

VT Health Care Innovation Project Core Team Meeting Minutes

December 9, 2013 1:30-4:00 p.m.
3rd Floor Conference Room, DFR, 89 Main Street, Montpelier

Attendees: Anya Rader Wallack, Paul Bengtson, Al Gobeille, Mark Larson, Robin Lunge, Doug Racine (joined at 1:35), Steve Voigt (via phone), Susan Wehry (joined at 1:35).

Others Present and Participating:

Georgia Maheras, Project Director, AOA; Allan Ramsay, Spenser Weppler, Ena Backus, Kara Suter, Diane Cummings, Kate Jones, Bea Grause, Anna Bassford, Richard Slusky, Steve Maier, Nelson LaMothe, George Sales.

Agenda Item	Discussion	Next Steps
1 Welcome and Chair's report	<u>Document Att 1. Timeline of Expected Core Team Decisions:</u> The chair's report included: a timeline of major Core Team activities. Additionally the pending Duals MOU decision.	
2 Approval of Meeting Minutes	<u>Documents Att 2a, 2b, 2c:</u> Approval of meeting minutes from September 10th, October 14th and November 18 th .	
	The Core Team approved the meeting minutes. Motion made by Paul Bengtson and seconded by Al Gobeille. All approved. Doug Racine and Susan Wehry were absent for this vote, and joined the meeting for Agenda item #3.	
3 Continued discussion of decision making	<u>Documents 3a, 3b:</u> Anya Rader Wallack reviewed the decision making chart which reflects the flow of Work Group funding decisions and policy recommendations to the Steering Committee, and on to the Core Team. The Core Team makes all funding decisions for the SIM Grant, and	Anya will make adjustments to AI's slides based on the

Agenda Item	Discussion	Next Steps
	<p>1. Approved the carry forward proposal for expenditures in Year 1 for: Project Management, Grant Program Expansion, and Stakeholder Engagement. Motion made by Mark Larson to approve the carry forward spending and seconded by Al Gobeille. All approved except Doug Racine who was absent from the room.</p> <p>2. The Core Team approved reallocating funding in the Year 1 budget to support fielding a patient experience survey. Motion made by Mark Larson to approve the carry forward spending and seconded by Al Gobeille. All approved except Doug Racine who was absent from the room.</p>	<p>at the next CT meeting.</p>
<p>6 Discussion and potential decision on provider Grant Program</p>	<p>Document Att 6a, 6b: Anya Rader Wallack reviewed the revised draft criteria for the Provider Grant Program. Several points were raised in the discussion including:</p> <ul style="list-style-type: none"> • Should the money be front loaded, perhaps within the first year and a half of the grant? • Should there be some kind of criteria for determining allocation across provider entities. • There should be some criteria for measuring equity/need and a weighted point system for scoring applicants. • How could this interfere with Work Group funding? HIE specifically. • Will there be a limit or cap, perhaps a percentage of the total, some kind of scaling should be considered. • Oregon has a similar program that is linked to the number of patients. <p>Anya will work with Georgia to propose methods for scoring, allocating/capping funds, with a limit of one grant per provider.</p> <p>Motion to submit the Grant Program to CMMI for approval and release draft criteria to stakeholders made by Paul Bengtson, seconded by Mark Larson with all approving.</p>	<p>Georgia to revise criteria to reflect the Core Team's suggestions. This draft will then be submitted, along with application materials, to CMMI for approval.</p> <p>Georgia will develop additional materials for discussion at the CT meeting in January including methods for scoring and allocation of funding proposal.</p>
<p>7 Public Comment</p>	<p>Public Comment</p> <p>Anya noted that we need to allow public comment on all agenda items not just at the end after votes have been made.</p>	

***VT Health Care Innovation Project
Core Team Meeting Agenda***

December 9, 2013 1:30-4:00 p.m.
3rd Floor Large Conference Room, DFR, 89 Main Street, Montpelier
Call-In Number: 1-877-273-4202; Passcode: 8155970

Item #	Time Frame	Topic	Presenter	Relevant Attachments
1	1:00-1:15	Welcome and Chair's Report	Anya Rader Wallack	Attachment 1: Timeline of major Core Team activities and decisions
Core Team Processes and Procedures				
2	1:15-1:20	Approval of meeting minutes	Anya Rader Wallack	Attachment 2a: September 10 th Attachment 2b: October 14 th Attachment 2c: November 18 th
3	1:20-1:50	Continued discussion of decision-making and the relationship between CT and others	Anya Rader Wallack	Attachment 3a: Revised decision-making chart (ppt) Attachment 3b: Memo from A. Gobeille <i>[to be provided later in the week]</i>
4	1:50-2:10	Draft Conflict of Interest Standards	Robin Lunge	Attachment 4a: Draft conflict of Interest Policy Attachment 4b: Conflict of Interest Appendix

