April 12, 2016

FLPPS
FINGER LAKES PERFORMING PROVIDER SYSTEM

URMC Succeeding in the New Health Care Seminar Series

DSRIP: Medicaid Innovation & Transformation in the Finger Lakes Region

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Executive Director

Agenda

- Medicaid in NYS
- DSRIP in NYS
- FLPPS Implementation of DSRIP
- Vision: Create a Regional Integrated Delivery System
- Catalyst for System Transformation
- How Dollars Flow to PPS/Partners
- Collaboration is Key
- Physician Engagement
- Key Takeaways - DSRIP

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Medicaid in NYS

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Current State of Medicaid: NYS

- Health care ~30% of state/local budget and > 15% of state GDP
- Health costs in NYS projected to increase to > $300B by 2020
- Impacts wages, employment, CPI, ability to fund public services
- NYS Medicaid covers about 6.9 million beneficiaries, more than 1/3 of the state's population
- NYS Medicaid spending is #2 in US
- NYS Medicaid has a very comprehensive benefit package
- Payments to providers exceeding $50.3 Billion in 2014

Source: Healthcare Costs in NYS; Health Management Associates, NYS Health Foundation, 2014

Current State of Medicaid: NYS

- Millions of uninsured place great financial strain on hospitals
- Despite high spend on care, NYS quality not significantly higher
- NYS patients are admitted to hospitals, visit EDs, and use outpatient services more frequently, stay longer, and experience more disparity in care among populations than other US patients

Source: Healthcare Costs in NYS; Health Management Associates, NYS Health Foundation, 2014

Today – 4/12/16

- > 10% Growth Rate Unsustainable
- Quality Outcomes Lagging
- Cost per Recipient Double National Average
- NYS Ranked 50th in Country for Avoidable Hospital Use
- NYS Ranked 21st for Overall Health System Quality

- Jason Helgerson
NYS Medicaid Director
4/12/16 Presentation to GNYHA

Causes of Healthcare Problems

- Limited access to the right clinical information at the right time
- Inefficient communication between providers and poor transitions of care
- Shortage of providers and access to care, especially in rural areas
- Lack of clinical decision tools
- Patients not engaged or responsible for care
- Providers do not address social factors inhibiting care, and agencies supporting social needs are not part of “care team”
- Inability to support innovative payment models and reform

NYS Addresses the Medicaid Problem

Governor’s Vision for Reform

"It is of compelling public importance that the State conduct a fundamental restructuring of its Medicaid program to achieve measurable improvement in health outcomes, sustainable cost control and a more efficient administrative structure." - Governor Andrew M. Cuomo, January 5, 2011

NYS Medicaid Redesign Team (MRT)

- Governor Cuomo established in 2011
- NYS Solicited Stakeholder Input on Ways to Reduce Medicaid Costs While Improving Quality of Care and Access (Triple Aim)
- Objective:
  - Reduce cost and increase quality and efficiency in Medicaid
  - Implement global cap on state's spending
  - Institute a variety of changes with a focus on increasing care management options for high cost beneficiaries

NYS Medicaid Redesign Team (MRT)

- MRT Plan includes:
  - **Care Management:** shift fee for service to value based care
  - **Health Homes:** coordinate care for the most needy and costly patients
  - **Primary Care:** access to high-quality, PCMH-certified primary care
  - **Spending Cap:** limit funds available for care for populations
  - **Social Factors:** address social determinants of health and cost
- MRT 1115 Waiver Initiated for DSRIP
  - Reinvest $6.4 Billion of $17.1B of savings from MRT to transform NYS Health Care (plus $1.6B from NYS = $8B)
- DSRIP, Health Homes, Managed Care

Environment & Market

- **Financial/Market Pressures**
  - Fee-for-Service & Fragmented Care are Unsustainable
- **Medicaid Patients/Consumers**
  - Poor Outcomes as Patients Navigate between Medicaid, Basic Health Plan, CHIP, Health Exchange, and Charity Care/Sliding Fee Scale Programs and Providers
- **Social Determinants of Health**
  - Unsustainable Funding for Social Programs
  - Social Programs not Integrated with Health System

Environment & Market

- **Affordable Care Act**
  - Widespread Execution of Delivery System Reforms and Pursuit of the Triple Aim
    - Improve Patient Experience/Health Outcomes
    - Improve Population Health
    - Reduce Per Capita Costs
- **Payment Reform**
  - Towards Value Based Payment and/or Global Capitation
- **Financial Sustainability**
  - Services must become Financially Sustainable within Value Based Payment Arrangements with the State and/or Managed Care Organizations

Environment & Market

- NYS Value Based Payment Roadmap

"…goal of 80-90% of managed care payments to providers using value based payment methodologies by end of demonstration year five (DY 5)."

