

## AGENDA

Health Care Workforce Transformation Fund  
Advisory Board  
May 14, 2013  
10:00 a.m. to 11:30 a.m.

*Commonwealth Corporation  
2 Oliver Street, Fifth Floor  
Boston, MA 02109*

1. Welcome/Introductions - Secretary Goldstein
2. Overview of the Health Care Workforce Transformation Fund Advisory Board legislative mandate and focus - Secretary Goldstein
3. Discuss input provided to date to inform funding decisions - Secretary Goldstein
4. Update on the activity of the Health Policy Commission – David Seltz
5. Review Planning Grant funding option - Nancy Snyder
6. Wrap Up and Next Steps – Secretary Goldstein

Health Care Workforce Transformation Fund  
Advisory Board  
December 16, 2013  
10:00 a.m. to 11:30 a.m.

*Commonwealth Corporation  
2 Oliver Street, Fifth Floor  
Boston, MA 02109*

1. Welcome/Introductions - Secretary Goldstein
2. Update on the Health Care Workforce Transformation Fund Planning Grant  
- Secretary Goldstein
3. Update on the activity of the Health Policy Commission - David Seltz
4. Update on Department of Public Health Grant - Ned Robinson-Lynch
5. Update on Massachusetts e-Health Institute funding and workforce activity  
- David Bryant
6. Announcements - Advisory Board Members
7. Closing Comments - Secretary Goldstein

# Health Policy Commission

Healthcare Workforce Transformation Fund  
Advisory Group

December 16, 2013



# Health Policy Commission: At a glance

## Who we are

The Massachusetts Health Policy Commission is an independent state agency governed by an 11-member board with diverse experience in health care.

## Mission

Our mission is to promote informed dialogue, evidence-based policy, and innovative models to foster transformation through ongoing evaluation of the Massachusetts health care system.

## Vision

Our vision is a transparent, accountable health care system that ensures quality, affordable, and accessible health care for the Commonwealth's residents.

