

Department of Social and Health Services and Health Care Authority

Duals Innovation Grant Integration of Care

Washington Health Care Association Meeting
February 15, 2012

Health Reform Initiatives in Washington State

The best value for every health care dollar spent

- The right care
- At the right time
- In the right place
- At the right price and amount

Duals Innovation Grant

An opportunity to design innovative care model(s) for serving individuals who are dually eligible for Medicare and Medicaid

- Washington is one of 15 participating states
- The Health Care Authority and DSHS share governance and leadership responsibilities
- CMS will determine whether or not to fund implementation of our design plan

Duals and Medicaid Populations are Linked

- Washington has 1.2 million Medicaid clients and that will grow by 500,000 in 2014
- Duals are a small proportion of overall population (approx. 115,000)
- States are using the duals grant to help shape overall service delivery system design, not developing systems only to serve duals

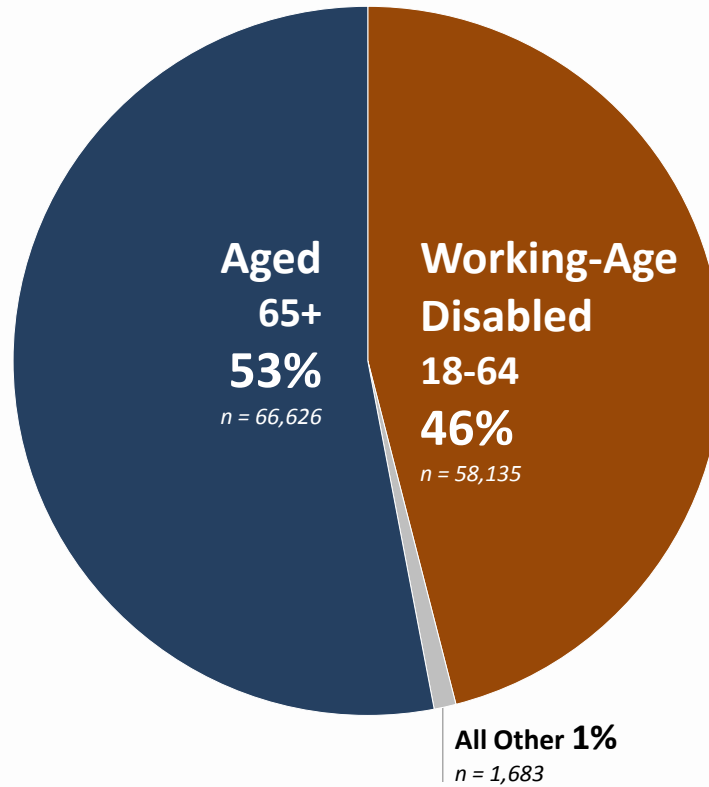
Grant Accomplishments to Date

- Medicare Data Access
- Understanding of duals service usage
- Understanding of opportunity for health and cost improvements
- Prototype of PRISM for integrated data

