

Transforming Health Care in Alaska

State of Alaska Agency Plans to Implement Recommendations of the Alaska Health Care Commission

Preliminary 1st DRAFT 11-22-13 DRAFT "Strawman"



VISION

By 2025 Alaskans will be the healthiest people in the nation and have access to the highest quality most affordable health care

We will know we attained this vision when, compared to the other 49 states, Alaskans have:

1. The highest life expectancy (currently 29th)
2. The highest percentage population with access to primary care (currently 27th)
3. The lowest per capita health care spending (currently 49th)

This plan represents a collaborative effort of the State of Alaska agencies with primary responsibilities for purchasing or regulating medical services in Alaska. The initiatives described here are the steps our agencies are committed to take to implement the recommendations of the Alaska Health Care Commission for improving health and health care in our State.

William J. Streur, Commissioner
Department of Health & Social Services

Becky Hultberg, Commissioner
Department of Administration

Dianne Blumer, Commissioner
Department of Labor & Workforce Development

Susan K. Bell, Commissioner
Department of Commerce, Community, &
Economic Development

Joe Schmidt, Commissioner
Department of Corrections

Patrick K. Gamble, President
University of Alaska

This is a collaborative effort of the SOA agencies with primary responsibility for purchasing or regulating medical services in Alaska and the Alaska Health Care Commission.

This draft document is just a tool for beginning a dialogue with other agencies and documenting their ideas about initiatives they already have planned and plans for future initiatives that align with the recommendations of the Alaska Health Care Commission.

This document currently provides a table for each of the Commission's 8 Core Strategies. Each table provides a space for noting 1) the name and very brief description of each initiative, 2) the department(s) responsible for implementation, and 3) a general timeframe for implementation. *Note: the initiatives listed in these tables so far do not represent a complete list – it's just a beginning rough draft to provide an example of what this part of the plan document might include.*

Eventually this document might also include:

- A 1-2 page description of each initiative that provides more detailed information in summary form of the action plan (who/what/when), desired results, metrics for measuring progress and completion, and metrics for evaluating outcomes (*see draft template on the last page*).
- A Gantt Chart for tracking implementation of the initiatives.
- A 1-2 page Dashboard providing a set of high-level metrics for tracking success of the overall plan.
- A section describing required legislation.
- An introduction describing the problems this plan is intended to solve.
- An Appendix with a compilation of the Commission's findings and recommendations.

Preliminary Timeline/Process:

1. November 2013: Dr. Hurlburt will send an e-mail to the Commissioners of the agencies with a primary role in medical service purchasing or regulation regarding plans to collaborate on the development of this draft.
2. November 2013 –April 2014: Dr. Hurlburt and Deb will meet individually with key leadership staff from each agency to discuss Commission recommendations pertinent to their programs and responsibilities and compile information on current and potential initiatives.
3. April 2014 – June 2014: Agency staff will be responsible for working within their chain-of-command to obtain their Commissioner's approval for their initiatives and action plans.

PRIORITY A: High Quality, Affordable Health Care

Core Strategy I. Ensure the best available evidence is used for making decisions

Support clinicians and patients to make clinical decisions based on high grade medical evidence regarding effectiveness and efficiency of testing and treatment options. Apply evidence-based principles in the design of health insurance plans and benefits.

Outcome 1: Clinicians understand and apply grades of evidence in clinical decision-making.

Outcome 2: Patients and their clinicians partner in a shared decision-making model on clinical decisions.

Outcome 3: Payers apply evidence-based medicine principals in health plan design and management.

Recommended State Government Action:

- ▶ Encourage, support and coordinate health care program application of evidence-based medicine principles to state-administered health benefit design and provider payment.

State Legislation Required:

-  Workers' Compensation Act reform including adoption of evidence-based practice guidelines for medical claims.

