
June 10, 2016

State of Oklahoma:

Thank you for the original submission of the State Health System Innovation Plan (SHSIP) and appendices for the SIM Model Design Cooperative Agreement on March 31, 2016. Also, thank you for submitting an updated SHSIP and appendices on April 28, 2016.

In reviewing your submission, we have found that the State has provided the requested documentation and information to meet with the requirements outlined in the SHSIP Guidance. Below is a summary of the State Innovation Models Team's (SIM) assessment of your SHSIP's strengths and areas for improvement.

Overall Feedback for OK:

Overall, the timeline, project milestones and deliverables, and health care delivery and payment transformation models seem to be appropriate and well aligned with the SIM initiative and the FOA requirements. The updated SHSIP and appendices provides a more thorough description of the State's SIM Design proposed models of care and transformation beyond the SIM project.

Vision for Transformation

Strengths: The SHSIP describes a holistic transformation plan and ensures connections between various plan components. The State's plan seeks to reward health care providers for better care, smarter spending, and healthier people through higher quality, instead of quantity of services by utilizing value-based purchasing across public and private payers. The SHSIP provides a well-detailed description of the proposed value-based models of care. This is consistent with SIM goals and the Triple Aim.

Authority Employed

Strengths: The SHSIP adequately describes plans to leverage state initiatives, such as the Regional Care Organizations, to accomplish health care delivery system and payment transformation. The SHSIP adequately describes the various current Medicaid 1115 and 1915c waivers and demonstration projects operated within the State.

Broad Multi-Payer Commitment

Strengths: The SHSIP outlines a plan and has clearly described how the State is working towards achieving multi-payer participation and alignment with SIM efforts. The SHSIP goes beyond a Medicaid-centric approach by engaging a diverse group of payers (i.e., Accountable Care Organizations, Bundled Payments for Care Improvement Initiative, and Comprehensive Care for Joint Replacement).

Description of State Health Care Environment

Strengths: The SHSIP provides sufficient detail at identifying the number of health care providers and enrollees in rural and urban counties statewide. The SHSIP identifies the number of current health care

facilities in the State. The SHSIP adequately describes the payers with more than 5% of market share and the number of members they cover.

Report on Stakeholder Engagement and Design Process Deliberations

Strengths: The SHSIP adequately describes how stakeholders will be engaged in the SHSIP moving beyond the design period. The SHSIP clearly articulates which stakeholders are given a say in the final shape of the plan and who authorized the final document. Also, the SHSIP shows the participation of a variety of stakeholder engagement organizations, with the particular involvement of tribal entities, consumers and patient advocates in this process. This could provide an invaluable source of stakeholder feedback given that the ultimate impact of the proposed health care delivery and payment transformation models will affect these target populations.

Areas for Improvement: While the SHSIP states that the stakeholder disagreements were taken to the Executive Steering Committee and were resolved by the Committee Chair, the SHSIP should provide additional detail as to what the disagreements were concerning and how the Committee Chair resolved them.

Health System Design and Performance Objectives

Strengths: The SHSIP provides adequate justification as to how the State plans to support greater linkages with primary and preventative care and community-based and social services, by establishing realistic goals, objectives, and strategies. The integration of the population health goals is key in addressing the State's top chronic diseases, key risk factors, and ways to improve these health outcomes. The role of hospitals is clearly articulated in the proposed transformation initiatives. Also, the SHSIP adequately describes the range of sectors involved in the plan beyond traditional health care delivery.

Value-Based Payment and/or Service Delivery Model

Strengths: The SHSIP describes how it aims to transition 80% of payments from a fee-for-service payment to alternative payment arrangements by 2020. The State's collaboration with The Health Care Payment and Learning Action Network will be key as the State moves beyond the SIM Design award to continue to progress towards payment reform. The SHSIP provides a detailed description of the value-based reimbursement models that will be utilized, the providers and population that would be impacted by these proposed models, the phases of payment and reimbursement, provider risks, and incentive payments. Establishing the various governing boards within the proposed models will be key in ensuring that key stakeholder participation continues beyond SIM, especially among special populations such as the Native American and tribal entities. In addition, the State plans to implement quality and population health measures to align with Merit-Based Incentive Payment System (MIPS) and Alternative Payment Models (APMs) through the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA).

Plan for Health Care Delivery System Transformation

Strengths: The SHSIP describes a holistic transformation plan and ensures connections between various components within the plan. The phased approach to transformation provides a detailed description as to how the foundation to value-based care will be established, how episodes of care will be enhanced, and how regional care organizations will be implemented.

Plan for Improving Population Health

Strengths: The SHSIP clearly describes the State's plan for addressing the most prevalent disease and social determinants of health. The State provides clear justification on the population health strategies that will be utilized to positively impact these populations. The SHSIP provides a well-detailed description of the assessments of health disparities (i.e., cancer, heart disease, stroke, hypertension,

chronic lower respiratory diseases, diabetes, behavioral health, and other contributing lifestyle factors) that have contributed to the high cost and disease burden on the State. Also, the State provided an initial assessment of social determinants of health such as gaps in access to care and health disparities by County. The State describes in detail the health disparities facing the American Indian population and current initiatives to combat these issues.