# Chapter 224 establishes the HPC

Governor

Attorney General

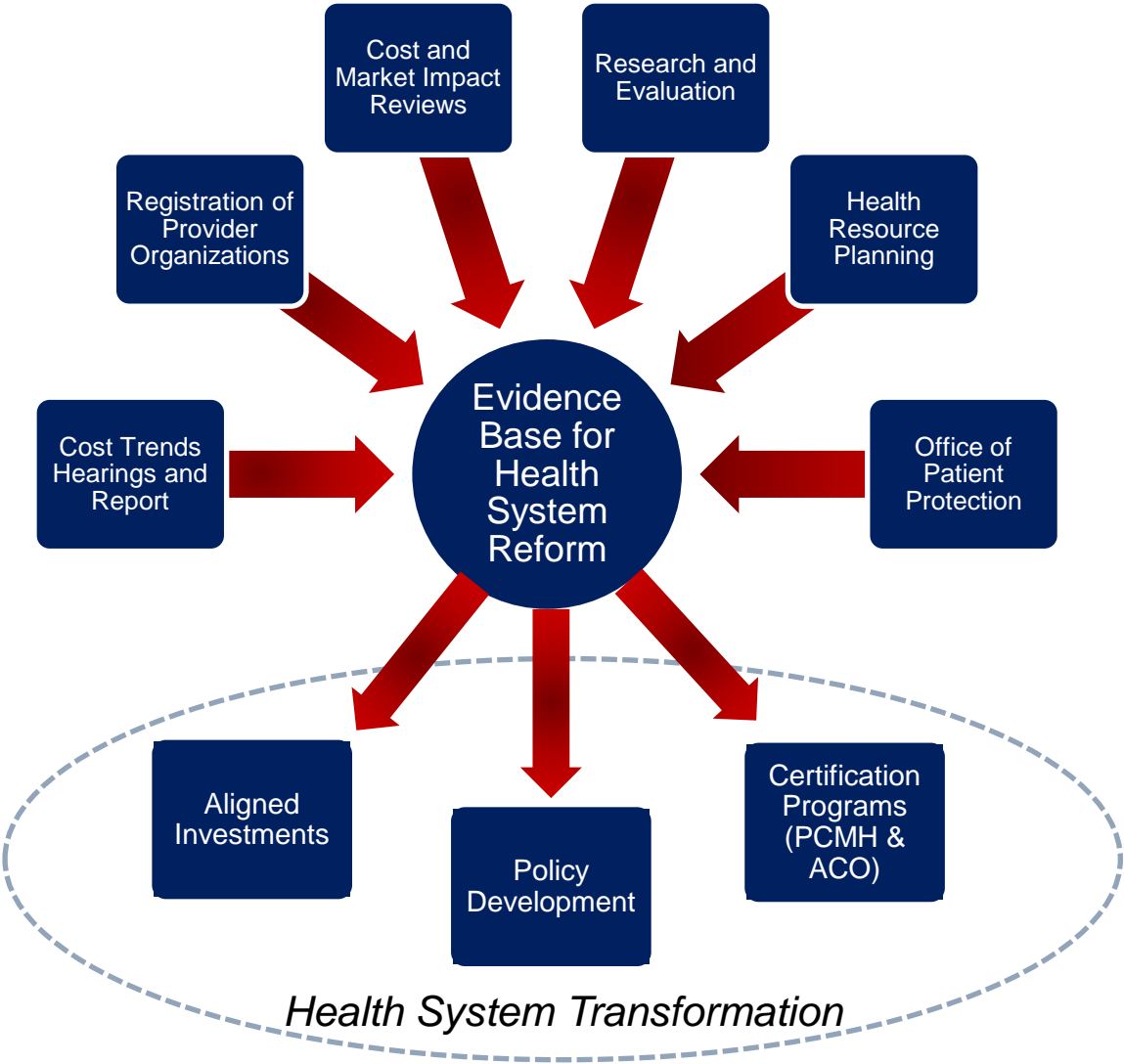
State Auditor

Health Policy Commission Board  
*Dr. Stuart Altman, Chair*

Executive Director

HPC Staff

# The HPC Cycle: data in, programs and policy out



# HPC milestones

The first meeting of the Health Policy Commission was held on November 17, 2012. Since then, the HPC has moved quickly to meet its statutory requirements:

## Public Meetings

- Held 9 commission meetings, with our final scheduled for December 18, 2013. Divided the commission into four policy committees.
- Held 29 committee meetings, with 2 more scheduled today.
- Held 3 advisory council meetings.
- Generated significant public attendance at all meetings.

## Implementation Milestones

- Established the health care cost growth benchmark for calendar years 2013 and 2014 (3.6%).
- Published a report on consumer-driven health plans in March, 2013.
- Issued guidance on the prohibition of mandatory nurse overtime.
- Transferred the Office of Patient Protection from DPH in April, 2013.
- Administered the first year's collection (\$72M) of a one-time \$225M industry assessment.
- Began receiving and reviewing providers' notices of material change. Initiated four cost and market impact reviews.
- Initiated first analysis of the all-payer claims database to inform cost trends work.
- Held the HPC's first annual hearing on health care cost trends.

