# Accelerating Delivery System Transformation in Virginia

## Presented at Accountable Care Community Meetings

September 2015

# Agenda

- Introduction
- Case for Change
- Concept for Transformation
- Opportunity for Public Comment

# Delivery System Reform Incentive Payment Program: The Basics

## Common Features Include:

State has clear vision for a transformed Medicaid delivery system

State identifies activities intended to transform the delivery system

Providers join together to undertake transformation activities

State funds providers based on achievement of specified milestones/metrics

NY, NJ, CA, TX, MA, and KS have implemented DSRIP programs

# Virginia's DSRIP Waiver Application Status

## Where are we related to DSRIP?

| SIM Round II Grant Proposes to Explore DSRIP and Establishes Integrated Care Workgroups | SIM Integrated Care Groups Form to Develop Proposals to be Funded through SIM Round III | Led by VCHI, and in Partnership with DMAS, DSRIP Exploration Begins | CMS Announces no SIM Round III Funding Leaving Integrated Care Proposals with no Potential Funding | VCHI and Governor's Office Commit to Support Integrated Care Work and Transition DSRIP Effort to DMAS | DMAS Brings DSRIP into Agency Structure, Allocates Staff to Begin Organizing Waiver Strategy | DMAS Begins to Work with Other Agencies and Stakehold-ers to form Public Comment Process |
|---|---|---|---|---|---|---|
| March | March | March | Late April | June | July - August | August – November |

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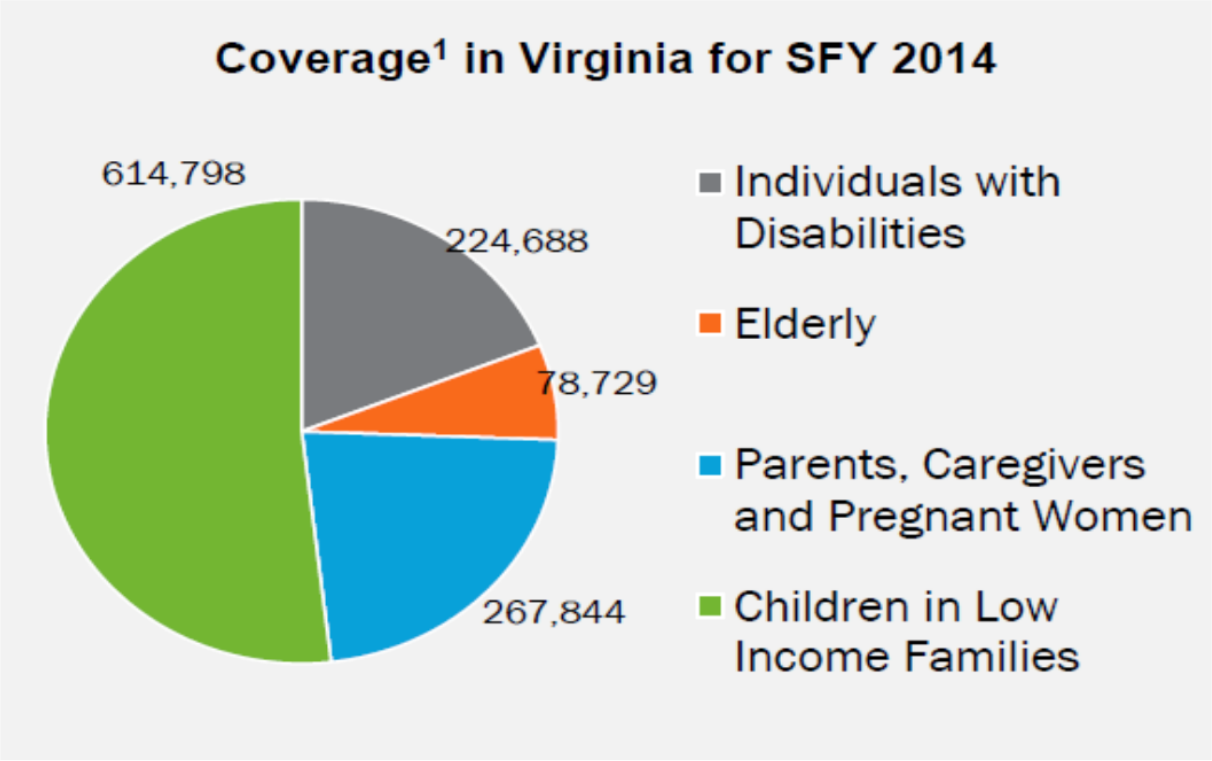
# Virginia's Medicaid Population

