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CERTIFIED PUBLIC ACCOUNTANTS

Produced by Myers and Stauffer on behalf of the Washington Health Care Authority

Healthier Washington Medicaid Transformation

Independent Assessment of Accountable Communities of Health Project Plans

January 2018

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Full Report

The Washington State Health Care Authority (HCA) engaged Myers and Stauffer LC (Myers and Stauffer) to serve as the Independent Assessor for the State's Healthier Washington Medicaid Transformation (Medicaid Transformation), Section 1115 Medicaid waiver. As part of this engagement, Myers and Stauffer conducted an assessment of Project Plans submitted by each of the nine Accountable Communities of Health (ACHs) as further described in Section I, Introduction.

The purpose of this report is to:

- Document the Independent Assessor's approach to assessment of ACH Project Plans.
- Provide the Independent Assessor's scoring of the Project Plans and resulting valuations.
- Summarize findings and opportunities.

Based on the independent assessment and its own considerations, HCA will use the Delivery System Reform Incentive Payment (DSRIP) Program governance and decision-making group for final determination of Project Plan approval for each ACH.

For the reader's convenience, please see a listing of acronyms and glossary of terms at the end of this report.

Section I — Introduction

1. Healthier Washington Medicaid Transformation Overview

On January 9, 2017, the Centers for Medicare and Medicaid Services (CMS) approved Washington's application to implement a five-year *Medicaid Transformation* (No. 1 1-W-00304/0) through December 31, 2021. The state has the following goals for the Medicaid Transformation:

- Integrate physical and behavioral health purchasing and service delivery to better meet whole person needs.
- Convert 90 percent of Medicaid provider payments to reward outcomes instead of volume.
- Support provider capacity to adopt new payment and care models.
- Implement population health strategies that improve health equity.
- Provide new targeted services that address the needs of the state's aging population and address key determinants of health.

HCA plans to accomplish these goals through the following three initiatives:

- Initiative 1: Transformation through Accountable Communities of Health (ACHs)

- Initiative 2: Long-term Services and Supports
- Initiative 3: Foundational Community Supports

The focus of the Independent Assessor's work and this report is on Initiative 1, Transformation through ACHs, for which an estimated $1.1 billion of the $1.5 billion federal waiver funds are allocated. The objectives as set forth in the STCs are as follows:

ACH Regions Map

- *Health Systems and Community Capacity*. Creating appropriate health systems capacity to expand effective community based-treatment models; reduce unnecessary use of intensive services and settings without impairing health outcomes; and support prevention through screening, early intervention, and population health management initiatives.

- *Financial Sustainability through Participation in Value-based Payment*. Medicaid transformation efforts must contribute meaningfully to moving the state forward on value-based payment (VBP). Paying for value across the continuum of Medicaid services is necessary to assure the sustainability of the transformation projects undertaken through the Medicaid Transformation. For this reason, ACHs will be required to design project plan activities that enable the success of Alternative Payment Models required by the state for Medicaid managed care plans.

- *Bi-directional Integration of Physical and Behavioral Health*. Requiring comprehensive integration of physical and behavioral health services through new care models, consistent with the state's path to fully integrated managed care by January 2020. Projects may include: co-location of providers; adoption of evidence-based standards of integrated care; and use of team-based approaches to care delivery that address physical, behavioral and social barriers to improved outcomes for all populations with behavioral health needs. Along with directly promoting integration of care, the projects will promote infrastructure changes by supporting the IT capacity and protocols needed for integration of care, offering training to providers on how to adopt the required changes; and creating integrated care delivery protocols and models. The state will provide increased incentives for regions that commit to and implement fully integrated managed care prior to January 2020.

- *Community-based Whole-person Care*. Use or enhance existing services in the community to promote care coordination across the continuum of health for beneficiaries, ensuring those with complex health needs are connected to the interventions and services needed to improve and

manage their health. In addition, develop linkages between providers of care coordination by utilizing a common platform that improves communication, standardizes use of evidence-based care coordination protocols across providers, and to promote accountable tracking of those beneficiaries being served. Projects will be designed and implemented to promote evidence-based practices that meet the needs of a region's identified high-risk, high-needs target populations.

- *Improve Health Equity and Reduce Health Disparities*. Implement prevention and health promotion strategies for targeted populations to address health disparities and achieve health equity. Projects will require the full engagement of traditional and non-traditional providers, and project areas may include: chronic disease prevention, maternal and child health, and access to oral health services, and the promotion of strategies to address the opioid epidemic.

The nine ACHs operate in nine separate regions and bring together health care and community leaders to focus on improving population health, achieving health equity, and addressing specific health-related issues affecting quality of life. They are self-governing multi-sector organizations with non-overlapping boundaries that also align with Washington's regional service areas for Medicaid purchasing. ACHs are not new service delivery system organizations nor a replacement of Medicaid managed care organizations (MCOs) or health care delivery roles and responsibilities. ACHs include managed care, health care delivery, and many other critical organizations as part of their multi-sector governance and as partners in implementation of delivery system reform initiatives.

With support from the state, ACHs are pursuing transformation projects focused on three domains:

- **Domain 1 — Health systems capacity building:** Workforce development; system infrastructure technology and tools; and system supports to assist providers in adopting value-based purchasing and payment.

- **Domain 2 — Care delivery redesign:** Integrated delivery of physical and behavioral health services; care focused on specific populations; alignment of care coordination and case management to serve the whole person; and outreach, engagement, and recovery supports.

- **Domain 3 — Prevention and health promotion:** Prevention activities for targeted populations and regions.

Domain 1 strategies address the core health system capacities to be developed or enhanced to support the transition to Domains 2 and 3.

HCA defined a portfolio of eight Transformation projects as shown in *Table 1*. Two of the eight projects are required, and each ACH must implement a minimum of four projects to participate in the Medicaid Transformation. HCA granted ACHs flexibility to withdraw project(s) included in their November 16, 2017 Project Plan submissions. The final ACH project portfolio must meet the baseline requirement of four projects total (two required projects, and one additional project from Domains 2 and 3).

Table 1. Medicaid Transformation: Project Plan Portfolio

Domain 2: Care Delivery Redesign	Domain 3: Prevention and Health Promotion
Project 2A: Bi-directional Integration of Physical and Behavioral Health Through Care Transformation *(Required)*	Project 3A: Addressing the Opioid Use Public Health Crisis *(Required)*
Project 2B: Community-based Care Coordination	Project 3B: Reproductive and Maternal and Child Health
Project 2C: Transitional Care	Project 3C: Access to Oral Health Services
Project 2D: Diversions Interventions	Project 3D: Chronic Disease Prevention and Control

