Vermont Health Care Innovation Project
Quarterly Report
Act 54 of 2015, Section 24

Submitted to
House Committees on Health Care and on Ways and Means
Senate Committees on Health and Welfare and on Finance
Health Reform Oversight Committee

Submitted by
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August 13, 2015
This is the first report submitted in compliance with Act 54 of the Acts of 2015, Section 24 regarding the Vermont Health Care Innovation Project. As such, it provides more background on Vermont’s activities to date within the State Innovation Model Testing Grant project. Future reports will provide updates on activities performed in that quarter.

Overall, Vermont’s SIM project, known as the Vermont Health Care Innovation Project or VHCIP, uses SIM funds to strive towards the triple aim:

- Better care;
- Better health; and
- Lower costs.

The triple aim is advanced through a series of tasks that fall under five major focus areas:

- **Payment Model Design and Implementation**: Supporting creation and implementation of value-based payments for providers in Vermont across all payers.
- **Care Delivery and Practice Transformation**: Enabling provider readiness and encouraging practice transformation to support creation of a more integrated system of care management and care coordination for Vermonters.
- **Health Data Infrastructure**: Supporting provider, payer, and State readiness to participate in alternative payment models by building an interoperable system that allows for sharing of health information to support optimal care delivery and population health management.
- **Evaluation**
- **Program Management and Reporting**: Ensuring an organized project.

The project’s five focus areas are depicted in Figure 1 below:

*Figure 1: Vermont’s SIM Focus Areas*
Vermont’s payment models are designed in a way that meets providers where they are as some providers are more able to accept financial risk than others. They are also designed to ensure that the payers can operationalize the new structure, and the State can evaluate the programs.

By establishing a path for all providers, we are phasing in reforms broadly, but responsibly. Vermont’s active payment model design activities are performed on a multi-payer basis as much as possible and include:

- Expansion of the Advanced Primary Care Medical Home Initiative, known as the Blueprint for Health, launched in 2008.
  - Including participation in the Multi-payer Advanced Primary Care Practice Demonstration.
- Medicaid and commercial Shared Savings ACO Programs, launched in 2014.
  - Additionally, Vermont ACOs are participating in the Medicare Shared Savings Program.

More than 60% of Vermonters are participating in the Advanced Primary Care Medical Home Initiative and Shared Savings programs. The three ACOs in Vermont include the majority of our health care providers—including many of our long-term services and supports and mental health providers.

Vermont is also researching and analyzing various other value-based payment models intended to promote better sustainability of health care costs and higher quality. These include: pay-for-performance, episodes of care/bundled payments, prospective payment systems, and capitation.

Vermont is also exploring an all-payer model. An all-payer model would be an agreement between the State and the federal government on a sustainable rate of growth for health care spending in Vermont compared to state gross product and national benchmarks. The agreement would include quality and performance measurement to ensure patients are receiving high quality care. We are working to ensure that the payment models implemented through an all payer model build on the work of the Vermont Health Care Innovation Project and build on successful projects funded by the SIM grant.

Below is a list of SIM-supported projects and tasks underway in the Payment Model Design and Implementation focus area.

- Continued expansion of Vermont’s ACO Shared Savings Programs;
- Launch of an Episodes of Care Program;
- Expansion of a Pay-for-Performance program, implemented through the Blueprint for Health;
- Continuation of the Medicaid Health Homes, also known as the Hub and Spoke program;
- Design and analysis related to Accountable Health Communities;
• Development of a Prospective Payment System for Home Health;
• Design and analysis related to a federally supported Prospective Payment System for Vermont’s Designated Mental Health Agencies;
• Design and analysis to support decision-making related to an All-Payer Model with CMMI; and
• State activities to support model design and implementation at the Green Mountain Care Board and at the Department of Vermont Health Access (Medicaid).

**Care Delivery and Practice Transformation**

SIM’s care delivery activities are designed to enable provider readiness to participate in alternative payment models and accept higher levels of financial risk and accountability. This area of work includes monitoring Vermont’s existing workforce, as well as designing transformation activities that support provider readiness.