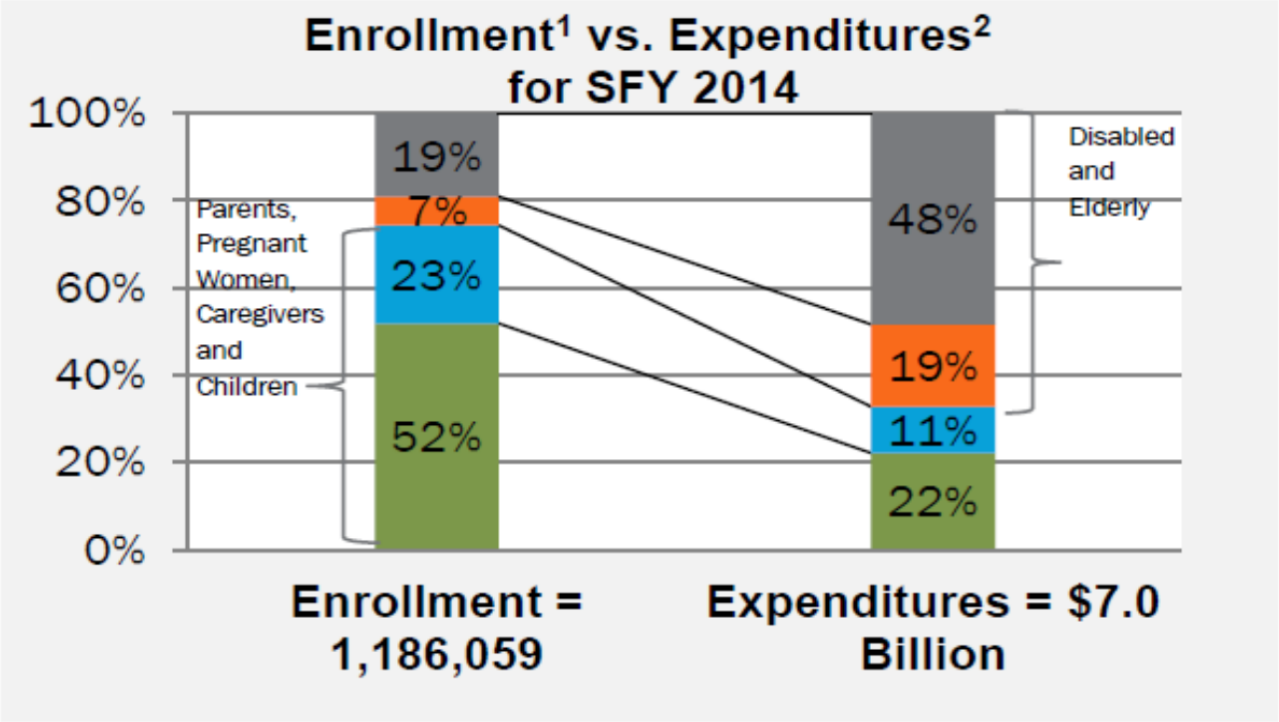
## DSRIP will invest in integrated care and community infrastructure for Virginia's most vulnerable and high-cost Medicaid populations




Medicaid coverage is primarily available to Virginians who are children in low-income families, pregnant women, elderly, individuals with disabilities and parents meeting specific income thresholds.

