

Community Health Care Investment and Consumer Involvement

Health Policy Commission

Committee Meeting
October 9, 2013



Agenda

- Approval of the minutes from September 4, 2013 meeting
- Discussion of Annual Cost Trends Hearings
- CHART RFP development
- Overview of Investment Program evaluation approach
- Schedule of next Committee meeting

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Vote: Approving minutes

Motion: That the Community Health Care Investment and Consumer Involvement Committee hereby approves the minutes of the Committee meeting held on September 4, 2013, as presented.

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Annual Cost Trends Hearing

Key themes

- Speakers highlighted the importance and challenges of ensuring access to high-quality behavioral health care in the right setting
- The world is looking towards APMs, but FFS is not going away fast – efficiency and quality can and should be achieved now
- Current incentives continue to drive behaviors contrary to optimal patient care (e.g., readmissions or cesarean sections)
- Population health, including community-clinical linkages, is a key focus of providers across the Commonwealth
- Providers need new capacities to deliver coordinated, patient-centered care and to bear financial risk (e.g., use of clinical data).

Implications for CHART

- Behavioral health should be a core area of focus, but scope might need to be narrowly defined to facilitate success
- A statutory CHART goal is to promote APMs/risk, but activities that promote efficiency and quality in FFS models should be valued
- CHART awards should promote changes within the recipient's control, incentivizing right care, right place, right time
- Capacity for population health management coupled with increased community-focused engagement is beneficial across providers
- Capabilities in quality improvement, data accessibility and use, leadership engagement, etc. are necessary to move towards risk

High-value, high impact investment program

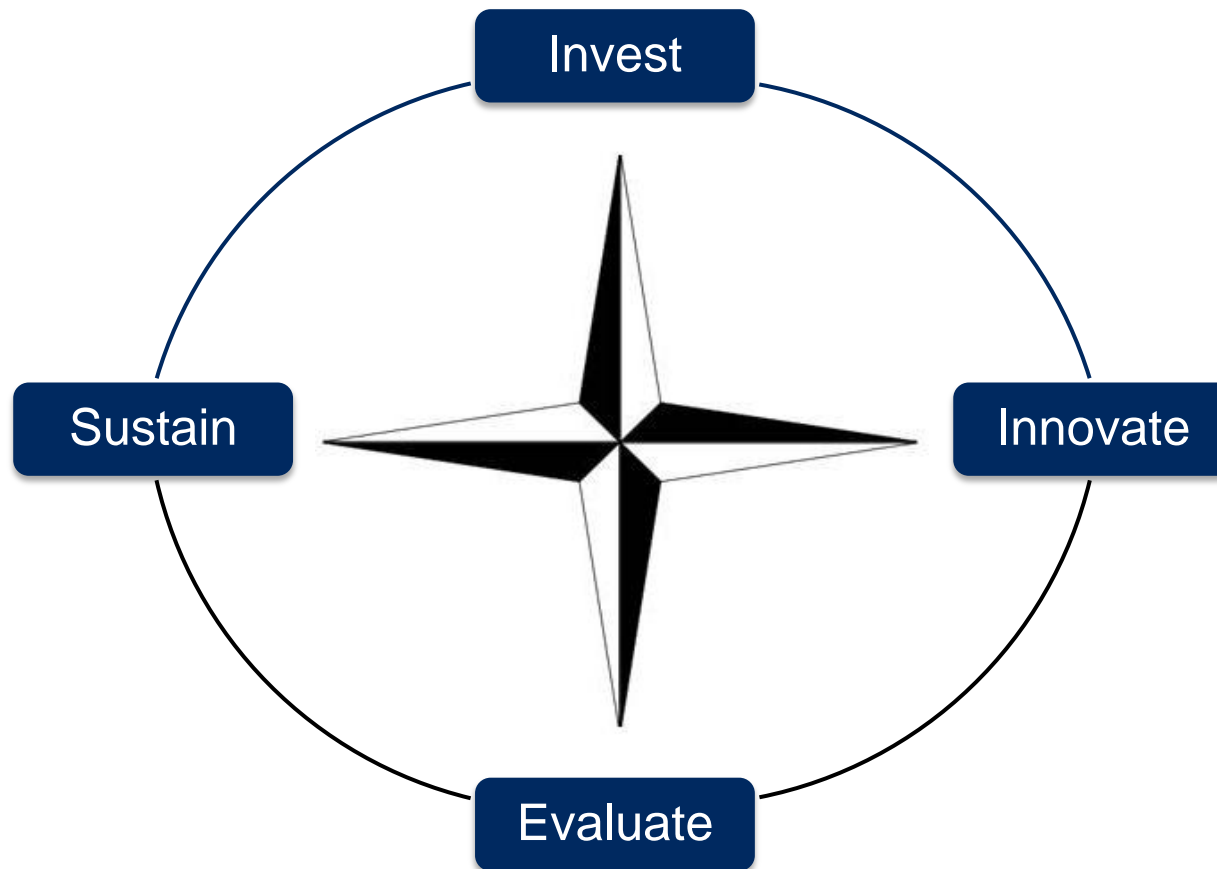
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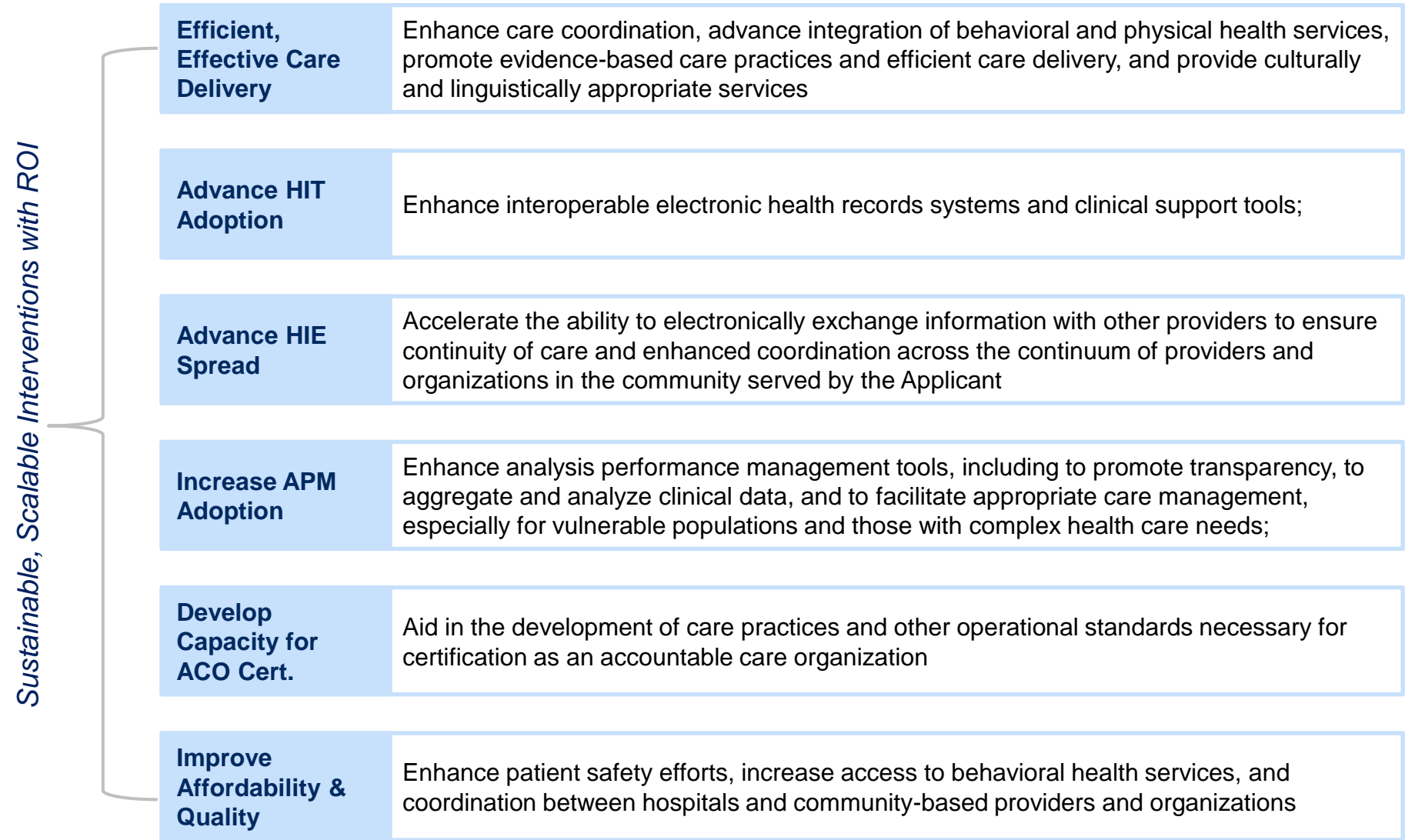
HPC CHART Investments