Washington State Dual Eligibles

Client Distribution by Type of Medicaid Coverage

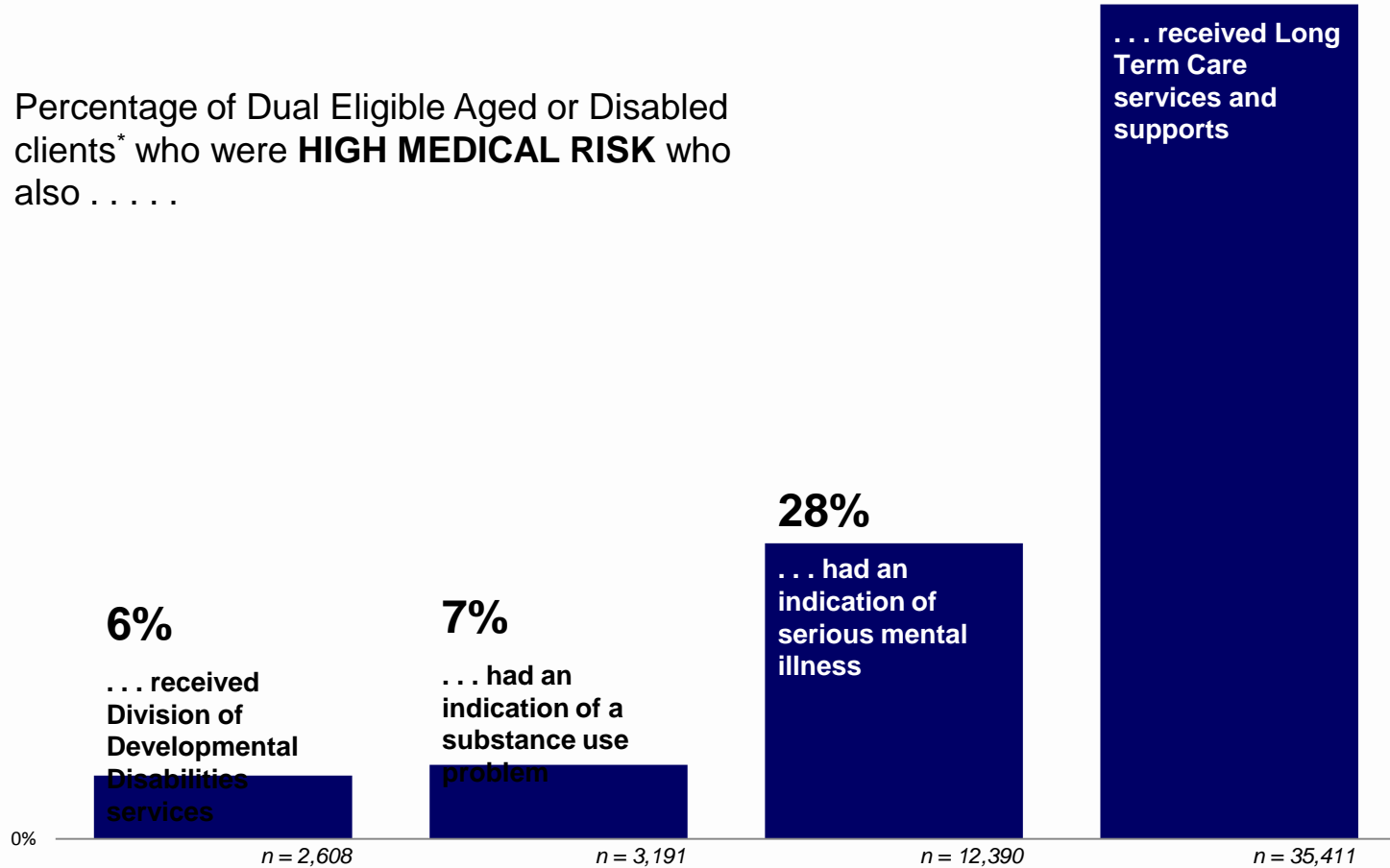
SFY 2009 TOTAL = 126,444



Percentage of Dual Eligible Aged or Disabled clients with high medical risk with other service needs and risk factors

STATE FISCAL YEAR 2009 • Dual Eligible Aged or Disabled Clients **79%**

Percentage of Dual Eligible Aged or Disabled clients* who were **HIGH MEDICAL RISK** who also



