Transforming Access into Outcomes

Chris Clark, Executive Director

Why build a State-Based Exchange?

- **Kentucky Ranks at the Bottom in Health Outcomes.** Kentucky continues to rank at the bottom in most national health rankings. This includes 50th in smoking, 40th in obesity, 43rd in sedentary lifestyles, 41st in diabetes, 48th in poor mental health days, 49th in poor physical health days, 50th in cancer deaths, 49th in cardiac heart disease, 43rd in high cholesterol, 44th in annual dental visits and 48th in heart attacks.

- Access to health insurance will improve health outcomes

Opportunity

- Unique
- Important
- Visible
- Polarized
- Evolving
- Constrained
Opportunity

- Unique
- Important
- Visible
- Polarized
- Evolving
- Constrained

Percentage of Uninsured by County 2012
Percentage of Uninsured by County
April 15, 2014

Impact...

Medicaid Eligibility Historically
Limited to Specific Low Income Groups

*138% FPL = $16,243 for an individual and $33,465 for a family of 4

Changing Demographics
Member Recipients Age Distribution
Expansion vs. Traditional Medicaid

1,279,398
Total Medicaid Members

400,427
Expansion

Medicaid Members

Member Recipients Age Distribution
Expansion vs. Traditional Medicaid

Expansion

Traditional Medicaid
Why build a State-Based Exchange?

KENTUCKY

<table>
<thead>
<tr>
<th>Issue</th>
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<td>Poor Mental Health Days</td>
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<td>Cancer Deaths</td>
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<td>Preventable Hospitalizations</td>
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<td>Children in Poverty</td>
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<td>Underemployment Rate</td>
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<td>Cardiovascular Deaths/100,000</td>
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<td>Diabetes in Adults</td>
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<td>Lack of Health Insurance</td>
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<td>High School Graduation</td>
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America's Health Rankings 2014

Definition

"**HEALTH is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.**"

WHO, 1946
**WHAT**

National Quality Strategy

- Better Care for Individuals
- Better Health for Populations
- Financial Stewardship

**Triple Aim**

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**Key Challenges in US Health Care System**

- **Unsustainable Cost**
  - 2X cost per capita versus OECD nations

- **Variation in Quality**
  - 3X variation in hospital days in last 6 months of life

- **Lack of Coordination**
  - $91B annual costs for avoidable complications
  - 19.6% Medicare hospital readmissions
  - 20% of GDP by 2021

**Governor’s Health Initiative**

**Governor Says:**

“Let’s Accomplish before the end of this decade (2019)!”

**Goals**

- Reduce Kentucky’s rate of uninsured individuals to less than 5%
- Reduce Kentucky’s smoking rate by 10%
- Reduce the rate of obesity among Kentuckians by 10%
- Reduce Kentucky cancer deaths by 10%
- Reduce cardiovascular deaths by 10%
- Reduce the % of children with untreated dental decay and increase adult dental visits by 10%
- Reduce deaths from drug overdose by 25% and reduce the average number of poor mental health days of Kentuckians
Overview of Selected Preventive Services

Relative Increases in number of Medicaid screenings

Adult Tobacco Counseling

Adult Diabetes Screening

*Based on Medicaid Claims Data
Colorectal Cancer Screening

2013: 18,469
2014: 35,633

Cervical Cancer Screening

2013: 36,668
2014: 78,281

Adult LDL-Cholesterol Screening

2013: 89,745
2014: 170,514
Adult Preventive Dental Visits

- 2013: 73,733 visits
- 2014: 159,739 visits
- Increase: 119%

Preventive Dental Services

Adults With Alcohol Screening or Counseling

- 2013: 597 screenings
- 2014: 1,205 screenings
- Increase: 102%

Alcohol Misuse Screening & Counseling

Annual Wellness Exam

- 2013: 22,290 exams
- 2014: 63,888 exams
- Increase: 188%

Annual Wellness/Physical Exams

*Based on Medicaid Claims Data
SIM Program Overview

The Centers for Medicare & Medicaid Services (CMS) State Innovation Model (SIM) initiative is focused on testing the ability of state governments to use available levers to accelerate health transformation.

- Provides financial and technical support to states for developing and testing state-led, multi-payer health care payment and service delivery models that will impact all residents
- The overall goals of the SIM initiative:
  - Establish public and private collaboration with multi-payer and multi-stakeholder engagement
  - Improve population health
  - Transform health care payment and delivery systems
  - Decrease total per capita health care spending

Current

- Uncoordinated, fragmented delivery systems with highly variable quality
- Unsustainably high costs rising at twice the inflation rate

Future

- Accessible to care and to information
- Accountable and coordinated
- High-quality, timely, equitable, and safe
- Patient- and family-centered
- Supportive of decision making

Increase health system performance

Increase quality of care

Decrease costs

Current Landscape of the SIM Program

The Center for Medicare & Medicaid Innovation (CMMI) within CMS awarded states cooperative agreements in two rounds to design and implement strategies for service delivery and payment reform.

Round 1 $500 Million Awards
- Nearly $500 million was awarded to 22 states in December 2012 to design or test innovative health care payment and service delivery models during Round 1 of the SIM initiative.
- Announces Breakdown:
  - Model Test/Model Awards: 11
  - Model Pre-Testing Awards: 3
  - Model Testing Awards: 2

Round 2 $160 Million Awards
- CMS added more parameters in Round 2 that better consider with successful innovative health care programs. It also selected more track/track designs applications based on their potential to impact the health of the entire state population.
- In December 2013, more than $160 million was provided to 10 states, three territories, and the District of Columbia for Round 2.
- Announces Breakdown:
  - Model Design Awards: 15
  - Model Testing Awards: 11

Roles State Government May Play in Health Care

State governments play many overlapping roles in influencing the health and delivery of health care services for their population.

