM 2: Developing a Plan of Action

HIT

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SIM 2: Developing a Plan of Action

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SIM 2: Developing a Plan of Action

Policy Levers

- Payment levers (e.g. global and bundled payments, etc.)
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SIM 2: Developing a Plan of Action

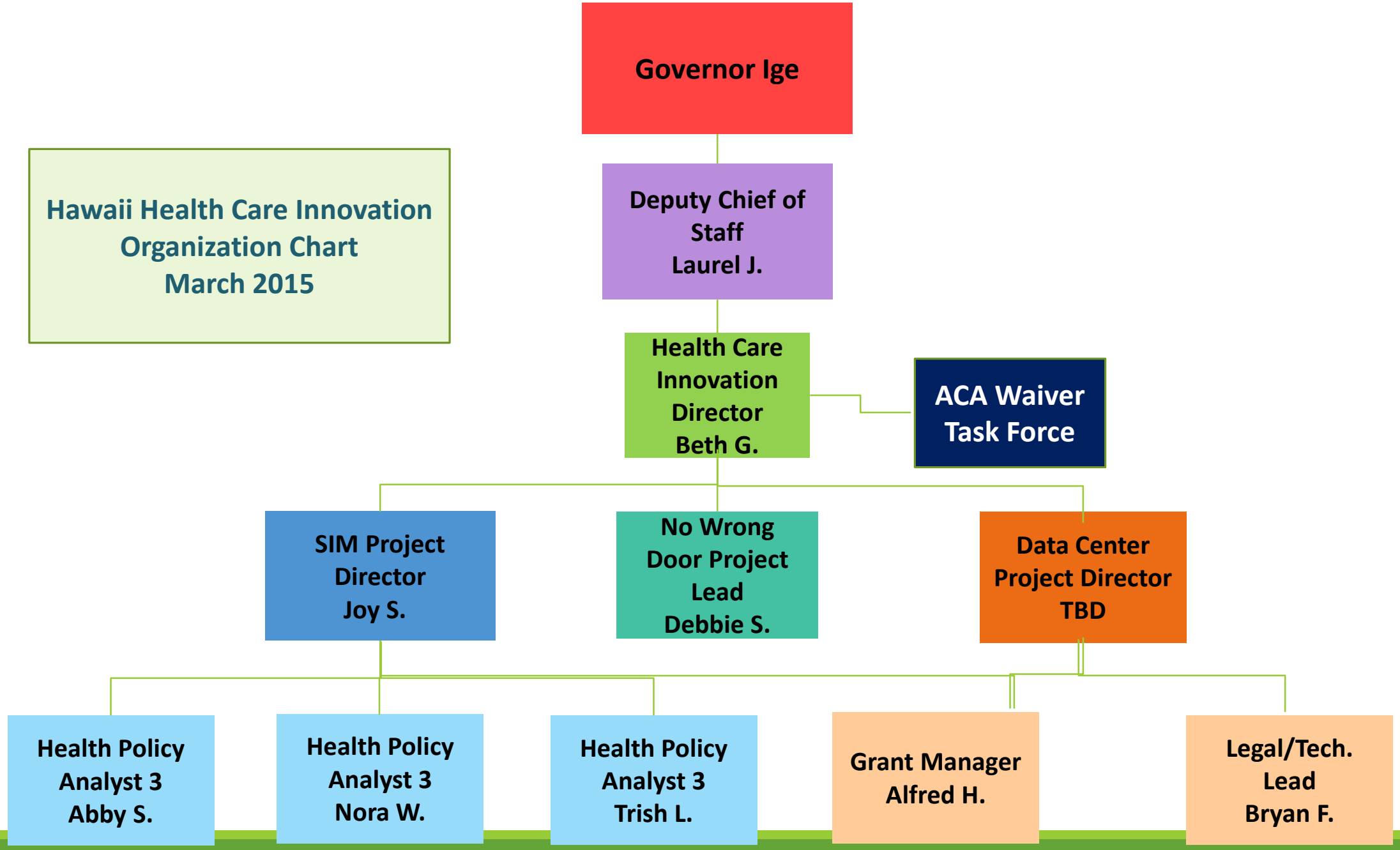
Oral Health

- 1999 DOH study showing worst rates of decay and unaddressed dental needs, particularly for children*
- Reliable current data on OH lacking
- Interventions:
  - Support DOH in rebuilding OH program
  - Explore value-based purchasing
  - Develop ROI analysis to prove the value of oral health services

SIM Round One States - Results

- 25 SIM states are investing or using PCMHs in order to strengthen primary care integration with specialists, BH providers, and CHWs
- 25 states are investing in cost-effective CHWs
- 19 states expanding telehealth
- 15 states offering patient portals and other digital tools
- 14 states investing in and using APCDs to design more effective interventions to reduce long-term costs

