
HEALTH CARE INNOVATION INVESTMENT PROGRAM ROUND 1



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Funding Opportunity: HCII Round 1

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OVERVIEW INFORMATION

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KEY DATES

Date of Issue: March 2, 2016

Information Sessions: March 16, 2016 and March 25, 2016

Letter Of Intent Due Date: April 8, 2016 by 3:00 PM EDT

Proposal Due Date: May 13, 2016 by 3:00 PM EDT

Anticipated Awardee Announcements: July 2016

Anticipated Contract Execution: October 2016

Anticipated Period of Performance: October 2016 to September 2018

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Section I. Purpose

The Massachusetts Health Policy Commission (HPC) is issuing this Request for Proposals (RFP) to solicit responses from **Eligible Entities (Providers, Provider Organizations, or Carriers)**¹ and their Partners to test innovations in health care payment and service delivery through the Health Care Innovation Investment Program (HCII Program). All HCII Program investments must further efforts to meet the health care cost growth benchmark; the most competitive Applicants will also seek to improve quality of care, Provider experience, increase access to health care services for residents of the Commonwealth, or improve other facets of the health care system with their Proposals. The HPC is seeking to invest in health care payment or service delivery innovations (Initiatives) that achieve cost savings within an 18-month Implementation Period and target the most complex health care cost challenges in Massachusetts through validated, emerging models.

For this round of HCII investment (Round 1 Investments), the HPC is making up to \$5,000,000 available from the Health Care Payment Reform Trust Fund (M.G.L. c. 6D, § 7) and the Distressed Hospital Trust Fund (M.G.L. c. 29, § 2GGGG) through this RFP. \$3,500,000 is available from the Health Care Payment Reform Trust Fund (for Applicants not eligible for the CHART Investment Program) and \$1,500,000 is available from the Distressed Hospital Trust Fund (for Applicants eligible for the CHART Investment Program²). Eligible Entities may apply through a competitive process for up to \$750,000 per Award over 24 months to prepare and implement innovative payment and care delivery models with an emerging evidence base of cost savings targeting one or more of the following persistent health and cost Challenges:

- 1) **Social Determinants of Health (SDH):** *Meet the health-related social needs of high-risk / high-cost patients*
- 2) **Behavioral Health Integration (BHI):** *Integrate behavioral and physical health care (including substance use disorders) for high-risk / high-cost patients*
- 3) **Value-Informed Choices - Purchasers:** *Increase value-informed choices by purchasers (including both employers and consumers) that optimize patient preferences*
- 4) **Value-Informed Choices - Providers:** *Increase value-informed choices by Providers that address high-cost tests, drugs, devices, and referrals*
- 5) **Provider Practice Variation:** *Reduce variability in practice patterns for lower back pain, hip/knee replacements, deliveries, and other high-variability episodes of care*
- 6) **Post-Acute Care (PAC):** *Improve hospital discharge planning to reduce over-utilization of high-intensity PAC settings as well as improve efficiency and transitions of care within and between PAC Providers*
- 7) **Serious Advancing Illness and Care at the End-Of-Life:** *Support patients in receiving care that is consistent with their goals at the end of life and provide comprehensive community- and home-based services*
- 8) **Site & Scope Of Care:** *Expand scope of care of medical and paramedical Providers who can most efficiently care for high-risk / high-cost patients in community settings (e.g., through care models, partnerships, or technologies)*

These Challenges, which are fully described in **Attachment A, Exhibit 1**, each represent innovation opportunities – areas where limited existing market progress has been made, despite their strategic importance and the presence of promising, emerging solutions.

In addition to addressing one of these Challenges, each Initiative supported through HCII will:

¹ Capitalized terms are defined in **Section IX**.

² A list of Applicants eligible for the CHART Investment Program is available in **Section VIII** of this RFP.

- **Form multi-stakeholder partnerships** to engage in meaningful collaborations to meet patients' health needs, which are complex and multi-factorial.
- **Build upon emerging evidence of cost savings** by adapting existing care delivery or payment models (e.g., from primary literature, grey literature, published case studies, or the Applicant's and Partners' past experience) to demonstrate rapid cost savings impact, with measurable savings within the 18 month Implementation Period.
- **Identify opportunities for sustainability through policy and payment reform** that may bring promising delivery and payment innovations to scale.
- **Utilize a performance improvement framework to maximize impact, including rapid-cycle measurement** that will ensure learning and accountability.

HCII Round 1 In Brief

Purpose: To test promising care delivery and payment innovations that target eight complex health care cost Challenges

Eligibility: Providers, Provider Organizations, or Carriers who collaborate with one or more Partners to serve a shared population

Award: Up to \$750,000 per Award for up to 6 months of preparation and 18 months of implementation; approximately 8-12 Awards

Section II. Round 1 Description

A. Background

The HPC was established in 2012 through the Commonwealth's landmark health care cost containment law, [Chapter 224](#): "An Act Improving the Quality of Health Care and Reducing Costs through Increased Transparency, Efficiency and Innovation." The HPC is an independent state agency responsible for reducing overall cost growth, improving access to high quality, accountable care and reforming the way health care is delivered and paid for in Massachusetts.

The HPC is charged with facilitating lower costs and better, more efficient and innovative care by: 1) monitoring health care cost growth in the Commonwealth and drivers thereof, 2) evaluating the impacts of substantial changes to the Massachusetts health care market on cost, quality, market function, and access, 3) evaluating and fostering model payment system reforms, 4) engaging in patient protection activities, and 5) driving care delivery reforms through health care investments and the development of voluntary model certification programs for Patient-Centered Medical Homes and Accountable Care Organizations.

To advance these goals, the HPC invests in and tests emerging and innovative care delivery and payment models that hold promise for supporting achievement of the Commonwealth's goals of reducing health care cost growth and ensuring access to high quality services. The HCII Program is one such initiative to adapt and test innovative approaches to address complex cost challenges to support the Commonwealth's goal of meeting the health care cost growth benchmark.

The HCII Program was established in Chapter 224 of the Acts of 2012 (M.G.L. c. 6D, § 7) to support the state's efforts to meet the health care cost growth benchmark established in [M.G.L. c. 6D, § 9](#). To the maximum extent feasible, the HPC will fund Initiatives that coordinate with other public expenditures, such as the eHealth Fund, the Distressed Hospital Trust Fund, and the Prevention and Wellness Trust Fund, as well as investments from the Delivery System Transformation Initiative of the Center for Medicare and Medicaid Innovation. In developing the HCII Program, the HPC solicited ideas for payment and care delivery reforms directly from Providers, Carriers, research / educational institutions, community-based organizations and other experts and market participants. Through this process and supported by the HPC's cost trends research, the HPC identified eight health care cost Challenges. Characterized by substantial patient need, high cost, and opportunity for innovation, the eight Challenges represent the state's most persistent health care cost drivers in need of focused innovation to advance progress in the accessibility, quality, and affordability of health care. Detailed descriptions of each Challenge, a non-exhaustive list of relevant measures of impact for each, and potential benchmark innovation models to address each Challenge may be found in **Attachment A, Exhibit 1**.