Below is a list of SIM-supported projects and tasks underway in the Care Delivery and Practice Transformation focus area:

• *Learning Collaboratives* to support improved and integrated care management in Vermont communities;
• A *Sub-Grant Program* for Vermont providers, including a *technical assistance* component;
• *Regional Collaboratives* to support integration of the Blueprint for Health and Vermont’s ACOs, and to enable community-wide governance and quality improvement efforts; and
• Workforce activities, including a *care management inventory, demand data collection and analysis*, and *supply data collection and analysis*.

**Health Data Infrastructure**

VHCIP’s health data infrastructure development activities support the development of clinical, claims, and survey data systems to support alternative payment models. The State is making strategic investments in clinical data systems to allow for passive quality measurement – reducing provider burden while ensuring accountability for health care quality – and to support real-time decision-making for clinicians. SIM is also working to strengthen Vermont’s data warehousing infrastructure to support interoperability of claims and clinical data and predictive analytics.

These investments have yielded significant improvements in the quality and quantity of data flowing from providers’ electronic medical records into the Vermont’s Health Information Exchange (VHIE). We have also identified data gaps for non-meaningful use providers to support strategic planning around data use for all providers across the continuum.

Below is a list of SIM-supported projects and tasks underway in the Health Data Infrastructure focus area:
Activities to expand provider connectivity to the VHIE, including *gap analyses*, *gap remediation activities*, and development of tools to support *data extracts from the VHIE*;

Work to improve the quality of data flowing into the VHIE;

A *telehealth strategic planning* effort and implementation of *telehealth pilots* aligned with the new Statewide Telehealth Strategy;

Efforts to *expand implementation of electronic medical records* to non-Meaningful Use-eligible providers;

Work on *data warehousing* to support the State and providers in aggregating, analyzing, and improving the quality of data.

Discovery and design activities to develop *care management tools*, including an electronic shared care plan solution, a universal transfer protocol, and an event notification system; and

Various general activities, including a *health data inventory project*, HIT/HIE planning activities, and expert support as needed to support health data initiatives.

**Evaluation**

All of our efforts are evaluated to ensure the process, as well as the outcomes, work for Vermont, its residents, payers, and providers. The evaluations occur by program, by population, and by region to ensure that we are not inadvertently causing unintended consequences and so that we can expand lessons learned quickly.

Below is a list of SIM-supported projects and tasks underway in the Evaluation focus area:

- Development and execution of a *Self-Evaluation Plan*;
- *Surveys* to measure patient experience and other key factors, as identified in payment model development; and
- *Monitoring and evaluation activities* within payment programs.

**Project Management and Reporting**

VHCIP is supported by a project management team that oversees project-wide coordination and reporting, as well as communication and outreach. Project management is focused on achieving milestones and meeting accountability targets across the project. Appendix 1, which begins on the following page, includes a summary of milestones, contractor support, and progress to date, which provides a global view of the project’s current status.
# Appendix 1: Milestone Summary

## CMMI-Required Milestones

<table>
<thead>
<tr>
<th>Year 2 Milestone</th>
<th>Specific Tasks</th>
<th>Lead(s) and Contractors Supporting</th>
<th>Progress Toward Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Payment Models</strong></td>
<td>60% of Vermonters in alternatives to fee-for-service.</td>
<td></td>
<td>• Currently ~60% of Vermonters are in alternatives to fee-for-service.</td>
</tr>
<tr>
<td><strong>Population Health Plan</strong></td>
<td>Draft Plan submitted to CMMI.</td>
<td></td>
<td>• Plan outline drafted.</td>
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## Payment Model Design and Implementation