Att 1

Partial Timeline of Expected Core Team Decision Points, 2014 -- DRAFT, Subject to Change												
Month	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Expected Core Team Action	Initial discussion of HIE expenditures	Decisions on HIE expenditures; Round 1 decisions on provider grant program	Review of duals/ACO strategic plan for alignment; review of duals demo financial analysis	Review of additional duals program components; recommendation on whether to proceed with demo	Review of strategic plan for alignment of care models	Review of pay-for-performance program parameters		Review of episodes of care program parameters				

SIM Core Team
Meeting Notes for
Tuesday, September 10, 2013

At 8:00 a.m., Chair, Anya Rader Wallack welcomed everyone to the meeting.

Draft memo to SIM Steering Committee Members:

Anya presented her draft memo to the Steering Committee regarding the Medicaid ACO standards, which included an overview of the comments received from Stakeholders and the revised proposals in response to the comments received. The comments revealed:

- There was some confusion about core elements of the standards.
 - Anya provided some clarifying definitions.
- There were concerns about Uncertainty and Risk, and the Total Cost of Care definition
 - Year 1 will be designed to minimize requirements for provider risk bearing.
 - Year 2 would not require but incent additional 10% savings for choosing an optional track.
 - Year 3 would require adoption of the optional track.
 - The optional track would include components to expand the total cost of care definition to include all additional categories of services and demonstrate provider participant agreements for a broader array of providers.
 - ACOs will participate in collaborative learning.
 - ACOs will be asked to do an annual assessment using a validated tool.
 - Participating ACOs will be eligible for "capacity grants"
- There was concern that the proposed standards did not do enough to assure meaningful consumer and provider representation in ACO governance.
 - The ACO Standards Work Group approved a revised proposal, developed with input from Legal Aid, Health Care Ombudsman and OneCare.

The Core Team agreed that the proposals for addressing the concerns of stakeholders will be included in the memo to the Steering Committee.

The SIM Core Team will vote on the revised standards at a subsequent meeting or will be asked for approval via email after the SIM Steering Committee has time to discuss and submit comments.

The goal is to reach agreement on Medicaid ACO standards before the end of September so that the Department of Vermont Health Access (DVHA) can issue an RFP shortly thereafter to prospective Medicaid ACOs.

Adjournment:

At approximately 9:15 a.m., Anya Rader Wallack ended the meeting.

SIM Core Team
Meeting Notes for
Monday, October 14, 2013

At approximately 1:30 p.m., Chair, Anya Rader Wallack welcomed everyone to the meeting.

Chair's Report:

Anya gave a briefing on the CMS "Reverse Site Visit", meeting of SIM testing states in Chicago, Operational Plan follow-up and approval for testing (documents provided), project staff hiring, Medicaid ACO update, Commercial ACO update, and upcoming Project Kick-Off and Steering Committee agendas.

- We had a good show of force at the "reverse site visit", met the project director Karen Murphy.
- There are 6 test states with whom we can collaborate.
- Georgia Maheras has been hired as the Project Director.
- The Medicaid ACO RFP was released.
- Richard gave a briefing on the Commercial ACO which will be presented to the Steering Committee on 10-16-13.
- Evaluation RFP is out to bid again. GMCB declined the Core Team's chosen vendor.

Key Comments/Concerns/Questions:

- What are some of the shared issues amongst the testing states?
 - The need for flexibility in Medicare rules, especially with regard to dual eligibles.
 - Complexities of including various LTSS providers in payment reforms.
 - Need for data.
- How flexible will CMS be?
 - We will need to develop specific requests.
- Were the CMS operational plan questions similar amongst the testing states?
 - Yes, nature of the questions centered on timelines and accountability targets.

Discussion of SIM Funding Allocation Proposal:

Anya explained that the grant application and the approved grant budget identified categories of project spending. Now that Vermont has been approved to move to the "testing" period of the SIM grant there is an urgency for defining the rules and processes for how funding allocation decisions are made and, in particular, to recommend how and when we include SIM stakeholders meaningfully in project spending decisions.

Documents Provided - Flow chart showing how type 1 and type 2 expenditures would gain approval, and spreadsheet that showing a proposed allocation of grant funds based on the distinction between type 1 and type 2 expenditures.

- SIM expenditures are sorted into two categories – type 1 and type 2.
- Type 1 expenditures will be reviewed on a "fast track" with only approval of the Core Team.

