

Public Stakeholder Session: Creating a Sustainable MassHealth Program

Executive Office of Health & Human
Services

April 6, 2015

Goals for today

- Introductions
- Review current state of MassHealth and need for sustainability
- Discuss priority areas for MassHealth and gather feedback
- Share next steps and timelines

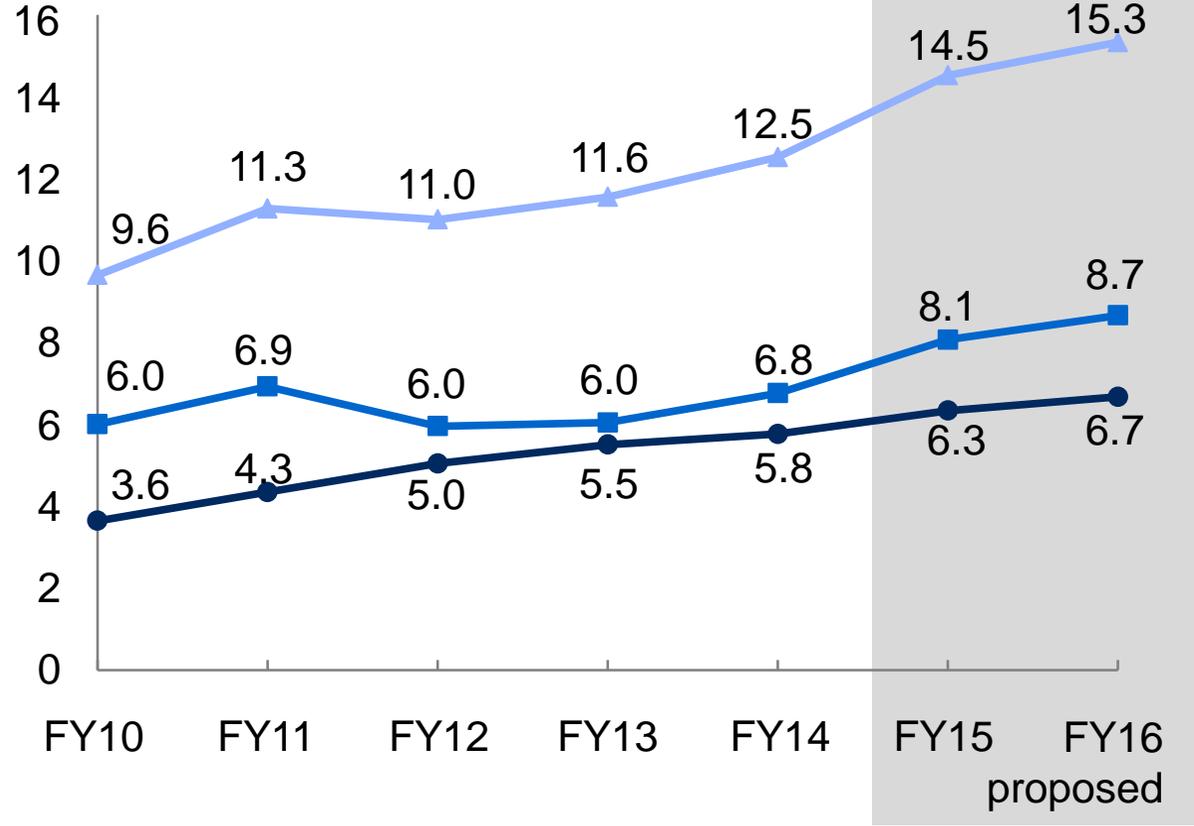
The Commonwealth has a rich history in health care

- First in nation to secure **nearly universal health coverage** for all citizens
 - 97% insured
 - 91% of residents report having a usual source of care
- Significant **involvement and engagement with stakeholders**, advocates, and members
- Health care reform efforts rooted in **strong collaboration between private and public sectors**
- **Legislative mandate** to move toward alternative payment methods
- **Innovation through new programs** (e.g., One Care, Primary Care Payment Reform)