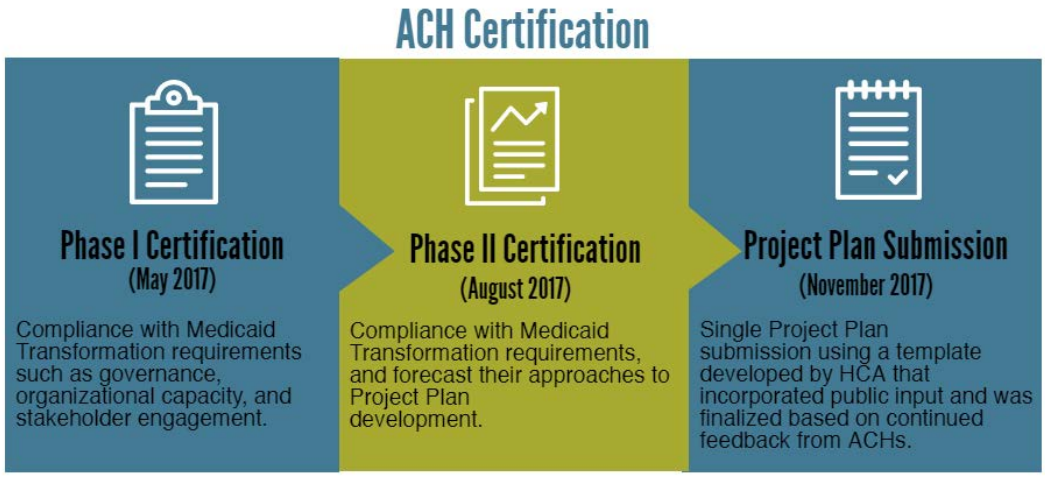
HCA established various milestones and project goals for which each ACH will be held accountable to receive Medicaid Transformation funds to support ongoing project planning and implementation. Payments are initially available for meeting process milestones and later will transition to payment based on improvements made in outcomes.

2. ACH Certification and Project Plan Phases[1]

During the first year of the Medicaid Transformation, HCA established a detailed process requiring ACHs to submit documentation to HCA about their project planning processes and progress, and to demonstrate readiness to begin implementation. HCA provided through its contractor, Manatt, a significant amount of technical assistance to support ACHs in their planning.

As shown in *Figure 1*, HCA conducted a two-phase certification process followed by required ACH Project Plan submission.

Figure 1. ACH Certification



[1] Certification and Project Plan materials are available at: https://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation-resources. See Initiative 1: Transformation through ACHs tab.

Each ACH successfully completed both certification phases and received the allocated funding associated with the relevant phase. ACHs are eligible to earn project incentives based on their Project Plan assessment score and final HCA approval. HCA also established a Project Plan Bonus Pool, where unearned funds, if any, are available to ACHs that select six or more projects.[2]

ACHs developed Project Plans that built on Phase I and Phase II certification applications and in collaboration with community stakeholders. The Project Plans were required to respond to community-specific needs, and to support Medicaid Transformation objectives. The Project Plan template includes two sections:

- Section I: Focuses on updated ACH organizational and planning information originally submitted as part of Phase I and Phase II certifications.
- Section II: Focuses on project-level details for all required elements of each selected project.

Table 2 provides a side-by-side listing of major sections within each certification application and Project Plan template.

Table 2. Certification Application and Project Plan Sections

Phase I Certification	Phase II Certification	Project Plan Submission
Data and Analytic Capacity	Data and Analytic Capacity	Regional Health Needs Inventory
ACH Theory of Action and Alignment Strategy	ACH Theory of Action and Alignment Strategy	ACH Theory of Action and Alignment Strategy
Governance and Organizational Structure	Governance and Organizational Structure	Governance
Tribal Engagement and Collaboration	Tribal Engagement and Collaboration	Tribal Engagement and Collaboration
Community and Stakeholder Engagement	Community and Stakeholder Engagement	Community and Stakeholder Engagement and Input
Budget and Funds Flow	Budget and Funds Flow	Funds Allocation
Clinical Capacity and Engagement	Clinical Capacity	
		Required Health Systems and Community Capacity (Domain I) Focus Areas for all ACHs
	Transformation Project Planning	Project Level Information

[2] For detailed information about project incentives and the available bonus pool, see "Delivery System Reform Incentive Payment (DSRIP) Funds Flow Update, November 2017." Available at: https://static1.squarespace.com/static/5730f4e68a65e244fd4ff897/t/5a2585d29140b74b9deeb68c/1512408532422/WA+DSRIP_November+Funds+Flow+Update_2017+12+01+%28002%29.pdf

Section II — Independent Assessment for Initiative 1: Transformation through ACHs

1. CMS Requirements for an Independent Assessment

As part of its approval of Washington Medicaid Transformation, CMS issued Special Terms and Conditions (STCs) that include a requirement for HCA to contract with an Independent Assessor to review ACH Project Plans.[3] CMS requires the following of the Independent Assessor:

- Has no affiliation with ACHs or their partnering providers.
- Conduct review of ACH project proposals using the state's review tool and consider anticipated project performance.
- Make recommendations to HCA for approvals, denials, or recommended changes to Project Plans to make them approvable.
- Make recommendations to the state for payment distribution.

HCA must affirm the Independent Assessor's recommendations and submit them to the Financial Executor to distribute incentive payments to ACHs.

2. Independent Assessor Role and Project Plan Assessment Process and Timeline

HCA engaged Myers and Stauffer to serve as the Independent Assessor for the Medicaid Transformation. As the Independent Assessor, Myers and Stauffer conducted the following key tasks for the ACH Project Plan Assessment:

- Worked with HCA to establish Project Plan criteria ranking and scoring methodology.
- Provided a draft review tool for public input and finalized the tool based on recommended changes of HCA and the public.
- Conducted a webinar to inform the public and ACHs of the Project Plan assessment process.
- Developed the Washington CPAS (Collaboration, Performance, and Analytics System), a web-based portal used for document submission and information exchange between Myers and Stauffer and ACHs (e.g., ACH Project Plans, semi-annual and mid-point reports).
- Assessed all Project Plan submissions and provided feedback to ACHs about areas of potential improvement.

[3] Standard Terms and Conditions are available at: https://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation-resources. See CMS Documents tab.

- Submitted final Project Plan report to HCA for use in making a final determination of Project Plan approval and project incentive award decisions.

Below is more information about these key tasks.

Project Plan Review Tool Development

The Medicaid Transformation STCs require that the state obtain public input on the independent assessment review tool that defines the relevant factors of the Project Plan that the Independent Assessor will assess, assigns weights to each factor, and includes scoring for each factor. As such, one of Myers and Stauffer's initial activities in planning for the assessment involved working with HCA to develop criteria categories and definitions and related weights for each. The criteria categories align with Phase II certification evaluations in that specific emphasis is placed on completeness, clarity, specificity, and logic in ACHs' Project Plans. Additionally, HCA determined that scoring would be at the Project Plan subsection level versus the individual question level. Myers and Stauffer made point allocation recommendations and incorporated HCA's requested revisions.

The draft review tool information was posted publicly from September 28 through October 13, 2017. Myers and Stauffer also held meetings with ACHs to discuss questions. Myers and Stauffer worked with HCA to make refinements based on public comment, as well as to address comments and questions received during a public webinar held on October 26, 2017. During this webinar, Myers and Stauffer also provided additional details about the process for conducting the Project Plan assessments and related timelines.

Table 3 provides the final criteria categories and related definitions. *Table 4* provides the final point allocations by subsection of the Project Plan.