B. Goals

To direct investment in innovations such as technology and new payment and service models, the HPC has identified a primary goal for the HCII Program to **reduce health care cost growth within the Commonwealth while maintaining or improving quality, access, and Provider experience.**

All Proposals in HCII Round 1 should be focused on measurable, quantifiable impact on health care cost reduction. Cost reduction may be demonstrated through a number of mechanisms, such as:

- **Reducing total medical expenses:** for example, through avoided acute care utilization, avoided procedures or tests, shift of volume to lower cost sites of care, or use of more cost-efficient care Providers. Total medical expenses are a key component of total health care expenditures³ (THCE).
- **Reducing operating expenses:** for example, through increased operating efficiencies by a delivery system, use of telemedicine to limit labor costs, etc. Applicants that seek to reduce operating expenses must demonstrate how such savings may impact THCE (e.g., by citing opportunities to renegotiate payer rates for services that are delivered less expensively than prior to the Initiative).
- **Reducing social costs:** for example, through reduction in chronic homelessness, increased educational engagement, etc. Applicants that seek to reduce social costs must demonstrate how such savings may impact THCE (e.g., by citing evidence that reducing homelessness leads to decreased utilization of the health care system).

Section III. Award Information

A. Total Funding Available, Award Amount, Total Number of Awards

The HPC anticipates making 8-12 Awards, with no single Award totaling more than \$750,000, and a total of \$5,000,000 available for funding. Applicants may receive an Award less than the amount requested and may be asked to adjust elements of their Proposal. The HPC intends to fund the strongest Proposals based on the Round 1 selection criteria, subject to the funding parameters detailed above. The HPC is not obligated to fund a minimum number of Proposals, or to distribute a minimum amount of funding for HCII Round 1 Investments. The HPC anticipates that not all Awards will be funded at the cap of

³ For a description of THCE, please refer to CHIA's website here: <http://www.chiamass.gov/total-health-care-expenditures/>.

\$750,000. Award amounts will vary based on the scope and projected impact of Proposals such as: potential impact anticipated, demonstrated need of the population served, and/or potential for scale and learning opportunities to advance care and payment transformation across the Commonwealth.

B. Anticipated Timeline

The Contract term shall be for up to 24 months, including up to 6 months of preparation, and 18 months of implementation (beginning at Contract execution on or about October 1, 2016 and ending on or about September 30, 2018), and may be extended at the sole discretion of the HPC in any increment through September 30, 2019.

All dates are estimated, except for deadlines indicated in **bold** type. All times are Eastern Daylight.

	DESCRIPTION	DATE
1	RFP released	March 2, 2016
2	Information sessions held by HPC staff	March 16, 2016 (in person) and March 25, 2016 (webinar)
3	Deadline for submission of written questions on LOI	April 1, 2016 by 3:00 PM
4	Deadline for submission of LOI	April 8, 2016 by 3:00 PM
5	HPC publishes select LOI elements	April 15, 2016
6	Deadline for receipt of written questions on Proposal	May 6, 2016 by 3:00 PM
7	Deadline for submission of Proposal	May 13, 2016 by 3:00 PM
8	Awardees selected	July 2016
9	Projected Contract execution	October 2016
10	Preparation Period	October 2016-March 2017
10	Implementation Period	March 2017-September 2018

C. Funding Disbursement

Payment of Awards pursuant to this RFP will be made on a cost reimbursement basis, except the HPC may make an initiation payment at the time of Contract execution to fund Awardee preparation activities (e.g., development of clinical protocols, operational policies and procedures, training, technology systems testing, etc.). The HPC will make payments of the Award in periodic installments based on a cost-reimbursement model. All payments and any Contract extensions are subject to HPC authorization, availability of funds, and HPC's determination of satisfactory performance of the Contract terms.

The HPC will not be responsible for any costs or expenses incurred by Applicants or Partners in responding to this RFP.

D. Termination or Amendment of Awards

The HPC reserves the right to reduce, terminate, or recover payments, in whole or in part, in the event the Awardee fails to perform Contract requirements and provide deliverables substantially as specified in the Contract or if during the Contract term, the Awardee is determined by the HPC to be no longer qualified.

Section IV. Selection Criteria

This section describes the criteria for review and selection of Awards for this RFP. The Proposal must be organized as detailed in **Section V.C.** The Review Committee will evaluate all Proposals submitted in accordance with **Section V** that meet the minimum requirements listed in **Section V.A.** In addition to the Proposal as submitted, the Review Committee may consider any relevant information about the Applicant known to HPC, including but not limited to HPC's prior experience working with the Applicant. Proposals will be scored based on a total of 100 points. The following criteria will be used to evaluate each Proposal:

1) Impact of the Proposed Initiative (30 points)

- Demonstration of community need for the selected Challenge
- Alignment of the proposed Initiative with the HCII Program goal of reducing health care costs within the Commonwealth
- Magnitude of estimated cost savings impact of the proposed Initiative on the target population specified by the Applicant within the Implementation Period, as well as estimated impact on quality, access, Provider and patient experience and patient flow, continuity of care, and the extent to which the proposed Initiative will support innovative health care delivery and payment models, as appropriate

2) Operational Approach (20 points)

- The Proposal is well-designed, comprehensive, feasible and effective to meet the goals of the RFP with clear aims, goals, objectives, deliverables, and outcomes
- Strength of the proposed Initiative, its evidence base, and plan for adaptation to serve the target population
- Extent to which the proposed Initiative meets the described patient/population need better than current alternatives
- Alignment of the measurement plan to the proposed Initiative for performance monitoring and to the aims for outcomes assessment

3) Partnership and Collaboration (15 points)

- Strength and value of partnerships and effective governance, communication, and decision-making structures among the Applicant and Partner(s)

4) Leadership and Organizational Capacity (10 points)

- Leadership and management engagement and capability

- Past performance with relevant health care transformation grant programs (if applicable)

5) **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 optional response detailed in **Section V.E.10** and publically available financial metrics
- Proposed in-kind contribution(s) relative to financial need of the Applicant and Partner(s)

6) **Sustainability and Scalability (10 points)**

- Potential for learning, sustainability, replication and scalability of the model

Section V. Proposal Instructions

To be considered, an Applicant must submit a Proposal to the HPC in accordance with the minimum requirements detailed below and consistent with the deadlines, requirements, and required information and Attachments described below.

