New Hampshire’s DSRIP Waiver Program and Safety Net Providers

National Academy for State Health Policy’s 29th Annual State Health Policy Conference

A Bridge from Volume to Value: Strategies to Include Safety Net Providers in Medicaid Payment Reforms

October 18, 2016

Agenda

► Overview
► Integrated Delivery Networks
► Pathways and Projects
► Financing
► Planning for Alternative Payment Models
Overview of New Hampshire’s DSRIP Waiver Program:
Building Capacity For Transformation

The waiver represents an unprecedented opportunity for New Hampshire to strengthen community-based mental health services, combat the opiate crisis, and drive delivery system reform.

Key Driver of Transformation

Integrated Delivery Networks: Transformation will be driven by regionally-based networks of physical and behavioral health providers as well as social service organizations that can address social determinants of health.

Three Pathways

- Improve care transitions
- Promote integration of physical and behavioral health
- Build mental health and substance use disorder treatment capacity

Funding Features

- Menu of mandatory and optional community-driven projects
- Funding for project planning and capacity building
- Up to $150 m over 5 years
- Performance-based funding distribution
- Support for transition to alternative payment models

Integrated Delivery Networks (IDNs)

- 7 new, regionally-based networks of providers called Integrated Delivery Networks (“IDNs”) will drive system transformation by designing and implementing projects in a geographic region.

Key Elements

- Participating Partners: Includes community-based social service organizations, hospitals, county facilities, physical health providers, and behavioral health providers (mental health and substance use).
- Structure: Administrative lead serves as coordinating entity for network of partners in planning and implementing projects.
- Responsibilities: Design and implement projects to build behavioral health capacity; promote integration; facilitate smooth transitions in care; and prepare for alternative payment models.

IDN

- Administrative Lead
- Community Supports
- Physical Health Providers
- Behavioral Health Providers (Mental Health and SUD)
IDN Composition

General Principles

• IDNs must include a broad range of organizations that can participate in required and optional projects
• IDNs must ensure they have a network of non-medical providers and medical providers that together represent the full spectrum of care that might be needed by an individual with a mental health or substance use disorder need

Specific Requirements
IDN partner networks must include:

• A substantial percentage of the regional primary care practices and facilities serving the Medicaid population
• A substantial percentage of the regional SUD providers, including recovery providers, serving the Medicaid population
• Representation from Regional Public Health Networks
• One or more Regional Community Mental Health Centers
• Peer-based support and/or community health workers from across the full spectrum of care
• One or more hospitals
• One or more Federally Qualified Health Centers, Community Health Centers, or Rural Health Clinics, if available
• Multiple community-based organizations that provide social and support services (transportation, housing, employment, community supports, legal assistance, etc.)
• County organizations representing nursing facilities and correctional systems

Project Menu Structure

Community-Driven Projects
• IDNs will select 3 projects from a menu that reflects community priorities
• One must be focused exclusively on SUD population
• IDN-led based on how best to implement in their communities

IDN Core Competency Project
• IDNs will participate in a mandatory project focused on integrating behavioral health and primary care
• IDN-led based on how best to implement in each IDN’s community

State-Wide Projects
• IDNs will participate in 2 State-wide projects:
  1. Strengthen mental health and SUD workforce
  2. Develop health information technology infrastructure to support integration
• State-facilitated with coordination across IDNs

Note: pending final approval by CMS and subject to change
### Core Competency Project

Each IDN will implement the Core Competency Project.

#### Integrated Healthcare
- Primary care providers, mental health and SUD providers, and social services organizations will partner to:
  - Prevent, diagnose, treat and follow-up on both behavioral health and physical conditions
  - Refer patients to community and social support services
  - Address health behaviors and healthcare utilization
- Standards will include:
  - Core standardized assessments for depression, substance use, and medical conditions
  - Integrated electronic medical records and patient tracking tools
  - Health promotion and self-management support
  - Care management services
- NCQA accreditation is not required

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### Community-Driven Project Menu

Each IDN will implement three community-driven projects from a DHHS-defined menu.