Table 3. Project Plan Criteria Categories and Related Definitions

Criteria Category	Percentage of Points Received	Definition
Meets or Exceeds Criteria	100%	Minor deficiencies may exist in the response, but are outweighed by the strengths. Deficiencies can be readily corrected. • *Completeness*: Responds to all parts of the subsection, and required attachments provide all information requested. • *Clarity*: Articulates clear answers to the subsection. • *Specificity and Detail*: Conveys a depth in information through thoughtful and meaningful efforts and evolving capacity (e.g., articulates key steps, considerations, timing, and accountability; cites concrete examples of progress/achievements). • *Logic*: Provides rationale between the strategy, process, and/or mechanism and the intended impact.
Needs Moderate Improvement	80%	Deficiencies exist in the response that are balanced by the strengths. Deficiencies can be readily corrected. • *Completeness*: Responds to the subsection and provides required attachments. • *Clarity*: Answers to subsection may not be clearly articulated. • *Specificity and Detail*: Narrative lacks depth in information; supporting details or concrete examples may be missing. • *Logic*: Response may not include the rationale between the strategy/process/ mechanism and the intended impact.
Needs Substantial Improvement	60%	Contains significant deficiencies that are not offset by strengths. Response marginally meets the response requirements and requires extensive corrections. • *Completeness*: Responds to the subsection and provides required attachments. • *Clarity*: Answers to subsection are not clearly articulated. • *Specificity and Detail*: Narrative lacks depth in information; supporting details or concrete examples are missing. • *Logic*: Response does not include the rationale between the strategy/process/ mechanism and the intended impact.
Incomplete	30%	• Response does not address the topic of the subsection, and/or all required components have not been addressed.
No Submission	0%	• Response has not been submitted or a required attachment has not been provided.
Completed: Yes/No	N/A	• Attachment, Attestations, and Supplemental Workbook tabs have been submitted and are complete. • The item does not have a separate allocated score but is considered in the overall subsection rating and score. • Two exceptions are the Project Metrics and Reporting Requirements and Relationship with Other Initiatives subsections. They do not have assigned scores given they only require attestations. • Subsection will be marked incomplete if any documentation is missing.

Table 4. Project Plan Assessment: Point Allocations by Subsection

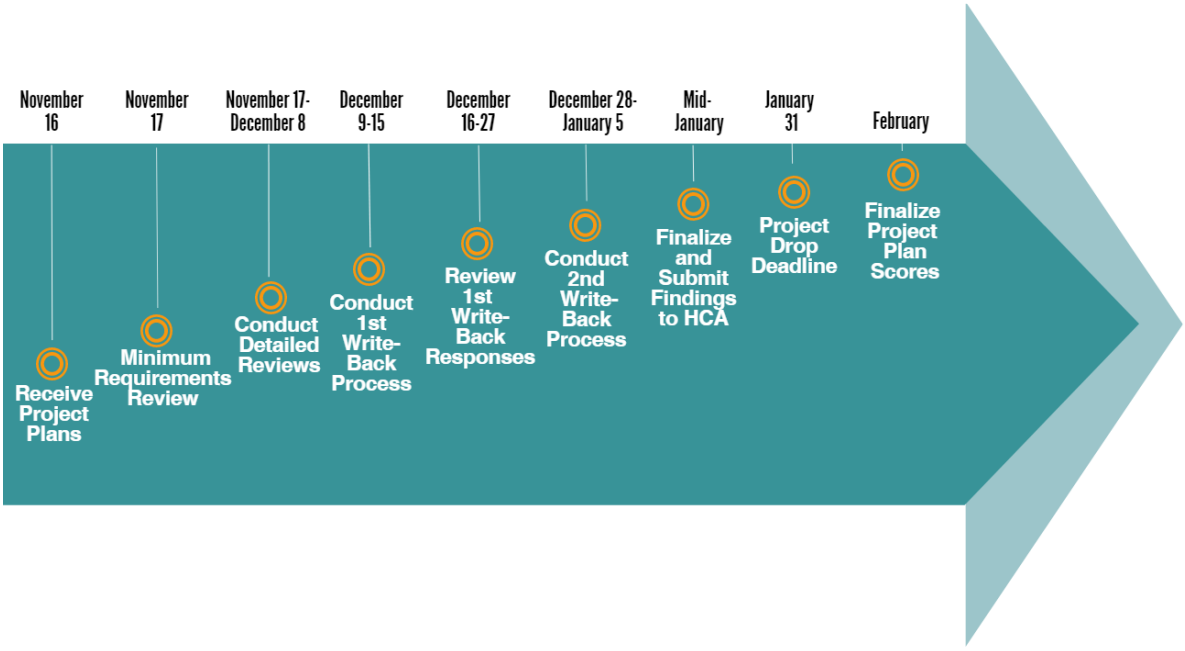
Section I: ACH Level	Total Points Available	Section II: Project Level	Total Points Available
Regional Health Needs Inventory	40	Project Selection and Expected Outcomes	25
ACH Theory of Action and Alignment Strategy	35	Implementation Approach and Timing	20
Governance	30	Partnering Organizations	20
Community Engagement and Stakeholder Input	33	Regional Assets, Anticipated Challenges, Proposed Solutions	15
Tribal Engagement and Input	33	Monitoring and Continuous Improvement	10
Funds Allocation	35	Project Metrics and Reporting Requirements	Yes/No
Required Health Systems and Community Capacity (Domain I) Focus Areas for all ACHs	34	Relationship with Other Initiatives	Yes/No
		Project Sustainability	5
Section I Total Points Available	***240***	***Section II Total Points per Project***	***95***
Section I Percentage of Total Score	30%	Section II Percentage of Total Score	70%
Section I Available Points	***72***	***Section II Available Points per Project***	***66.5***

Myers and Stauffer assessed ACH responses to each Project Plan subsection based on the above criteria and related definitions. Each Project Plan subsection received a criteria rating, and based on that rating, total points were calculated.

Project Plan Assessment Timeline and Process

Figure 2 is the high-level timeline to conduct each step of the Independent Assessment followed by detailed information of the process.

Figure 2. High-level Project Plan Assessment Timeline: November 2017 to February 2018



All ACHs submitted Project Plans to Myers and Stauffer via the web portal, Washington CPAS. Upon receipt, Myers and Stauffer conducted the following review activities:

- **Minimum Submission Requirements assessment** to confirm that all required information was provided, so that Myers and Stauffer could provide immediate notification to an ACH regarding missing information.

- **Detailed assessments** conducted by Myers and Stauffer primary and secondary reviewers. Primary reviewers conducted comprehensive Project Plan assessments for completeness, clarity, specificity, and logic (as outlined in the criteria categories in *Table 3*). Reviewers identified areas of strength in the Project Plans as well as clarifications to request from the ACHs through the write-back process. They also served as the lead for communications with their assigned ACHs.

  Secondary reviewers assessed subsections and projects across all ACH Project Plans. They reviewed the primary reviewers' comments and questions to cross verify the content of the Project Plan areas to which they were assigned. They also served as a "second set of eyes," for example, looking for specific information the primary reviewer could not locate. Secondary reviewers also reviewed consistency of comments and questions included in the write-back requests to the ACHs. They raised any inconsistencies during daily meetings with all primary and secondary reviewers and team leadership.

- **Subject matter experts** (SMEs) assessed specified subsections of ACH Project Plans. For example, Myers and Stauffer's financial SME has many years of experience in state government focusing on health care financing, budgeting, accounting, data analysis, and project evaluation, and has performed this same review for another state's independent assessment. A pharmacist served as a secondary reviewer of Project 3A: Addressing the Opioid Use Public Health Crisis.