Implementation Initiative	Agency (Dept/Div)	Timeframe
Evidence-Based Plan Design: Develop process for incorporating evidence-based medicine in State employee/retiree health insurance plan design.	Administration	January 2014 – June 2014
Patient Decision-Support Tools: Provide health insurance plan members with decision-support tools to facilitate personal evidence-based clinical decision making.	Administration	June 2014 - January 2015
SOA Interagency Evidence-Based Medicine Collaborative: Establish forum for SOA medical buyers for learning and information sharing about application of evidence-based principles in medical purchasing decisions.	Administration; Health & Social Services; Labor & Workforce Development; Corrections	January 2014 - ongoing

Evidence-Based Medicine Provider Forum: Sponsor meetings with medical providers to share educational opportunities and discuss policy options.	Administration; Health & Social Services	January 2014 - ongoing
Workers' Comp Clinical Protocols: Implement evidence-based clinical protocols in the Workers' Comp Program	Labor & Workforce Development/ Workers Compensation	July 2014 - ongoing
Medicaid Evidence Based Decisions Project (MED): Participate with other States' Medicaid agencies in collaborative effort to utilize independent, objective evaluations of clinical evidence to inform Medicaid policy decisions.	Health & Social Services/Health Care Services	
Medicaid Prior Authorization: Strengthen the use of high grade evidence in benefit design, precertification, and the medical management process for procedures, high-end diagnostic imaging, and for high-cost institutional care.	Health & Social Services/Health Care Services	
Medicaid Preferred Drug List: Maintain the Preferred Drug List Program to select and update clinically sound and cost effective medications for Medicaid beneficiaries	Health & Social Services/Health Care Services	
Prescription Drug Formulary: Explore tools for evidence-based medicine approach to managing prescription drug costs, such as tiered pricing, mandatory use of generics, and requirements for Step Therapy where appropriate.	Administration	
Specialty Pharmacy Management: Use medical management services to ensure appropriate utilization and cost management of specialty drugs for SOA health plan members.	Administration	
Medicaid Specialty Pharmacy Medical Management: Explore medical management options to ensure appropriate utilization and cost management of specialty drugs for Medicaid beneficiaries.	Health & Social Services/Health Care Services	

Evidence-Based Medicine Curricula: Incorporate critical appraisal and evidence-based medicine knowledge and skill development into clinical and health service administration academic program curricula.	University of Alaska	
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Core Strategy II. Increase price and quality transparency

Provide Alaskans with information on how much their health care costs and how outcomes compare so they can become informed consumers and make informed choices. Provide clinicians, payers and policy makers with information needed to make informed health care decisions.

Outcome 1: Alaskans can easily access and compare prices charged by providers and reimbursable by payers.

Outcome 2: Alaskans can easily access and compare clinical quality and outcome of providers.

Outcome 3: Financial performance of corporate health care entities is reported to the public on an annual basis.

Recommended State Government Action:

- ▶ Investigate and support mechanisms for providing the public with information on price and quality of health care services
- ▶ Require mandatory participation in Hospital Discharge Database
- ▶ Create an All-Payer Claims Database for Alaska

State Legislation Required:

- ▶ Creation of All-Payer Claims Database, including requirement for health insurers, third-party administrators, and State Medicaid program to submit medical claims data.

Implementation Initiative	Agency (Dept/Div)	Timeframe
Annual State Employee/Retiree Health Insurance Plan Report: Provide annual report on demographics, health care utilization and financial performance of the SOA health insurance plan to plan members, policy makers, and the general public.	Administration	
Patient Decision-Support Tools: Provide health insurance plan members with decision-support tools to support price and quality transparency of medical service options.	Administration	June 2014 - January 2015
Hospital Discharge Database: Establish regulations requiring mandatory participation in the Hospital Discharge Database; and develop capacity for provider relations, data analysis and public reporting.	Health & Social Services/Public Health	October 2013 – June 2014

<p>Explore State Transparency Laws: Evaluate other States' laws and recommend legislative options for health care provider price and quality transparency</p>	<p>Alaska Health Care Commission</p>	<p>January 2014 – December 2014</p>
<p>Annual Medicaid Report: Provide annual report on demographics, health service utilization, and financial performance of the State Medicaid Program to policy makers and the general public.</p>	<p>Department of Health & Social Services</p>	

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Core Strategy III. Pay for value

Redesign payment structures to incentivize quality, efficiency and effectiveness. Support market-based multi-payer payment reform initiatives to improve purchasing power for the consumer and minimize the burden on health care providers.