Community Hospital Acceleration, Revitalization, and Transformation

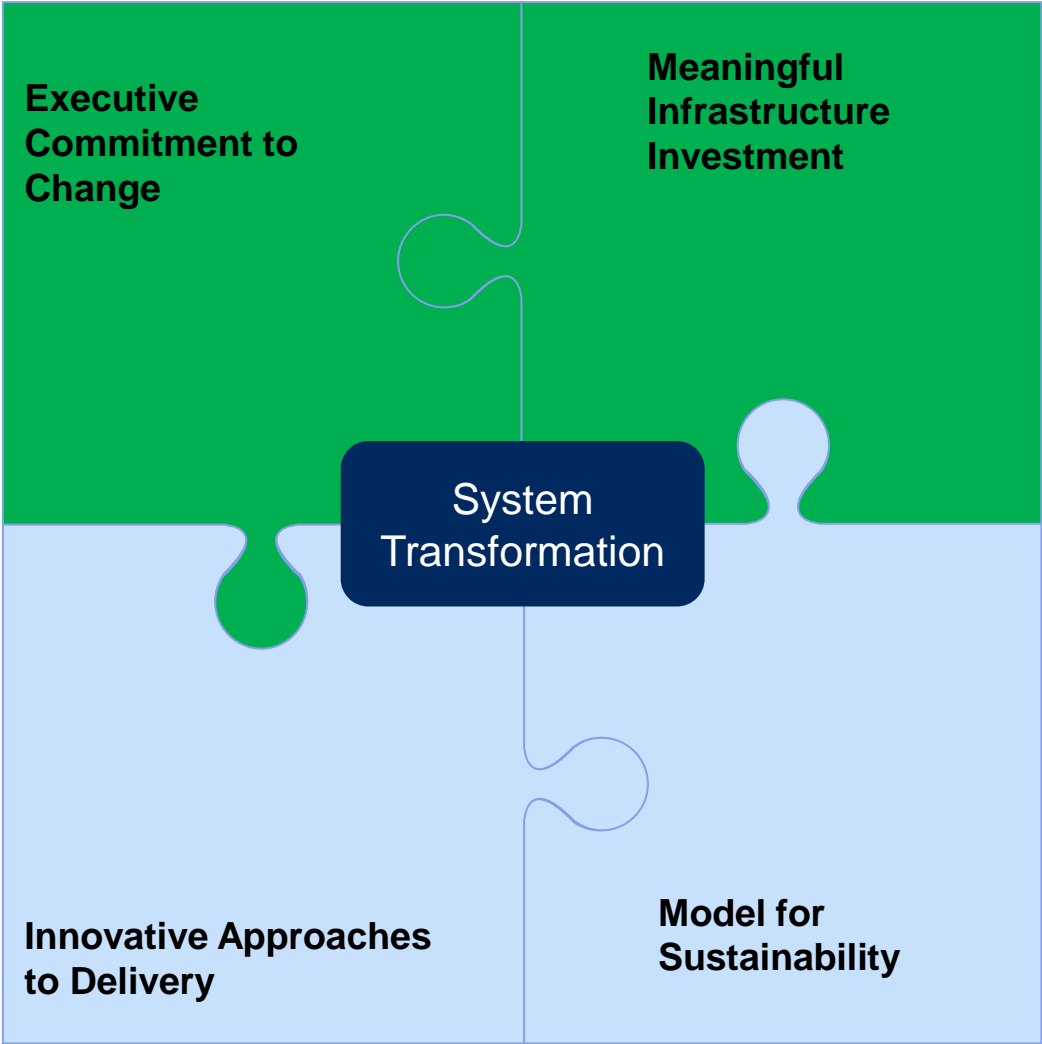
Charting a course for the right care at the right time in the right place



