Delaware Center for Health Innovation

# Strategic Plan

DECEMBER 14, 2016

## EXECUTIVE SUMMARY

DCHI was established in 2014 to advance the Quadruple Aim – better health, improved quality and patient experience, and a better experience for healthcare providers, at a cost that is affordable and sustainable. It is our vision to achieve these goals by catalyzing health innovation through public- and private-sector collaboration.

Since our formation, DCHI has benefited from an exceptional level of multi-stakeholder involvement in our Board and Committees. Based on this, in just two years, we have achieved promising primary care adoption of practice transformation and value-based payment across Commercial, Medicaid, and Medicare populations. We have established a new model for promoting health in our communities and have laid a foundation for increased access to claims data to support innovation and greater cost transparency.

Since 2014, we have witnessed changes in our regulatory and market landscape, and as a new organization we have encountered barriers to transformation. In the pages that follow, we further outline these barriers as well as opportunities presented by this evolution. Following from these, we describe twelve strategic imperatives that we commit to address, in collaboration with our community:

1. Maintain a broad portfolio of initiatives as necessary to realize the goals on which DCHI was founded, but evolve that portfolio in response to changes in the landscape
2. Establish and sustain a strong implementation role for most initiatives that extends well through launch, but generally look to other organizations for ongoing operations
3. Identify where policy solutions are necessary to support innovation, and work with policymakers as necessary to bring those solutions to fruition
4. Ensure that adoption of value-based payment for primary care supports our goals for transformation, while fostering other models to transform the full continuum of care
5. Work with the next administration to leverage the State of Delaware's purchasing authority to foster provider risk sharing as a critical enabler of quality & affordability
6. Align DCHI-led delivery system transformation efforts with regulatory changes and investments being made by payers and providers to achieve similar goals
7. Evolve our approach toward multi-payer alignment of quality measurement and reporting, to ensure impact and long-term sustainability
8. Accelerate the rollout of Healthy Neighborhoods by streamlining the proposed operating model and establishing priorities based on identified community needs
9. Adopt a systematic approach to communicating with stakeholders and cultivating stakeholder buy-in in relation to DCHI's efforts and how they dovetail with the efforts of other organizations and individuals
10. Affirm DCHI's commitment to be transparent in the decisions of its Board and use of resources while creating channels to manage sensitive information and challenging discussions
11. Continue to fund DCHI operations through stakeholder contributions, but augment this with grant funding for design and implementation of specific initiatives
12. Continue staff hiring plan; rely on contractors for time-limited projects that require surge capacity and/or specialized expertise

DCHI will begin detailed tactical and operational planning and implementation over the next sixty days.

## INTRODUCTION

In 2013, the Delaware Health Care Commission (HCC) convened a multi-stakeholder coalition of consumers, providers, payers, community organizations, academic institutions, and State agencies, to advance the Quadruple Aim of better health, quality, experience (for consumers and providers), and affordability. This collaboration led to the development of Delaware's Health Innovation Plan, an ambitious, multi-year roadmap for Delaware to achieve the Quadruple Aim.

The Delaware Center for Health Innovation (DCHI) was incorporated in 2014 as a 501(c)(3) not-for-profit organization. DCHI's founding followed the public-private collaboration that had begun in Delaware under the Center for Medicare and Medicaid Innovation (CMMI) State Innovation Model (SIM) initiative, which culminated in the development of Delaware's State Health Innovation Plan. Our initial priorities, therefore, have been closely integrated with the objectives established through the SIM program. However, we were formed independent of state government on the premise that health innovation requires collaboration of public and private sectors over a sustained period of many years, likely to exceed the tenure of any one administration (federal or state) and that of many executive teams.

DCHI is governed by a 16-member board with diverse professional and personal experience with health and health care in Delaware. The Board is supported by five standing committees – Clinical, Healthy Neighborhoods, Workforce and Education, Payment Model Monitoring, and Patient and Consumer Advisory. A Technical Advisory Group (TAG) provides input to both DCHI and the Delaware Health Information Network (DHIN) in shaping health care technology in Delaware. Notwithstanding financial and in-kind support to DCHI from federal, state, and the private sector, members of our Board and Committees do not specifically represent the interests of the institutions with which they are affiliated. Rather, our Board and Committees comprise individuals who volunteer their time to advance the common interests of Delawareans.

In our first two years, DCHI has created a new and important forum for multi-stakeholder dialogue on healthcare innovation in Delaware. Since DCHI was founded, the Delaware and national healthcare landscape has evolved significantly, and the rapid pace of change appears likely to continue. Given the evolution of the Delaware healthcare landscape and the upcoming administration change, DCHI is now at an important inflection point and will have to establish clear strategic direction to ensure continued progress towards transformation.

In this highly dynamic environment, DCHI has undertaken a strategic planning process to achieve four goals: (1) reassess the mission and value proposition of DCHI going forward; (2) define the strategy required to continue to deliver on that value proposition; (3) identify the enabling changes necessary to achieve the strategy (e.g., operational, structural, people); and (4) provide a foundation for sustainability. This document represents the culmination of that strategic planning process that involved significant input from a diverse set of stakeholders and extensive Board dialogue over a three-month period from late August through early November.

## DCHI'S PROGRESS AND IMPACT, TO DATE

Delaware's State Health Innovation Plan identified a comprehensive set of requirements to accelerate adoption of value-based payment and care delivery models. To meet these requirements, DCHI launched eight initiatives: primary care practice transformation, integration of primary care and behavioral health, Healthy Neighborhoods, value-based payment, the Common Scorecard, All-Payer Claims Data, workforce capacity enhancement and learning curriculum, and patient and consumer outreach. Since its creation, DCHI has achieved a number of successes, as summarized below.