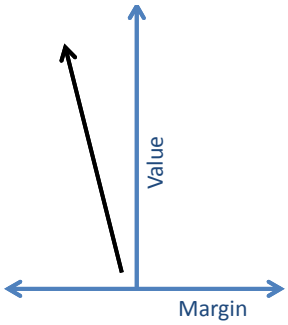
Source: NYS Value Based Payment Roadmap

Transition to Value Based Payments

VBP allows providers to increase margins by realizing value

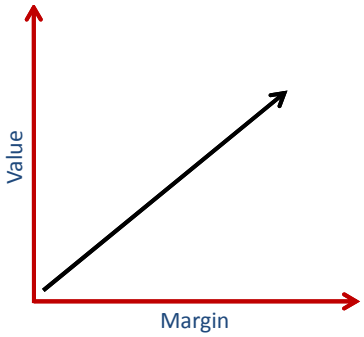
Current State

Increasing the value of care delivered more often than not threatens providers' margins



Future State

When VBP is done well, providers' margins go up when the value of care delivered increases



Source: NYS Value Based Payment Roadmap

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DSRIP in NYS

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DSRIP

Delivery System Reform Incentive Payment Program

- Medicaid 1115 Waiver Program to Transform Health Services by Reinvesting Medicaid Dollars to:
  - Stimulate Health System Transformation
  - Create Accountability
  - Incentivize Performance
- Implemented in 6 States: NY, CA, TX, NJ, KS and MA
- Up Next: WA

DSRIP in NYS - A Unique Opportunity

- $8 Billion in Medicaid Funds, Over Five Years, to Implement Projects to Radically Transform NYS Medicaid Delivery System
- Opportunity to Prepare for System-Wide Transformation via Regional Collaboration between Health Systems and Community-Based Providers and Agencies
- Overarching Objectives of DSRIP in NYS:
  - Improve Clinical Outcomes
  - Reduce Avoidable Hospital Use by 25% Over Five Years
  - Achieve Triple Aim: Reduce Costs, Improve Patient Experience and Improve Patient Outcomes

DSRIP in NYS - Guiding Principles

Patient Centered	• Better patient care & experience through a more efficient, patient-centered and coordinated system.
Transparent	• Decision-making process takes place in the public eye, ensuring processes are clear and aligned across providers.
Collaborative	• Collaborative process reflects the needs of the communities and inputs of stakeholders.
Accountable	• Providers are held to common performance standards, deliverables and timelines.
Value Driven	• Focus on increasing value to patients, community, payers and other stakeholders.

Better Health. Better Outcomes. Reduced Costs.

DSRIP in NYS - How Does it Work?

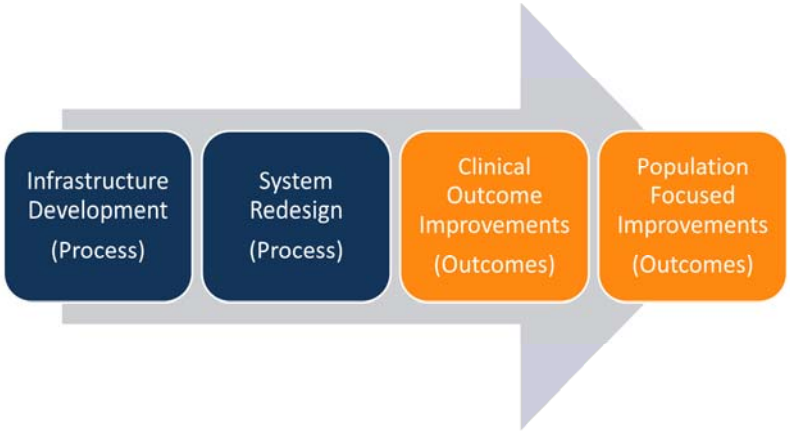
Performing Provider Systems (PPS)

- Network of Medical and Behavioral Healthcare Providers, Social Service Providers and Community-Based Organizations (CBOs)
- Work Together to Implement DSRIP-Specific Projects
- Collectively Accountable for Significant, Measurable Improvements in Clinical Outcomes, System Utilization, Population Health & Patient Experience

DSRIP in NYS - How Does it Work?

