FEDERAL STATE DISCOURSE TO PROMOTE A HIGH PERFORMANCE HEALTH SYSTEM

Supported by The Commonwealth Fund

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The Project

Advisory Committee

- Composed of high-level federal and state officials, as well as key private partners
- Guides project planning and implementation through a series of planning calls
- Provides input on meeting agenda, models highlighted, and meeting participants

Federal-State Discourse Meetings

- Four meetings on issues ripe for federal-state discussion
- Opening presentations on key models
- Facilitated discussion

Dissemination

- Background slides will be posted to the web
- Issue briefs capturing lessons learned from meetings
- Blog post
- Two national webinars
- NASHP conference session

A Federal State Discourse on Building an Equitable Health Care Delivery System

Background Material For Meeting

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The Imperative to Advance Health Equity

- Health outcomes and status vary across geographic, racial, ethnic, and socioeconomic lines
  - Different populations facing varied social determinants of health have persistently experience a range of different health outcomes, and a 2002 Institute of Medicine report found "minorities are less likely than whites to receive needed medical services, including clinically necessary procedures"
- Health inequities impact life expectancy and quality of life, with disadvantaged populations bearing a greater burden of chronic disease
  - Racial and ethnic minorities experience a higher prevalence of chronic diseases like diabetes. In addition, according to the CDC, life expectancy for non-Hispanic whites in 2011 was 78.8 years, while for African Americans it was 75.3 years.
- Health inequities cost the health care system billions of dollars each year
  - One study estimated that racial and ethnic health care disparities cost the health care system $23.9 billion due to higher rates of chronic illness and lack of preventive care among minority populations
- Delivery system reforms containing costs and improving quality can particularly benefit disadvantaged populations, and states can be major drivers of delivery system reform
  - State Medicaid programs control hundreds of billions of dollars in health spending and Medicaid enrollees are disproportionately low-income and racial/ethnic minorities
  - In 2009, 85% of public health spending derived from state and local funds

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States are in the Midst of Ongoing System Transformation

New Payment Designs

- Prevalent fee-for-service reimbursement model has well-known deficiencies
  - Incentivizes service volume
  - Disconnected from the value of services provided
  - Encourages fragmentation of care delivery
- Payers turning to payment models that reward value
  - E.g., shared savings, episode-based payment, and global payments linked to performance on quality indicators

Facilitating

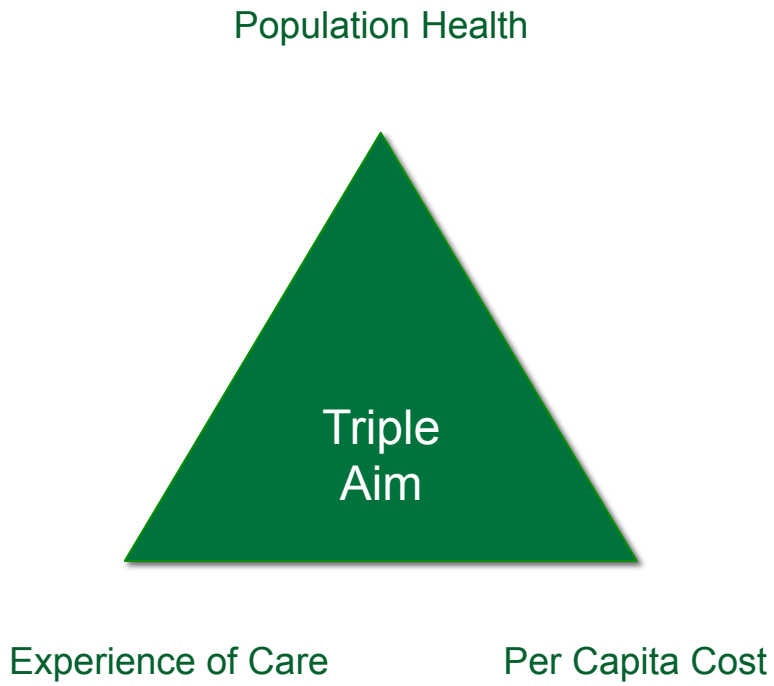
New Delivery Models

- Re-organizing care delivery to promote efficiency, quality
  - Linking payment to value, performance instead of service volume gives providers latitude to redesign care processes
- Encouraging teamwork, linking disparate providers and resources in communities
  - New models can help bridge a range of physical, behavioral, and social supports to meet the needs of communities

