### **Olympic Community of Health**

# Agenda (Action items are in red)

# Board of Directors Meeting February 13, 1:00-3:00 pm | 7 Cedars Hotel & Casino

Key Objective: To collaboratively advance the work of Olympic Community of Health

#	Time	Topic	Purpose	Lead	Attachment
1	1:00	Welcome, introductions, land acknowledgement, housekeeping	Welcome	Mike Maxwell	
2	1:10	Consent agenda	Action	Mike Maxwell	<ol> <li>BOD Minutes from January 9, 2023</li> <li>February Executive Director Report</li> </ol>
3	1:20	Public Comments (2-minute max)	Information	Mike Maxwell	
4	1:25	Value-Based Purchasing Workgroup Report (2022)	Action	Miranda Burger & VBP Workgroup Member	<ul><li>3. SBAR VBP Case Study</li><li>4. VBP Case Study Report</li></ul>
5	2:00	MCO Procurement	Discussion	Mike Maxwell	5. Letter to HCA about MCO Procurement
6	2:15	2022 Annual Report	Information	Amy Brandt	2022 Annual Report Link
7	2:25	Annual ED Performance Review Process	Information	Mike Maxwell	
8	2:35	Coffee Break Video #5 – Community & Clinical Partnerships	Discussion	Amy Brandt	<u>Video Link</u>
11	2:55	Good of the Order – Board member and public comments (2-minute max)	Information	Mike Maxwell	
13	3:00	Next meeting & Adjourn  March 13  Location: 7 Cedars Hotel &  Casino  Lunch provided prior to the meeting, and everyone is welcome at a post-meeting social hour.	Information	Mike Maxwell	





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# **Board of Director's Meeting Minutes**

Date: 1/09/2023 Time: 1:00 PM Location: 7 Cedars Hotel, Jamestown S'Klallam

Chair In-Person: Michael Maxwell, North Olympic Healthcare Network

Members Attended In-Person: Apple Martine, Jefferson County Public Health; Bobby Beeman, Olympic Medical Center; Brent Simcosky, Jamestown S'Klallam Tribe; G'Nell Ashley, Reflections Counseling; Stormy Howell, Lower Elwha Klallam Tribe; Wendy Sisk, Peninsula Behavioral Health; Beth Johnson, Coordinated Care; Brian Burwell, Suquamish Wellness Center; Jennifer Kreidler-Moss, Peninsula Community Health Services

Members Attended Virtually: Cherish Cronmiller, Olympic Community Action Programs; Roy Walker;
Kim Freewolf, Port Gamble S'Klallam Tribe; Keith Sprague, St. Michael Medical Center; Jolene Kron, Salish Behavioral Health Administrative Services Organization; Jolene Winger, Quileute Tribe; Laura Cepoi, Olympic Area Agency on Aging; Jody Moss; Susan Buell, YMCA of Pierce and Kitsap Counties; Jake Davidson, Jefferson Healthcare

**Non-Voting Members Attended In-Person**: Jim Novelli, *Discovery Behavioral Healthcare*; Laura Johnson, *United Healthcare Community Plan*; Kate Jasonowicz, *Community Health Plan of Washington* 

**Non-Voting Members Attended Virtually:** Laurel Lee, *Molina Healthcare;* Lori Kerr, *St. Michael Medical Center;* Siobhan Brown, *Community Health Plan of WA;* Derek Gulas, *United Healthcare* 

**Guests and Consultants Attended In-Person:** Lori Fleming, *Jefferson County Behavioral Health Consortium* **Guests and Consultants Attended Virtually:** Barb Jones, *Jefferson County Community Health Improvement Plan;* Carmen Ortiz, *First Step Family Support Center* 

**OCH Staff:** Celeste Schoenthaler, Miranda Burger, Amy Brandt (virtual)

### **Minutes**

Facilitator	Topic	Discussion/Outcom	Action/Results
		е	
Mike Maxwell	Welcome, introductions, land acknowledgement, housekeeping		
Mike Maxwell	Consent agenda	The Executive Committee discussed sole source contracts and recommended the motion.	Minutes APPROVED unanimously Consent Agenda APPROVED unanimously
Mike Maxwell	Public Comments (2-minute max)	Molina Healthcare is offering \$100 flu vaccine incentives for all members 6 months and older.	