- Each PPS implements approved projects in their respective counties
- Each project has an associated valuation (Achievement Value)
  - Payment to PPS based on meeting Project Milestones
    - Process Milestones
    - Outcome Milestones
  - Payments made over 5 years, 2015 – 2019
  - Payments based on both performance (P4P) and reporting (P4R)

DSRIP $$$ ⟹ System Transformation



Vision of DSRIP Success

- Leverage DSRIP $$$ to build capabilities for all providers and CBOs of safety net patients to coordinate their complete care
- PPS Partners use new systems and DSRIP $$$ to improve care, reduce hospital use, lower costs
- PPS and Partners track and report results on key metrics
- Managed care contracts in place with incentives so Partners deliver and coordinate care aligned with objectives

The DSRIP Challenge: *Transforming* the Delivery System

Reduce avoidable ER visits

Reduce Avoidable (re)admissions

Reduce other avoidable complications (diabetes, crisis stabilization, etc)

Improve patient experience (CAHPS)

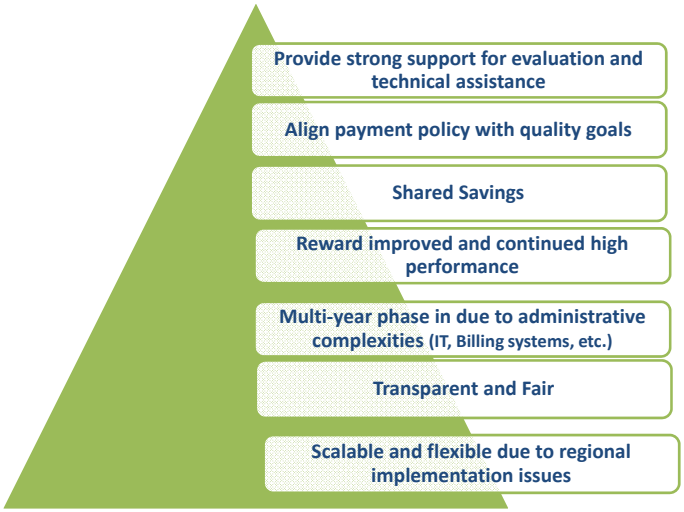
The DSRIP Challenge: *Transforming* the Payment System

Financial and regulatory incentives ***drive***…

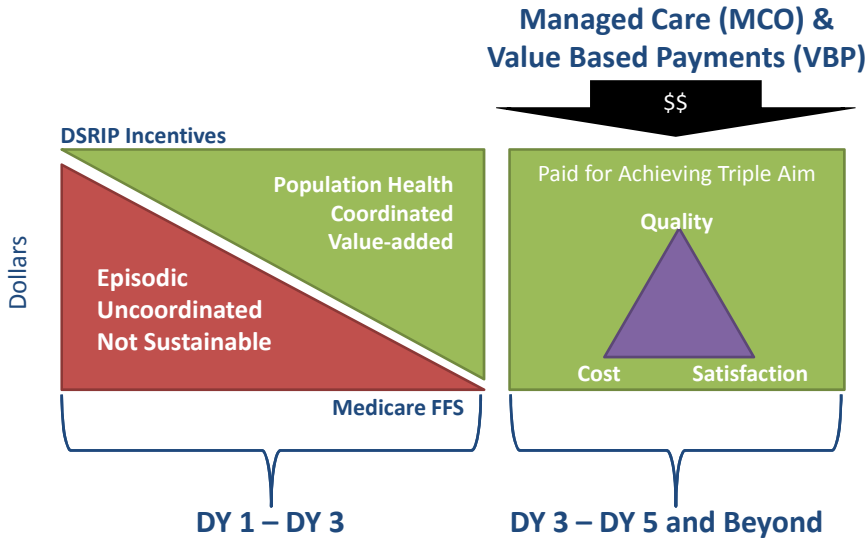
A delivery system which ***realizes***…

Cost efficiency and quality outcomes: ***VALUE***

Guiding Principles of Value Based Payment



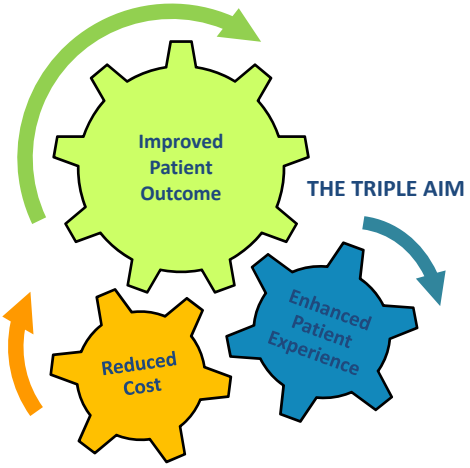
Transition to Value Based Payments



Value Based Payment Goal…

Reimbursement tied to *Outcomes*, which produces:

By DY 5, MCOs must employ payment systems that reward *value* over *volume* for at least 90% of provider payments



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FLPPS Implementation of DSRIP

Finger Lakes:
A History of Community Collaboration

Legacy of strong organizations willing to work together to solve difficult problems, despite competition.

