



# PRIME Stakeholder Meeting

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CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

APRIL 19, 2016

# Agenda

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- Welcome and Introductions
- Medi-Cal 2020
- PRIME Goals & Philosophy
- Value-Based Purchasing and System Transformation
- PRIME Application Review Process
- Project Distribution
- Target Setting Methodology
- PRIME Partners
- Questions and Public Comments

# Meet the PRIME Team

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# Medi-Cal 2020

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- Medi-Cal 2020 is the state's renewed 1115 waiver, approved on December 30, 2015.
- Waiver renewal extends through December 31, 2020. California received approval for four major initiatives:
  - Public Hospital Redesign and Incentives in Medi-Cal (PRIME)
  - Whole Person Care (WPC) Pilots
  - Global Payment Program (GPP)
  - Dental Transformation Initiative (DTI)
- In addition, the waiver establishes a foundation to support the transition to value-based purchasing.

# Key Medi-Cal Programs

## Whole-Person Care

- Voluntary, county-based initiative.
- Coordination of health, behavioral health, and social services for Medi-Cal beneficiaries who are high utilizers.
- A five-year program. Pilot applications are expected to be due on July 1, 2016.

## Health Homes

- Led by Medi-Cal managed care plans in counties scheduled for implementation.
- Supports the development of a network of providers to integrate and coordinate primary, acute, and behavioral health care for high risk Medi-Cal beneficiaries.
- First implementation phase in January 2017.

## Coordinated Care Initiative

- Pilot program in seven counties, led by Cal MediConnect plans and Medi-Cal managed care plans.
- Promotes coordinated care for dual eligibles by combining a beneficiary's Medi-Cal and Medicare benefits into one health plan.
- A three-year pilot with authority through 2017.

## PRIME

- Funding for Designated Public Hospitals (DPHs) and District/Municipal Hospitals (DMPHs) throughout the state.
- Provides incentives to improve the way care is delivered and to transition to Alternative Payment Models (APMs).
- A five-year program. Five-year plans will be approved by June 3, 2016.

# PRIME: Goals and Philosophy

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- PRIME builds on the successes of the Delivery System Reform Incentive Payments (DSRIP) program and drives system-wide improvements further by:
  - Including a broader array of participating hospitals;
  - Requiring more robust participation requirements; and
  - Increasing expectations for performance.
- PRIME projects are designed to:
  - Establish or improve hospital infrastructure to manage high-cost populations through a range of interventions (e.g., care management, care transitions, behavioral health integration);
  - Expand capacity by enhancing efficiency and reducing unnecessary utilization; and
  - Build capabilities to support the transition to value-based purchasing.

# PRIME: Shared Responsibility

| Public Hospitals  | DHCS  |
|---|---|
| <ul style="list-style-type: none"> <li>Achieve project metrics and improve outcomes in order to earn PRIME funds</li> </ul> | <ul style="list-style-type: none"> <li>Provide timely and robust review of mid-year and year-end reports; ensure that PRIME funds are distributed as quickly as possible</li> </ul> |
| <ul style="list-style-type: none"> <li>Yearly incremental improvements</li> </ul>   | <ul style="list-style-type: none"> <li>Host learning collaboratives to help PRIME participants meet performance goals</li> </ul>  |
| <ul style="list-style-type: none"> <li>Possible funding reductions if project metrics are not achieved</li> </ul>           | <ul style="list-style-type: none"> <li>Complete a robust project evaluation, with penalties for delay</li> </ul>  |
| <ul style="list-style-type: none"> <li>Participate in shift to APMs—for DPHs only.</li> </ul>                               | <ul style="list-style-type: none"> <li>Ensure transparency in terms of process, performance, and outcomes</li> </ul>  |

# Value-Based Purchasing and APMs

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- Medi-Cal 2020 includes a key goal that by 2020, 60% of payments to designated public hospitals by health plans for Medi-Cal managed care beneficiaries who receive their primary care from those systems are to be through APMs.
- APMs are increasingly being used to engage providers as partners in managing patient populations.
- APMs allow providers flexibility to design and implement approaches to improving health outcomes, while managing utilization and cost.
- Examples of APMs include shared-savings arrangements, bundled payments, and global capitation.



# Delivery System Transformation

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- PRIME is a continuation of the delivery system reform efforts that began with DSRIP in 2010.
- In order for PRIME to be successful in improving the delivery system, hospitals and frontline providers must develop strong partnerships, and financial incentives must be passed along.
- These partnerships are critical to ensuring that the goal of changing the way care is delivered and paid for is achieved.
- Long-term sustainability of Medi-Cal and the transformed delivery system is dependent upon this collective shift in practice.

