

# Public Stakeholder Session: Creating a Sustainable MassHealth Program

Executive Office of Health & Human  
Services

April 6, 2015

# Goals for today

- Introductions
- Review current state of MassHealth and need for sustainability
- Discuss priority areas for MassHealth and gather feedback
- Share next steps and timelines

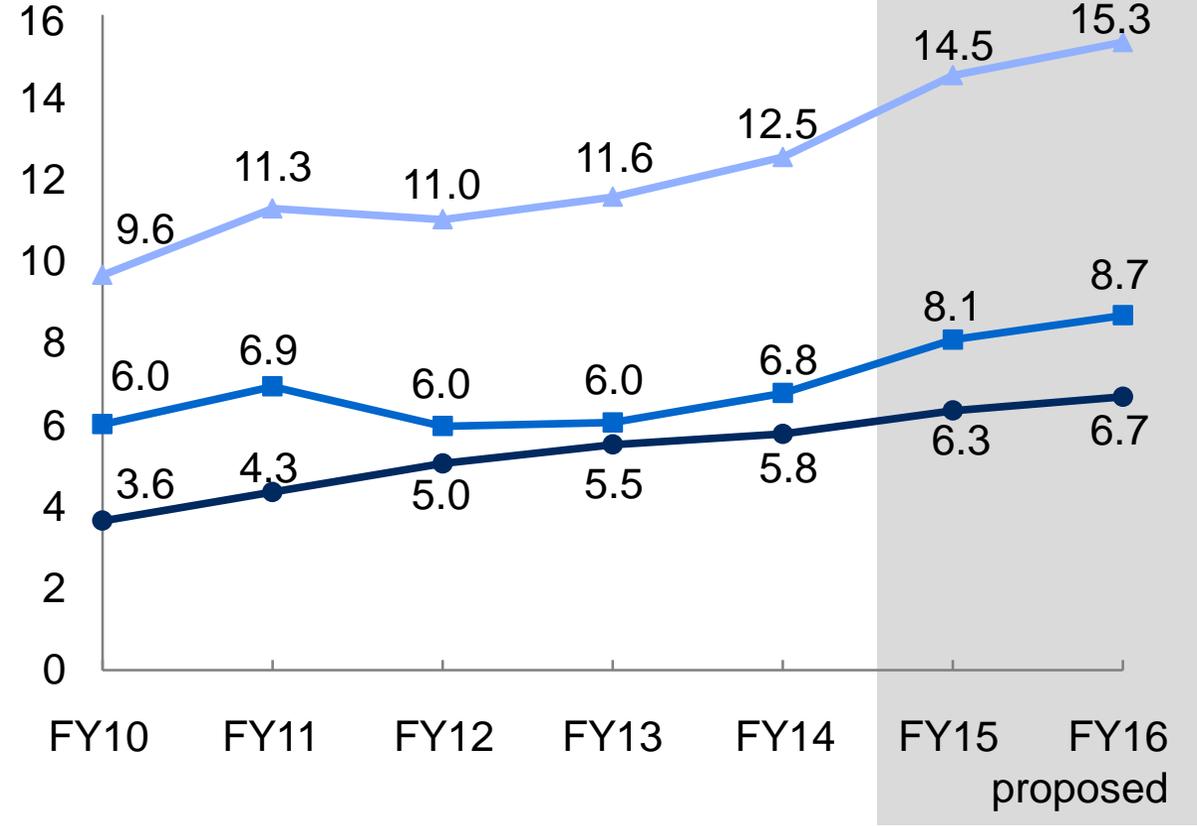
# The Commonwealth has a rich history in health care

- First in nation to secure **nearly universal health coverage** for all citizens
  - 97% insured
  - 91% of residents report having a usual source of care
- Significant **involvement and engagement with stakeholders**, advocates, and members
- Health care reform efforts rooted in **strong collaboration between private and public sectors**
- **Legislative mandate** to move toward alternative payment methods
- **Innovation through new programs** (e.g., One Care, Primary Care Payment Reform)

# However, MassHealth is currently unsustainable

- ▲ Total MassHealth Spending
- Total MassHealth Revenue (FFP + Assessment)
- Total Net State Cost

