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Centers for Medicare & Medicaid Services

# State Innovation Model Progress Report

## Award Detail

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| **Award Title** | Delaware:Test R2 | **Round** | 2 |
| **Organization Name** | Delaware | **Grants Management Specialist** | Gabriel Nah |
| **Type** | Test | **Project Officer** | Jessica Roach |
| **Total Funding Amount** | $35,000,000.00 | | |
| **Description** | Delaware will: (1) support ten community-based population health programs (Health Communities); (2) develop an IT infrastructure to support a cross-payer scorecard of core measures available to providers with related tools for patient engagement and price and quality transparency; and (3) engage payers in the development of a pay-for-value model and a total-cost-of-care model for providers (including independent PCPs), with the goal of attributing all Delawareans to a primary care provider during the performance period. In addition, the state will offer technical assistance to providers focusing on models of integrated, team-based care and transition to value-based payment models. Delaware will implement workforce development strategies to build competencies and address the current workforce and will also develop educational programs to address the needs of model participants. | | |

## Progress Report

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| **Progress Report** | Q2 - 2016 Progress Report | **Award Title** | Delaware:Test R2 |
| **Report Quarter** | Q2 | **Date Submitted** | 8/30/2016 |
| **Report Year** | 2016 | **Approval Status** | Approved |

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| **Date Approved** | 10/11/2016 | **Last Modified By** | Jessica Roach |

**WBS Not Applicable** ☐

# Executive Summary

## Success Story or Best Practice

In July, the Delaware Center for Health Innovation (DCHI) launched its first Healthy Neighborhood in West/Central Sussex County, which includes approximately 10% of Delaware's population and covers a large geographic area. West/Central Sussex has many key features that made it ideal as the first Neighborhood. First, this area has a high level of need with many health indicators and social determinants of health lower than the U.S. average and in some cases even lower than the Delaware average. Second, there is a vibrant and strong community coalition group, the Sussex County Health Coalition, which for many years has coalesced community organizations around the County's health needs. Third, there is a collaborative set of health systems working together to identify and address population health needs through its own organization, Healthier Sussex County.
The Local Council was developed with leaders from both the Sussex County Health Coalition and Healthier Sussex County providing robust representation from the community including residents, community organizations, employers and health systems.
DCHI's Healthy Neighborhoods Committee created the necessary pre-work to support the launch. The DCHI board approved the operating model and rollout approach in Year 1 to provide a clear roadmap to each Neighborhood. DCHI has also developed tools and resources to help Local Councils with planning and implementation including a resource library of demographic and social determinant data for the area, an inventory of community programs, and a listing of technical experts in the area.

## Challenges Encountered & Plan to Address

Since the beginning of 2015, the technical Scorecard team has been working with 21 testing practices to gather feedback and inform the statewide launch of the Common Scorecard. Testing practices that were members of larger health systems favored disaggregating the practices in order to view data at a site-specific level and gain more actionable information for each geographic site. Practice disaggregation maps providers and patients to the site/location level and allows practices to view Scorecard performance, numerators/denominators for metrics, and practice transformation milestone completion for an individual site.
Practice disaggregation was originally intended to be part of the statewide launch of the Common Scorecard, scheduled for October 2016, however there have been several challenges with operationalizing this functionality and we are currently revising the release schedule for this aspect of the Scorecard. No unique identifier exists across all payers and proxies for a unique site identifier are imperfect. The SIM technical team is working with DHIN to identify the scope of the challenges and identify solutions that will be cost-effective and sustainable.

## Governance

DCHI expanded its staff in Q2 through the hiring of an Administrative Assistant and contracting for a Healthy Neighborhoods Project Director. DCHI has contracted with Peggy Geisler to fill the Healthy Neighborhoods Project Director role. Ms. Geisler holds a BA in Clinical Psychology from the University of Maryland and an MA in Clinical Psychology from Salisbury University. She is the owner and Senior Consultant of PMG Consulting LLC, which works with not-for-profits on infrastructure, strategic planning and training as well as conducts community-based programs in both Maryland and Delaware. She currently is the Executive Director of the Sussex County Health Coalition. She has 20 years' experience in community engagement, planning and development. She currently serves as a board member of Delaware Health Eating and Active Living, sits on the Governor's Council on Health Promotion and Disease Prevention, sits on the State Health Improvement Planning Committee for mental health, is a graduate from Leadership Delaware 2012 and is a member of the United Way of Delaware Southern Advisory Committee. Ms. Geisler has also been very involved in the development of the DCHI Healthy Neighborhoods work through her role as a Committee member.