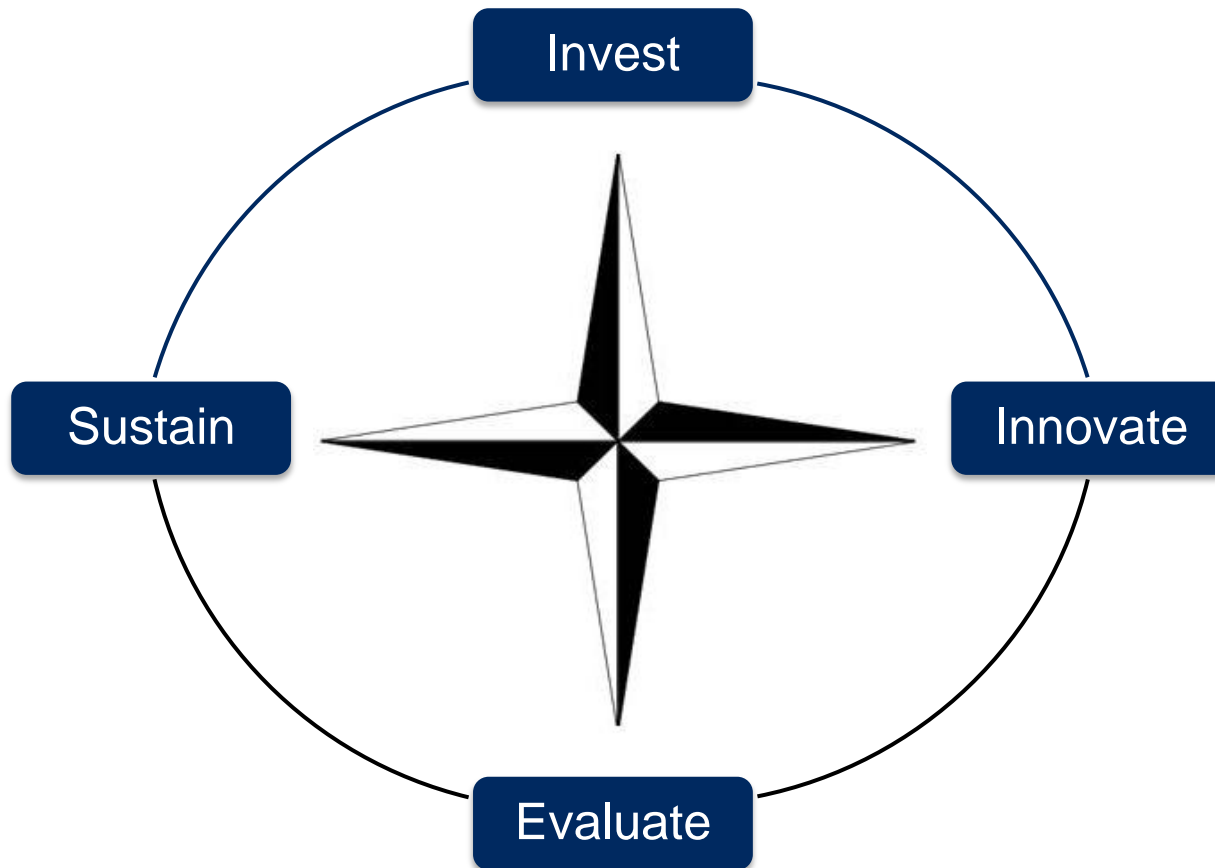
## Ongoing HPC responsibilities

- Promote the adoption of new delivery system models through a certification program for patient-centered medical homes and accountable care organizations
- Examine significant changes in the health care marketplace and their potential impact on cost, quality, access, and market competitiveness
- Monitor health care cost growth in the Commonwealth and drivers therein
- Enhance the transparency of health care cost and quality information for the benefit of purchasers (consumers and businesses)
- Make investments in the Commonwealth's community hospitals to establish the foundation necessary for sustainable system transformation