Regulatory goals for CHART investments



Necessary factors of change



Factors for future investment

Factors for Phase 1 investment

System transformation requires alignment of many factors



Transforming Healthcare Organizations

Hit all the notes on the xylophone or no music

Looking from Phase 1 to Phase 2

Phase 1: Fall 2013 – Foundational Activities to Prime System Transformation

- Modest investment with many eligible hospitals receiving funds
- Short term, high-need expenditures
- Participation not requisite for receipt of Phase 2 funds nor a guarantee of Phase 2 award
- Identified need to assess capability and capacity of participating institutions
- Opportunity to develop engagement and foster learning

Phase 2: Spring 2014 – Driving System Transformation

- Deeper investment in limited set of hospitals – competitive application process
 - Multi-year, system or service line transformations in Commission-identified areas of focus
 - Testing models of system transformation
- Opportunities for ‘all-play’ engagements – Pay for Success, or similar – non-competitive
- Close engagement between awardees and HPC

Ongoing program development

QI, Collaboration, and Leadership Engagement
Measurement & Evaluation
HPC Partnership with Awardees

Key elements of Phase 1

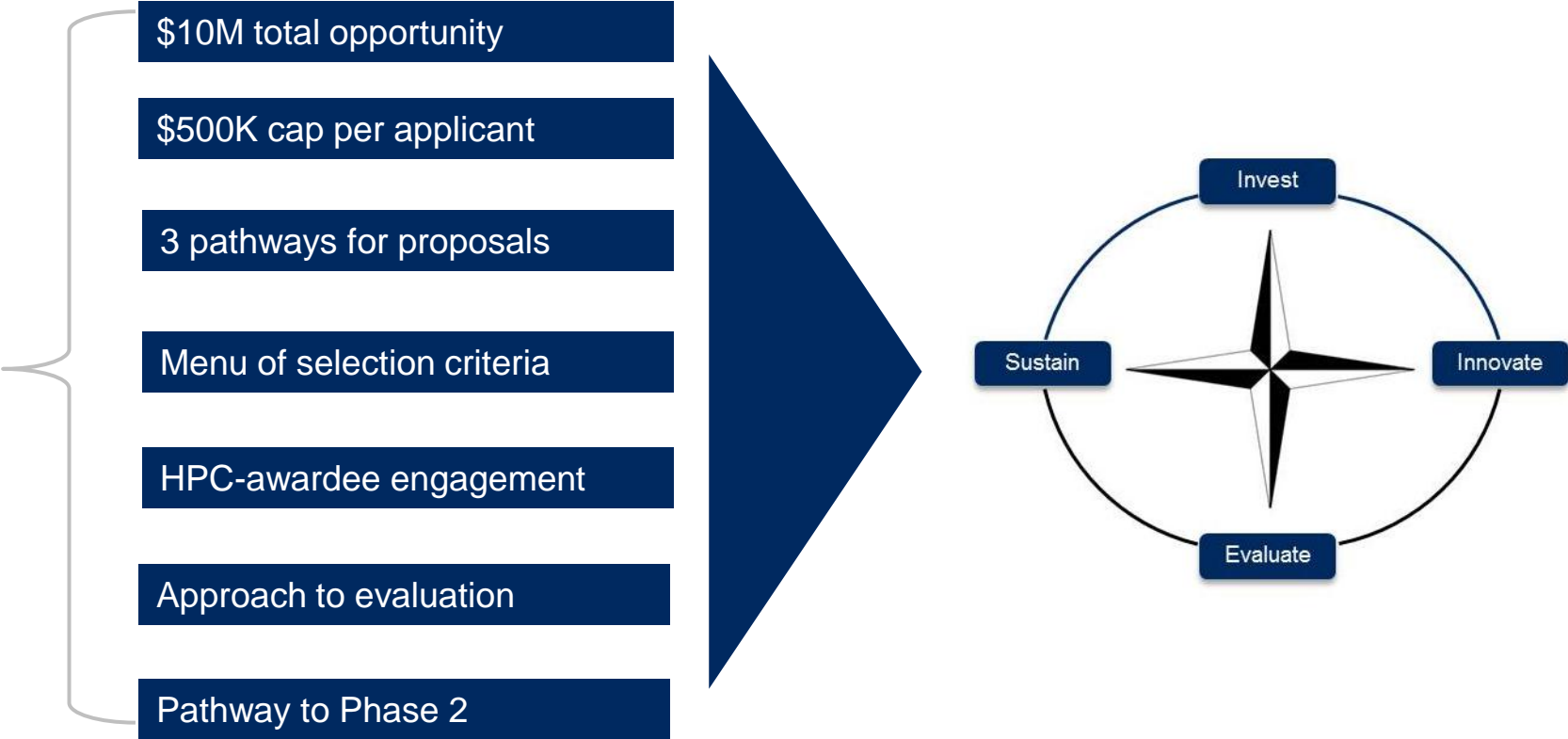


CHART framework – driving to deep investment in Phase 2

Phase 1 Approach and Operations

Phase 2: Spring 2014 – Driving System Transformation

- **Behavioral Health, e.g.:**
 - ED boarding
 - Inpatient treatment of SA
 - BH integration
- **Care Coordination and Care Transitions, e.g.:**
 - Readmission/preventable hospitalization reduction
 - Hot-spotting/PHM
- **Service Line Efficiency, e.g.:**
 - OB/GYN
 - ICU/Med-Surg
 - Resource stewardship

CHART framework – driving to deep investment in Phase 2

Phase 1 Approach

Phase 1: HPC Operations

- **HPC partnership with awardees**
 - QI, efficiency, collaboration, and leadership engagement
 - Capability, capacity, and culture assessment and development
 - Data capacity development
 - Building learning environments
- **Early evaluation**

Phase 2: Spring 2014 – Driving System Transformation

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CHART framework – driving to deep investment in Phase 2