Associations, Planning, Services

FLHSA | Rochester Health Commission | mcms | ROCHESTER RHIO

Health Systems

University of Rochester Medical Center | ROCHESTER REGIONAL HEALTH

Payers

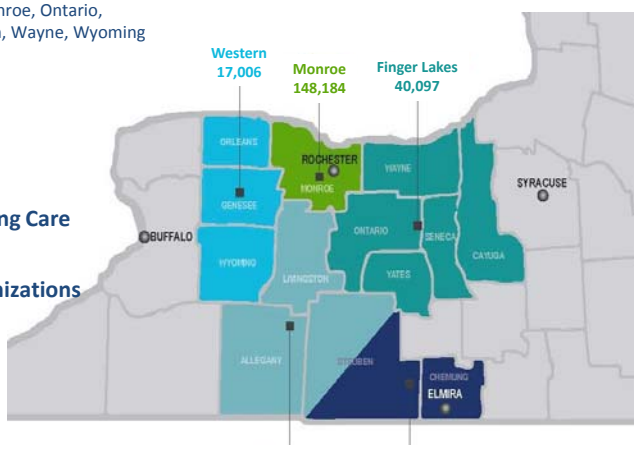
Excellus | MVP Health Care

Employers

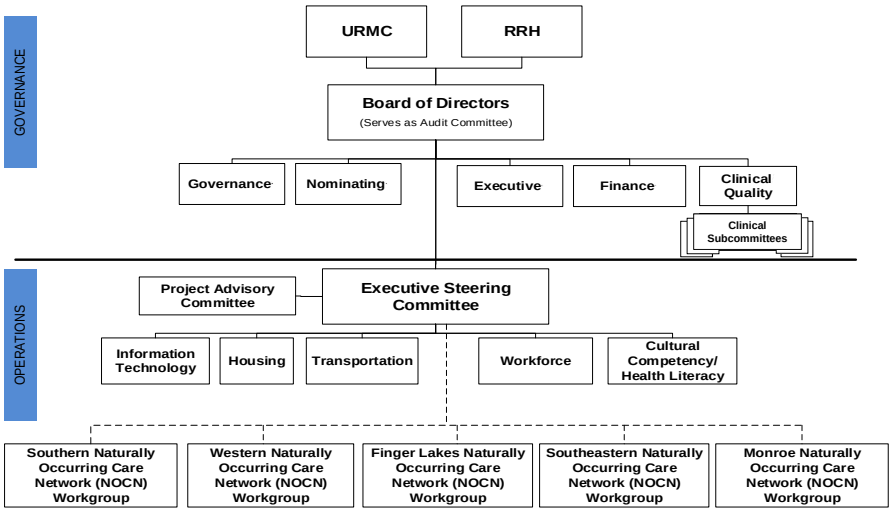
Kodak | Wegmans | xerox | Excellus

Finger Lakes PPS

- **13 Counties -** Allegany, Cayuga, Chemung, Genesee, Livingston, Monroe, Ontario, Orleans, Seneca, Steuben, Wayne, Wyoming and Yates
- **1.5M Population**
- **~400,000 Lives** **(including 100K uninsured)**
- **5 Naturally Occurring Care Networks (NOCNs)**
- **~600 Partner Organizations**
- **19 Hospitals**
- **~6,700 Providers** Primary Care, SNF, Hospice, Specialists, Pharmacies, etc.



FLPPS Governance Structure



FLPPS Organizational Structure

- Executive Director
- Clinical & Project Management
- Finance & Operations
- IT
- Partner Relations
- Communications
- HR & Workforce
- Development & Strategy
- Compliance

Targeted Transformation: Defining a Focus

Community Needs Assessment

- **Need for Integrated Delivery System to Address Chronic Conditions**
  - Chronic Conditions - Leading Cause of Years of Potential Life Lost
  - Chronic Disease - 85% of Potentially Preventable Hospitalizations
- **Need for Integration Between Physical and Behavioral Health Care Systems**
  - 24% of Medicaid-only Discharges: Primary BH Diagnosis
- **Need to Address Social Determinants of Health**
  - Transportation & Housing – Large Barriers
- **Need to Support Women & Children**
  - Infant Mortality Rate Higher than State Average

FLPPS DSRIP Projects

1. **Integrated Delivery System**
2. **ED Care Triage**
3. **Care Transitions**
4. **Transitional Housing**
5. **Patient Activation for Special Populations**
6. **Behavioral Health Integration**
7. **Crisis Stabilization**
8. **Behavioral Interventions in Nursing Homes**
9. **Maternal/Child Health CHW program**
10. **Strengthen Mental Health/Substance Abuse infrastructure**
11. **Increase Access to Chronic Disease Prevention & Care**

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Vision: Create a Regional Integrated Delivery System