Outcome 1: State agencies that purchase health care work together to align payment strategies.

Outcome 2: Health care payers partner together and with providers to test innovative payment models.

Outcome 3: Health care payment structures evolve away from payment for individual services to pay to outcomes.

Recommended State Government Action:

- ▶ Redesign payment structures to incentivize quality, efficiency and effectiveness; move away from fee-for-service payment
- ▶ Take a phased approach; start with primary care payment enhancement
- ▶ Develop health data and analytics needed for design and negotiation of payment reform initiatives
- ▶ Support collaboration between State agencies that purchase health care and private health care purchasers in multi-payer payment reform efforts

State Legislation Required:

- 📄 Creation of All-Payer Claims Database, including requirement for health insurers, third-party administrators, and State Medicaid program to submit medical claims data.
- 📄 Reform Workers' Compensation medical reimbursement methodology.
- 📄 Revise assignment of benefit statute.

Implementation Initiative	Agency (Dept/Div)	Timeframe
Medicaid Management Information System: Implement new MMIS (Medicaid Management Information System) to support payment reform modeling and analyses in Medicaid	Health & Social Services	October 2013 – December 2013
All-Payer Claims Database (APCD): Participate in implementation and operation of Alaska Statewide APCD. <i>(pending establishment of APCD by Alaska Legislature)</i>	Health & Social Services/Health Care Services	<i>Pending creation by Legislature</i>
Medicaid Payment Reform: Explore opportunities for reform of medical service reimbursement methodologies to support improved cost effectiveness in Medicaid.	Health & Social Services	

<p>Medicaid Super-Utilizers Project: Collaborate with providers to design and improve system to provide coordinated and targeted services for Medicaid clients who frequently use emergency room, hospital inpatient, and other high-cost health services in lieu of lower-cost interventions.</p>	<p>Health & Social Services/Health Care Services</p>	<p>July 2013 – June 2015</p>
<p>Medicaid Patient-Centered Medical Home: Develop Patient-Centered Medical Home Initiative with FFS+PMPM payment reform component</p>	<p>Health & Social Services/Health Care Services</p>	
<p>Workers’ Comp Payment Reform: Move from fee-for-service payment schedule based on UCR, to RBRVS and DRG payment schedules.</p>	<p>Labor & Workforce Development/Workers Compensation</p>	
<p>Worker’s Comp Pharmaceutical Cost Containment: Regulate reimbursement for clinician dispensing of pharmaceuticals; regulate utilization of opioid narcotics.</p>		
<p>Insurance Regulation Update: Revise regulation requiring 80% UCR payment by private insurance plans to reduce private market control that drives adverse pricing consequences.</p>	<p>Commerce, Community & Economic Development/Insurance</p>	
<p>Employee/Retiree Insurance Plan Payment Reform: Explore opportunities for reform of medical service reimbursement methods.</p>	<p>Administration</p>	
<p>Centers of Excellence: Evaluate use of Centers of Excellence opportunities for the SOA employee/retiree health plans and for Medicaid beneficiaries.</p>	<p>Administration; Health & Social Services/Health Care Services</p>	
<p>Frontier Extended Stay Clinic: Develop Medicaid reimbursement mechanism to support observation services in rural clinics.</p>	<p>Health & Social Services/Health Care Services</p>	

Core Strategy IV. Engage employers to improve health plans and employee wellness

Support employers to adopt employee health and health insurance plan improvement as a business strategy. Start with price and quality transparency, and leadership by the State Department of Administration.

Outcome 1: Alaskan employers adopt health improvement and health care value as a business strategy.

Outcome 2: Employers increase health care price sensitivity, transparency, primary care, and healthy lifestyle support.

Outcome 3: Employees participate as active partners in health care decisions and living healthy lifestyles.

