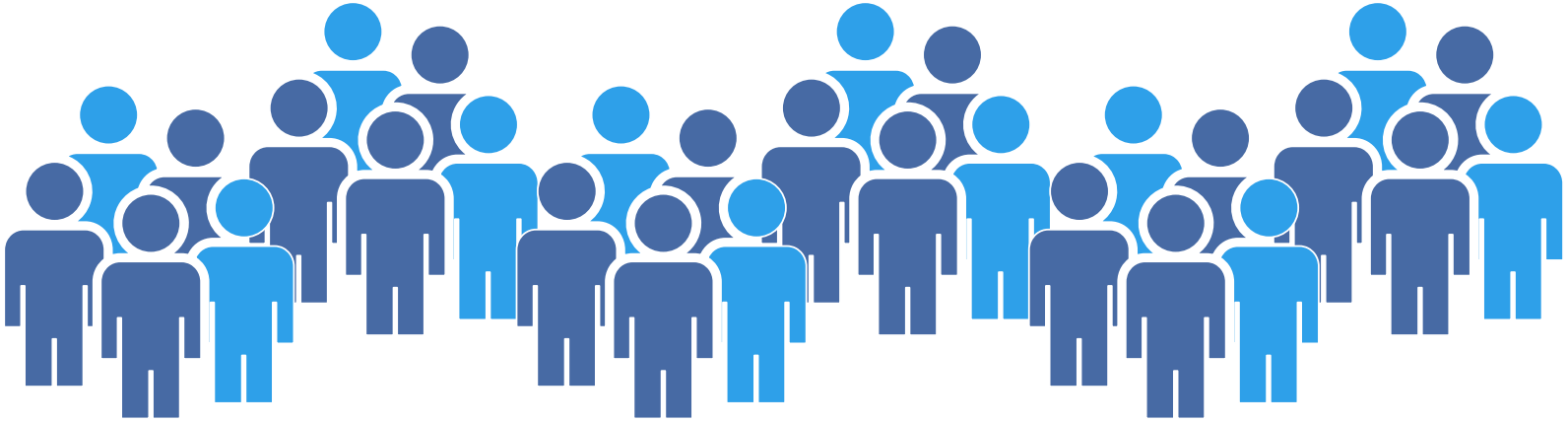
State Innovation Model Program Overview

Michigan State Innovation Model Kick-Off Summit
August 10-11, 2016
Kellogg Hotel Conference Center

Person-Centered

Community-Centered



State Innovation Model

A Vision of Empowerment

A person-centered health system that is coordinating care across medical settings, as well as with community organizations to address social determinants of health, to improve health outcomes; and pursue community-centered solutions to upstream factors of poor health outcomes.

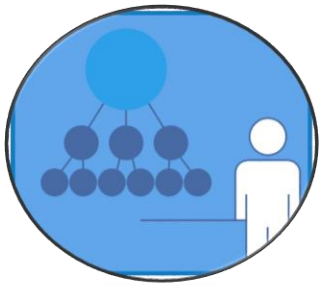
Rationale

- Clinical care accounts for 10%-20% of health outcomes
- Social and environmental factors account for 50%-60% of health outcomes

Uh oh! Tired Phrases…

This ambitious vision often generates cynicism and scope challenges that can lead to a revisit of tired phrases that prevent us collectively in pragmatically pursuing our vision.

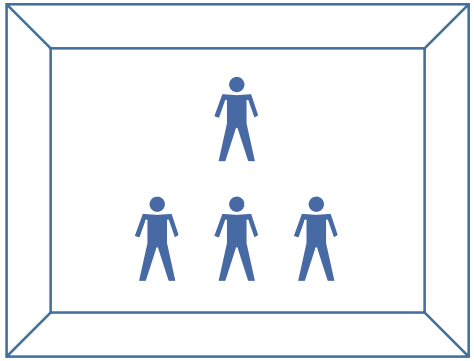
Payment and delivery systems are fragmented.



Healthcare and social service systems are complex.

Alternative Perspective (New Frame)

The ambitious SIM vision and plan requires a new frame that does not disenfranchise or overwhelm us before the work even begins.



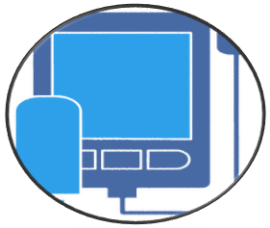
We need this new frame to maintain our focus, our energy, and our commitment.

1. Stakeholder Interests are Fragmented, but we can find common ground.
2. Healthcare and Social Service Systems are Misunderstood by Each Other, but we can learn about how to connect them.