Convener

Regulator

Promoter of Wellness
& Public Health

Provider

Promoter of Economic Development

Purchaser/
Payer

Federal Program
Administrator
Tools in the Toolkit

Components of a SIM Model Design

State Health System Innovation Plan = "Model Design" is the final deliverable for a SIM grant.

Components of a successful Model Design

PHIP Harmonized With kyhealthnow

Kentucky will build upon existing health initiatives within the Commonwealth and at a national level in development of an integrated, comprehensive Population Health Improvement Plan (PHIP).

CMS/CDC Required Focus Areas
Kentucky’s Vision of APCD

The Health Data Trust

The vision of the Kentucky Health Data Trust is to improve the HEALTH of Kentucky’s children, families, and workforce by providing complete and transparent information about health care utilization and outcomes.

WHY - KY Health Data Trust

• The 2014 Foundation for a Healthy Kentucky meeting on Transparency in Health Care concluded that Kentucky should develop and establish an All Payer Claims Database

• Key Recommendations:
  ➢ A “Public Utility” model to support policymakers, consumers, providers, payers and researchers
  ➢ Mandated reporting from public and private payers
  ➢ Consumer engagement and education
  ➢ Sustainability, data integrity and security

APCD Definition

✓ APCDs are a systematic collection of data from payer sources, providers, and any available disparate source...linked at individual level

✓ APCDs provide information about the cost, effectiveness, performance, and outcomes of health at an individual patient and population levels

✓ All Payer Claims Databases (APCDs) support Value-Based Health Care where individuals & organizations can make informed decisions
What's Happening Nationally

- 19 states active, 21 planning

Source: www.apcdcouncil.org/state/map

Kentucky CHFS' Vision:
Be Data Driven AND Achieve Real Measurable Outcomes
WHO

Collaboration with the University of Kentucky

• CHFS engaged UK to begin the planning and design of the Kentucky Health Data Trust
  —Leverage current relationships and ongoing research activity across the University
  —Utilized Freedman Healthcare as consultants

HOW

Planning and Design Process

✓ Stakeholder Engagement
  ▪ Gather internal & external stakeholders’ input/concerns

✓ Data Governance Planning
  ▪ Determine an effective & efficient data governance structure

✓ System Design Assessment
  ▪ Identify the best KyHDT system design

✓ Critical Requirements & Sustainability
  ▪ Plan what is needed to drive the KyHDT project forward

Stakeholder Engagement
Stakeholder Interviews

**Internal Stakeholders (28)**
DMS, DPH, OHP, DBHDID, OHBHIE, KHIE, DOI, DEI, COT, OET, OATS, OIG, DEHP

**External Stakeholders (29)**
Hospitals and providers, private insurers (Medical Directors), business and consumer advocates, researchers

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Stakeholder Findings: Benefits

- Public health surveillance
- Quality of care improvement
- Health outcomes measurement
- Comparisons and trend analyses across populations & providers
- Increased transparency of quality and cost
- Consumer decision-making

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Stakeholder Findings: Key Priorities

- Protect privacy and PHI
- Data Security must be Robust
- Secure a Sustainable Funding Source
- Data quality is key for ensuring user confidence and adoption of the KyHDT
Stakeholder Findings: Approach

• Phase In – Start small and grow incrementally
• Mandatory data submission model may be more successful
• Governance – Public-private collaboration, with representation from all key stakeholders
• Data Presentation/Visualization is important for engaging stakeholders to use the data trust

System Design

• Build on current expertise and infrastructure at UK and CHFS
• CHFS serves as Honest Brokers
  • Intake of Identified information to validate submissions, generate master data, de-identify
  • Honest Broker model creates “TRUST” in access to data
• UK Team uses encrypted, de-identified Information following established methodology
  • All HIPAA fields will be encrypted, shifted, and reported at minimum identifiable levels

Kentucky Health Data Trust

Development Timeline

Phase I: Medicaid, SCHC, VITAL, EKIP
Phase II: Medicare, KCHIP, Public Universities
Phase III: Medicaid, Exempt, Clinical Improvement
Phase IV: Commercial Carriers & Self-Insured Plans

System Prototype Data Submission Guide Release Website Deployment Phase II Data Intake Validation

2015 JAN 2016 JUL-DEC 2017 JUL-DEC

Database Build/Deployment Phase I Data Intake Validation Phase II Data Intake Validation Phase IV Data Intake Validation
Use Case Driven Design

- Kyhealthnow: population health improvement
  - Impact of access, obesity, substance use and abuse, cancer, cardiovascular, dental care
- Value based payments: efficient and effective care
  - Comparative effectiveness outcomes by payers, demographics, providers
- Transparency: supports patients and employers evaluating benefit choices and quality of care

Examples

➢ Use Case Driven Design

- KY has 2nd Highest Overdose Death Rate
  - Over 1,000 Deaths/Year
  - Driven by High Use of Prescription Opioids
- Analysis of Prescription Drug Monitoring Program (KASPER) Data Linked to Payers & Providers to Identify High Risk Patients, Providers, and Evaluate Policy Decisions
- Kyhealthnow Benchmarking

Current Data and Reporting
Top Controlled Drugs

Oxycodone Prescribing

Resources

State Innovation Model (SIM)
http://chfs.ky.gov/ohp/sim/

kyhealthnow

Medicaid Expansion Dashboard