



Alaska Healthcare TRANSFORMATION PROJECT

Senate Finance
Senate Health and Social Services
February 11, 2019

*HEALTHY ALASKANS – HEALTHY ECONOMY
EVERYBODY'S BUSINESS*

History of Health Care Reform Efforts in Alaska



- 2007 Health Strategies Planning Council
- 2009 Health Care Commission
- 2010 Medicaid Task Force
- 2010 Affordable Care Act
- 2014 Medicaid Reform Advisory Group
- 2016 SB74 Medicaid Reform Bill

What is the Alaska Healthcare Transformation Project



A cross sectional collaboration of payers, providers, policymakers and patient advocates working together to transform Alaska's healthcare system.

PROJECT MANAGEMENT COMMITTEE



- Senator Natasha von Imhof
- Representative Ivy Spohnholz
- Elizabeth Ripley, Mat-Su Health Foundation
- Kalani Parnell, Alaska Native Tribal Health Consortium
- Becky Hultberg, AK State Hospital and Nursing Home Association
- Nancy Merriman, AK Primary Care Association
- Mike Barnhill, OMB Policy Director, State of Alaska



The vision for Alaska's healthcare system is to improve Alaskan's health while also enhancing patient and health professional's experience of care, and lowering the per capita healthcare growth rate.

GUIDING PRINCIPLES



- Focus on improving individual and population health outcomes (defined holistically including mental, behavioral, oral, vision and social health)
- Health coverage with common basic benefits for all. There is shared responsibility in reforming and paying for coverage, with everyone – individuals, business, insurers and governments – playing a role.
- Focus on whole person/integrated systems of care
- Use proven healthcare delivery practices supported by appropriate payment mechanisms
- Seeking recognition and ways to incorporate social determinants of health in patients' care plans





Healthy Alaskans:

- The percentage of Alaskan residents with a usual source of primary care will increase by 15% within five years

Healthy Economy:

- Reduce overall per capita healthcare growth rate to the greater of 2.25% or Consumer Price Index within five years

Everybody's Business:

- Align all payers, public and private, towards value-based alternative payment models with streamlined administrative requirements within five years

Strategy *Development Teams*



- Primary Care utilization
- Payment Reform
- Data Analytics
- Coordinated Care
- Social Determinants of Health

Themes



1. Alaska landscape – previous projects, pilots, demonstrations
2. Meta-analysis/Synthesis of reports and studies
3. National landscape – what's happening in other states
4. Spend/Cost analysis of Alaska healthcare

BUDGET and FUNDING



- Governor's Budget \$250,000
- Capital Budget \$250,000
- Foundations \$120,000
- Other \$250,000
- Other \$130,000



Mat-Su Health Foundation

Rasmuson

AK Mental Health Trust, TBD



Four Scopes of Work

NORC at the University of Chicago and University of Alaska
Anchorage

NORC at the University of Chicago is an independent, non-profit research institution that delivers reliable data and rigorous analysis to guide critical programmatic, business, and public policy decisions.



NORC at a Glance

675+ Professional/Research staff

39 Senior Fellows
1500+ Interviewers

400+ Active Projects
Work in 60+ Countries

Downtown Chicago



DC Metro



University of Chicago



Albuquerque | Atlanta | Boston | San Francisco | Silicon Valley | Wichita

Research Areas

Economics, Markets, and the Workforce



Education, Training, and Learning



Global Development



Health and Well-Being



Society, Media, and Public Affairs



About University of Alaska Anchorage: ISER

The Institute of Social and Economic Research (ISER) at the University of Alaska Anchorage has been at the forefront of public policy research in Alaska for more than half a century. ISER's multidisciplinary staff studies virtually all the major public policy issues Alaska faces. That work helps Alaskans better understand the state's changing economy and population—and the challenges and opportunities that come with change.

About University of Alaska Anchorage: ICHS

Institute for Circumpolar Health Studies (ICHS) is an applied health research institute within the College of Health at UAA. The focus of the Institute is applied health research and evaluation relevant to Alaskans. Research areas of interest include health disparities, environmental health, rural health, health care systems, and social determinants of health.

Project Overview

- Provide the Alaska Healthcare Transformation Project Project Management Committee (PMC) with objective information to:
 - Learn from what has been done already in Alaska via past experiments or meta-analysis of reports/studies
 - Learn from models, structures, and initiatives in other states, and how to apply in Alaska
 - Understand the drivers of the spending and cost of healthcare in Alaska
- Steered by the PMC's vision, guiding principles, and goals, and topic areas of interest

- Four studies, each in response to a statement of work issued by the PMC and focused on a set of guiding principles and topic areas.
 - **Meta-Analysis.** Identify and assess a group of Alaska-focused reports and studies issued over the past decade (2008 to the present) that focus on delivery system reform related to the triple aim of improved health, improved quality of care and experience with care delivery (for patients as well as the health care workforce), and reduced per capita costs.
 - **Alaska Historical Project Scan.** Identify and assess selected delivery system reform experiments in Alaska over the past decade (2008 to the present), with priority to characterizing regional innovation within the state.