- **A meaningful new forum for multi-stakeholder dialogue on health innovation in Delaware**. More than 100 stakeholders participate regularly in design and implementation of initiatives undertaken by DCHI. The organization has established a reputation for adopting an objective and inclusive approach to understanding difficult health innovation issues, and is recognized for evaluating options with more in-depth analysis than commonly afforded by other multi-stakeholder venues.
- **Alignment of quality measures for Commercial and Medicaid payers.** Prior to DCHI's intervention, primary care providers who would have signed up for value-based payment models across leading Commercial and Medicaid payers would have been faced with more than 50 different quality measures, less than 30% of which would have been relevant across multiple payer contracts. V2.0 of DCHI's Common Scorecard includes 26 measures which comprise 75-100% of the quality measures used for value-based payment models now being implemented by Highmark Commercial, Highmark Medicaid, and United HealthCare Medicaid.
- **First operational multi-payer Common Scorecard in the U.S.** Other states and multi-payer coalitions around the U.S. have endeavored to standardize reporting of quality across payers. Some have implemented common measure sets and report formats, but nonetheless require providers to access data in separate reports for different payers. Other states have implemented reporting on top of All-Payer Claims Databases, but with little relationship to value-based payment. DCHI and DHIN have collaborated to integrate data from three payers to publish a Common Scorecard for measures agreed upon by the leading Commercial and Medicaid payers in Delaware as the basis for value-based payment. All PCPs in Delaware are now able to access pooled performance for the substantial majority of their Commercial and Medicaid patients. A corollary benefit of this effort is the mapping of primary care practices between payers; prior to this effort there was no consistent basis on which to identify which PCPs were common across the networks of leading Commercial and Medicaid payers.
- **More than 30% adoption of value-based payment for primary care**. More than 30% of Medicare, Medicaid, and Commercially insured populations in Delaware are attributed to primary care providers under value-based contracts. While these efforts have been directly led by individual payers and providers, DCHI has played a meaningful role in accelerating the pace of adoption in Delaware. With active contracting underway from the state's MCOs and commercial payers, there is potential to surpass 50% penetration in the coming months.

- **More than 30% adoption of primary care practice transformation.** More than 30% of primary care providers in Delaware are participating in practice transformation support funded by the State Innovation Models federal grant, based on a series of training modules as recommended by DCHI. SIM grant funds are available to continue this support through 2017. We have also shepherded the creation of a work force training curriculum to support care management. In addition, DCHI helped shape the Behavioral Health EMR incentive program in partnership with HCC.
- **Creation of a new model for population health improvement.** DCHI has introduced a novel statewide community health approach – Healthy Neighborhoods – to meaningfully address social determinants of health. DCHI has defined ten communities across the state that bring together community organizations, healthcare providers, employers, payers, and state organizations, among others, to collaborate on local strategies to address Delaware's most pressing health needs. DCHI has already launched the first Neighborhood in Sussex County, hired multiple staff members, began planning for the next two neighborhoods, and developed the initial supporting data infrastructure to support the work of each community.
- **Legislation to increase access to claims data.** For more than 10 years, stakeholders in Delaware have called for the creation of an All-Payer Claims Database (APCD) to enable quality improvement and population health improvement. Following feedback from provider trade associations and the State Employee Health Plan Task Force, DCHI led an effort to research ACPD formation in other states and to build stakeholder consensus around four use cases for increased access to claims data in Delaware, including: population health improvement, value-based purchasing, provider risk sharing, and consumer shopping for care. Our efforts laid the groundwork for legislation enacted this summer, enabling the creation of the Delaware Health Care Claims Database.

## OPPORTUNITIES AND BARRIERS TO TRANSFORMATION

Our efforts to transform our health and health care system are met by numerous barriers, some of them persistent and some of them new. Changes in the market and regulatory landscape may present new opportunities to overcome these barriers, but also introduce new complications in coordinating efforts across federal, state, and private sectors. We describe below the most significant opportunities and challenges, as context for the strategic imperatives that follow.

- **Proliferation of ACOs and Clinically Integrated Networks.** Over the last several years, nearly 50 percent of primary care providers, and all health systems in Delaware have chosen to participate in one or more ACOs or Clinically Integrated Networks (CINs), which consist of hospitals, primary care, specialty care, and other care providers. Organizations that previously saw DCHI as a platform for sharing the costs and socializing the risks of transformation may now prefer to direct the majority of their investments in transformation through ACOs or other structures over which they have more direct financial and operational control. Ultimately, the proliferation of ACOs and CINs should be entirely constructive to DCHI's goals. However, it compels us to re-evaluate our strategy for achieving those goals. DCHI

provides a forum for payers, ACOs, CINs, and unaffiliated providers to objectively weigh which capabilities are best operationalized on a common, statewide platform, and where they are best operationalized by multiple, competing organizations.