Calaata	2022 MCO Carta Danas de di	Dath Jaharan Luc 24	Matiente anne e Bulliuste
Celeste	2023 MCO Sector Representative	Beth Johnson has 34	Motion to approve Beth Johnson
Schoenthaler		years of healthcare	as the MCO sector rep for the
		experience in	OCH Board of Directors for
		Washington on both	calendar year 2023.
		provider and payer	APPROVED unanimously
		side. She has been	
		with Coordinated Care	
		for 5 years.	
		Coordinated Care also	
		covers Medicare and	
		participates in the	
		Washington Exchange.	
Mike	Conflict of Interest Policy &	Many Board members	Motion to approve the Conflict-
Maxwell	Procedure	do have conflicts and	of-Interest policy and direct staff
		that do not prohibit	to send to applicable parties via
		Board participation.	DocuSign.
		Forms should be filled	APPROVED unanimously
		out with all conflicts	·
		declared.	
		Board members,	
		committee members,	
		Staff, and some	
		vendors complete the	
		Conflict of Interest	
		form each year.	
		Staff will send the	
		form out in the coming	
		weeks via DocuSign.	
Celeste	Quarter 3 2022 Financials	All materials were	Motion to accept the 2022
Schoenthaler		reviewed by Finance	quarter three financials as
		Committee in	presented.
		December.	APPROVED, Beth Johnson
		How did the \$700,000	abstained
		VBP P4P incentives get	abstance
		budgeted? This is	
		100% of what OCH can	
		earn under 2021 VBP	
		P4P, per Board	
		approved Funds Flow	
		Model. This is the last	
		time OCH is eligible for	
		VBP dollars under MTP	
		1.0.	
		Earnings will be known in the summer of	
		2023. Staff will	
		convene the Funds	1
		Flow workgroup after	

		wo know setual	<u> </u>
		we know actual	
		earnings to make	
		decisions on how to	
Calasta	2022 Budest	allocate funding.	Maties to assume the 2022
Celeste	2023 Budget	Do salaries/benefits	Motion to approve the 2023
Schoenthaler		include dollars to	budget and direct the Executive
		recruit/retain staff	Director to implement and
		competitively?	execute it accordingly.
		Salaries/benefits include kind increases	APPROVED unanimously
			The second and minerally
		for staff. We don't	
		spend a lot on	
		recruiting. Currently	
		we have 3 job	
		openings and we	
		advertise on our	
		website, newsletters,	
		and social media.	
		How much of the overall business line is	
		now Care Connect?	
		Care Connect takes 2.0	
		FTE. This is a cost	
		reimbursement	
		contract. OCH has four	
		contracts with	
		partners to implement	
		this work (PCHS,	
		NOHN, Olympic	
		Peninsula YMCA, and	
		KPHD). The biggest	
		expense is the	
		household assistance which is also direct	
		reimbursement.	
		Estimate close to 30%	
		of OCH's overall	
		budget.	
		Where is this work	
		going? The program is	
		more popular than we	
		thought. OCH served	
		over 180 people in the	
		first 4 months.	
		Care Connect feels	
		like a social service	
		outside of the regular	
		system.	