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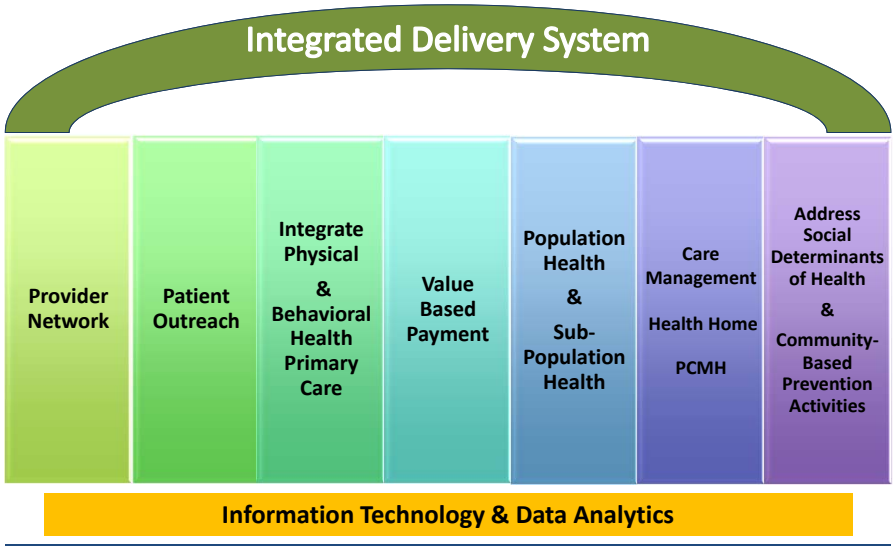
Key Pillars of the IDS



Transition from Planning to Implementation

- Fall 2014 – Current
  - Develop Implementation Plan
  - Develop Organizational Infrastructure
  - Project Design
  - Relationship Building, Partner Engagement, Collaborations
- 2016 – 2020
  - Full Project Implementation
  - System Transformation
  - Clinical Performance
  - Population Health

DSRIP Implementation in an IDS

- Metric Domains
  - Domain 1: Overall Project Progress Metrics
  - Domain 2: System Transformation Projects
  - Domain 3: Clinical Improvement Projects
  - Domain 4: Population Health Projects

DSRIP Implementation in an IDS

Domain 1: Overall Project Process Metrics

- Approval of DSRIP Plan
- Assess Overall Implementation of all DSRIP Projects
  - Status & challenges
  - Financial updates
  - Beneficiaries
  - Governance
  - Workforce Strategy
  - Providers
  - Value based payment & MCO work
  - Learning collaboratives
- Status of System Integration & Health Home Strategy

DSRIP Implementation in an IDS

Domain 2: System Transformation Projects

- ED-Care triage for at-risk populations
- Care transitions intervention model to reduce 30-day readmissions for chronic health conditions
- Transitional supportive housing services
- Implementation of patient activation activities to engage, educate and integrate the uninsured, and low/non-utilizing Medicaid populations in community based-care

DSRIP Implementation in an IDS

Domain 3: Clinical Improvement Projects

- Integration of behavioral health and primary care
- Behavioral health community crisis stabilization services
- Behavioral interventions paradigm (BIP) in skilled nursing facilities (SNF)
- Increase support for maternal and child health (including high risk pregnancies)

DSRIP Implementation in an IDS

Domain 4: Population Health Projects

- Strengthen mental health and substance abuse infrastructure across systems
- Improve access to high quality chronic disease preventative care and management in both clinical and community settings

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Catalysts for System Transformation

Cultural Competency/Health Literacy

- Consider Cultural Perspective in Addressing Healthcare Needs and Services
  - Culture and Sense of Safety are Essential to Healing
  - Recognize the Impact of Culture – Historical and Generational Events, Discrimination, Bias
  - Health Literacy
  - Language Accessibility
  - Honor the Belief that Culture is Embedded in Patient's Language, Implicit and Explicit Communication Styles and Lifestyles

Cultural Competency/Health Literacy

- FLPPS CC/HL Committee
  - Regional Key Stakeholders with CC/HL Expertise
- Community Insight
  - Community Coalitions & Workgroups, i.e. FLHSA Latino Health Coalition, African-American Health Coalition, and The Partnership on the Uninsured
  - Community Engagement Forums
- Patient Perspective
  - Patient Focus Groups and Case Studies
  - Community Outreach Program and Poverty Simulation Workshop for FLPPS Central Team
  - Patient Advisory Council
- CC/HL Training for FLPPS Central Team
  - Integration into All Internal and External Processes

Workforce Transformation

- Healthcare System Transformation will Require Workforce Transformation
  - Workforce Workgroup with Cross-System Representation
  - Current-State Assessment and Strategic Plan
    - Quantitative and Qualitative Assessment of PPS Workforce
  - Early Identification of Emerging Job Categories
    - Training and Career Ladder Approach
  - Will Collaborate with FLHSA Workforce Consortium