- **Quality checks** were conducted after primary and secondary assessments, in an effort to assure reviewers captured all information and intent detailed in the Project Plans, and to increase consistency and objectivity.

- **Write-back process** to address Project Plan deficiencies. CMS indicates in the STCs that one purpose of the independent assessment is to offer recommended changes to make Project Plans approvable. Therefore, Myers and Stauffer established an assessment process to allow for scoring independently, while maintaining an overarching goal of supporting ACHs in attaining successful Project Plans in accordance with the STCs. To do so, Myers and Stauffer implemented an iterative process through which ACHs could receive up to three rounds of feedback about their Project Plan Submissions: an initial review and notification as to whether any minimum information requirements were missing from an ACH submission (as described above) followed by two rounds of "write-back" requests for additional information. This process allows opportunity for ongoing communication to identify opportunities to improve upon submitted Project Plans.

  Through these communications, Myers and Stauffer provided feedback, questions, and comments to assist ACHs in identifying deficiencies in their Project Plans that may need improvement, and to submit complete and thorough information. Several ACHs requested conference calls to further discuss the needed clarifications. ACHs made significant efforts to address the identified deficiencies.

3. Project Plan Scoring

After completion of the assessment and write-back process, all ACHs were found to meet or exceed criteria in all subsections of the Project Plans, which maps to each ACH receiving 100 percent of total possible points. This scoring is based on the following as agreed upon by HCA and Myers and Stauffer:

- As shown in Table 3 above, receiving 100 percent of possible points means the project plan "Meets or Exceeds" criteria for receiving full points. It does not mean responses have no deficiencies, but that the ACH has provided sufficient documentation to address the Project Plan questions.

- Criteria rankings and scoring are based on assessment by subsections and not individual questions.

- It was recognized that, at the time of Project Plan submission and assessments, ACHs would be in the early stages of project planning. Therefore, project descriptions and information about upcoming DY2 milestones would be preliminary.

- Project Plan assessment includes the previously described write-back process which allowed Myers and Stauffer to identify recommended changes and work with ACHs to address deficiencies to make Project Plans approvable.

A number of factors contributed to the high scores, including:

- ACHs existed prior to inception of the Medicaid Transformation.
- ACHs received extensive technical assistance from HCA and Manatt in 2017, including webinars and materials that aligned with Project Plan subsections.[4] ACHs also maintained ongoing communications with HCA and HCA's consultants and received ongoing guidance.
- All nine ACHs successfully met expectations and passed two phases of certification.
- Each ACH provided thoughtful and detailed responses to write-back requests.

Table 5 is a summary of initial scoring prior to the write-back process and final scoring for each ACH.

Table 5. Progression of Project Plan Scores by ACH through the Write-back Process

Project Plan Scores						
	Section 1		Section 2		Total Score	
ACH	**Initial**	**Final**	**Initial**	**Final**	**Initial**	**Final**
Better Health Together (BHT)	82.92%	100%	93.16%	100%	90.09%	100%
Cascade Pacific Action Alliance (CPAA)	94.17%	100%	91.40%	100%	92.23%	100%
Greater Columbia (GCACH)	94.58%	100%	72.76%	100%	79.31%	100%
HealthierHere[5]	96.67%	100%	95.53%	100%	95.87%	100%
North Central (NCACH)	88.33%	100%	87.54%	100%	87.78%	100%
North Sound (NS ACH)	82.92%	100%	77.50%	100%	79.13%	100%
Olympic (OCH)	76.67%	100%	77.19%	100%	77.04%	100%
Pierce County (PCACH)	73.75%	100%	87.63%	100%	83.47%	100%
SWACH[6]	88.33%	100%	88.68%	100%	88.58%	100%
Average	86.48%	100%	85.71%	100%	85.94%	100%

[4] Materials are available on the ACH Toolkit website at: http://www.achta.org/.
[5] Formerly known as (FKA) King County ACH.
[6] Formerly known as Southwest Washington ACH.

Section III — Findings Across ACHs

ACHs proposed to implement a range of four to eight projects from the Medicaid Transformation project portfolio as shown in *Table 6*.

Table 6. Proposed Projects by ACH

Project	BHT	CPAA	GCACH	HealthierHere	NCACH	NS ACH	OCH	PCACH	SWACH
2A: Bi-directional Integration of Care	•	•	•	•	•	•	•	•	•
2B: Community-based Care Coordination	•	•			•	•		•	•
2C: Transitional Care		•	•	•	•	•			
2D: Diversions Interventions					•	•	•		
3A: Addressing Opioid Use	•	•	•	•	•	•	•	•	•
3B: Reproductive and Maternal and Child Health		•				•	•		
3C: Access to Oral Health Services						•	•		
3D: Chronic Disease Prevention and Control	•	•	•	•	•	•	•	•	•

1. Summary Findings Across ACHs

Below Myers and Stauffer highlights findings, summary-level information, and opportunities identified during the Project Plan assessments that apply to all or multiple ACHs. Where appropriate, this section provides recommendations for monitoring the Project Plans as the Medicaid Transformation planning and implementation phases progress.

- **Significant Planning Conducted by All ACHs:** Although Project Plans represent early thinking, it is clear that significant planning occurred to set the stage for ongoing planning in demonstration year (DY) 2. For example, ACHs have started to engage or plan to engage a variety of potential partners identified as critical participants for each project. Additionally, ACHs completed detailed analyses to understand the regions' needs and have identified opportunities and initiatives for building projects within their regions.

- **Addressing Duplication of Regional and/or Statewide Initiatives:** ACHs identified existing initiatives or programs in their regions for which project duplication could occur. At a high-level, ACHs described collaboration that is occurring and processes that will be used to avoid duplication. A number of proposed projects are building on existing pilot programs or initiatives that may already receive federal or other state funding. ***Recommendation*:** HCA will want to consider opportunities for ongoing dialogue or reporting by ACHs about approaches to avoid duplication as well as ongoing confirmation from ACHs that their selected approach is not duplicative of existing pilot programs or initiatives that may already receive federal or other state funding.

- **Addressing Administrative Burden:** Providers in some instances are being asked to participate in multiple projects and each project may include multiple efforts or initiatives. Additionally, they are most likely participating in other initiatives (e.g., State Innovation Model (SIM), Medicare, other insurers). ***Recommendation:*** Myers and Stauffer recommends ACHs continually consider opportunities for efficiencies and coordination so as to decrease provider administrative burden and fatigue and to increase likelihood of participation.

- **Opportunities for Coordination Among an ACH's Medicaid Transformation Projects:** ACHs acknowledged that some proposed Medicaid Transformation initiatives across selected projects are complementary and will be coordinated to support transformation in the region. ***Recommendation*:** Each ACH should consider that target populations and partnering providers will likely overlap in many instances across the ACH's selected projects. The ACH's coordination across its selected projects will be particularly important for avoiding increased burden on partnering providers and to avoid confusion for target populations. For example, if a Medicaid beneficiary is in the targeted populations for multiple projects (e.g., Bi-directional Integration, Care Coordination, and Chronic Disease), are projects coordinated in a manner to best serve the beneficiary (e.g., to avoid multiple care plans)?