- **Continued dis-engagement and change overload among many health care professionals.** Notwithstanding the recent formation of ACOs and CINs, care delivery in Delaware continues to be fragmented and many health care providers do not regularly engage in the health innovation dialogue. This is true of many in the physician community, behavioral health providers, as well as providers of long-term services and supports to populations with disabilities. DCHI is one of many organizations trying to engage these providers, others including licensing and regulatory agencies, trade associations, payers, health systems, ACOs, CINs, the DHIN, and myriad other vendors of technology and services. If we are uncoordinated in our efforts, we are more apt to overwhelm and confuse providers. DCHI should facilitate alignment among these many groups in order to increase the level of participation of health care professionals in ongoing change efforts.
- **Healthcare spending growth continuing to outpace economic growth.** Healthcare spending continues to grow faster than the economy overall, and faster than real wage growth. This is leading some employers and other purchasers to reduce benefits and/or increase the share of costs borne by individuals in the form of employee contributions to premiums, increased deductibles and coinsurance. Most types of providers are seeing very limited increases in fee schedules for Medicare and Medicaid patients. Some Commercial payers are reducing or eliminating fee schedule increases for physicians and behavioral health providers. For many of these providers, adoption of value-based payment may be the only path to increased payment.
- **Persistent conflict between stakeholder interests.** While DCHI's efforts are aimed at the common good in which all stakeholders have an interest, we recognize that we do not operate in an environment free of conflict. For example, new processes for quality measurement and reporting co-exist with historical and ongoing frustrations with data quality and reporting requirements among payers, providers, regulators, the DHIN, and EMR vendors. Meanwhile, although we agree on the need to align financial incentives between payers and providers, new payment models nonetheless involve the negotiation of pricing or terms that are bound to create potential for conflict, and coincide with periodic or persistent conflict over claims payment. Even altogether new initiatives undertaken purely in the spirit of partnership raise the potential for frustration when timelines are affected by capability gaps or competing priorities of participating organizations.
- **Transition costs and business risks of transformation.** Even providers who believe in the promise of value-based payment and care delivery may be reluctant to "jump in with both feet." Full participation in transformation has the potential to adversely impact short-term productivity, creating significant transition costs that may not be fully offset by practice transformation support or funding from new forms of value-based payment. For health systems, in particular, improvements in care delivery have the potential to reduce patient volume in ways that require wholesale changes in the organization's business model and capital planning. In the face of these challenges, providers may be reluctant to convert the majority of their patient panels to value-based payment. At the same time, it may be difficult for

providers (operationally and financially) to succeed in value-based arrangements for one subset of their patients while remaining purely in the fee-for-service paradigm for the rest of their patients.

- **New federal regulations supporting value-based payment.** The Centers for Medicare and Medicaid Services recently published final regulations for the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). These regulations create both financial incentives as well as administrative advantages to providers that move into more Advanced Alternative Payment Models (including downside risk) for Medicare by 2018, as well as additional advantages for those that adopt similar arrangements for non-Medicare populations by 2021. These types of regulation present both an opportunity to catalyze the adoption of value-based care in Delaware, but also create the potential for additional confusion in the provider community unless DCHI (and others) are able to help providers understand the connections to other initiatives we are championing locally.
- **New state administration, to continue to face fiscal pressure from healthcare.** DCHI was established to provide continuity for health innovation beyond any individual administration. In January, Delaware will have a new Governor, with many changes in cabinet and other appointed positions, as well as new priorities reflecting the new administration's policy agenda. It will be important in the coming weeks for DCHI to establish a strong working relationship with the incoming administration and determine if and how we will adjust our portfolio to reflect the administration's priorities.
- **Tapering of federal SIM grant support demanding alternate funding and resourcing of major projects.** Since we were founded two years ago, DCHI has benefited from in-kind, financial, and contractor support enabled by the federal State Innovation Models grant, as administered by the Health Care Commission. The funding and support enabled by this grant will significantly taper in 2017 and 2018. This creates an imperative for DCHI to complete transition of day-to-day operational responsibilities to DCHI staff, secure our own funding for continuation of our efforts, and to fill gaps in our own capabilities through further hiring, contracting with vendors, and/or partnership with other organizations.

## STRATEGIC IMPERATIVES FOR EVOLVING OUR APPROACH TO INNOVATION

DCHI has identified twelve strategic priorities to shape the organization's future direction and continue to deliver on its goals to support Delaware's long-term health system transformation.

### 1. Maintain a broad portfolio of initiatives as necessary to realize the goals on which DCHI was founded, but evolve that portfolio in response to changes in the landscape

Since its founding in 2014, DCHI has been pursuing a broad portfolio approach, with eight core initiatives spanning the healthcare spectrum, to advance the Quadruple Aim. The portfolio of initiatives was rooted in strategic conversations with stakeholders across the state during the two years prior to DCHI's founding. In the intervening time,

significant changes in the Delaware healthcare landscape have taken hold and have created both opportunities and barriers as mentioned above.

Although these market changes could necessitate a refinement of DCHI's approach across initiatives, DCHI believes the breadth of its current portfolio is well-suited to enable the system changes required to improve health and mitigate cost growth on a sustainable basis. Moving forward, DCHI should continue to pursue its current portfolio of initiatives, as its elements are critical building blocks of systemic change for Delaware. To demonstrate progress towards systemic change, DCHI should continue its commitment to measuring outcomes and progress of initiatives and reporting out to stakeholders to demonstrate ongoing value.

DCHI believes the breadth of the portfolio is important for three reasons: 1) healthcare issues are interrelated and cannot be addressed in isolation; 2) it is necessary to fulfill DCHI's mission to transform the healthcare environment in Delaware; and 3) health innovation requires changes to both healthcare and underlying social determinants which impact population health. DCHI will, however, refine specific initiatives in response to the evolving healthcare landscape and will add or subtract initiatives over time. For example, in the near term, DCHI will consider its approach to quality measure alignment with the Common Scorecard and how best to continue support for Practice Transformation. Over time, though the portfolio must continue to evolve for DCHI to maintain relevance, we believe that a broad, integrated approach will be needed for success.

### 2. Establish and sustain a strong implementation role for most initiatives that extends well through launch, but generally look to other organizations for ongoing operations

To date, DCHI has taken on different roles in the individual initiatives it has championed—from consensus-building (e.g., workforce capacity enhancement) to operational (e.g., Healthy Neighborhoods). Different initiatives may require varying levels of involvement from DCHI staff and contractors due to existing capacity within the state and complexity of the initiative.