Hawaii Health Care Innovation Organization Chart March 2015



SIM 2: Developing a Plan of Action

Consultants

- **Bruce Goldberg**
  - Structure, sustainability, Medicaid max., HIT strategic planning
- **“Multi-purpose”**
  - Delivery & payment model
  - Financial analysis and return on investment
  - Evaluation and dashboard
  - Writing SHIP
- **AHEC** Provider Focus Groups

SIM 2: Developing a Plan of Action

Committees

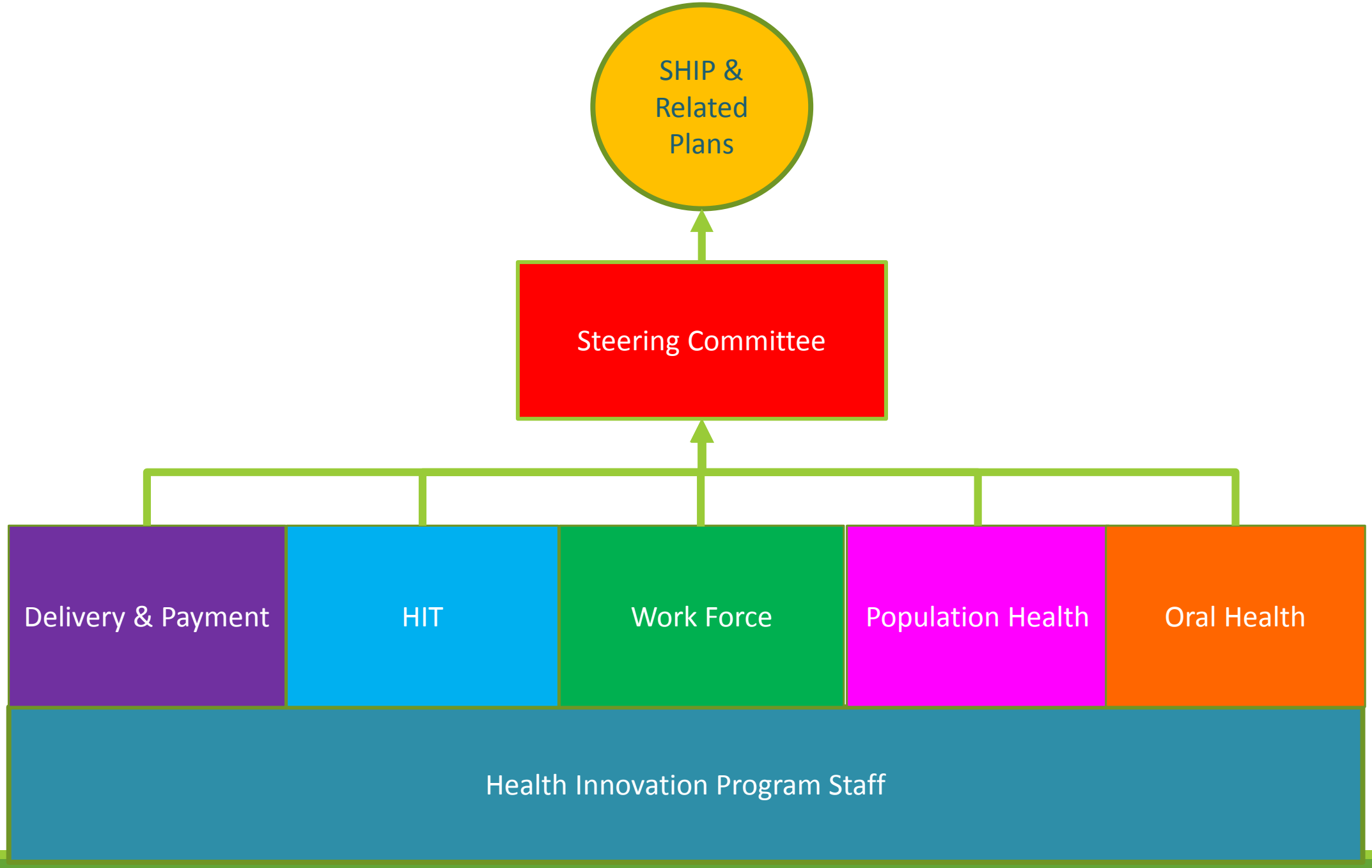
Steering

- Responsibilities:
  - Oversight for program and plan development
  - Structure and sustainability
  - Communications
  - Metrics & evaluation
  - Maximize federal funds
- Meet monthly (1st Tuesday at noon suggested)

SIM 2: Developing a Plan of Action

Committees

- Delivery & Payment
- Health IT
- Work Force
- Population Health
- Oral Health


SHIP & Related Plans
Steering Committee
Delivery & Payment
HIT
Work Force
Population Health
Oral Health
Health Innovation Program Staff

SIM 2: Developing a Plan of Action

Proposed All-Committee Meetings

- SIM Strategies and Plans with Bruce Goldberg - June
- Initial SHIP Draft and Committee Check-In - September
- Structure & Sustainability Plans - November
- Final SHIP Celebration and Next Steps - January

SIM 2: Developing a Plan of Action

Other

- Website
- Next Steering Committee Meeting – May 5th?

Adjournment