Recommended State Government Action:

- ▶ Investigate and support mechanisms for providing the public with information on price and quality of health care services
- ▶ Collaborate with Alaskan employers
- ▶ Include essential elements of successful employee health management programs:
 - Price sensitivity
 - Price and quality transparency
 - Pro-active primary care
 - Healthy lifestyle support

State Legislation Required:

- 📄 Creation of All-Payer Claims Database, including requirement for health insurers, third-party administrators, and State Medicaid program to submit medical claims data.

Implementation Initiative	Agency (Dept/Div)	Timeframe
<p>SOA Retiree Health Plan Cost Containment Collaborative: Collaborate with public employers of future SOA retiree health plan members, and negotiate with SOA Union Health Trusts, to develop initiatives for improving public employee health and quality of health care.</p>	Administration	
<p>Employer Health Coalition: Participate in collaborative learning opportunities with private sector employers to enhance efforts to develop and support effective employee health management programs.</p>	Administration	

Worksite Wellness Program: Develop and implement wellness program for SOA employees	Administration	September 2012 – December 2014
Patient Decision-Support Tools: Provide health insurance plan members with decision-support tools to support price and quality transparency of medical service options.	Administration	
Consumer-Directed Health Plans: Explore consumer-directed health plan options for SOA employees.	Administration	January 2014 – December 2014
On-Site Employee Primary Care Clinics: Explore opportunities to partner with organizations providing on-site primary care to improve access to primary care for employees.	Administration	January 2014 – December 2014

PRIORITY B: Accessible, Innovative, Patient-Driven Care

Core Strategy V. Enhance quality and efficiency of care on the front-end

Strengthen the role of primary care providers, and give patients and their clinicians better tools for making health care decisions. Improve coordination of care for patients with multiple providers, and care management for patients with chronic health conditions. Improve Alaska's Trauma system.

Outcome 1: All Alaskans have regular and ongoing access to a primary care provider.

Outcome 2: Alaskans coordinate their health care needs through their primary care provider.

Outcome 3: Primary care providers are appropriately reimbursed for complex care management and coordination.

Outcome 4: Behavioral health and primary care services are integrated and available in the appropriate setting.

Outcome 5: Alaskans have access to high quality, comprehensive, coordinated trauma care.

Recommended State Government Action:

- ▶ Recognize the value of primary care through appropriate reimbursement
- ▶ Promote patient-clinician relationships
- ▶ Support state health programs to implement patient-centric primary care models
- ▶ Support high quality, comprehensive, coordinated trauma care system

State Legislation Required:

- 📖 Creation of All-Payer Claims Database, including requirement for health insurers, third-party administrators, and State Medicaid program to submit medical claims data.

Implementation Initiative	Agency (Dept/Div)	Timeframe
On-Site Employee Primary Care Clinics: Explore opportunities to partner with organizations providing on-site primary care to improve access to primary care for employees.	Administration	
Patient-Centered Medical Homes: Explore opportunities for supporting development of patient-centered medical home care models for SOA health plan members.	Administration	
Complex Case Management: Explore opportunities to improve quality of care through medical management services for SOA health plan members with high cost, complex medical conditions.	Administration	

<p>Medicaid Super-Utilizers Project: Collaborate with providers to design and improve system to provide coordinated and targeted services for Medicaid clients who frequently use emergency room, hospital inpatient, and other high-cost health services in lieu of lower-cost interventions.</p>	<p>Health & Social Services/Health Care Services</p>	<p>July 2013 – June 2015</p>
<p>Medicaid Care Management: Improve coordination and quality of care for Medicaid beneficiaries experiencing multiple and/or complex health-related conditions.</p>	<p>Health & Social Services/Health Care Services</p>	
<p>Medicaid Case Management: Improve quality of care through medical management services for Medicaid beneficiaries with very high cost, complex medical conditions.</p>	<p>Health & Social Services/Health Care Services</p>	
<p>Medicaid Patient-Centered Medical Home: Implement program to strengthen the role of primary care for Medicaid clients.</p>	<p>Health & Social Services</p>	
<p>Alaska Trauma System Improvement: Implement recommendations from the American College of Surgeons' review of Alaska's Trauma System. <i>Get specifics from Kerre/Merry</i></p>	<p>Health & Social Services/Public Health</p>	

Core Strategy VI. Increase dignity and quality of care for seriously/terminally ill patients

Support Alaskans to plan in advance to ensure health care and other end of life decisions are honored. Provide secure electronic access to advance directives. Encourage provider training and education in end-of-life care. Establish a process that engages seriously and terminally ill patients in shared treatment decision-making with their clinicians. Use telehealth and redesign reimbursement methods to improve access to palliative care.