It is unlikely that DCHI will be able to take on full operations for all its initiatives since that would require a large number of staff. Conversely, if DCHI were to remain purely at the consensus building level, it would be able to keep its staff size small but would risk not seeing any of its initiatives being implemented and having full impact.

In general, DCHI would act as an accountable champion for the successful implementation of its portfolio of initiatives. DCHI may play a larger role during the formative time period (e.g., through launch to sustainable operations) by more actively engaging and driving the implementation of its vision. In many cases, DCHI may not be the organization best positioned for long-term operations; instead, DCHI should partner with other organizations who will play a long-term operational role. It may continue to monitor progress over time to assess progress and facilitate conversations on whether adjustments should be made. DCHI's level of involvement in implementation will be determined on an initiative-by-initiative basis.

### 3. Identify where policy solutions are necessary to support innovation and work with policymakers as necessary to bring those solutions to fruition

As part of its commitment to being an inclusive, multi-stakeholder forum, DCHI has focused primarily on building consensus rather than advocating for a specific position. DCHI was founded on the premise that should policy action be required, it could be achieved through maintaining a close connection to policymakers through two channels: (1) dedicated board seats for state leaders; and (2) close integration with the Delaware Health Care Commission and the Delaware Health Information Network – both of which worked together to form DCHI. Consistent with this philosophy, DCHI consensus papers have occasionally informed public policy (e.g., the passage of the Health Care Claims Database; Medicaid MCO and State Employee TPA RFPs), although DCHI has not had a direct role in shaping the legislation or regulation.

This approach has helped establish DCHI's reputation as a neutral arbiter of complex technical questions related to healthcare innovation. However, at times it has limited the pace and/or extent to which DCHI's recommendations have been implemented successfully. DCHI, therefore, intends to evolve its approach and will more systematically identify where specific policy changes could enable initiative success and work with policymakers to pursue this change. Specifically, DCHI will:

- Transition from "white papers" (focused on building consensus) to "position papers" (focused on building consensus and making specific recommendations, even on topics with divergent stakeholder perspectives)
- Recommend specific actions for stakeholders, including the State, in each of its position papers
- Increase connection to and visibility among policymakers, including regular briefings with healthcare leaders in the administration, other State agencies, and the legislature. At a minimum, this will require DCHI to increase the frequency of briefings with these leaders
- As appropriate, consider the following additional tactics to influence change: (1) recommending specific regulatory changes; (2) advocating; (3) giving expert testimony; and (4) actively working with the administration and/or the legislature to shape the policy agenda

### 4. Ensure that adoption of value-based payment for primary care supports our goals for transformation, while fostering other models to transform the full continuum of care

The leading Commercial and Medicaid payers in Delaware have each introduced value-based payment models for primary care that are aligned with many of the design principles for which DCHI has advocated, for example: per-member-per-month care coordination payments; and outcomes-based payments tied to cost (or utilization as a proxy for cost) as well as quality of care based on measures drawn from the DCHI Common Scorecard (v2.0).

While many believe that these models are constructive to meeting DCHI's goals for better care, some have voiced concern that the level of up-front funding is insufficient to fully underwrite the costs of care coordination when combined with base fee schedules

which for some providers have not included a cost-of-living increase for several years. Others have voiced the concern that payers have been pre-disposed toward offering these models to small independent practices rather than working through the ACOs or Clinically Integrated Networks (CINs) that these practices have chosen to participate in as a means of achieving the scale and capabilities necessary to be successful under value-based payment. In the months ahead, DCHI will endeavor to facilitate further discussion of these concerns in order to promote a constructive dialogue based on facts and common interests.

Over the coming 2-3 years, DCHI will also advocate for the adoption of value-based payment models that extend beyond primary care, including but not limited to: global capitation, bundled payments, and specialist pay-for-value models, as well as value-based payment models tailored to behavioral health and long-term services and supports for populations with physical, intellectual, or developmental disabilities. DCHI recognizes that these payment models are transformative: some independent practices may not be ready to engage, and those that do will require coordinated support from DCHI, ACOs, payers, trade associations, and specialty societies.

### 5. Work with the next administration to leverage the State of Delaware's purchasing authority to foster provider risk sharing as a critical enabler of quality and affordability

Delaware's State Health Innovation Plan and more recently the DCHI consensus paper on Outcomes-Based Payment for Population Health Management describe Delaware's goal for broad adoption of value-based reimbursement models that incentivize improvements in both quality and management of total cost for a population of patients. While DCHI anticipated that a variety of models would need to be available to account for differences in provider baseline capabilities and scale, there has always been an expectation that some providers would transition to models that have both upside and downside risk for management of total cost of care.

While there is increasing participation in value-based models across the state, there has not yet been any adoption of models with both upside and downside risk. Medicare has made these models available; however, no providers have yet applied for these models. Commercial payers (including QHPs) and Medicaid MCOs have not yet formed downside risk arrangements with Delaware providers.

Given the persistent healthcare cost pressures, it is important to transition to meaningful adoption of downside risk models to ensure that sufficient incentive exists to meaningfully control costs. As DCHI moves forward, it should not only work to drive greater adoption of existing value-based payment models, but also work to increase adoption of new value-based payment models not yet in Delaware that involve increasing amounts of provider risk. Since neither payers nor providers in Delaware have signaled near-term plans to introduce or adopt these models over the next 18-24 months, DCHI believes it must work with the next administration to accelerate availability and adoption of these models. In particular, DCHI will work closely with Medicaid and the State Office of Management and Budget to introduce downside risk models and promote provider participation.