ATT 2C

VT Health Care Innovation Project Core Team Meeting Minutes

November 18, 2013 12:00-2:30 p.m.

AHS Training Room, 208 Hurricane Lane, Williston

Attendees: Anya Rader Wallack, Paul Bengtson, Al Gobeille, Mark Larson, Robin Lunge, Doug Racine, Steve Voigt, Susan Wehry

Others Present and Participating:

Georgia Maheras, Project Director, AOA

Pat Jones, Health Care Project Director, GMCB

Spenser Weppler, Health Care Reform Specialist, GMCB

Kara Suter, Reimbursement Director, DVHA

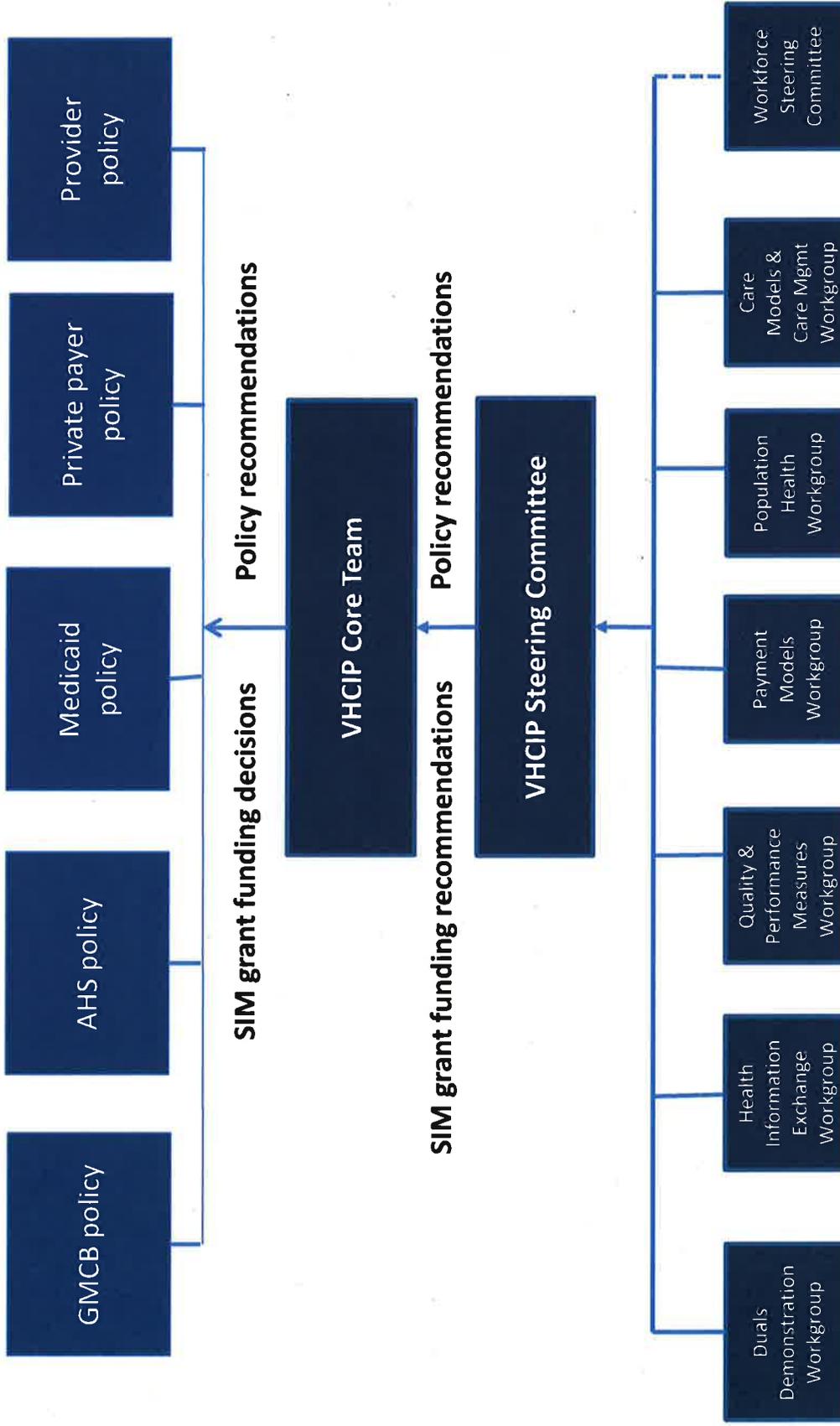
Agenda Item	Discussion	Next Steps
1	The Chair's report included: an overview of the new agenda format that will be deployed for the Core Team. Additionally, all of the work groups are up and running.	
2	Discussion regarding the decision making process as it relates to the VHCIP, GMCB, AHS and DVHA and the allocation of authority. Al Gobeille reviewed a memo on same. The role of the Core Team will be to resolve inter-agency conflicts and develop consensus recommendations to policy-making agencies, with input from the project participants. Several points were raised in the discussion including: <ul style="list-style-type: none">• The Core Team has authority over SIM expenditures.• Participants should not seek to go around this process for decisions.• This project is about teamwork and the CT should be a clearinghouse to find synergy rather than silos.• We need more clarity around the distinction between work produced under this project	Al will bring a revised memo back to the Core Team at the next meeting.