However, MassHealth is currently unsustainable

- ▲ Total MassHealth Spending
- Total MassHealth Revenue (FFP + Assessment)
- Total Net State Cost

\$Billions

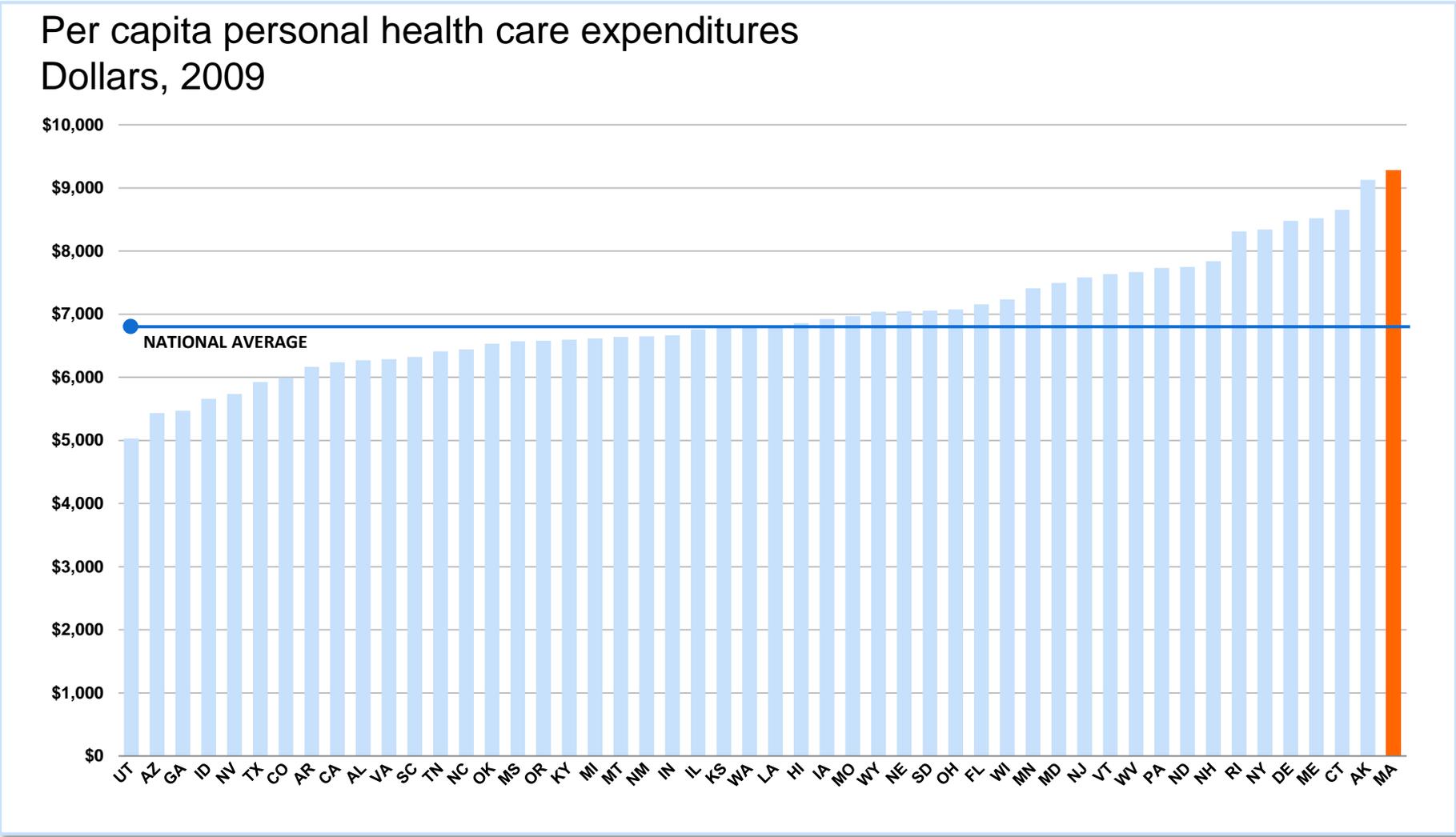


Growth* **Growth** **Growth**
FY10-14 **FY14-15** **FY15-16**
 Percent Percent Percent

