

Payment and Delivery Reform Activities in State Health Agencies

In 2014, the Association of State and Territorial Health Officials (ASTHO) surveyed its members to assess their technical assistance (TA) needs related to health systems transformation activities, particularly regarding payment and delivery model programs like the State Innovation Models (SIM) Initiatives. Survey findings included:

- Most state and territorial health agencies (STHAs) who indicated involvement in reform initiatives identified that they were focused on partial adaptation of the payment or delivery system or that they were participating in limited pilots in Medicaid or other state-run efforts.
- Most respondents reported being actively involved in these reform efforts.
- Respondents reported that the most useful forms of TA included peer to peer TA, on-site visits with subject matter experts, and visits to states with demonstrated best practices.
- Respondents identified the following as key TA areas: data and health information, calculating return on investment, linking clinical care to population health, population measures, and governance and financing models for sustained community health improvement.

ASTHO has used these survey results to help focus its efforts in areas where STHAs identified needing additional training. This issue brief provides an overview of the survey results and outlines how ASTHO has used the results of the survey to provide TA to all STHAs.

Background

The Affordable Care Act (ACA) includes a number of provisions that focus on creating a higher quality and more efficient healthcare system. These provisions and programs strive to achieve the [Triple Aim](#) of improved care quality, improved population health, and reduced healthcare costs.

In December 2012, the Centers for Medicare and Medicaid Services (CMS) launched the SIM Initiative to help develop and test state-based models for multi-payer payment and healthcare delivery system transformation. The initiative's goal is to improve health system performance for residents in states taking part in the program. In Round One of the initiative, CMS awarded nearly \$300 million to 25 states to design or test improvements to their public and private health and payment and delivery systems. During Round Two of the initiative, launched in December 2014, CMS awarded over \$622 million to 11 states through Model Test awards and gave over \$42 million to 17 states, three territories, and the District of Columbia through Model Design awards. Overall, approximately 61 percent of the United States population is currently involved in the SIM Initiative and working on efforts to support comprehensive state-based innovations in health systems transformation.

There are many opportunities for states to test different payment and delivery reform initiatives through the ACA and via the SIM Initiative, and as states undertake payment and delivery reform activities, they increasingly value TA. As one of several national organizations receiving CDC funding to provide capacity building assistance to SIM and non-SIM grantees, ASTHO was interested in understanding what types of support STHAs needed to be successful in their efforts.

ASTHO Technical Assistance Needs Survey

In July-August 2014, ASTHO surveyed STHAs online via Qualtrics to assess their activities and needs regarding SIM grants and other payment and delivery reform initiatives. Specifically, ASTHO wanted to understand what types of training and TA STHAs needed to be successful in their efforts.

In total, 43 STHAs completed the survey, for a response rate of approximately 70 percent.¹ Of the responding STHAs, 24 reported having a SIM grant: 14 were in the design phase; three were in the pre-testing phase; and seven were in the testing phase. Nineteen respondents reported that they did not have a SIM grant. In addition, 28 STHAs reported that they were planning to apply to SIM Round Two funding (12 indicated they planned to apply for a design grant; 16 indicated they planned to apply for a testing grant), while 15 states indicated that were not planning to apply the Round Two funding.

Engagement with Reform Initiatives

Eleven states indicated that they were engaged in payment or delivery reform initiatives, while eight states said they were not engaged in these types of initiatives. Both SIM and non-SIM states involved in payment or delivery initiatives specified the type of reform initiatives that their states were undertaking (e.g., major overhaul of the payment system, major overhaul of the delivery system, partial adaptation of the payment system, partial adaptation of the delivery system, or limited pilots in Medicaid or other state-run efforts) and whether they were in the planning or implementation stage. Twenty-four states also indicated that the state health agency was very actively involved (e.g., as a member of the leadership team) in their reform activities.