### 6. Align DCHI-led delivery system transformation efforts with regulatory changes and investments being made by payers and providers to achieve similar goals

In partnership with HCC, DCHI has designed and implemented a series of programs to support providers to better coordinate and integrate care for their patients. These programs include: (1) primary care practice transformation; (2) a workforce training program for current practitioners focused on the skills and capabilities needed to be successful in new models of care; (3) funding for Behavioral Health providers to adopt electronic records; and (4) a program to promote integration of primary care and behavioral health.

While there is widespread support for these programs, and there has been some early success (e.g., nearly 35% of primary care providers are participating in practice transformation), there is some confusion about how the programs fit together and relate to the new payment models and regulatory changes that have recently been introduced. It has also been difficult to reach a broad set of providers beyond those connected to ACOs or health systems.

DCHI proposes partnering with HCC to make the following refinements to its approach in order to accelerate provider participation in meaningful delivery system transformation:

- Integrate the practice transformation support with the workforce training programs
- Refresh the practice transformation/training curricula to incorporate practical support for succeeding in the new payment models introduced in Delaware by CMS (as part of this, evaluate the potential of certifying practices at the end of this training as additional motivation for provider participation)
- Expand outreach to independent primary care and behavioral health providers to promote awareness

### 7. Evolve our approach toward multi-payer alignment of quality measurement and reporting to ensure impact and long-term sustainability

Quality measurement and improvement has been core to DCHI's work—and DCHI has achieved several significant successes relating to alignment of metrics and data availability. DCHI was instrumental in increasing quality measure alignment between the Common Scorecard and Highmark, Aetna, and United's pay-for-value programs from 30% to 75-100%. This achievement alone represents reduced administrative burden for providers trying to juggle multiple pay-for-value models. To date, DCHI has integrated data from multiple payers, tested the web-based Scorecard with ~20 primary care practices, and made the Scorecard available Statewide in October 2016.

Despite these successes, DCHI has encountered greater than expected barriers in rolling out the Common Scorecard. DCHI has struggled to communicate its value proposition to providers, leading to low enrollment in the Scorecard; payers' ability to deliver properly formatted data has varied significantly; and technical challenges have slowed progress. There are also questions among the stakeholder community about how the Scorecard should evolve to meet the changing needs of providers.

Moving forward, DCHI should assess which of five paths it will take towards quality measure alignment:

1. Redouble efforts to align quality measures chosen for value-based payment, but deprioritize efforts to publish and further develop the Common Scorecard tool
2. Continue to publish the Common Scorecard, and add additional payer data (e.g., Medicare) and further functionality to create a one-stop-shop for practices
3. Continue to publish the Common Scorecard, and over time make Scorecard results accessible to consumers as well
4. Continue to publish the Common Scorecard, and push to achieve a capability allowing for a single source of truth (i.e., replace payers' value-based reports)
5. Integrate real-time clinical (EHR) data into the Common Scorecard to make the Scorecard a meaningful performance improvement tool

### 8. Accelerate the rollout of Healthy Neighborhoods by streamlining the proposed operating model and establishing priorities based on identified community needs

Healthy Neighborhoods fosters locally tailored solutions to Delaware's most pressing health needs, with a particular focus on addressing the social determinants of health. The goal is to integrate across community initiatives and better integrate community initiatives with the care delivery system. Healthy Neighborhoods provides a framework and resources to bring organizations together in each community to develop specific strategies to address their highest priority health needs. The first neighborhood has launched in Sussex County, and the original plans called for ten neighborhoods to be launched over the next three years.

There remains broad support for the principles underlying Healthy Neighborhoods however as DCHI has begun to rollout the model, it has encountered complexity in aligning the work of each neighborhood with the community health needs assessments conducted by local hospital systems. DCHI also anticipates that the structure of each neighborhood may need to vary for each community, which may be operationally complex. Some stakeholders have also raised concern that the pace of rollout has been too slow given the pressing health needs in Delaware.

In the short-term, DCHI should continue with the launch of the next several neighborhoods already planned. Moving forward, DCHI will introduce processes to more formally integrate healthy neighborhoods with the hospital system health needs assessment processes. In order to improve long-term sustainability, DCHI will also seek to partner with other community organizations and will also consider opportunities to streamline the number of neighborhoods.

### 9. Adopt a systematic approach to communicating with stakeholders and cultivating stakeholder buy-in in relation to DCHI's efforts and how they dovetail with the efforts of other organizations and individuals

DCHI has pursued a multi-channel communications strategy: (1) multi-stakeholder working sessions (e.g., through half day cross-committee meetings 2-3 times per year); (2) ad-hoc meetings with individual stakeholders to provide updates and receive feedback; (3) self-directed access to DCHI's work through the website; (4) partner-led updates to create awareness (e.g., through updates at HCC meetings); (5) program-specific outreach (e.g., mailings to promote enrollment in practice transformation); and (6) community forums. The outreach has focused less on describing DCHI as an organization and more on the specific initiatives and progress related to health innovation in Delaware. The Board has often led this outreach or sought guidance from the Patient and Consumer Advisory Committee.

DCHI has received consistent feedback that the communications approach is insufficient for such a multi-dimensional change program. Board members and stakeholders describe feeling under-informed about all the dimensions of the work. More significantly, the current messaging and communications approach has created confusion about DCHI's role and value proposition. The communications approach has also created ambiguity about the role of the Patient and Consumer Advisory Committee, particularly its role in providing a consumer voice for each of DCHI's initiatives.