## Community Hospital Acceleration, Revitalization, and Transformation

*Charting a course for the right care at the right time in the right place*

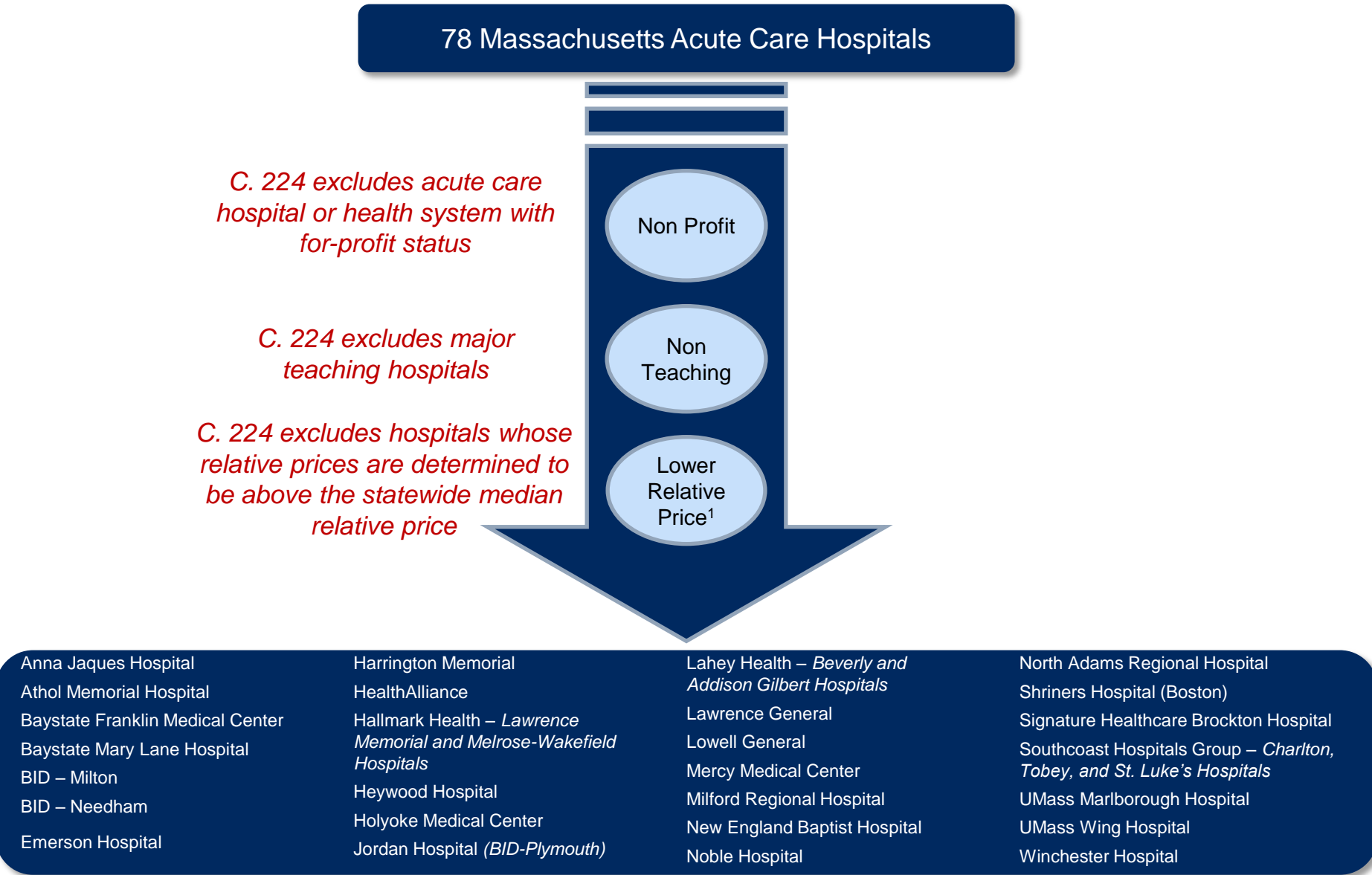


# CHART: Community Hospital Acceleration, Revitalization, and Transformation

Overview of CHART Investments	Primary Goals
<ul style="list-style-type: none"><li>▪ Funded by the one-time assessment on payers and select providers</li><li>▪ Total amount of \$119.08M<ul style="list-style-type: none"><li>— \$128.25M, less \$9.17M provided in mitigation to qualifying acute hospitals</li></ul></li><li>▪ Unexpended funds may to be rolled over to following year and do not revert to General Fund</li><li>▪ Competitive proposal process to receive funds</li><li>▪ Strict eligibility criteria: ~25-30 eligible community hospitals<ul style="list-style-type: none"><li>— Non-teaching, non-profit, low relative price</li></ul></li><li>▪ Phased allocation process, beginning with a small (~\$10M) opportunity in Fall 2013<ul style="list-style-type: none"><li>— 31 eligible hospitals for Phase 1</li></ul></li></ul>	<ul style="list-style-type: none"><li>▪ Promote efficient, effective, integrated care delivery</li><li>▪ Improve quality and patient safety while reducing costs</li><li>▪ Develop capacity to become an accountable care organization</li><li>▪ Advance adoption of health information technology and the electronic exchange of information between providers</li><li>▪ Increase capacity to bear risk and adopt alternative payment methodologies</li></ul>