<table>
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<tr>
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| **ACO Shared Savings Programs (SSPs)** | Expand the number of people in the Shared Savings Programs in Year 2. | Financial standards, care standards, quality measures, analyses for design and implementation, stakeholder engagement. | • Medicaid and Commercial SSPs launched on 1/1/2014.  
• Year 2 contract negotiations between DVHA and Medicaid SSP ACOs are in process.  
• Expansion of Total Cost of Care for Year 3 will be considered later in 2015.  
Total Providers Impacted: 977; Total Vermonters Impacted: 133,754 |

| **Episodes of Care (EOCs)** | Design 3 EOCs for the Medicaid program with financial component. | Financial standards, care standards, quality measures, analyses for design and implementation, stakeholder engagement. | • A sub-group of the SIM Payment Models Work Group focused on Episodes launched in January 2015; the group has met five times.  
• Staff have conducted a series of one-on-one meetings with stakeholder organizations to understand opportunities and concerns related to this initiative.  
Total Providers Impacted: 0; Total Vermonters Impacted: 0 |

| **Pay-for-Performance (Blueprint)** | Design modifications to this P4P program – dependent on additional appropriation in state budget. | Financial standards, care standards, quality measures, analyses for design and implementation, stakeholder engagement. | • The Blueprint for Health has been engaging with its Executive Committee, DVHA and AHS leadership, and SIM stakeholders to discuss potential modifications to both the Community Health Team (CHT) and Patient-Centered Medical Home (PCMH) payment models. Such modifications include shifting payers’ CHT payments to reflect each current market share, increasing the base payments to PCMH practices, and adding an incentive payment for regional performance on a composite of select quality measures.  
• The legislature appropriated $2.4 million for Blueprint payments (both CHT and PCMH) in State Fiscal Year 2016.  
Total Providers Impacted: 694; Total Vermonters Impacted: 285,968 |
| Health Home (Hub & Spoke) | Reporting on program’s transition and progress. | Financial standards, care standards, quality measures, analyses for design and implementation, stakeholder engagement. | Lead(s): Beth Tanzman  
Contractors: Bailit Health Purchasing; Burns and Associates. | Program implementation and reporting are ongoing.  
Total Participating Providers: 123; Total Vermonters Impacted: 2706 |
|--------------------------|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accountable Health Communities | Research and design feasibility. | Financial standards, care standards, quality measures, analyses for design and implementation, stakeholder engagement. | Lead(s): Heidi Klein, Jim Westrich  
Contractors: Bailit Health Purchasing; Burns and Associates; Prevention Institute; TBD. | Contractor selected to engage in national research; contract executed. Findings delivered to SIM in June 2015. |
| Prospective Payment System – Home Health | Design PPS program for Home Health. | Financial standards, care standards, quality measures, analyses for design and implementation, stakeholder engagement. | Lead(s): TBD  
Contractors: Bailit Health Purchasing; Burns and Associates; Pacific Health Policy Group. | Legislation to support this effort passed in 2015. |
| Prospective Payment System – Designated Agencies | Submit planning grant application to SAMHSA. | Planning grant application. | Lead(s): Sarah Kinsler/TBD  
Contractors: Bailit Health Purchasing; Burns and Associates; Pacific Health Policy Group. | Planning grant application being drafted with contractor support in collaboration with various AHS departments and stakeholders; application due in August 2015. |
| All-Payer Model | Research feasibility, develop analytics, and obtain information to inform decision-making for negotiations with CMMI. | Financial standards, care standards, quality measures, analyses for design and implementation, stakeholder engagement. | Lead(s): Michael Costa/Ena Backus  
Contractors: Bailit Health Purchasing; Burns and Associates; Health Management Associates. | Negotiations between CMMI and SOV (led by AOA and GMCB) are in process. |
| State Activities to Support Model Design and Implementation – GMCB | Obtain information and identify regulatory components necessary to support APM regulatory activities. Plan as appropriate based on negotiations. | GMCB-specific regulatory activities. | Lead(s): Michael Costa/Ena Backus  
Contractors: Bailit Health Purchasing; Burns and Associates. | Contractor selected to support this work. |
State Activities to Support Model Design and Implementation – Medicaid
Pursue state plan amendments and other federal approvals as appropriate for each payment model (Year 2 SSP SPA, Year 1 EOC SPA); ensure monitoring and compliance activities are performed. Ensure beneficiaries have access to call-center as appropriate.