\$Billions

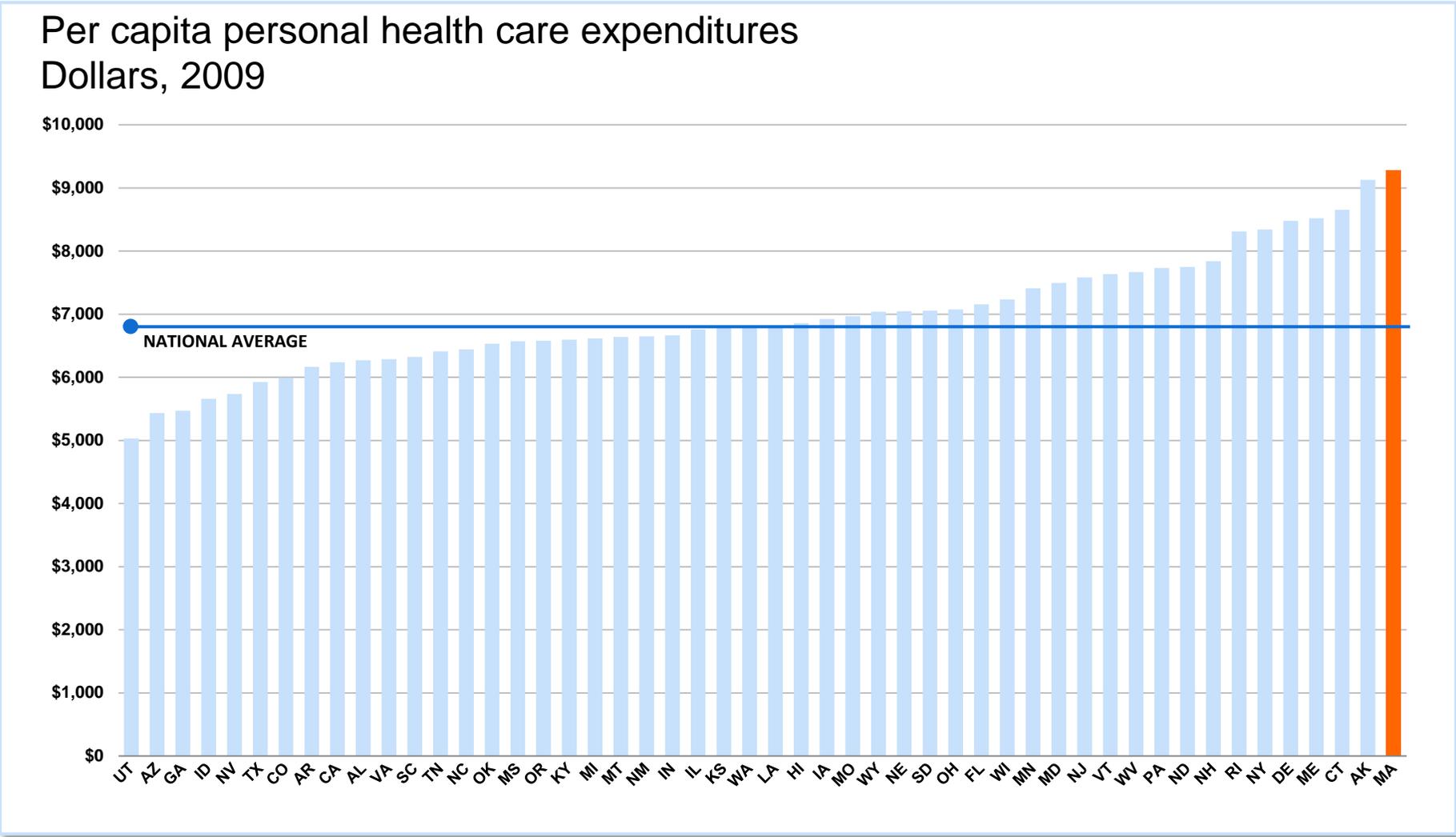


**Growth\*** **Growth** **Growth**  
**FY10-14** **FY14-15** **FY15-16**  
 Percent Percent Percent

|      |      |     |
|------|------|-----|
| 6.8  | 15.9 | 5.6 |
| 2.5  | 19.4 | 7.3 |
| 12.0 | 9.9  | 5.3 |

\*Represents the Compound Annual Growth Rate (CAGR): the year-over-year growth rate of an investment over a specified period of time  
 SOURCE: MassHealth

# Massachusetts spends more on health care than any other state



NOTE: District of Columbia is not included.