Phase 1: Approach

- **Pathway A: Simple pilots in higher performing systems**
 - <6 month model testing programs in areas aligned with CHART goals
- **Pathway B: Capability and capacity development**
 - Clinical information flow between hospital and community-based providers
 - Tools and training to promote cost reduction and quality improvement (e.g., Lean)
 - Clinical triggers and flags
 - Building to collaboration
- **Pathway C: Planning**

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Phase 1: Approach

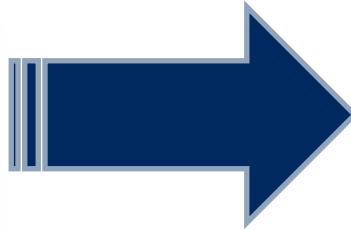
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- **Pathway C: Planning**



- **Pathway A: Simple pilots in high performing systems**

- Early evaluation metrics must be available prior to submission of Phase 2 application
- Relatively few awards – current capability and capacity must be previously established or enhanced with a concurrent Pathway B application
- May serve as proof of concept (PDSA) for Phase 2 application
- May include expansion of current initiatives
- Implementation of models for which an evidence base exists

CHART framework – driving to deep investment in Phase 2

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- **Pathway C: Planning**



- **Pathway B: Capability and capacity development**
 - Foundational investments (staff or infrastructure) to facilitate engagement in ongoing transformation
 - All investments should be aligned with goals of CHART program – may serve as the basis for Phase 2 investment but are meaningful as a stand-alone spend
 - Identified, high-need investments that can be tied to awardees plan for transformation
 - Prioritize acquisition or implementation of simple tools and approaches that improve cost reduction, quality improvement, patient safety, care coordination, and communication

CHART framework – driving to deep investment in Phase 2

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- **Pathway C: Planning**

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- Foundational investments to improve strategic and operational planning
- Output is a written plan to HPC documenting opportunities for improvement of business strategy and operations of core community hospital service lines
- Eligible applicants must demonstrate lack of capacity to otherwise conduct planning
- HPC may also award Planning funds to facilitate enhancement of unsuccessful Pathway A or B applications
- Recipients of Planning funds will be subject to participation and output requirements



Scope of Phase 1

Fund allocation, structure, and required activities

- Staff propose a \$10M funding pool, with a cap of \$500K per awardee¹
 - No more than \$100K may be expended on planning activities
 - Eligible entities may apply for funding within one or more Pathways, with the total requested sum not to exceed the cap
 - Evaluation of resources will be part of the award determination. For eligible hospitals with relatively greater resources, including affiliation with larger systems, proposals including internal cash contributions may be considered more favorably
- Funds flow would take the form of 50% of award upon execution of contracts and 50% upon completion of project
- Upon execution of contracts for Phase 1 awards, Staff propose initiating a comprehensive set of improvement-focused training and collaborative activities in which executive leadership and Board participation would be requisite
 - Requisite activities may include but not be limited to completion of a comprehensive improvement capability assessment tool and a culture survey, as well as attendance at a series of HPC led events

¹ HPC anticipates receipt of additional relative price data and updating eligibility list prior to issuance of RFP

Engagement and technical assistance

Approaches

- HPC to develop capacity (staff and consultant) to provide engagement and technical assistance
 - CHART statute allows for expenditure of up to 10% of Trust Fund on such activities
 - Staff to return to Commission with proposed CHART budget
- All hospitals to complete HLQAT (or similar tool) to facilitate identification of core needs
- All hospitals to complete a culture survey (specific tool TBD) to facilitate identification of areas for improvement
- Staff to engage with hospitals to optimize technical assistance based upon indicators as well as needs identified in Phase 1 awards

HLQAT

The Hospital Leadership and Quality Assessment Tool

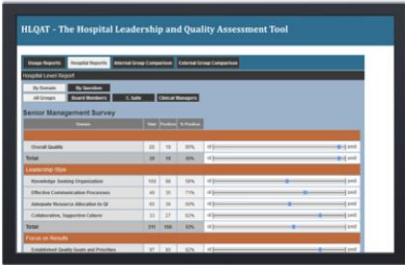
[Home](#)[The Study](#)[HLQAT for Hospitals](#)[Pricing](#)[Register Hospital](#)[FAQ](#)[Contact Us](#)

Give your hospital a check-up.

The Hospital Leadership and Quality Assessment Tool, HLQAT, is a self-assessment tool to help hospitals identify and improve structures and processes that are associated with high performance in clinical quality measures. The HLQAT is the culmination of several years of work by a team of university researchers and hospital providers, led by the Department of Health Management and Policy University of Iowa.

The HLQAT provides an excellent way for hospitals to:

- Engage Boards of Directors in a discussion on quality
- Identify differences in perceptions between Board, C-Suite and Managers regarding quality efforts
- Identify areas for improvement in structures and processes associated with higher quality
- Prepare for the increasing role of quality in healthcare reimbursement



The screenshot displays the HLQAT web application interface. At the top, there's a navigation bar with tabs for 'Survey Results', 'Survey Results', 'Survey Results', and 'Survey Results'. Below this, a 'Hospital Level Results' section shows a progress bar and a table of results. The table has columns for 'Survey Results', 'Score', 'Target', and 'Status'. The data rows show scores for 'Clinical Quality', 'Leadership Skills', 'Clinical Quality', 'Leadership Skills', 'Clinical Quality', 'Leadership Skills', and 'Clinical Quality'. The scores are 88, 88, 88, 88, 88, 88, and 88 respectively. The target is 90 for all. The status is 'On Track' for all. Below the table, there's a 'Survey Results' section with a table of results. The table has columns for 'Survey Results', 'Score', 'Target', and 'Status'. The data rows show scores for 'Clinical Quality', 'Leadership Skills', 'Clinical Quality', 'Leadership Skills', 'Clinical Quality', 'Leadership Skills', and 'Clinical Quality'. The scores are 88, 88, 88, 88, 88, 88, and 88 respectively. The target is 90 for all. The status is 'On Track' for all.