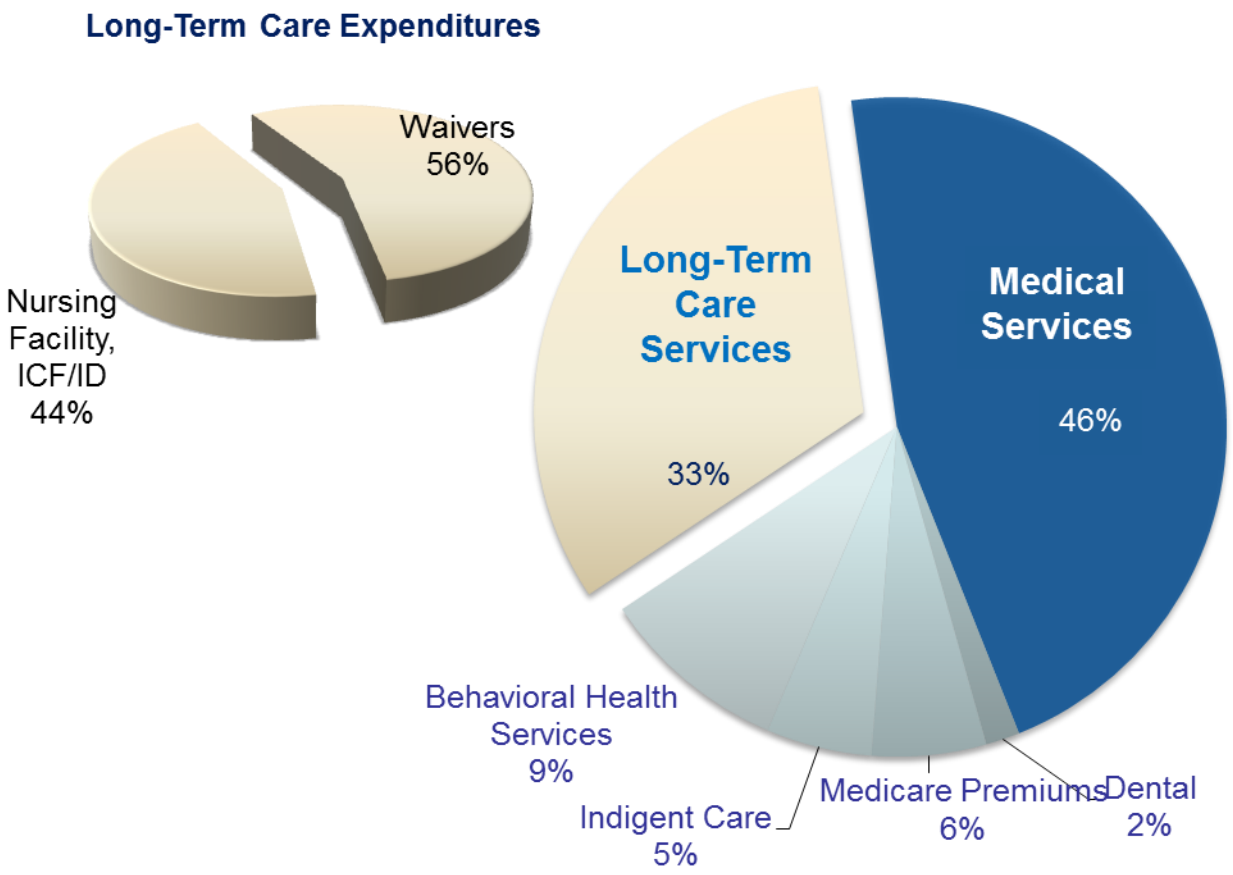
# Virginia's Medicaid Enrollment vs. Spend