Survey results showed that states were working on a range of reform activities, including episode-based payment, moving toward capitation and away from fee-for-service, and Accountable Care Organization payment models; establishing regional care organizations, patient-centered medical homes, behavioral health homes, and multi-payer medical homes; establishing telehealth; and working on integrated clinical-community health efforts.

Successful Reform Initiatives

When asked to select which state reform initiatives had been successful to date, survey respondents most commonly chose “formalized partnerships” (n=21), “increased resources to support activities,” (n=17) and “passed legislation/regulations to support systems changes” (n=15). Three respondents indicated that they have not experienced success to date.

In a free response question, respondents were asked to assess the reasons for their noted successes. Key themes from their responses included:

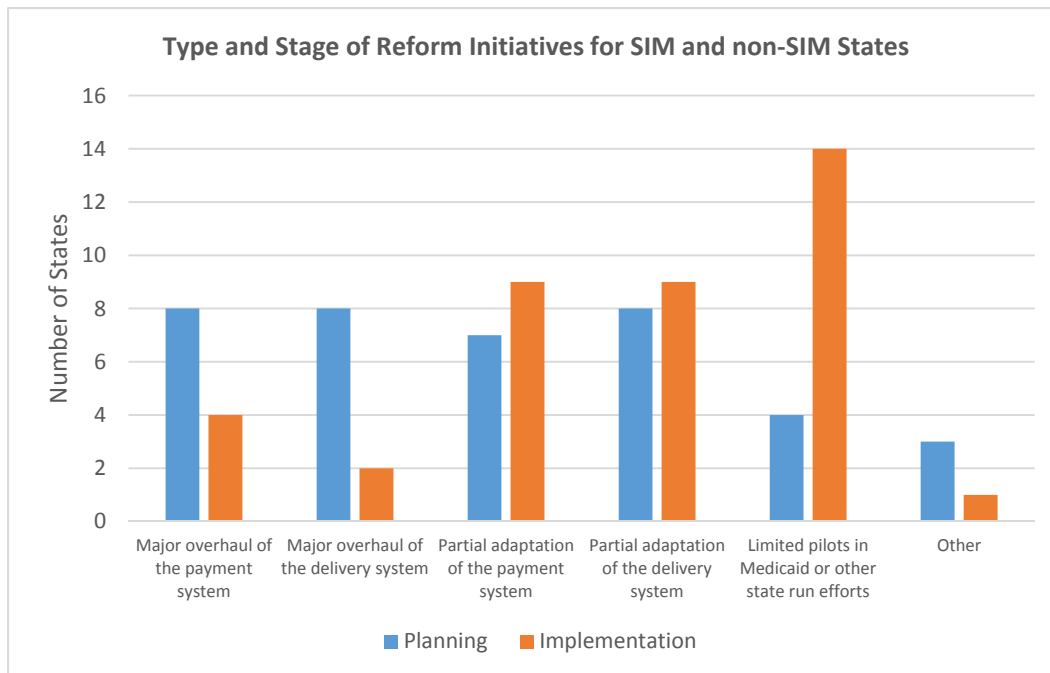
- Leadership commitment from the governor or lieutenant governor.
- Legislative support.
- Increased or dedicated funding resources.

¹ Four respondents did not identify their states or territories, so it is possible that these four respondents are duplicative of other respondents. The actual response rate falls between 66 and 73 percent.

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- Strong partnerships, both formal and informal, between the public health department, state Medicaid agency, and public and private partners.
- Interagency collaboration and multi-stakeholder involvement and engagement.
- High-level of commitment among stakeholders.
- Integration of previously-siloed interventions.



Respondents were asked to indicate on a four-point scale how useful their TA or training was in achieving their progress, with 1 equaling “not useful at all” and 4 equaling “very useful.” Based on the mean scores for respondents who reported that they received a specific type of TA, the most useful format was peer-to-peer TA (e.g., calls between states) with a mean score of 3.95, followed by on-site TA by a subject matter experts (3.76), visits to another state with a best practice (3.71), use of case study materials (3.56), FAQ forms (3.25), conference calls (3.23), and webinars (3.20).