		How have employee	
		duties shifted with	
		added administrative	
		burden? Hiring the	
		new 0.5 FTE to help on	
		the administrative side	
		due to the higher	
		burden.	
		2023 feels like an off	
		year as we wait for	
		MTP 2.0. Care Connect	
		can be beneficial	
		because it prepares us	
		for some of the care	
		coordination work that	
		is to come under MTP	
		renewal waiver.	
		This budget does not	
		include High	
		Performance Pool	
		(HPP) dollars. Once	
		final dollar amounts	
		are received for P4P,	
		VBP P4P, and HPP,	
		staff will convene the	
		Funds Flow workgroup	
		to make decisions on	
		how dollars are	
		allocated.	
		Auditors do not review	
		the budget. OCH has a	
		stellar audit history.	
		OCH does contract	
		with an external	
		accountant for	
		bookkeeping and	
		accounting services.	
Miranda	Focus Area Action Plan next steps	Why are the two	Motion to approve prioritizing
Burger	. Color il carried in the inche steps	direct services actions	these 9 actions for 2023-2024
		under SUD not	including a related forthcoming
		prioritized? And why	funding opportunity.
		are there two actions	APPROVED, Opposed by G'Nell
		around transitional	Ashley
		housing? OCH staff	Motion to approve the formation
		looked for actions	of a 2023 RFP Committee to
		where we could build	determine principles, a high-level
		on momentum or	RFP concept, application scoring
		early successes to	and review process, and funding
		carry successes to	and review process, and funding

demonstrate actionable successes, as well as alignment with Board approved 2023 priorities and budget. We would like to elevate the priorities from 3CCORP. These actions align with OCH's past work and planned priorities for 2023. What does the implementation of actions look like? It depends on the action and whatever strategy is the best fit. OCH will lead some actions and partners will apply for funding to carry out other collaborative projects. Convenings will be organized around actions. The action groups will not continue in the same formation into 2023. Their work was to establish the action plans that were approved by the Board in December 2022. Funded partner projects will align with OCH's strategic plan and mission. OCH works at a systems level toward health transformation, not health delivery. SUD services encompass harm reduction. Prioritized actions will guide OCH funding and

recommendations for ultimate approval by the Board.

APPROVED unanimously

staff time. In

		T -	
		alignment with OCH's	
		commitment to	
		partnership, actions	
		outside of the	
		priorities will still be	
		considered as funding	
		and capacity allow.	
		These priorities are a	
		place to start for 2023-	
		2024.	
		Detox services are	
		very needed. It is	
		unclear how much	
		impact OCH could	
		have around this	
		action. There is	
		interest in conducting	
		a white paper to learn	
		more about detox and	
		possible solutions.	
Amy Brandt	Coffee Break Video #5 –	Skipped due to time.	
	Community & Clinical		
	Partnerships		
Mike	Good of the Order – Board	Jamestown S'Klallam	
Maxwell	member and public comments (2-	will be giving a	
	minute max)	presentation to	
		elected officials to	
		build an evaluation	
		and treatment center.	
		Sharing support with	
		elected officials is	
		appreciated.	
		Jamestown is willing to	
		partner on white	
		paper for regional	
		detox. Andrew	
		Shogren is the new	
		health planner at	
		Jamestown and can	
		help.	
		PCHS is in process of	
		buying a house to	
		convert for low-	
		income housing,	
		seeking collaboration	
		with people who've	
		done this before. Peninsula Behavioral	

		Health continues to work on a housing project. They anticipate occupying it in March.  NOHN is seeing new patients in their newest service site.  Expanding Optometry	
		for Medicaid.	
Mike Maxwell	Confirm February 13, 2023, meeting and adjourn		

### Hot Topics

- OCH brought over 30 partners together on January 31 to share results of the recent network analysis (this was shared with the Board in November 2022).
- The partners who received funding in 2022 for the "Expanding the Table" funding opportunity are compiling reports and will earn their second and final payment in February. Staff will share a summary of that work with the Board soon.
- OCH staff attended a meeting in Kitsap County, hosted by Commissioner Rob Gelder to explore the idea of establishing a **Public Hospital District in Kitsap County**. The group discussed the strengths and challenges of the health delivery system in Kitsap and agreed to continue meeting quarterly.
- OCH brought together the Care Coordination Agencies (CCAs) who work to support
   Care Connect, a program that offers resources for those who test positive for
   COVID-19 and are willing to isolate to stop the spread. The group reviewed data
   from the first few months of the program and shared feedback about the program.
- OCH staff met with Department of Health in-person on February 1 for a Care Connect site visit. This was an opportunity to review workflows and processes with DOH and to share feedback about the program.
- HCA and CMS continue to negotiate the forthcoming Medicaid Transformation renewal waiver. Staff hope to have concrete information to share with the Board and partners in the Spring.

