



**Department  
of Health**

# State Innovation Model

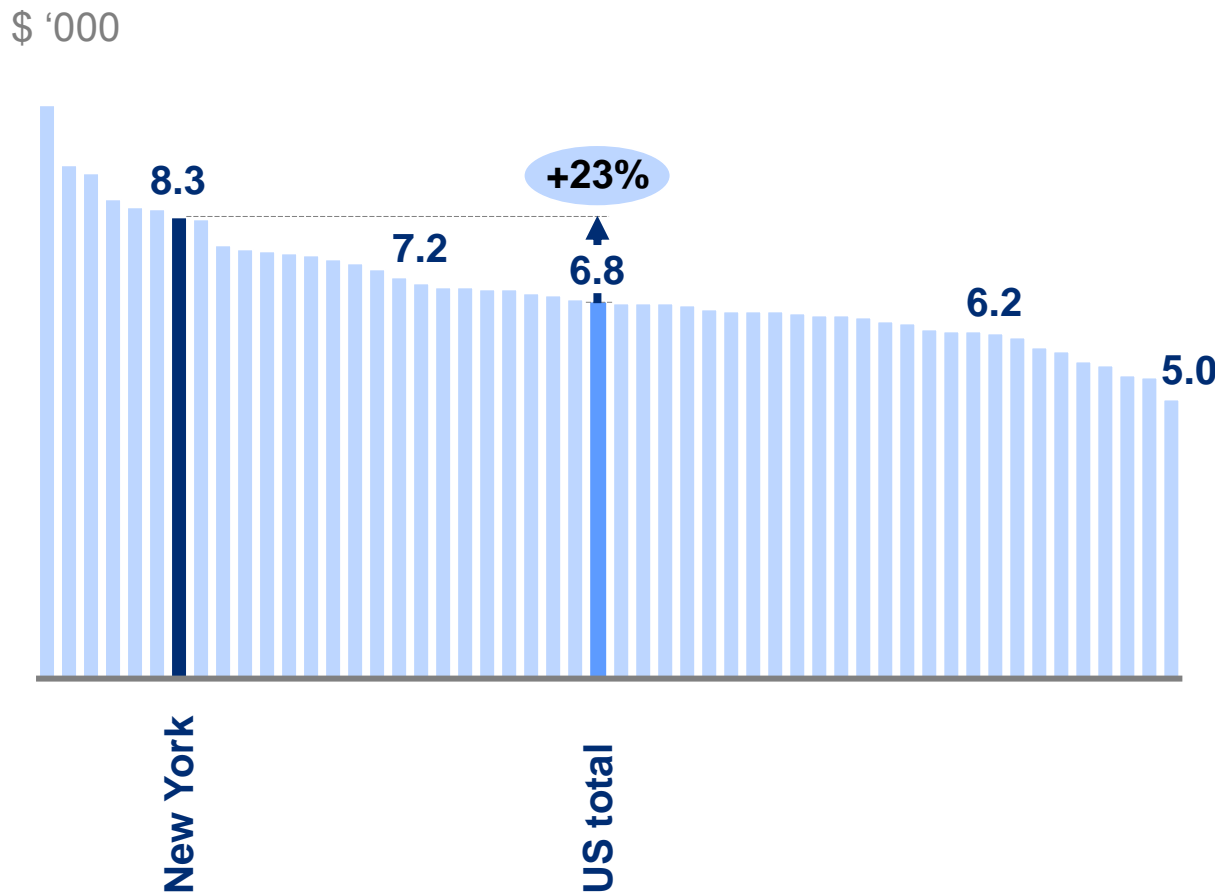
Discussion document

July, 2015

Pre-decisional - Proprietary and Confidential

# The challenge: New York is currently one of the highest healthcare cost states in the US

Average per capita health expenditures by state, 2009



## Multiple challenges and opportunities

- Fee-for-service payments driving volume over value
- Mismatches between healthcare capacity and needs
- Insufficient care coordination, preventive care, and management of chronic conditions
- Siloed care (e.g., behavioral and physical health)

# The SIM program will measure success through three core objectives within 5 years

## Core objectives

- 1 80% of the state's population receives primary care within an Advanced Primary Care setting, with a focus on population health and integrated behavioral health

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- 2 80% of care will be paid for under a value-based financial arrangement

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- 3 Consumers will be more engaged in, and able to make informed choices about their own care, supported by increased cost and quality transparency.