Social Determinants of Health: Housing

- FLPPS Housing Committee
  - Working to Develop Solutions to Project-Specific and Systematic Barriers to Safe, Affordable, Permanent and Transitional Housing
- Strategies
  - Develop Transitional Supportive Housing for High-Risk Super Utilizers
  - Better Coordinate Transitions of Care Between Hospitals, Care Management and All Supportive Housing Providers
  - Track Patient Engagement for 90-day Period, Including Outreach to Address Housing Barriers, Though IDS

Social Determinants of Health: Transportation

- FLPPS Transportation Committee
  - Support Project-Level Transportation Mitigation Strategies and Individual Partners Struggling with Transportation-Related Issues
- Strategies
  - Define Challenges by County and Identify Solutions with Input and Endorsement by Regional NOCN Workgroups
  - Share and Initiate Best Practices Regarding Transportation from Other Rural Areas and Linguistic Barriers
  - Patient Education Regarding Transportation; Consider Cultural and Linguistic Barriers

Community Engagement

- Convene Community Based Organization (CBO) Workgroup
  - CBO Leaders from Government, Faith-Based and Other Support Service Organizations
  - Collaborating with United Way, FLHSA & COAE
- Staff Engaging in Community Outreach Activity
  - Educate Community, and Learn About Services Offered and Populations Served
  - Assist FLPPS with Developing Strategies for Community Involvement and Patient Engagement
  - Enhance Cultural Competency Skills of FLPPS Central Team

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How Dollars Flow to PPS/Partners

Safety Net/Non-Safety Net: NYS Definitions

Safety Net Provider

- 35% or greater of all patient volume in outpatient lines of business must be associated with Medicaid, uninsured and Dual Eligible
- 30% or greater of inpatient treatment must be associated with Medicaid, uninsured and Dual eligible

Non-Safety Net Providers

- Do not meet the two tests above
- Clinical & Non-Clinical
- Community-Based Providers & Organizations

Safety Net/Non-Safety Net: DSRIP Eligible Funds

Safety Net Provider

- Eligible to receive 95% of Partner share of Funds allocated to FLPPS.
- Actual funds received by an individual partner is directly impacted by:
  - Number of Project eligible to participate in
  - Actual participation in achieving objectives

Non-Safety Net Providers

- Eligible to receive 5% of Partner share of Funds allocated to the FLPPS.
- May subcontract through a Safety Net Provider to receive additional dollars.
- May participate in Demonstration Projects to receive additional dollars.

Purpose of DSRIP Funds

What it is:

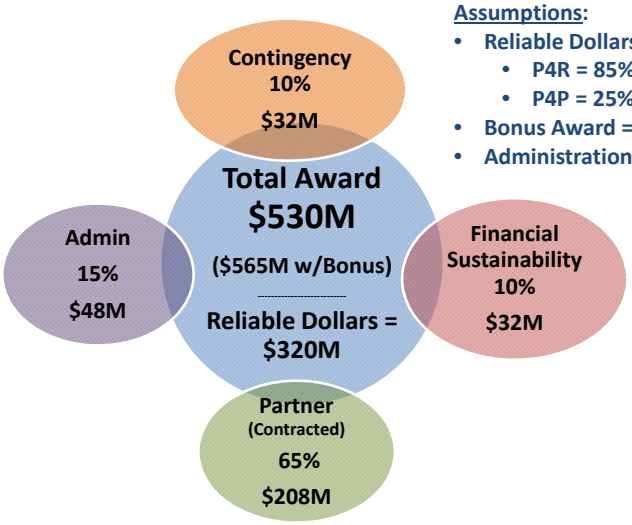
DSRIP is intended to provide transformation of workflows and processes to achieve objectives

- What can/should we do differently?
- What costs do we incur to make that transition?
- What do we need to change to move to VBP?

What it isn't:

DSRIP is NOT intended to build additional capacity unless necessary to achieve objectives

FLPPS Award Summary: Reliable Dollars



Assumptions:

- Reliable Dollars Achievement Levels:
  - P4R = 85%
  - P4P = 25%
- Bonus Award = $35M
- Administration Capped at 15% - $48M

How Dollars Flow from NYS to FLPPS

Partner Reports Information to FLPPS

- Quarterly Reporting Metrics
- Results of Survey Tools
- DSRIP Team Development
- Etc.