Medicaid-specific design and implementation activities (SPAs, etc.).

Lead(s): Alicia Cooper, Cecilia Wu
Contractors: Bailit Health Purchasing; Burns and Associates; Wakely Actuarial.

- Year 1 SSP State Plan Amendment approved in June 2015.
- Year 2 SSP State Plan Amendment draft to be developed in Summer 2015.
- Beneficiary call-center is operational.

Care Delivery and Practice Transformation

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| Learning Collaboratives Offer at least two cohorts of Learning Collaboratives to 3-6 communities. | Design and launch at least two cohorts of learning collaboratives: in-person meetings, webinars, core competency components. At least 6 in-person meetings/year; at least 6 webinars/year. | Lead(s): Erin Flynn, Pat Jones  
Contractors: Nancy Abernathy; Bailit Health Purchasing; Deborah Lisi-Baker; Pacific Health Policy Group; Vermont Program for Quality Health Care; TBD – Conference Activities; TBD – Core Competency Training; TBD – Learning Collaborative Facilitators; TBD – UVM. | - First Learning Collaborative cohort launched in 3 communities in November 2014; participants have convened for three in-person learning sessions and three webinars, as well as regular local meetings to support work.  
- Planning for additional Learning Collaborative cohorts is underway, with funds approved by the Core Team.  
- Planning to support development of core competency training is underway (collaboration between SiM Care Models & Care Management and DLTSS Work Groups). |
| Sub-Grant Program – Sub-Grants Continue sub-grant program; convene sub-grantees at least once; use lessons from sub-grantees to inform project decision-making. | 14 sub-grants to 12 grantees. | Lead(s): Joelle Judge and Jessica Mendizabal  
Contractors: 12 sub-grantees; Pacific Health Policy Group; University of Massachusetts. | - The sub-grant program is ongoing.  
- Sub-grantees continue to report on activities and progress.  
- All sub-grantees convened in Montpelier on May 27, 2015, for a Symposium. |
| Sub-Grant Program – Technical Assistance Provide technical assistance to sub-grantees as requested by sub-grantees. | 5 technical assistors. | Lead(s): Sarah Kinsler  
Contractors: Bailit Health Purchasing; Policy Integrity; Truven Health Analytics; Vermont Program for Quality Health Care; Wakely Actuarial. | - Sub-grantee technical assistance contracts are executed; contractors are available for technical assistance as requested. |
Regional Collaborations
Establish 14 regional collaborations, each including a Charter, governing body, and decision-making process.

Establishing regional collaborations that unite Blueprint, ACO, and other local delivery organizational structures. **Lead(s):** Erin Flynn, Pat Jones
**Contractors:** Bi-State Primary Care Association/Community Health Accountable Care; Pacific Health Policy Group; UVM Medical Center/OneCare Vermont.

- Unified Regional Collaboratives are established in each of the State’s 14 Health Service Areas.

Workforce – Care Management Inventory
Obtain snapshot of current care management activities, staffing, people served, and challenges.

Care Management Inventory Survey. **Lead(s):** Erin Flynn
**Contractors:** Bailit Health Purchasing.

- Care Management Inventory Survey was administered in 2014.
- Results were presented to the SiM Care Models & Care Management Work Group in February 2015.

Workforce – Demand Data Collection and Analysis
Obtain micro-simulation demand model to identify future workforce resource needs.

Demand data collection and analysis. **Lead(s):** Amy Coonradt
**Contractors:** TBD.

- An RFP for this work was released in January 2015; DVHA received 5 responses. DVHA expects to select a contractor in August 2015.

Workforce – Supply Data Collection and Analysis
Use supply data (licensure and recruitment) to inform workforce planning and updates to Workforce Strategic Plan.

Supply data collection and analysis. **Lead(s):** Matt Bradstreet, Amy Coonradt
**Contractors:** N/A.