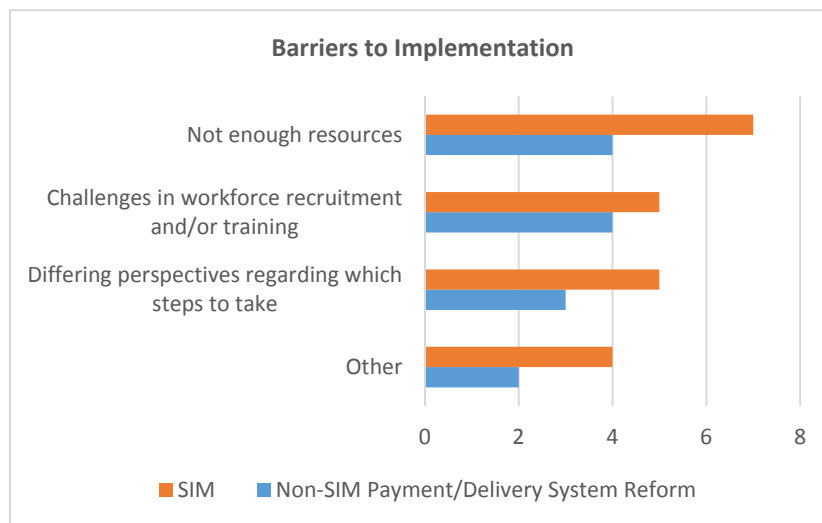
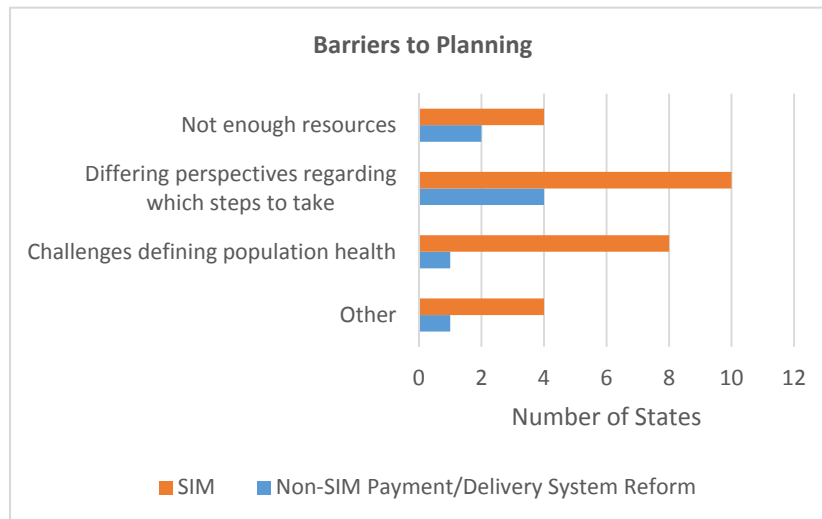
Barriers to Planning and Implementing Reform Activities

Survey respondents were asked to select from a list of barriers that states have experienced while either planning or implementing SIM activities and non-SIM payment and delivery system reform activities. For both SIM and non-SIM payment and delivery system reform, respondents indicated that “differing perspectives on which steps to take” was the biggest barrier to planning. In terms of implementation, “not having enough resources” was the biggest barrier for SIM activities, while “challenges related to workforce” and “differing perspectives on which steps to take” presented the greatest barriers for non-SIM payment and delivery system reform. Additional barriers that were written in the “other” category