SOURCE: Blue Cross Blue Shield of Massachusetts Foundation, March 2013 report (<http://www.bluecrossfoundation.org/publication/updated-health-care-costs-and-spending-massachusetts-review-evidence>); Centers for Medicare & Medicaid Services, *Health Expenditures by State of Residence*, CMS, 2011.

# We also have opportunities to improve care coordination, integration, and the experience of care

## Current system

- Rewards volume
- Built to address emergency or short-term medical events; difficult for members to navigate the system
- Multiple doctors treating the same patient for the same condition without talking to each other
- Limited transparency into quality and efficiency of care
- Patient information often stored in silos or paper medical records

## Sustainable system

- Rewards outcomes and value
- Member's health managed seamlessly across providers and over time (not visit by visit)
- Providers act as a team to ensure coordination of right services
- Easy to understand quality and cost data made available to consumers and providers
- Appropriate electronic health information readily available across care teams and with consumers

## Our priorities for MassHealth

- Improve **customer service and member experience**
- Fix **eligibility systems and operational processes**
- Improve **population health and care coordination through payment reform** and value-based payment models
- Improve **integration of physical and behavioral health care** across the Commonwealth
- Scale **innovative approaches for populations receiving long term services and supports**
- Improve **management of our existing programs** and spend

## Restructuring MassHealth: principles of our approach

|                                  |   |
|----------------------------------|---|
| <b>Patient-centered</b>          | Focus on improving quality and member experience  |
| <b>Clinically appropriate</b>    | Ensure clinically sound design with close input from Massachusetts patients and providers |
| <b>Appropriate by population</b> | Account for varied member populations and providers (not a one-size-fits-all model)       |
| <b>Pragmatic</b>                 | Identify solutions that can be implemented in a practical and timely manner               |
| <b>Data-based</b>                | Make design decisions based on facts and data   |
| <b>Financially Sustainable</b>   | Ensure improvements lead to a more cost effective and sustainable system                  |

# We are committed to stakeholder engagement and collaboration

- We are **committed to gathering input**
- We will be **holding sessions starting in May** across the state
- We invite you to **bring constructive ideas:**
  - Things we need to improve
  - Strategies we should consider
- After these sessions, **we will evaluate and share next steps on timelines/sequencing of work**
- We will **engage stakeholders as we begin to develop specific proposals**

Topical areas for input:

- **Member and provider experience**
- **Payment reform to improve population health and care coordination**
- **Integration of physical and behavioral health**
- **Approaches for improving care and sustainability for long term services and supports (LTSS)**

*Meeting dates will be announced in the coming weeks*  
[www.mass.gov/eohhs/masshealth-innovations](http://www.mass.gov/eohhs/masshealth-innovations)

## Our focus for today

- Walk through each of the four topical areas
  - Member and provider experience
  - Payment reform
  - Integration of physical and behavioral health
  - Approaches for improving care/ sustainability for LTSS
  
- Share some early thoughts on priorities
  
- Discuss and listen to comments from the group

*Note: this is an initial discussion. We will be going into more detail for each topic in the meetings starting in May*

## Member and provider experience: priorities and discussion

- **Improve coordination between MassHealth and the Connector**
- **Evolve our customer service capabilities**
  - Reduced wait times
  - Right knowledge to support members
  - Increased automation to improve our workforce effectiveness
  - Customer satisfaction metrics
- **Enhance our provider-facing customer service**
  - Improve business interfaces with providers
  - Meaningful partner in delivering quality care to members
- **Maximize the use of technology**
  - Examples: web, telephone, email, text
  - Reduced barriers to communication
  - More real-time response capability