A. Minimum Requirements

- 1) A Proposal must be submitted by an Eligible Entity (the Applicant).
- 2) The Applicant must submit a Letter of Intent (LOI) and a full Proposal to the HPC, submitted consistent with the deadlines and required information and Attachments described below. Although an Applicant must submit an LOI to be considered for funding, the Applicant will not be bound by the content of the LOI during the review and selection process and may alter the Initiative in the Proposal.
- 3) The Applicant must select one of the eight Challenges (**Section I**) to target with its Initiative. Many Proposals will likely be relevant to more than one Challenge. The number of Challenges addressed by an Initiative will not be a factor in evaluating Proposals.
- 4) The Applicant must propose one or more Partners to address the selected Challenge. A Partner may be any organization that provides one or more services to the target population, or otherwise collaborates with the Applicant on payment, service delivery, or analysis for the proposed Initiative.⁴ Partnerships may be new, or a strengthening of an existing partnership. Partners may be funded through an Award; however, the Applicant may also propose an in-kind or unfunded partnership.⁵

⁴ Technology or other firms solely selling a product or service to an Applicant will not be considered a Partner for the purposes of the HCII Program. To qualify as a Partner, the technology firm must demonstrate a collaborative approach to testing an innovative delivery approach, analytic model, tool, or other solution.

⁵ For the purposes of this RFP, "Partnership" involves entities that are not corporately affiliated, i.e., entities that do not have an ownership or controlling relationship or entities that are not under common control or ownership. Partnerships should facilitate close collaboration between Applicants and other organizations caring for the target population.

Examples of partnerships include:

- A Carrier and a Provider collaborating to test an innovative payment arrangement to implement a new model for supporting care at the end of life
- A behavioral health group practice and a public high school partnering to deliver school-based tele-Behavioral Health services to adolescents enrolled at the school.
- A health system and a social services Provider collaborating to meet the housing, nutrition, or other social determinant needs of high risk patients
- A Carrier and a researcher partnering to test a new analytics approach or to provide enhanced evaluation to demonstrate the savings or impact on access and patient experience of a proposed Initiative
- A not-for-profit professional association and Carriers / Providers partnering to address practice pattern variation and waste
- A Provider and an employer collaborate to test a model of direct-to-consumer telemedicine offerings to increase employee access to Behavioral Health services

5) The Applicant must submit the Proposal on behalf of all Partners and be an Eligible Entity. The Applicant will be the entity with whom the HPC will Contract for the Award. The Applicant shall be responsible for fulfilling the terms of the Award, but may do so by coordinating with Partners to perform other operational aspects of the Initiative. Separately, the Applicant must identify two key personnel:

- An Investment Director, who will assume responsibility for overseeing implementation of the Initiative. The Investment Director will serve as the primary point of contact for the HPC and will lead implementation of the Initiative, but does not need to be an employee of the Applicant.
- A Financial Designee, who will be responsible for tracking HPC funds for the Period of Performance and for reporting expenditures as required by the HPC. The financial designee should possess the relevant skills and understanding of the Applicant's accounting practices.

6) The Applicant must propose an Initiative adapted from previous successful demonstrations achieving cost savings and other improvements to quality and access (e.g., primary literature, grey literature, published case studies, or the Applicant's and Partners' past experience piloting an intervention). Refer to **Attachment A, Exhibit 1** for an overview of model examples by Challenge area.

7) The Applicant must propose key outcomes that it seeks to achieve, measures to assess those outcomes (including patient-reported outcome measures, as applicable), and a plan for rapid-cycle evaluation in order to achieve impacts.

B. LOI Instructions

The Letter of Intent must be submitted through the HCII LOI web form (located under "Innovation Investments" on mass.gov/hpc). The LOI is a required summary identifying the Applicant's intent to submit a Proposal targeting a selected Challenge. The purpose of the LOI is to indicate to the HPC an Applicant's intent to submit a Proposal, and to provide Applicants an opportunity to seek additional Partners for a Proposal. The Applicant may submit a Proposal having altered the Challenge it is seeking to address, its Primary Aim, Initiative, and/or Partners from those described in the LOI.

To assist Applicants in developing partnerships, the HPC will publish a list of all Applicants that submit an LOI on the HCII webpage (located under “Innovation Investments” on mass.gov/hpc) approximately one week after the LOI submission deadline. The HPC will indicate the Applicant’s name and contact information, the Partner(s), the Challenge specified by each Applicant, the Target Population, and whether the Applicant has indicated an interest in potential Partners. No information about anticipated Initiatives, other than the specified Challenge, Partners, and anticipated target population to be served, will be published. Please note that any Eligible Entity that is a Partner named in an LOI may submit a Proposal for any Challenge and target population as an Applicant.

Each LOI must include the following:

- 1) ***Applicant:** Name of the Eligible Entity who likely will serve as the Applicant on behalf of all Partners to the anticipated application
- 2) ***Partner(s):** Names of the contemplated participating Partner(s) (may be both Eligible Entities and other partnering organizations)
- 3) **Title of Proposed Initiative:** Brief, descriptive title for the Applicant’s proposed Initiative
- 4) ***Selected Challenge:** Identification of which Challenge the Applicant’s Initiative will address
- 5) ***Target Population:** Brief description of the populations the Applicant’s Initiative will be targeting
- 6) **Proposed Innovation:** Please briefly describe your proposed service model, highlighting the critical success factors of the Initiative and briefly citing the evidence base supporting the Initiative’s service model and intended impact
- 7) **Estimated Funding Request:** Estimate of the anticipated HPC funding request
- 8) ***Interest in Partnership:** Indication of which type of additional Partner(s) the proposed Initiative would potentially benefit from, and their potential service areas
- 9) ***Contact Information for Partnership Inquiries:** Contact details for interested parties to direct their questions and introductions for potential partnership

**Information submitted in these categories will be made publicly available on the HPC’s website.*

Complete LOIs must be received by the HPC through the provided web form **no later than 3:00 PM (EDT) on April 8, 2016.**

C. General Proposal Requirements

All materials necessary to complete a response to this RFP will be made available on the HPC’s website, located under “Innovation Investments.” Applicants must follow all submission instructions. Omission of key information may lead to rejection of the Proposal as incomplete.

Each Proposal must include the following:

- 1) A cover letter completed as described in **Section V.D** and signed by the President or Chief Executive Officer or Board Chair of the Applicant.
- 2) A **complete** Operational Response (including all Attachments) for funding as described in **Section V.E.**
 - a. Driver Diagram Template (**Attachment B, Exhibit 1**)
 - b. Performance Measures Template (**Attachment B, Exhibit 2**)

- c. Budget Proposal Response (**Attachment B, Exhibit 3**)
- 3) Mandatory Contracting Forms. Each Application must include copies of the following documents signed by an authorized signatory of the Applicant:
 - a. Commonwealth Terms and Conditions (**Attachment C, Exhibit 1**)
 - b. Commonwealth Standard Contract Form and Instructions (**Attachment C, Exhibit 2**)
 - c. Contractor Authorized Signatory Form (**Attachment C, Exhibit 3**)
 - d. HPC Confidentiality and Non-Disclosure Agreement (**Attachment C, Exhibit 4**)

For each Proposal, the Applicant must submit **one (1)** electronic copy of all materials to the HPC to HPC-Innovation@state.ma.us. **Attachment B, Exhibits 1-3** 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 **Attachment C, Exhibits 1-4**. 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**.