- The Vermont Department of Health has hired additional staff to develop and administer surveys to accompany provider re-licensure applications, and perform analysis on licensure data and develop provider reports on various health care professions.
- Results are expected in Summer 2015.

Health Data Infrastructure

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| Expand Connectivity to HIE – Gap Analyses | Gap analyses – Payment Model Measures, LTSS, and mental health providers. | **Lead(s):** Steve Maier, Georgia Maheras
**Contractors:** H.I.S. Professionals; Vermont Information Technology Leaders. | • SIM HIE/HIT Work Group working with VITL and three ACOs to perform a gap analysis of member providers and their ability to contribute data for quality measures and analysis through the HIE.
• SIM HIE/HIT Work Group received an LTSS Technology Assessment Report. |
| **Expand Connectivity to HIE – Gap Remediation** | Gap remediation for data elements that flow through the VHIE – Payment Model Measures, LTSS, and mental health providers. | **Lead(s):** Georgia Maheras, Steve Maier  
**Contractors:** H.I.S. Professionals; Pacific Health Policy Group; Vermont Information Technology Leaders. | • VITL contract in place to remediate gaps identified in ACO gap analysis to connect member providers and improve data quality for those providers. 
• The HIE/HIT Work Group is evaluating next steps based on the receipt of the LTSS Technology Assessment. |
| **Expand Connectivity to HIE – Data Extracts from HIE** | Data extracts from the HIE. | **Lead(s):** Richard Slusky, Georgia Maheras  
**Contractors:** Vermont Information Technology Leaders. | • Gateway for data feeds in place for OneCare Vermont; VITL contract in place to create a data feed for CHAC. |
| **Improve Quality of Data Flowing into HIE** | Data quality improvement. | **Lead(s):** Steve Maier, Georgia Maheras  
**Contractors:** Behavioral Health Network; Bi-State Primary Care Association/Community Health Accountable Care; H.I.S. Professionals; UVM Medical Center/OneCare Vermont; Vermont Information Technology Leaders. | • VITL contract in place includes a Terminology Services project to provide services to translate clinical data sets submitted to the HIE into standardized code sets. 
• VITL contract in place to work with providers and the ACOs to improve the quality of clinical data in the HIE for use in population health metrics within the Shared Savings Program. 
• Contracts with Vermont Care Network and VITL to improve data quality and work flows at Designated Mental Health Agencies. |
| **Telehealth – Strategic Plan (Year 2 Only)** | Strategic plan. | **Lead(s):** Sarah Kinsler  
**Contractors:** JBS International. | • Contractor selected. 
• Telehealth Strategic Plan and draft Scope of Work for Telehealth Implementation RFP due to DVHA in July and on track for delivery on that date. |
| **Telehealth – Implementation** | Program implementation. | **Lead(s):** Sarah Kinsler  
**Contractors:** TBD – Telehealth Pilots. | • Draft Scope of Work for Telehealth Implementation RFP due to DVHA in July. 
• RFP for pilot projects to be released later in Summer 2015; 12-month pilot period expected to begin in Fall 2015. |
| **EMR Expansion** | Implement EMRs or EMR-type systems. (Could include a design component.) | **Lead(s):** Georgia Maheras  
**Contractors:** ARIS; Vermont Information Technology Leaders/Vermont Department of Mental Health. | • The VITL contract, Vermont Care Network contract, and ARIS Solutions contract support procurement of an EMR solution for five Specialized Service Agencies. 
• LTSS Technology Assessment Report identified non-MU providers that could be targeted for EMR expansion in Years 2 & 3. 
• VITL contract with the Department of Mental Health to support procurement of the EMR system for the State’s new hospital. |
| Data Warehousing | Design and implement data registries and warehouses. | Lead(s): Georgia Maheras  
Contractors: Behavioral Health Network; H.I.S. Professionals; Stone Environmental; Vermont Information Technology Leaders; TBD. | • Vermont Care Network is working on behalf of DA & SSAs to develop a behavioral health-specific data repository, which will to aggregate, analyze, and improve the quality of the data stored within the repository and to share extracts with appropriate entities.  
• More work to come later in 2015. |
| Care Management Tools | Discovery, design, and implementation of care management tools. | Lead(s): Erin Flynn and Sarah Kinsler (Shared Care Plan/Universal Transfer Protocol); Richard Slusky (Event Notification System)  
Contractors:  
Shared Care Plan/Universal Transfer Protocol: Bailit Health Purchasing; im21; Vermont Information Technology Leaders; TBD.  
Event Notification System: Vermont Information Technology Leaders; TBD. | • Contractor performed discovery and drafted a Universal Transfer Protocol charter in 2014 and early 2015. (Shared Care Plan/Universal Transfer Protocol)  
• Integrated Care Management Learning Collaborative Cohort 1 communities requested shared care planning tools. (Shared Care Plan/Universal Transfer Protocol)  
• Universal Transfer Protocol and Shared Care Plan projects have merged. New project, SCÜP, currently in discovery and design phase. (Shared Care Plan/Universal Transfer Protocol)  
• State of Vermont is working with VITL to procure Event Notification System. Bidder demonstrations are complete. (Event Notification System) |
| General Health Data – Data Inventory | Data inventory. | Lead(s): Sarah Kinsler  
Contractors: Stone Environmental. | • Contractor selected and contract executed; work on hold pending federal approval.  
• Work on data inventory is nearly complete. |
| General Health Data – HIE Planning | HIE planning. | Lead(s): Sarah Kinsler  
Contractors: Stone Environmental. | • Contractor selected; pending federal approval. |
Contractors: Stone Environmental; TBD. | • IT-specific support to be engaged as needed.  
• Enterprise Architect, Business Analyst and Subject Matter Experts identified to support the design phase of SCÜP. |
## Evaluation

