Medicaid Transformation Waiver Update

April 26, 2016
Questions and Sound Check

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Today’s Presenters

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Topics for Today

- Update on session & CMS conversations
- Value Based Payments
- Initiative 1: Transformation Framework
- Update on waiver Initiatives 2 & 3
- What happens next
- Questions and answers
Where to find more information

http://www.hca.wa.gov/hw/Pages/medicaid_transformation.aspx

Available resources

- Project Toolkit Framework
- Updated FAQ and fact sheets
- Waiver application
- Previous webinar presentations (slides & recordings)
- Updates on workgroup activities

Send questions and comments to:
Medicaidtransformation@hca.wa.gov
Updates

• Legislative session and budget recap
  – Proviso: Explicit authority for 1115 waiver

• CMS Update
  – Motivated to get to ‘yes’.
  – Remains budget-based.
    – *High level endorsement of programmatic approach.*
  – Identifying sources of non-federal share
    • Designated State Health Programs (DSHP)
    • Intergovernmental Transfers (IGT)
Washington’s Medicaid Transformation Goals
Achieving the Triple Aim

- **Reduce avoidable use of intensive services and settings**—such as acute care hospitals, nursing facilities, psychiatric hospitals, traditional Long-Term Services and Supports, and jails.

- **Improve population health**—focusing on prevention and management of diabetes, cardiovascular disease, pediatric obesity, smoking, mental illness, substance use disorders, and oral health.

- **Accelerate the transition to value-based payment**—using payment methods that take the quality of services and other measures of value into account.

- **Ensure that Medicaid per-capita cost growth is below national trends**—through projects, activities, and services that improve health outcomes and reduce the rate of growth in the overall cost of care for our Medicaid population.
Waiver Initiatives

**Initiative 1**
Transformation through Accountable Communities of Health

- Delivery System Reform
  - Each region, through its Accountable Community of Health, will be able to pursue projects that will transform the Medicaid delivery system to serve the whole person and use resources more wisely.

- Transformation Projects

**Benefit: Medicaid Alternative Care (MAC)**
- Community based option for Medicaid clients and their families
- Services to support unpaid family caregivers

**Benefit: Tailored Supports for Older Adults (TSOA)**
- For individuals “at risk” of future Medicaid LTSS not currently meeting Medicaid financial eligibility criteria
- Primarily services to support unpaid family caregivers

**Initiative 2**
Enable Older Adults to Stay at Home; Delay or Avoid the Need for More Intensive Care

**Benefit: Medicaid Alternative Care (MAC)**

**Initiative 3**
Targeted Foundational Community Supports

**Benefit: Supportive Housing**
- Individualized, critical services and supports that will assist Medicaid clients to obtain and maintain housing. The housing-related services do **not** include Medicaid payment for room and board.

**Benefit: Supported Employment**
- Services such as individualized job coaching and training, employer relations, and assistance with job placement.

**Medicaid Benefits/Services**
Value-Based Payments (VBP)

The movement toward value-based payment models is critical to the success and sustainability of Medicaid Transformation

- Healthier Washington goal: 80% VBP by 2020
- Medicaid Transformation waiver will incentivize the move towards VBP goals
- We cannot transform the way we deliver services without changing the way we pay for them
Value-Based Payments

2% reduction off national trend

CMS

Health Care Authority

Medicaid State Plan Services

Transformation Funding & Performance Risk

Managed Care Health Systems

Role
- Provider contracting for Medicaid state plan services
- Quality guarantees & incentives
- Shared focus on transformation
- Incentives to attain VBP goals

Revised Rate Setting
- % premium for provider incentives tied to quality
- % premium at risk for performance

Statewide VBP Goals
- 2017 – 30%
- 2018 – 50%
- 2019 – 80%
- 2020 – 85%
- 2021 – 90%

Accountable Communities of Health (Enhanced Designation)

Role
- Planning & decision making authority on transformation projects
- Implementation & performance risk for transformation projects
- Incentives for quality improvement & VBP targets
- Not responsible for state plan services