Project Scope (cont.)

- Four proposed studies continued...
 - **National Scan.** Develop case studies for selected states where delivery system reform relevant to Alaska's five key topics of interest offers lessons for prospective innovation.
 - **Drivers of the Health Care Costs and Spend in Alaska.** Review health care spending in the state and the prospects and limitations of available data sources that would support a fine-grained analysis of cost drivers relevant to these reforms. Based on this review, prepare a set of estimates of potential reform-related savings and a draft roadmap with proposed short-term (within one year) and long-term steps that comprise one or more pathways to reform.
- **Dissemination-related tasks.** Collaborate with the PMC to present or support debriefings on key findings and the roadmap, with creation of high-impact summary materials (issue brief/fact sheet).

Topic Areas of Focus

Increasing
primary care
utilization

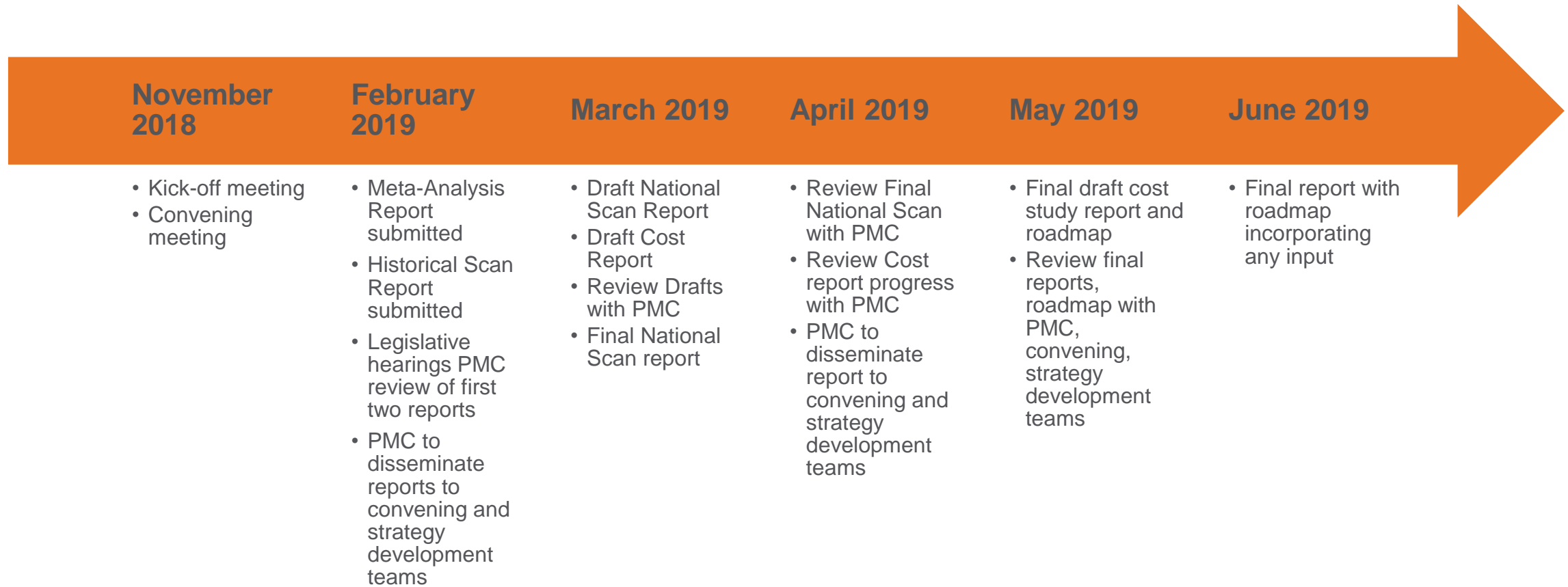
Coordinating
patient care

Changing the
way healthcare
is paid for in
Alaska

Increasing data
analytics
capacity

Addressing
social
determinants of
health

Timeline



Overview of Project Deliverables



Meta-Analysis

- **Conduct a systematic review** to identify relevant peer-reviewed and grey literature;
- **Extract and compile quantitative and qualitative data** in a database; and
- **Develop a report** that explores commonalities across the identified reports and studies, analysis of gaps in understanding related to limitations of these documents, themes that characterize available public comments, and a summary of policy, programmatic, and system redesign changes based on our review.

