

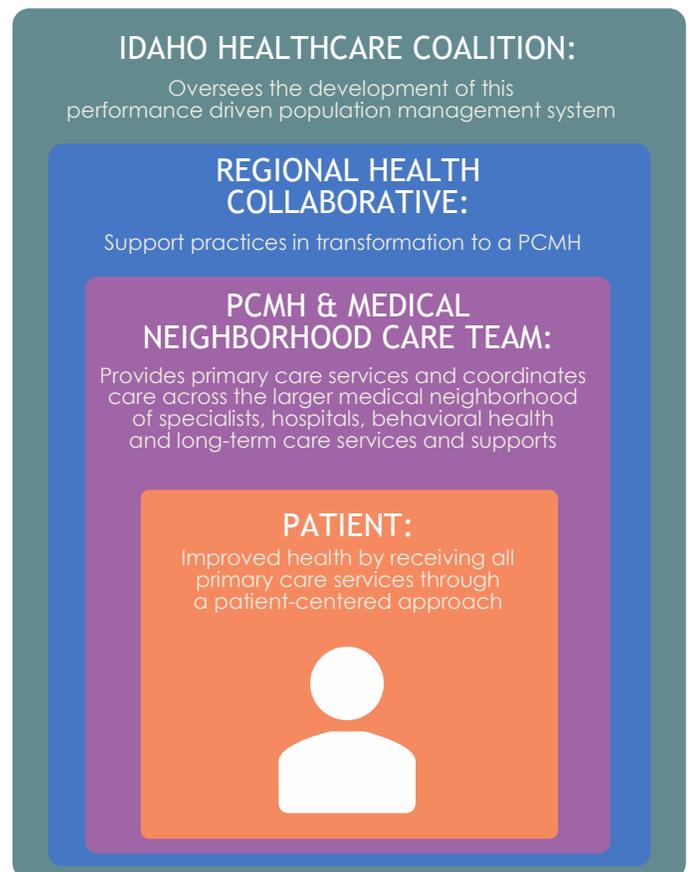
# SHIP AT-A-GLANCE

## Background:

In December 2014 the Idaho Department of Health and Welfare received a Statewide Innovation Model (SIM) grant from the Center for Medicare and Medicaid Innovation (CMMI). The grant funds a four-year Model Test that began on Feb. 1, 2015 to implement Idaho's Statewide Healthcare Innovation Plan (SHIP). During the grant period, Idaho will demonstrate that the state's healthcare system can be transformed through effective care coordination between primary care providers practicing patient-centered care and broader medical-health neighborhoods comprised of specialists, hospitals, behavioral health professionals, long-term care providers, and other ancillary care services.

Work on SHIP began in 2013 when hundreds of Idahoans from across the state met to study Idaho's current healthcare system and develop a new model of care that would improve the health of all Idahoans. Part of that model involves private insurers, Medicaid, and Medicare designing healthcare reimbursement methods that pay providers for keeping people healthy.

In early 2014 Governor Otter established the Idaho Healthcare Coalition (IHC) by executive order to help guide SHIP and the healthcare reform process. IHC members include private and public payers, legislators, health system leaders, primary care providers, nurses, and representatives from healthcare associations and the community.



## Objective:

SHIP is redesigning the state's healthcare system to:

- 1) Improve Idahoans' health by strengthening primary and preventive care through the Patient Centered Medical Home, and
- 2) Evolve from a fee-for-service, volume-based payment system to a value-based payment system that rewards improved health outcomes.

## Timeline:

The first year of the four year award period (February 2015 – January 2016) (AY1) was dedicated to hiring project staff and contractors and selecting the first cohort of 55 primary care clinics to begin their training to transform to PCMHs.

During AY2, 55 practices were selected for Cohort Two, remaining contractors were hired, and a communication toolkit was developed to educate and recruit practices to participate in the Model Test.

In AY3 Governor Otter reaffirmed the role of the IHC by issuing executive order 2016-02, support and incentives for Cohorts One and Two continued, and preparations began to recruit practices for Cohort Three (starting in AY4).

## Program Goals:

Idaho's plan identified seven goals that together will transform Idaho's healthcare system:

### 1 Transform primary care practices across the state into Patient-Centered Medical Homes (PCMHs):

Idaho is establishing PCMHs as the foundation of the state's healthcare system by making them the vehicle for delivery of primary care services. The PCMH focuses on preventive care, keeping patients healthy and stabilizing patients with chronic conditions. Grant funding is being used to provide training, technical assistance and coaching to assist practices in this transformation.

### 2 Establish seven Regional Collaboratives to support the integration of each PCMH with the broader medical-health neighborhood:

At the local level, Idaho's seven Public Health Districts have convened Regional Collaboratives that are supporting provider practices as they transform to PCMHs.

### 3 Build a statewide data analytics system:

Grant funds are supporting development of a statewide data analytics system to track, analyze, and report to providers and Regional Collaboratives. At the state level, data analysis is informing policy development and program monitoring for the entire healthcare system transformation.

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### 4 Improve care coordination through the use of electronic health records (EHRs) and health data connections among PCMHs and across the medical neighborhood:

Idaho is investing in connecting PCMHs to the Idaho Health Data Exchange (IDHE) and enhancing care coordination through improved sharing of patient information between providers.

### 5 Improve rural patient access to PCMHs by developing virtual PCMHs:

The virtual PCMH model is a unique approach to developing PCMHs in medically underserved communities by training Community Health Workers (CHW), Community Health EMS (CHEMS) and integrating telehealth services into rural and frontier practices.

### 6 Align payment mechanisms across payers to transform payment methodology from volume to value:

Idaho's commercial insurers, Blue Cross of Idaho, Regence, Select Health and Pacific Source, along with Medicaid, are participating in the Model Test. Payers have agreed to evolve their payment model from paying for volume of services to paying for improved health outcomes.

### Reduce healthcare costs:

Independent financial analysis indicates that Idaho's healthcare system costs will be reduced by \$89M over three years through new public and private payment methodologies that incentivize providers to focus on appropriateness of services, improved quality of care, and outcomes rather than volume of service. Idaho projects a return on investment for all populations of 197% over five years.