



**MASSACHUSETTS**  
HEALTH POLICY COMMISSION

# Innovation Investment Opportunities: Proposal Submission Information Session

May 4, 2016

*The webinar will begin shortly...*



## **PURPOSE OF TODAY'S SESSION**

- Learn about the Proposal Submission process for all 3 HPC Innovation Investment Programs
  - Special focus on the Budget Proposal Response
- Opportunity to ask your questions about the proposal process before the question submission deadline this Friday

## **AFTER THE SESSION**

- Review the frequently asked questions (FAQ) document on our website for answers to questions asked here today
- Send additional questions to [HPC-Innovation@state.ma.us](mailto:HPC-Innovation@state.ma.us) before 3:00 PM on Friday, May 6, 2016



## **AGENDA – 60 MINUTES**

- Funding and Key Dates by Program
- Proposal Selection Criteria and the Operational Response
- Deep Dive: Budget Proposal Response Template
- Health Care Innovation Investment Program Round 1 LOI Guidance
- Q&A (**30 minutes**)

# Funding and Key Dates by Program

## HEALTH CARE INNOVATION INVESTMENT (HCII) PROGRAM

- \$5 million available to providers and health plans
- Up to \$750,000 per award

## TELEMEDICINE PILOT INITIATIVE

- \$1 million available to providers and health plans
- Up to \$500,000 per award

## NEONATAL ABSTINENCE SYNDROME (NAS) PILOT INITIATIVE

- \$3.5 million available to birthing hospitals
- Award caps vary by eligibility for the CHART Investment Program

### STATS

- 100 Letters of Intent received from 83 potential applicants to the HCII Program
- 5 information sessions on the application process
- 148 questions answered on topics including eligibility, partnerships, budget, and program development

### UPCOMING DATES

- Proposal Due Date: May 13, 2016 by 3PM
- Award Announcement: July 2016 (anticipated)
- HCII Period of Performance: October 2016 - September 2018
- Telemedicine Period of Performance: October 2016 - March 2018
- NAS Period of Performance Category A: October 2016 - December 2017
- NAS Period of Performance Category B: October 2016 - December 2018

## Selection Criteria

	HCII	Telemedicine	NAS Category A	NAS Category B
Impact of the Initiative	30 Points	30 Points	35 Points	25 Points
Operational Approach	20 Points	20 Points	30 Points	25 Points
Partnership and Collaboration	15 Points	15 Points	N/A	15 Points
Leadership and Organizational Capacity	10 Points	10 Points	10 Points	10 Points
Budget and Financial Considerations	15 Points	15 Points	15 Points	15 Points
Sustainability and Scalability	10 Points	10 Points	10 Points	10 Points

# General Proposal Requirements – All Investment Programs

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**Due by 3:00 PM EDT May 13, 2016**

**1**

**A cover letter completed as described in the RFP, signed by the President or Chief Executive Officer or Board Chair of the Applicant**

**Focus of today's session**

**2**

**A complete Operational Response, with all Attachments described in the RFP, including:**

- 1. Driver Diagram Template**
- 2. Performance Measures Template**
- 3. Budget Proposal Response**