#### Care Transitions:
Support beneficiaries with transitions from institutional settings to the community
- Care Transition Teams
- Community Reentry Program for Justice-involved Adults and Youth with Substance Use Disorders or Significant Behavioral Healthy Issues
- Supportive Housing Projects

#### Capacity Building:
Supplement existing workforce with additional staff and training
- Medication Assisted Therapy of Substance Use Disorders
- Expansion of Peer Support Access, Capacity, and Utilization
- Expansion in intensive SUD Treatment Options, including partial hospital and residential care
- Multidisciplinary Nursing Home Behavioral Health Service Team

#### Integration:
Promote collaboration between primary care and behavioral health care
- Wellness Program to address chronic disease risk factors for SMI/SED population
- School-Based Screening and Intervention
- Substance Use Treatment and Recovery Program for Adolescents and Young Adults
- Integrated Treatment for Co-Occurring Disorders
- Enhanced Care Coordination for High-Need Populations

**Note:** pending final approval by CMS and subject to change.
Funding for the Transformation Waiver

**Key Funding Features:**

- The transformation waiver provides up to $150 million over 5 years.
  - State must meet statewide metrics in order to secure full funding beginning in 2018.
  - State must keep per capita spending on Medicaid beneficiaries below projected levels over the five-year course of the waiver.
- Up to 65% of Year 1 funding will be available for capacity building and planning.
- In Years 2-5, IDNs must earn payments by meeting metrics defined by DHHS and approved by CMS to secure full funding.
  - Under the terms of New Hampshire’s agreement with the federal government, this is not a grant program.
- A share of the $150 million will be used for administration, learning collaboratives, and other State-wide initiatives.

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<thead>
<tr>
<th></th>
<th>2016 (Year 1)</th>
<th>2017 (Year 2)</th>
<th>2018 (Year 3)</th>
<th>2019 (Year 4)</th>
<th>2020 (Year 5)</th>
<th>Total Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity Building (Up To 65% of Year 1 Funding)</td>
<td>$19,500,000</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>$19,500,000</td>
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<tr>
<td>Other Funding (IDN payments, administrative expenses, etc.)</td>
<td>$10,500,000</td>
<td>$30,000,000</td>
<td>$30,000,000</td>
<td>$30,000,000</td>
<td>$30,000,000</td>
<td>$130,500,000</td>
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<tr>
<td>Percent at Risk for Performance</td>
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<td>0%</td>
<td>5%</td>
<td>10%</td>
<td>15%</td>
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<tr>
<td>Dollar Amount at Risk for Performance</td>
<td>(50)</td>
<td>(50)</td>
<td>($1,500,000)</td>
<td>($3,000,000)</td>
<td>($4,500,000)</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$150,000,000</strong></td>
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Note: pending final approval by CMS and subject to change!

State-wide and IDN-level Metrics

- **Performance metrics** at the state- and IDN-levels will be used to monitor progress toward achieving the overall waiver vision. Payments from CMS to the state and from the state to IDNs will be contingent on meeting these performance metrics.
- **Accountability shifts from process metrics to performance metrics** over the course of the 5-year program.

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<tbody>
<tr>
<td></td>
<td>Select quality and utilization indicators that measure state-wide impact</td>
<td>Steps taken by the State to establish and manage the waiver program</td>
<td>Steps required to be taken by an IDN to organize its network and implement its projects</td>
<td>2016 2017 2018 2019 2020 5% 10% 15% State-wide funding at risk for State-wide outcome measures</td>
</tr>
</tbody>
</table>

Note: pending final approval by CMS and subject to change!

Fournier, D
New Hampshire’s DSRIP Medicaid Waiver and the Transition to Alternative Payment Models

**Goals and Requirements: NH’s APM Roadmap**

- Under DSRIP, New Hampshire’s funding model will shift from planning support to performance payments to long-term sustainability.
- The Special Terms and Conditions of the waiver require that the state develop a plan, or Roadmap for:
  - Sustaining the DSRIP investments beyond the life of the waiver, including how it will modify its Medicaid managed care contracts to reflect the impact of the waiver and the state’s APM goals
  - Moving at least 50 percent of payments to Medicaid providers into alternative payment models

**APM Roadmap: Important Dates**

- Development of Roadmap: Summer 2016
- Deadline for submission of Roadmap to CMS: Fall 2016
- Deadline for CMS approval of Roadmap: April 1, 2017
- Development and submission of annual updates to Roadmap: July 1, 2017
- NH Medicaid Managed Care Procurement Process Begins: 2018-2020
- Deadline for submission of Medicaid Managed Care Contracts and Rates to CMS: 2018-2020
- Medicaid Managed Care Contract RFP Target Date: 2018-2020