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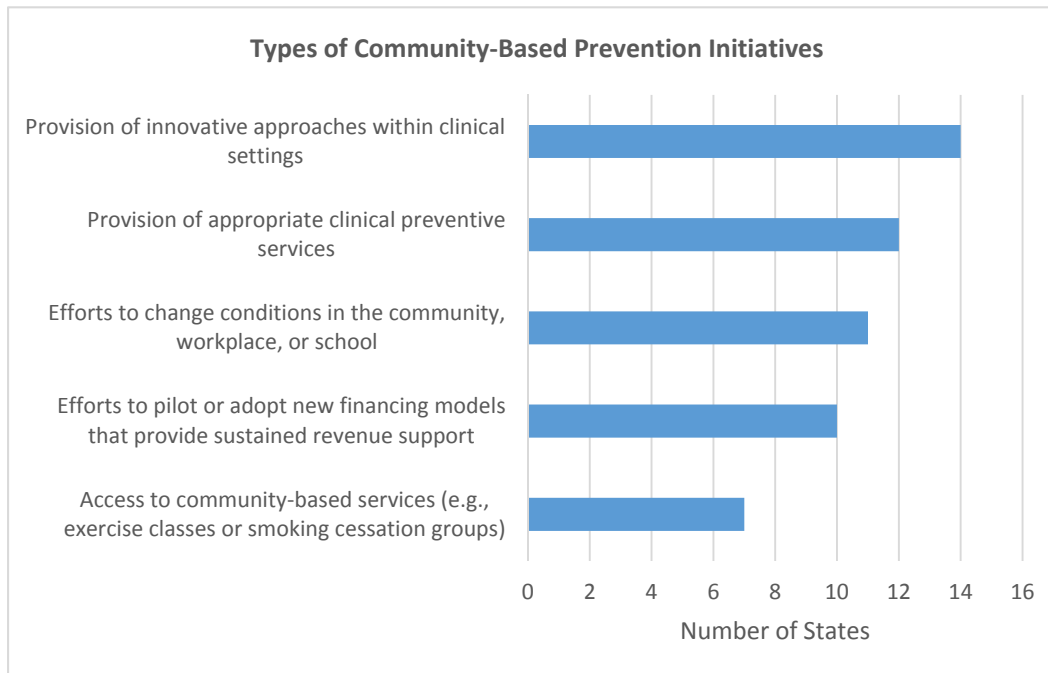


included political challenges, turf issues, challenges with payers, reaching consensus on an integrated model, and finalizing approved plans.



Community-Based Prevention Initiatives

Sixteen STHAs indicated that they had incorporated community-based prevention initiative into their payment and delivery reform initiatives, while other states anticipated doing so by the end of 2014 (n=3) or in 2015 or later (n=11).



Survey respondents were asked in a free-response question to identify what has prevented their state health agency from incorporating community-based prevention initiatives into their payment and delivery reform activities. Key themes from these responses included:

- STHAs are currently focused on other areas (e.g., acute and clinical services, high utilizers, and implementing managed care and patient-centered medical homes).
- STHAs are planning to incorporate these initiative into the design phase of their SIM initiative.
- Final approved activities have not been decided.
- The STHA is not responsible for payment and delivery of clinical services.
- A lack of coordination, knowledge base, interest, or engagement from payers.
- Other federally funded programs have existing community-based prevention programs in targeted communities (or they are planned).

Technical Assistance Needs

Survey respondents were asked a series of questions related to the TA they received during their SIM Initiatives (if applicable) and for their state's overall reform initiatives. Seventeen SIM grantees indicated that they did receive TA, with a majority indicating that the TA was provided by the Center for Medicare and Medicaid Innovation (n=16). Other TA providers included the Office of the National Coordinator for Health Information Technology, CDC, the National Governor's Association (NGA), and private consultants. Five states also indicated that they received TA for their state's reform initiatives from CMS, NGA, private consulting, and the State Health Reform Assistance Network.

