Health Care Restructuring:
Federal and State Policy Connections

Context: The implementation of key provisions of the Affordable Care Act (ACA) continues at an ever increasing pace. Leadership from both federal and state health agencies are engaged in implementing the major provisions of the ACA, such as expanding healthcare coverage, implementing health insurance market reforms, healthcare delivery system restructuring, and reforming provider payment methodologies. Although each of these major healthcare reforms would be considered significant as a stand-alone initiative, taken together they represent an unprecedented portfolio of policy and programmatic opportunities and challenges for federal and state public officials. Getting the health reform policy framework and program execution right is critical to achieving successful outcomes.

Approach: Since the passage of the ACA, Health Management Associates (HMA) has expanded the depth of its health reform consultant expertise. The ACI has organized and integrated the expertise, tools, and resources of HMA staff to assist its public and private sector clients with their responses to coverage expansion, programmatic changes, care model innovations, and delivery system and payment reform initiatives. Specifically, the ACI creates a forum for multi-disciplinary teams of HMA experts and public and private leaders to discuss emerging policy and programmatic issues, current and previous state and federal Medicaid program waivers and 1115 demonstrations, and new federal policy initiatives. The ACI provides a continuous learning and knowledge dissemination process to share evidence-based strategies. HMA experts contribute policy research, develop policy white papers, and offer opportunities to share best practice knowledge and insights with clients and the health care community. HMA is continually surveying, researching, and studying national and state level healthcare reform policy, execution, and outcomes. As health reform evolves, there will continually be a need to reassess the existing policy frameworks.

Examples of Projects:

- **Delivery System Redesign and Payment Reform**
  HMA client projects include researching and developing policy and regulatory frameworks as part of innovative delivery system model development and payment reform. For example, HMA is engaged with states (Illinois, Iowa, Michigan, and Texas) on Center for Medicare and Medicaid Innovation funded State Innovation Model (SIM) initiatives and is assisting with the evaluation of their regulatory environment, recommending policy and regulatory options to support delivery system structural change, and implementing payment reforms. In addition, the ACI Policy Group tracks SIM initiatives and provides states with ACI developed resources, including *Guidelines for State Innovation Model...*

- **State Waiver Policy Analysis and Development**
  - Texas: Provided technical assistance and consulting on the Texas 1115 waiver.
  - New Jersey: Presented a summary of Delivery System Reform Incentive Programs (DSRIP) approved in Medicaid 1115 waivers nationwide, and insights into New Jersey's DSRIP program.
  - New Jersey: Provided technical assistance to Barnabas Health to develop a plan for the New Jersey Delivery System Reform Incentive Program created under the state's Medicaid 1115 waiver demonstration.

- **Medicaid Expansion Analysis and Policy Options**
  - HMA experts participate in webinars, blogs, and panel discussions on a regular basis offering expert analysis on the policy options and models states are considering regarding Medicaid expansion and program design. Some examples include a presentation on state approaches to Medicaid expansion to the Virginia Medicaid Innovations and Reform Commission, and an HMA-hosted webinar on the economics of the Medicaid expansion.
  - Children's Hospital: Provided technical assistance and consultation on the 1115 waiver and DSRIP projects for the hospital.
  - California: Prepared a comprehensive policy brief on care coordination for use by Lucile Packard Children's Foundation for health.
  - National: Provided technical assistance to a national Medicaid managed care health plan on risk mitigation strategies and policies for capitation rate setting for state Medicaid expansion populations for the consideration of CMS.

- **Strategies for Behavioral Health Program Integration**
  - Federally Qualified Health Centers: Provided state and federal health policy consultations and assisted with board development and FQHC and behavioral health contracting, including strategic assistance with benefit design.
  - Care Coordination through Medicaid Health Homes: Assisted Missouri to become the first state in the nation to receive federal approval for coverage of Medicaid Health Home services. HMA also assisted Rhode Island, North Carolina, and Ohio with approval of the benefit.
  - Detroit, MI: Provided technical assistance to Gateway Detroit East which is launching primary care services for current Gateway Detroit East behavioral health clients. The new Integrated Person Centered Health Home (IPCHH) will provide physical health services consistent with Patient Centered Medical Homes (PCMH) principles and with the full integration of behavioral health services.
District of Columbia: HMA is currently providing technical assistance through the Department of Behavioral Health to develop mental health providers’ use of Planned Care concepts and increase HIT/HIE capacity in the provision of Medicaid Health Home services.

- **Policies and Procedures for State MCO and Provider Contract Development and Management**
  - State of Virginia MCO Health Plan: Prepared a Model of Care proposal to CMS and completed a Medicare-Medicaid duals integration proposal.
  - Inland Empire California: Provided technical assistance and consultation to Inland Empire Health Plan (IEHP) on all strategic, operational, and financial aspects of the Request for Proposal (RFP) development process for services associated with nursing home eligible members, i.e., Managed Long-Term Services and Supports (MLTSS).
  - Kentucky: Provided business operations and IT advisory services to a provider-based Medicaid managed care plan in Kentucky planning to offer qualified health plans in Kentucky’s health insurance exchange.
  - New York: Provided training to assist the provider community in understanding the changing Medicaid environment in New York State, the programmatic changes created by the Managed Long Term Care (MLTC) and Fully Integrated Duals Advantage (FIDA) programs, the reasons behind the changes, and how these programs will affect the way their clients obtain services.
  - California: Developed a policy white paper on increasing trends toward integrated care models under ACA as well as within California.
  - Texas: Provided technical assistance and consultation to a health plan on the development and submittal of a qualified health plan application to the federal insurance exchange.

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