Situating Equity within the Triple Aim

Ensuring improved population health and experiences of care benefit all requires a health care system that is equitable.

"Equitable: providing care that does not vary in quality because of personal characteristics such as gender, ethnicity, geographic location, and socioeconomic status." – Institute of Medicine



Institute of Medicine. "Cross the Quality Chasm: A New Health System for the 21st Century." March 2001. http://www.iom.edu/~/media/Files/Report%20Files/2001/Crossing-the-Quality-Chasm/Quality%20Chasm%202001%20%20report%20brief.pdf

Institute for Health Improvement. "The IHI Triple Aim." http://www.ihi.org/Engage/Initiatives/TripleAim/Pages/default.aspx

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Strategies and Levers for Promoting Health Equity through Delivery System Reform

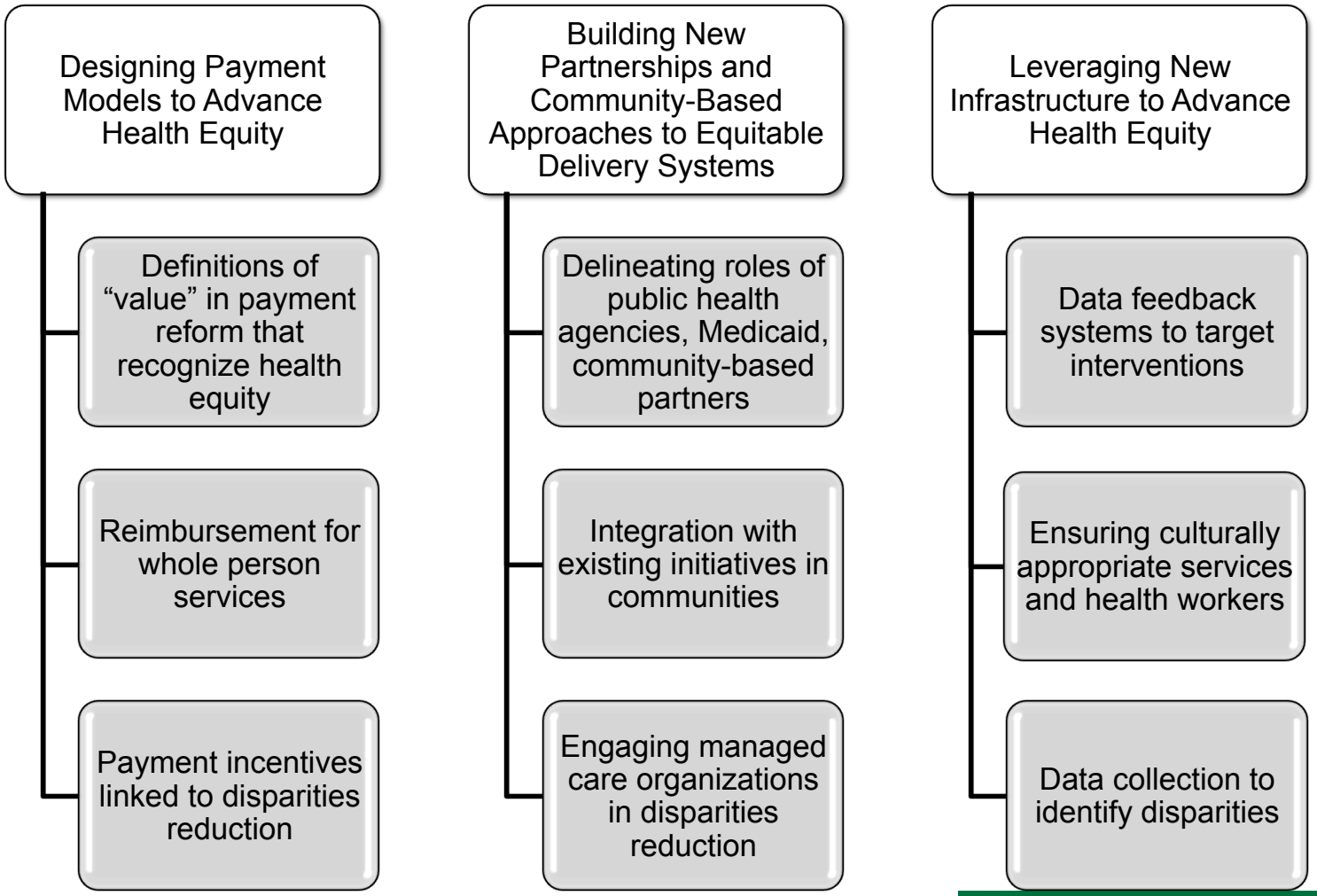
Financing strategies

- Link reimbursement to high-value service delivery, where "value" includes recognition of equitable care delivery and outcomes
- Pay for referrals and other connections to community and social supports
- Make new payment incentives (e.g., shared savings) contingent upon meeting health equity goals
- Incorporate health equity targets/goals (e.g., around data collection, provider training, or health outcomes) into managed care contracting relationships

Delivery models

- Promote training and recruitment efforts of community health workers and others who can support community-based delivery models
- Leverage new data collection systems to target underserved populations
- Incorporate representation, perspectives from diverse populations in community health planning processes
- Implement new delivery models in safety net settings and for diverse communities

Components of Successful Delivery Reform Strategies with an Impact on Health Equity



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Current State Models Impacting Health Equity

State	Model	Description
California	Delivery System Reform Incentives Program (DSRIP)	Incentive funds for public hospital systems to form integrated systems of care, including leveraging data collection to support equity goals