Agenda Item	Discussion	Next Steps
6	<p>Pat Jones presented a memo and some background materials regarding the proposed Commercial and Medicaid ACO Quality Measures. These are claims based and clinical measures, which the Quality Performance Measures Work Group has identified as improving patient outcomes. The discussion included how these will get at results based accountability and how these process measures can improve patient care. These measures are for the first year of each program and the measures will be reviewed throughout 2014 to determine measures for years two and three.</p> <p>Susan Wehry moved to approve the measure set with the addition of a measure related to alcohol and drug screening. This was seconded and amended by Mark Larson so that the QPM Work Group would be responsible for addressing the issue of screening for substance abuse by identifying an appropriate measure. The final measure should come back to the Core Team if there is an issue in negotiating the specific measure. This motion was approved by all, with Al Gobeille abstaining.</p> <p>The Core Team discussed the Gate and Ladder structure of the two ACO programs. There was an explanation about why specific thresholds were identified and the ways in which Vermont could improve quality of care using this mechanism. Susan Wehry moved to approve the Gate and Ladder structure. This was seconded by Steve Voigt. All approved with Al Gobeille and Doug Racine abstaining.</p> <p>The Core Team discussed the reporting option for the clinical measures that are part of the measure set. This allows an ACO or provider within an ACO to submit a description of a good faith effort in reporting measures that are not easily accessed electronically should the need arise. A motion to approve this was made by Paul Bengtson and seconded by Steve Vought. All approved, with Al Gobeille and Susan Wehry abstaining.</p>	Forward to GMCB for approval

Agenda Item	Discussion	Next Steps
	<p>Robin Lunge passed the Chair of the meeting to Anya Rader Wallack.</p> <p>The Core Team approved a contract amendment to an existing Burns and Associates contract for work related to Medicaid ACO program design and implementation for \$150,000. Motion was made by Al Gobeille, seconded by Mark Larson. All approved.</p>	
9	<p>Anya asked that the team review the draft criteria for the Grant Program and provide feedback.</p>	<p>Provide feedback directly to Anya on the Grant program; revised criteria and proposed roll-out of program will be discussed at next core team meeting.</p>