D. Cover Letter Instructions

Applicants **must** submit a cover letter that includes all of the following information (failure to submit a cover letter including all components may result in disqualification from consideration for funding):

- 1) A statement that the Proposal is an application for Funding Opportunity HPC-Innovation-001, HPC Health Care Innovation Investment Program;
- 2) The name and principal address of the Applicant organization;
- 3) A description of the Applicant's Legal Entity status (e.g., not-for-profit corporation, limited partnership, general partnership, etc.);
- 4) A statement that the Applicant's Proposal is effective through the date that the Applicant executes a Contract with HPC pursuant to this RFP;
- 5) The specific amount of funding requested;
- 6) Affirmation that if awarded funding, the Applicant will complete all activities as described in the Proposal;
- 7) Affirmation that if awarded funding, the Applicant will submit an Award Plan to be approved by the HPC and incorporated into the Contract;
- 8) Affirmation that if awarded funding, the Applicant and Partners will begin Initiative activities on October 1, 2016 or on the date the Contract is executed, whichever is later;
- 9) A statement that all documents submitted by the Applicant are truthful and accurate;
- 10) A statement that the Applicant has read the RFP and all Attachments and understands the terms and conditions pursuant to which HCII funds may be awarded; and
- 11) An attestation from that Applicant that the following contracting forms, available as Attachments to this RFP, have been signed and are included with the Proposal:
 - a. Commonwealth Terms and Conditions
 - b. Commonwealth Standard Contract Form and Instructions
 - c. Contractor Authorized Signatory Form
 - d. HPC Confidentiality and Non-Disclosure Agreement

E. Operational Response Instructions

The Applicant must complete all elements of the Operational Response as described below to be considered. Additionally, for item 8 below, “Specify the budget,” the Applicant must use the template defined in **Attachment B, Exhibit 3**, to be considered. The Operational Response shall not exceed 15 pages, exclusive of **Attachments B and C**.

1) List the Applicant and Partner organizations

List the Applicant and all Partners, including contact information for each organization. Specify whether each Partner is an Eligible Entity or not. Briefly describe the role of each Partner. Partnerships may be new, or a strengthening of an existing Partnership, and Partners may or may not require financial support through an Award.

2) Demonstrate the impact of the proposed Initiative

a. Indicate which Challenge will be addressed by the proposed Initiative.

Select one of the eight Challenges your Initiative will primarily target. While a Proposal may address more than one Challenge, the number of Challenges addressed by an Initiative will not be a factor in evaluating Proposals.

b. Define a target population

Define and describe a **quantifiable target population** in terms of size and factors such as geographic location, demographics, insurance coverage, service utilization statistics, health risk, or other relevant characteristics.

c. Demonstrate need of the target population

Describe in quantifiable terms the need(s) of this population across the domains of health, including physical, behavioral, and social, and their impact on health care costs.

d. Define a primary aim and, if applicable, secondary aims

Define the primary outcome of interest for the Initiative (the primary aim) in the form of an aim statement. The primary aim should address health care cost reduction, in the form of reductions in TME, operating expenses, and/or social costs, as described in **Section II.B**. The aim statement should be specific and measurable in the following format:

We will accomplish [percent/count change] in [specific impact measure], by [the end of the Implementation Period], for [the Target Population]

In addition, the Applicant may specify secondary aims of the Initiative. Ideally, these will address all endpoints of interest to the Applicant and may include quality, access, and Provider experience measures. For example:

- A Carrier-Employer partnership may propose a primary aim to reduce per-test diagnostic imaging costs by 30% for employees requiring an MRI by shifting the site of care. Secondary aims may

include reductions in Provider price variation, decreases in time-to-next-appointment and travel distance to the facility for members, and increases to member experience scores.

- A school-based telepsychiatry program may set a primary aim to reduce ED utilization by adolescents with Behavioral Health conditions by 50%. Secondary aims may relate to reductions in absenteeism, improvements in academic performance, reductions in visits to urgent and emergent care for non-urgent Behavioral Health needs (and commensurate cost savings), and improved linkages to primary care Providers for this population.

For further guidance on how to write aim statements and examples, please refer to the Institute for Healthcare Improvement (IHI) resource page at <http://www.ihl.org/resources/Pages/HowtoImprove/ScienceofImprovementSettingAims.aspx>.

e. Estimate the impact of the proposed Initiative on the target population

Describe the expected impact of the Initiative on health care costs for the target population within the Implementation Period, in the form of reductions in TME, operating expenses, and/or social costs, as described in **Section II.B**. At minimum, the Applicant should quantify the impact to the target population of realizing the primary aim. The Applicant must also briefly describe how these cost reductions *may* translate to a reduction in THCE, within or outside of the Implementation Period.

The Applicant should also describe the quality, access, social and other impacts should secondary aims be realized. The Applicant may consider modeling estimates on results from past successful implementations of previous, similar Initiatives within their organizations or as described in publicly available literature. The Applicant should provide a detailed description of their impact estimate, including components such as methods, source data, and citations to magnitude of impact in prior initiatives, as relevant.

The most competitive Applicants will model the access and cost implications of their Proposals, with an emphasis on the potential for disseminating successful models and incorporating learning into state- and commercially-administered payment reforms.

3) Describe the proposed Initiative and demonstrate your operational capacity

a. Describe the Initiative

Attachment A, Exhibit 1 includes example Initiatives implemented in organizations across the United States that have demonstrated substantial cost savings and other beneficial impacts. These example models are provided to support and guide Applicants in developing highly effective, previously tested Initiatives. Applicants may adapt one or more of these example models to form their proposed Initiative, but are not required to do so. Any innovation models proposed by Applicants must have been previously implemented at least once (e.g., in a health system, hospital, community, Carrier, etc.) and must be supported by evidence of the potential for achieving savings within the Implementation Period.

Describe the design of the proposed Initiative. The description must include the type, duration, and scope of the services to be provided or activities conducted during the Initiative. The description must include the theory of action for the model and demonstrate specifically and concretely how the Initiative will achieve the primary aim. The description should also identify the primary challenges to implementation of the model and explain how these anticipated risks will be mitigated. The description must specify how much preparation (up to 6 months) the Initiative will require prior to implementation.

Cite evidence that the proposed Initiative has been successfully implemented to meet the needs of the target population. Where prior evidence of the model supports a different population, describe why

application of this model to the identified target population will have a meaningful impact. Evidence cited may include cost, quality, and/or access outcomes as well as process measures based on primary literature, grey literature, published case studies, and/or the Applicant's prior experience with similar Initiatives. Describe how and why adaptations have been made from prior successful models. To the extent that the proposed Initiative builds upon a current care delivery or payment program funded by a state or federal grant, please describe how the HCII funds would complement or expand the current activities.