Hawaii	Office of Health Equity	Hawaii's Office of Health Equity offers a number of resources, including health equity trainings for providers and staff, bilingual health services, and sample contract language on health equity for use in RFPs and other documents.
Louisiana	Best Babies Zone	The Louisiana Medicaid agency is using pay-for-performance to partner with the New Orleans Health Department and the private sector to address social determinants of health and reduce infant mortality and racial disparities in birth outcomes.
Maryland	Health Enterprise Zones (HEZs) and State Health Improvement Process (SHIP)	Under the SHIP, Local Health Improvement Coalitions bring together local stakeholders to identify community needs and develop plans to address them. Five designated HEZs have been targeted for health disparities reduction. The state's Office of Minority Health and Health Disparities is involved in providing consultation in implementing these models.

Current State Models Impacting Health Equity

State	Model	Description
Massachusetts	Measuring disparities and building Community Health Worker capacity	MassHealth collects data on enrollee race, ethnicity, and primary language, and MCO contracts must report data by sub-population. Acute hospitals are required to report on a health disparities measure, and a MassHealth Hospital Pay-for-Performance Program rewards hospitals for reducing disparities.
Minnesota	Integrated Health Partnerships	Medicaid ACOs assume responsibility for cost/quality of services delivered to their entire patient population, with attention paid to age, gender, race/ethnicity, and the diagnoses/conditions of highest prevalence. Performance measures must applicable to the population and community served by the ACO.
New Mexico	Community Health Workers (CHWs) in Medicaid managed care	Contract language in New Mexico's Centennial Care (Medicaid managed care) program requires MCOs to encourage the use of CHWs in engaging Medicaid beneficiaries in care coordination activities. Contracts also require the use of CHWs to: offer translation/interpretation services; provide culturally appropriate health education and counseling; and help Medicaid beneficiaries navigate the system and obtain services.