A77 3A

Decision-making processes related to the VHCIP



GMCB PILOT/OVERSIGHT PROCESS

Payers, can and do, construct innovative payment models

Providers, can and do, collaborate with payers on payment and delivery reform

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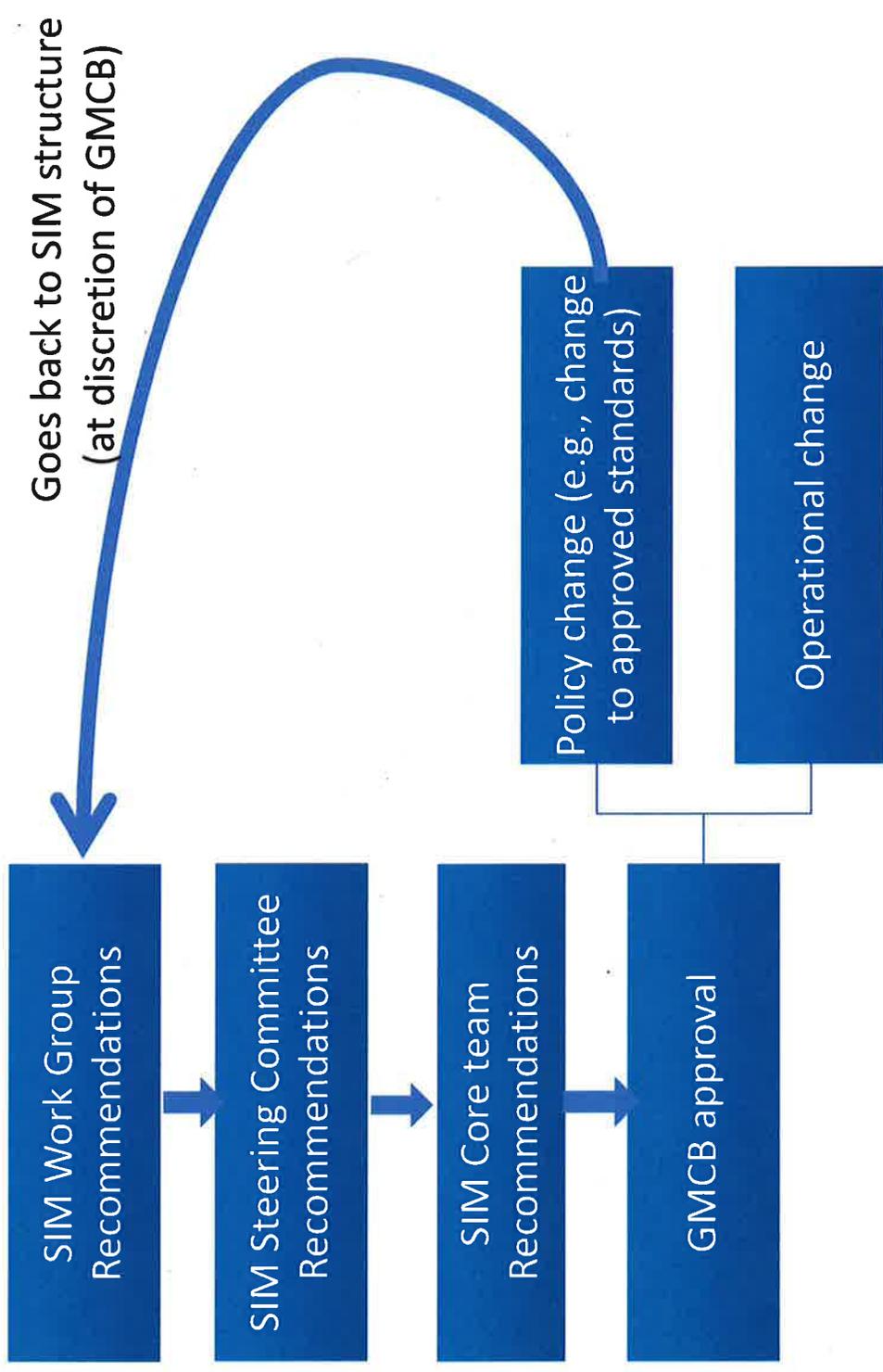


GMCB oversight* is triggered by the following:

1. Two or more Payers participating
2. Two or more provider entities cooperating
3. In certain circumstances, based upon request of applicant

*Oversight in addition to all applicable laws and regulations

When a pilot is launched as part of SIM, who has oversight?



CONFLICT OF INTEREST POLICY

For

VERMONT HEALTH CARE INNOVATION PROJECT (VHCIP) CORE TEAM, STEERING COMMITTEE AND WORK GROUPS

I. PURPOSE

The purpose of this Conflict of Interest Policy is to ensure the independence and impartiality of the VHCIP Governance Structure, including the Core Team, Steering Committee and Work Groups ("the Committee") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of any Core Team, Steering Committee or work group member. Nothing in this policy shall relieve any person from compliance with additional conflict of interest policies such as the Executive Code of Ethics, state personnel policies, and Agency of Administration bulletins, including but not limited to Bulletin 3.5, Contracting Procedures.

II. DEFINITIONS

1. Interested person: Any member or subcommittee member or other individual in a position to exercise influence over the affairs of the Committee who has a direct or indirect interest, as defined below, is an "interested person."
2. Interest: A person has an "interest" if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which the Committee has an transaction or arrangement or is negotiating a transaction or arrangement, or
 - b. A compensation or other pecuniary arrangement with the Committee or with any entity or individual with which the Committee has a transaction or arrangement or is negotiating a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation or pecuniary arrangement with any entity or individual with which the Committee is negotiating a transaction or arrangement, or
 - d. Any other relationship that the person determines may compromise his or her ability to render impartial service or advice to the Committee.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

An interest is not necessarily a conflict of interest and a conflict of interest does not arise where an individual's interest is no greater than that of other persons generally affected by the outcome of the matter.

6. Records of Proceedings: The minutes of the Committee or affected sub-committee shall contain:
 - a. The names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest.
 - b. The names of the persons who were present for the discussion and votes relating to the transaction or arrangement, the content of the discussion, including a summary of any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the discussion.

7. Violations of the Conflict of Interest Policy:

- a. If the Committee has reasonable cause to believe that an interested person has failed to disclose actual or possible conflicts of interest, it, through the Co-Chairs, shall inform the Core Team and the Core Team shall afford him or her an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the response of the person and making such further investigation as may be warranted under the circumstances, the Core Team determines that he or she has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate action.