## • Subcommittee reports/updates

- Executive Committee The executive committee met on January 24 to discuss the agenda for the February board meeting and to hear updates from the Executive Director. The group is starting to plan for Celeste's annual performance review.
- o Finance Committee The finance committee will meet again in April, 2023.
- o **Funds Flow Workgroup** will meet again in the summer of 2023.
- 2023 RFP Committee The initial meeting of the 2023 RFP Committee happened on January 30. The group reviewed a timeline, principles, and a high-level concept of the forthcoming Request for Proposals. The group will meet one more time before the RFP is released.
- Visioning Taskforce- Committee is on hold.
- Upcoming meetings and events
  - Clallam & Jefferson County partners meeting with Peninsula College February 27 Peninsula College
  - OCH Executive Committee February 28 virtual
  - Board of Directors March 13 7 Cedars
- Administrative & staffing updates
  - Welcome to Jocelyn Moore! Jocelyn joined the team in late January and will serve as an Operations & Events Coordinator.
  - Ruth Winkler will join the team on February 13 as a Community Program Coordinator. Welcome Ruth!

- The team is in the final stages of hiring for a second Community Program Coordinator.
- Staff are participating in an annual open enrollment process, with a new benefits cycle starting March 1.

### Olympic Community of Health

### SBAR: Value-Based Purchasing Action Group Case Study

Presented to the VBP Action Group on September 13, 2022 Updated and presented to the OCH Board of Directors on February 13, 2023

### Situation

The Value-Based Purchasing (VBP) Action Group collaboratively shares the Olympic Region Case Study to promote advancement of the Health Care Authority's (HCA) efforts to transform health care by ensuring Washington residents have access to better health and better care at a lower cost. This case study provides a look at the challenges, successes, and opportunities in the Olympic region in hopes that it will guide future statewide as well as regional decision making and next steps.

### Background

The VBP Action Group launched in March 2022 in response to partner feedback and is comprised of regional, cross-sector partners, including primary care, mental health, substance use disorder, hospital, community-based organizations, Managed Care Organizations (MCOs), and HCA. The purpose of the VBP Action Group is to identify challenges, gaps, as well as advocate for creative solutions to expand and improve VBP efforts across Clallam, Jefferson, and Kitsap counties. The Olympic Region Case Study is a direct result of the VBP Action Groups efforts.

As an on-time adopter for Integrated Managed Care (IMC) the Olympic region did not receive funds to support integration efforts. Clallam county was the only county in Washington state that did not have managed care for primary care prior to the launch of IMC, posing additional unique challenges. Prior to IMC all 5 MCOs had a presence in the Olympic region. With the transition to IMC the region went to three MCOs. In 2021, this expanded and all 5 MCOs are now again present.

In March 2020, statewide lockdowns were initiated in response to COVID-19. Providers necessarily solely focused on COVID-19 response for much of 2020. Many providers requested adaptations to MCO contracts through 2020 and 2021 as COVID-19 severely impacted provider ability to work towards targets and goals unrelated to COVID-19 response.

The Olympic region did not meet VBP Pay for Performance (P4P) metrics in 2020 causing significant financial impacts. OCH earned only \$22,500 in VBP P4P and lost out on the majority of funds available, about \$450,000, that could have been used to further support providers in VBP readiness.