Current State Models Impacting Health Equity

State	Model	Description
New York	Delivery System Reform Incentive Payment (DSRIP) Program	Medicaid providers are organized into ACO-like structures that collectively implement 5-10 quality improvement projects designed to create regional integrated delivery systems able to accept value-based payments for attributed populations.
Ohio	Managed care contracting and patient-centered medical home	Medicaid managed care contract language requires MCOs to participate in and support the Ohio Department of Medicaid's efforts to eliminate health disparities. MCOs must participate in a Health Equity Workgroup. The Ohio Department of Health's medical home program also targets vulnerable populations, including racial/ethnic minorities.
Oklahoma	Million Hearts	Oklahoma Foundation for Medical Quality has partnered with multiple agencies including local government officials, businesses, Native American tribes and others to improve the cardiovascular health of Oklahomans.
Oregon	Coordinated Care Organizations (CCOs)	CCOs are required to incorporate health equity promoting elements into delivery system transformation plans. This includes addressing enrollees' cultural, health literacy, and linguistic needs; maintaining provider networks able to meet culturally diverse community needs; and incorporating disparities reduction into quality improvement.

Federal Payment and Delivery System Reform Initiatives that can Impact Health Equity

CMS Innovation Center Health Care Innovation Awards	Grants from the CMS Innovation Center to support payment and delivery system reforms; submissions were judged based on whether "the proposed model effectively targets the intended population including health disparities and underserved populations as applicable"
CMS Medicare Shared Savings Program	Medicare is fostering the formation of accountable care organizations (ACOs) that are accountable for cost and quality outcomes for enrollees. ACOs are pursuing new levels of clinical integration, information sharing, and population health management that can help to address health disparities.
CMS Innovation Center's State Innovation Models Initiative	The Center for Medicare & Medicaid Innovation is providing states with grants to support the design and testing of state-based models for multi-payer payment and delivery system reform. Population health is a focus of state delivery system transformation efforts.
Medicaid Health Homes	New Medicaid State Plan Option to create Health Homes for Medicaid beneficiaries with chronic conditions. Health Homes providers will integrate and coordinate all primary, acute, behavioral health, and long-term services and supports to treat the whole person.

Federal Initiatives Advancing Health Equity that can be Incorporated into Delivery System Reform

IRS Community Health Needs Assessments	Under the ACA, every 3 years nonprofit hospitals must work with stakeholders in the community to complete an assessment of priority health needs, along with an implementation plan to address them. These assessments can be a vehicle for identifying and targeting health disparities in the community.
HHS Workforce Diversity	HHS has awarded grants to expand educational opportunities in nursing for students with disadvantaged backgrounds, including racial and ethnic minorities
CDC Healthy Communities Program	CDC is working to prevent chronic diseases and promote health equity by providing funding, tools, training, and technical assistance to communities implementing chronic disease prevention programs.
HHS Data Collection Standards	The ACA requires HHS-sponsored health surveys to collect standardized information on race, ethnicity, sex, primary language, and disability status.

Federal Initiatives Advancing Health Equity that can be Incorporated into Delivery System Reform

CDC Community Transformation Grants	The CDC is providing grants to state and local government agencies, nonprofit organizations, and communities to support community-based initiatives to prevent chronic disease and improve the health of communities.
HHS Office of Minority Health (OMH) National Partnership for Action to End Health Disparities	OMH convened a National Leadership Summit for Eliminating Racial and Ethnic Disparities in Health to launch a "nationwide, comprehensive, community-driven, and sustained approach to combating health disparities." This resulted in a *National Stakeholder Strategy for Achieving Health Equity* and the *HHS Action Plan to Reduce Racial and Ethnic Health Disparities*.