**3**

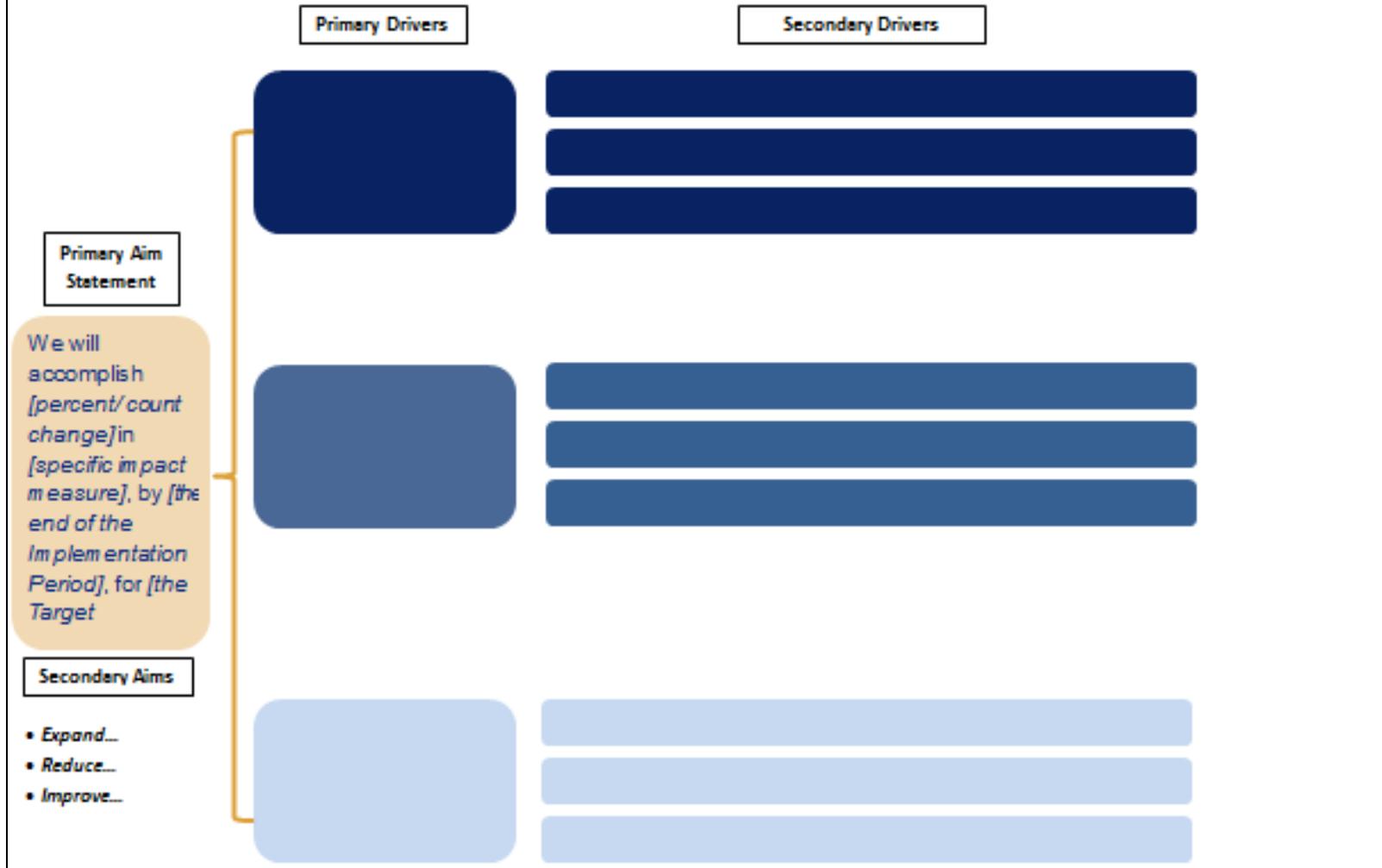
**Mandatory contracting forms signed by an authorized signatory of the Applicant:**

- 1. Commonwealth Terms and Conditions**
- 2. Commonwealth Standard Contract Form and Instructions**
- 3. Contractor Authorized Signatory Form**
- 4. HPC Confidentiality and Non-Disclosure Agreement**

# Operational Response Instructions – Driver Diagram Template

HPC-Innovation-001 Attachment B, Exhibit 1: Driver Diagram Template

Complete a driver diagram using the template below to illustrate the logical flow of your initiative. The driver diagram should include primary and secondary drivers that support the primary aim and if applicable, secondary aims. For further instructions for building a driver diagram, please refer to the [HPC CHART Phase 2 Driver Diagram Guide](#).



# Operational Response Instructions – Performance Measures Template

Measures should be relevant to all domains of the Initiative, examples include:

*NAS measure examples:*

Element	Measure	Purpose of Measure	Numerator	Denominator	Data Sources	Feasibility
<b>Primary Aim</b>	Length of Stay (LOS)	Compare changes in LOS post program implementation	Average LOS for neonates with NAS in 3 months post program implementation	Average LOS for neonates with NAS in 3 months prior to program implementation	Hospital inpatient data	Can begin collecting this measure by end of the preparation period
<b>Secondary Aim #1</b>	Breastfeeding rate	To determine whether neonates with NAS are being breastfed	Number of neonates with NAS who were breastfed	Total number of neonates with NAS	Clinical chart data	Currently collecting this measure