Respondents were asked to indicate how useful they thought TA in certain areas would be in planning or implementing payment or delivery reforms in the future on a four-point scale, with 1 equaling "not

useful at all” and 4 equaling “very useful.” Based on the mean scores, respondents indicated that TA in the following areas would be useful in the future:

- Governance and financing models for sustained community improvement (3.55).
- Understanding how to estimate return on investment (3.54).
- Linking clinical care to population health (3.49)
- Language and concepts related to various clinical financing models (3.42).
- Data or health information (3.38).
- Population measures (3.36).
- Primary care expansion: community health workers, scope of practice, etc. (3.35).
- Evidence-based interventions for community action (3.34).
- Overcoming legal barriers (3.24).
- Workforce training and development (3.24).
- Workforce recruitment and retention (3.06).

Respondents were also asked to indicate their preferred format for general TA needs on a four-point scale, with 1 equaling “not useful at all” and 4 equaling “very useful.” Based on the mean scores, respondents indicated that on-site TA by a subject matter expert was most useful, with a mean score of 3.67, followed by peer-to-peer TA (3.47), visits to another state with a best practice (3.37), webinars (3.28), use of case study materials (3.22), conference calls (3.19), and FAQ forms (3.06).

ASTHO’s Response to Technical Assistance Needs

The results of the survey helped focus ASTHO’s efforts in the key areas where states identified needing additional training and technical assistance. ASTHO is working to highlight evidence-based public health interventions that have the potential to impact population health and achieve cost-savings through a TA call series, on-site TA sessions, and resource development.

Technical Assistance Call Series

In January 2015, ASTHO launched a four-part Delivery and Payment Reform TA Call Series. Each call focused on areas that respondents identified through the survey and gave substantial time for open discussion with the audience and subject matter expert presenters. Recordings of the calls and additional resources are available on ASTHO’s [web page](#). The calls covered the following topics:

- Primary Care and Public Health: Linking Public Health and Advanced Primary Care to Improve Outcomes.
- Laying the Groundwork for Economic and Budgetary Impact Analyses.
- Value-Based Payments: What are Value-Based Payments, and What Do They Mean for Public Health?
- Leveraging Innovations in Health Information Technology to Advance Public Health: How Are States Using Data to Inform Policies, Programs, and Action?

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On-Site and State-to-State Site Visits

ASTHO reviewed the applications and plans submitted by SIM grantees to identify states to participate in TA site visits. The goal of these visits is to improve states' capacity to successfully implement innovative payment and delivery reform initiatives by providing TA on implementation barriers and working through solutions and identifying lessons learned. The information gathered through these site visits will be used to develop resources to share the knowledge gained and lessons learned with other states looking to enact similar policies.

ASTHO SIM Wikispace

ASTHO has also developed and launched a SIM Wikispace. This site was developed to share best practices and materials with ASTHO members from the SIM Initiative. The ASTHO team reviewed each of the Round One Health Care Innovation Plans and organized them around eight focus areas: prevention and population health, financing population health, transforming clinical care, health disparities, behavioral health, data and information technology, workforce, and other. ASTHO also populated the site with information from Round Two, including proposal summaries and analysis for states in both the design and testing categories. In addition, ASTHO curates and tracks news articles related to SIM and provides links on the Wikispace. The SIM Wikispace allows users to browse by focus area or to review summaries of each state's Health Care Innovation Plan or Round Two proposal, with links to the full plans and state innovation websites.

Conclusion

ASTHO is committed to supporting the work of state and territorial health officials and their leadership teams in payment and delivery reforms. ASTHO has been able to utilize the results of the TA survey to develop resources and materials to address some of the needs that STHAs identified to support their payment and delivery reform efforts and build the capacity of the public health system. As states continue to implement these reforms, ASTHO will identify additional opportunities to support their innovative initiatives.

ASTHO Health Systems Transformation Resources

- ASTHO's [Health Systems Transformation web page](#).
- ASTHO's [Medicaid and Public Health Partnership web page](#).
- ASTHO's [Delivery and Payment Reform Technical Assistance Call Series web page](#).
- ASTHO's [SIM Wiki](#).
- ASTHO's [Health Systems Transformation Webinars web page](#).

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