*Achieve sustainable, scalable interventions that benefit communities*

# CHART Phase 1 Hospital Eligibility, as determined by Chapter 224 of the Acts of 2012

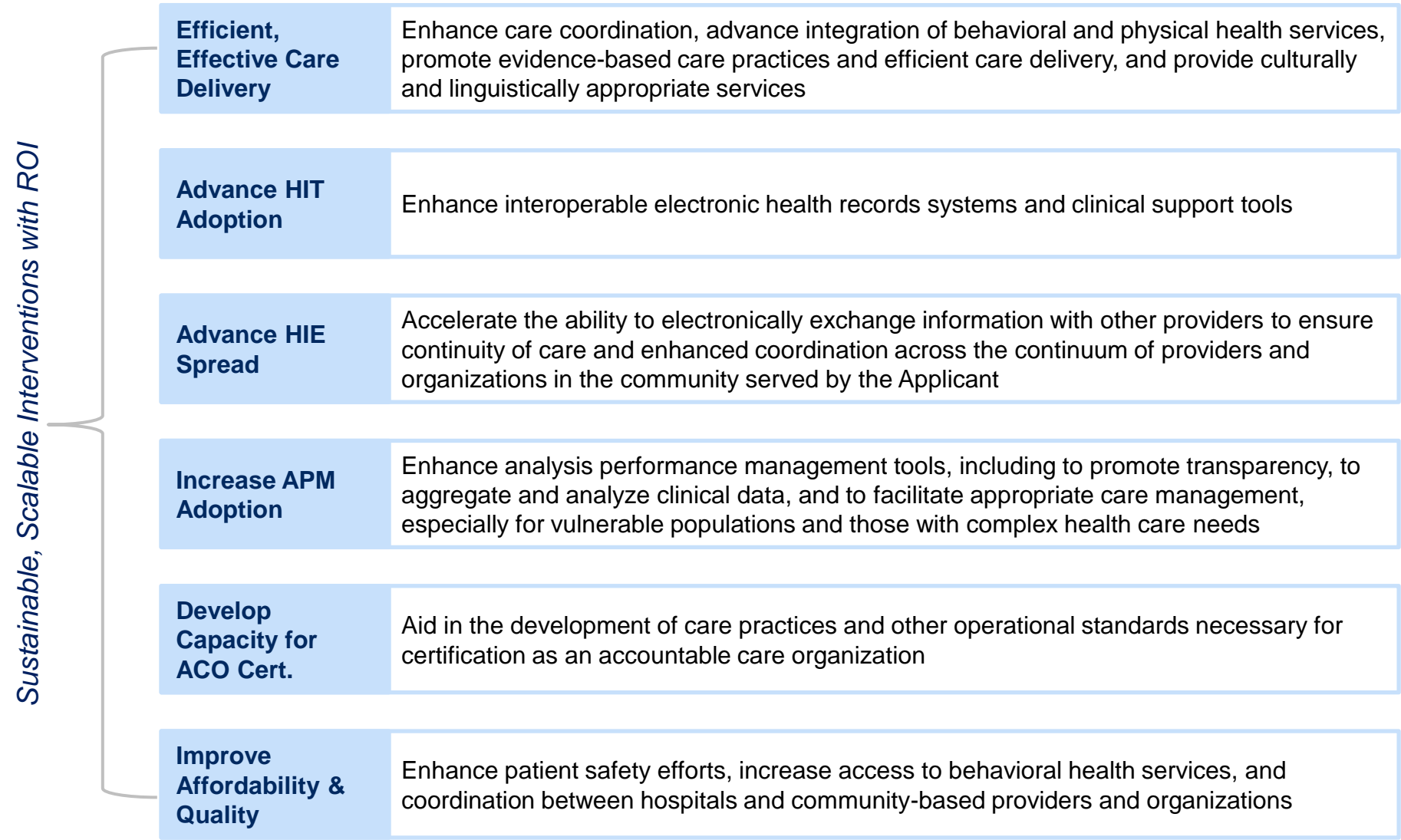


<sup>1</sup>A weighted average of relative prices (by payer mix) was calculated using 2011 and 2012 data from the Center for Health Information and Analysis for all commercial payers, Medicare Advantage, and all MMCOs. This eligibility list is valid for Phase 1 only.

# Alignment with investments across agencies and programs



# Six regulatory goals for CHART investments



# Phase 1 includes foundational activities leading to Phase 2

## Phase 1: Fall 2013 – Foundational Activities to Prime System Transformation

- \$10 million total opportunity with many eligible hospitals receiving funds
- Short term, high-need expenditures
- Participation not requisite for receipt of Phase 2 funds nor a guarantee of Phase 2 award
- Identified need to assess capability and capacity of participating institutions
- Opportunity to develop engagement and foster learning

## Phase 2: Spring 2014 – Driving System Transformation

- Deeper investment in limited set of hospitals – competitive application process
  - Multi-year, system or service line transformations in Commission-identified areas of focus
