Better, Smarter, Healthier

Delivery System Reform

Presentation to the Health IT Policy Committee

March 10, 2015

U.S. Department of Health and Human Services
Agenda

Overview of Delivery System Reform Initiative Recent
Announcements on Delivery System
Reform
Next Steps
A health system that provides better care, spends dollars more wisely, and has healthier people

<table>
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<th>Focus Areas</th>
<th>Description</th>
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| Pay Providers     | - Promote value-based payment systems  
- Test new alternative payment models  
- Increase linkage of Medicaid, Medicare FFS, and other payments to value  
- Bring proven payment models to scale  
- Align quality measures |
| Deliver Care      | - Encourage the integration and coordination of clinical care services  
- Improve individual and population health  
- Support innovation including for access |
| Distribute Information | - Bring electronic health information to the point of care for meaningful use  
- Create transparency on cost and quality information  
- Support consumer and clinician decision making |

Source: Burwell SM. Setting Value-Based Payment Goals — HHS Efforts to Improve U.S. Health Care. NEJM 2015 Jan 26; published online first.
Recent Announcements on Delivery System Reform
Transforming Clinical Practice Initiative (TCPI)

• Launched in October 2014

• Designed to support 150,000 clinicians achieve large-scale health transformation

• Will invest up to $800 million in providing hands-on support to practices for developing the skills and tools needed to improve care delivery and transition to alternative payment models

• Two network systems under this initiative: Practice Transformation Networks and the Support and Alignment Networks.
Practice Transformation in Action

Transforming Clinical Practice would employ a three-prong approach to national technical assistance.

- Aligned federal and state programs with support contractor resources
- Practice Transformation Networks to provide on the ground support to practices
- Support and Alignment Networks to achieve alignment with medical education, maintenance of certification, more

This technical assistance would enable large-scale transformation of more than 150,000 clinicians’ practices to deliver better care and result in better health outcomes at lower costs.
In January 2015, HHS announced goals for value-based payments within the Medicare FFS system

**Goals**
- Goal 1: **30%** of Medicare payments are tied to quality or value through alternative payment models (categories 3-4) by the end of 2016, and **50%** by the end of 2018
- Goal 2: **85%** of all Medicare fee-for-service payments are tied to quality or value (categories 2-4) by the end of 2016, and **90%** by the end of 2018

**Purpose**
- Set internal goals for HHS
- Invite private sector payers to match or exceed HHS goals

**Stakeholders**
- Consumers
- Businesses
- Payers
- Providers
- State and federal partners

**Next steps**
- Testing of new models and expansion of existing models will be critical to reaching incentive goals
- Creation of a Health Care Payment Learning and Action Network to align incentives
Target percentage of payments in ‘FFS linked to quality’ and ‘alternative payment models’ by 2016 and 2018
In January 2015, the Office of the National Coordinator for Health IT Released “A Shared Nationwide Interoperability Roadmap”

### A Ten Year Vision for the Nation:

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<tbody>
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<td>Nationwide ability to send, receive, find, use a common clinical data set</td>
<td>Expand interoperable data, users, sophistication, scale</td>
<td>Broad-scale learning health system</td>
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### Critical Near-Term Components and Actions in the Roadmap

#### Core technical standards and functions
- Publish available standards and implementation guidance and mandate use
- Refine standards for common clinical data set, CCDA, provenance, APIs

#### Certification to support adoption and optimization of health IT products and services
- Improve rigor of ONC’s certification program, including surveillance for market transparency and accountability
- Work with industry on suite of ongoing testing tools that enhance usability

#### Privacy and security protections for health information
- Educate industry on current laws
- Work with states to align laws that provide additional protections, without undermining privacy

#### Supportive business, clinical, cultural, and regulatory environments
- Evolve and align policy and funding levers to incentivize adoption of certified health IT and electronic information sharing according to national standards

#### Rules of engagement and governance
- ONC to establish governance framework with principles, rules of the roadmap, and process for recognizing organizations that align (certification mark)
- Call to action for industry to create coordinated process
Next Steps
What you can do

• Set organizational goals for payment, support innovation in care models, advance availability of information for providers and consumers

• Health Care Payment Learning and Action Network kick off meeting on March 25th

• Give feedback on the Nationwide Interoperability Roadmap and Interoperability Standards Advisory and adopt
Relevant Links

Medicare Payment Goals Announcement
- To read the press release from the announcement of Medicare payment reform goals: http://www.hhs.gov/news/press/2015pres/01/20150126a.html
- To read more about “why this matters” http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-01-26-2.html
- To contact the Learning and Action Network, please email: PaymentNetwork@cms.hhs.gov

Interoperability Roadmap
- To learn more about the Interoperability Roadmap: http://www.healthit.gov/policy-researchers-implementers/interoperability

Transforming Clinical Practice Initiative
- To learn more about the Transforming Clinical Practice Initiative: http://innovation.cms.gov/initiatives/Transforming-Clinical-Practices/
- To read the blog: http://www.hhs.gov/healthcare/facts/blog/2014/10/transforming-clinical-practice-initiative.html

Other Delivery System Reform Facts
- To learn more about facts and key accomplishments to date on better care, smarter spending, and healthier people: http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-01-26.html