Meta-Analysis: Methods

- Systematically searched peer-reviewed and grey literature for Alaska-based reports and studies related to five topic areas
- Submitted list of reports and studies on November 5, 2018
- Developed database of reports and studies
- Identified key themes from reports and studies
- Developed final report, submitted on February 7, 2019

Alaska Historical Project Scan

Alaska Historical Project Scan: Methods

- **Refine a definition of health reform experiment, services, and outcomes** to guide scan of reforms since 2008
- **Gather and analyze qualitative data on selected experiments**
- **Develop a report** that identifies regional patterns and gaps in experiments across the topics of interest, compares experiment features and outcomes, and presents conclusions regarding policy, programmatic, and system design recommendations for Alaska.

Alaska Historical Project Scan: Methods

- Identified Alaska-based experiments, focused on the five topic areas
- Submitted list of experiments on November 5, 2018
- Searched peer-reviewed and grey literature, including newspapers
- Conducted interviews with stakeholders
- Organized information on the experiments
- Submitted final report on February 7, 2019

National Scan

National Scan: Methods

- **Develop a list of states involved in relevant health reform models** to inform in-depth analysis;
- **Gather and analyze data on relevant models in selected states**, especially those with all payers claims databases; and
- **Develop a report** that systematically analyzes and compares the state health reform models, identifies what is known about model results related to costs and other outcomes, and presents conclusions regarding policy, programmatic, and system design recommendations for Alaska.

Draft Report: March 1, 2019

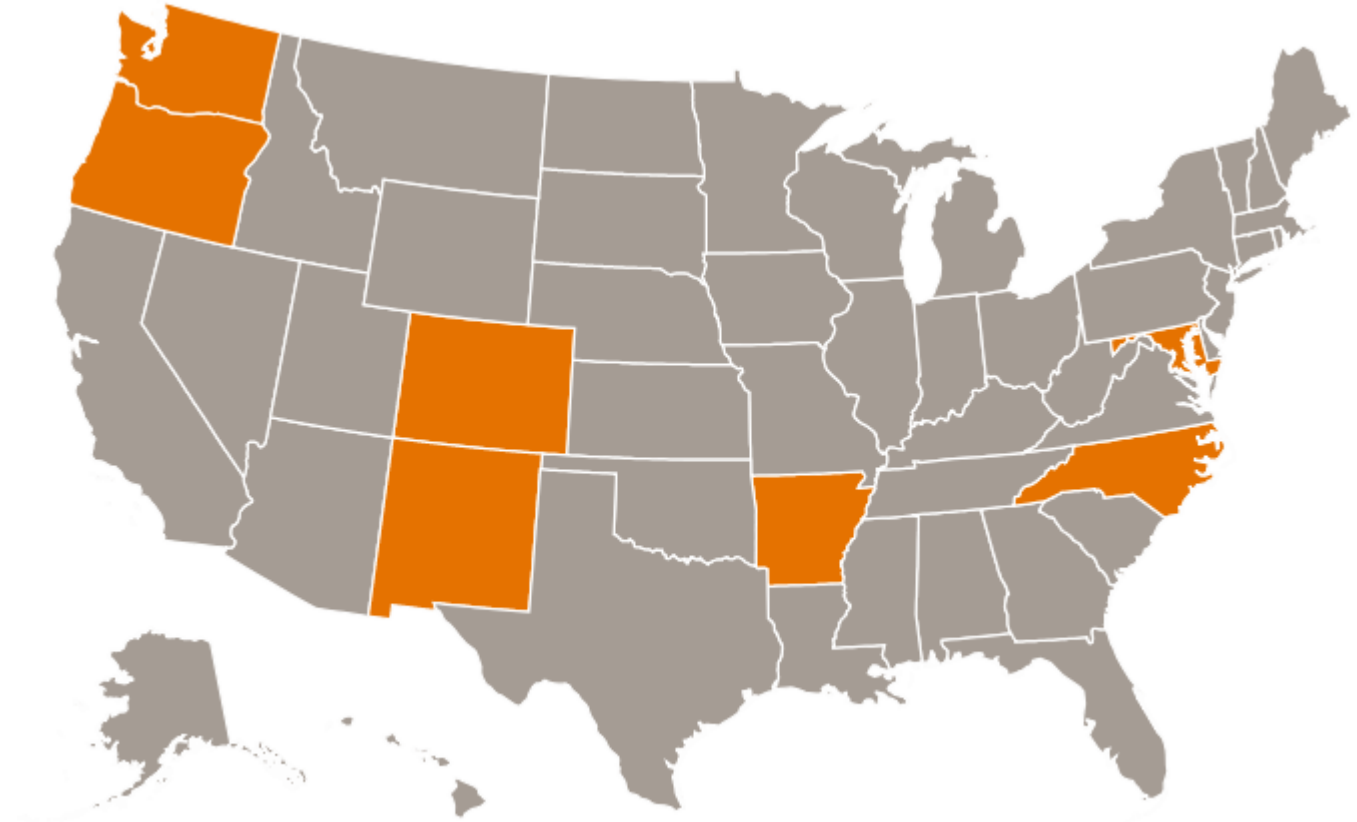
Final Report: March 29, 2019

National Scan: Case Studies Reports

- State Characteristics
- History of and Impetus for Health Reform
- Overview and Implementation of the Health Reform Approach
- Details and Mechanics of Initiative
- Incorporation of Social Determinants of Health
- HIT, Data Analytics, All-Payers Claim Database
- Results, Lessons Learned, Next Steps
- Considerations for Alaska