  - Testing models of system transformation
- Multiple potential funding models tailored to a variety of institutional needs/settings
- Close engagement between awardees and HPC

*Ongoing program development*

QI, Collaboration, and Leadership Engagement  
Measurement & Evaluation  
HPC Partnership with Awardees

# CHART Framework – driving to deep investment in Phase 2

## Phase 1: Approach

- **Pathway A: Rapid-cycle pilots**
  - < 6 month model testing
- **Pathway B: Capability and capacity development**
  - Infrastructure
  - Training
  - Personnel investment
- **Pathway C: Planning**
  - Strategic / operational planning

## Phase 1: HPC Operations

- **HPC partnership with awardees**
  - QI, efficiency, collaboration, and leadership engagement
  - Capability, capacity, and culture assessment and development
  - Data capacity development
  - Building learning environments
- **Early evaluation**

## Phase 2: Spring 2014 – Driving System Transformation

- **Behavioral Health, e.g.:**
  - ED boarding
  - Inpatient treatment of SA
  - BH integration
- **Care Coordination and Care Transitions, e.g.:**
  - Readmission/preventable hospitalization reduction
  - Hot-spotting/PHM
- **Service Line Efficiency, e.g.:**
  - OB/GYN
  - ICU/Med-Surg
  - Resource stewardship

