

Healthy Connections Value Care

Reg IV SHIP Regional Collaborative
Oct. 2, 2018



Healthy Connections Value Care

- Medicaid is launching two value-based payment models through our Healthy Connections Value Care (HCVC) transformation program
- Both programs are organized around a total cost of care financial model that incorporates quality metrics to ensure improved outcomes
- Through these programs we expect to control Medicaid costs by financially rewarding providers and organizations that deliver measurably better care to our participants.

2019 Medicaid Program Goals:

- Change the Economics of Healthcare: *Pay for Value*
- Reduce Growth in Spending
- Improve Access & Quality
- Shared Savings moving to Shared Risk
- Community Involvement Through Local Advisory Groups
- Create a Partnership between Medicaid, provider and patient to improve the patient's health and quality of life

Two Programs Launching July 1, 2019

Both are Voluntary

- **Healthy Connections Track 1: Shared Savings**
Statewide Launch
5% shared-savings opportunity
For organizations with 1,000 or more Medicaid members
- **Healthy Connections Track 2: Shared Savings & Shared Risk**
SW Idaho Only
15% shared-savings opportunity, but must share in losses
For organizations with 10,000 or more Medicaid Members
- Value Care Organizations (VCO) required to meet minimum quality performance standard to qualify for shared savings

Episode Payment Program to launch late 2019 / early 2020

For specialists and other providers who deliver discrete episodes of high-cost care ₄

Healthy Connections Value Care Program Basics

- HC Program current attribution model to a primary care provider
- VCO Contracting
 - Base Agreement
 - Track 1- Addendum - Shared Savings
 - Track 2 – Addendum - Shared Savings/Shared Risk
- HC PCP chooses one of the following:
 - Track 1 – Shared Savings
 - Track 2 – Shared Savings/Risk
 - Remain fee-for-service

Healthy Connections Value Care Shared Savings Formula

	Clinic #1 1,000 Members	Clinic #2 4,000 Members	ACO 10,500 Members
VCO Target PMPM	\$250.00	\$250.00	\$250.00
VCO Actual Spend PMPM	\$240.00	\$230.00	\$230.00
Savings	\$10.00	\$20.00	\$20.00
(-) 10% State	\$9.00	\$18.00	\$18.00
Limit 5% or 15% Actual Spend PMPM	\$12.00	\$11.50	\$34.50
(-) 5% Community Reinvestment	\$8.55	\$10.92	\$17.10
Monthly Set-Aside for CHOICe	\$0.45	\$0.58	\$0.90
Annual CHOICe contribution (Savings x Members x 12 months)	\$5,400	\$27,840	\$113,400
Annual VCO Savings (Savings x Members x 12 months)	\$102,600	\$524,640	2,154,600

How to Engage the Full Community?

DHW will establish two advisory groups in each region:

- **Regional Care Collaboratives**
Medical providers who hold value-care contracts
- **CHOICe** (Community Health Outcome Improvement Coalition)
Community stakeholders needed to bridge the gap between healthcare delivery systems and community needs

Healthy Connections Value Care Regional Care Collaboratives

- Role: Accountable for identifying healthcare needs across the region and seeking collaborations to improve cost, quality, utilization and data sharing.
 - An RCC group will be established in value care regions that include Track 2 organizations
 - RCC is non-governing and has no formal legal structure
 - Participation in RCC is mandatory per contract with Medicaid
 - A venue for Medicaid providers to raise concerns and recommend potential solutions to the regional medical delivery system
 - DHW will facilitate the meeting, manage the agenda and establish topics for discussion

Healthy Connections Value Care CHOICe

- Role: Accountable for identifying opportunities to improve health and wellness, create health equity and address the social determinants of health in their communities.
 - A CHOICe group consisting of 9 – 13 voting members will be established in each of the 4 value care regions
 - Accountable to convene a broad group of community stakeholders within the region
 - CHOICe is non-governing and has no formal legal structure
 - VCOs will be required to provide a portion of shared savings (5%) to support community advisory group recommendations and community investments in sustainability
 - Provides advisory support to both RCC and Medicaid
 - DHW will manage the agenda and facilitate the meeting