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<tr>
<td><strong>Self-Evaluation Plan and Execution</strong>&lt;br&gt;Design Self-Evaluation Plan; engage in Year 2 activities as identified in the plan.</td>
<td>Design and implement Self-Evaluation Plan.</td>
<td>Lead(s): Annie Paumgarten&lt;br&gt;Contractors: Impaq International.</td>
<td>• Self-evaluation contractor selected.&lt;br&gt;• Draft self-evaluation plan submitted to Core Team and GMB in June 2015. On track for final plan by 6/30/15.</td>
</tr>
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| **Surveys**<br>Conduct annual patient experience survey and other surveys as identified in payment model development. | Patient experience surveys and others. | Lead(s): Pat Jones, Jenney Samuelson<br>Contractors: Datastat. | • Patient experience surveys for the patient-centered medical home and shared savings program fielded for 2014. Anticipate fielding Patient experience surveys annually for these programs. |

| **Monitoring and Evaluation Activities Within Payment Programs**<br>Conduct analyses as required by payers related to specific payment models. | Monitoring by payer and by program to support program modifications. | Lead(s): Cecilia Wu, Richard Slusky<br>Contractors: Bailit Health Purchasing; Burns and Associates; The Lewin Group; TBD. | • Ongoing monitoring and evaluation by SOV staff and contractors occurring as needed. |

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## General Program Management

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<tr>
<td><strong>Project Management and Reporting – Project Organization</strong>&lt;br&gt;Ensure project is organized.</td>
<td>Project organization.</td>
<td>Lead(s): Georgia Maheras&lt;br&gt;Contractors: Coaching Center; University of Massachusetts.</td>
<td>• Project management contract in place to support project organization and reporting.</td>
</tr>
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</table>

| **Project Management and Reporting – Communication and Outreach**<br>Engage stakeholders in project focus areas. | Communication and outreach. | Lead(s): Christine Geiler, Amanda Ciecior<br>Contractors: PDI Creative; University of Massachusetts. | • Contractor selected; presented to SIM in Spring 2015; work on hold pending federal contract approval. |