

# California State Health Care Innovation Plan

The California Innovation Plan includes four initiatives and six building blocks, which are collectively designed to achieve savings within three years, as well as to catalyze longer term transformations of the health care delivery system. The Innovation Plan brings together leadership from California's public and private sectors to work together to implement these initiatives and building blocks.

The Innovation Plan has three overarching goals designed to advance the Triple Aim:

**1**  
Reduce health care expenditures regionally and statewide.

**2**  
Increase value-based contracts that reward performance and reduce pure fee-for-service reimbursement.

**3**  
Demonstrate significant progress on the Let's Get Healthy California dashboard.

## TRIPLE AIM

Lower Costs

Better Health Care

Better Health

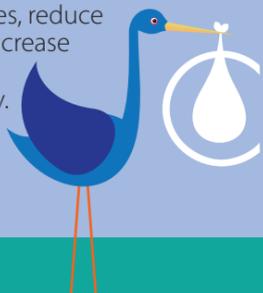
Let's Get Healthy California (LGHC) is the foundation for the Innovation Plan. LGHC identifies six goals to create health and achieve greater health equity: Healthy Beginnings, Living Well, End of Life, Redesigning the Health System, Creating Healthy Communities, and Lowering the Cost of Care.

## INITIATIVES

### MATERNITY CARE

**ISSUE** C-sections are more costly than vaginal deliveries and can lead to adverse maternal outcomes. C-sections have increased from 22% to 33% from 1998-2008.

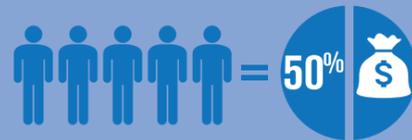
**GOAL** Reduce elective early deliveries, reduce C-sections, increase Vaginal Birth After Delivery.



### HEALTH HOMES FOR PATIENTS WITH COMPLEX NEEDS (HHPCN)

**ISSUE** 14 million CA adults have 1 or more chronic conditions. 5% of CA population accounts for over 50% of health care expenditures.

**GOAL** Expand HHCP model to provide high-risk patients with better coordinated care.



### PALLIATIVE CARE

**ISSUE** 70% of Californians report a preference to die in their homes; only 32% do.



**GOAL** Better align care with patient preferences with new benefit and payment approaches.

### ACCOUNTABLE COMMUNITIES FOR HEALTH (ACH)

**ISSUE** More than 75% of health care costs are due to chronic diseases, which are highly preventable, and in which significant racial and ethnic disparities exist.

**GOAL** Pilot ACCs to improve the health of the entire community by linking community prevention activities with health care.



## BUILDING BLOCKS

### WORKFORCE

**ISSUE** Fewer than 25% of the state's medical graduates enter into primary care. More demand is expected as up to 5.9 million Californians gain insurance coverage.

**GOAL** Enhance training opportunities for key healthcare workforce personnel. Expand and integrate the use of frontline and lower cost health workers such as community health workers.



### HEALTH INFORMATION TECHNOLOGY & EXCHANGE (HIT & HIE)

**ISSUE** HIT and HIE are vital components for achieving greater health care clinical integration and efficiency and improving quality and accountability. While adoption of electronic health records is increasing, gaps remain across the state.

**GOAL** Continue California's strong track record and improve the spread and use of HIT and HIE.



### ENABLING AUTHORITIES

**ISSUE** There may be rules and regulations that impede implementation of the initiatives and building blocks.

**GOAL** Explore any changes in authorities that could facilitate faster, broader or deeper spread of transformation.



### COST AND QUALITY TRANSPARENCY DATABASE

**ISSUE** Lack of a central reporting system makes it difficult to track overall cost and quality of care.

**GOAL** Create a robust reporting system that promotes transparency and monitors trends in health care costs and performance.



### PUBLIC REPORTING

**ISSUE** Greater public reporting is needed to enhance transparency and accountability to spur competition and improvement.

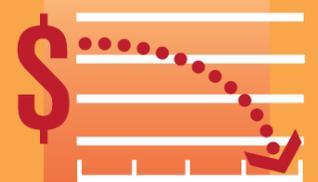
**GOAL** Create a vehicle for monitoring LGHC indicators and Innovation Plan initiatives.



### PAYMENT REFORM INNOVATION INCUBATOR

**ISSUE** Continued innovations are needed to achieve the goals of the Innovation Plan.

**GOAL** Develop, implement, evaluate, and spread successful payment reforms to better align incentives and reward value.



## ACCOUNTABILITY

The Innovation Plan's key initiatives and building blocks will be implemented and monitored by state, federal, and private purchasers. The Secretary of Health and Human Services, along with key partners, will host annual regional meetings with the heads of hospitals, health plans, county health departments, physician groups, and others to review progress on regional metrics. These meetings will also provide an opportunity for information sharing regarding early successes and challenges.

## KEY PARTNERS

Academia • Advocacy Organizations • Behavioral Health Providers  
California Health and Human Services Agency and its Departments  
California Public Employees' Retirement System • Clinics  
Community-Based Organizations • Community Health Workers/Promotores • Consumers • Covered California • Employers  
Foundations • Hospitals • Labor • Local Governments • Other Providers  
Payers • Physician Organizations • Public Health