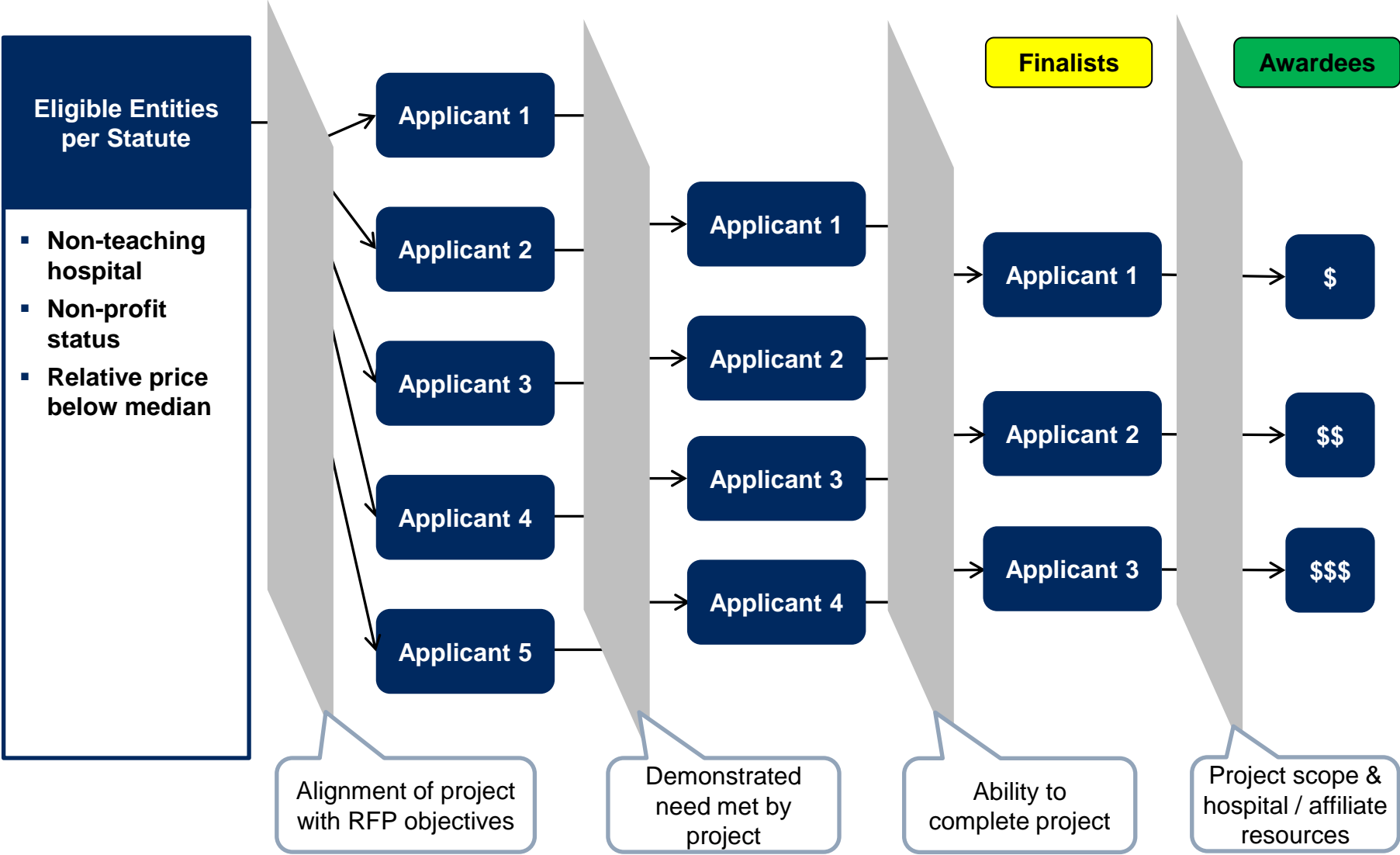
Administer Survey. Review Results. Focus on Improvement.

Selection factors – statutory and beyond

Selection and relative award of implementation grants should be tied to a variety of factors, including:

- **Applicant's financial health and payer mix**
- ROI of the investment
- Extent of innovation and potential for scaling up
- **Extent of potential for supporting future transformation activities**
- **Affiliations of the applicant, access to resources**
- Extent to which the proposal meets an identified geographic/population need
- **Extent to which the proposal demonstrates alignment and synergy with ongoing investments in the Commonwealth**
- **Extent to which the proposal meets an identified institutional need**