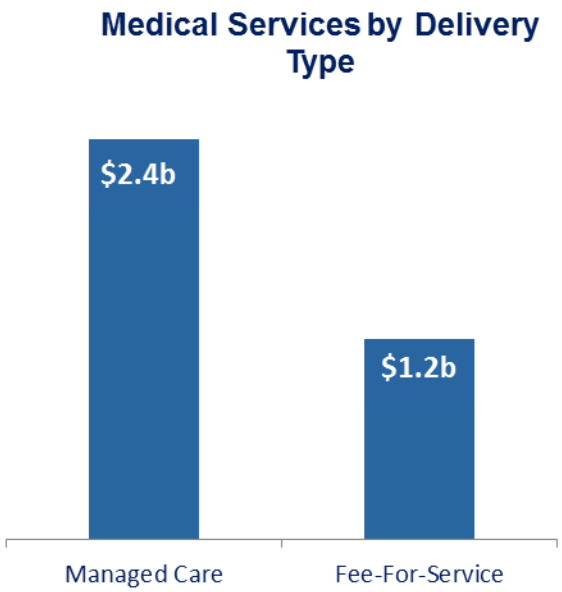
**Medicaid expenditures are disproportionate to the Medicaid population. Seniors and individuals with disabilities make up nearly 25% of the total population, yet almost 70% of expenditures are attributed to this group.**




[1] Coverage and enrollment numbers show the total annual unduplicated enrollments for Virginia's Title XIX program
[2] Expenditures represent claims expenditures for Virginia's Title XIX program

# Virginia's Medicaid Expenditures Breakdown



# Current Challenges in Virginia's Medicaid System

**Full transformation in Virginia Medicaid's delivery system is constrained by limitations in our infrastructure and how we pay for services.**

## Specific challenges include:

Disparate Community Capacity →

- Community-treatment options differ
- Expertise in serving individuals of varying ability levels is inconsistent
- Over-reliance on institutionalization

Limited Clinical and Social Data Integration →

The Medicaid program is not yet able to:

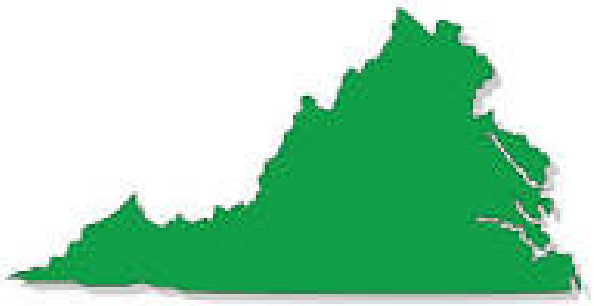
- Provide optimal person-centered coordinated care
- Sufficiently leverage social supports and community resources
- Encourage timely care in the most appropriate setting

Positive Outcomes and High Quality Care is Not Financially Rewarded →

- Medicaid reimbursement based upon volume of utilization
- Providers have limited capacity and capability to support alternative payment models
- Limited financial incentive for interdisciplinary community-based care

# Current Challenge: Disparate Community Capacity

## Virginia needs to strengthen the availability of community resources and expertise of our workforce



### Indicators of Community Capacity Challenges

**Workforce:**
- Primary care professionals lack behavioral health knowledge
- Behavioral health professionals lack primary care knowledge
- Less than one psychiatric nurse practitioner per region

**Crisis Management:**
- Insufficient resources for children and adults to mitigate escalation that leads to avoidable hospitalization

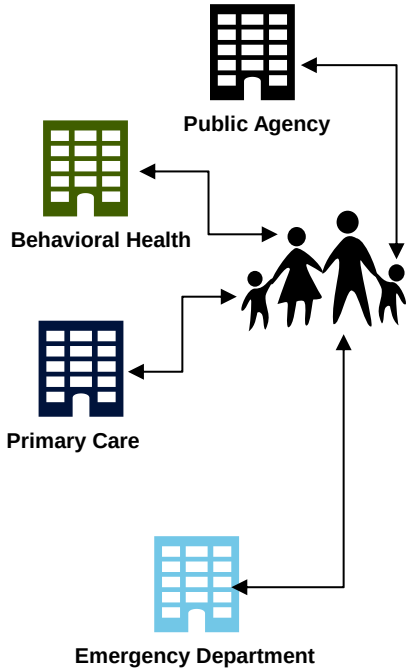
**Access:**
- Lack of access to community resources throughout the state, and compounded issues to accessibility in various communities