OCH hosted several convenings throughout the Medicaid Transformation Project (MTP) to promote collaboration and shared learning across regional and statewide partners.

- Along the way OCH has promoted the VBP survey and tracked regional gaps, challenges, and opportunities.
- Along the way OCH has compiled partner feedback on gaps, challenges, and opportunities with VBP.
- In 2019 OCH hosted a convening of MCOs and community-based organizations to better understand the role of CBO's in VBP efforts.

 In August 2021 OCH hosted a convening of regional partners, HCA, and MCOs to promote shared understanding and conversations to address regional concerns in VBP. At this convening it was decided to bring together a smaller group of partners to continue action-oriented conversation.

### Action

The VBP Action Group sets forth the Olympic Region Case Study and the following recommendations:

- Explore group contracting
- Create and enhance interoperable data systems
- Speed up data reconciliation process
- Include additional provider types in VBP arrangements
- Align metrics across different provider types
- Increase reimbursement rates, particularly for behavioral health
- Statewide workforce investments
- · Community-based organization capacity building
- Establish baseline funding for transformation work
- Clear direction set by HCA on the role of community-based organizations in VBP and a path forward for direct contracting
- Investment in bi-directional communication and referral systems

The VBP Action Group pose the following for discussion:

- Where does HCA see alignment with other initiatives (Primary Care Transformation Model, WA-Integrated Care Assessment, MTP renewal waiver, care coordination, other)?
- How can this information inform HCA's strategy for implementation of planned initiatives?
- What can we collaboratively address now? Where do we start?
- What should we leave for another day?
- How can the VBP action group and/or OCH support next steps?

### Recommendation

The OCH Board of Directors adopts the Olympic Region Case Study and directs staff to take action to share broadly with the OCH partner network as well as statewide partners.

The OCH Board of Directors directs staff to continue to facilitate connections between partners and MCOs.



### December 2022

The purpose of this case study is to promote advancement of the Health Care Authority's (HCA) efforts to transform health care by ensuring Washington community members have access to better health and better care at a lower cost. This case study provides a look at the challenges, successes, and opportunities in the Olympic region around Value-Based Purchasing (VBP) to guide future statewide and regional decision making and next steps towards HCA's vision for a healthier Washington.

"VBP is a strategy used to improve the quality and value of health care services a person receives. VBP ensures health plans and health care providers are accountable for providing high-quality, high-value care and a satisfying patient experience.

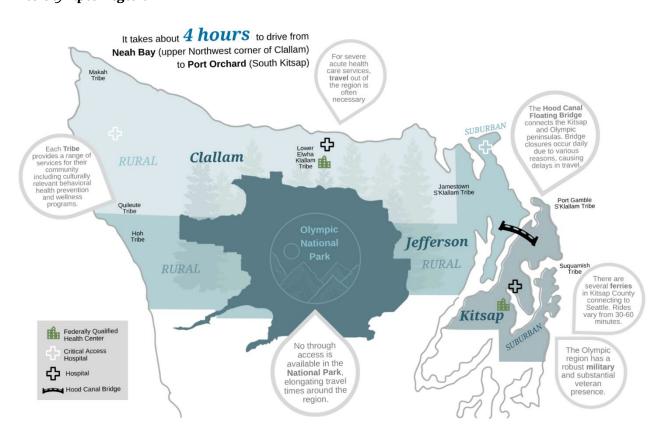
VBP uses value-based payment, which is a payment method for providers that rewards providers for the quality of health care, rather than the volume or number of patients a provider sees. (This is called fee-for-service.)" (Health Care Authority, 2022)

### Olympic Community of Health Value-based Purchasing (VBP) Action Group

The VBP action group is comprised of regional and statewide partners, including local Federally Qualified Health Centers, hospitals, primary care, behavioral health, substance use disorder, community-based organizations (CBOs), all five Managed Care Organizations (MCOs), and HCA.