Traditional Medicaid Delivery System Providers & Community-Based Organizations

MCO State Plan Services Funding

Quality & Challenge Pools

DSRIP Transformation Funding

Community Reinvestment Pool
Initiative 1: Transformation through Accountable Communities of Health
Process for Developing Transformation Toolkit

December 2015

**Solicit project ideas**
- Ideas were submitted on the Transformation Project Template

January 2016

**Review submitted project ideas**
- Independent consultants developed criteria to review project ideas
- Initial project toolkit framework developed

February 2016

March 2016

April 2016

May 2016

**Finalize Transformation Framework**
- STCs published for public comment
- Guidance for ACH project applications developed after waiver approval

**Develop Transformation Framework**
- Project toolkit framework will be included in STCs
- CMS may request additional information about proposed projects

Phase 3

Phase 4
The framework is a high-level overview of the strategies necessary to achieve the desired outcomes under each domain.

Informed by idea submissions, the final toolkit will be derived from activities and milestones specified in idea submissions.
Project Toolkit Elements

- **Project summary**: Includes key strategies and activities.
- **Rationale** for the proposed project: Evidence basis and reasoning behind the project.
- **Objectives and outcomes** of the project: The project-specific goals and expected project outcomes.
- **Core components**, or key project elements: These guide development and implementation.
- **Metrics** required for the project: Participating providers will earn incentive payments based on performance on the project metrics.
Domain 1: Health Systems Capacity Building

Projects and key strategies

• Primary care models
• Workforce and non-conventional service sites
• Data collection and analytic capacity
Domain 2: Care Delivery Redesign

Projects and key strategies

• Bi-directional integration of care
• Care coordination
• Care transitions
Domain 3: Prevention and Health Promotion

Projects and key strategies

- Chronic disease prevention and management
- Maternal and child health
**Domain:** Care Delivery Redesign

**Project title:** Bi-Directional Integration of Care

**Objectives:**
- Address needs of clients not easily engaged in primary care settings
- Improve clients’ adherence to treatment regimens
- Reduce avoidable intensive services and settings

**Core components:**
- Establish behavioral health screenings in primary care settings
- Implement patient-centered behavioral health in primary care

**Metrics:**
- Consistency with statewide common measures

To be specified in final toolkit
Examples of Incentive Payment Milestones

Types of milestones and system-level improvements hypothetically eligible for incentive-based payments.

Planning
- Develop Project Plan with local partners

Project Implementation
- Hiring staff
- Building IT capacity
- Scaling new care models, such as patient care navigators

Reporting
- Reporting baseline quality outcomes
- Reporting population-based measures

Results
- Improvement over baseline quality outcomes, such as reducing avoidable hospital use

Initially, payments focus on more process oriented changes; focus later shifts to more outcome-based measures.

Next Steps

• Project framework survey – Respond by 5/27
• Include framework in negotiations with CMS
• State will develop
  - Core Components
  - Project Metrics
• Draft project toolkit for CMS approval
Initiative 2: Service Options that Enable Older Adults to Stay at Home and Delay or Avoid the Need for More Intensive Care
Update on Initiative 2  
*Long-Term Services and Supports (LTSS)*

**CMS update**
- Continued communication and engaged discussion with CMS

**Currently working on operational details**
- Meeting internally to identify systems changes necessary to implement.
- Meeting with stakeholders to develop materials.

Find out more at:  
[http://www.hca.wa.gov/hw/Pages/mt_initiative2.aspx](http://www.hca.wa.gov/hw/Pages/mt_initiative2.aspx)
Estate Recovery

Estate recovery will not apply to the benefits provided under Medicaid Alternative Care (MAC) or Targeted Supports for Older Adults (TSOA).