Complete a driver diagram using the template in **Attachment B, Exhibit 1** 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's CHART Phase 2 example document [here](#)⁶ and on IHI's website [here](#).⁷

Provide a brief timeline or key dates for the preparation (6 month maximum) and 18-month implementation of your Initiative.

b. Describe the measurement and continuous improvement plan for tracking, assessing, and improving performance

Briefly describe your plan to use process and outcomes data to drive improvement on a routine basis. Specifically, describe how your Initiative will use performance measures to gauge progress, learn, and adapt your model, and assess overall impact. Describe how your team will share data within your organization and across all Partners, and how frequently. Describe how you will adapt your Initiative through a rapid-cycle improvement model to maximize achievement of your Aim(s). Applicants must propose metrics relevant to all domains of their Initiative, such as cost and utilization, clinical outcomes, clinical processes, access to care, patient experience, and Provider experience. The most competitive Applicants will utilize patient reported outcome measures.

Applicants should describe how their measurement plan demonstrates partnership-wide commitment to patient- and member-centered design, continuous improvement, and transparency.

Complete a table as described in **Attachment B, Exhibit 2**. The table should individually list the Initiative's primary aim, secondary aims (if applicable), primary drivers and secondary drivers in an "Element" column. Include associated measures with a description of their purpose, numerators, denominators, and data sources. In the "Feasibility" column, please indicate if you are currently collecting this measure or you can begin collecting this measure by the end of the Preparation Period.

⁶ <http://www.mass.gov/anf/budget-taxes-and-procurement/oversight-agencies/health-policy-commission/chart/phase-2/chart-phase-2-rfp-attachment-a-exhibit-2-driver-diagram-instructions.pdf>

⁷ <http://www.ihi.org/education/ihiopenschool/resources/Pages/Activities/GoldmannDriver.aspx>

Sample Performance Measures

<i>Element</i>	<i>Measure</i>	<i>Purpose of Measure</i>	<i>Numerator</i>	<i>Denominator</i>	<i>Data Sources</i>	<i>Feasibility</i>
Primary Aim	ED visits per patient per year	Rapidly available measure of costs that is sensitive to failures of the Initiative to appropriately coordinate care in lower-cost, less disruptive settings	Number of ED Visits by Denominator patients	Number of residents of Springfield under the age of 18 with Behavioral Health conditions who have visited the ED	Participating facility ADT systems	Currently collecting this measure
Secondary Aim #1	BH specialist visits per patient, per year	A balancing measure that indicates ability of Target Population to access appropriate BH support and referrals to further resources	Number of BH specialist encounters by Denominator patients	Number of residents of Springfield under the age of 18 with Behavioral Health conditions the have visited the ED	Participating Provider administrative data	Can begin collecting this measure by the end of the Preparation Period

4) Describe the full team that will staff and support the Initiative.

Describe the anticipated number and general titles of staff from the Applicant and each Partner that will be dedicated to the Initiative, whether HPC-funded or supported in-kind by the Applicant:

- For each individual supporting the Initiative, indicate his or her employer, relevant skills and qualifications, and roles/responsibilities.
- List the percentage of time each individual/position will be dedicated to the Initiative.

Further, the Applicant must specify an Investment Director to manage the Initiative operations and serve as the key point of contact to the HPC. The Investment Director must possess the relevant skills and expertise as well as the clinical and operational formal authority and informal influence to implement and sustain the Initiative. The Investment Director does not need to be employed by the Applicant.

- List the name, title and email address of, and provide a résumé for, the Investment Director.
- Describe the unique qualifications of this individual to lead the Initiative and their influence within the participating organization(s).

Separate from the Investment Director, the Applicant must specify a Financial Designee who will be responsible for tracking all funds identified in the Budget and reporting expenditures as required by the HPC. The Financial Designee must possess the relevant skills and understanding of the Applicant's accounting practices.

- List the name, title and email address of the Financial Designee.

5) Describe how the Initiative is consistent with and/or preferable to current models of care delivery or payment

Describe how the Initiative meets patients' needs in a way that is preferable to the current standard of care delivery or payment, noting how the proposed model innovates upon and intentionally diverges from current models (especially where your partnership presents novel approaches to communication and coordination).

6) Describe the operational and technical viability of the service model

Describe Applicants' and Partner(s)' operational and technical capacity to successfully implement the Initiative, citing relevant prior experience, as applicable. Relevant experience may include prior success with similar interventions, target populations, partnerships, and investment programs.

7) Describe the organizational commitment to implementing the Initiative

Describe how the Aim, Initiative, and Partnerships fit into the Applicant's strategic, long-term success.

Describe specific and tangible benefits of the Partnership to the target population in support of the Primary Aim.

Describe how the Applicant and Partner(s) will collaborate, including such factors as making decisions, defining work processes and sharing resources, in order to address the needs of the target population.

8) Specify the budget

The Applicant must complete the Budget Proposal Response provided in **Attachment B, Exhibit 3** indicating the funding requested for the preparation, as needed, and implementation of the proposed Initiative. The Budget Proposal Response must include each Partner for whom funding is requested in a Proposal. The Applicant should complete a single Budget Proposal Response for itself and all participating Partners.

The Applicant must provide a brief description for each budget item in the *Notes* column of each entity's budget in **Attachment B, Exhibit 3**. The description should link to the Initiative as described in the Operational Response and driver diagram. A description should also be provided for any in-kind contributions or other funding sources (e.g., funds provided by participating organizations or from other grants/ investment Initiatives, as applicable). Please see the "Instructions" tab of the Budget Proposal Response for further information.

9) Describe considerations for sustainability

Applicants should describe what specific government policy and market-based supports are needed to sustain the service model demonstrated in the Initiative. These may touch on payment, quality measurement, data sharing capacity, licensure and credentialing, and other regulatory or payment considerations.

10) Describe financial need (Optional)

As noted above, the HPC will consider the financial need of the Applicant and Partner(s) using publically available financial metrics, when evaluating Proposals. Applicants may provide additional information about the financial need of itself and/or its Partners.

Section VI. Proposal Review, Selection & Award Process

A. General Provisions

This Request for Proposals for the HPC's HCII Program is issued pursuant to M.G.L. c. 6D, §7, M.G.L. c. 29, § 2G GGG, 958 CMR 5.00, 815 CMR 2.00 and the Massachusetts Management Accounting and Reporting System (MMARS) Policy on State Grants and Federal Sub-Grants (Issued 7-1-2004, revised 9-8-2014) (Grants Policy). Many terms included in 958 CMR 5.00, 958 CMR 2.00 and the Grants Policy, as well as the definitions section of the Operational Services Department (OSD) state procurement regulations (815 CMR 21.02), are incorporated by reference into this RFP. Words used but not specifically defined in this RFP shall have the meanings included in 958 CMR 5.00, 815 CMR 2.00, 801 CMR 21.02, or the Grants Policy. Unless otherwise specified, all communications, responses, and documentation must be in English, using English customary weights and measures (feet, pounds, quarts, etc.) and U.S. dollars. All responses must be submitted in accordance with the terms specified in **Section V**.