The **Performance Measures Template** is available on [mass.gov/hpc](https://mass.gov/hpc)

# Budget Proposal Response - Selection Criteria

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## Budget and Financial Considerations (15 points)

- Appropriateness and sufficiency of the proposed budget
- Cost efficiency of the proposed budget
- Financial need of Applicant and Partner(s) at time of Proposal as defined by the Applicant's operational response and publically available financial metrics
- Proposed in-kind contributions and other funding sources relative to financial need of the Applicant and Partner(s)

# Correction to Budget Proposal Response Template

Please note that there was an error included in the Budget Proposal Response template.

The following line items, which were a component of the Example Budget, used to illustrate acceptable costs, were included in the Applicant and Partner tabs of the template.

These cells should have been blank in the Applicant and Partner tabs, to allow for Applicants to fill in the Support Costs that are included in their initiative.

Please replace the contents of these cells with the appropriate line items

	<b>Indirect Costs</b> HPC Funding of Indirect Cost Should be 15% or Less of Total
→ 32	10% Indirect Cost
	<b>Indirect Cost</b>
	<b>Support Costs</b> Please add additional lines as necessary
	<b>Consultants/ Contractors</b>
→ 33	Clinical Protocol Consulting, Inc.
34	
	<b>TOT</b>
	<b>Technology Costs</b>
	<b>Hardware/ Equipment - Leased</b>
→ 35	AED Defibrillator
→ 36	Computer on Wheels
	<b>Hardware/ Equipment - Purchased</b>
→ 37	Projection equipment
→ 38	PCs and tablets
	<b>Software - Leased</b>
→ 39	Cloud-based Care Coordination Solution
40	
	<b>Software - Purchased</b>
41	
42	
	<b>Support Services</b>
→ 43	IT Support
44	
	<b>Training Costs</b>
→ 45	Trauma-Informed Care Training Associates, LLC
46	
	<b>Additional Support Costs</b>
→ 47	Facility maintenance and upgrades
→ 48	Staff travel expenses



# Budget Proposal Response

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## Roles and Funding Allocation

- Allocating costs in the budget
- Types of funding sources
- Financial Designee

## Restrictions on Rates & Costs

- 15% indirect cost rate
- No rate cap on fringe benefits
- \$185,100/FTE HPC funding salary cap
- Allowable costs

## Contracting & Payment

- Reimbursement-based payment
- Payment frequency determined during contracting

# Budget Proposal Response

## EXAMPLE Budget Proposal Response

### EXAMPLE Organization Information

<b>Community Health Center ABC</b>	
Please indicate the financial designee supporting financial reporting for your organization for the Proposed Initiative, below.	
7 Name:	John Smith
8 Title:	Manager of General Accounting
9 Email address:	john@applicant.org
10 Phone number:	(555) 234-5678
11 Assistant name and contact information, if applicable:	Jane Black; jane@applicant.org

### EXAMPLE Budget Roll-Up for Duration of the Period of Performance

	TOTAL	HPC Funding	In-Kind Contributions	Other Funding Sources
7 Personnel Salary (including Fringe and Indirect)	\$ 639,519	\$ 309,674	\$ 134,244	\$ 195,600
8 Consultants/Contractors	\$ 10,000	\$ 10,000	\$ -	\$ -
9 Technology Costs	\$ 147,000	\$ 124,500	\$ 7,500	\$ 15,000
10 Training Costs	\$ 5,000	\$ 5,000	\$ -	\$ -
11 Additional Support Costs	\$ 23,600	\$ 18,600	\$ 5,000	\$ -
12 <b>TOTAL PERIOD OF PERFORMANCE COSTS</b>	<b>\$ 825,119</b>	<b>\$ 467,774</b>	<b>\$ 146,744</b>	<b>\$ 210,600</b>
13 <b>TOTAL PREPARATION PERIOD COSTS</b>	<b>\$ 241,000</b>	<b>\$ 192,500</b>	<b>\$ 33,500</b>	<b>\$ 15,000</b>
14 <b>TOTAL IMPLEMENTATION PERIOD COSTS</b>	<b>\$ 584,119</b>	<b>\$ 275,274</b>	<b>\$ 113,244</b>	<b>\$ 195,600</b>
15 <b>FOR HPC STAFF USE:</b>	<b>\$ 825,119</b>	<b>\$ 467,774</b>	<b>\$ 146,744</b>	<b>\$ 210,600</b>