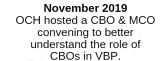


### The Olympic Region





### How we got here



March 2020 COVID-19 lockdowns. 2022
Launched VBP action group to continue actionoriented conversation.

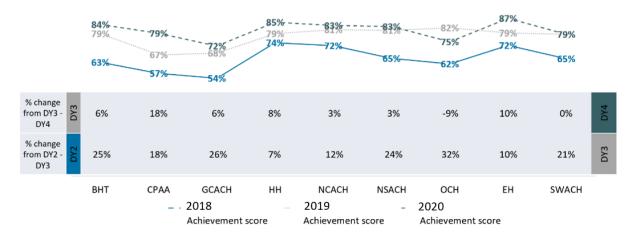
### January 2020

Transition to Integrated Managed Care (IMC). As an on-time adopter the Olympic region did not receive funds to support integration efforts. Clallam county was the only county in Washington state that did not have mandated managed care for primary care prior to IMC.

# August 2021 Regional VBP convening to promote shared understanding and conversations to address regional concerns.

### Current landscape

Figure 1: VBP achievement score comparison from 2019-2020

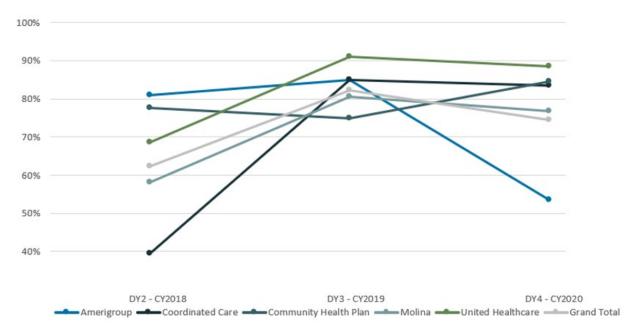


### Key takeaways from Figure 1

- The Olympic region decreased penetration of MCO VBP by 7% (82% in 2020 and 75% in 2021) while the rest of Washington state increased or stayed the same.
- OCH earned only \$22,500 in VBP pay for performance (P4P) for the performance year of 2020, and lost out on the majority of funds available, about \$450,000, that could have been used to further support providers in VBP readiness.
- Statewide data indicate that rural areas, like the Olympic region, may be more negatively impacted compared to urban areas.



Figure 2: %VBP- OCH



### Key takeaways from Figure 2

- In the Olympic region, a very limited number of providers are currently engaged in VBP contracts.
- Each MCO has their own approach to partnering and engaging providers in VBP to ensure success. MCOs are creative in their approaches to VBP, and many promising pilots have been launched.
- Molina has several promising VBP pilots in the Olympic region including:
  - Kitsap Recovery Center, an inpatient and outpatient SUD facility.
  - Kitsap Children's Clinic, a pediatric clinic.
  - Washington Alliance of YMCA's for Diabetes Prevention Program.

### Challenges

### Metrics

Metrics pose a significant barrier across multiple levels.

- Misidentification: Will these metrics lead to improved health outcomes and costs?
- **Misalignment**: Metrics across MCOs are not aligned leading to the unnecessary split of limited provider time and resources.
- **Inconsistency:** Changing metrics year to year poses a considerable burden for providers, who spend resources, time, and staff capacity to build systems to meet specialized metrics.

"If you do something for one patient, you do it for the entire patient population, you don't pick and choose depending what insurance provider they have."

Peninsula Community Health Services



### Data

**Accurate as well as timely data are an essential component to provider quality improvement.** The problem with data begins at attribution and misassignment is common.