**STC Spotlight: Roadmap Requirements**

Per the STCs, the state’s Roadmap must address the following areas:

1. **Payment Approaches**: What approaches service delivery providers will use to reimburse providers to encourage practices consistent with IDN objectives and metrics, including
2. **Path to 50 percent APM Goal**: How the state will plan and implement a goal of 50 percent of Medicaid provider payments to providers using Alternative Payment Methodologies.
3. **Impact on Providers and Alignment with IDN objectives/measures**:
   a. How alternative payment systems deployed by the state and MCO/Medicaid service delivery contracts will reward performance consistent with IDN objectives and measures.
   b. How the IDN objectives and measures will impact the administrative load for Medicaid providers, particularly insofar as plans are providing additional technical assistance and support to providers in support of IDN goals, or themselves carrying out programs or activities to further the objectives of the waiver. The state should also discuss how these efforts, to the extent carried out by plans, avoid duplication with IDN funding or other state funding; and how they differ from any services or administrative functions already accounted for in capitation rates.
4. **Stakeholder Engagement**: How the state has solicited and integrated community and MCO/Medicaid service delivery contract provider organization input into the development of the plan.

Continued on following page
STC Spotlight: APM Roadmap Requirements

Per the STCs, the state’s APM Roadmap must address the following areas (cont’d):

Continued from prior page

5. Managed Care Rates:
   a. How managed care rates will reflect changes in case mix, utilization, cost of care and enrollee health made possible by IDNs, including how up-to-date data on these matters will be incorporated into capitation rate development.
   b. How actuarially-sound rates will be developed, taking into account any specific expectations or tasks associated with IDNs that the plans will undertake. How plans will be measured based on utilization and quality in a manner consistent with IDN objectives and measures, including incorporating IDN objectives into their annual utilization and quality management plans submitted for state review and approval by January 31 of each calendar year.

6. Contracting Approach:
   a. How the state will use IDN measures and objectives in their contracting strategy approach for MCO/Medicaid service delivery contract plans, including reform.
   b. If and when plans’ current contracts will be amended to include the collection and reporting of IDN objectives and measures.

Range of APM Contracting Models

APM approaches tend to differ based on the level of risk providers assume and the structure of payments

- Global Budget/Capitation
- Shared Savings/Losses
- Bundled Payments for Episodes of Care
- Pay for Performance (P4P)

Note: some frameworks do not consider P4P provider risk exposure sufficient to be classified as an "APM".

Potential for Improved Efficiency and Quality

Note: actual level of risk can vary depending on specific arrangement; e.g., a bundled payment program with upside and downside risk-sharing may have potential for greater losses than a limited shared-savings program.
### APM Contracting Models: Capabilities Required

<table>
<thead>
<tr>
<th>Pay for Performance</th>
<th>Bundled Payments</th>
<th>Shared Savings/Losses*</th>
<th>Global Budget/Capitation</th>
</tr>
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<tbody>
<tr>
<td>Provider Network Management</td>
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<td>Clinical and Care Management</td>
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<td>Financial Management</td>
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<td>Governance and Corporate Structure</td>
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<td>Analytics and Information</td>
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#### Level of Capabilities Required

- **Low**
- **Medium**
- **High**

Note: *Shared savings arrangements with lower levels of risk may require fewer capabilities.*

[464x659] 15 APM$Contrac;ng$Models:$Capabili;es$Required$

**Fournier, D**

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**APM arrangements at higher levels of risk will require increasing provider capabilities.**

Less Risk | More Risk
---|---
Pay for Performance | Bundled Payments | Shared Savings/Losses* | Global Budget/Capitation
Provider Network Management | Provider Network Management | Provider Network Management | Provider Network Management
Clinical and Care Management | Clinical and Care Management | Clinical and Care Management | Clinical and Care Management
Financial Management | Financial Management | Financial Management | Financial Management
Governance and Corporate Structure | Governance and Corporate Structure | Governance and Corporate Structure | Governance and Corporate Structure
Analytics and Information | Analytics and Information | Analytics and Information | Analytics and Information

Level of risk can vary depending on arrangement.

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