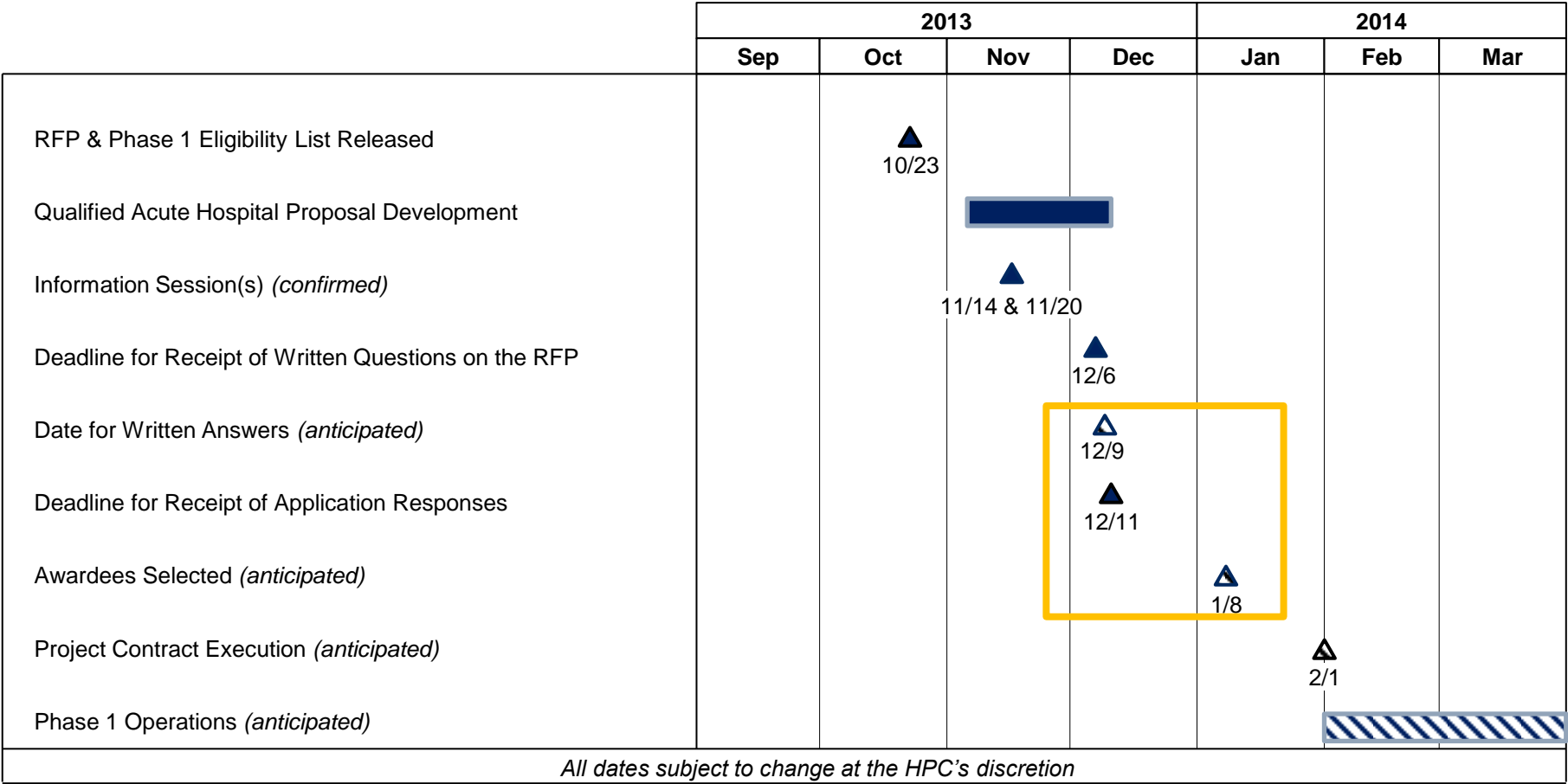
# ***Foundational Investments to Prime System Transformation***

## **Goals of Phase 1**

- Invest in core activities necessary for eligible hospitals to be able to engage in meaningful transformation efforts in the future, including three models for award:
  - Pathway A – rapid-cycle pilots
  - Pathway B – capability and capacity development
  - Pathway C – strategic and operational planning
- Develop working knowledge of each Awardees current state, including needs, challenges, and opportunities, to better inform the ongoing development of future phases of the CHART program
- Maximize potential for meaningful and sustainable impact



# CHART Phase 1 Anticipated Timeline



## Upcoming HPC activities

- Issue annual cost trends report.
- Issue cost and market impact review report on Partners-South Shore Hospital.
- Issue regulations on the registration of provider organizations.
- Distribute the first round of community hospital grants.
- Finalize program design and evaluation plan for phased implementation of patient-centered medical home certification.
- Develop program for certification of accountable care organizations.
- Develop innovation investment program.
- Support DPH statewide health resource planning efforts.
- Revise Office of Patient Protection regulations consistent with ACA.
- Release second report on consumer-driven health plans.

## Contact us

For more information about the Health Policy Commission:

- Visit us: <http://www.mass.gov/hpc>
- Follow us: [@Mass\\_HPC](#)
- E-mail us: [HPC-Info@state.ma.us](mailto:HPC-Info@state.ma.us)