Selection of applicants

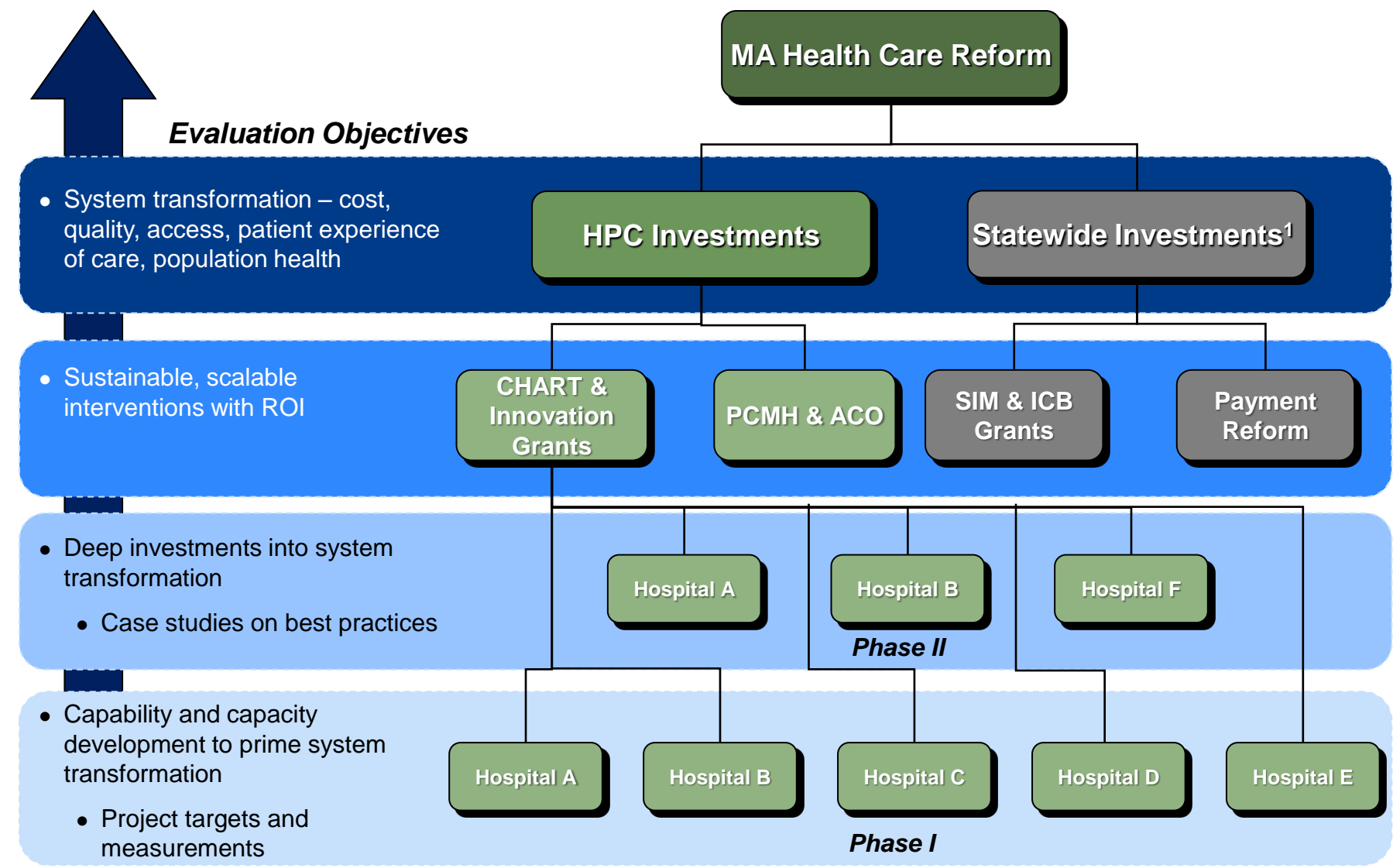


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General evaluation framework

Develop CHART evaluation within a wider context



¹ Examples only – HPC anticipates developing evaluation framework in the context of many activities across the Commonwealth, including all Chapter 224 investments

Project Evaluation

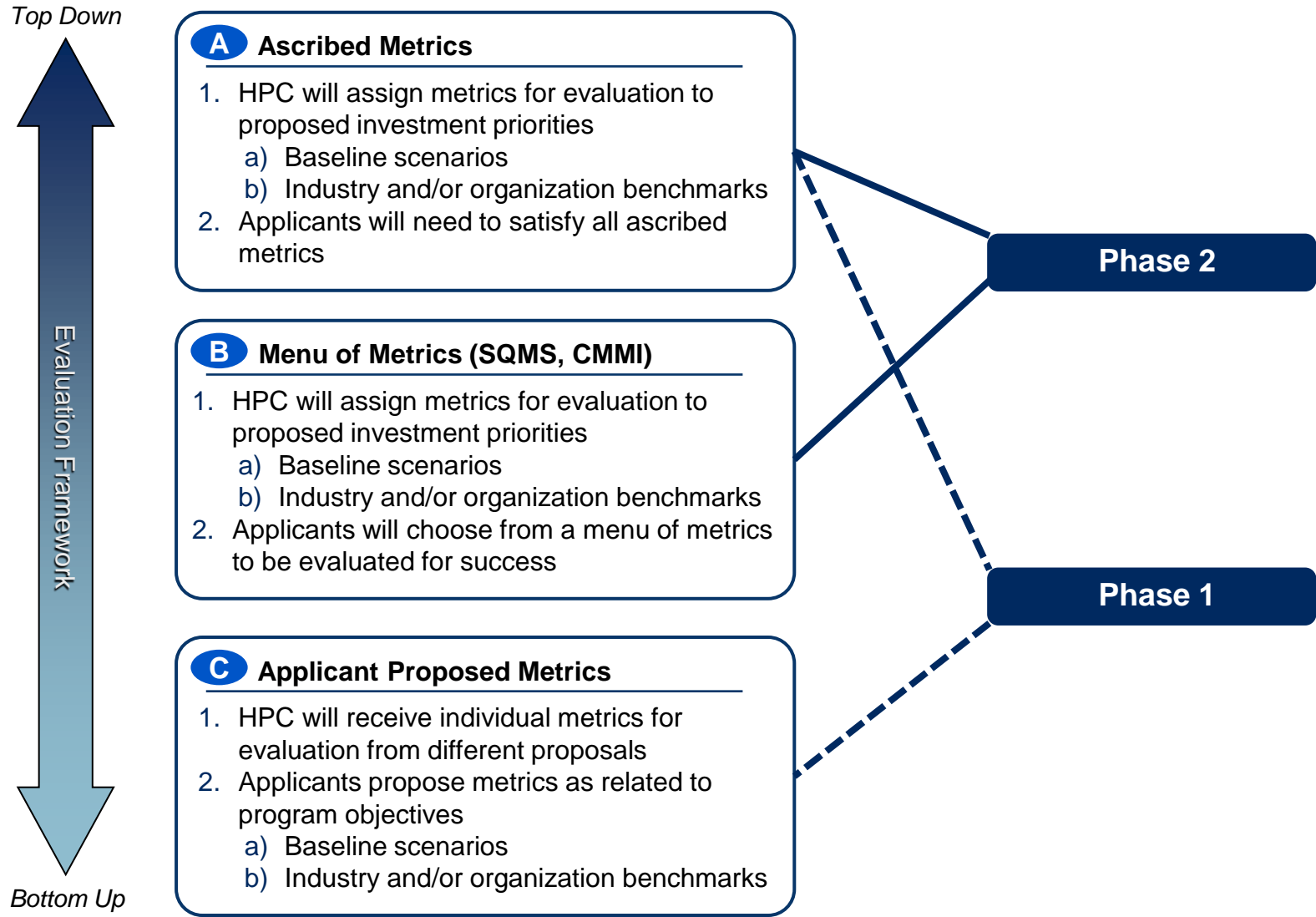
CHART Investment Goals and Objective
3 bullets on final CHART report on sustainable, scalable interventions with ROI