### Barriers

- Lack of interoperable data systems\*
- · Payment model uncertainty\*
- Attribution\*
- Disparate incentives/contract requirements\*
- Disparate quality measures/definitions
- Misaligned incentives and/or contract requirements\*
- Lack of timely cost data to assist with financial management\*
- Lack of access to comprehensive data on patient populations\*
- · Lack of interoperable data systems\*
- Insufficient patient volume by payer to take on clinical risk\*

### **Enablers**

- Interoperable data systems\*
- · Cost transparency
- Trusted partnerships and collaborations\*
- Aligned incentives/contract requirements\*
- Aligned quality measures/definitions\*
- Development of medical home culture
- Ability to understand and analyze payment models
- Access to comprehensive data on patient populations\*
- Common clinical protocols and/or guidelines associated with training for providers
- Sufficient patient volume by payer to take on clinical risk

\*Consistent with 2020 survey responses

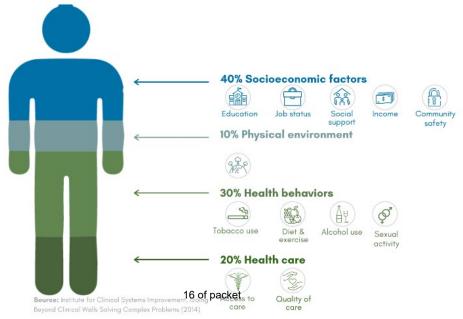
### **Small numbers**

The rural geography, extremely limited footprint of large health systems, and presence of all 5 MCOs results in **limited** attributed lives to any one MCO. For example, Jefferson Healthcare is the largest provider in Jefferson County, and serves approximately 6,000 Medicaid lives. Split across 5 MCOs, this means no significant population is attributed to any one MCO.



### **Role of CBOs**

CBOs are uniquely poised to impact the determinants of health and already possess the expertise, relationships, and trust of the community to have high impacts on health. Direction on the role of CBOs in VBP has been passive. A more direct path for engaging CBOs is needed from HCA. Additionally, clinical providers need to be reimbursed for the expanded in-house services to address health-related social needs.





Whole county is shortage area

None of county is

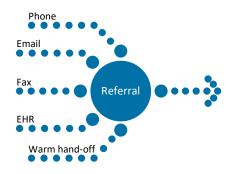
shortage area

Part of county is

shortage area

### Infrastructure

Smaller providers operate on limited budget and workforce constraints and often lack sophisticated infrastructure to effectively manage VBP contracting complexities. Throughout the Olympic region, multiple Electronic Health Records (EHR) are in use, population health management functionality is severely limited, and most providers have created low-tech systems outside of the EHR to supplement efforts. Most CBOs operate without any formal EHR system, creating barriers to showing their value in health outcomes.



### Workforce and administrative burden

<u>Workforce shortages</u> continue to severely impact health-serving organizations across all levels. **The Olympic region is a uniquely rural area that struggles to recruit and retain a quality health-serving workforce.** Contracting is burdensome and taxes the already limited workforce.

Map 42. Overall Physicians per 100,000 Population: ACHs, 2019 # Mental Ratio to Health Population Providers WA State 270:1 300:1 Clallam County 256 Jefferson 128 250:1 County Kitsap County 887 300:1

# Value-based Purchasing: Olympic region case study



**Possible solutions** – The VBP Action Group spent time in 2022 exploring possible solutions to the Olympic region's unique challenges. These proposed solutions consider statewide objectives, regional priorities, and partner interest and capacity.



**Group contracting:** Group contracting could incent greater collaboration across partners, be one of the avenues to directly include CBOs, address some administrative burdens, and increase attribution by pooling populations in rural communities. This approach must come with added dollars.



Interoperable data systems: Statewide investment in interoperable data systems and an expedited process to get accurate data into provider hands is essential to improving health outcomes. Targeted infrastructure investments aid providers to maximize population health management and streamline patient interventions. Any efforts to expedite claims data is beneficial.



**Speed up data reconciliation process:** An easy system for members, providers, and MCOs to update attribution is necessary to keep data accurate.



Include additional provider types in VBP:

Engaging additional providers in VBP, like behavioral health, specialty care, and community-based organizations, will enhance HCA's current efforts to contain costs. A clear avenue for CBOs to directly contract with MCOs could help in a variety of ways. When engaging additional provider types, it will be important to align metrics to maximize impact.

