

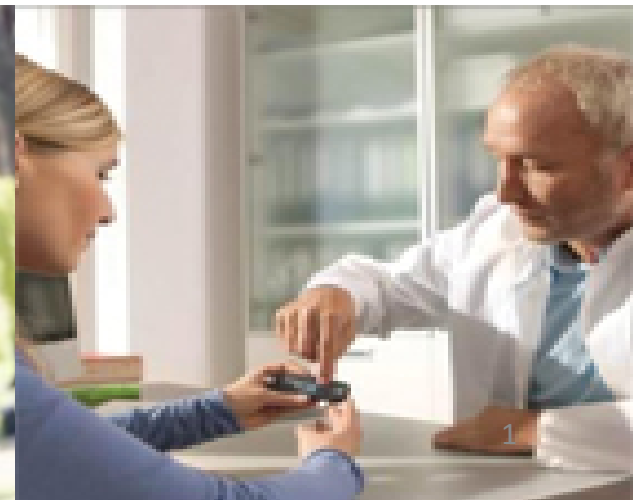
Better, Smarter, Healthier

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

Overview of Delivery System Reform Initiative

A health system that provides better care, spends dollars more wisely, and has healthier people

Focus Areas

Description

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

Recent Announcements on Delivery System Reform

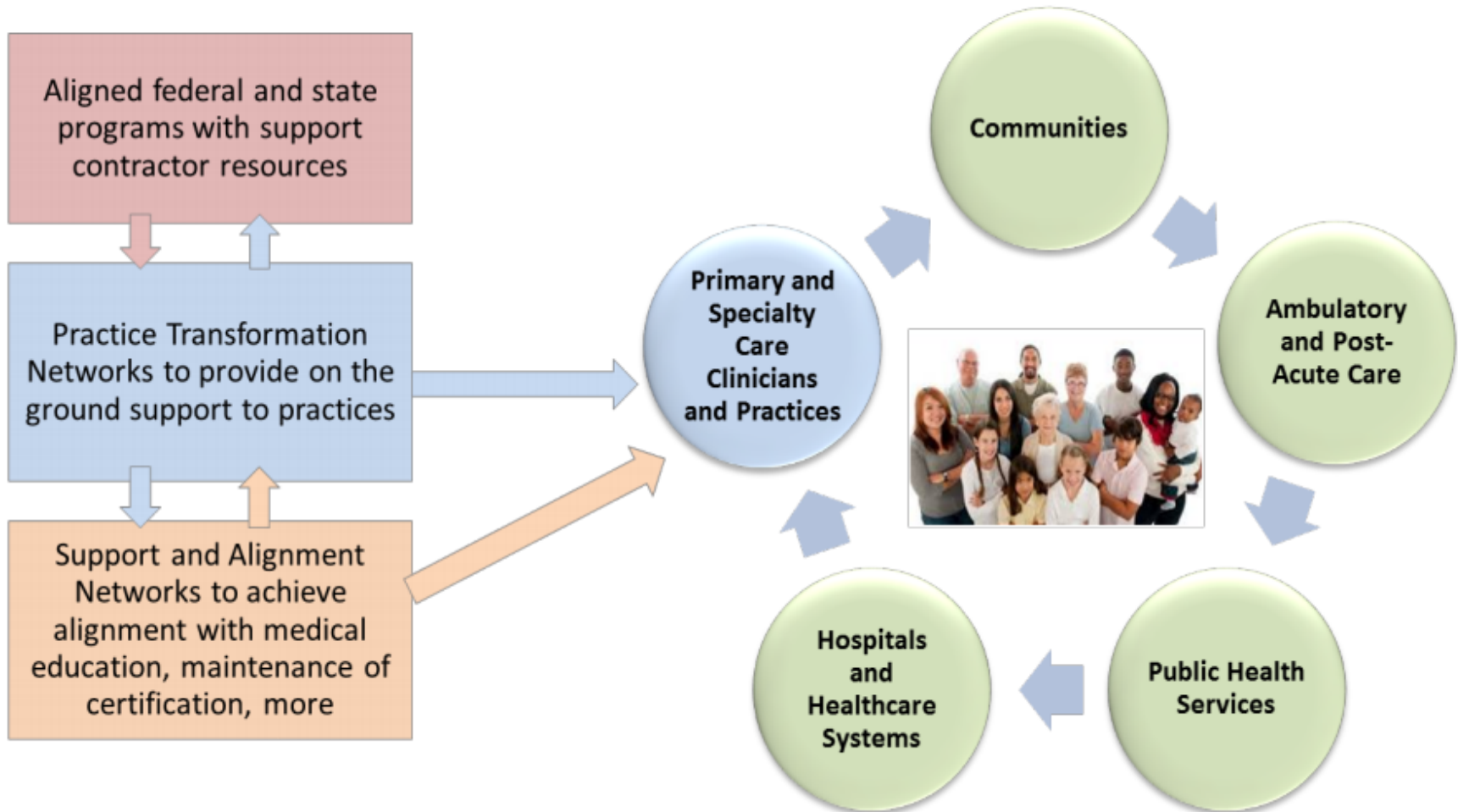
Transforming Clinical Practice Initiative (TCPI)