The HPC reserves the right to amend this RFP at any time prior to the date responses are due, or to suspend or terminate an Award in whole or in part at any time. This RFP and any amendments will be posted on the HPC's website, www.mass.gov/hpc. Applicants are advised to check this site regularly, as this will be the primary method used for notification of changes as well as posting of key information unless otherwise indicated on that website.

Awards made pursuant to this RFP shall be for a fixed amount, which amount shall be preliminarily determined and announced to the Awardee at the time of selection, and finalized upon Contract execution. HPC makes no guarantee that a Contract, or any obligation to provide funding to any Applicant, will result from this RFP. HPC also makes no guarantee that funds will be available to successful Applicants on this RFP.

B. Contact of Eligible Entities and Partners with Health Policy Commission

Selection of Awardees pursuant to this RFP is being conducted consistent with state bidding practices. **Eligible Entities, proposed Partners, or any agent(s) working on their behalf, are prohibited from communicating directly with any HPC Commissioners or Staff regarding this RFP except as specified in Section VI.C below.** No other individual HPC employee or representative is authorized to provide any information or respond to any question or inquiry concerning this RFP. Any unauthorized communication or contact may result in immediate ineligibility of an Applicant at the sole discretion of the HPC.

Applicants must disclose any interest that will conflict with the performance of services required under any Contract resulting from this RFP.

Applicants with disabilities or hardships that seek reasonable accommodation, which may include the receipt of RFP information in an alternative format, must submit a written statement to the RFP contact

describing the Applicant's disability and the requested accommodation to the contact person for the RFP. HPC reserves the right to reject unreasonable requests. Applicants may also request a hardcopy of the RFP, pertinent Attachments, or any of its components, by contacting the HPC.

C. Information Sessions and Questions

The HPC anticipates hosting multiple RFP Information Sessions to provide details about this funding opportunity and to answer questions from Applicants and Partners. Information sessions are scheduled as follows – all dates/times are subject to change. Updates will be posted on the HPC website under “Innovation Investments.”

Information Sessions: *Information sessions will provide an overview of this RFP and will describe key topics of scope, deadlines, submission requirements, and details of the Proposal submission instructions.*

- March 16, 2016 (in person at the HPC)
- March 25, 2016 (webinar, to be recorded and posted on the HPC's website)

Additional details about Information Sessions will be posted on the HPC website under “Innovation Investments.”

Applicants and Partners may make written inquiries concerning the LOI until no later than April 1, 2016 at 3:00 PM (EDT) and may make written inquiries concerning this RFP until no later than **May 6, 2016 at 3:00 PM (EDT)**, as specified in the Timetable in **Section III.B** of this RFP. Written inquiries must be sent to HPC-Innovation@state.ma.us. Acknowledgment of receipt may not be provided. HPC will review all questions and, at its discretion and on a rolling basis, prepare written responses to those it determines to be of general interest and relevant to the preparation of a response to the RFP. These responses will be posted on the HPC's website (above). The HPC may respond individually to an Applicant regarding *de minimis* questions on process that are applicable only to the Applicant, without posting responses on the HPC website. A full record of responses will be made available upon specific request.

D. Review and Selection Process

Responses to this RFP will be evaluated by a review committee composed of individuals designated by the HPC Executive Director and the HPC Board Chair, pursuant to 958 CMR 5.07. The review committee will review and evaluate each Proposal based on the Selection Criteria (**Section IV**).

The HPC reserves the right to reject an Applicant's response at any time during the evaluation process if the Applicant:

- a) Fails to demonstrate to HPC's satisfaction that it meets all RFP requirements;
- b) Fails to submit all required information or otherwise satisfy all response requirements in **Section V**;
or
- c) Rejects or qualifies its agreement to any of the mandatory provisions of the RFP or the Commonwealth's Standard Contract or Terms and Conditions.

The review committee may determine that non-compliance with an RFP requirement is insubstantial. The review committee may seek clarification, allow the Applicant to make minor corrections, take the non-compliance into account in evaluating the response, or apply a combination of all three remedies. However, the HPC emphasizes that an incomplete response or a response that does not comply with submission requirements will be disadvantaged and possibly disqualified.

1) Content Expert Review

The HPC may engage subject matter experts to assess the feasibility, impact, and adherence to best-known practices. The review and comment of subject matter experts will be non-determinative, and will provide additional information for the consideration of the review committee in evaluation of each Proposal against the Criteria for Selection.

2) Clarifications

The review committee may seek additional information from Applicants as necessary to complete review of the Proposal. The HPC must receive all requested additional materials within five (5) business days of a request or the HPC may determine the Proposal is incomplete.

3) Interviews

The HPC may interview some Applicants and Partners. Interviews will be conducted by the review committee (or a subset of the committee, the HPC Executive Director, and/or HPC staff) and will provide Applicants and Partners with an opportunity to present their Proposal and provide answers to questions regarding the Proposal. Specific instructions and an invitation will be provided no less than 10 business days prior to a scheduled interview.

4) References

The HPC may request references, verify references, or consider any written references submitted to the HPC, at any time during the Award process and at any time during the Period of Performance.

5) Selection and Notification of Awardees

The review committee will recommend Applicants to the Executive Director to receive Awards and the amounts to be awarded. The Executive Director will subsequently make recommendations to the Board. The amounts to be awarded may be an amount greater than or less than that requested by the Applicant. Recommendations for Awards will be made based on the availability of funds, the degree to which an Applicant meets criteria described in this RFP, and the degree to which the Proposal meets the Applicant's need for funding.

The Executive Director may recommend Awards based on the Proposals that demonstrate the best value overall, including proposed alternatives to Proposals as submitted, which will achieve the Commonwealth's and the HPC's goals for HCII Round 1 Investments. During finalization of the Contract, the HPC and an Awardee may agree to change any element of the Awardee's Proposal that results in lower costs or higher impact.

The Board will make the final Award decisions based on the recommendations of the Executive Director and criteria in this RFP and authorizing statutes and regulations. The Board's decisions are final and not subject to further review or appeal. The HPC will notify all Applicants of their selection or non-selection for an Award. All Awards are contingent upon finalization of an Award Plan and Contract terms by the Applicant and the HPC.

Section VII. Additional Terms and Details

A. Responsibilities of Eligible Entities

Applicants are solely responsible for obtaining all information distributed for this solicitation on the HPC website, located under “Innovation Investments.” Any documents amended through the course of this RFP will be retained on this website in original form in addition to updates.