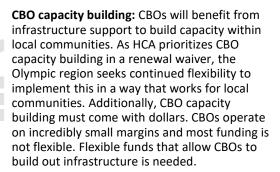


Align metrics across different provider types:

HCA contract requirements need to stay consistent for a longer period of time and provide more lead time so MCOs can align metrics. Statewide alignment in data sharing, for example simply agreeing to the order of columns and inclusions, could streamline data reconciliation for MCOs as well as providers. Demo years for proposed metrics allows providers to build systems and ramp up work to be more successful.



Statewide workforce investments: Investment in programs to promote and increase the health-serving workforce, like student engagement and incentives and rural-placement programs and incentives are helpful to supplement the dwindling existing workforce. In order to retain a quality workforce, reimbursement rates must be increased.





Baseline funding for transformation: Adding additional dollars for a baseline of per member per month to recoup for transformation work. As one provider states, "it's the same work to transform regardless of your size." This may align with the Primary Care Transformation Model (PCTM) approach and would be beneficial to implement beyond primary care.



**Investment in community information exchange tool:** Community information exchange systems can also be beneficial for closing care gaps.

### Next steps

We've provided a look at the challenges, successes, and opportunities in the Olympic region in hopes that it will guide future decision making and regional next steps to promote advancement towards HCA's vision for a healthier Washington. With that in mind, we pose the following questions:

- Where does HCA see alignment with other initiatives (PCTM, WA-ICA, renewal waiver, care coordination, other) and how can this information inform HCA's strategy for implementation of planned initiatives?
- What can we collaboratively address now? Where do we start?
- How can OCH and/or the VBP action group support next steps?





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August 10, 2022

Jason McGill Assistant Director, Medicaid Programs Division Health Care Authority 626 8<sup>th</sup> Ave SE Olympia, WA 98501

Dear Jason,

Thank you for sharing the announcement in early May regarding the process and timeline for the upcoming procurements for Medicaid Managed Care Organizations (MCOs) and the new low-income uninsured product. In regard to the goals outlined for procurement of Apple Health managed care contracts, Olympic Community of Health (OCH) recommends that HCA procure a baseline of three contracts, with each serving the whole state. Additional MCOs could be procured for the more populous areas of the state.

This type of system would better meet the needs of Medicaid beneficiaries, a population that tends to be transitory. A baseline of MCOs would help to ensure the patient is at the center of the system and could support more consistent coverage and care for the state's most vulnerable patients.

Based on provider interest, OCH is convening a *Value-Based Payment Action Group* in 2022. This group is comprised of local providers, managed care partners, and HCA staff. The group shares the purpose of identifying challenges and gaps to advocate for creative solutions to expand and improve value-based purchasing (VBP) efforts across the three-county region. The group will soon offer to present its findings to HCA regarding local challenges and potential solutions to streamline VBP and administrative stability in the region. As of 2022, the Olympic Region (the smallest region based on percent of Medicaid beneficiaries) now has all five MCOs providing services in the region. This has proven a significant administrative burden in a region with many small providers and it is unclear how the region has benefited from having multiple MCO competitors. The current system limits the region's ability to establish and implement VBP mechanisms in place for panels with small numbers. This has far-reaching impacts in our region, as we have very few large health systems and most providers have small patient panels in context with the rest of the state. If there were fewer MCOs in the region, there could be more VBP arrangements in the region, leading to lower cost of care and improved health outcomes for our region's most vulnerable community members.

Providers (Traditional & Tribal) in the region stand ready to discuss this further as HCA has interest. We appreciate the opportunity to share our feedback and look forward to continued partnership with both HCA and managed care.

Sincerely,

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Michael Maxwell, Board President CEO, North Olympic Healthcare Network Celeste Schoenthaler Executive Director, Olympic Community of Health