- 80% of clinical units score 80% or higher on culture survey (*indicating improvement*)
- 50% reduction in waste (*service line specific*)
- 50% reduction in ED boarding (*or similar measure for narrow domain*)
- 50% improvement in hospitals with capability for ACO certification

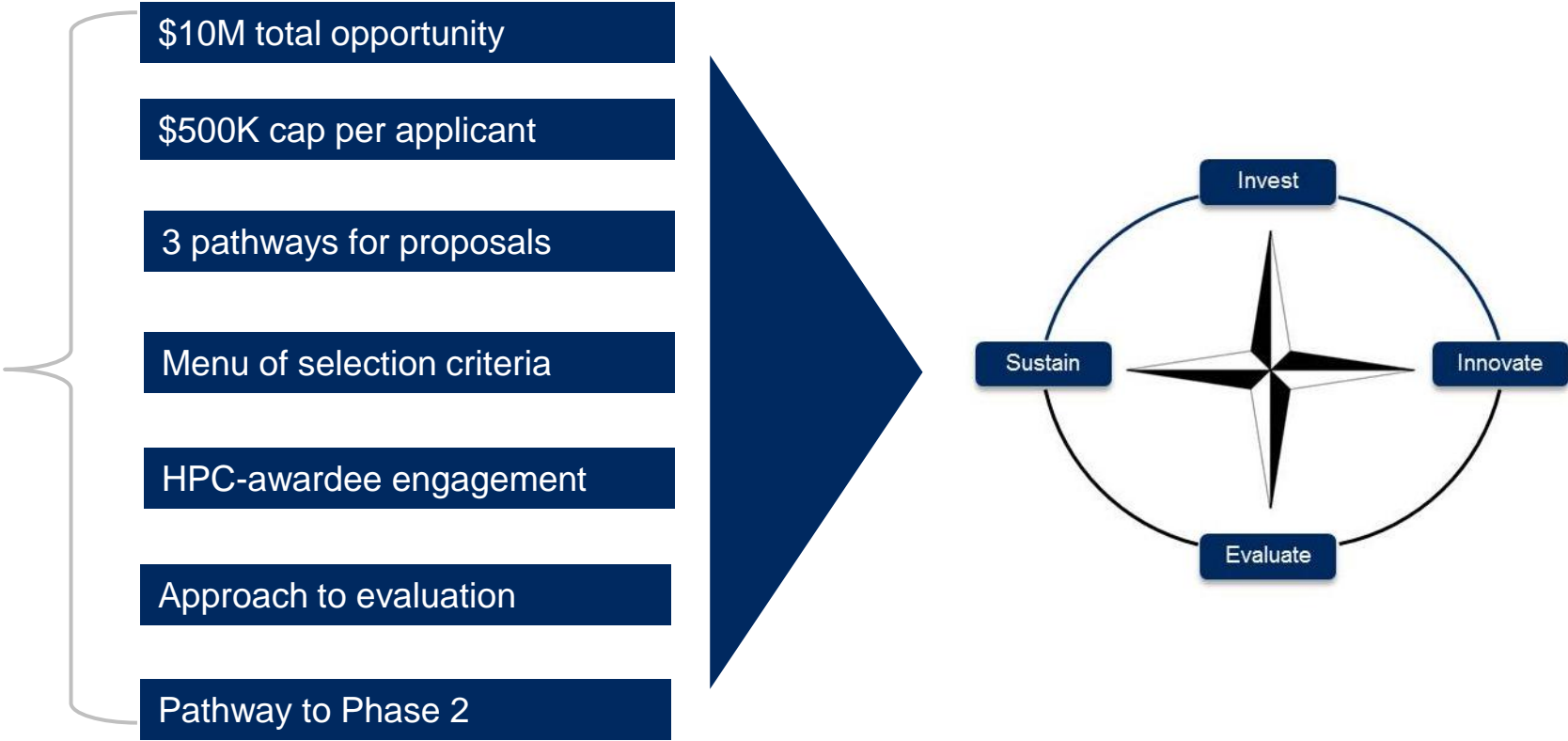
Example

	Phase 1 Priming System Transformation	Phase 2 – Driving System Transformation
Objective	<ul style="list-style-type: none">Build BH capacity in emergency department to reduce ED boarding	<ul style="list-style-type: none">Behavioral Health Integration
Metrics	<ul style="list-style-type: none">Redesign ED workflow to maximize efficiencyHire case manager + process measures<ul style="list-style-type: none">Number of intake evaluationsReduction in length of stay	<ul style="list-style-type: none">Number of case managersOutcome measures<ul style="list-style-type: none">Reduction in readmissionReduction in TME for BH patients
Data Collection	<ul style="list-style-type: none">Statistics provided by granteesCross-Commonwealth benchmarking through available DPH data	<ul style="list-style-type: none">Statistics provided by granteesOnsite visitsInterviewsSurvey/Case studiesPublicly available HEDIS/ACES data
Program Monitoring	<ul style="list-style-type: none">Initial baseline report (in proposal)Final report (bonus grants for successful completion?)	<ul style="list-style-type: none">Initial baseline report (in proposal)Yearly report (payment disbursed after meeting milestones)Final report