It is each Applicant’s responsibility to regularly check the HPC website for:

- 1) Any addenda or modifications to this RFP, including any questions and answers, by monitoring the Notifications field.
- 2) Any records or documents related to Information Sessions or Webinars hosted relative to this funding opportunity.
- 3) The Commonwealth accepts no responsibility and will provide no accommodation to Applicants who submit a Proposal based on an out-of-date document or on information received from a source other than <http://www.mass.gov/hpc/> or from a written communication from a permissible contact as specified in **Section VI.B.**

B. General Requirements

1) Electronic Communication/Update of Applicant’s/Awardee’s Contact Information

It is the responsibility of the Applicant/Awardee to keep current the email address of the contact person and prospective Investment Director, if awarded a Contract, and to monitor that email inbox for communications from the HPC, including requests for clarification. The HPC and the Commonwealth assume no responsibility if an Applicant’s/Awardee’s designated email address is not current, or if technical problems, including those with the Applicant’s/Awardee’s computer, network or internet service provider (ISP) cause email communications sent to/from the Applicant/Awardee and the HPC to be lost or rejected by any means, including electronic mail or spam filtering. Where no other email address is provided to the HPC, communications will be sent by default to the Chief Executive Officer of an Applicant/Awardee.

2) Electronic Funds Transfer (EFT)

All Applicants responding to this RFP must agree to participate in the Commonwealth Electronic Funds Transfer (EFT) program for receiving payments. EFT is a benefit to both Awardees and the Commonwealth because it ensures fast, safe and reliable payment directly to contractors and saves both parties the cost of processing checks. Awardees are able to track and verify payments made electronically through the Comptroller’s Vendor Web system. Additional information about EFT is available on the [VendorWeb](http://www.mass.gov/osc) site (www.mass.gov/osc).

Successful Applicants, upon notification of Contract Award, will be required to enroll in EFT as a Contract requirement by completing and submitting the *Authorization for Electronic Funds Payment Form* to the HPC for review, approval and forwarding to the Office of the Comptroller. If the Applicant is already enrolled in the EFT program, it may so indicate in its Proposal. Because the *Authorization for Electronic Funds Payment Form* contains banking information, this form, and all information contained on this form, shall not be considered a public record and shall not be subject to public disclosure.

through a public records request. An Applicant who is currently registered with the Commonwealth to receive payment by EFT is not required to submit forms described herein.

3) Identifiable Health Information

Any activities conducted by the Applicant or Awardee pursuant to this RFP that generate or use information or data involving the use or disclosure of protected health information are subject to the requirements of 45 CFR 160, 162, and 164 (the privacy provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA)) and also may be subject to the requirements of the federal Drug and Alcohol Confidentiality Law, 42 CFR part 2. The Applicant or Awardees is responsible for compliance with HIPAA, 42 CFR part 2 and all other applicable state or federal legal requirements.

4) Incorporation of RFP

This RFP and any documents an Applicant submits in response to it are incorporated by reference into any Contract awarded to that Applicant.

5) Public Records

All responses and related documents submitted in response to this RFP are public records and are subject to the Massachusetts Public Records Law, M.G.L. c. 66, § 10 and M.G.L. c. 4, § 7(26). Any statements in submitted responses that are inconsistent with these statutes will be disregarded. HPC will not return to Applicants any Proposals or materials they submit in response to this RFP.

6) Press Conferences or News Release Restrictions

No Applicant or Awardee shall make any press conference, news releases, or announcements concerning its selection for an Award prior to the HPC's public release of such information or prior to the written approval of the HPC.

7) Contract Award Letter

The identification of an Awardee in a notice of Award creates no contractual or legal obligation for the HPC. An Awardee may not rely on an award letter or any other verbal or written assurances from any sources, to begin performance or otherwise incur obligations for which the Awardee anticipates funding through the Award. Performance for which an Awardee seeks compensation may not be delivered outside the scope of a properly executed Contract, and an Awardee assumes the risk that funding will not be available for any costs incurred.

8) Restriction on the Use of the Commonwealth Seal

Applicants and Awardees are not allowed to display the Commonwealth of Massachusetts Seal in their Proposal or subsequent marketing materials if they are awarded a Contract because use of the coat of arms and the Great Seal of the Commonwealth for advertising or commercial purposes is prohibited by law.

9) Restriction on the Use of the Health Policy Commission branding

Applicants are not allowed to display the Health Policy Commission branding in their Proposal. Awardees are allowed to display the Health Policy Commission branding only as specified in any Contract with the HPC.

10) Requests for Reasonable Accommodation

Applicants with disabilities or hardships that seek reasonable accommodation, which may include the receipt of RFP information in an alternative format, must submit a written statement to the RFP contact persons describing the Applicant's disability and the requested accommodation to the contact person for the RFP. HPC reserves the right to reject unreasonable requests. Applicants may also request a hardcopy of the RFP, pertinent Attachments, or any of its components, by contacting the permissible RFP Staff.

C. Key Contract Provisions

All Applicants selected to receive an Award must execute a Contract with the HPC, as required by 815 CMR 2.05 and, as applicable, consistent with 958 CMR 5.08, to implement the terms of the Award and in order to receive payment. The Contract shall consist of the following documents: the Commonwealth Terms and Conditions; the Commonwealth Standard Contract Form and Instructions, which shall include a description of the approved scope and HCII-specific terms and conditions (HPC Terms and Conditions); the HPC Confidentiality and Non-Disclosure Agreement; this Request for Proposals; the Notice of Award; and, Contractor's response to the RFP, exclusive of any terms that are inconsistent with, or purport to modify or supersede the Commonwealth's Terms and Conditions or the Standard Contract Form. In addition to the Contracting Forms that an Applicant is required to submit with its Proposal as part of the contracting process, each Awardee also will be required to sign the HPC's Terms and Conditions for the HCII Program, a Request for Taxation Identification Number and Certification (W-9), an Authorization for Electronic Funds Transfer, and a Certification Regarding Disbarment and Suspension.

- 1) The Contract shall specify at a minimum the following terms and conditions:
 - a) The budgetary, financial, programmatic, technical, or other reporting that the HPC determines is necessary to monitor and evaluate the funded activities, including ongoing milestones and an evaluation process.
 - b) The conditions or restrictions on the funding, including any monitoring of the Awardee's operations, including where appropriate, an independent financial and operational audit to recommend steps to increase sustainability and efficiency of the Awardee.
 - c) The requirements for internal and accounting controls and recordkeeping.
 - d) Any additional means the HPC will use to hold the Awardee accountable for proper performance under the Contract.
 - e) The requirements and deadlines for completing components of the Proposal.
 - f) Provisions for repayment of all or a portion of funds to the HPC if the HPC determines that the funds were not used consistent with the approved Proposal and Contract.
- 2) HPC shall have the option at its sole discretion to modify or terminate a Contract whenever, in the judgment of HPC, pursuant to a recommendation by the Executive Director, the goals of the Initiative have been modified or altered in a way that necessitates changes or the Awardee is determined by the HPC to be no longer qualified, the Awardee does not expend funds within a reasonable period of time, or the Awardee fails to meet reporting requirements or milestones established pursuant to the enclosed RFP. HPC will provide written notice of action to the Contractor, and the parties will negotiate the effect of changes in scope on the schedule and payment terms.