IV. ANNUAL STATEMENTS

- a. Each Committee member shall annually sign a statement which affirms that he or she has received a copy of this Conflict of Interest Policy, has read and understands the Policy, and has agreed to comply with the Policy (Attachment A).

V. COMPLIANCE AND PERIODIC REVIEWS:

The Core Team shall make periodic reviews of compliance with this policy.

Adopted by the VHCIP Core Team

Date:

Appendix: Summary of State Conflict of Interest Policies

Bulletin 3.5 – Applies to all state contracts

“Conflict of interest”- a pecuniary interest of an employee, or the appearance thereof, in the award of performance of a contract, or such an interest, known to the employee, by a member of his/her current or former family or household, or a business associate.

B. Conflict of Interest

Employees with a conflict of interest or an appearance thereof are not permitted to control or influence the bidding process and/or the awarding of contracts. The Executive Code of Ethics (Executive Order #3-45) sets standards that should be used as the primary guide. Additionally, every effort should be made to avoid even an appearance of a conflict of interest in the contracting process. (See Section VI.A.3.c for more discussion of this issue).

VI.A.3.c. Apparent conflict of interest: If a reasonable person might conclude that a contractor was selected for improper reasons, the supervisor should disclose that fact in writing to the Attorney General and the Secretary and document the reasons why selecting the desired contractor is still in the best interest of the State.

VI.D.2. Waivers

The Secretary may waive provisions of this Bulletin on a case-by-case basis pursuant to a written request from a supervisor. Any such request must describe in detail the basis for the request and the specific component(s) of the contracting process for which the waiver is sought and must be granted prior to the signing of the contract by either the State or the contractor. Copies of all waivers granted by the Secretary, and the request submitted therefore, must be retained in the contract file.

Bulletin 5.0 – Applies to all federal grants

“Conflict of interest” means a pecuniary interest of an employee in the award or performance of the grant, or such an interest, known to the employee, by a member of his/her immediate family or household or a business associate.

VII. Conflict of Interest

Employees with a conflict of interest shall not be permitted to control or influence the award of grants. This applies to members of any boards who are involved in any review or selection process for grants. Additionally, every effort should be made to avoid the “appearance” of a conflict of interest in the granting process. An appearance of a conflict is anything that would lead a reasonable person to question whether this grantee was selected for improper reasons.

Bulletin 5.5 – state funded grants – doesn’t technically apply, but is illustrative

State Innovation Model

109 State Street
Montpelier, VT 05609
www.gmcboard.vermont.gov/sim_grantTO: Core Team
FROM: Georgia Maheras
Date: 12/2/13

NDA	1,681,726.55
SPENT :	<u>119,624.31</u>
BAL	1,562,102. ²⁴
FTE DUALS =	→ <u>110,000</u> = \$1,452,102. ²⁴

RE: **Implementation Period Carryforward and Type 1 contracting for Approval on December 9th**

This memo is an *updated version* of the memo distributed at the November 18, 2013 Core Team Meeting. At that meeting, the Core Team approved three contracts and one element of the Carryforward request: \$25,000-Wakely; \$1,436,668-Mathematica; \$125,000-Burns and Associates; and supporting 1 FTE related to staffing the Duals Work Group.

This memo is a proposal for expending additional SIM funds under the Implementation Period Carryforward (\$1,452,102.24) and Type 1 Contracting (reallocation of Year 1 funds for a patient experience survey).

A summary of each request and a table explaining it in more detail are provided below.

Implementation Period Carryforward:

The VHCIP Implementation Period budget included funding for personnel and one contractual item, project management. *This request is to carryover \$1,562,102.24 from the Implementation Period into Year 1 for Project Management, Stakeholder Engagement, Funding 1 FTE related to Duals and Expansion of the Grant Program.* These funds must be expended in Year 1.

Due to Vermont's statutory structure, we were not able to begin recruitment for SIM positions until May, 2013. While we have engaged in significant recruitment efforts, we have not been able to fill the SIM positions as quickly as we had hoped. The result is that we spent significantly less in personnel in the Implementation Period resulting in vacancy savings. Vermont's expectation is that we will have completed the recruitment process in the first quarter of Year 1. Additionally, we initially anticipated expending \$418,766.76 for a project management contract in the Implementation Period. The procurement process took longer than expected. The result is that we spent less in this area during the Implementation Period. We shifted the work for this contractor to the beginning of Year 1 due to these contracting delays.