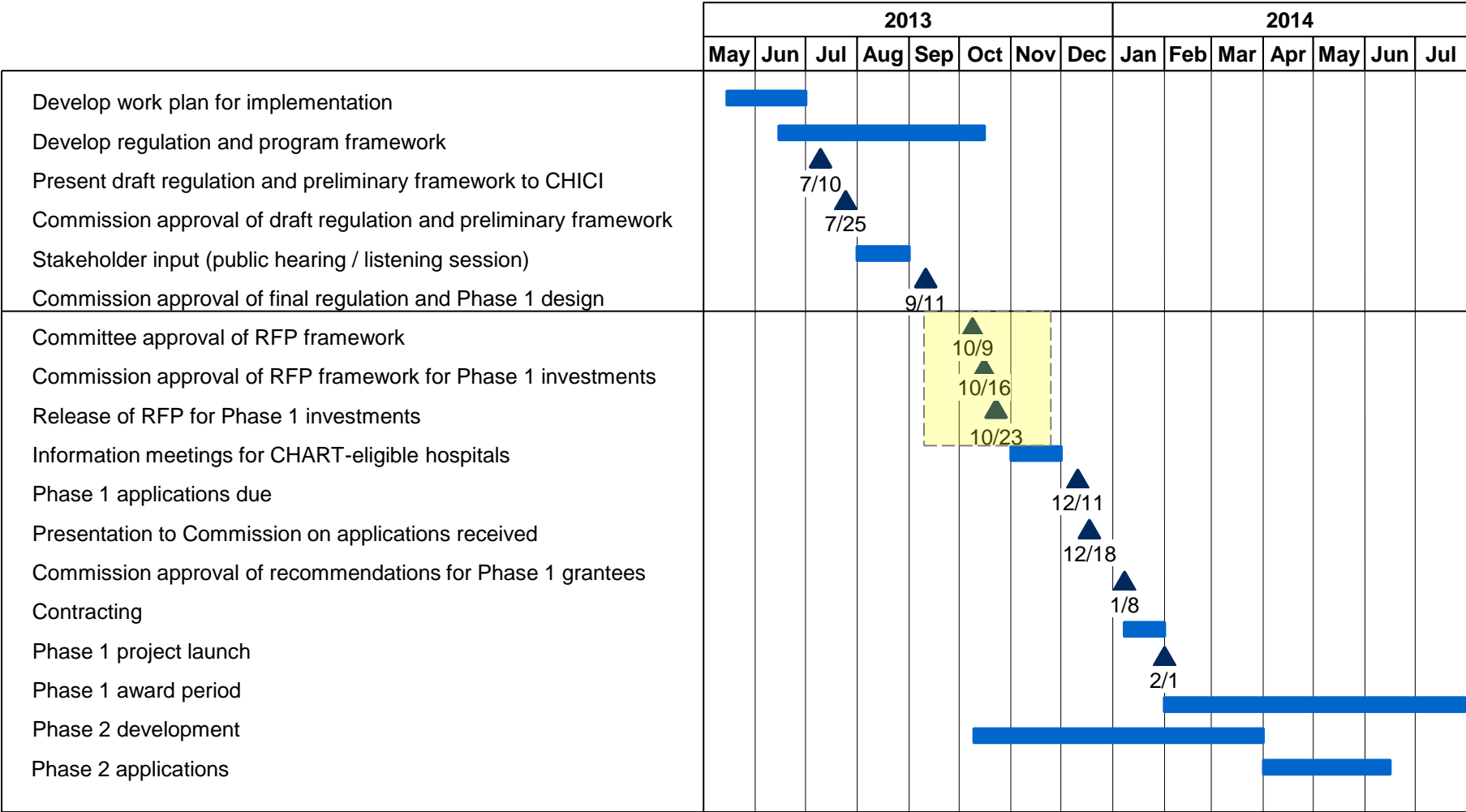
Selection of metrics



Revisit key elements of Phase 1



Anticipated timeline

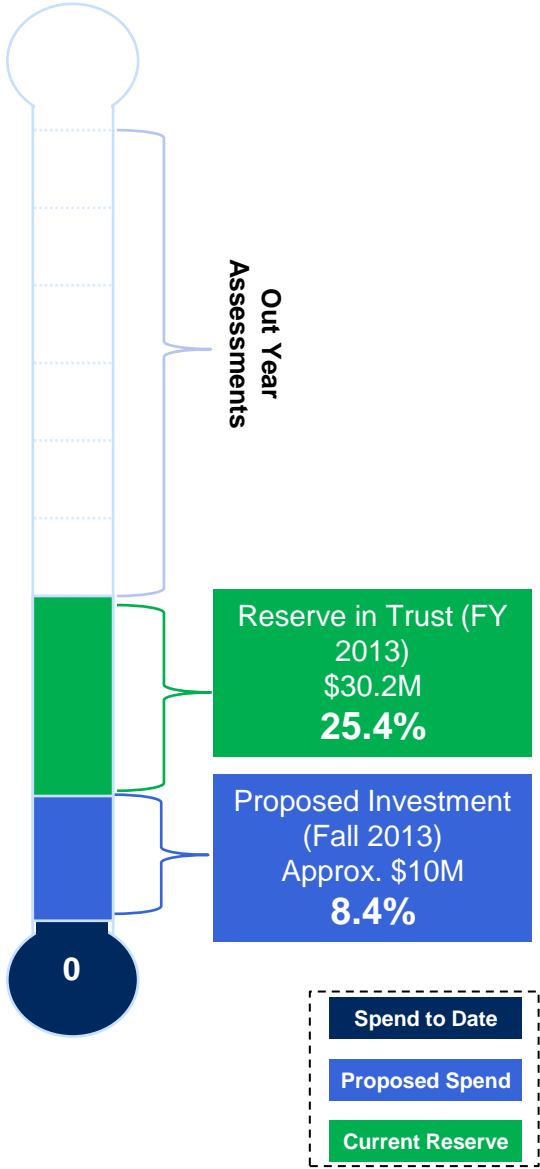


Next steps

Staff activities and Committee engagement

- Finalize **RFP and requisite application materials** (financial plan, operational plan, aims and drivers for improvement, evaluation metrics, etc.)
- Apply **quantitative measures to selection criteria** to allow for stratifying investment across eligible hospitals (e.g. as a proportion of volume, payer mix, operating margin, cash reserves, prior investments, etc.)
- Finalize **administrative protocols** for review and evaluation of applications
- Present **draft RFP to Commission** at October 16 meeting for approval – plan for release 5-7 days later
- One-on-one meetings with awardees / grantees throughout the funding lifecycle, to build **strong relationships** and truly understand our cohort
- **Ongoing development of full CHART framework**, building towards significant fund allocation in Spring 2014
- **Ongoing coordination of CHART activities with key partners** (e.g. Prevention and Wellness Trust Fund, Infrastructure and Capacity Building Grants, MeHI e-Health investments, SIM, etc.)

\$119.08M¹



¹Distressed Hospital Trust funding pool after mitigation for select health systems

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Contact information

For more information about the Health Policy Commission:

- Visit us: <http://www.mass.gov/hpc>
- Follow us: @Mass_HPC
- E-mail us: HPC-Info@state.ma.us