State of Vermont
Vermont Health Care Innovation Project

REPORT TO THE VERMONT LEGISLATURE

Vermont Health Care Innovation Project Quarterly Report

Act 54 of 2015, Section 24

Submitted to
House Committees on Health Care and on Ways and Means
Senate Committees on Health and Welfare and on Finance
Health Reform Oversight Committee

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May 3, 2017

This report is submitted to fulfill the requirements of Act 54 of the Acts of 2015, Section 24 regarding the Vermont Health Care Innovation Project. It provides updates on activities performed by this project during January-March 2017. Additional information about the project can be found on our project website: http://healthcareinnovation.vermont.gov.

Project Overview

The Vermont Health Care Innovation Project (VHCIP), is funded through a $45 million State Innovation Models (SIM) Testing Grant from the federal Center for Medicare & Medicaid Innovation (CMMI). The SIM Grant began in October 2013, and funding will conclude in November 2017. VHCIP uses SIM funds to strive toward the Triple Aim:

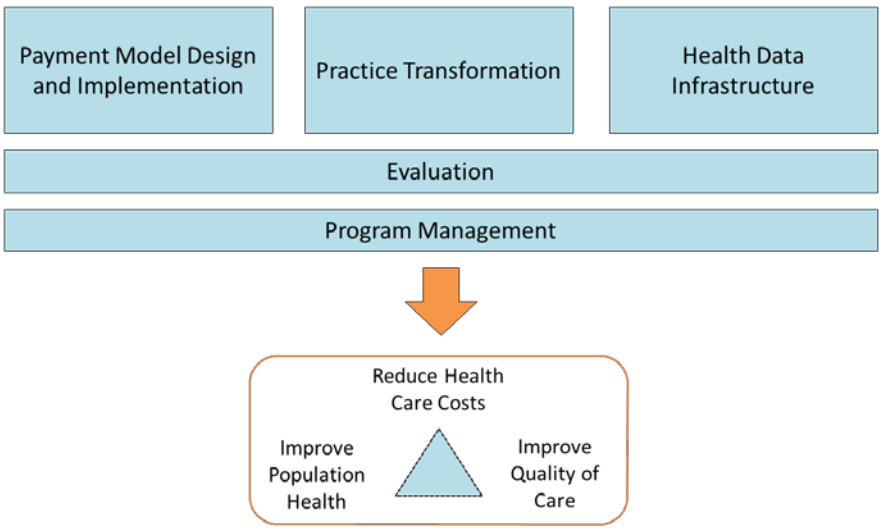
- Better care;
- Better health; and
- Lower costs.

The Triple Aim is advanced through a series of tasks that fall under five major focus areas:

- **Payment Model Design and Implementation**: Supporting creation and implementation of value-based payments for providers in Vermont across all payers.
- **Practice Transformation**: Enabling provider readiness and encouraging practice transformation to support creation of a more integrated system of care management and care coordination for Vermonters.
- **Health Data Infrastructure**: Supporting provider, payer, and State readiness to participate in alternative payment models by building an interoperable system that allows for sharing of health information to support optimal care delivery and population health management.
- **Evaluation:** Assessing whether program goals are being met.
- **Program Management and Reporting:** Ensuring an organized project.

The project's five focus areas are depicted in Figure 1 below.

Figure 1: Vermont's SIM Focus Areas



Progress During January-March 2017

Payment Model Design and Implementation

Between January and March 2017, VHCIP worked to advance implementation and planning activities across a variety of existing and proposed payment models, including the All-Payer Model and Accountable Communities for Health.

All-Payer Model: During the January-March 2017 quarter, Vermont began implementation of the Vermont All-Payer ACO Model (APM). The APM agreement between Vermont and CMMI was signed in October 2016 with the goal of facilitating a statewide, all-payer approach to payment and delivery system reform.

- *Vermont Medicaid Next Generation (VMNG) ACO Pilot*: After an RFP process, the State and OneCare Vermont signed a contract in February 2017 to launch a risk-bearing Medicaid ACO under a Vermont Medicaid Next Generation program for a pilot performance period of CY2017. The program is aligned with the CMS Next Generation ACO program (Payment Model 4 – upside and downside risk for the ACO, with a portion of payment contingent on quality), includes nearly 30,000 attributed lives in four regions of the state, has quality measures aligned with the APM agreement. The contract can be extended up to four additional years.
- *All-Payer Model Implementation*:
    - The Green Mountain Care Board continued to prepare for new financial, regulatory, and reporting responsibilities under the All-Payer Model, including developing regulatory oversight and policy development mechanisms. This regulatory capacity building includes creating the framework for reviewing a Medicaid all-inclusive population-based payment to an ACO in 2017 and for all payers beginning in 2018, as well as development of ACO budget and reporting guidance. During Q1, the Board developed a detailed workplan and reviewed the proposed evaluation plan in conjunction with CMMI, total cost of care and quality reporting specifications, and an analytics plan for capturing the data. In the Board's 2018 Hospital Budget Guidance and policies, health reform investments were suggested to support APM implementation, including for the ACO and to meet APM quality goals.