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Meeting Format

- An opening presentation will provide background and help set the themes for the day
- Three sessions then comprising a day-long meeting
  - Each session will begin with brief presentations on design features of promising models
  - Suggested session topics:
    1. Designing Payment Models to Advance Health Equity
    2. Building New Partnerships and Community-Based Approaches to Equitable Delivery Systems
    3. Leveraging New Infrastructure to Advance Health Equity
  - Federal and state reactors will kick off the discussion among meeting participants
- Conclude with "Next Steps" discussion: ways the states, federal government can move forward

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Session 1: Designing Payment Models to Advance Health Equity

- Which federal opportunities (grants, waivers, Medicaid State Plan Options) can states leverage to financially support new delivery models that seek to promote health equity?
- What are the barriers to designing or implementing payment or delivery system models that advance equity? Which delivery models show the most promise for reducing disparities and how can they be financed?
- What do federal partners need to know about state programs, delivery system reform goals, and health disparities reduction strategies to develop federal programs that support or align with state activities?
- How can states and federal partners work together to promote the incorporation of equity considerations into definitions of "value" for value-based purchasing initiatives? What opportunities exist to structure payment incentives that encourage reductions in health disparities?
- What design features of and implementation challenges for new payment models must the federal government and states consider to ensure new models do not exacerbate health inequities?

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Session 2: Building New Partnerships and Community-Based Approaches to Equitable Delivery Systems

- What are the barriers to aligning initiatives across public health and Medicaid agencies at the federal and state levels?
- What are the respective strengths and roles of public health authorities, Medicaid agencies, and federal agencies in leveraging delivery system reforms to advance health equity?
- How can new models of payment and health care delivery be integrated with existing community-based initiatives to reach underserved areas and reduce health disparities? What new partnerships are needed to support this?
- What is the role of the consumer in driving delivery reform and what new partnerships are needed to support this?
- What steps can policymakers take to promote a comprehensive approach to reduction of health inequities and delivery system reform at the community level?
- What strategies can policymakers use to ensure managed care organizations are engaged in promoting health equity?

Session 3: Leveraging New Infrastructure to Advance Health Equity

- Which federal opportunities for infrastructure (e.g., data systems or health care workforce) development can states leverage to promote health equity?
- What other systems or infrastructure must be incorporated into delivery system reform initiatives to ensure that health equity is being addressed?
- What can federal partners do to align federal data strategies with state-based efforts to use data to target health disparities?
- How can the federal government and states ensure that unequal adoption new infrastructure (e.g., health information technology) in underserved areas is not exacerbating health inequities?
- How are the federal government and states supporting paraprofessionals, community health workers, and others that can facilitate community-based service provision in underserved areas and engage beneficiaries? Can these efforts be more closely aligned?

Key Resources

Carrie Hanlon and Brittany Giles. “State Policymakers’ Guide for Advancing Health Equity Through Health Reform Implementation.” (Portland, ME: NASHP, August 2012). http://www.nashp.org/publication/state-policymakers-guide-advancing-health-equity-through-health-reform-implementation

“Health Centers and Payment Reform: A Primer.” (Washington, D.C.: National Association of Community Health Centers, October 2013). http://www.nachc.com/client/Health%20Centers%20and%20Payment%20Reform.pdf

Kevin Fischella. “Health Care Reform and Equity: Promise, Pitfalls, and Prescriptions.” January 2011; *Ann Fam Med* 9(1):78-84. http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3022050/

U.S. Department of Health and Human Services. “HHS Action Plan to Reduce Racial and Ethnic Disparities: A Nation Free of Disparities in Health and Health Care.” (Washington, D.C.: U.S. Department of Health and Human Services, April 2011). http://www.minorityhealth.hhs.gov/npa/templates/content.aspx?lvl=1&lvlid=33&ID=285

Dennis Andrulis, Maria Cooper, Nadia Siddiqui and Lauren Jahnke. “The Affordable Care Act Racial and Ethnic Equity Series: Report No. 4 Public Health and Prevention Programs Advancing Health Equity”. (Texas Health Institute, November 2014). http://www.texashealthinstitute.org/health-care-reform.html