In the coming year, DCHI will continue to strengthen the role of the DCHI Patient & Consumer Advisory Committee to ensure a consumer voice in DCHI's efforts. Independent of the efforts of that Committee, the DCHI Executive Director and staff will work to improve the understanding of DCHI efforts among institutional and professional stakeholders whose involvement in design and implementation is essential. Specifically, we will develop a plan to accomplish the following goals:

- Improve Board and Committee awareness of the full portfolio of initiatives
- Better articulate the connection between the DCHI's initiatives and those led by other organizations are related (e.g., the link between the Common Scorecard, value-based payment, and practice transformation)
- Better articulate the value of DCHI's initiatives to a variety of stakeholders
- Streamline communications received by stakeholders, particularly providers (e.g., by combining multiple newsletters and email lists)

As of November 2016, DCHI has hired a professional marketing firm to launch a 'DCHI Branding and Marketing Campaign' to develop and implement this strategy.

### 10. Affirm DCHI's commitment to be transparent in the decisions of its Board and use of resources while creating channels to manage sensitive information and challenging discussions

DCHI serves as a valuable forum through which a variety of stakeholders from health systems, independent medical practices, policy makers, community organizations, insurers, and other organizations can discuss important topics and build consensus. This ability to bring individuals together and tackle Delaware's health issues is a

foundational element of DCHI's success. Participants have divergent—and sometimes conflicting—views, and it is critical to have a forum to sort these out.

DCHI maintains an extremely high level of transparency in its work. To date, DCHI leadership has interpreted its bylaws to make it subject to State open meeting requirements, thus making generally opened all Board of Directors and Board Committee meetings open to the public. At times, Board of Directors and Committee members have felt that public forums have limited frank dialogue and ability to address the toughest healthcare transformation issues facing Delaware. DCHI's commitment to transparency has been valuable in building the public's confidence in this forum, particularly given the number of stakeholders involved in DCHI's focus areas.

DCHI makes a significant request of its Board members to 'take off their hats' and participate in honest, open discussions about how to improve healthcare and the health of Delawareans. In some instances, such discussions may involve sharing proprietary or sensitive information that is confidential. Due to the importance of always maintaining honest and direct Board discussion, there will be some occasions when the Board of a Committee must meet in a non-public, executive session in accordance with DCHI's corporate structure and its section 501(c)(3) nonprofit status for two main reasons:

- Discussion of certain topics require, or would benefit from, stakeholder input involving sensitive confidential, proprietary or other non-public information
- Board members should be empowered to 'take off their hats' and explore options that may contradict the public position of the organizations they represent

Therefore, DCHI will utilize an Executive Session when necessary to protect proprietary information and to foster discussion of contentious issues over which the perspectives of individual Board members may differ from those of their organizations. DCHI continues to be committed to transparency and ensuring that its work product and process are made available to the public.

### 11. Continue to fund DCHI operations through stakeholder contributions, but augment this with grant funding for design and implementation of specific initiatives

DCHI and the initiatives it administers have been funded consistent with the principles outlined in Delaware's original SIM Testing Grant application in 2014. These principles stated that the design and launch of initiatives be funded by the SIM grant (or complementary federal and state funding), while ongoing operations be supported by stakeholder contributions (both financial and in-kind).

While there has been significant in-kind support from a broad set of stakeholders, funding for DCHI's ongoing operations has been supported by a small set of stakeholders with limited long-term commitments. This approach has helped establish DCHI as an organization; however, the narrow funding base and uncertainty about availability of both grant (e.g., foundations, other federal) and stakeholder future funding has raised questions about the sustainability of this operating model.

At this point in time, DCHI should:

- Continue to seek stakeholder contributions for DCHI baseline operations, but ensure DCHI is creating and communicating clear value for stakeholders to secure ongoing support
- Engage additional stakeholder types – e.g., payers – who have not provided significant financial support to date
- Consider opportunities for alignment of public and private sources to maximize return on investment
- Seek grant funding for specific programs, as DCHI's thematic programs (e.g., Healthy Neighborhoods) are well-suited to time-limited grant funding from foundations and other philanthropic entities and there is limited State funding available for specific programs. DCHI may need to build staff capacity for grant applications

### 12. Continue staff hiring plan; rely on contractors for time-limited projects that require surge capacity and/or specialized expertise

To date, DCHI has maintained a very lean approach to staffing due to a desire to keep staff size small, funding philosophies of the SIM grant, and uncertainty regarding future stakeholder funding. DCHI has employed one full-time Executive Director, a full-time Executive Assistant, and a contracted Program Director for the Healthy Neighborhoods initiative. Since bringing on the Executive Director in Q3 2015, DCHI has attempted to build additional capacity with permanent staff, while in parallel relying on support from 11 different contractors on all eight initiatives.

As DCHI contemplates its future direction, it needs to consider whether the original level of staffing is suitable given its goals. Increasing the number of staff would give DCHI more bandwidth to take a more active ongoing role in its initiatives or expand the breadth of its activities while requiring more certainty in future levels of funding. Reducing the number of staff would make the organization more contractor-reliant but could be more suitable in a more dynamic funding environment.