FLPPS Reports Info to NYS

- Governance
- Financial
- Organizational Workstreams
- Project Metrics & Progress

How Dollars Flow from NYS to FLPPS

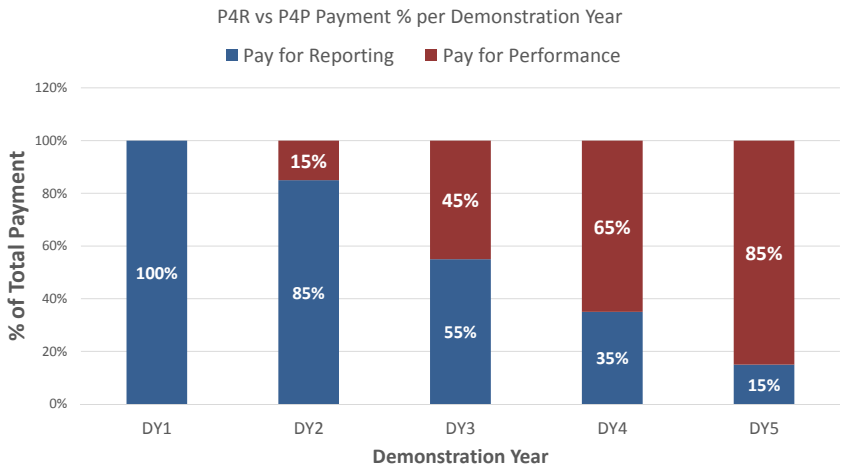
FLPPS Submissions Reviewed by Independent Assessor

- Any errors are addressed within 15 day remediation period

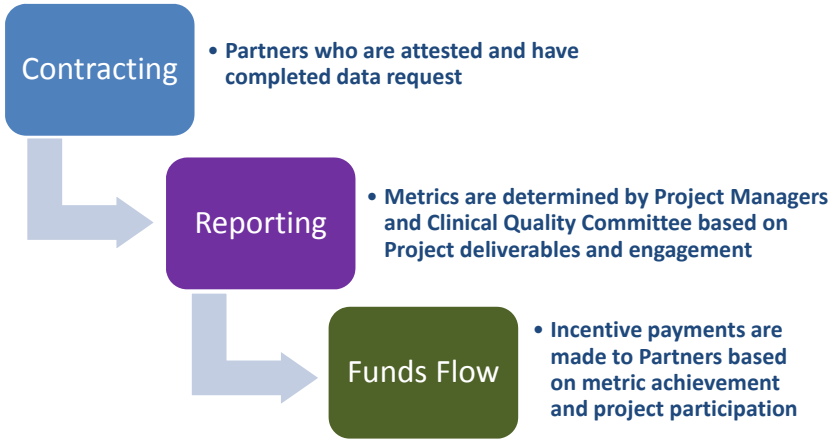
Dollars Awarded to PPS

- Based on level of compliance with the Achievement Value
- Limited claw back provision

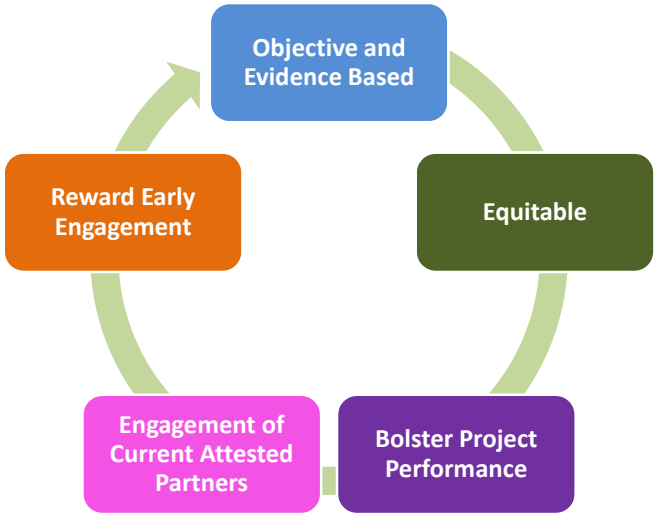
Pay for Reporting → Pay for Performance



General Contracting/Funds Flow Process



Funds Flow Strategy



Haven't We Already Tried This? 1990s

Physician Capitation - IDNs - Global Capitation

- Contracting Not Aligned
- Financial Incentives Not Aligned
- Utilization-Focused, Not Outcome-Focused
- Limited EMR & Clinical Data
- Lack of Bi-Directional Communication
- Health Care System Silos
- No Focus on Medicaid Population

What's Different Now? 2016

Performing Provider System

- **Will Fund and Deploy the Tools and Information Needed to Successfully Manage Risk in Today's Market, While Simultaneously Transforming Care**
- Financial Incentives Aligned within PPS and Across PPS's
- Clinical Outcome Focused
- Data Analytics – EMR/Clinical/HIE
- Health Care Systems Collaborating
- Focus on Social Determinants of Health in a Value Based Model

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Collaboration is Key

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Primary Care/PCMH

- Full Integration Between DSRIP and PCMH
- CMMI Grant with FLHSA
- Practice Transformation Network Grant
- Finger Lakes Center for Primary Care Clinician Education (FLC-PCCE) - HRSA Grant
- Co-Develop PCP/BH Integration Strategies Between Behavioral Health Providers and Forming PCMH Primary Care Practices