**Institutionalization:**
- Often either the only resort for care or the path of least resistance

# Current Challenge: Limited Clinical and Data Integration

## Virginia lacks the integrated clinical and social data infrastructure to optimally serve Medicaid enrollees

Traditional Program-Focused Model




### Indicators of Lack of Clinical and Data Integration

**Missing Information to Measure Outcomes:**
- Lack of right data to measure outcomes
- Mostly limited one-way interfaces

**Fragmented Care Delivery:**
- Limitations in optimally providing person-centered coordinated care
- Siloed care teams (including across public and private providers for medical and social services)
- Behavioral and medical care is not integrated
- Disjointed care transitions between care settings
- Challenging to establish and maintain home and community based services

**Timely Care in Most Appropriate Settings:**
- Over reliance on Emergency Departments and institutional care

# Current Challenge: Pay for Volume Instead of Value

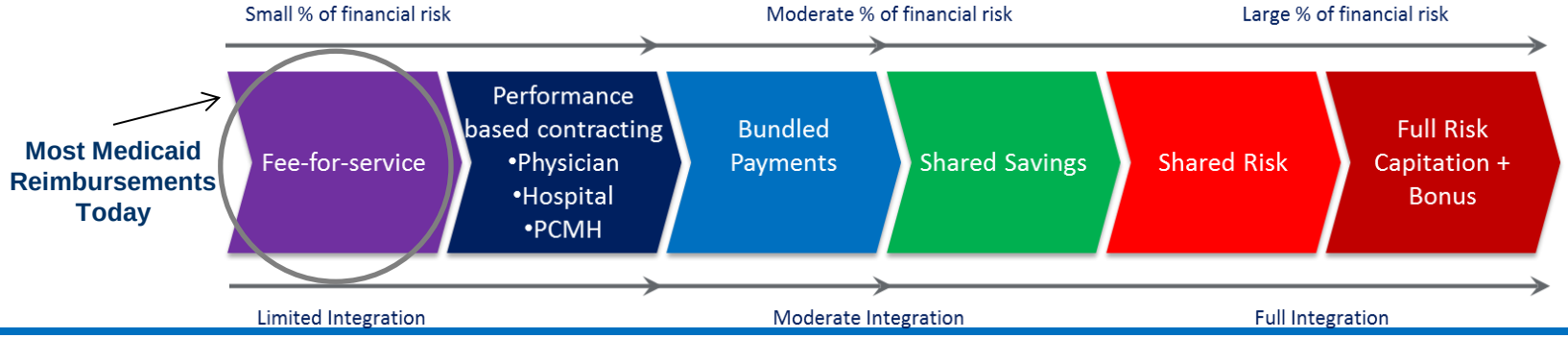
## Virginia's Medicaid structure pays providers based on utilization. Medicaid currently pays for visits, not wellness

### Indicators of Inefficiencies in Payment System

**Utilization:**
- Most Medicaid reimbursement is currently tied to utilization and rather than outcomes

**Provider Readiness for Alternative Payment Models:**
- Current system is set up to primarily support Fee For Service models
- Processes, data, and technology does not currently support alternative payment models

**Alignment of Financial Incentives:**
- Limited incentives in place for interdisciplinary community-based care



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# Greatest Opportunity for Virginia's Medicaid System