### EXAMPLE Itemized Budget Costs for Duration of the Period of Performance

Personnel Salary and Fringe Benefits	FTEs per year	Annual FTE Salary Cap \$181,500/FTE	Total Cost	HPC Funding	In-Kind Contributions	Other Funding Sources	Notes
16 Investment Director	0.10	\$ 181,500	\$ 27,225	\$ -	\$ 27,225	\$ -	VP of Operations
17 LICSW	2.00	\$ 70,000	\$ 210,000	\$ 140,000	\$ -	\$ 70,000	Hospital-Based Care Navigation Team - partially funded by ICB
18 Community Health Worker	1.00	\$ 42,000	\$ 63,000	\$ -	\$ -	\$ 63,000	Community-Based Care Navigation Team - RWJF Funded
19 Program Director	0.50	\$ 127,000	\$ 95,250	\$ 63,500	\$ 31,750	\$ -	Hospital-Based Program Support
21 Psychiatrist	0.25	\$ 171,000	\$ 64,125	\$ 32,062	\$ 32,062	\$ -	Community-Based BHI/Detox/Telepsych
22 Coding and Charge Entry Specialist	0.50	\$ 40,000	\$ 30,000	\$ -	\$ -	\$ 30,000	Hospital-Based Program Support - ICB Funded
23	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	
24	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	
25	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	
26	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	
27	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	
28	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	
29	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	
30	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>SUB TOTAL</b>			<b>\$ 489,600</b>	<b>\$ 235,562</b>	<b>\$ 91,037</b>	<b>\$ 163,000</b>	
Fringe Benefit Rate <b>20%</b>			<b>\$ 97,920</b>	<b>\$ 47,112</b>	<b>\$ 18,207</b>	<b>\$ 32,600</b>	
<b>TOTAL STAFF SALARY AND FRINGE COSTS</b>			<b>\$ 587,520</b>	<b>\$ 282,674</b>	<b>\$ 109,244</b>	<b>\$ 195,600</b>	
<b>Indirect Costs</b>			<b>Total Cost</b>	<b>HPC Funding</b>	<b>In-Kind Contributions</b>	<b>Other Funding Sources</b>	<b>Notes</b>
HPC Funding of Indirect Cost Should be 15% or Less of Total							
32 10% Indirect Cost			\$ 52,000	\$ 27,000	\$ 25,000	\$ -	Indirect cost assigned at ED unit rate (includes cleaning, supplies, utilities, and equipment)