Accountable Communities for Health: During the January-March period, VHCIP held the third convening of the Accountable Communities for Health Peer Learning Laboratory. The ACH Peer Learning Laboratory sought to engage communities around the state in a peer learning opportunity to explore the ACH model, in which an organization or coalition of organizations works across the entire population in a defined geographic region to support the integration of medical care, mental health services, social and community services, and community wide prevention efforts. Ten regions have participated in the Peer Learning Laboratory since it launched in June 2016.

VHCIP initially envisioned the Peer Learning Laboratory as a series of three convenings, to be completed in January 2017. Due to strong community interest, VHCIP staff are working with the Blueprint for Health, Vermont Department of Health, and OneCare Vermont to continue offering periodic convenings to support continued community growth on ACH core elements and continued peer learning across communities. State and ACO staff will continue to work together to ensure alignment between the Peer Learning Lab and other learning opportunities currently offered to providers and community leaders on related topics (see Practice Transformation, below).

- For more information on the Accountable Communities for Health concept, see Accountable Communities for Health: Opportunities and Recommendations, a report developed for VCHIP by the Prevention Institute in July 2015.
- For more information about the initial phase of the ACH Peer Learning Laboratory, including curriculum details and resources, see the ACH Peer Learning Lab Report developed by the Public Health Institute in March 2017.

Practice Transformation

Many of VHCIP's core activities to support practice transformation for Vermont providers were concluded in 2016, including the Integrated Communities Care Management Learning Collaborative, the Core Competency Training series, and the VHCIP Sub-Grant Program (see the January 2017 VHCIP Quarterly Report for more information on all of these activities). Two areas where VHCIP has continued work are in supporting the Community Collaboratives, and in activities to assess Vermont's current health care workforce and predict future workforce needs.

Community Collaboratives: VHCIP staff continue to work with Blueprint for Health staff and stakeholders to support implementation of Community Collaboratives. Within each of Vermont's 14 Health Service Areas (HSAs), Blueprint for Health and ACO leadership collaborate with stakeholders to improve integration and the quality of health care services. Community Collaboratives include medical and non-medical providers (e.g., long-term services and supports providers and community providers), and a shared governance structure with local leadership. These groups focus on reviewing and improving the results of core ACO Shared Savings Program quality measures, supporting the introduction and extension of new service models, providing guidance for medical home and community health team operations, and community priority-setting. As of March 2017, all 14 communities had a charter in place and had identified one or more key focus areas. Examples of key focus areas include: partnering with local corrections and education officials to reduce opioid abuse in adolescent populations; partnering with local primary care practices and hospitals to monitor opioid prescribing habits; and participating in the ACH Peer Learning Laboratory. State leadership will continue to support local leadership teams as they continue to mature in structure and decision-making process to ensure readiness for upcoming reforms. Work to set common population health indicators, measures, targets, and drivers remains a key focus of Community Collaborative leadership.

Workforce Demand Model: A micro-simulation health care workforce demand model identifies future workforce needs by inputting assumptions about care delivery in a high-performing health care system, along with Vermont's population demographics and anticipated utilization needs. The vendor for this work created a demand model that produced workforce demand projections for Vermont in the future, under various scenarios and parameters that would be considered characteristics of an "ideal" health system. Such ideal characteristics for Vermont include movement in care from inpatient settings to outpatient/community-based settings, more effective management of chronic diseases, and increased targeting of population health interventions (including statewide smoking cessation and weight loss campaigns). Preliminary demand projections show that these characteristics and scenarios would lead to higher demand for clinicians in outpatient and team-based settings, as well as social workers, care coordinators, and case managers. Demand for residential care facilities, home health, nursing homes, and specialties such as cardiology, radiology, and oncology are expected to rise as the population ages. Final projections will be available mid-2017, at which time the vendor will prepare and submit a final report, with input from Vermont stakeholders including the Workforce Work Group.

Health Data Infrastructure

During the January-March 2017 period, VHCIP continued to plan for and make investments in Vermont's health data infrastructure including: continued work on the DA/SSA Data Repository project, and continued implementation of two telehealth pilot projects.