“Medical” System

Hospitals

Primary
Care

Behavioral
Health

Labs

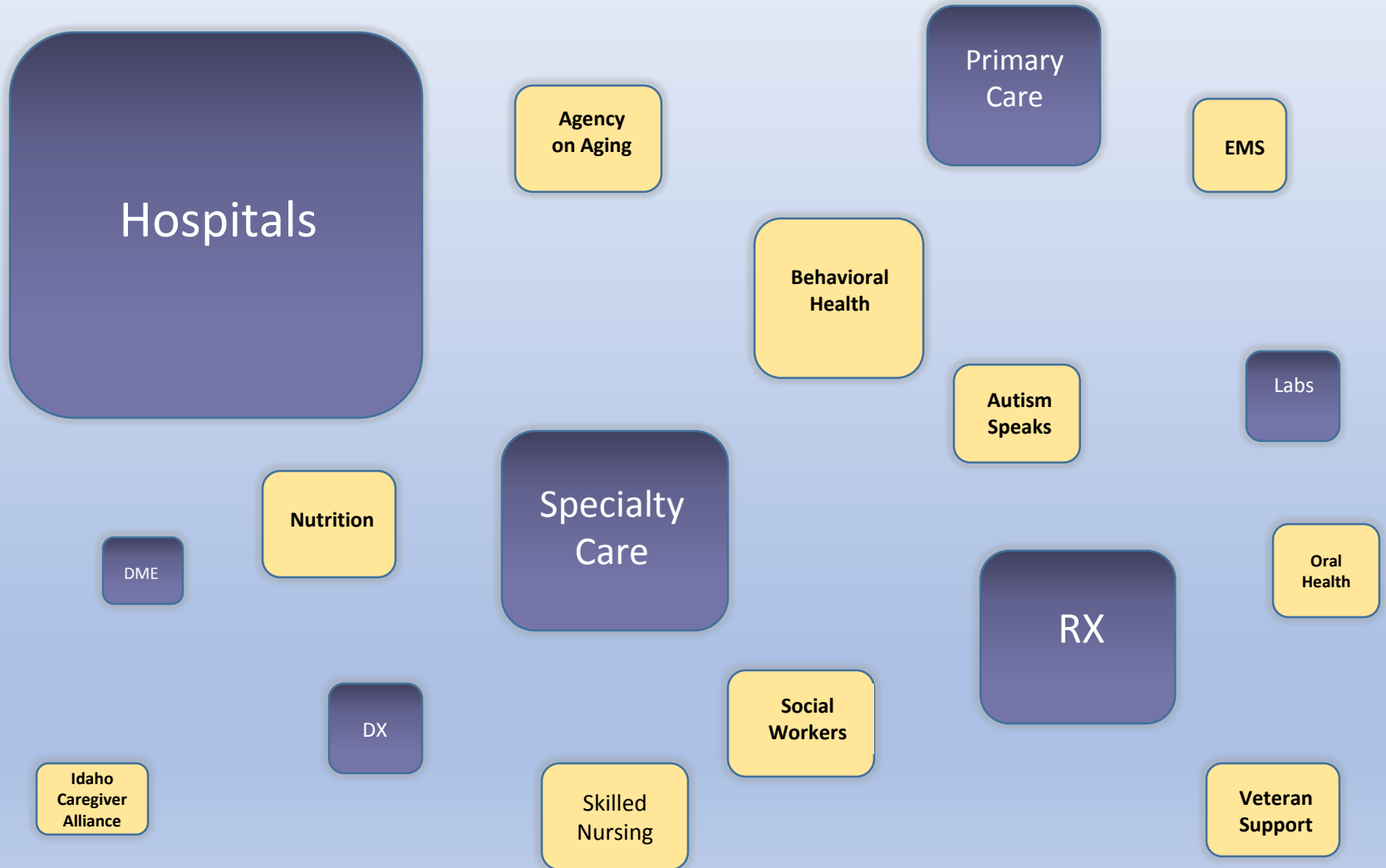
Specialty
Care

DME

RX

DX

Full Community System



How Does This Change Anything?

- CHOICe & RCC - Sustain and support expansion of SHIP Regional Medical Neighborhoods (Goal 3)
- Supports transition away from fee-for-service medicine
- Encourages innovation
- Providers are no longer harmed when costs are reduced
- Shared Savings moving to Shared Risk

Target Dates:

Southwest Idaho:

- *10/11/18: Town Hall Meeting*

Time: 4:00 p.m.

Location: 720 Park Boulevard, Washington Group Plaza,
Main Auditorium, Boise

- *12/15/18 Track 1 Contracting Deadline*
- *1/1/19 Track 2 Contracting Deadline*

North, Central & East Idaho:

- *January 2019 : Town Hall Meetings*
- *3/1/19: Contracting Deadline (Shared Savings Only)*

Go Live:

- *July 2019*

Questions