6.8	15.9	5.6
2.5	19.4	7.3
12.0	9.9	5.3

*Represents the Compound Annual Growth Rate (CAGR): the year-over-year growth rate of an investment over a specified period of time
 SOURCE: MassHealth

Massachusetts spends more on health care than any other state



NOTE: District of Columbia is not included.

SOURCE: Blue Cross Blue Shield of Massachusetts Foundation, March 2013 report (<http://www.bluecrossfoundation.org/publication/updated-health-care-costs-and-spending-massachusetts-review-evidence>); Centers for Medicare & Medicaid Services, *Health Expenditures by State of Residence*, CMS, 2011.

We also have opportunities to improve care coordination, integration, and the experience of care

Current system

- Rewards volume
- Built to address emergency or short-term medical events; difficult for members to navigate the system
- Multiple doctors treating the same patient for the same condition without talking to each other
- Limited transparency into quality and efficiency of care
- Patient information often stored in silos or paper medical records

Sustainable system

- Rewards outcomes and value
- Member's health managed seamlessly across providers and over time (not visit by visit)
- Providers act as a team to ensure coordination of right services
- Easy to understand quality and cost data made available to consumers and providers
- Appropriate electronic health information readily available across care teams and with consumers

Our priorities for MassHealth

- Improve **customer service and member experience**
- Fix **eligibility systems and operational processes**
- Improve **population health and care coordination through payment reform** and value-based payment models
- Improve **integration of physical and behavioral health care** across the Commonwealth
- Scale **innovative approaches for populations receiving long term services and supports**
- Improve **management of our existing programs** and spend

Restructuring MassHealth: principles of our approach

Patient-centered	Focus on improving quality and member experience
Clinically appropriate	Ensure clinically sound design with close input from Massachusetts patients and providers
Appropriate by population	Account for varied member populations and providers (not a one-size-fits-all model)
Pragmatic	Identify solutions that can be implemented in a practical and timely manner
Data-based	Make design decisions based on facts and data
Financially Sustainable	Ensure improvements lead to a more cost effective and sustainable system

We are committed to stakeholder engagement and collaboration

- We are **committed to gathering input**
- We will be **holding sessions starting in May** across the state
- We invite you to **bring constructive ideas:**
 - Things we need to improve
 - Strategies we should consider
- After these sessions, **we will evaluate and share next steps on timelines/sequencing of work**
- We will **engage stakeholders as we begin to develop specific proposals**

Topical areas for input:

- **Member and provider experience**
- **Payment reform to improve population health and care coordination**
- **Integration of physical and behavioral health**
- **Approaches for improving care and sustainability for long term services and supports (LTSS)**

Meeting dates will be announced in the coming weeks
www.mass.gov/hhs/masshealth-innovations

Our focus for today

- Walk through each of the four topical areas
 - Member and provider experience
 - Payment reform
 - Integration of physical and behavioral health
 - Approaches for improving care/ sustainability for LTSS
- Share some early thoughts on priorities
- Discuss and listen to comments from the group

Note: this is an initial discussion. We will be going into more detail for each topic in the meetings starting in May

Member and provider experience: priorities and discussion

- **Improve coordination between MassHealth and the Connector**
- **Evolve our customer service capabilities**
 - Reduced wait times
 - Right knowledge to support members
 - Increased automation to improve our workforce effectiveness
 - Customer satisfaction metrics
- **Enhance our provider-facing customer service**
 - Improve business interfaces with providers
 - Meaningful partner in delivering quality care to members
- **Maximize the use of technology**
 - Examples: web, telephone, email, text
 - Reduced barriers to communication
 - More real-time response capability

