

## **Confidential: Policy in Development**

### **September 2016 update on MassHealth delivery system reform efforts**

MassHealth is committed to continued public transparency and a collaborative process with stakeholders and advocates as it works to implement its delivery system reform efforts. Such public engagement activities and implementation activities include those described in this update.

#### **Ongoing public engagement activities:**

MassHealth will:

- Hold two public meetings in October to provide updates on MassHealth's restructuring activities:
  - i. Boston Public Meeting:  
October 13, 2016, 3-5 pm  
1 Ashburton Place, 21st Floor, Boston, MA
  - ii. Springfield Public Meeting:  
October 7, 2-4 pm  
UMass Springfield, Classroom 014, Springfield, MA
- Procure for and convene a Delivery System Reform Implementation Advisory Council in November/December; this Council will meet at least every other month on an ongoing basis, will receive regular operational updates on the progress of the reform, and will provide input and recommendations for MassHealth's implementation of the reform, any technical guidance MassHealth develops, and any future refinements to the reform design based on initial learnings
- Provide ongoing updates at a monthly forum hosted by MassHealth's advocates, starting in September
- Provide regular, ongoing communication to MassHealth's providers, MCOs, and other delivery system partners to provide clarity on the reform design and transparency to the implementation process
- Reconvene 3 of the previously-assembled Technical Advisory Groups (TAGs): BH, LTSS and Quality. These workgroups will inform the development of the Community Partners certification application and additional programmatic details on DSRIP, as well as quality and member experience measurement approach for ACOs and Community Partners. These TAGs will hold several meetings, starting in September and running through January
- Release a public Request for Information in September to solicit comments (due October) on CP design
- Continue to accept and review comments and input received at the [MassHealth.Innovations@state.ma.us](mailto:MassHealth.Innovations@state.ma.us) email address across a broad range of MassHealth restructuring topics, including input on CPs, DSRIP, and the implementation of the ACO models described in the ACO procurement

## Anticipated procurement and implementation activities for the next year:

MassHealth anticipates that the implementation of delivery system reform over the next year will include three phases. While MassHealth has started this path to implementation with the release of the ACO procurement, each phase will have opportunities for continued stakeholder participation and public comment:

- **September 2016 – February 2017:** Detailed design and procurement launches
  - MassHealth released the ACO procurement on September 29, 2016
  - MassHealth will release DSRIP details for the ACO program shortly after the release of the ACO procurement
  - MassHealth intends to launch the MCO procurement in November 2016
  - MassHealth intends to open the CP certification application process and to release additional programmatic detail on DSRIP by February 2017
  - MassHealth will work with the Technical Advisory Groups during this period on the design of the CP program; in September MassHealth also posted a public RFI to solicit public comments on CPs.
  - In addition, MassHealth will continue to accept public comments on DSRIP details as well as the programmatic details of the ACO models released in the ACO procurement through the MassHealth Innovations email ([MassHealth.Innovations@state.ma.us](mailto:MassHealth.Innovations@state.ma.us))
  - While the ACO procurement includes the design of the ACO programs and MassHealth will select and contract with ACOs based on the information it contains, MassHealth will incorporate public comments into MassHealth's implementation and operationalization of the program, and into the development of additional technical guidance or future refinements to the ACO models
  - MassHealth will release interim detail for comment in November/December on the design of the CP program and CP DSRIP details. MassHealth will also provide initial databooks to ACOs and MCOs in November
  - MassHealth will provide monthly advocacy updates starting in September and convene the Delivery System Reform Implementation Advisory Council by November/December
  
- **March – August 2017:** Selection, final program details, readiness
  - MassHealth will conduct the selection process for ACOs, MCOs and CPs.
  - MassHealth will incorporate stakeholder input and comments received during the previous phase in finalizing program implementation or operational details and issuing additional technical guidance
  - MassHealth will start final readiness testing with ACOs, MCOs, and CPs in May-June, as selection and contracting complete
  - Throughout this period, MassHealth will continue to hold monthly advocacy updates and convene the Advisory Council
  
- **September - December 2017:** Transition and launch
  - MassHealth will send member notices, work with its delivery system partners, and transition towards reform launch on December 18, 2017
  - Throughout this period, MassHealth will continue to hold monthly advocacy updates and convene the Advisory Council