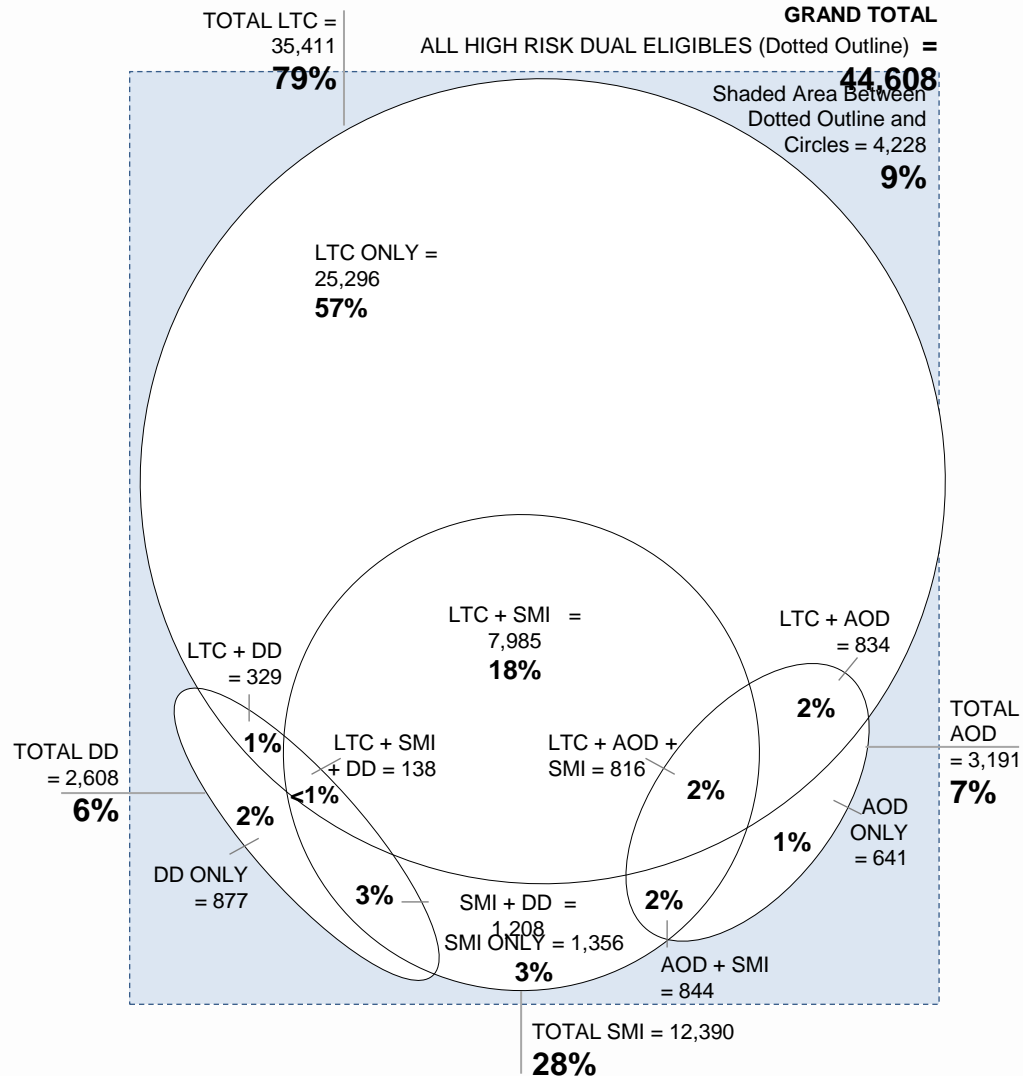
*Clients with multiple service needs or risk factors are counted in each category.

SOURCE: DSHS Research and Data Analysis Division, Integrated Client Database, January 2012.



Service need and risk factor overlaps among HIGH RISK DUAL ELIGIBLE Aged or Disabled clients

STATE FISCAL YEAR 2009



Grant Accomplishments – Stakeholder Feedback

- Integrate services across medical and social services to improve coordination and align incentives
- Create a single point of contact and intentional care coordination for beneficiaries
- Create flexibility to allow for local variances based on population need and provider networks
- Capitalize on what is working while improving overall service delivery
- Build on system strengths and apply lessons learned to bring successful elements to scale

What Integrated Care Looks Like

- Person centered care organizations accountable for costs and outcomes
- Health homes and clinical decision support tools to promote care coordination
- Provider networks capable of meeting full range of needs
- Continued emphasis on home and community based care
- Strong consumer protections

Washington Financial Model Development

- Analysis of current system, client characteristics and statutory frameworks
- Examination of stakeholder feedback
- Regular conversations with CMS, technical assistance contractors and other states
- Side-by-side work with HB1738 preliminary report recommendations