## ... driving aspirational outcomes

- 1 Achieve or maintain **top-quartile performance** among states for adoption of best practices and outcomes in **disease prevention and health improvement**

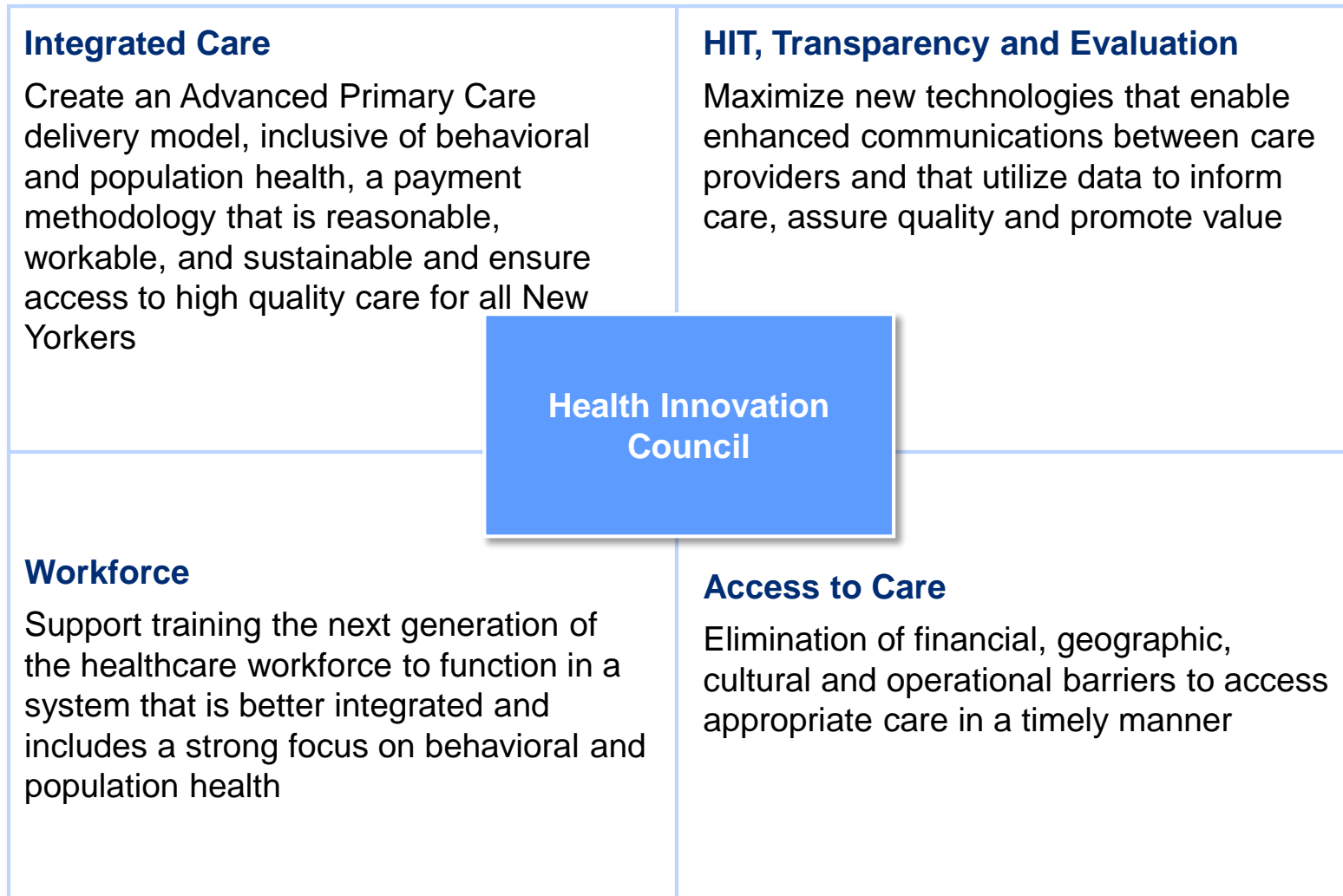
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- 2 Achieve **high standards for quality and consumer experience**