## Overview of what's contained in the ACO procurement release:

- In **September 2016**, MassHealth released the ACO procurement, which includes the ACO Request for Responses as well as a detailed model contract for each ACO model. These contracts describe ACOs' responsibilities, including:
  - governance requirements,
  - care delivery expectations and required care management activities,
  - ACOs' role with respect to LTSS,
  - expectations for integration of BH, LTSS, and health-related social needs, including requirements for CP partnerships
  - member protections, including continuity of care and grievance procedures,
  - the total cost of care payment model, including the risk tracks, and
  - other ACO responsibilities under the ACO program
- Along with the ACO procurement, MassHealth released 2 companion documents:
  - 1) **"MassHealth ACOs Q&A,"** providing additional context and plain-language descriptions of aspects of the ACO program.
  - 2) This document, **"September 2016 Update"**

## Anticipated timelines for releasing data and cost of care information:

- The ACO procurement contains a certain level of detail on the total cost of care payment model for each ACO model, including the available **risk tracks** and how they work. These are further explained in the "MassHealth ACOs Q&A" companion document
- MassHealth is **currently developing** a detailed total cost of care methodology with MassHealth's actuaries and working through **review and approval processes** in partnership with CMS
- MassHealth intends to release some additional detail and provide initial databooks in **November 2016**. These databooks will include information on the eligible population's demographics, utilization, diagnoses, and costs, and will assist ACOs and MCOs as they prepare responses for the ACO and MCO procurements
- MassHealth also intends to provide **additional data and methodology detail in early 2017**. MassHealth anticipates that ACO-specific total cost of care targets and rates for ACOs and MCOs will be available by **Summer 2017**

For ACOs in the ACO Pilot or who responded to MassHealth's 2016 Notice of Opportunity for MassHealth Provider Data Sharing (Round 1):

- ACOs in the **MassHealth ACO Pilot** received their total cost of care **targets, databooks**, and detailed total cost of care **methodology manuals** in **September 2016**
- ACOs that responded to MassHealth's **2016 Notice of Opportunity** for MassHealth Provider Data Sharing **started receiving their summary data reports**, member rosters, and claims and encounter extracts **this summer**

MassHealth is re-opening its Notice of Opportunity for MassHealth Provider Data Sharing (Round 2) for a limited time in September-October 2016. The only entities eligible to participate are entities that did not participate in Round 1.

## Anticipated procurement and contracting timelines:

### 1. ACO procurement:

- MassHealth will be procuring for all three ACO models through a single Request for Responses, released in **September 2016**
- ACOs will have approximately three and a half months to prepare their responses, which will be due on **January 12, 2017**
- MassHealth intends to evaluate ACO responses over the following four months, and to finalize and announce ACO selection by **May 2017**
- MassHealth will finalize the ACO contracts and complete negotiation and execution by the end of **July 2017**

### 2. MCO procurement:

- MassHealth will be re-procuring the MCO program through a Request for Responses, released in **November 2016**
- MCOs will have approximately four months to prepare their responses, which will be due in **February 2017**
  - MCOs will **know which ACOs have submitted responses** in January 2017 when MassHealth announces them, giving MCOs **time to adjust bids or finalize decisions** based on that information
- MassHealth intends to evaluate MCO responses over the following four months, and to finalize and announce MCO selection by **June 2017**

### 3. Contracting between MCOs and MCO-Administered ACOs (“Model C ACOs”):

- MassHealth will select MCO-Administered ACOs through the ACO procurement; these ACOs will each be **required to contract with at least one MCO**. The MassHealth MCOs will administer MassHealth’s ACO program through their contracts with these ACOs, which will need to meet certain **MassHealth criteria for approval**
- By June 2017, both MCOs and MCO-Administered ACOs will have been selected
- **MCOs and MCO-Administered ACOs will have until the end of July 2017 to execute approved contracts**. This contracting will need to be complete by that deadline to count for the October 2017 member assignments and ultimately for ACOs’ eligibility for the DSRIP program and payments

### 4. Community Partners certification process:

- MassHealth will conduct a selection and certification process for Community Partners based on defined criteria, starting **February 2017**
- MassHealth will be working through and will provide additional detail on the Community Partners certification timeline in the coming months

### 5. Member enrollment in ACOs and MCOs:

- MassHealth’s new ACO and MCO options will be available to members for **enrollment effective December 18, 2017**
- Members will be notified about the new enrollment options starting **November 2017**, at least 30 days in advance of the enrollment effective date