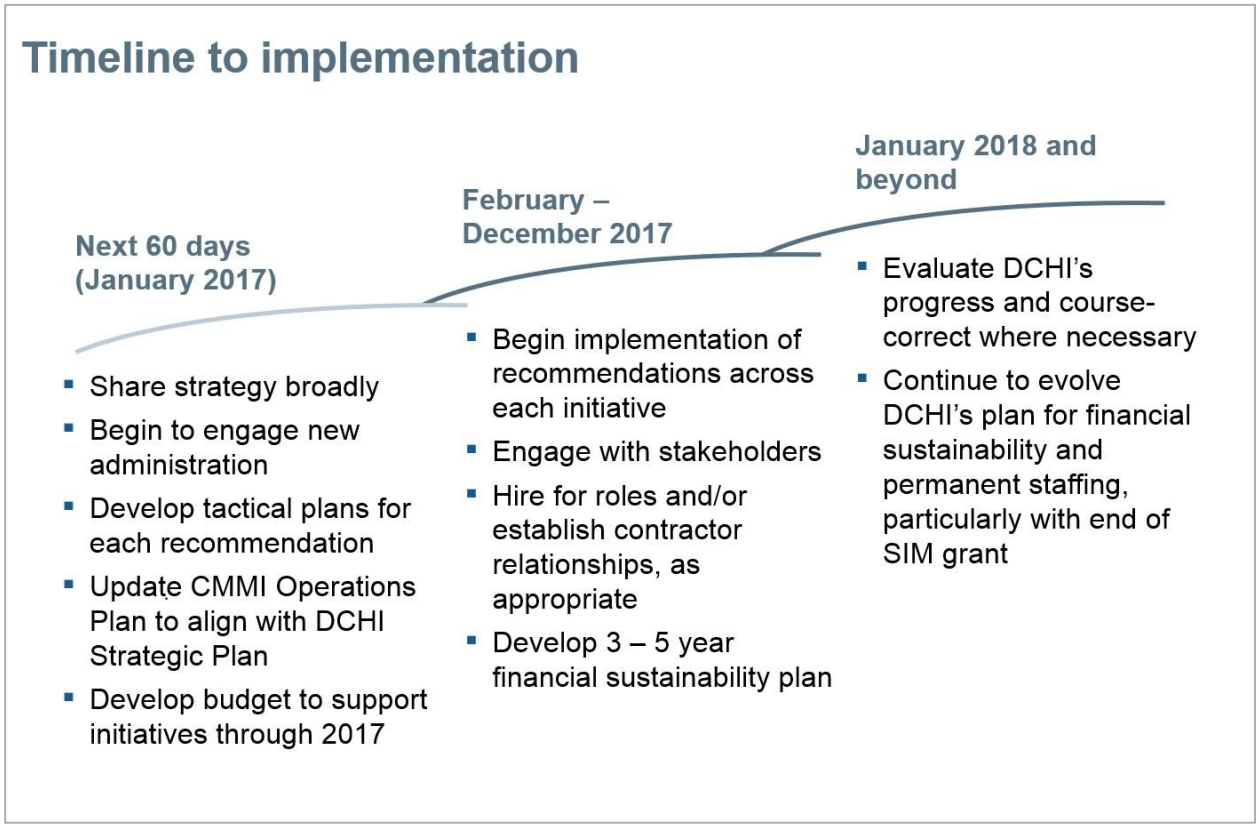
DCHI should maintain the current employee-light model of support, with its current complement of staff, and continue with the current pace of hiring. Because current staffing levels are insufficient to fully support all initiatives, continued use of contract support is needed for the time being to ensure adequate support of initiatives. Furthermore, use of contract support enables DCHI to adjust support for initiatives in real-time to match periodic increases and decreases in workload.

## CONCLUSION AND TIMELINE TO IMPLEMENTATION

This Strategic Plan was developed in order to enable DCHI to continue to deliver on its value proposition as a unique forum for multi-stakeholder discourse, enable consensus-building, and to lead initiatives to achieve the Quadruple Aim.

For several reasons, DCHI should act quickly on the strategy outlined in this plan: (1) the upcoming change in administration may lead to additional changes in the healthcare landscape in Delaware and nationally; (2) DCHI's status as a grant-based program requires it to adhere to a previously-defined rapid timeline; and (3) several of DCHI's initiatives, such as practice transformation, are at important inflection points due to changes in the market, necessitating that DCHI quickly determines the best path forward.

This document has outlined DCHI's path forward in 12 critical areas: the portfolio overall, implementation focus, policy focus, communications, supporting open and candid dialogue, funding and sustainability, staffing and contract support, practice transformation, the Common Scorecard, value-based payment, Healthy Neighborhoods, and patient and consumer outreach. The timeline to implementation is below.



## APPENDIX: SUMMARY PERSPECTIVES ON MAJOR INITIATIVES

**Practice transformation.** DCHI's primary care practice transformation initiative provides practices with support in adapting to a changing healthcare landscape and transition to new models of care delivery and payment. As of October 2016, DCHI is supporting ~100 (35%) primary care practices with SIM-funded practice transformation support. Moving forward, DCHI should partner with HCC to evolve provider support tools and services: (1) integrate the practice transformation support with the workforce training programs; (2) refresh the practice transformation/training curricula to incorporate practical support for succeeding in the new payment models introduced in Delaware by CMS (as part of this, evaluate the potential of certifying practices at the end of this training as additional motivation for provider participation); (3) expand outreach to independent primary care providers to promote awareness.

Consensus paper "Primary Care Practice Transformation"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Primary-Care-Practice-Transformation.pdf

Enrolment link http://www.choosehealthde.com/Providers/Practice-Transformation

**Workforce enhancement and curriculum building.** DCHI's Workforce Curriculum program aims to equip primary care teams with the skills and capabilities needed to be successful in new models of care delivery and payment. DCHI wrote and adopted a white paper on workforce licensing and credentialing in Delaware and contributed to an RFP for vendor selection. Curriculum is currently being developed by University of Delaware, the selected vendor. The training under development will be targeted to primary care teams (including clinical and non-clinical staff) and aims to equip staff to be successful in transformed practices. Initial modules are expected to launch November 2016. Discussions are currently underway on how to better integrate and coordinate Workforce curriculum with Practice Transformation vendor efforts.