Criteria used in Selecting Washington's Financial Models

- Responsive to stakeholder feedback
- Fits with overall Medicaid service delivery reforms
- Long-term goal of service integration
- Provides flexibility while building on current strengths
- Align quality & financial incentives
- Minimize state financial risk/administrative barriers

Two Equally Important Models

Both are necessary:

- Improve integration for all high cost/high risk duals
- Fully capitated integration models may not be possible for all duals because of opt-out, areas where it is not feasible or readiness of health plans has not been demonstrated

Common Elements of the Models

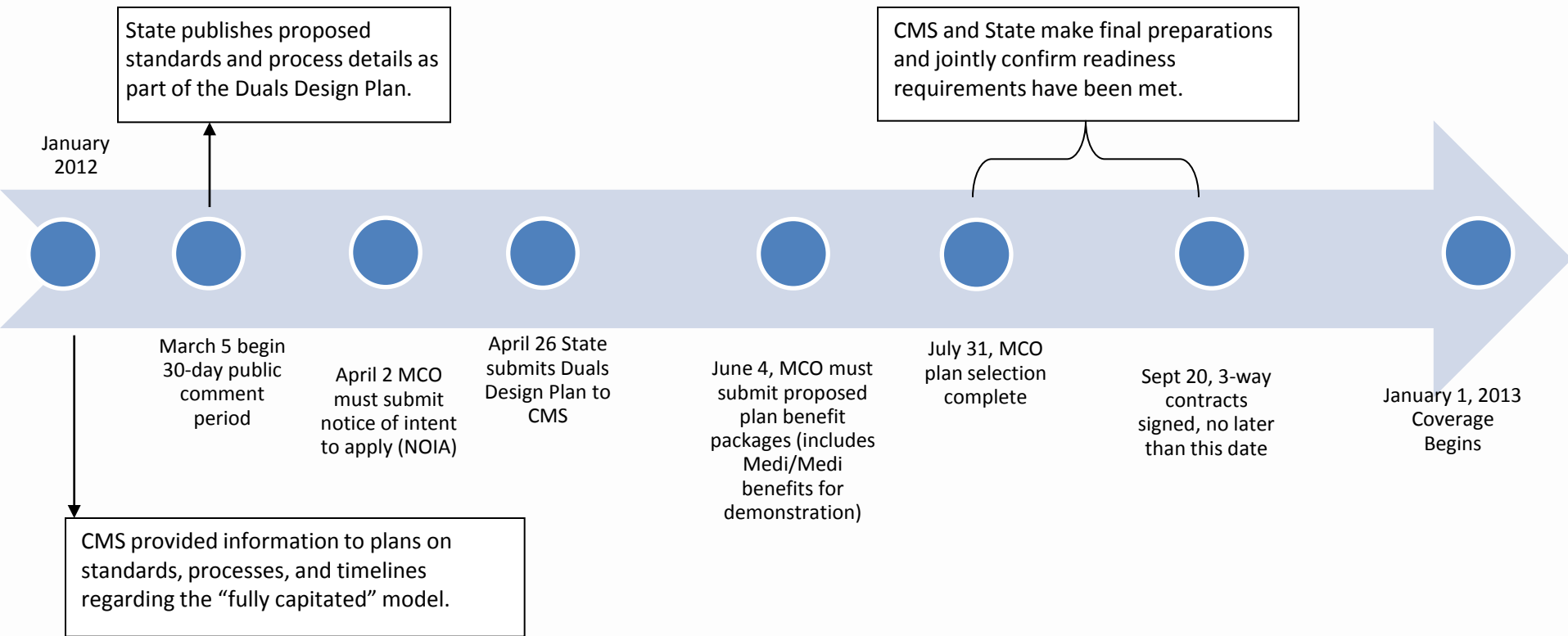
- Integration and consolidation
- PRISM support for care coordination
- Utilize the lessons learned from a variety of pilots and analysis
- Access to Medicare funding to support integration
- Financial alignment of Incentives through capitation and other methods
- Performance measured through outcomes

Model A - Integrated Capitation through Health Plans

Managed care plans will provide a coordinated approach to healthcare needs whether medical, mental health, substance abuse treatment, nursing home or community based long-term care.