## DSRIP program is a great opportunity for Virginia to transform

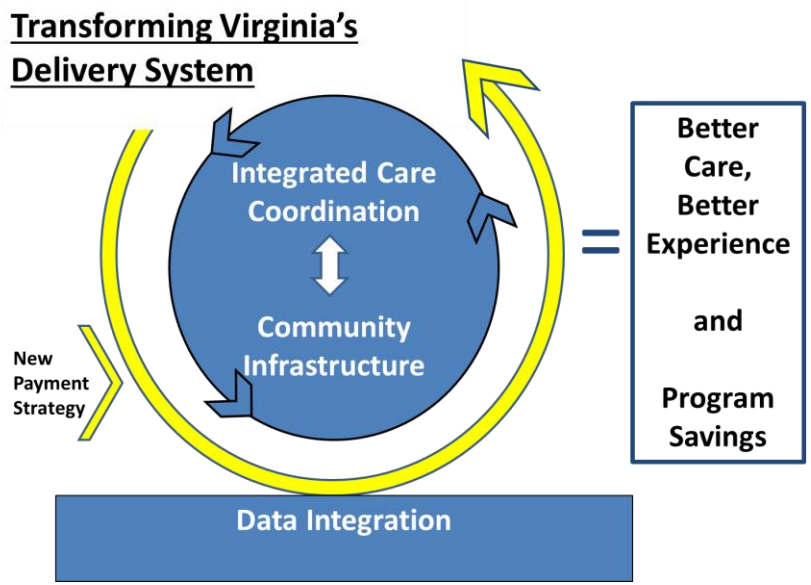
- ✓ The future is a Medicaid delivery system that **reimburses** based on high-value care
- ✓ Ensure that even the most medically **complex enrollees** with significantly behavioral, physical, and developmental disabilities can live safely and thrive in the community
- ✓ To accomplish either of these, significant investment in **data infrastructure** at the provider and state level is imperative

# Transforming Virginia's Medicaid Delivery System

**In 5 years, Virginia envisions a Medicaid delivery system where high-value care is the norm and even the most medically complex enrollees with significant behavioral, physical, and developmental disabilities can live safely and thrive in the community**

Four Transformation Steps:

1. Integrate Service Delivery
2. Invest in Data Integration
3. Expand Community Capacity
4. Advance How DMAS Pays for Services



# Transformation Concepts for Medicaid Delivery System

## Four key steps to transform Virginia's Medicaid delivery system are:

| Transformation Step | Goal |
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| 1 Integrate Service Delivery | Eliminate siloed care between medical, behavioral, and community supports |
| 2 Build Data Platform for Integration and Usability | Build the integrated clinical, behavioral, social and support data platform to accelerate provider integration and enable value-based payment |
| 3 Build Community Capacity | Keep individuals safe and facilitate a life of meaning in the community |
| 4 Focus on Value Based Payment Strategy | Establish readiness within Medicaid Providers and Plans to implement and accept value-based payments |

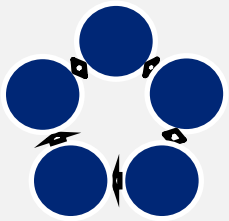
# Transformation Step #1: Integrate Service Delivery

## Transformation Step # 1: Virginia seeks DSRIP funding to back groups of providers through Virginia Integration Partners (VIPs)

### What are Virginia Integration Partners?

**Multi-Provider Partnership:**

- Coalitions of willing providers interested in forming partnerships
- Public and Private interdisciplinary partnership of providers focused on care coordination
- Partnership may include social worker, medical care and behavioral health providers, and mobile care teams



**Coordinating Entity:**

- One coordinating entity serves in leadership role across the partnership
- State contracts with coordinating entity for DSRIP funding

State provides planning funds to providers to support formation of VIPs

State consults VIPs to establish a menu of projects to achieve integrated service delivery

VIPs select projects that will equip them to meet outcome goals

State funds VIPs based on achieving pre-determined metrics and outcomes

Transition to value based payment and reimbursement based on attainment of outcomes

# Transformation Step #1: Integrate Service Delivery *continued*

## Virginia envisions creation of VIPs who are ready to transform to provide team-based, person-centered, integrated care and share in risk and reward of optimal service delivery

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| **Team-based, integrated behavioral health and primary care** | ▪ Increase interdisciplinary care teams to achieve holistic, person-centered care as the norm<br>▪ Integrate behavioral and medical care no matter where the individual initiates care (bidirectional) |
| **Mobile Care Teams** | ▪ Increase access to primary and behavioral care in all regions<br>▪ Increase access to primary and behavioral care for adults and children with limited mobility or who are otherwise hard to reach through home visits |
| **Care Transitions & Diversions from Institutional Care** | ▪ Implement comprehensive interdisciplinary care coordination models like the Coleman Model to increase success when transitioning enrollees between care settings (e.g., hospital discharge, nursing facility to home, Psychiatric Residential Treatment Facility)<br>▪ Transform transition protocols and develop pathways so that home and community based services are easy to establish and maintain |
| **Emergency Department Super-Utilizer Diversions** | ▪ Implement evidenced-based protocols to reduce non-emergency ED visits for super-utilizers<br>▪ Expand access for urgent care through extended hours and new providers |