Outcome 1: Alaskans plan in advance to ensure health care and other end of life decisions are honored.

Outcome 2: Palliative care is available to every patient from the time of diagnosis of a serious illness or injury.

Outcome 3: Clinicians and seriously ill patients use a standard form for documenting shared treatment decisions.

Outcome 4: Patients and providers have access to information and resources on end-of-life care.

Recommended State Government Action:

- ▶ Support communication and education regarding end-of-life planning and resources
- ▶ Require continuing education in palliative care and pain management for clinicians
- ▶ Encourage clinical training programs to address death and dying
- ▶ Evolve Comfort One program to include POLST (Physician Orders for Life Sustaining Treatment)
- ▶ Create electronic registry for advance directives
- ▶ Pilot:
 - Tele-palliative care
 - Payment Structures

State Legislation Required:

- 📄 Update Comfort One legislation to include POLST (Physician Orders for Life Sustaining Treatment)
- 📄 Create an electronic registry for advance directives

Implementation Initiative	Agency (Dept/Div)	Timeframe
WWAMI Curriculum Modernization: Participate in the University of Washington Medical School Curriculum modernization project, and ensure death and dying is appropriately covered in clinical training.	University of Alaska, UAA College of Health	
CME Requirements for Clinicians in Palliative Care and Pain Management	Commerce, Community & Economic Development	

PRIORITY C: Healthy Alaskans

Core Strategy VII. Focus on prevention

Create the conditions that support Alaskans to exercise personal responsibility for living healthy lifestyles. High priorities include reducing obesity rates, increasing immunization rates, and improving behavioral health status.

Outcome 1: Alaskans are a healthy weight.

Outcome 2: Children and seniors are appropriately immunized against vaccine preventable diseases.

Outcome 3: Behavioral health and primary care needs can be addressed in either clinical setting.

Outcome 4: Providers screen patients for depression, alcohol/substance abuse, and adverse childhood events.

Outcome 5: Employers facilitate employees' ability to make healthy lifestyle choices.

Recommended State Government Action:

- ▶ Implement obesity prevention programs
- ▶ Insure adequate funding and support for immunization program
- ▶ Integrate behavioral health and primary care services
- ▶ Support screening for
 - ▶ History of adverse childhood events
 - ▶ Substance abuse
 - ▶ depression

State Legislation Required:

- 📖 Creation of All-Payer Claims Database, including requirement for health insurers, third-party administrators, and State Medicaid program to submit medical claims data.

Implementation Initiative	Agency (Dept/Div)	Timeframe
Healthy Alaskans 2020	Health & Social Services	
Immunization Initiative	Health & Social Services/Public Health	
Obesity Prevention Program	Health & Social Services/Public Health	

Behavioral Health Integration Initiative	Health & Social Services/Behavioral Health	
Behavioral Health Screening Initiative	Health & Social Services/Behavioral Health	
<i>Other</i>		

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PRIORITY D: Sustainable, Efficient, Effective Health Care System

Core Strategy VIII. Build the foundation of a sustainable health care system

Create the information infrastructure required for maintaining and sharing electronic health information and for analysis of health care data to drive improved quality, cost and outcomes. Support an appropriate supply and distribution of health care workers. Provide statewide leadership to facilitate health care system transformation.

Outcome 1: Health data is maintained in private, secure electronic form to facilitate proper access to information.

Outcome 2: Telehealth technologies are used to facilitate access to and quality of health care.

Outcome 3: Real-time electronic reporting is used for rapid identification of public health threats.

Outcome 4: Health data is used to improve quality, efficiency, and effectiveness of health care, and public health.

Outcome 5: Communities have the telecommunications infrastructure necessary to optimize telehealth technologies.