- 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.*

*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

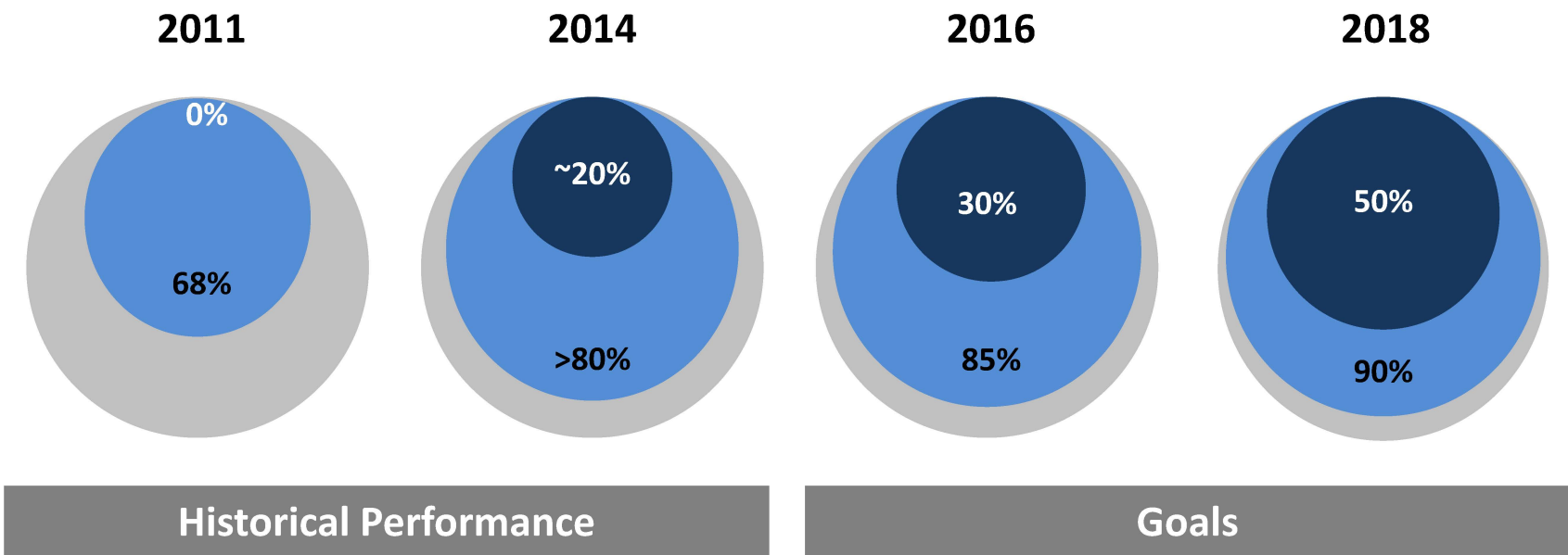
- Consumers
- Businesses
- Payers
- Providers
- State and federal partners

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

- Alternative payment models (Categories 3-4)
- FFS linked to quality (Categories 2-4)
- All Medicare FFS (Categories 1-4)



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:

2015 - 2017

Nationwide ability to send, receive, find, use a common clinical data set

2018 - 2020

Expand interoperable data, users, sophistication, scale

2021 - 2024

Broad-scale learning health system

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 a new Perspectives piece in the New England Journal of Medicine from Secretary Burwell on the goals announcement:
<http://www.nejm.org/doi/full/10.1056/NEJMp1500445>
- 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 read a fact sheet about the Medicare payment reform goals and Learning and Action Network:
<http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-01-26-3.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 press release:
<http://www.hhs.gov/news/press/2014pres/10/20141023a.html>
- 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>