Consensus paper "Health Care Workforce Learning and Re-Learning Curriculum"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Consensus-Paper-Workforce-Learning.pdf

Consensus paper "Licensing and Credentialing Healthcare Providers"
http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Consensus-Paper-Provider-Licensing-and-Credentialing.pdf

**Behavioral health integration.** DCHI launched a program to integrate behavioral health care and primary care practices, in addition to an EMR incentive program for which expressions of interest were recently gathered (as of Oct 2016). Participating Behavioral Health Integration practices will receive training – likely through a contracted vendor – and access to resources including an advisory board and resource library. The one year testing program is scheduled to launch in early 2017, followed by evaluation. The goal of the testing program is proof of concept for behavioral health integration and creation of a best practices resource document that other primary care

and BH practices can use to guide future integration. Moving forward, DCHI should aim to increase participation in the behavioral health EMR incentive program and the BH integration testing program.

Consensus paper "Integration of Behavioral Health and Primary Care"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Consensus-Paper-Behavioral-Health-Primary-Care-Integration.pdf

Consensus paper "Behavioral Health Integration Testing Program Implementation Plan"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Behavioral-Health-Integration-Implementation-Plan.pdf

BHP EMR link http://bids.delaware.gov/bids_detail.asp?i=4011&DOT=N

Information link http://www.choosehealthde.com/Providers

**Healthy Neighborhoods.** DCHI defined the Healthy Neighborhoods operating model based on global best practices research. Since launch, Healthy Neighborhoods has become the primary platform for population health in the State. DCHI hired an executive director and community coordinator and launched the Sussex Healthy Neighborhoods resource library. As of October 2016, DCHI has plans to launch additional HN councils, align HN and health system priorities, and build capacity to seek additional grants. DCHI has plans to launch a total of 5 HNs in 2017 and an additional 10 in 2018. Moving forward, DCHI should continue with the current expansion plan, but should continually reevaluate the plan to ensure the Healthy Neighborhoods initiative is an optimal community forum for health resources

Consensus paper "Healthy Neighborhoods Operating Model"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Healthy-Neighborhoods-Operating-Model.pdf

Consensus paper "Healthy Neighborhoods Rollout Approach"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Consensus-Paper-Healthy-Neighborhood-Rollout-Approach.pdf

**Value-based payment.** DCHI has supported rollout of value-based payment models with a goal of enrolling 80% of the Delaware population in value-based models of care by 2019. DCHI has been involved in this effort by engaging providers, payers, and State organizations in value-based payment conversations, monitoring roll out of value based payment models across payers, and encouraging payers to enroll members in models that meet certain quality standards. Moving forward, DCHI should better coordinate with Medicaid / the State Office of Management and Budget to make value-based payment programs a mandated part of MCO contracting / State Employee Benefits Program; work with payers, providers, and the next administration to facilitate conversations to support and encourage further adoption of value based payment

programs and development of new downside risk relationships; and continue to monitor the rollout of pay-for-value models and adjust approach as necessary.

Consensus paper "Care coordination as an extension of primary care"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Consensus-Paper-Care-Coordination.pdf

Consensus paper "Outcomes-based payment for population health management"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Consensus-Paper-On-Outcomes-Based-Payment.pdf

**Common Scorecard.** To date, DCHI has been instrumental in increasing quality measure alignment between the Common Scorecard and Highmark, Aetna, and United's pay-for-value programs from 30% to 75-100%, representing a significant reduction in administrative burden for providers. DCHI has integrated data from the above payers, tested the web-based Scorecard with ~20 primary care practices, and made the Scorecard available Statewide in October 2016. Moving forward, DCHI should assess which of five paths it will take towards quality measure alignment: (1) Redouble efforts to align quality measures chosen for value-based payment, but deprioritize efforts to publish and further develop the Common Scorecard tool; (2) Continue to publish the Common Scorecard, and add additional payer data (e.g., Medicare) and further functionality to create a one-stop-shop for practices; (3) Continue to publish the Common Scorecard, and over time make Scorecard results accessible to consumers as well; (4) Continue to publish the Common Scorecard, and push to achieve a capability allowing for a single source of truth (i.e., replace payers' value-based reports); (5) Integrate real-time clinical (EHR) data into the Common Scorecard to make the Scorecard a meaningful performance improvement tool. Regardless of the path forward for the Common Scorecard, DCHI should work with DHIN to ensure coordination and integration across the various health IT efforts underway in Delaware.

Enrolment link http://www.choosehealthde.com/Providers/Common-Scorecard

**Transparency.** In Spring 2016, DCHI developed a series of recommendations to increase access to claims data, through multiple channels, to support four use cases: (1) population health improvement, (2) value-based purchasing / policy development, (3) provider risk sharing, and (4) customer shopping. DCHI's efforts galvanized stakeholder support for the creation of an All Payer Claims Database, which set the stage for legislation enabling the DHIN to create the Delaware Health Care Claims Database (HCCD). DCHI should continue to gather input to define stakeholder needs for claims data, analytics, and reporting, to inform capability building within the DHIN as well as complementary analytic and reporting capabilities that may be operationalized outside of the DHIN.

Consensus paper "Increasing access to claims data to support health innovation"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Perspective-Increasing-Access-To-Claims-Data.pdf

**Patient and consumer outreach.** DCHI has defined nine key patient and consumer engagement strategies based on best practices research, drafted a consensus paper promoting patient and consumer engagement, developed and published materials on choosehealthde.com, provided input on community forums and supported marketing material development, and conducted community-based forums for patient and consumer outreach. Moving forward, DCHI should focus patient and consumer engagement to ensure all activities are grounded in a patient- and consumer-focused set of goals. The P&C Advisory Committee should lead targeted outreach and engagement to patients and consumers as a complement to other DCHI initiatives.

Consensus paper "Achieving Meaningful Patient and Consumer Engagement"

http://www.dehealthinnovation.org/Content/Documents/DCHI/DCHI-Consensus-Paper-on-Patient-and-Consumer-Engagement.pdf