



## Medicaid Transformation Payments Policy

### Purpose

The purpose of this Medicaid Transformation Payment Policy is to clarify Olympic Community of Health's intended expectations regarding Medicaid Transformation payments.

### Definitions

**Medicaid Transformation Project (MTP):** A five-year contract between OCH and Health Care Authority (HCA) to transform the Medicaid delivery system. The Medicaid delivery system is defined as clinical (e.g., physical, mental, dental and substance use disorder treatment) and non-clinical (e.g., housing and social services) providers for the Medicaid population. MTP is funded by the Centers for Medicare & Medicaid Services (CMS) through section 1115 of the Social Securities Act through 2023.

**Medicaid Transformation Project Payments:** Performance-based incentive payments through achievement of milestones and outcomes in the Change Plan

**Change Plan:** A detailed description of an Implementation Partner's target outcomes and tactics to meet the Board's vision of the MTP. It forms the scope of work for the Standard Agreement between OCH and the implementing partner

**Olympic Community of Health (OCH) Board of Directors (Board) transformation vision:**

1. Accessible, patient-centered healthcare system that effectively integrates physical, behavioral and dental health services
2. Effective linkages between primary care, social services and other community-based service providers
3. Common data metrics and shared information exchange
4. Provider adoption of value-based care contracts

**Standard Agreement:** A contract through 2021, possibly extended to 2023, between each Implementation Partner and OCH outlining mutual expectations between parties

**Implementation Partners:** Partnering providers that serve Medicaid beneficiaries within the three-county region with a completed Change Plan and signed Standard Agreement

**Community-Based Organizations:** Provide community-based social services and supports to Medicaid beneficiaries within the three-county region and in direct support of the outcomes in the Change Plan and Shared Change Plan

## GUIDING PRINCIPLES for Medicaid Transformation Payments

- All payments made to Implementation Partners must reward activities that support the Board's vision for transformation (see definitions above for Board vision)
- Payments will target (1) delivery system reform that is sustainable and mutually supportive of value-based contracts; (2) organizations that can impact the pay-for-performance metrics in the contract between OCH and HCA; and (3) investments in health systems capacity building and infrastructure development
- The amount of Medicaid Transformation payments is limited, as is the time and bandwidth of the Implementation Partners

## IMPLEMENTATION PARTNERS are expected to\*

- Serve a minimum proportion of Medicaid lives within the Natural Community of Care, or provide physical, mental, and/or substance use disorder care to a population with disproportionately poor health outcomes
- Partner with smaller providers and community-based organizations within the Natural Community of Care
- Braid other funding and resources to align outcomes with the MTP
- Demonstrate the ability to impact a minimum set of Change Plan outcomes and benchmarks
- Contract with or plan to contract with managed care organizations (MCO), or subcontract with other MCO-contracted organizations for specific scopes of work and required outcomes
- Commit to the Change Plan for the entire length of the MTP with limited modifications after 2018 to accommodate justifiable changes
- Have a demonstrated investment in and strengthens the OCH MTP strategy

\* *In consultation with each Tribe*

## IMPLEMENTATION PARTNERS can expect the following from OCH

- Transparent decision-making about this policy and its implementation
- Ongoing opportunities to provide feedback to support continuous improvement
- Ongoing information and technical support throughout the MTP
- Regional health systems capacity building and infrastructure investments
- Assistance in programming investments at the Natural Community of Care level in support of Change Plans and Shared Change Plans
- Convenings to support shared learning and ongoing planning
- A transparent process for reviewing and approving Change Plans and Change Plan adjustments as well as the monitoring of required outcomes and tactics