- one primary contact to coordinate all care
- one way to access both Medicare and Medicaid services
- one information system to help ensure beneficiaries are getting appropriate, high quality care

Timeline

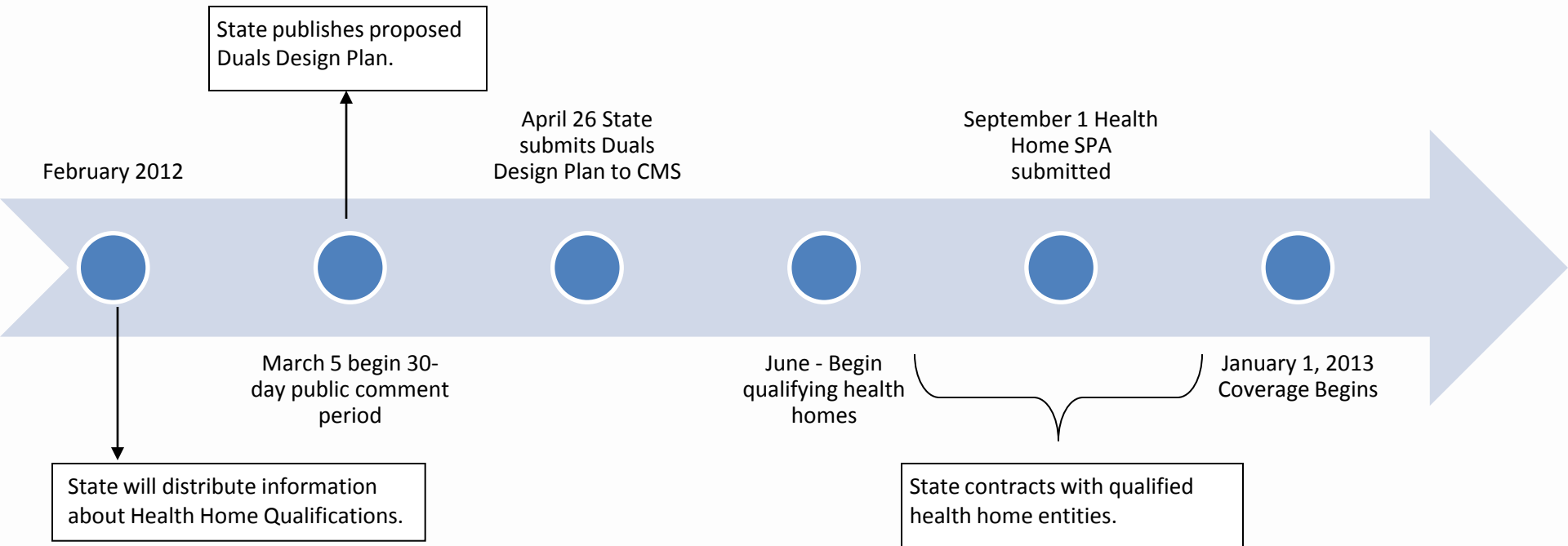


Model B – Coordinated Model

Medical, mental health, substance abuse treatment, long term care and developmental disabilities services thru a combination of managed care and fee for service. This model will be used in areas where the model A is not available.

- Beneficiaries will receive health home services to coordinate across systems of care
- Shared outcomes and financial incentives will help ensure beneficiaries get appropriate, high quality care and that identified reductions in hospital and institutional use are achieved

Timeline



Next Steps

- Preliminary HB1738 report will be submitted to the Legislature in mid-January
- Work with stakeholders, CMS and internal staff to develop implementation details for the duals design plan proposal by end of February
- Release design plan for 30-day public comment period during March
- Submit design plan to CMS by April 26th

Resources

Website: <http://www.adsa.dshs.wa.gov/duals/>

Bea Rector: bea.rector@dshs.wa.gov

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