National Scan: States

- Arkansas
- Colorado
- Maryland
- New Mexico
- North Carolina
- Oregon
- Washington



National Scan: State Health Reform Approach

- Arkansas – Health Care Payment Improvement Initiative
- Colorado – The Colorado Framework
- Maryland – All-Payer Rate-setting System for Hospital Services
- New Mexico – Centennial Care and Medicaid-related reforms and initiatives
- North Carolina – Medicaid Transformation and Social Determinants of Health
- Oregon – Oregon Action Plan for Health
- Washington – Healthier Washington

Spend and Cost of Healthcare

Spend and Cost of Healthcare: Methods

Two work streams summarized in one report

1) Review of Spending and Data

- Prepare a review of health care spending in Alaska, including:
 - Identifying gaps in data source availability that constrain a comprehensive accounting;
 - Identify sources of additional data to address gaps;

2) Summarize extant knowledge on potential sources of cost savings;

- integrate findings from all project tasks to understand constraints to implementation of reforms in Alaska
- make considerations regarding policy, program, and system redesign in the state;
- **Develop a report that presents a draft roadmap for possible pathways to reform in Alaska,** including recommendations for both short- and long-term steps.
- **Revise roadmap and disseminate findings** in coordination with the PMC, incorporating feedback from the Steering Committee.
- **Final Report, May 2019**

Alaska Spend and Cost of Health Care: In-Depth Review of Health Care Spending in Alaska

- Develop summaries and/or identify potential sources of data:
 - State Medicaid data
 - Medicare public use files
 - Open Enrollment Health exchange marketplace
 - State and local employees and retirees
 - Alaska health plans
 - Describe potential datasets such Truven MarketScan, FAIR Health, and HCCI
 - Review limitations of available public data with the PMC

Alaska Spend and Cost of Health Care: Revision of Roadmap and Dissemination of Findings

- Meet with PMC to review draft report and roadmap
- Upon PMC approval, coordinate with the PMC to solicit feedback from the strategic development team and convening groups
- Iterative process with PMC to develop final report
 - In-person and virtual working visits
- Create high-impact, visually-oriented summary materials (fact sheet/short issue brief) and materials to support debriefings that PMC would schedule
- **Potential Follow-on steps:**
 - *Survey payers to understand what data exist and can be obtained for improved study on payment reforms*
 - *Obtain and analyze data to further understand cost drivers*
 - *Engage stakeholders in structured process to refine analyses and generate recommendations;*

Findings to Date: Alaska Studies Meta Analysis and Alaska Historical Project Scan

Meta-Analysis: Methods

- Reviewed 75+ reports related to five topic areas
- Analyzed information by:
 - Topic Area
 - Geography
 - Population
 - Payer
 - Service

Meta-Analysis: Summary

- Primary Care/Coordinated Care
 - Promising models (evaluation): patient-centered medical home, improved screening, telehealth & ECHO (specialty co-management), behavioral health, CCI ED diversion program, Strong Start for Mothers (national evaluation)
- Data Analytics:
 - Available data sources: CMS, commercial, private; prospects for APCD
 - Approaches to regional analysis
- Payment Reform
 - Cost-shifting (state to federal)
 - Movement from fee-for-service toward value-based purchasing: managed care, capitation
 - Challenge of low-volume, aligning payers
 - Promising models: bundled care, FQHC Advanced Primary Care (national evaluation)
- Social Determinants of Health
 - Landscape of needs
 - Promising models (evaluation): Housing First

Alaska Historical Project Scan: Methods

- Initial list of 30 health reform experiments → PMC identifies 11 for focus
- Literature review to generate supplemental list of reforms by topic area
- 5 key informant interviews
- Analyzed information by:
 - Topic Area
 - Geography
 - Population
 - Payer
 - Service

Alaska Historical Project Scan: Findings by Topic

- Primary Care Utilization and Coordinated Care
 - Patient-Centered Medical Home Models
 - Behavioral Health Integration with Primary Care
 - Emergency Department Utilization
 - Care Coordination Systems
 - Clinic-Based Reforms
- Payment Reform
 - State-wide payment reform tied to delivery system reform
 - VBP: bundled payment models
- Data Analytics
 - Electronic health records
 - Telemedicine
 - Data analytics to support care delivery



THANK YOU

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