The DCHI Board has also continued its work toward planning for financial sustainability, holding Executive Committee meetings on the subject in Q2. The board will be developing a strategic plan in the second half of the year to continue to define its goals, particularly with the anticipated transition in state Government administration.

## Stakeholder Engagement

On May 25, DCHI held a Cross-Committee Meeting to engage members of all 5 standing committees of DCHI and the public. The agenda included deep dives into access to claims data and behavioral health integration. The meeting also featured a moderated panel of board members intended to engage participants on the other committees' work. With over 70 attendees, this event reaffirmed the value of DCHI's role as a convener of key stakeholders. Audience feedback also provided suggestions for the next Cross-Committee Meeting including having more time for the audience to engage with Committee members through presentations and more time for open discussion.

Other highlights of stakeholder engagement include outreach efforts supporting practice transformation and the Common Scorecard. The SIM Scorecard team held demos for various audiences. In response to feedback that some practices remain hard to reach and confused about policy changes, we are developing plans to conduct broader provider engagement and expect this effort to kick off in September.

In Q2, DCHI began a series of community forums designed to introduce the public and additional stakeholders to the work of SIM. Six forums are planned this year with three held in Q2. The forums provide an introduction to and conversation around the various workstreams and outline the goals Delaware is striving for through the Triple Aim plus One.

The ChooseHealthDE.com website was relaunched to encompass all of the public-facing information on the work and initiatives of SIM throughout the state and is also continually being refined and updated to reflect current priorities of the initiative. DCHI will maintain the use of www.dehealthinnovation.org as its organizational site, housing information on consensus papers, committee charters and minutes, etc.

## Population Health

In addition to launching the first Healthy Neighborhood (HN), as described above in the Success Story section, and contracting for the HN Project Director as described above in the Governance section, there was considerable other activity in support of Delaware's population health plan. DCHI staff and board members engaged with leaders from within the Wilmington/Claymont community in preparation for launching it as the second Healthy Neighborhood. The outcome of this engagement is the high level of interest that has been generated as well as identifying those willing to participate in and be a part of the Healthy Neighborhoods effort. We anticipate broad participation in forming the Local Council for the Wilmington/Claymont HN.

DCHI also leveraged two partnerships in order to add capacity to the HN work. Staff from Westside Family Healthcare, whose CEO serves as HN Committee co-chair, provided guidance and project oversight to two University of Delaware undergraduate students through the UD Service Learning Scholars Program. Service Learning Scholarships provide highly-motivated students the opportunity to immerse themselves in a service-learning or community-based research project for 10 weeks in the summer in a setting outside of the classroom. Using the resources developed for the Western/Central Sussex Neighborhood as a template, the students worked to create a resource library for the Wilmington/Claymont Neighborhood in advance of its launch including an analysis of demographic information and a program analysis based on key priority areas and social determinants of health. They also began a built environment assessment and program mapping. This information will be used by the Local Council to inform its work going forward. This partnership is a model for moving DCHI toward sustainability.

In addition, the search for two additional HN staff members was initiated with the goal of hiring during Q3.

## Health Care Delivery Transformation

The Practice Transformation program continued through Q2, with our four contracted vendors enrolling 98 provider sites including 363 providers. Enrollment has leveled off in Q2, with 2 new practices joining in July. Our goal is to have 50% of the approximately 1,000 primary care providers in the state enrolled in SIM Practice Transformation in Year 2; we currently have 36%. Additional provider outreach is planned for Q3, to highlight the availability of Practice Transformation and promote enrollment in the Common Scorecard.

The DCHI Clinical Committee developed its Behavioral Health Integration Implementation plan in Q2. The Clinical Committee recognized that there is broad consensus that the integration of behavioral health with primary care is desirable and a model worth pursuing statewide. However, feedback from providers indicated many operational barriers to integration, including issues with insurance payments, that may make implementation difficult or impossible. The plan aims to test the operational feasibility of 3 different integration models and includes 6 to 9 primary care/behavioral health pairings that represent diversity across the state. The plan will go to the DCHI Board for approval in August and, if approved, move to implementation in Q3.

As a compliment to the work of the Clinical Committee's Behavioral Health Subcommittee, and as stated in the Operational Plan, HCC developed a plan for supporting behavioral health (BH) providers as they transition to electronic medical records (EMRs). In Q2 HCC developed an incentive program for BH providers in two categories: Category 1 will provide funding to BH providers who do not have an EMR system in place with funding ranging from $15,000 to $20,000 depending on the size of the practice; Category 2 will provide funding to BH providers to upgrade or enhance their current EMR system with funding ranging from $10,000 to $15,000 depending on the size of the practice. The RFP will be released in Q3.

## Payment and Service Delivery Models

HCC and DCHI leadership continue to hold regular discussions with the state's main payers in order to foster communication on the payers' plans for rolling out new payment models and to ensure engagement and alignment with other areas of SIM work. Highmark launched its pay-for-value model, True Performance, to a small number of Medicaid providers (14 throughout the state) on July 1. This pilot includes approximately 10,000 beneficiaries and has given SIM leadership and these providers an opportunity to preview how the model will function once it is available to practices statewide beginning January 1, 2017. Highmark began initial outreach to primary care providers regarding its True Performance Model in Q2 and expects to begin contracting in Q3.

United Healthcare began enrolling primary care providers in its Basic Quality Model and Accountable Care Shared Savings (ACSS) model. DCHI has provided feedback to United that it would like to see a more rapid transition to ACSS or other true VBP models. United is planning for the introduction of two additional VBP models available in Delaware and is evaluating their timetable for transitioning practices into ACSS.

The DCHI Payment Model Monitoring Committee developed and brought to the board for approval a white paper titled "Increasing Access to Claims Data to Support Innovation." The DCHI Board approved this paper in May and it was used as input into the development of legislation for a multi-payer claims database in Delaware.

## Leveraging Regulatory Authority

On July 21, Governor Jack Markell signed SB 238 into law, establishing a Delaware Health Care Claims Database. The legislation follows many of the recommendations outlined in DCHI's white paper on increasing access to claims data. The Database will be administered and operated within the existing framework of the Delaware Health Information Network (DHIN), a key partner in many HIT initiatives of the SIM work, and whose CEO sits on the DCHI board. The Act requires certain kinds of claims data to be reported by specified mandatory reporting entities, including the state's Medicaid program, the State Group Health Insurance Program and any qualified health plan in the state's Health Insurance Marketplace. DCHI and SIM leadership have begun to work with DHIN to provide input into use cases, data elements required, and gather examples from other states on governance, regulations and vendor requirements.

Delaware's Division of Medicaid and Medical Assistance also continues to play a key role through their contracts with Highmark and United as the state's Medicaid MCOs. Increased communications between the SIM team and DMMA have allowed greater input to DMMA on SIM goals to help inform their conversations with the state's MCOs.

## Workforce Capacity

The DCHI Workforce and Education Committee updated its draft consensus paper on licensing and credentialing health care providers during Q2. The paper was presented to the DCHI Board and the Committee made final updates to reflect feedback from the Board members. These updates required the Committee to conduct additional interviews with select providers and stakeholders. The final draft version included an in-depth analysis of the licensing process for Delaware dentists as well as an examination of the licensing and credentialing processes for mental and behavioral health providers. The dental licensing process was discussed in detail to highlight the impact the burdensome licensing process has on Delaware's current provider shortage and the lack of access to care for patients. The paper is expected to be approved by the DCHI Board in Q3.

In Q1, HCC released an RFP for facilitation of a graduate health professional consortium and development and implementation of a health care workforce learning and relearning curriculum. In Q2, vendors were contracted for these two scopes of work. Christiana Care Health System was contracted to facilitate the graduate health professional education consortium, while the University of Delaware was contracted to develop and implement a health care workforce learning and re-learning training curriculum. Project kickoff calls were conducted with both vendors to review work plans and timelines for their respective scopes of work and to finalize the vendors' approach. Both vendors were invited to attend the August Workforce and Education Committee meeting to share detailed information on their scopes of work and solicit Committee feedback on any work completed to date to ensure multiple perspectives are taken into account before moving forward.

## Health Information Technology

The major focus of HIT work in Q2 surrounded the Common Provider Scorecard. Version 2.0 of the Scorecard was released to testing practices on May 25. The first release of Version 2 included data from Highmark Commercial and United Medicaid as well as patient attribution at the panel level and individual measure level. There were multiple challenges encountered in preparation for operationalizing V2.0, but DHIN and the SIM technical team met frequently with the development vendor and payers to standardize file submissions despite differences between payer reporting systems, establish data sharing agreements, improve data quality and improve presentation of measure results.

Another functionality planned for a future release of the Scorecard is goal-setting. In Q2, the DCHI Clinical Committee discussed setting goals for each of the 26 measures on the Scorecard based on existing Delaware performance data and available state, regional, and national benchmarks. The board reviewed these recommendations and voted to approve a set of goals that will be included in the statewide release planned for Q3. Goals will be reviewed annually by the board.

### Continuous Quality Improvement

Concept Systems, Inc. (CSI), Delaware's vendor for state-led evaluation, worked in Q2 on Infrastructure and Evaluation Systems Development, Implementation/Process Evaluation, and Outcomes/Impact Evaluation. The evaluation team held routine planning calls with HCC to discuss evaluation model development, progress and timeline of deliverables and presented to the DCHI Board to explain the evaluation process and encourage participation in the Utilization Committee.
Using the logic model developed in Q1 and with input gathered from onsite meetings with HCC, CSI created an operational plan that outlines the evaluation approach, focus, evaluation questions, methodology, data collection tools, sampling, and timelines. HCC and DCHI also provided input into the membership of the Advisory Committee and the Utilization Committee, two committees that will help support CSI throughout the evaluation process. In Q2, CSI also began the development of data collection instruments and measurement methods in relation to the logic model and secured exemption from Human Subject Review for evaluation activities.

**Additional Information**

# Metrics

| Metric Name | Performance Goal | Current Value |
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# Risk Factors

| Risk Factors | Current Priority Level | Current Probability | Current Impact | Prioritized Risk Mitigation Strategy | Current Next Steps | Current Timeline |
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| Confusion among providers between TCPI and SIM funding opportunities | 2 | Low | Low | Maintain dialogue with TCPI grantee to ensure coordinated messaging and strategy | Continue to meet on a monthly basis with the Delaware contact for the TCPI awardee to share information, enrollees, and strategies. | Next call scheduled for September 6. |
| Curriculum is not implemented in timely way to support change | 2 | Low | Low | Establish strong vendor management practices including deliverables based contracts with intermediate milestones and oversight from State | Vendor currently collecting feedback from various stakeholders for development of curriculum content. Will work with media/communciations vendor to ensure information is available online for provider awareness. | Vendors will finalize the curriculum and module development by the end of October. First module will be available to providers by November. |
| Elimination of collaborative agreement disconnects APRNs from care team | 1 | Low | Low | Conduct education and promote awareness of the role of APRNs in care team. | Ensure communication with curriculum and consortium development vendors on ways to incorporate APRNs into each activity. | Stakeholder feedback currently ongoing for curriculum and modules through end of October. |
| Inability to align on focus area | 3 | Medium | Low | Ensure staff support to allow for Neighborhood alignment | DCHI hired HN director in July with additional hires planned for September. | First Neighborhood launched July 21; the other 2 Neighborhoods still set to launch by the end of Year 2 (Jan. 31, 2017). |

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| Insufficient capacity within DHIN or other agencies to lead HIT initiatives | 4 | Medium | Medium | Identify external/alternative vendor to lead initiatives | Working with DHIN to ensure adequate communication between HCC/DCHI and implementation/development teams in order to monitor capacity and project progress. | n/a |
| Lack of funding for sustainability | 4 | Medium | Medium | Engage a broader set of stakeholders who will be impacted by initiative | DCHI board conducting strategic planning to formulate goals and long-term sustainability plans | Strategic and sustainability planning scheduled for Q3 and Q4 |
| Lack of measurable success for pilot Neighborhood(s) | 1 | Medium | Low | Ensure adequate staff available to provide support ot pilot(s) | Launch second and third Neighborhoods; hire additional staff | DCHI plans to hire HN project staff in Q3 and launch additional neighborhoods in Q3 and Q4 |
| Low consumer interest in engagement tools | 2 | Medium | Low | Increase awareness through outreach and education | Consumer engagement tools have not been launched yet | Target for consumer engagement tools to be developed is Q1 2017 |
| Low payer participation | 3 | Medium | Medium | Active, regular conversations with payer representatives across segments | Continue to conduct regular phone and in-person meetings with major payer stakeholders to continue engagement. | Bi-weekly calls with Highmark and United teams; quarterly Leadership meetings with Highmark. |
| Low provider participation in practice transformation services | 3 | Medium | Medium | Conduct additional outreach and education regarding the opportunity | Consider revising vendor payment structure to encourage additional enrollments. | Revisions and new vendor contracts to be finalized by November |

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| Low provider participation in VBP models | 4 | Medium | Low | Provide a variety of channels for regular provider input | Encourage payers to engage with Practice Transformation vendors to provide coordinated messaging on VBP models available in DE. | Payers will be contracting with practices for VBP models in September and October; models launch 1/1/17 |
| Messaging does not reach target audience | 2 | Low | Low | Conduct focus groups to test messages and channels for delivery | Community forums continue to engage consumers in direct conversations about health system reform; Consumer marketing campaign being developed | Community forums scheduled for August, September and October; Consumer marketing campaign to go live in September and October. |
| Stakeholder participation wanes over time | 2 | Medium | Low | Provide regular progress reports so stakeholders know the impact of their contributions | Monthly progress included in SIM update at HCC meetings; cross-committee meeting to be held in November | Cross committee meeting scheduled for Nov. 1 |
| Stakeholders unable to deliver necessary data to produce scorecards | 5 | High | High | Prioritize options with greatest administrative simplicity | Consider delay in practice disaggregation until future release; continue engaging with payers to ensure data is delivered appropriately | Weekly calls with payers to ensure scorecard release is on track |
| Vendors unable to deliver HIT functionality on time | 4 | High | High | Establish strong vendor management practices including deliverables based contracts with intermediate milestones and oversight by the state | Establish bi-weekly calls between HCC and vendors to ensure project is on track and on time | Bi-weekly calls Next scorecard release set for October |

# WBS

| Vendor | Category of Expense | Primary Driver | Total Unrestricted Funding (obligated funds) | Metric Name | Carry Over Funds | Rate/ Unit Cost | Comments/ Notes | Total Payments (spent funds) |
|---|---|---|---|---|---|---|---|---|
| Concept Systems, Inc. | Contract | | $250,000 | | No | | Contracted state-led evaluator | $46,980 |
| ab+c Creative Intelligence | Contract | Driver 1 | $835,125 | | No | | Media and public relations firm supporting patient, consumer and stakeholder engagement as well as website maintenance and development | $218,525 |
| MedAllies | Contract | Driver 3 | $1,275,000 | | No | | Practice Transformation vendor | $51,000 |
| Remedy Healthcare | Contract | Driver 3 | $1,200,000 | | No | | Practice Transformation vendor | $89,000 |
| Medical Society of Delaware | Contract | Driver 3 | $1,200,000 | | No | | Practice Transformation vendor | $45,000 |
| New Jersey Academy of Family Physicians | Contract | Driver 3 | $1,200,000 | | No | | Practice Transformation vendor | $81,000 |
| Public Consulting Group | Contract | Driver 4 | $591,600 | | No | | Consulting services supporting Workforce & Education and Patient & Consumer Advisory | $109,440 |

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| | | | | | Committees as well as End of Life work | |
| McKinsey & Company | Contract | Driver 6 | $4,100,000 | No | Consulting support for Clinical/Delivery, Population Health, Health IT, and Payment workstreams as well as overall management support | $2,887,500 |
| Delaware Health Information Network | Contract | Driver 7 | $249,480 | No | Statewide Common Scorecard Version 2, Release 1 | $30,360 |