We have identified four areas where we would like to apply the carryover funds: project management, stakeholder engagement, expansion of the existing grant program, supporting one additional staff person. The Core Team approved the 1FTE for Duals at its November 18th meeting.

Justification for this request is provided below.

		<p>contract support. The contractor will work with the Project Management team, Project Director and Core Team Chair to ensure we provide clear, understandable information to all SIM stakeholders. The state would need to go through the procurement process for these services.</p> <p>Examples of work include: maximizing the website, developing newsletters and other outreach tools.</p>
Support 1 FTE related to Duals- Approved on 11/18/13	\$110,000 (est. salary and fringe for one year)	<p>Vermont's SIM project is a combination of the SIM testing project and Duals project. As described in the Operational Plan, this is to ensure alignment between these two programs at the state level and ensure that Vermonters receive the quality health care they need. One of the reasons that Vermont needs to ensure specific alignment of these two programs is because some Duals are currently attributing to MSSP ACOs. Vermont's providers are eager to participate in reforms and one of the goals of the SIM/Duals integration is to make sure all providers can participate to the greatest extent possible without conflicts or concerns. The State has identified the need for additional staffing support of this work in Year 1. Our expected budget in Year 1 is \$110,000 based on staff currently working at the Agency of Human Services on Duals.</p>
Expansion of grant program to Vermont providers	\$577,102.24 for one year	<p>This adds funding to the existing capacity grant program being developed. There is strong interest in this program and the need is likely to exceed the budgeted amount.</p> <p>In developing the SIM application, the State of Vermont received numerous requests from providers and associations representing providers to provide them with grants and support to develop models and innovate. These requests demonstrate that there is significant interest among Vermont's providers to test alternative payment mechanisms and innovative care models/interventions. The State has determined that a competitive grant process will serve to maximize success of these providers and foster innovation.</p>

Att 5B

VHCIP Funding Allocation Plan

Type 1a	Type 1A	Implementation (March-Oct 2013)	Year 1	Year 2	Year 3	Total grant period	
Proposed type 1 without base work group or agency/dept support (subject to Core Team approval)	Proposed Type 1 without base work group or agency/dept support (subject to Core Team approval)						<i>Items in red are pending Core Team approval.</i>
	Personnel, fringe, travel, equipment, supplies, other, overhead	\$ 107,898	\$ 3,412,103	\$ 3,412,103	\$ 3,412,103	\$ 10,344,207	Includes new .5FTE in AOA for work force
	Duals personnel and fringe		\$ 110,000			\$ 110,000	Year 1 paid out of Carryover
	Project management	\$ 30,000	\$ 775,000	\$ 700,000	\$ 670,000	\$ 2,175,000	Year 1 paid out of Carryover
	Evaluation		\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 3,000,000	
	Outreach and Engagement		\$ 100,000			\$ 100,000	Year 1 paid out of Carryover
	Interagency coordination		\$ 110,000	\$ 110,000	\$ 110,000	\$ 330,000	
	Staff training and Change management		\$ 100,000	\$ 100,000	\$ 100,000	\$ 300,000	Support Conferences and Educational Opportunities
	VITL Contract		\$ 1,177,846			\$ 1,177,846	
	Grant program <i>Revised</i>		\$ 1,510,435	\$ 933,333	\$ 933,334	\$ 3,377,102	Allow workgroups to recommend or suggest criteria they think is important for allocation of money. Additional \$577,102.24 paid out of Carryover from Implementation Period.
	Subtotal	\$ 137,898	\$ 8,295,384	\$ 6,255,436	\$ 6,225,437	\$ 20,914,155	

VHCIP Funding Allocation Plan

Type 1c	Type 1c	Year 1	Year 2	Year 3	Grant Total
Proposed type 1 related to base agency/dept support (subject to Core Team approval)	Proposed Type 1 related to base agency/dept support (subject to Core Team approval)				
	GMCB/DVHA				
	ACO Analytics Contractors	\$ 400,000	\$ 400,000	\$ 200,000	\$ 1,000,000
					This contractor would support the development of spending targets, whether an ACO met those targets and how potential savings are distributed
					\$ -
	GMCB				\$ -
	Model testing support	\$ 125,000	\$ 125,000	\$ 125,000	\$ 375,000
					Support GMCB analytics related to payment model development
					\$ -
	DVHA				\$ -
	Modifications to MMIS, etc...	\$ 350,000	\$ 150,000	\$ -	\$ 500,000
					Resources to support updates to adjudication or analytic systems and processes like MMIS.
	Broad dissemination of programmatic information to providers and consumers	\$ 100,000	\$ 100,000	\$ 100,000	\$ 300,000
					Communications to providers and consumers regarding program/billing changes.
	Analytics support to implement models	\$ 250,000	\$ 50,000	\$ 50,000	\$ 350,000
	Technical support of web-based participation and attestation under the P4P program	\$ 125,000	\$ 100,000	\$ 25,000	\$ 250,000
					Aimed to reduce administrative burden to implement and improve participation in P4P programs
	Analytic support	\$ 100,000	\$ 100,000	\$ 100,000	\$ 300,000
					Support Medicaid analytics related to payment model development
	Sub-Total	\$ 1,450,000	\$ 1,025,000	\$ 600,000	\$ 3,075,000