- 3) Awardees will be required to prepare and submit for HPC review an Award Plan that may specify all, some or additional Contract implementation requirements.
- 4) Awardees may be required to complete and submit a final report that summarizes how funding supplemented efforts toward meeting the objectives of the Initiative. Awardees may be required to respond to comments from HPC on the report, and submit a final version to HPC.
- 5) Prior approval of the HPC is required for any subcontracted service of the Contract. Contractors are responsible for the satisfactory performance and adequate oversight of its subcontractors.

Section VIII. Applicants Eligible for the CHART Investment Program

The following entities are eligible for the CHART Investment Program:

Anna Jaques Hospital
Athol Memorial Hospital
Baystate Franklin Medical Center
Baystate Mary Lane Hospital
Baystate Noble Hospital
Baystate Wing Hospital
Berkshire Medical Center
Beth Israel Deaconess Hospital - Milton
Beth Israel Deaconess Hospital - Needham
Beth Israel Deaconess Hospital - Plymouth
Emerson Hospital
Hallmark Health - Lawrence Memorial Hospital
Hallmark Health - Melrose-Wakefield Hospital
Harrington Memorial Hospital
Heywood Hospital
Holyoke Medical Center
Lahey Health - Addison Gilbert Hospital
Lahey Health - Beverly Hospital
Lahey Health - Winchester Hospital
Lawrence General Hospital
Lowell General Hospital
Mercy Medical Center
Milford Regional Medical Center
New England Baptist Hospital
Signature Healthcare Brockton Hospital
Southcoast- Charlton Memorial Hospital
Southcoast- St. Luke's Hospital
Southcoast-Tobey Hospital
UMass - HealthAlliance Hospital
UMass - Marlborough Hospital

Section IX. Definitions

The following terms appearing capitalized throughout this RFP and its Attachments have the following meanings, unless the context clearly indicates otherwise.

Applicant: An Eligible Entity submitting a Letter of Intent or Proposal for funding in response to an HPC-issued RFP, on behalf of itself and Partner(s). This is the entity with whom the HPC will Contract for service if awarded funding.

Attachment: Any document or exhibit referenced as Attached to this RFP.

Award: Any Funds, Grant or Investment awarded pursuant to this RFP.

Award Plan: The plan for execution of an Initiative developed by the Awardee prior to the beginning of the Period of Performance. Subject to review by the HPC, the Award Plan is the primary basis for Award contracting, accountability and payment.

Awardee: Any Applicant that submits a response to this RFP, is awarded Funds, and enters into a Contract with the HPC as a result of this RFP.

Behavioral Health: Health care services related to the diagnosis or treatment of mental illness, emotional disorders or substance use disorders, and the application of Behavioral Health principles to address lifestyle and health risk issues.

Board: The governing Board of the Health Policy Commission, established in M.G.L. c. 6D, §2(b).

Carrier: An insurer licensed or otherwise authorized to transact accident or health insurance under chapter 175; a nonprofit hospital service corporation organized under chapter 176A; a nonprofit medical service corporation organized under chapter 176B; a health maintenance organization organized under chapter 176G; and an organization entering into a preferred Provider arrangement under chapter 176I; provided, that this shall not include an employer purchasing coverage or acting on behalf of its employees or the employees of 1 or more subsidiaries or affiliated corporations of the employer; provided that, unless otherwise noted, the term "Carrier" shall not include any entity to the extent it offers a policy, certificate or contract that provides coverage solely for dental care services or visions care services.

Challenge: One of eight innovation-sensitive cost drivers identified by the HPC and required for Applicants to target in their Application. Additional description can be found in **Attachment A, Exhibit 1**.

CHART Investment Program or CHART: The program administered by the HPC pursuant to M.G.L. c. 29, §2GGGG and 958 CMR 5.00. Hospitals eligible for the CHART Investment Program include non-profit, non-Major Teaching Hospitals that have relative prices below the state median relative price as described in 958 CMR 5.02 ("qualified acute hospital").

Commission or HPC: The Health Policy Commission as established in M.G.L. c. 6D, §2(a).

Commissioner: A member of the governing Board of the Health Policy Commission pursuant to M.G.L. c. 6D, § 2(b).

Contract: The legally binding agreement, including any amendment(s), between HPC and an Awardee that results from this RFP.

Eligible Entity: Any Provider, Provider Organization, or Carrier.

Emergency Department or ED: An Acute Hospital emergency room or satellite emergency facility.

Executive Director: The Executive Director of the Health Policy Commission.

Financial Designee: Individual who will be responsible for tracking all funds identified in the Budget Proposal Response and reporting expenditures as required by the HPC. The Financial Designee must possess the relevant skills and understanding of the Applicant's accounting practices. Typically, this person should not be the project manager or Investment Director but instead be within the finance or accounting department.

Implementation Period: The 18-month period of time following the Preparation Period during which Awardees will implement their proposed Initiative.

Initiative: The specific projects, activities, interventions, or approaches proposed or taken by an Awardee in its Proposal or Award to achieve a Primary Aim and optionally one or more Secondary Aims.

Investment Director: The primary point of contact for the HPC, who will assume responsibility for oversight of the Initiative, and will lead its implementation.

Major Teaching Hospital or Teaching Hospital: An Acute Hospital that has at least 25 full-time equivalent interns or residents per 100 inpatient beds, as determined by the Center for Health Information and Analysis (CHIA).

Partner: Any organization participating in a Proposal to the HPC pursuant to this RFP, whether an Eligible Entity or not.

Period of Performance: The period of time during which activities are conducted pursuant to an Award and Contract executed pursuant to this RFP. The Period of Performance is inclusive of the Preparation Period and the Implementation Period.

Preparation Period: The period of time (up to 6 months) during which Awardees will establish the necessary conditions for deploying their Initiative over the 18-month Implementation Period, e.g. revising clinical protocols, testing new technology, hiring and training staff.

Proposal: The document(s) submitted to the HPC by an Eligible Entity and its Partner(s) for an Award in response to HPC-Innovation-001.

Provider: Any person, corporation, partnership, governmental unit, state institution or any other entity qualified under the laws of the commonwealth to perform or provide health care services.

Provider Organization: Any corporation, partnership, business trust, association or organized group of persons, which is in the business of health care delivery or management, whether incorporated or not that represents 1 or more health care Providers in contracting with Carriers for the payments of health care services; provided, that "Provider Organization" shall include, but not be limited to, physician organizations, physician-hospital organizations, independent practice associations, provider networks, accountable care organizations and any other organization that contracts with Carriers for payment for health care services.

Request for Proposals or RFP: A Request for Proposals or RFP issued by the Commission.

