

# Advancement of Value-Based Healthcare in Medicaid (DRAFT)

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## **Responsible Office**

HHSC/Health Quality Institute, Medicaid and CHIP Services in collaboration with the Value-Based Payment and Quality Improvement Advisory Committee

## **Project Purpose**

The project will support HHSC to achieve goals for value-based payment in Medicaid/CHIP that promote better care, smarter spending, and healthier people. The project builds on the inaugural recommendations of the Value-Based Payment and Quality Improvement Advisory Committee and involves a collaboration of HHSC staff, members of the multidisciplinary advisory committee, and other key stakeholders.

## **Project Description**

The project focuses on four interconnected aims, and associated deliverables, described below:

- **Develop consistent measures/models:** HHSC will convene stakeholders, including clinical experts, providers, and MCOs to identify common measures, measure definitions, and models for use in alternative payment models. The aim is to develop an inventory of common measures and specifications for voluntary use by MCOs for value-based contracting in Medicaid. The work would begin with metrics for maternal and newborn health, with behavioral health to follow.
- **Leverage the quality improvement cost category:** This aim is crucial for sustaining innovative care models that emerged under DSRIP and for addressing root causes of health and fiscal outcomes in the Medicaid program. The initial focus will be to develop approved guidance and case examples to reduce policy uncertainty on the use of the MCO Quality Improvement (QI) cost category (45 CFR Sec 158.150-151) for purposes that address non-medical, health related needs, while also lowering total cost of care.
- **Increase awareness, education, and knowledge of value-based care:** Develop programs, events, and materials to further educate stakeholders on the Texas Medicaid value-based alternative payment models initiative. An FAQ document will be the first deliverable. Other deliverables may include webinars, briefing slides, success stories, and statistical reports (including a possible VBP/APM Dashboard proposal). The workgroup also may review the HHSC Quality Website to highlight opportunities to highlight VBP opportunities and streamline access to information.
- **Expand alternative payment models into targeted areas:** This aim, to expand VBP to areas with low current utilization percentages, will start with pharmacy and home health.

Currently in a developmental phase, the aim will provide opportunities for discussions between pharmacy and home health representatives, MCOs, and HHSC.

Workgroups, led by members of the advisory committee, will be formed to guide each major project aim. Project updates will be provided to the full advisory committee during its quarterly open meetings and to HHSC leadership on a regular basis. In addition to deliverables associated with each of the above aims, the project is expected to generate recommendation ideas for the committee's 2020 Legislative Report.

### **Key HHSC Roles**

- Provide staff administrative, subject matter expertise, and data analytic support for the project
- Act as a convener of stakeholders seeking to establish voluntary criteria for value-based payment in Medicaid/CHIP
- Review, approve, and, where appropriate, distribute or publish (including electronic publication) documents, webinars, presentations, FAQs, toolkits, and other products created by staff/workgroups and endorsed by the full Council
- Execute any contracts or agreements appropriate to support the project, including work facilitated by Dell Medical School with external funding
- Review, consider, and provide a response to any specific changes in Medicaid/CHIP policy, practice, or contracting recommended by the advisory committee as a result of this project (HHSC, of course, maintains operational and decision making authority over the state's Medicaid/CHIP program).

### **Expected Outcomes/Benefits**

- Reduced administrative complexity for providers, MCOs, recipients, and Medicaid/CHIP
- Increased VBP participation overall, in models with two sided risk, and in areas with current low rates of participation (e.g. pharmacy, home health)
- Increased number of dollars paid to providers in the form of incentives
- Increased provider participation in Medicaid managed care as a result of MCOs sharing cost savings with providers through higher net incentive payments
- Improvement on key metrics for quality and efficiency
- Better and more transparent information for improved decision making by payers, providers, clients, administrators, and policy-makers.

## Major Proposed Milestones

Milestone	Targeted Completion Date
<b>Administrative Milestones</b>	
VBPQI Public Meeting	May 7, 2019
Review/Modify/Adopt Workplan	May 7, 2019
*Establish workgroups and identify workgroup leads	May 2019
Initial planning calls with workgroup leads	May/June 2019
New members appointed to VBPQI	June 2019
Name workgroup members	June 2019
Begin full workgroup meetings	June/July 2019
VBQI Public Meeting	August 6, 2019
VBQI Public Meeting	December 5, 2019
Work group meetings	Monthly
Full advisory committee meetings	Quarterly
<b>Measures and Models Workgroup</b>	
Staff compile current metrics available for maternal and newborn APMs	July 2019
Meet with individual stakeholder groups (providers and STAR MCOs) to engage on developing common metrics for Medicaid APM for maternal and newborn health	October 2019
Convene stakeholders, including provider clinical experts from the state's Perinatal Care Regions, for APM metrics discussions	January 2020
Launch 2 <sup>nd</sup> effort related to behavioral health (define scope of work)	September 2019
Publish menu for voluntary measure and model specifications for use in Medicaid maternal and newborn APMs	April 2020
<b>Quality Improvement Costs Workgroup</b>	
Organize and hold meeting to discuss QI costs between HHSC and Value-Based Payment Advisory Committee Vice-Chair Lisa Kirsch (kick-off)	March 2019
Develop statistical report on current QI use by MCO	May 2019

<b>Milestone</b>	<b>Targeted Completion Date</b>
Obtain any needed guidance from CMS regarding relevant 45 CFR provisions	May 2019
Discuss ongoing social drivers work as agenda item at public meeting, e.g., planned EQRO study, Accountable Health Communities, DSRIP, new legislative directives	May 7 and August 6, 2019
Develop an initial QI use case for care coordination for individuals with high needs	December 2019
<b>Awareness and Knowledge Workgroup</b>	
Develop draft FAQs for review by VBPQI	April 2019
VBPQI committee review	May 7, 2019
Document revision	May 2019
Submit final FAQ document for approval/publication on the Medicaid Value-Based Payment/Alternative Payment Model Project website	June 2019
<b>Targeted APM Expansion Workgroup</b>	
Define goals and deliverables for workgroup in areas of pharmacy and home health	May 2019
Update reporting on APM progress with 2018 data	October 2019

*\*Workgroup leads will be named initially. Full workgroups will be named when HHSC appoints new committee members. Half of the committee membership terms are up, and a new rule effective February 25, 2019 expanded the committee by four positions.*

**Resource Needs/Interdependencies**

- Internal
  - Staff administrative support
  - Subject matter expertise, including clinical expertise from the Office of the Medical Director; expertise with regard to Medicaid policy, finance, and quality measurement; and expertise for specific populations served by Medicaid/CHIP, such as newborns and mothers, individuals with physical and intellectual disabilities, and individuals with serious mental illness or substance use disorder.
  - Data analytic support
- External
  - University of Texas - Dell Medical School facilitation
  - EQRO and the Texas Health Care Learning Collaborative website
  - Participation by provider, MCO, and other stakeholder organizations

**Projected Costs**

The project will require a significant commitment of staff resources to support the workgroups. These resources will primarily involve staff in Quality and Program Improvement and Quality Oversight, but expertise and staff time from across the Medicaid/CHIP programs and HHS System will be needed.

**Project Contact**

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