- **Target Populations and Evidence-based Approaches:** All ACHs indicated preliminary thoughts on target populations and proposed evidence-based approaches and promising practices. As HCA is aware, ACHs must provide definitions for both in DY 2. ***Recommendation*:** Myers and Stauffer will work with HCA to identify the information that ACHs must submit in the July 2018 Semi-annual Report to document definitions for targeted populations and evidence-based approaches and promising practices. For example, if an ACH modifies the preliminary target populations or approaches identified in its Project Plan, Myers and Stauffer will confirm they comply with requirements and support outcomes outlined in the Medicaid Transformation Toolkit. Additionally, Myers and Stauffer, with HCA, will need to determine what information, if any, to require from ACHs about potential impacts to the proposed projects.

- **Size of Targeted Populations:** Some ACHs indicated they intend to target a small number of individuals for select projects. ***Recommendation*:** As project planning continues, Myers and Stauffer recommends the ACHs give additional consideration to the number of individuals

targeted for a project. Myers and Stauffer recommends consideration of questions, such as the following:

  - Will the number of targeted individuals support the project process and outcome measures?
  - Is the target population inclusive of all populations required to meet the project goals and objectives?
  - Will a small target population impact provider willingness to incorporate the necessary changes into their practices?
  - What monitoring procedures will be in place to assess the selected target population over time to identify and make adjustments as warranted by the project progress?

- **Workforce Challenges:** ACHs documented several regional and/or statewide strategies addressing workforce challenges including, but not limited to: tuition reimbursement, retention, recruitment, cross -training, telemedicine (including telepsychiatry), and sharing of best practices. ***Recommendations*:** As the Medicaid Transformation progresses, it will be important for HCA and ACHs to ensure transparency in outcomes of these workforce efforts to support furthering individual project goals, as well as the broader objectives of the Medicaid Transformation. Additionally, HCA will want to understand findings of additional workforce assessments by ACHs that might impact proposed Project Plans (e.g., if a project initiative would need to change).

- **Continued Collaboration**: ACHs are committed to continue collaboration with other ACHs, tribal partners, participating providers and internal stakeholders (i.e., members of committees, boards and Workgroups). These collaborations have resulted in shared learnings, aligned strategies, and identification of priorities. ***Recommendation*:** Myers and Stauffer encourages ongoing dialogue about opportunities for collaboration to support efficiency and consistency in approaches. A few example areas are as follows:
  - ACHs have noted provider engagement will continue in DY 2, acknowledging the importance of working with providers. Engagement can assist with addressing social determinants of health that influence health care delivery. This included the need to address issues such as housing and transportation. Best practices that emerge from these efforts should be shared with HCA and ACHs.
  - ACHs discuss some level of provider training for the required projects (Project 2A and Project 3A). Opportunities to share learnings and materials, should be considered by HCA and ACHs, particularly when the same evidence-based approaches or promising practices are used.
  - North Sound ACH noted that they are implementing multiple annual learning opportunities specific to health equity that will be available to participating partners,

board, and committee members. The ACH indicated it is exploring opportunities to partner with other ACH regions that have expressed interest in the trainings.

- Of the optional projects, all nine ACHs selected Project 3D: Chronic Disease Prevention and Control. *Table 7* provides a summary of preliminary chronic disease conditions indicated by ACHs for Project 3D. ACHs should consider potential cross-ACH coordination and collaboration in planning efforts, approaches, messaging to providers, learning collaboratives, and trainings.

Table 7. Project 3D, Chronic Disease Prevention and Control, Preliminary Chronic Conditions of Focus by ACH[7]

ACH Name	Respiratory Disease *(e.g., Asthma, Chronic Obstructive Pulmonary Disease)*	Diabetes	Obesity	Cardiovascular Disease	Hypertension
BHT	●	●			
CPAA	●	●		●	
GCACH		●	●		
HealthierHere	●	●		●	
NCACH		●		●	
NS ACH	●	●			●
OCH	●	●		●	●
PCACH	●	●	●	●	●
SWACH		●		●	●

- **Tribal Partnership:** ACHs documented their continuing efforts in tribal partner engagement, including how tribal and Indian Health Care Provider (IHCP) priorities are being identified, either through the ACH or through tribal/IHCP partners, and how those priorities informed project selection and planning. ACHs discussed building on existing tribal initiatives and successful practices within their projects. ACHs also provided examples of efforts being implemented to support ongoing collaboration with tribal partners, such as tribal liaisons or consultants working to strengthen relationships with tribes within respective regions. ***Recommendation*:** HCA's monitoring of progress of these efforts and continued outreach for ongoing and meaningful participation will be essential.

- **Community and Stakeholder Engagement:** ACHs have conducted community and stakeholder engagement through various means, including, but not limited to: one-on-one meetings, focus groups, and development by ACHs of consumer councils within their governance structures to

[7] As cited in ACH Plans.

inform Medicaid beneficiary experience. ***Recommendation*:** HCA's continued monitoring of progress of these efforts and continued outreach for ongoing and meaningful participation will be essential.

- **Health Information Technology (HIT)/Health Information Exchange (HIE) Strategy**. ACHs described concerns that meeting the Medicaid Transformation timeframe for implementation of a successful HIE is uncertain, given complexities, costs, and timing.

- **Allocation of Project Funds:** ACHs were asked to provide the projected percent funding of the Project Incentive funds by use category over the course of the Medicaid Transformation (DY 1 through DY 5 combined). *Table 8* provides a summary of project incentive funds by use category by ACH. ***Recommendation*:** Myers and Stauffer found significant variability in allocations across some categories (e.g., 2 to 22 percent for Project Management and Administration). Myers and Stauffer recommends that as project planning continues, HCA request additional information about expenses being grouped into each use category and rationale.

Table 8. High-level Distribution of Project Incentive Funds by Use Category by ACH

Funding Category	BHT	CPAA	GCACH	Healthier Here	NCACH	NSACH[8]	OCH	PCACH	SWACH
Project Management and Administration	5%	4%	5%	15%	2%	10%	22%	8%	10%
Provider Engagement, Participation, and Implementation	32%	8%	32%	33%	60%	50%	2%	12%	0%[9]
Provider Performance and Quality Incentive Payments	23%	43%	28%	30%	23%	20%	50%	34%	26%
Health Systems and Community Capacity Building	30%	28%	17%	13%	15%	10%	19%	36%	48%
Other									
Health Systems and Community Capacity Building						10%			
Reserve/ Contingency		2%	5%	3%			3%		
Community Resiliency Fund	10%							10%	16%
Innovation Fund (CPAA); Integration Fund (GCACH)		15%	13%						

[8] North Sound ACH has two Health Systems and Community Capacity Building use categories: one is applicable to contractors and partnering providers and the other to the ACH.
[9] SWACH included provider engagement, participation, and implementation in the Health Systems and Community Capacity Building use category.

Funding Category	BHT	CPAA	GCACH	Healthier Here	NCACH	NSACH[8]	OCH	PCACH	SWACH
Social Equity and Wellness Fund (HealthierHere); Community/Social Determinants of Health Projects and Consumer Empowerment; Policy and Advocacy (OCH)				6%			4% (2% each)		

Section IV — Key Findings by ACH

In this section, Myers and Stauffer provides a high-level overview of information from each ACH's Project Plan and key findings from our independent assessment.