# Transformation Step #2: Build Data Platform

**Virginia seeks DSRIP funding to design the data architecture and build the data platform to enable providers to connect with each other and payors, track outcomes, and be reimbursed for high-value care**

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| **Data System Development within VIPs** | ▪ Build integrated clinical, behavioral, social, and support data platform to accelerate provider integration<br>▪ Establish data-readiness for providers to conduct team-based care<br>▪ Establish data-readiness for providers to be reimbursed for outcomes<br>▪ Develop near real-time data exchange between providers<br>▪ Develop capacity for business intelligence<br>▪ Develop capacity for data analytics |
| **Providers Link to a Statewide Care Management System** | ▪ Build integration to statewide care management system which serves as a central system to enable integrated clinical, behavioral, social data |
| **Statewide Set of Minimum Data Standards** | ▪ Define and implement evidenced-based data standards to enable transparency and tracking of meaningful measures |

# Transformation Step #3: Build Community Capacity

## Virginia seeks DSRIP funding to build the array of needed community services and providers in a way that is self-sustaining within 5 years

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| **Training for Workforce and Caregivers & Peers** | ▪ Enhance training for medical professionals so that behavioral health can be integrated as an extension of primary care<br>▪ Enhance training for medical professionals so that providers are competent and confident to work with people of all ability levels<br>▪ Expand scope of practitioners to meet capacity and geographic access needs |
| **Statewide Crisis Management** | ▪ Expand crisis management for children and adults to support and stabilize individuals in their homes and limit the escalation of a crisis that leads to hospitalization |
| **Telehealth** | ▪ Expand home monitoring for chronic condition management, long-term services and support monitoring, crisis prevention and safety<br>▪ Expand access to preventative screenings via telehealth<br>▪ Expand access to providers via telehealth; especially for behavioral health treatment |
| **Housing & Employment** | ▪ Establish a statewide process for recruiting and tracking safe, affordable housing for Medicaid enrollees<br>▪ Establish a process for recruiting and tracking employers committed to employing individuals with SPMI or of varying abilities<br>▪ Develop a platform to make this information available to providers, care managers, and individuals |