DRAFT FOR SIM CORE TEAM DISCUSSION ONLY, 12/2/13**Vermont Health Care Innovation Project Provider Grants Program****Background**

The State Innovation Model (SIM) grant was awarded to Vermont by the federal Centers for Medicare and Medicaid Innovation (CMMI). The grant provides funding and other resources to support health care payment and delivery system reforms aimed at improving care, improving the health of the population, and reducing per capita health care costs, by 2017. To maximize the impact of non-governmental provider involvement in this health care reform effort, Vermont identified funding within its SIM grant to directly support providers engaged in payment and delivery system transformation. The State has determined that a competitive grant process will foster innovation and promote success among those providers eager to engage in reforms. Grants will fund data analysis, facilitation, quality improvement, evaluation, and project development. Applicants can seek technical assistance support as well as direct funding. The total amount available for direct funding is \$3,377,102.

Vermont will establish a **Provider Grants Program (PGP)** to fulfill the intent of this grant provision. Below are proposals for:

- The general areas of provider activity eligible for support;
- Grant submission requirements;
- The criteria to be used to evaluate requests for support; and
- The technical assistance resources that might be available to grantees, in addition to SIM funds.

General areas of activity eligible for support

PGP grants will support provider-level activities that are consistent with overall intent of the SIM project, in two broad categories:

1. **Activities that directly enhance provider capacity to test one or more of the three alternative payment models approved in Vermont's SIM grant application:**
 - a. Shared Savings Accountable Care Organization (ACO) models;
 - b. Episode-Based or Bundled payment models; and
 - c. Pay-for-Performance models.
2. **Infrastructure development that is consistent with development of a statewide high-performing health care system, including:**
 - a. Development and implementation of **innovative technology** that supports advances in sharing **clinical or other critical service information across types of provider organizations;**
 - b. Development and implementation of **innovative systems** for sharing clinical or other core services across types of provider organizations;

- Consistency with overall SIM project activities;
- Meaningful involvement of and support from multiple provider organizations and/or provider types;
- Avoidance of duplication where similar innovations are currently underway;
- Demonstration of lead organization's commitment to the SIM project activities as evidenced by degree of matching support and participation in ongoing SIM activities;
- Quality, clarity and soundness of the project description, project budget, project plan and timeline;
- The evidence base for the proposed activity;
- The overall cost and expected return-on-investment of the proposed activity.

State resources available to grantees

Projects supported by the Provider Grants Program may be provided the following supports, to the extent that a need has been clearly established in the grant application:

- Supervision to ensure compliance with federal antitrust provisions;
- Assistance in aligning with other testing models in the state;
- Assistance with appropriately attributing outcomes and savings to testing models;
- Overall monitoring of health care quality and access;
- Funding for specific activities;
- Technical Assistance:
 - Meeting facilitation
 - Stakeholder engagement
 - Data analysis
 - Financial modeling
 - Professional learning opportunities

State Innovation Model

109 State Street
Montpelier, VT 05609
www.gmcboard.vermont.gov/sim_grant

To: Anya Rader Wallack
Fr: Georgia Maheras
Date: December 2, 2013
Re: Proposed VCHIP Grant Program Roll-Out Process and Timeline

This memo discusses the roll-out process, timeline and proposed application related to the VCHIP Provider Grant Program.

Process:

- Step 1. Core Team approval of the Grant Program criteria.
- Step 2. VHCIP Staff develop Grant Program application.
- Step 3. Grant Program criteria and application are sent to CMMI for approval.
- Step 4 (simultaneous with CMMI review). Grant Program criteria and application are made available to potential applicants with the caveat that the program is pending CMMI approval.
- Step 5. First round grant applications accepted. DVHA is the agency responsible for the operational act of grant application receipt and distribution of funds. DVHA will receive applications then the VHCIP Project Director will work with staff to assemble application packets with executive summaries.
- Step 6. Core team review of applications and selection of grantees.
- Step 7. Second round grant applications solicited and accepted.
- Step 8. Core team review of second round grant applications and selection of grantees.