The State has a plan for leveraging existing Population Health Needs Assessments to inform their SIM project in order to make health improvements to specific populations and statewide. Lastly, the State provides strategies for addressing high priority areas and gaps such as: the role of Community Care Organizations, alignment of quality measures across providers, stakeholder workgroups, etc. Under the SIM project, there will be more patient-centered clinical care and community care coordination, as opposed to traditional medical care. The new model will, also, have an emphasis on behavioral health screenings for clinical depression and substance abuse disorders. The implementation of public health policies will, also, be key in providing overall health improvement change across the State. The SHSIP adequately describes current policies, such as the Tobacco Settlement Endowment Trust Community Grants and Certified Healthy.

In addition, the SHSIP State has described in detail and has a great number of current best practices and innovative payment and care delivery models that can be leveraged through the SIM project such as, ACOs, CPCI, BPCI, FQHCs, PCMH, etc. Also, the State provided an adequate description of current quality measures that are best practices in which providers should adopt to improve the overall health of their population.

Areas for Improvement: The SHSIP should more clearly describe if there are plans to align or expand the current flag ships being funded under the State health department. The SHSIP should show coordination to enhance services, in order to avoid duplication of services. Some areas to consider is how this will be managed over time, what are the sustainability efforts, what is the training of providers, and will the State be developing a curriculum for Community Health Workers. Since the SHSIP is proposing a multi-payer practice system, the SHSIP should include more information as to how the training of providers will be scaled up (i.e., Oklahoma Works).

In addition, even though the SHSIP provides an example of chronic conditions (i.e., obesity, diabetes, hypertension, and tobacco use) by insurance payer, it should include the other high chronic disease areas described in their narrative, which have also contributed to high costs and disease burden (i.e., cancer, heart disease, stroke, chronic lower respiratory diseases, and behavioral health).

Health Information Technology

Strengths: In reviewing the detailed discussion of the HIE environment, the plans to address not only HIE but other infrastructure components, and the analytical work that has been done in support of developing an analytics engine, the SHSIP is complete from an HIT perspective. The Drivers are discussed, but no driver diagram was included with the SHSIP. From an HIT perspective, this is permissible and the Design state documentation does not require a diagram. The infrastructure items are mentioned as being part of the Health Information Network. This is sufficient recognition at this planning stage (per the Provider Directory, Master Person Index, and Patient-Provider Attribution). While not specifically mentioned, HIT risk is discussed in terms of what is missing (e.g., statewide governance) and plans to address identified gaps. Appendix E: Value Based Analytics Draft findings is a comprehensive discussion of roadmap options and decision elements to address the infrastructure for achieving an analytics engine. The layout of the HIT section is improved from the first SHSIP that was submitted and the discussion of population health improvement goals has been eliminated, which was found to be appropriate. Overall, the HIT component is a well-written plan and the State has made good

use of their resources in the process (per the HIE environmental scan and Value Based Analytics analysis).

Workforce Development Strategy

Strengths: The SHSIP clearly describes the data collection and analysis plan to enhance the health workforce within the State. The SHSIP addresses how the State plans to address the current supply and projections of future demand for the health workforce through the Workforce Workgroup. Developing an evidence-based plan for the coordination of telehealth services will be key in being able to reach out and provide more services to hard-to-reach, the most vulnerable, and high risk populations (i.e., rural areas, tribal entities, etc.). The SHSIP provides adequate information on the development of new residency and fellowship training programs in specialty areas and the collaboration with hospitals.

Areas for Improvement: While the SHSIP provides a plan to address the availability of an adequate and trained workforce within the State, it should provide a detailed description as to how this plan would work under the proposed models.

Alignment with Existing Initiatives

Strengths: The SHSIP adequately describes the proposed models and how they build on and support the rollout of existing reform initiatives.

Financial Analysis

Strengths: The SHSIP adequately describes the projected expenditures and forecasted analyses planned to ensure that the proposed models show cost savings and potential for a return on investments.

Monitoring and Evaluation Plan

Strengths: The SHSIP adequately describes the rapid cycle learning methods for self-evaluation to inform the Regional Care Model (RCOs) implementation efforts for continuous improvement. The SHSIP addresses how challenges in implementation will be captured and course correction to overcoming barriers by the external evaluator. Also, there are comprehensive evaluations focusing on longer term outcomes and accomplishments evaluations. Overall, the Plan provides an adequate description of the plan to monitor performance reporting, continuous improvement, and evaluation.

Areas for Improvement: While the SHSIP focuses on the rapid cycle learning methods for RCOs, there's no justification as to why the same focus is not being implemented for the other proposed models such as the Multi-Payer Episodes of Care and Multi-Payer Quality Metrics. Implementing rapid cycle learning methods for these other proposed models of care should, also, be considered.

Operational Plan

Strengths: The proposed Plan seems to translate to specific, concrete actions, and are implementable. The SHSIP provides a detailed roadmap, milestones, and activities describing the scale up strategy and proposed timeframes of each component of the plan roll out. Also, the timelines seems appropriate. Lastly, a plan for financial sustainability beyond SIM is key. The SHSIP provides an adequate description of the various funding mechanisms the State may explore.

Areas for Improvement: The SHSIP should provide additional information on how the Operational Plan could be impacted given this timeframe and possible ways to overcome potential challenges. Even though each activity seems to be implementable, some activities may take longer to implement than others. Also, the financial sustainability component of the Plan should provide more description as to how model implementation efforts will be sustained over time if the key staff who will be initiating these activities, will be ramped down or eliminated eventually.

Keep this notice with your records to document that the Awardee is in compliance with the programmatic implementation requirement to submit a State Health System Innovation Plan.

Regards,

Trista N. Chester
Project Officer