High-level Overview

Please note that overview information is directly derived from each ACH's Project Plans. Myers and Stauffer revised wording slightly in some cases for flow; but to avoid changing content or meaning, did not make significant changes.

Project Plan Section I — ACH Level is focused on subsections that were not part of Phase I or II certifications:

- Regional Health Needs Inventory
- Funds Allocation
- Required Health Systems and Community Capacity (Domain 1) Focus Areas

For Section I, Myers and Stauffer also documented significant changes or responses to areas of improvement identified by HCA during reviews of Phase II certifications, if applicable.

Project Plan Section II – Project Level is focused on the ACH's general approach, preliminary target populations, and providers for each proposed project.

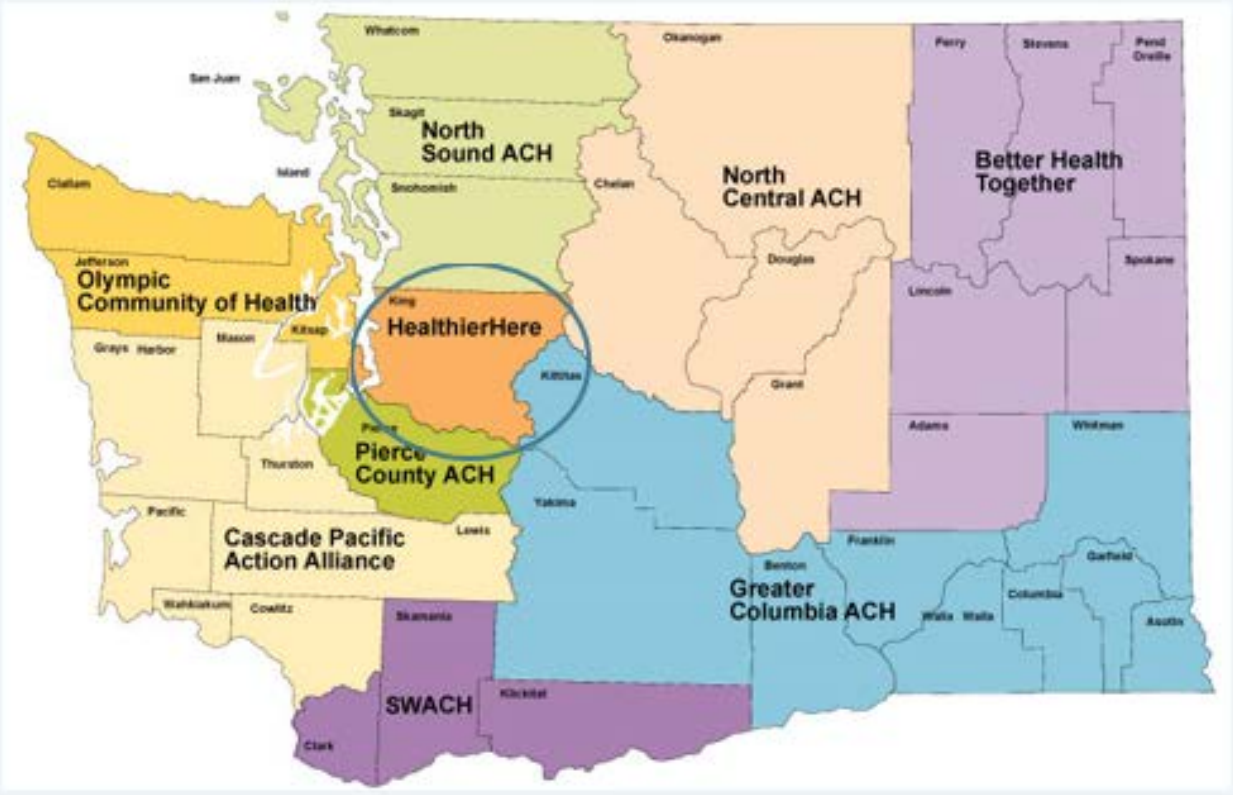
ACH Project Plans are available on HCA's website at: https://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation-resources.

Findings

Findings presented in this report focus on the following:

- **Examples of Project Plan Strengths**. Myers and Stauffer highlights examples of strengths for each ACH noted during our assessment of the Project Plan.
- **Opportunities**. Myers and Stauffer highlights opportunities for consideration as ACHs move into further planning and implementation. These include recommendations for continued monitoring or additional requests for information at later points in time and areas of consideration for the ACHs as they proceed.

HealthierHere
Accountable Community of Health



MYERS AND STAUFFER LC
CERTIFIED PUBLIC ACCOUNTANTS

Summary Findings for HealthierHere

HealthierHere
■ **Counties:** o King ■ **Tribal Reservation/Trust Land:** The Cowlitz Indian Tribe, Muckleshoot Indian Tribe, and Snoqualmie Tribe are located in King County. ■ **Medicaid Population Size (November 2017 Client Count):** 358,022 ■ **Medicaid Transformation Toolkit Projects Selected:** o 2A: Bi-directional Integration of Care o 2C: Transitional Care o 3A: Addressing the Opioid Use Crisis o 3D: Chronic Disease Prevention and Control

1. Project Plan Section I Overview and Findings

Below is a high-level overview of specific Section I subsections and the Independent Assessor's findings**.**

Regional Health Needs Inventory. HealthierHere developed an online Regional Health Needs Inventory, including health, social, and demographic information on Medicaid and non-Medicaid individuals, along with care-client data, measures, and a performance gap analysis. The Inventory was used to identify health needs and disparities across the region and to evaluate which strategies would most likely drive improved outcomes. Both existing and new provider data types were utilized to inform decision-making including, but not limited to: official population estimates, demographic and social determinants of health data, Behavioral Risk Factor Surveillance System, birth and death records, Title X trends, all-payer hospitalization data, Medicaid eligibility and claim data, jail health data, EMS data, and dental service utilization data. ZIP code-level maps were generated to assess geographic distribution and have been helpful in assessing target populations and areas. HealthierHere provided numerous statistics about the region's health needs to support the six selected projects.

Governance. Since Phase II Certification, HealthierHere has completed the following:

- Hired a Chief Financial Officer, Director of Programs, Project Manager, and Executive Assistant. Two additional postings have been made for a Clinical Innovations Manager and Community and Tribal Engagement Manager.
- Shifted responsibilities from Public Health — Seattle and King County (PHSKC) to HealthierHere for program management, strategy development, financial planning/budgeting, and administrative support as HealthierHere has hired and grown the organization.
- Has processes under way with Governing Board members, the Community/Consumer Voice Committee (CCV), and the newly formed Provider Engagement Workgroup to strengthen community/provider representation and communication.

Funds Allocation. The Budget and Funds Flow Workgroup will handle the technical aspects of funds allocation, which includes projection of revenues, prospective methodology for funds distribution, timing of distribution, and analysis of funds flow performance data. The Finance Committee will review, amend, and approve recommendations of the Budget and Funds Flow Workgroup. Final decision authority lies with the Governing Board.

HealthierHere is establishing a limited liability corporation under fiscal sponsorship of the Seattle Foundation and is utilizing the foundation's accounting system, procedures, and personnel for financial reporting.