Vision Components (Strategic Framework)

- Patient-Centered Medical Home (PCMH)
- Advanced Payment Models (APM)
- HIT/HIE (Technology)
- Community Health Innovation Region
- Stakeholder Engagement, Measurement, Evaluation and Improvement





State Innovation Model (SIM) Vision

A person-centered system that is coordinating care across medical settings, as well as with community organizations to address social determinants of health, improve health outcomes; and pursue community-centered solutions to upstream factors of poor health outcomes.

Patient-Centered Medical Home (PCMH)

- Build on existing practice-based care management efforts
- Improve information sharing
- Incentivize performance improvements on quality and cost

Community Health Innovation Regions (CHIR)

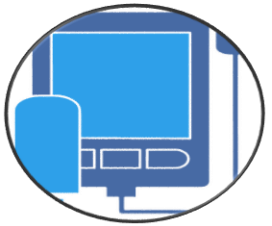
- Build on existing community coalition efforts
- Improve community governance
- Invest in healthcare payor and provider partnerships with community organizations

Alternative Payment Models (APM)

- Align with Federal and Medicare policies and strategies
- Allow for market-based innovation in payment and clinical integration
- Maximize provider opportunities for Medicare incentives

Health Information Exchange (HIE)

- Leverage a statewide foundation of HIT infrastructure and HIE use cases to enable critical information sharing that support care coordination
- Explore additional use cases that may enable information sharing across payor, clinical and community partners that supports holistic care coordination



Stakeholder Commission and Committees

- Organize an efficient, yet effective, set of stakeholder groups (including implementers)
- Discuss and analyze past, present and future implications and evaluation of SIM policy and strategy tests
- Make recommendations for continuation, modifications and elimination of tests

Measurement, Evaluation and Improvement

- Support the overall solution by ensuring measures and evaluation strategies are attentive to existing information technology capacity.
- Lead data-driven model improvement discussions with Stakeholder committees and participants

Who? Vision Participants

- **People/Patients**
- **Payers/Managed Care Organizations**
- **Providers**
- **Provider Organizations (POs, PHOs, Health Systems, ACOs, etc.)**
- **Community Partners/Organizations**
- **Backbone Organizations**
- **Health Information Exchanges and Technical Stakeholders**

How? Responsibilities

- **People/Patients**

  Patients will trust their healthcare payers, providers, and community service providers by attending to their questions and provide guidance to address their social and health needs.

- **Payers/Managed Care Organizations**

  Payers will incentivize clinical flexibility and partnerships with community organizations to allow for person-centered provision of all services.

- **Providers / Provider Organizations**

  Providers will ensure care management, community partnerships, and clinical processes account for both health and social needs of their patients.

  Provider organizations will support providers in their goals to provide care management services, develop community partnerships, and improve clinical processes to be person-centered.

How? Responsibilities

- **Community Partners**

  Community partners will ensure social services and community resources are organized to support payers and providers in their goals of addressing social determinants of health.

- **Backbone Organizations**

  Support community partners in their goals to organize and monitor provision of social services, develop partnerships with payers and providers, and leverage social and health data to target upstream investments.

- **Health Information Exchange and Technology Partners**

  Align with SIM and other standard, core use cases and leverage technical infrastructure to support data collection and information sharing across payers, providers, and community partners.

How will it happen?

Policy Vehicles

Develop Clinical-Community Linkages

- Social Assessments
- Referrals
- Feedback Reports
- Coordinated social service navigation & delivery

Expand Patient-Centered Medical Homes

- HIT/HIE Use Cases
- Care Management Requirements
- Care Coordination Measures

Encourage/Incentivize Advanced Payment Models Aligned with Medicare

- Shared Payer/Provider Accountability for Cost
- Shared Payer/Provider Accountability for Quality
- Incentivize PCMH objectives

Why should we do it?

Policy Motivations

SIM Grant Funding

- Clinical Community Linkage Initiative Development and Implementation
- Data-driven, Upstream Investments in Health Improvement
- Practice Transformation and Health Information Exchange Enhancements

PCMH/Advanced Payment Models/HIE

- Medicare is pursuing PCMH/APM multi-payer alignment in states
- Medicare is providing Provider Incentives to implement APMs across payers
- Medicaid Managed Care Contract is encouraging implementation of PCMH, APMs and HIE

What are we paying for?

SIM Budget

SIM Grant funded activities will be pointed towards focus areas that will maximize the probability of demonstrating value for the investment within a three year timeframe. Accordingly, funded activities will be focused on addressing collectively identified community health priorities, and will require incorporating the goal of reducing emergency department utilization into the design, planning, and execution of SIM Grant funded activities in the communities.

- **Leadership, Management and Administration** **$5-$6M per year**
- **Strategy and Program Development Consultation** **$500-$800K per year**
- **Grant Investments (CHIR and PCMH)** **$5.8-$7.15M per year**
- **Technology, Evaluation, and Improvement** **$3-3.5M per year**

How it all fits together: