## BETTER VALUE for a HEALTHIER COMMONWEALTH

A Summary of Virginia's State Innovation Model Design





# ())*)*r MISSION

To work in partnership with multiple stakeholders to accelerate the adoption of value-driven models of wellness and health care throughout Virginia.

# Our VISION

The Virginia Center for Health Innovation is envisioned as a nonprofit, nonpartisan, consumer-centered, trustworthy vehicle for sparking health innovation in Virginia. The Center will advance the vision of Virginia as a national leader in individual health, community health, health care, and economic growth.

## **MESSAGE FROM THE PRESIDENT & CEO**



Better Value for a Healthier Commonwealth. This principle drives both the Virginia Center for Health Innovation (VCHI) and our recent work leading Virginia's State Innovation Model (SIM) design. The SIM design program is an initiative of the Centers for Medicare and Medicaid Services and provides financial and technical support to states for the development and testing of state-led, multi-payer health care payment and service delivery reforms. Through this program, VCHI is working to create opportunities to improve the value of health care in Virginia, where value is defined as the best possible health outcomes delivered as efficiently as possible.

As the only non-profit, non-state agency in the country to lead the development of a SIM design, VCHI is proving public-private collaboration works. We have brought together hundreds of stakeholders from all regions and constituencies to develop solutions to some of our most complex health care challenges. Specifically, we have forged strong partnerships to:



Build community collaboration, through the creation of accountable care communities, to identify regional population health priorities and the care models to address them



Align population health and clinical quality measures



Analyze data to reduce wasteful and potentially harmful medical tests and procedures



Better integrate primary, complex, behavioral and oral health care

We are proud of the incredible progress this collaboration has fostered. Aided by our online engagement platform, the Virginia Health Innovation Network, our work has garnered support and involvement from 700 organizational partners and more than **1,500** individuals. Our strength is in working with you to create real reform in Virginia, advancing the Commonwealth as a national leader in individual and community health, health care, and economic growth. To date, VCHI has partnered in raising more than **\$21M** to advance health reform initiatives.

How are we using these resources? Turn the page to learn more. Then join us at www.innovatevirginia.org. The State Innovation Model design is just the beginning.

We value our continued partnership with you.

Beth A. Bortz



Improve care transitions and reduce hospital readmissions



Strengthen the care coordination workforce



Prepare primary care for Virginia's emerging marketplace



Move health care payment from one that rewards the volume of health care services provided to one that rewards the value of care received



A Convener, A Connector, A Collaborator. The Virginia Center for Health Innovation (VCHI) was created in 2012 with funding and leadership from key industries invested in health care in Virginia. Purposefully structured with a multistakeholder Board of Directors, VCHI enjoys strong bi-partisan support from both the General Assembly and the Executive Mansion.



"With the diversity of its partners and its focus on advancing improved value in health care, VCHI is unique in its ability to transcend politics for the greater good. The SIM design process is a great example of how a public-private partnership can successfully foster positive change to a statewide system of care."

-SECRETARY WILLIAM A. HAZEL, JR., M.D.

**A Funding Priority for Many.** VCHI has been fortunate to earn the trust and financial support of **52** financial partners. These partners represent organizations that are public and private, small and large, and from all regions of the state, as well as from national organizations. They show their commitment with both active engagement and with financial support. They also stay engaged – with 87 percent of all donors making multiple year commitments.



### Securing Federal Dollars for Virginia.

"With over \$11 in new grants secured in collaboration with partner organizations for every \$1 the Commonwealth has invested, VCHI has proven to be a great investment for the General Assembly. Our grants team is top notch and manages to overcome the traditional turf issues that have plagued Virginia in the past. VCHI is willing to serve as the lead entity on a grant, as with the State Innovation Model design, but it is also willing to assist others when the fit is better. This was the case when it partnered with VCU, VHQC, and DBHDS. The results speak for themselves: \$19.98 M in federal grant dollars secured in the last two years to assist Virginia's health reform efforts."

-NANCY HOWELL AGEE, PRESIDENT AND CEO, CARILION CLINIC

Collective Impact. In just over three years, VHCI's leadership and culture of collaboration and transparency has helped bring **\$20** million in Federal grant dollars to Virginia

> \$2.6 M CMS State Innovation Models Lead: VCHI



Commonwealth of Virginia

Medical Society of Virginia

Pharmaceutical Research and Manufacturers of America

> Virginia Association of Health Plans

Virginia Chamber of Commerce

Virginia Health Care Foundation

Virginia Hospital & Healthcare Association

Virginians Improving Patient Care & Safety

\$5.8 M -----HHS Transforming Clinical Practice Lead: VHQC







## CONNECTING COMMUNTIES TO STATE PRIORITIES

All Health Care is Local. Recognizing that health care needs, resources, and opportunities vary considerably at the local level, a central component of Virginia's SIM design is the creation of regional Accountable Care Communities (ACCs) that understand the Commonwealth's population health priorities and then work to develop regional solutions.

With representatives from state and local government, health care providers, health plans, nonprofits, employers, housing agencies, schools, and consumers, ACCs are allowing public and private stakeholders to work together to achieve progress on Virginia's Plan for Well-Being and to advance the Triple Aim (better care, better health, and lower cost) in their locality.

Serving as the neutral convener, VCHI held three ACC meetings in each region during the SIM planning year and focused on bringing non-traditional partners together to share information and data. One common theme emerged – that it is time to acknowledge that to improve health outcomes, Virginia communities will need to address both health care, and perhaps more importantly, the social determinants of health.

*"Virginia aims to be the healthiest state in the country. At this time, with the metrics"* available, we find ourselves ranked in the middle. Much of this is due to significant disparities throughout the Commonwealth. The vision of the Virginia Plan for Well-Being is to improve health opportunities for individuals. To a large extent, factors such as where we live, the state of our environment, genetics, our income and education, and our relationships with friends and family all have considerable impact on our health. This means that doing better will require a very collaborative, regional approach."



During 2016, VCHI will develop a health asset inventory for each region and work with the Virginia Department of Health to develop scorecards that reflect regional performance on the core population health and clinical quality measures selected by the Lt. Governor's Roundtable on Quality, Payment Reform, and Health Information Technology.

837 community stakeholders engaged through the development of 5 regional Accountable Care Communities.



We Can't Pay for Value If We Can't Measure It. The Quality, Payment Reform, and HIT Roundtable, chaired by Lt. Governor Ralph S. Northam, MD, was tasked with developing a plan to better align statewide clinical quality measures, population health measures, and cost-related performance measures across all payers in Virginia and then to ensure that the IT infrastructure is in place to collect the necessary data for timely analysis and utilization. The group, made up of public and private payers, providers, government representatives, and community organizations defined the following vision and transformational goals for the Commonwealth:

By 2020, we will achieve measurable improvement in the health of Virginians and the value of health care they receive. We will achieve this through:

- disparities in indicators included in Virginia's Plan for Well-Being;
- coordinated community-based care: and.
- care spending associated with unnecessary or preventable utilization.

Beginning with the clinical quality measures, the Roundtable worked to narrow a list of **560** measures currently in use in Virginia to a recommended core set of **78** measures. These measures focus on three priority population goals: providing a strong start for children, reducing the emergence of rising risk adults, and aging well. They include 5 cross-cutting measures, as well as measures to assess tobacco, obesity, behavioral health, cancer, chronic lower respiratory disease, diabetes, and musculoskeletal conditions. Similarly, Virginia's accompanying Plan for Well-Being identifies a core set of 24 population health measures that align with the recommended clinical quality measures. The Roundtable is now working to finish its IT infrastructure assessment to determine its ability to track these agreed upon measures in a meaningful, timely way. This is a necessary step if Virginia is to ultimately move to a system that rewards the value of services provided over the volume of care delivered.



"The move to value-based payment is so important because it sets us up to decrease health-related costs while improving patient outcomes, ultimately improving the value of health care in the Commonwealth. Paying for value requires measuring value. So the first step is to start with the measures and make certain we select a core set that is both meaningful and accessible. Health care providers want to be able to assess their performance, but 560 measures are simply too many to track and move the needle on. Our job is to work with the payer community to encourage better alignment."

-LT. GOVERNOR RALPH S. NORTHAM, M.D.

# ALIGNING POPULATION HEALTH AND CLINICAL QUALITY METRICS

1. Improvement in population health, with a focus on improving the social determinants of health and reducing

2. Improvement in health care system performance, with a focus on improving access to high quality,

3. Improvement in the health care marketplace, by rewarding providers for high value care and reducing health



Ensuring Patients Make It Safely From One Place of Care to Another. As part of the SIM design process. VCHI engaged providers and community partners across the care continuum in designing and implementing integrated delivery models in three priority areas: integrated behavioral health and primary care, integrated oral health and primary care, and complex care programs that provide person-centered, integrated care to super-utilizers. The groups developed 29 recommended care models, which can now be further refined for specific communities as seed funding becomes available. Descriptions of each of the 29 models can be found on the Virginia Health Innovation Network in the Integrated Care community: www.innovatevirginia.org.

VCHI also explored how Virginia can replicate and enhance existing models of care that have shown demonstrated success in improving patient outcomes. Two examples of these exceptional models include:

### The Eastern Virginia Care Transitions Partnership (EVCTP)

Funded through a Centers for Medicare and Medicaid Innovation Care Transitions Initiative (CTI) grant, the Eastern Virginia Care Transitions Partnership uses the Coleman Model to effectively improve health care, health outcomes, and patient satisfaction while also reducing unnecessary 30-day hospital readmissions and health care costs for older adults. The model assigns high-risk patients a care manager, who visits them in the home and works to empower them to take charge of their own health care. The results in just over two years have been remarkable.



"Compared to a national baseline readmission rate of 18.2%, EVCTP has reduced its readmission rate to 8.6%, while the national rate is now at 14.8%. This means 2,176 avoided hospital readmissions for EVCTP partners, at a projected savings of \$9,600 per avoided readmission, for a total projected savings of \$20.8 M in 27 months. Just imagine the care advances and savings if we could implement this program across all of Virginia's regions."

-COMMISSIONER JAMES ROTHROCK VIRGINIA DEPARTMENT OF AGING AND REHABILITATIVE SERVICES

EVCTP is using SIM planning funds to explore CTI enhancements identified as critical-- improved advanced care planning. behavioral health support, chronic disease self-management, medication management, fall prevention, patient activation, and the use of telehealth--while also solidifying its payment mechanism with selected managed care organizations and accountable care organizations. EVCTP is also developing a plan to replicate this model across the Commonwealth in partnership with Virginia's hospitals and area agencies on aging (AAAs). Through the SIM grant, it has assessed Virginia's AAAs for readiness for participation and developed a work plan to assist the AAAs in the next steps of preparation. Training already underway has addressed staffing, contracting, necessary IT infrastructure, and insurance and legal requirements.

### The University of Virginia Center for Telehealth

UVA's Center for Telehealth has proven the value of telehealth programs to fill gaps in care coordination for chronic or complex conditions, as well as access to high-risk obstetrical care. For example, a recent UVA demonstration project that spanned three years and provided care to 467 patients showed that when compared to a traditional referral clinic for high-risk pregnant women living in rural communities, telemedicine was associated with:

- An increase in average prenatal visits from 5.26 to 6.46 visits;
- 162,126 miles in travel saved;
- Reduced mean neonatal intensive care unit days: 13.42 vs. 22.11
- Higher mean birth weight: 3226 grams vs. 3137 grams

The challenge is creating a payment model that will make telehealth a viable, sustainable solution. As part of the SIM design, the UVA team has put together plans for a potential expansion of its teleheath and remote patient care monitoring models and is developing accompanying payment models.



Getting the Right Care at the Right Time. Health care is complex. Perhaps the greatest challenge patients face is navigating the seemingly endless maze of providers and payers to get the care they need when they need it. The solution is care coordination. Recognizing the importance of care integration-- especially the integration of behavioral health care and physical health care -- Virginia's SIM plan is strengthening the Commonwealth's care coordination workforce by advancing the following four strategies:

- model training requirements.



"Effective care management requires a team approach, where all health care professionals work together to ensure care is timely, evidenced-based, and patientcentered. To do this well requires new skills and new team members. At VCU, we 📥 have been delighted to work with VCHI to identify where our care management needs are and to develop training programs to address these needs. With our SIM support, we have been able to develop two new certificate programs and an online transformational leadership course for all health professionals."

-ALAN DOW, ASSISTANT VICE PRESIDENT OF HEALTH SCIENCES FOR INTERPROFESSIONAL EDUCATION AND COLLABORATIVE CARE, VCU

• A decrease in the percentage of patients who missed one or more prenatal visits from 57.1% to 21.3%;

• Establishing care coordination and health coaching certificate programs for interested health professionals; • Increasing the number of psychiatric nurse practitioners through an expansion of current training programs; • Establishing an online course in transformation leadership for all health professionals; and,

• Advancing community health workers from a reliance on grant funded positions to reimbursable health care providers by developing a credentialing process that defines their scope of practice, core competencies, and



Not All Medical Treatments and Tests are Necessary and at Times Can Be Harmful. More may not be better, especially when it involves increased risk for the patient.

With leadership from the physician community, this is the impetus behind Choosing Wisely® -- an initiative of the American Board of Internal Medicine Foundation designed to help health care providers and patients engage in conversations about the overuse of tests and procedures and to support provider efforts to help patients make smart and effective care choices.

In Virginia, VCHI is taking this national model one important step further, by employing data analytics to determine how many unnecessary and potentially harmful tests and procedures are taking place and to estimate the potential for improving utilization and controlling costs. Using data from Virginia's All Payer Claims Database, VCHI is working with Virginia Health Information, Milliman, and the University of Michigan's Center for Value-Based Insurance Design to employ a "Health Waste Calculator" on Virginia's claims data to identify which tests and procedures are generating the most waste in our state and then to design a multi-tiered educational approach to lessen our unnecessary utilization and risk.



VCHI plans to make educational resources available to Virginia's health systems and medical practices in 2017, and will find opportunities to educate patients on how to make the most informed decisions regarding medical procedures and testing.



"Data and transparency are essential if we are to make better choices in health care. "Choosing Wisely® and the Health Waste Calculator have the potential to assist us in our efforts to provide consumers with better value and better health. In our early analysis, looking at just five tests and procedures in one year, conservative estimates topped \$116 M in waste. This is low-hanging fruit that we need to address."



Restoring the Joy in Primary Care. Making the successful transition to a health care marketplace that financially rewards the value of services provided requires some heavy lifting from Virginia's primary care providers, many of whom are already overburdened and financially challenged.

VCHI identified primary care transformation as a priority for its SIM planning effort and during 2015 was successful in partnering with Virginia Commonwealth University to secure **\$10.6** million in funding from the Agency for Healthcare Research and Quality to engage **300** Virginia primary care practices in practice transformation and a statewide learning collaborative.

The initiative, known as EvidenceNow: Heart of Virginia Healthcare is designed to restore the joy in primary care through personalized coaching and consultation. It aims to transform health care delivery by building critical infrastructure to help smaller primary care practices, which often do not have the internal resources for quality improvement and to apply the latest medical research to the care they provide. Practices participating in the initiative will experience:

- of care and enhancing the practice's reputation for excellence in cardiovascular disease prevention;
- Improved ability to do continuous quality improvement, resulting in better measures of quality • Improved patient, staff, and clinician satisfaction:
- Ongoing integration of evidence derived from patient-centered outcomes research; and
- Ongoing sharing of ideas and best practices as part of a learning collaborative.

The initiative will run from 2015-2017 and should impact more than **900** primary care providers.

- DELEGATE JOHN O'BANNON, M.D.

# PREPARING PRIMARY CARE FOR VIRGINIA'S EMERGING MARKETPLACE



• More time caring for patients and less time on administration and data entry;

MOVING PAYMENT FROM VOLUME TO VALUE

Fixing the Way We Pay for Health Care. With a mission to "accelerate the adoption of value-drive models of wellness and health care," VCHI's top priority in working on the SIM design is to advance payment reform which moves our system from one that rewards the volume of services provided to one that rewards the value of health outcomes. This type of change requires considerable investment in infrastructure to support increased sophistication in defining and measuring value.

To advance this aim, an important element of Virginia's SIM design work is the planning, analysis and development of a Delivery System Reform Incentive Payment (DSRIP) Medicaid waiver. DSRIP waivers are significant in scope and provide financial incentives to achieve delivery system reforms through:

- Infrastructure Development
- System Redesign
- Clinical Outcome Improvements
- Population-Focused Improvements

DSRIP waivers are at the discretionary approval of the Centers for Medicare & Medicaid Services. They are performancebased incentive programs, requiring significant effort on behalf of the state, and its partners, to achieve the objectives stated in the waiver application. DSRIP waivers are often five-year demonstrations, with identified milestones that must be achieved in order for the state to drawn down enhanced funding and financial incentives.

VCHI is working with the Virginia Department of Medical Assistance Services (DMAS) to develop a DSRIP Waiver to support 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. It will do this through four transformational steps:



It is important to understand that DSRIP funding may not be used to cover services or new populations. It must be focused on transforming care for the existing Medicaid population. Virginia will use DSRIP funding to transform the current system, so that Medicaid providers are financially incentivized to deliver care in a way that results in healthier person-centered outcomes. As a result, Virginia's rate of Medicaid spending will slow down.

VCHI has supported DMAS in its waiver development by using SIM funds to hire nationally recognized consultants to analyze and develop state and federal financing options for DSRIP based on guidance received through ongoing collaboration and input from CMS. In addition, VCHI has hired PriceWaterhouseCoopers (PWC) to build the actuarial models to estimate the downstream federal and state Medicaid cost savings that will help determine the amount of upfront funding Virginia could receive under a DSRIP.

If approved, a DSRIP waiver will potentially fund the implementation of several elements of Virginia's SIM design, supporting integrated care models that impact the Medicaid population and ensuring long-term sustainability.



## Join the Virginia Health Innovation Network

The Virginia Health Innovation Network (VHIN), VCHI's first signature initiative, has served as the great connector throughout this collaborative process. VHIN is a dynamic online forum for individuals interested in learning about health innovation; connecting with colleagues across the state; and sharing information, ideas, and innovations with the ultimate goal of spreading value-driven models of healthcare and wellness in Virginia. The VHIN's 1500+ members represent healthcare, business, government, higher education, consumer, and philanthropic interests.



**Connect with colleagues** and share your expertise. www.InnovateVirginia.org

### **Contribute Information** to VCHI's Asset Inventory

Our staff is developing a Commonwealth Asset Inventory to catalog and map projects and collaborations already underway or in development across Virginia.



To contribute to the inventory, please contact us: info@vahealthinnovation.org



### Learn More

Access our webinar library and innovation database on the Network.

- Plan for Well-Being
- Care Transitions
- Health Workforce Enrichment
- Choosing Wisely and the All-Payer Claims Database

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