Payment reform: priorities and discussion (1 of 2)

- Goal: **every MassHealth member has a provider who is accountable for overall health, quality, and cost of care**
 - Providers rewarded for improving effectiveness of care
 - Incentives to invest in care coordination
 - Data transparency

- Some things to **balance**:
 - Not a one-size-fits-all model
 - At the same time, approaches must scale across MassHealth

- To be successful, we will need a **cohesive strategy** that we commit to and design/ roll out at scale (vs. uncertainty of many unrelated pilots and efforts)

- We will also need to **sequence initiatives**

Payment reform: priorities and discussion (2 of 2)

Framework for payment reform:

- For much of the population: **ACO and PCMH model**, depending on level of scale and sophistication of the accountable provider
- For those with significant mental health and substance use: **health homes and accountable care models for a BH provider**
- For those who use LTSS or need other support to live independently: **integrated care models** (including scaling innovative approaches like One Care)
- In addition, **bundled payments** for certain high spend areas (for example, surgical procedures, acute exacerbations of COPD)

We look forward to working through proposed design dimensions with stakeholders

Payment reform: building on past efforts and looking forward

Efforts to date

- Launch of innovative One Care program
- Launch of Primary Care Payment Reform (PCPR) program
- Stakeholder and technical engagement on Medicaid ACOs
- Previous target of January 2016 launch for MassHealth ACOs (timeline has been on pause)

Example topics to discuss in upcoming meetings

- How ACOs and PCMH complement each other in reaching scale
- How to account for range in provider capabilities for managing population health
- How to catalyze greater behavioral health integration
- How to scale and sustain programs like One Care
- Proposed timelines for roll out

Integrating physical and behavioral health: priorities and discussion

- **Behavioral health (BH) care is critical for the MassHealth population**
 - ~25% of our members utilize BH services
 - Most complex members often have BH conditions
 - BH and physical health care often siloed, not coordinated

- **Goal: Improve integration of physical and BH care in existing programs and new payment models**
 - Reduce barriers to integration (e.g., payment policies, existing programs)
 - Ensure new payment models (e.g., ACOs) promote BH integration
 - Address opioid addiction crisis

- **Topics for further discussion**
 - Elaborating definition of BH integration
 - Lower vs. higher acuity populations in new payment models
 - BH-primary care integration
 - Specialized approaches (e.g., Health Homes)
 - Clinical/access standards and quality measures
 - Approaches to assessing the level of care needed for each member