# Proposal Submission Requirements

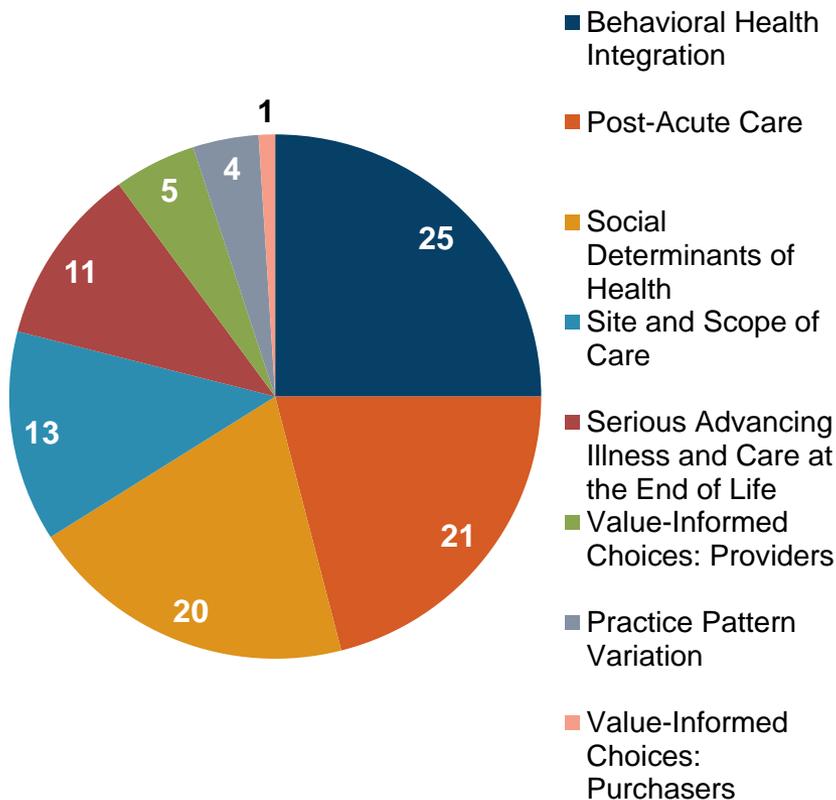
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- Applicants must complete all elements of the Operational Response
- The Operational Response may not exceed 15 pages, or 20 pages for NAS Investment Opportunity Category B Proposals
  - This page limit excludes:
    - The Driver Diagram Template
    - The Performance Measures Template
    - The Budget Proposal Response
    - Mandatory Contracting Forms
    - Literature references. Please include literature references as endnotes.
  - This page limit includes:
    - Resumes for the Investment Director
    - Additional materials in support of the Proposal. The HPC will not consider additional materials that exceed the 15-page limit for the Operational Response.
- For each Proposal, the Applicant must submit one (1) electronic copy of all materials to the HPC to [HPC-Innovation@state.ma.us](mailto:HPC-Innovation@state.ma.us)
- Attachments must be submitted in their original file formats. **Do not convert these documents into .PDF format**
- Scanned copies of signed forms are acceptable for the cover letter and the Mandatory Contracting Forms. To ensure file transmission, please limit the total file size to 5MB.
- Complete electronic Proposals must be submitted no later than **3:00 PM (EDT) on May 13, 2016**

# The HPC received 100 Letters of Intent for Round 1 of the HCII Program

83 unique applicants submitted LOIs for a broad range of cost challenges and recommendations to address those challenges

Each applicant elected one cost-driving challenge area to address



Proposed initiatives include a variety of innovative service model elements

Interdisciplinary Care Planning & Coordination	Broadening care teams across disciplines and organizations to improve transitions and meet patient needs
Telemedicine & Other Technology	Deploying new technology to connect patients and providers across settings
Patient Engagement	Providing patients with the tools, information, and wraparound support to engage in their health & lifestyle decisions
Clinical Process Redesign	Using data-driven approaches to improving the cost, quality, and safety of health care

LOIs represent a total estimated funding request of \$47M-\$67M.

## Applicants indicated a strong interest in cross-sector partnership

From paramedics in Berkshire County to substance use disorder treatment centers on Cape Cod, over **300 unique organizations** were named as partners in initiatives submitted from across the Commonwealth.



Additionally, **over half of applicants** utilized this opportunity to seek **additional partnership**. Notable entity types that applicants are seeking to partner with include:

- Primary Care Providers
- Elder Services
- Telemedicine Providers
- Civil Legal Services
- Emergency Responders – Police, Fire, EMS
- Social Services – Nutrition, Housing, Education, Transportation
- Pharmacy Services

# HPC-Issued Guidance Regarding the LOI Submissions

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HPC Staff observed common issues in LOI submissions that may affect the competitiveness and/or eligibility if not address prior to Proposal submission.

## Initiative Description Observations

- Applicants must propose an Initiative adapted from previous successful demonstrations achieving cost savings (see Section V.A.6. of the HCII Investment Program RFP and HCII 15 in the Innovation Investments FAQ).
- In addition to partnership being a minimum requirement, the strength and value of partnerships is a selection criteria that the HPC will consider when evaluating Proposals.

## Entity Eligibility Observations

- The majority of LOI submissions appeared to meet the eligibility requirements of the HCII Investment Program RFP.
- Some submissions appear to require modifications in order to meet eligibility requirements. As a reminder, eligibility is limited to Providers, Provider Organizations, and Carriers, as defined in Section IX of the HCII Investment Program RFP. Please see the HCII webpage for further information.

The HPC-Issued Guidance on LOI submissions can be found on the [HCII Round 1 LOI webpage](#).

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**The webinar is still in progress.  
Thanks for your patience as we prepare  
responses to your questions.**

For more information about the Health Policy Commission

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