HealthierHere has adopted a set of funds flow principles to guide their allocation of funding. These principles are:

- Collaborative processes
- A transparent approach
- Adaptability and responsiveness to variability
- Distribution decisions made in a thoughtful, objective manner
- Consideration of consumers and community
- Addressing health disparities and social determinants of health
- Accountability of HealthierHere and its partnering organizations

HealthierHere has a service contract with PHSKC to provide staffing for HealthierHere activities since inception and while HealthierHere is establishing its own administrative infrastructure. The contract is $1.3 million of the $6 million design funds.

Required Health Systems and Community Capacity (Domain 1) Focus Areas. HealthierHere is facilitating and supporting multi-stakeholder committees to guide and provide input into the Domain 1 strategies. Infrastructure investments have been identified to carry out projects in Domains 2 and 3, and how capacity building in Domain 1 will support selected projects. A percentage of HealthierHere earnings will be set aside for Domain 1. Examples include:

- Information technology investments to support shared care planning and information across clinical and community-based providers.
- Workforce assessment shows the need for training and technical assistance in multiple evidence-based interventions.
- Integration of community health workers and peer support specialists into person-centered health teams.
- Support providers through technical assistance and capacity building to transition to VBP.

Findings for Section I

Table 18 provides a listing of findings for Section I, including examples of strengths opportunities.

Table 18. HealthierHere Section I Findings

Findings for HealthierHere	
Examples of Strengths	**Opportunities**
• The Performance Measurement and Data Committee is developing a data-sharing agreement with the Crisis Clinic to gather data on social services providers to assess available services, needs, and gaps. An environmental scan is planned for early 2018 to assess community-based care coordination in the region. • The four selected projects aim to reduce outpatient ED visits and inpatient hospital stays, and also closely align with the quality metrics in the King County MCO contracts. • A HealthierHere Social Equity and Wellness Fund is planned to focus on social determinants of health. This fund can be expanded through shared saving arrangements to result in additional resources to contribute to continued investments in prevention activities and social determinants after the Medicaid Transformation ends. • The Performance Measurement and Data Committee will draft a data strategic plan and meet with partners to discuss and review data strategies and recommendation for implementation. HealthierHere will participate in a workgroup with other ACHs and the state to seek partnership opportunities on common data strategies and data investments.	• Gentrification and Puget Sound's soaring real estate market are pushing lower-income families further away from urban cores and needed services. Pushing these families away from education, employment, and health and human service resources impacts factors, such as housing and transportation, and therefore impacts their health and well-being. ***Recommendation:*** As project planning continues in DY 2, Myers and Stauffer recommends HealthierHere include provide detail to HCA about the strategies it will use to address issues such as affordable housing and transportation.

2. Project Plan Section II Overview and Findings by Project

As noted earlier, HealthierHere is pursuing four projects for the Medicaid Transformation. Below is a high-level overview of HealthierHere's approach, preliminary target population, and providers for each project. Additionally, findings identified by the Independent Assessor are listed.

Project 2A: Bi-directional Integration of Physical and Behavioral Health Through Care Transformation *(required)*

General Approach. HealthierHere will allow partnering providers to select from the following approaches listed in the Medicaid Transformation Toolkit: Core practice recommendations detailed in the Bree Collaborative Behavioral Health Integration Report, the Collaborative Care Model, and the Milbank report on primary care in behavioral health care settings. HealthierHere will work to integrate physical and behavioral health care, including oral health, and pregnancy intention screenings. HealthierHere seeks to support sustainable health system transformation by:

- Strengthening provider's ability and capacity to provide client-centered, whole-person care through training, technology, and workforce capacity will lead to long-term transformation.
- Building on existing efforts, rather than forcing providers to adopt one particular model.
- Addressing unmet need in treating identified mental health and SUD through increased screening and access to care.
- Transitioning to fully integrated managed care, and working with MCO partners to align VBP with models and outcomes associated with bi-directional care.

Four Key Project Goals

- Improve access to behavioral health through enhanced screening, identification, and treatment of behavioral health disorders in primary care settings.
- Improve access to physical health services for individuals with chronic behavioral health conditions through increased screening, identification, and treatment of physical health disorders in behavioral health care settings.
- Improve active coordination of care among medical and behavioral health providers and address barriers to care.
- Align new bi-directional integration with successful existing community efforts, including addressing social determinants of health.

Preliminary Target Population. Individuals within primary care settings with either a depression diagnosis or OUD and within behavioral health settings, individuals with a diabetes diagnosis. After implementation of the initial target populations, HealthierHere plans to assess expansion to include additional physical and behavioral health conditions.

Partners. Active and potential partners include: all five MCOs, community health centers, hospitals, behavioral health providers, housing providers, long-term care providers, and local government. HealthierHere is working with the top 50 providers of Medicaid services, which includes organizations that see large volumes of ethnic and culturally diverse populations.

Project 2C: Transitional Care

General Approach. HealthierHere is implementing the following approaches listed in the Medicaid Transformation Toolkit: APIC Model for all three target populations and the Care Transitions Intervention/Coleman Model for high-risk Medicaid beneficiaries transitioning from hospitals. HealthierHere seeks to support sustainable health system transformation in the following ways:

- Investing in evidence-based transitional care approaches to improve quality of care and building strong linkages to CBOs resulting in more stable transitions to prevent readmission.
- Investing in training, technology, and workforce capacity.
- Decreasing readmissions and incarcerations to result in savings that can be reinvested in the community.
- Increasing access to multidisciplinary care teams and community-based care coordination upon transition.

Current Transitional Services to be Leveraged

- Post-hospital respite locations: Coordinate with resources for individuals unable to directly return to a safe home.
- Medical support in coordination with supportive housing: Coordinate with housing programs serving individuals coming out of homelessness with mental health or SUD.
- Transitional care innovations led by the King County Area of Aging: Coordinate existing services, such as health home enrollment, transitional care coordination with long-term service providers, and a statewide community learning collaborative on care transitions.

Preliminary Target Population. Medicaid beneficiaries who are: returning to community from jail; have a SMI or SUD who have been discharged from inpatient care, with a goal of serving 40 percent of individuals in the target population, which is double the current service level; or high-risk and transitioning from hospitals, including older adults and people with disabilities.

Partners. Active and potential partners include: MCOs, hospitals, behavioral health providers, FQHCs, individuals with lived experience in the criminal justice system, CBOs, correctional facilities, fire departments, philanthropy, recidivism policy advisors, and other representatives from relevant county and city agencies. HealthierHere is working with the top 50 providers of Medicaid services which includes organizations that see large volumes of ethnic and culturally diverse populations.

Project 3A: Addressing the Opioid Use Public Health Crisis *(required)*

General Approach. HealthierHere will use a multi-pronged approach utilizing four essential components: prevention, treatment, overdose prevention, and recovery. HealthierHere seeks to support sustainable health system transformation as follows:

- Support providers to prescribe opioids appropriately and increase the number of providers trained on Washington State Agency Medical Directors Group (AMDG) Interagency Guideline of Prescribing Opioids for Pain.
- Increase access to MAT and overall SUD treatment and support individuals to receive treatment.

- Work with MCO partners to identify VBP models that support easier access to MAT.
- Support community partners and stakeholders through education and distribution of Naloxone kits.
- Provide ongoing recovery support for Medicaid beneficiaries with OUD and linkage to a primary health home.