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- 3 **Promote efficiencies** by reducing unnecessary care, shifting care to more appropriate settings, reducing avoidable hospital admissions and readmissions, and ensuring a clear link between cost and quality

## Current efforts are centered around four main multi-stakeholder working groups, coordinated by a Health Innovation Council



# Primary care is a central component of the NY State Innovation Model

## Primary care has the potential to:

- Coordinate patient-centered care across the medical neighborhood
- Build long-term trust-based relationships with patients to best understand patient needs and influence patient behavior
- Promote relationships with healthcare providers across the spectrum

## NY SIM endeavors to support that potential through:

- Catalyzing **multi-payer investments in primary care practices** to make the structural changes needed to succeed
- Aligning with payers and providers on an **innovative but consistent measurement and payment system** that drives improvements in population health, better care, and lower costs
- Supporting the state's health workforce and health IT infrastructure needs

# The Advanced Primary Care (APC) model is meant to help PCPs fulfill their potential to improve healthcare delivery in NY

## Advanced primary care components

### Pre-APC

- Transitional, time-limited status with obligation to reach APC status
- Demonstrate capacity/ willingness to “transform”

### APC

- Potential final destination for practices without infrastructure to reach premium APC
- Key infrastructure in place for management of complex populations
- Demonstrated higher level PCMH with results

### Premium APC

- Practices manage population health integration including behavioral health
- Medical neighborhood and community-facing care coordination
- Accountable for cost and quality
- Performance driven payments

### The APC program will plan to:

- Be consistent with existing standards and measures (e.g. NCQA PCMH, CPCI, etc)
- Drive change over time rather one-time certification
- Be tied to outcomes and facilitated by innovative payment systems

No quality measurement

More quality measurement



No financial risk

More financial risk

# APC will be defined by standards and measures, and supported by practice transformation support and innovative payment strategies

## APC program overview

### Standards and milestones

- A set of tools and services that will help practices succeed on APC measures
- Reflect changes in structure, process, capabilities at a practice level
- Basis for milestones and ramp-up payments

### Measures

- A set of standardized process and outcome measures at a patient level with intrinsic value to patients and payers
- Facilitated by structural changes mandated by standards, but not duplicative
- Basis for outcome-based payments

### Payment and practice transformation support

- Support for practices to invest in resources to succeed on measures, contingent on meeting milestones
- Multi-payer agreement on payment for a standardized set of measures to reward success on desired outcomes

## APC will align with multiple allied initiatives

**SIM (State Innovation Model):** Drive improvements in quality and promote efficiencies through implementation of Advanced Primary Care (APC)

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**DSRIP (Delivery System Reform Incentive Program):** Medicaid waiver invested to transform care around Performing Provider Systems (PPS)

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**CPCI (Comprehensive Primary Care Initiative):** Multi-payer initiative between Medicare and other health plans to strengthen primary care

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**TCPI (Transforming Clinical Practice Initiative):** Initiative to support practice transformation including peer learning and workforce development

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**PCMH (Patient-Centered Medical Home):** Certifications by NCQA, JC, and others on what it takes to provide top-primary care