# Transformation Step #4: Advance Payment Strategies

## Virginia seeks DSRIP funding to prepare Medicaid providers for value-based payment strategies

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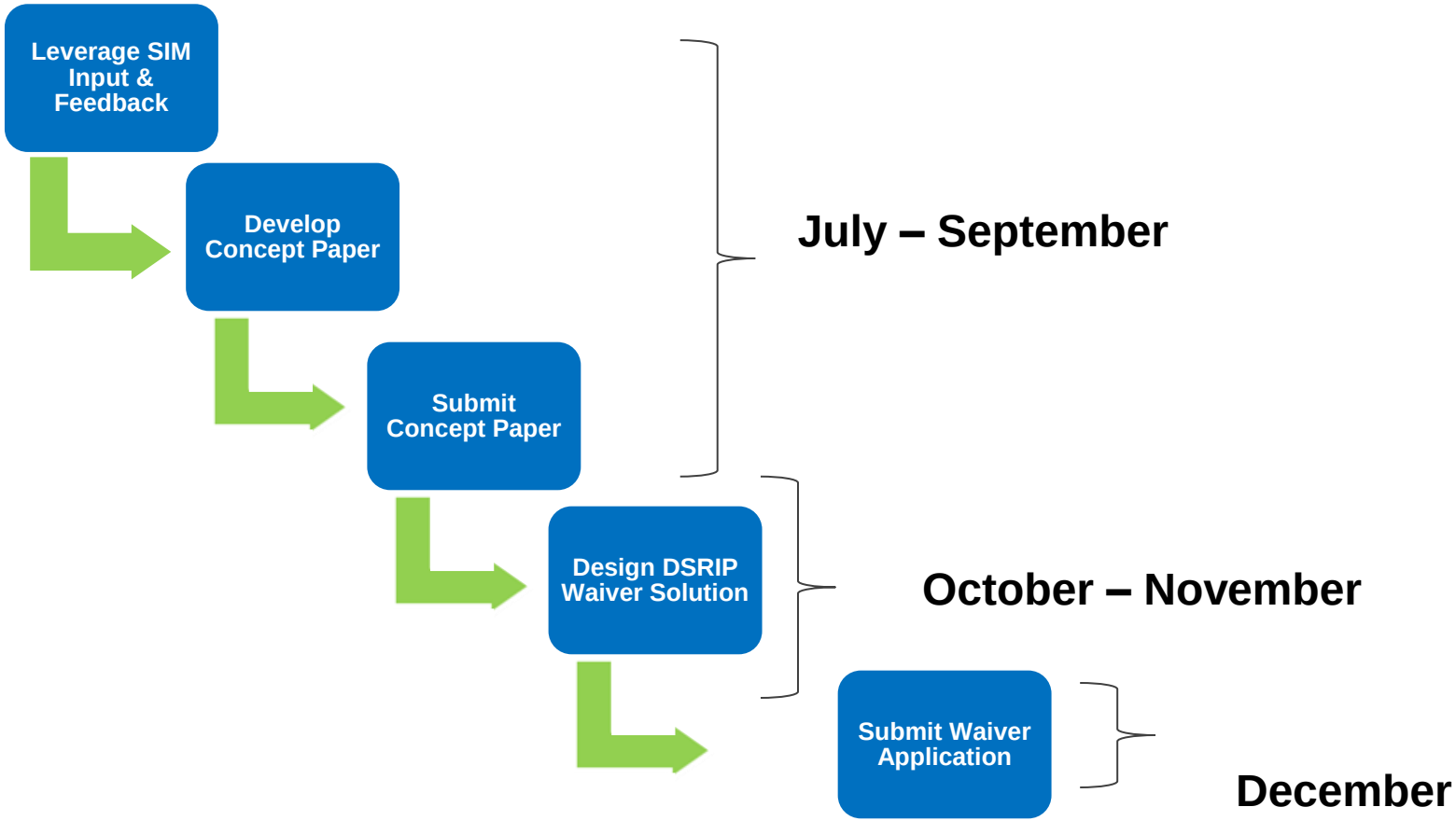
| **Readiness of VIPs, other providers, and DMAS-contracted Managed Care Plans** | ▪ Assess readiness to move to a value-based payment strategy<br>▪ Define governance and accountability structure<br>▪ Establish risk-sharing responsibilities<br>▪ Manage the change<br>▪ Provide technical assistance and coaching<br>▪ Achieve readiness to accept value-based payments |
| **Initial Payment Strategies** | ▪ Implement transition payments to enable providers to make the change to new payment strategies<br>▪ Establish boundaries for value-based reimbursement strategies |
| **Partner with Medicare** | ▪ Partner with Medicare and Medicare-Medicaid Coordination Office to develop multi-payor value based reimbursement strategies and eliminate cost-shifting between payors |

# Virginia's DSRIP Waiver Submission Timeline

**The two main deliverables for the DSRIP waiver are the concept paper and waiver application**



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# Topics for Public Comment

1. **Integrated Clinical and Social Data Exchange:** What is needed?
2. **VIPs:** If the state were to provide guidelines or parameters for participation, what should be included?
3. **Workforce Expansion:** What are recommended trainings for existing workforce, and what are biggest gaps in community workforce?
4. **Individuals in Crisis:** What are the biggest gaps for these individuals in current systems?
5. **Data:** If you have a robust data system, could it be leveraged for DSRIP?

*Until **October 13**, please submit additional questions and feedback to DSRIP@dmas.virginia.gov*