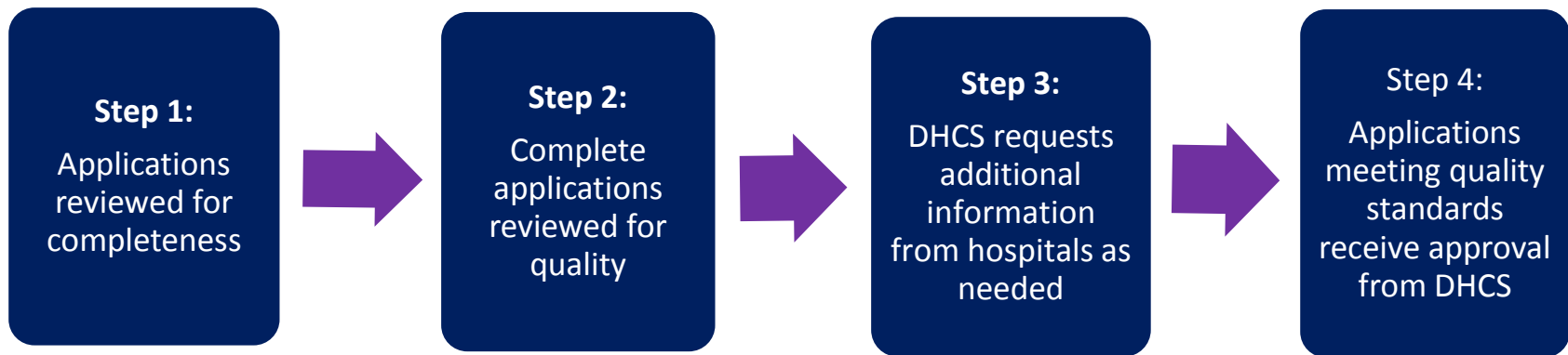
# PRIME: Learning Collaboratives

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- Throughout the 5-year PRIME program, DHCS will host learning collaboratives to support participating PRIME entities as they implement PRIME projects.
- In-person and web-based sessions will be convened throughout the PRIME implementation period.
- Learning collaboratives will bring together PRIME project leaders to discuss promising practices and lessons learned.
- Topics for discussion and technical assistance will be based on input from participating PRIME entities.

# Project Plan Review Process

- DHCS, with support from a team at Harbage Consulting, is conducting a thorough review of all 54 PRIME 5-year plans.
  - Plans that are deemed incomplete will be returned to the hospital for completion.
- DHCS will contact hospitals if questions arise during quality review.
  - Hospitals will have 3 business days to respond to DHCS inquiries.
- DHCS plans to issue final approvals no later than June 3, 2016.



# PRIME Project Plans

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- 54 PRIME 5-year plan applications received
  - 17 DPHs
  - 37 DMPHs
- Project selections:
  - 18 unique project options—all of which were selected
  - 270 total projects selected over the duration of the demonstration
    - 160 projects selected by DPHs
    - 110 projects selected by DMPHs
  - Project selection ranged from 1 project to 13 projects
    - 4 DPHs selected more than the required 9 projects
    - 31 DMPHs selected between 1-4 projects
    - 4 DMPHs selected between 5-8 projects
    - 2 DMPHs selected between 9-12 projects

# Domain 1 Project Distribution

| Domain 1 Projects                                      | # PRIME Entities |
|--|------------------|
| 1.1 Integration of Physical and Behavioral Health Care | 24               |
| 1.2 Ambulatory Care Redesign: Primary Care             | 24               |
| 1.3 Ambulatory Care Redesign: Specialty Care           | 19               |
| 1.4 Patient Safety in the Ambulatory Setting           | 15               |
| 1.5 Million Hearts® Initiative                         | 16               |
| 1.6 Cancer Screening & Follow-Up                       | 15               |
| 1.7 Obesity Prevention & Healthier Foods Initiative    | 9                |

\*Projects 1.1-1.3 are required for DPHs

# Domain 2 Project Distribution

| Domain 2 Projects   | # PRIME Entities |
|---|------------------|
| 2.1 Improvements in Perinatal Care                            | 20               |
| 2.2 Care Transitions: Integration of Post-Acute Care          | 30               |
| 2.3 Complex Care Management for High-Risk Medical Populations | 26               |
| 2.4 Integrated Health Home for Foster Children                | 4                |
| 2.5 Transition to Integrated Care: Post Incarceration         | 5                |
| 2.6 Chronic Non-Malignant Pain Management                     | 13               |
| 2.7 Comprehensive Advanced Illness Planning & Care            | 13               |

\*Projects 2.1-2.3 are required for DPHs

# Domain 3 Project Distribution

| Domain 3 Projects   | # PRIME Entities |
|---|------------------|
| 3.1 Antibiotic Stewardship  | 14               |
| 3.2 Resource Stewardship: High-Cost Imaging                             | 9                |
| 3.3 Resource Stewardship: Therapies Involving High-Cost Pharmaceuticals | 8                |
| 3.4 Resource Stewardship: Blood Products                                | 6                |

# Infrastructure Building Metrics

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- 36 of the 37 DMPHs have elected to complete infrastructure building metrics.
- DMPH infrastructure building shall support:
  - Activities to integrate services among local entities that serve the target population.
  - Services not otherwise covered or directly reimbursed by Medi-Cal to improve care for the target population.
  - Other strategies to advance the Triple Aim
  - Infrastructure building metrics must be reported mid-year and annually, with reporting of pay for performance metrics beginning no later than one year following the start of the demonstration.
  - These metrics will allow DMPHs to establish the essential infrastructure necessary to drive system transformation by linking to their selected project metric(s)



# Questions and Comments

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Additional questions can be submitted to

[PRIME@dhcs.ca.gov](mailto:PRIME@dhcs.ca.gov)

For more information, please visit:

<http://www.dhcs.ca.gov/provgovpart/Pages/PRIME.aspx>