Health Homes

- Health Home on Project Teams and NOCNs
- RHIO Working with Health Homes to Identify Ways to Communicate Assignment via RHIO for Increased Collaboration on Projects
- Education and Links for Providers to Health Home Resources
- Strategic Collaboration with Health Homes

Counties

- 13 Counties: Genesee, Orleans, Monroe, Steuben, Allegany, Livingston, Steuben, Chemung, Wayne, Ontario, Yates, Seneca and Cayuga
- County Representation in All Layers of Governance
- County Mental Health Directors Fully Engaged with PCP/BH Co-Location
- One County in Early Adopter Pilot for Patient Engagement Measures
- Meetings with LGUs for Education, Engagement and Specific Project Needs
- Future Activities: Contracting, Data Sharing, Population Health Activities

Community Based Organizations

- Safety Net and Non-Safety Net
- CBO Representation at All Levels of Organization
- Partnering with Local CBO Groups to Convene CBO Workgroup
  - Collaboration with United Way, Council of Agency Executives and Finger Lakes Health Systems Agency
  - CBO Leaders from Government, Faith-Based, and Other Support Service Organizations
- Staff Engaging in Community Outreach Activity
  - Educate Community and Learn about Services Offered and Populations served
  - Assist FLPPS with Developing Strategies for Community Involvement and Patient Engagement
  - Enhance Cultural Competency Skills of FLPPS Central Team

Community Initiatives

- Finger Lakes Health Systems Agency
- United Way/Rochester-Monroe County Anti-Poverty Initiative
- Monroe County Medical Society
- Rochester RHIO
- Healthcare Business Academy
- Center for Community Health
- Greater Rochester Chamber of Commerce (RBA)
- Other NYS PPS Collaborations

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Physician Engagement

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Physician Engagement: Participation

- Network Development
  - Leveraged existing ACOs, Monroe Plan/Your Care, Hospital Systems and Community Hospitals to recruit Safety Net providers for FLPPS Network
- Developed Clinical Quality Committee (CQC)
  - Central Project Teams (11) report to CQC
  - Collaborative work around project design and ongoing monitoring for success

Physician Engagement: Support

- Partner Relations Team
  - Supports entire Partnership
  - Specific support to physician practices
- Centrally staffed Patient Centered Medical Home Team provides support services to Primary Care physicians in Network

Physician Engagement: Contracting

- Direct contracting between FLPPS and physicians to provide incentive $ for DSRIP work
- Moving from Phase I contracting related to engagement to Phase II contracting related to performance

Physician Engagement: Workforce

- FLPPS Workforce Strategy focused on three critical areas:
  - Primary Care
  - Behavioral Health
  - Care Management
- Working closely with FLHSA and Monroe Medical Society to better understand supply and demand, and collectively determine approach

Physician Engagement: Next Steps

- Survey Primary Care providers in FLPPS Network to understand capacity and access
- Continued outreach and DSRIP Support, through Partner Relations and Project Management Teams("Regionalization")
- Conversion of all Primary Care practices in Network to NCQA Patient Centered Medical Home Recognition (2014 Standards)

Physician Engagement: Next Steps

- Develop and adopt minimum clinical protocols across Network
- Ongoing discussions with Primary Care leaders to develop PC workforce strategy, identifying solutions and implementing pilots
- Continue partnership with professional organizations (e.g. Monroe County Medical Society) around education and identification of workforce needs

Physician Engagement: Next Steps

- Develop Practitioner Engagement Strategy and Communication Strategy (due to NYSDOH, June 2016)
- IT Infrastructure that connects Primary Care to entire Network of providers: better transparency and collaboration beyond existing communication methods
- Work with ACOs to leverage efforts and collaborate
- Prepare for Value Based Payments

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Key Takeaways - DSRIP

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Key Takeaways - DSRIP

- Less healthcare dollars available in the market
- Major transition from Fee-for-Service to Managed Care and Value Based Payment
- Medicare and Commercial products are also moving in that direction
- Care coordination and ability to manage population health are key to success
- Reimbursements tied to consistent quality, cost-effective care delivery and member experience with provider accountability
- Collaboration among health plans, all provider types and community based organizations necessary to achieve success

Key Takeaways - DSRIP

System Transformation will Benefit ***Partners***

- Foster collaboration among Partners in Integrated Delivery System
- Positively impact patient health outcomes
- Increase quality of care & reduce costs
- Better coordination of care, best practices and efficiencies
- Centralized support services, such as:
  - Reporting to NYS
  - PCMH
  - IT Infrastructure
  - Waivers
  - Cultural Competency Work
  - Workforce Strategy

FINAL Takeaway - DSRIP

System Transformation will Benefit ***Patients***

- The right care at the right time by the right provider
- In an integrated, coordinated, culturally competent manner
- Improve outcomes
- Improve patient experience
- Reduce costs

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Thank You & Questions

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