Project Implementation Plan Activities

- Work with MCOs and HCA on initial prescribing guidelines by adopting, disseminating, and incorporating them into MCO payment structures.
- Inviting MAT providers to help plan and develop funding mechanism for building on existing local and state MAT expansion funding.
- Scaling up Naloxone distribution effort.
- Building on work of existing Opiate Task Force working groups.
- Providing incentives for providers to coordinate care where people live and in culturally appropriate ways.

Preliminary Target Population. Medicaid beneficiaries with OUD and those screened for OUD who are not yet diagnosed. During the write-back process, HealthierHere clarified that these individuals may not yet be diagnosed with an OUD, but can be screened and diagnosed through system engagement and then provided a pathway to treatment. Additional beneficiaries targeted would be those "where some service is rendered that would indicate a possible OUD, for example, showing up with signs/symptoms of OUD in ED, needle exchanges, primary care offices, etc."

Partners. Active and potential partners include: physicians, dentists, behavioral health and SUD providers, hospitals, community members, MCOs, human services, public health, state hospital and medical associations, tribal governments, first responders, public safety, drug courts, public defenders and federal attorneys, civil rights organizations, needle exchanges, pharmacy, and community action alliances, and outcomes and quality organizations.

Project 3D: Chronic Disease Prevention and Control

General Approach. HealthierHere is implementing the Chronic Care Model listed in the Medicaid Transformation Toolkit, and reviewing additional approaches to target selected conditions (e.g., cardiovascular and respiratory diseases). They indicated that this will build upon local experience and uptake of evidence-based approaches and best practices (e.g., Diabetes Prevention Program, the Chronic Disease Self-Management Program, National Asthma Education and Prevention Program, etc.). HealthierHere seeks to support transformation by:

- Using community health workers with more than 20 years of proven efficacy in chronic disease prevention and treatment as a bridge between clinical and community-based strategies and providers and integrate community health workers in an individual's care team.
- Support practice transformation that aligns with VBP arrangements focused on achieving quality and outcome measures.
- Partnership with MCOs to develop chronic disease bundles to be sustained through VBP arrangements.

Preliminary Target Population. Medicaid beneficiaries (adults and children) with or at-risk for two high-prevalence and high-cost complexes: chronic respiratory disease (including asthma) and cardiovascular disease (including diabetes), with a focus on individuals who are at the highest risk of experiencing disproportionate outcomes and areas with a high proportion of Medicaid beneficiaries (e.g., people of color with uncontrolled chronic disease, who show up in ED for their chronic disease condition, and who live in south King County).

Partners. Active and potential partners include: health systems, health providers, community organizations, advocates, community health workers, and researchers. HealthierHere is working with the top 50 providers of Medicaid services, which includes organizations that see large volumes of ethnic and culturally diverse populations.

Findings and Scoring for HealthierHere

Table 19 provides a listing of findings, including examples of strengths and opportunities.

Table 19. HealthierHere ACH Findings

Findings for HealthierHere	
Examples of Strengths	**Opportunities**
• HealthierHere is using the Equity Impact Assessment Tool (Equity Tool) developed by the Community/Consumer Voice Committee. The Design Team used the Equity Tool to examine disparities in outcomes by race/ethnicity, gender, geographic location, and income level as well as exploring strategies to engage impacted individuals. In-depth training during the planning phase will use the Equity Tool to apply an "equity lens" on the significant disparities noted in King County. • Regular forums will be conducted to discuss successes and challenges of participating providers. There will be a learning session collaborative where providers can share lessons learned and provider community meetings with providers to discuss HealthierHere developments and identify resources. • There are Medicaid providers in King County who specialize in best practices in the care of minority and foreign-born populations and have culturally diverse staff. HealthierHere will leverage their expertise and other partners to ensure beneficiaries have access to culturally and linguistically appropriate services and resources. • Technical assistance will be a priority for partnering providers struggling to meet performance goals.	• Specific to Project 2A, HealthierHere acknowledged the need to enlist additional providers and stakeholders during the planning, implementation, and scale-and-sustain phases. They will conduct broad formal outreach via medical societies and professional organizations, community and stakeholder forums, tribal meetings, the Behavioral Health Council, and the MCOs. ***Recommendation:*** As outreach activities occur, HealthierHere may want to ensure Medicaid beneficiaries and advocates are also included in this effort to understand any issues and experiences from the beneficiary viewpoint. • Specific to Project 2C, institutional racism is listed as a challenge with HealthierHere stating "Addressing institutional racism and racial disproportionality may be a challenge in the project's efforts to ensure a culturally responsive approach to communities of color and marginalized communities." ***Recommendation:*** As project planning continues in DY 2, Myers and Stauffer recommends HealthierHere provide additional information about its plan to address the challenge of institutional racism.

Findings for HealthierHere	
HealthierHere will seek partners to provide technical assistance with expertise in both quality improvement science and project-specific subject matter. Example organizations include: Quality health, the UW AIMS Center, and the Arcora Foundation. • Specific to Project 2C: o The project design team included four of the five top hospitals for Medicaid admissions, ED visits, and outpatient visits, which represents over half of all hospital utilization by Medicaid beneficiaries in the region. o All three target populations are supported by providers already working with the Transitional Care Design Team throughout 2017 and are ready to move to implementation in 2018. • Specific to Project 3A, the Heroin and Prescription Opiate Task Force (Opiate Task Force) was formed in 2016 by King County, the city of Seattle, and city of Burien. Details of the process and recommendations of the Opiate Task Force were included. The Medicaid Transformation will "build upon and accelerate strategies recommended by the Opiate Task Force." • Specific to Project 3D: o The region has a 20-year history with the community health worker model, particularly with asthma and diabetes. There has been lower use of rescue medication and fewer urgent care visits and hospitalizations resulting from community health worker education and support. o A chronic disease management incentive payment program will be developed to begin focus on disease bundles such as respiratory and cardiovascular (including diabetes). These would include a range of services, such as self-management programs, community health worker services, and outside activities. In the long term, the bundles would be part of VBP arrangements to achieve chronic disease quality and outcome measures.	• Specific to Project 3A, HealthierHere has not yet determined an evidence-based approach or practices to use per the initial Project Plan submission, but is considering the following: MAT, Collaborative Care, Expanded recovery supports through Peer Support Specialists, Six Building Blocks, and/or Hub and Spoke model. ***Recommendation:*** As project planning continues and approaches are determined, further consideration and review of the approach(es) to determine which were selected and whether HealthierHere has followed Medicaid Transformation Toolkit specifications may be required.

Myers and Stauffer submitted one write-back request to HealthierHere as part of the assessment process. *Table 20* provides an overview of the resulting scores. At the end of the process, HealthierHere was found to have Met or Exceeded Criteria for all Project Plan sections.

Table 20. HealthierHere Scoring

HealthierHere		
	Initial Score	**Score After 1st Write-Back**
Section 1 Score	*96.67%*	*100%*
Section 2 Score	*95.53%*	*100%*
Section 2 Projects:		
2A	*95.79%*	*100%*
2C	*100.00%*	*100%*
3A	*95.79%*	*100%*
3D	*90.53%*	*100%*
Total Score	*95.87%*	*100%*
Bonus		0%
Final Score		100%