Improving care and sustainability for LTSS: priorities and discussion

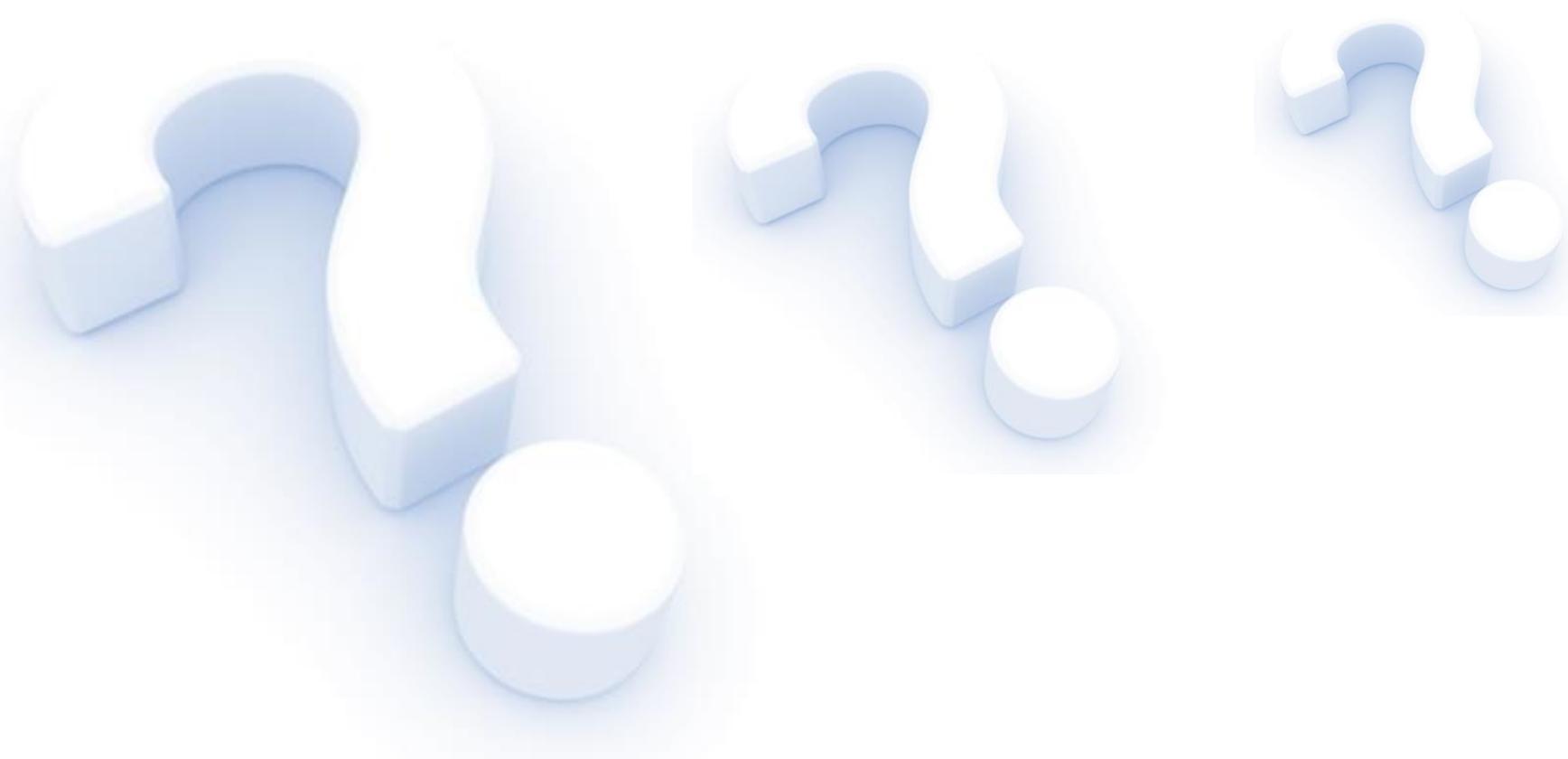
- **Goal: every LTSS member has an entity accountable for coordinating overall care and outcomes/ cost**, based on level of need and direction from the individual

- **Principles**
 - Increased access to and integration of LTSS care
 - Community first
 - Person-centered planning along with improved coordination of care
 - Financial sustainability and cost-effectiveness

- **Potential strategies**
 - Expand integrated care model (like One Care, PACE, and SCO)
 - Promote integration of LTSS care into new payment models (ACOs, episodes of care) where appropriate

- **Topics for further discussion**
 - Best approach for scaling One Care, PACE, and SCO
 - Role of episodes of care or ACO models encompassing LTSS
 - Types of supporting data and infrastructure required
 - Approaches to assessing the level of care needed for each member

Additional topic areas and discussion



Next steps and future engagement

- Conduct stakeholder input meetings starting in May
 - Times/ locations to be announced
 - www.mass.gov/hhs/masshealth-innovations
- After stakeholder input meetings complete, we will
 - Evaluate input
 - Share priorities and timelines
- The timelines we develop will sequence various efforts
 - Some things beginning now (improving customer service)
 - Stagger other initiatives
- We will be conducting significant stakeholder engagement once we begin working through more specific proposals – details to follow

Thank you

**Share feedback and pose questions
Sign up for mailing lists and invitations**

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www.mass.gov/hhs/masshealth-innovations