DA/SSA Data Repository: The VCN Data Repository allows the Designated Mental Health Agencies (DAs) and Specialized Service Agencies (SSAs) to send specific data to a centralized data repository. Project implementation began in late 2015 and will continue through June 2017. Long-term goals of the data repository include accommodating connectivity to the VHIE, as well as Vermont State Agencies, other stakeholders, and interested parties. In addition to connectivity, this project aims to provide VCN members with advanced data analytic capabilities to improve the efficiency and effectiveness of their services. As of April 2017, all member agencies are sending data files to the repository regularly, and the data dashboards are auto-updated weekly. Additional dashboard development is in progress, in collaboration with the vendor and member agencies. Planning activities continue around ongoing maintenance and sustainability.

Continued Implementation of Telehealth Pilots Projects: VHCIP continued implementation of telehealth pilot projects with two organizations: the Howard Center and VNAs of Chittenden and Grand Isle Counties. The primary purpose is to explore ways in which a coordinated and efficient telehealth system can support value-based care reimbursement throughout the State of Vermont. Projects were selected in part based on demonstration of alignment with Vermont's SIM goals. Project summaries:

- The VNA of Chittenden and Grand Isle Counties is developing telehealth infrastructure by building connections among providers and enabling the timely sharing of clinical information. This telehealth pilot is enabling VNA and Central Vermont Home Health & Hospice (CVHHH) to connect their point of care systems (Honeywell Lifestream) to their EMR systems (McKesson) so that information, like vital signs, taken by visiting nurses are available in the EMR. These results (in HL7's ORU format) can also be sent from the EMR into the Vermont Health Information Exchange (VHIE). Point of care information is now shared within the nursing organization as well as with any provider accessing the VHIE through the VITLAccess. This enables the home health organizations to be integral partners with numerous providers, including the University of Vermont Health Network, for the care of people with a wide range of chronic conditions.
- The Howard Center, a major mental health and substance use disorder treatment provider in the state, is using telehealth technology to expand access to medication-assisted treatment (MAT) for people with opioid dependence. The Howard Center is using live video and secure, tamperproof medication dispensers to allow qualifying individuals to receive MAT in their homes with staff supervision.

Both projects will conclude in June 2017.

Evaluation

All SIM efforts are evaluated to ensure the processes, as well as the outcomes, work for Vermont, its residents, payers, and providers. The evaluations occur by program, by population, and by region to identify successes, ensure that we are not inadvertently causing negative consequences, and disseminate lessons learned quickly.

State-Led Evaluation Plan Implementation: VHCIP's State-Led Evaluation Plan, a required element of the SIM grant, was approved by CMMI in early 2016.

This plan includes three categories of activity:

1. Activities performed by the State-led evaluation contractor.
2. Monitoring and evaluation activities performed by SIM staff and key analytic contractors.
3. Patient experience surveys fielded by Datastat.

Through the State-Led Evaluation Plan, VHCIP seeks to answer research questions in three topical areas, all key to Vermont's progress towards achieving an integrated delivery system that rewards value-based care: Care Integration and Coordination; Use of Clinical and Economic Data to Promote Value-Based Care; and Payment Reform and Incentive Structures. The State-Led Evaluation Plan combines a review of information on various reporting cycles to assist in programmatic decisions within the SIM Testing period, as well as inform VHCIP sustainability planning.

During the January-March 2017 period, Vermont's State-Led Evaluation contractor fielded two surveys targeting 509 care coordination professionals and 1,007 advanced practice professionals. Core objectives of the survey are to understand perceptions and readiness pertaining to:

- Implementation status of core care coordination functions/activities and perceived quality of care coordination;
- Perspective and experience with SIM-related payment reform;
- Facilitators and barriers to readiness for participating in alternative payment models; and
- Utilization of and perceived value of data and data infrastructure.

Also in during this quarter, the State-Led Evaluation team presented to the Green Mountain Care Board, SIM Evaluation Steering Committee, and SIM Core Team on progress and preliminary findings from site visits, consumer focus groups and stakeholder interviews. Overall, VHCIP is seen as a catalyst for care integration activities across the state, building on and enabling existing programs, and supporting regional and statewide collaborative structures. State guidance and local innovation have driven reform efforts statewide. Communities are engaged in capacity building, quality improvement, and advancement in care integration and coordination. There is value in having strong systems for communication, goals, and measuring impact, while including a highly flexible care model. Data infrastructure and analytics have been critical to the implementation of care coordination activities. Efforts to standardize and improve data quality have been helpful in creating richer, more accurate data, and system compatibility is seen as an important goal. Unity and cohesiveness supporting a common understanding of health care reform is emerging. SIM funding to ACOs is seen as vital to infrastructure development for payment reform activities. Shared savings and sub-grant investment have also served to enhance redesign efforts.

For more detailed information, please refer to the attached VHCIP Project Status Reports for March 2017, which include project summaries, timelines, and other key information about each project area. These monthly Status Reports and other project documents can also be found on the project website: www.healthcareinnovation.vermont.gov.