**Better health,  
better care,  
lower cost**



	June 2015	July 2015	Aug 2015	Sept 2015	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	March 2016
<b>Transparency, Evaluation, HIT</b>	<ul style="list-style-type: none"> <li>- Initiate development of common measure set</li> <li>- Review initial APD regulations</li> <li>- Discuss SHIN-NY regulations</li> <li>- Presentation on DSRIP PPS data sharing</li> </ul>		<ul style="list-style-type: none"> <li>- APD regulations finalized</li> <li>- Review of SHIN-NY regulations</li> </ul>	<ul style="list-style-type: none"> <li>- First draft of standard measure set for APC</li> </ul>	<ul style="list-style-type: none"> <li>- Second draft of APC measures to NYSDOH; begin sharing with workgroups</li> </ul>	<ul style="list-style-type: none"> <li>- Develop first draft, HIT Workgroup Report</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Submit Final Report to Legislature and Governor</b></li> <li>- Finalize measure set for APC</li> </ul>	<ul style="list-style-type: none"> <li>- Make APC standard measure set available to providers and payers</li> </ul>		
<b>Integrated Care</b>	<ul style="list-style-type: none"> <li>- Review APC tiers</li> <li>- Review initial APC measures</li> <li>- Draft initial measure framework</li> <li>- Discuss payment models</li> <li>- Discuss practice transformation RFP</li> </ul>	<ul style="list-style-type: none"> <li>- Review draft Practice Transformation RFP</li> <li>- Review draft practice readiness tool</li> <li>- Develop initial attribution recommendations</li> <li>- Review/propose legislative/regulatory actions</li> <li>- Convene regional stakeholder meetings (NEBGH)</li> </ul>		<ul style="list-style-type: none"> <li>- Refine APC model components based on regional input</li> <li>- Finalize practice readiness tool</li> <li>- Develop preliminary recommendations to the Health Innovation Council (HIC)</li> </ul>	<ul style="list-style-type: none"> <li>- Practice Transformation RFP released inclusive of practice readiness tool and public health consultants</li> </ul>		<ul style="list-style-type: none"> <li>- Finalize reimbursement model approaches</li> <li>- Present finalized, vetted measure set for APC</li> <li>- Review Practice Transformation grant applications</li> </ul>		<ul style="list-style-type: none"> <li>- <b>Practice transformation contracts in place</b></li> </ul>	<ul style="list-style-type: none"> <li>- Launch APC based on practice needs assessment and NEBGH regional work</li> <li>- Make APC standard measure set available to providers and payers</li> </ul>
<b>Workforce</b>	<ul style="list-style-type: none"> <li>- Initiate discussion re: guidance to SIM APC and DSRIP PPS' to support and evolve the health care workforce</li> <li>- Identify information needed on current workforce, potential SIM/DSRIP PPS gaps;</li> </ul>	<ul style="list-style-type: none"> <li>- Begin to draft new primary care residency and physician retention RFAs</li> <li>- Draft initial list of gaps/issues for successful implementation of SHIP and DSRIP goals</li> </ul>		<ul style="list-style-type: none"> <li>- Present overview of regional practice transformation plan</li> <li>- Present concept paper on primary care residencies and physician retention RFAs</li> <li>- Develop preliminary recommendations to the Health Innovation Council (HIC)</li> </ul>	<ul style="list-style-type: none"> <li>- Complete initial drafts of 2 RFAs</li> <li>- Refine list of impediments to implementation and possible solutions</li> <li>- Prepare presentation on care coordination issues</li> </ul>	<ul style="list-style-type: none"> <li>- Review role of WG in supporting the regional practice transformation</li> <li>- Discuss additional recommendations for the HIC</li> </ul>	<ul style="list-style-type: none"> <li>- Complete drafting of RFAs</li> <li>- Prepare list of impediments to implementation, possible solutions and need to modify existing programs or recommend additional programs/resources</li> </ul>		<ul style="list-style-type: none"> <li>- Present summary of findings re care coordination titles and uses</li> <li>- Present on regional practice transformation grants</li> <li>- Discuss and make recommendations on changes needed to support regional transformation plan</li> </ul>	<ul style="list-style-type: none"> <li>- Prepare and release final RFA for new primary care residency programs</li> </ul>