- Services available to MAC participants are different from state plan or waiver LTSS, therefore Medicaid estate recovery does not apply.
- TSOA participants are individuals who are not currently eligible for Medicaid but are “at risk” of becoming eligible. Therefore, Medicaid estate recovery does not apply.
Application for MAC and TSOA

We are doing extensive work to make the application for these benefits simple and accessible.

Ways an individual will be able to apply:

• On-line through WA Connections
  - We are adding new information for these new benefits.
• Filling out a paper applications (TSOA only).
• Contacting a local Area Agency on Aging (AAA).
• Contact DSHS.
We are working to simplify our processes and create less burdens for clients and caregivers.

- Participants in TSOA will have continuous 12-month eligibility, regardless of whether a service is received every month.
- Participants in both programs will have their financial and functional eligibility for services reviewed every 12 months.
The draft benefit specifications are posted on the Healthier Washington website.

http://www.hca.wa.gov/hw/Pages/mt_initiative2.aspx

- Thank you to everyone who provided feedback during the comment period.
- Additional opportunities to provide feedback will be posted on the website when they are available.
Initiative 3: Targeted Foundational Community Supports
Update on Initiative 3
*Supportive Housing & Supported Employment*

Key decisions

- Supportive housing phasing
- Medical necessity criteria

Other activities

- Community engagement and education efforts

Find out more at:
http://www.hca.wa.gov/hw/Pages/mt_initiative3.aspx
Initiative 3 Funds Flow

Medicaid

- HCA
- BHA
- ALTSAs

- MCOs
- BHOs
- HCS/AAAs

Providers

Funds Flow

Service Data, Outcomes, Quality Measurements
Where We Are Today –
Refining critical policy design elements

| Outcome Measures/Indicators | SB 5732 / HB 1519 measurements:  
|                            | • Stable housing in the community  
|                            | • Employment rate                 |
| Quality Plan (CQI)          | Evidence-based practice implementation, training, and fidelity review processes |
| Administration              | • Service encounter definitions  
|                            | • Licensing/certification WAC    
|                            | • Potential IT modifications      |
| Contracts                   | Documentation of requirements for eligible populations |
| Ensuring the most significantly disabled get served | • Referral mechanisms between systems  
|                                        | • Clarifying differences between other federally funded services |
Supportive Housing Proposed Phasing

1. Chronically Homeless (HUD Definition)
   - BHO and FIMC
   - Full BHO/MCO benefit
2. Frequent/Lengthy Institutional Contact
3. Frequent/Lengthy Adult Residential Care Stays
4. PRISM Score 1.5+

Why phasing?

- Housing stock
- Delivery system and provider capacity build
- Assessment of demand
Supported Employment – Target Populations

• Aged, Blind, Disabled (ABD)/Housing and Essential Needs (HEN)
• Individuals with severe and persistent mental illness, individuals with multiple episodes of inpatient substance use treatment and/or co-occurring
• Working age youth with behavioral health conditions
• Individuals eligible for long-term care services who have a traumatic brain injury
Medical Necessity Criteria – for MCO benefit

- Inability to live in an independent or family setting without support
- At risk of serious harm to self or others
- Dysfunction in role performance
- Risk of deterioration

*BHO benefit will still use Access to Care Standards. ALTSA benefit will use CARE criteria.*
Current Education and Training Efforts

• Webinars and presentations
  – Monthly Division of Behavioral Health and Recovery (DBHR) Technical Assistance presentations for MCOs and ACHs

• Conference workshops
  – Conference to End Homelessness – May
  – WA Behavioral Healthcare Conference – June
  – Supported Employment Conference – August
  – WA Co-Occurring Disorder Conference – October

• Pilot Projects – Fact sheets available on DBHR website
  – SH: HARPS, PORCH, BRIDGES
  – SE: BEST, TANF SE, Ticket to Work, BRIDGES
Questions?
For more information, contact:

Website:  
www.hca.wa.gov/hw

Join the Healthier Washington Feedback Network:  
healthierwa@hca.wa.gov

For questions about Medicaid Transformation:  
medicaidtransformation@hca.wa.gov