## Payment reform: priorities and discussion (1 of 2)

- Goal: **every MassHealth member has a provider who is accountable for overall health, quality, and cost of care**
  - Providers rewarded for improving effectiveness of care
  - Incentives to invest in care coordination
  - Data transparency
  
- Some things to **balance**:
  - Not a one-size-fits-all model
  - At the same time, approaches must scale across MassHealth
  
- To be successful, we will need a **cohesive strategy** that we commit to and design/ roll out at scale (vs. uncertainty of many unrelated pilots and efforts)
  
- We will also need to **sequence initiatives**

## Payment reform: priorities and discussion (2 of 2)

Framework for payment reform:

- For much of the population: **ACO and PCMH model**, depending on level of scale and sophistication of the accountable provider
- For those with significant mental health and substance use: **health homes and accountable care models for a BH provider**
- For those who use LTSS or need other support to live independently: **integrated care models** (including scaling innovative approaches like One Care)
- In addition, **bundled payments** for certain high spend areas (for example, surgical procedures, acute exacerbations of COPD)

We look forward to working through proposed design dimensions with stakeholders

# Payment reform: building on past efforts and looking forward

## Efforts to date

- Launch of innovative One Care program
- Launch of Primary Care Payment Reform (PCPR) program
- Stakeholder and technical engagement on Medicaid ACOs
- Previous target of January 2016 launch for MassHealth ACOs (timeline has been on pause)

## Example topics to discuss in upcoming meetings

- How ACOs and PCMH complement each other in reaching scale
- How to account for range in provider capabilities for managing population health
- How to catalyze greater behavioral health integration
- How to scale and sustain programs like One Care
- Proposed timelines for roll out

## Integrating physical and behavioral health: priorities and discussion

- **Behavioral health (BH) care is critical for the MassHealth population**
  - ~25% of our members utilize BH services
  - Most complex members often have BH conditions
  - BH and physical health care often siloed, not coordinated
  
- **Goal: Improve integration of physical and BH care in existing programs and new payment models**
  - Reduce barriers to integration (e.g., payment policies, existing programs)
  - Ensure new payment models (e.g., ACOs) promote BH integration
  - Address opioid addiction crisis
  
- **Topics for further discussion**
  - Elaborating definition of BH integration
  - Lower vs. higher acuity populations in new payment models
    - BH-primary care integration
    - Specialized approaches (e.g., Health Homes)
  - Clinical/access standards and quality measures
  - Approaches to assessing the level of care needed for each member

## Improving care and sustainability for LTSS: priorities and discussion

- **Goal: every LTSS member has an entity accountable for coordinating overall care and outcomes/ cost**, based on level of need and direction from the individual
  
- **Principles**
  - Increased access to and integration of LTSS care
  - Community first
  - Person-centered planning along with improved coordination of care
  - Financial sustainability and cost-effectiveness
  
- **Potential strategies**
  - Expand integrated care model (like One Care, PACE, and SCO)
  - Promote integration of LTSS care into new payment models (ACOs, episodes of care) where appropriate
  
- **Topics for further discussion**
  - Best approach for scaling One Care, PACE, and SCO
  - Role of episodes of care or ACO models encompassing LTSS
  - Types of supporting data and infrastructure required
  - Approaches to assessing the level of care needed for each member

# Additional topic areas and discussion



## Next steps and future engagement

- Conduct stakeholder input meetings starting in May
  - Times/ locations to be announced
  - [www.mass.gov/eohhs/masshealth-innovations](http://www.mass.gov/eohhs/masshealth-innovations)
- After stakeholder input meetings complete, we will
  - Evaluate input
  - Share priorities and timelines
- The timelines we develop will sequence various efforts
  - Some things beginning now (improving customer service)
  - Stagger other initiatives
- We will be conducting significant stakeholder engagement once we begin working through more specific proposals – details to follow

# Thank you

**Share feedback and pose questions  
Sign up for mailing lists and invitations**

**[MassHealth.Innovations@state.ma.us](mailto:MassHealth.Innovations@state.ma.us)**

**[www.mass.gov/eohhs/masshealth-innovations](http://www.mass.gov/eohhs/masshealth-innovations)**