Outcome 6: There is an appropriate distribution and supply of qualified health care workers available to Alaskans.

Outcome 7: Statewide health policy development is evidence-based and coordinated.

Recommended State Government Action:

- ▶ Support Electronic Health Records & Health Information Exchange
- ▶ Foster Telemedicine
- ▶ Require mandatory participation in Hospital Discharge Database
- ▶ Create an All-Payer Claims Database for Alaska
- ▶ Support workforce innovation and adaptation as care models evolve
- ▶ Target public investment to primary care workforce development

State Legislation Required:

- 📖 Creation of All-Payer Claims Database, including requirement for health insurers, third-party administrators, and State Medicaid program to submit medical claims data.

Implementation Initiative	Agency (Dept/Div)	Timeframe
Health Information Exchange	Health & Social Services	
Loan Repayment Program	Health & Social Services	
Informed Alaskans: Queriable web-based data and data-mapping system for public access to public health data.		

<p>Hospital Discharge Database: Establish regulations requiring mandatory participation in the Hospital Discharge Database; and develop capacity for provider relations, data analysis and public reporting.</p>	<p>Health & Social Services/Public Health</p>	<p>October 2013 -</p>
<p>Alaska Health Workforce Coalition</p>		
<p>Medicaid Medical Care Advisory Committee (MCAC) Alignment with Health Care Commission: Support the MCAC to align its work plan with the Alaska Health Care Commission's strategies.</p>	<p>Health & Social Services/Health Care Services</p>	<p>October 2013 -</p>

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State of Alaska Agency Roles in Health & Health Care

Roles

- I. Purchase/Regulate:** Responsible for purchase and/or regulation of medical and/or behavioral health services
- II. Protect/Promote:** Responsible for services, activities, measurement or planning intended to improve or protect health
- III. Secondary:** Actions impact health, but not as a primary mission

Department/Commissioner	Division	I	II	III
Health & Social Services/William Streur		X		
	Health Care Services	X		
	Office of Rate Review	X		
	Office of Program Integrity	X		
	Public Health	X		
	Behavioral Health	X		
	Juvenile Justice	X		
	Office of Children's Services	X		
	Pioneers' Homes	X		
	Senior & Disability Services		X	
	Public Assistance		X	
	DHSS Boards & Commissions		X	
Administration/Becky Hultberg		X		
	Retirement & Benefits	X		
	Risk Management	X		
Labor & Workforce Development/Dianne Blumer		X		
	Workers' Compensation	X		
	Research & Analysis		X	
	Workforce Investment Board		X	
Commerce, Community & Econ. Dev./Susan Bell		X		
	Insurance	X		
	Corporations, Business & Professional Licensing	X		
	Regulatory Commission			X

	Connect Alaska			X
Corrections/Joe Schmidt		X		
University of Alaska/Patrick Gamble		X		
	Statewide Office of Human Resources	X		
	UAA College of Health		X	
	UAA Office of Health Programs Development		X	
	UAF College of Rural & Community Development		X	
	UAS School of Career Education		X	
	UAA Institute for Social & Economic Research		X	
	UAA Institute for Circumpolar Health Studies		X	
	UAF Center for Alaskan Native Health Research		X	
Revenue/Angela Rodell			X	
	Mental Health Trust Authority		X	
Environmental Conservation/Larry Hartig			X	
Public Safety/Keith Mallard			X	
Education & Early Development/Mike Hanley			X	
Transportation & Public Facilities/Patrick Kemp			X	
Military & Veterans Affairs/Thomas Katkus			X	
Law/Michael Geraghty			X	
Natural Resources/Joe Balash				X
Fish & Game/Cora Campbell				X

Transforming Health Care in Alaska State Agency Action Plan

INITIATIVE: _____

Lead Agency: _____

Initiative Leader: _____

Other Participating Agencies/Lead Staff: _____

Description:

Action Steps	Milestone/Measure	Due Date
1.		
2.		
3.		
4.		
5.		
6.		

Initiative Completion Metric (How will we know when this Initiative has been fully implemented?):

Outcome Metrics (How will we know this Initiative successfully achieved the intended outcomes?):