

# Health and Human Services Region IX Update

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# Region IX

## The U.S. Department of Health and Human Services

**Arizona, California, Hawaii, Nevada, American Samoa, Commonwealth of the Northern Mariana Islands, Federated States of Micronesia, Guam, Marshall Islands, and Republic of Palau**

### **Focus:**

Regional staff are the connection between regional stakeholders and the Department. There are Outreach & Education Professionals, Program & Project Officers, Caseworkers, Inspectors, and Auditors, who understand the region, its people, its cultures, and its needs.

### **Representation:**

- Administration for Children and Families
- Administration for Community Living
- Assistant Secretary for Preparedness and Response
- Agency for Toxic Substances Disease Registry
- Centers for Disease Control and Prevention
- Centers for Medicare and Medicaid Services
- Food and Drug Administration
- Health Resources Services Administration
- Indian Health Service
- Office of the Assistant Secretary for Health
- Office of Civil Rights
- Office of the Inspector General
- Substance Abuse and Mental Health Services Administration

# FRAMEWORK FOR MEASURING IMPACT OF THE AFFORDABLE CARE ACT



Affordability



Access



Quality

# Affordability

- Under the ACA, we've seen the **slowest growth** in the prices of health care goods and services **in nearly 50 years**.
- In 2013 health care spending grew at 3.6% the **lowest rate on record since 1960**.
- The Marketplace has increased competition, **keeping costs low**.
  - *Premiums for benchmark silver plans increased modestly from 2014-2015 at an **average of only 2 percent**.*
- Medicare per capita spending growth is almost zero, keeping **Part B premiums flat for 2015**.

# Access

- After the first year of ACA coverage expansion, **10 million more** people had health coverage in our country than did in 2013 because of both the success of the **Marketplace** and **Medicaid expansion**.
- The Nation's **uninsured rate** is now at or near the **lowest level** recorded across five decades of data
  - In California, almost 1.3 Million **Marketplace plan selections were made** Through February 10<sup>th</sup> and
  - Medi-Cal enrollment since September 2013 has increased by approximately **2 million lives**.
- Access to coverage is a **first step**, and it is critical that **access to care** follows.
  - *Access to high quality, coordinated, high value health care services is what ultimately leads to better health for all Americans and is central to the ACA.*

# Quality

**We have already seen improvements in quality under the ACA.**

- **Seventeen percent decline** in hospital-acquired conditions from 2010 to 2013.
  - *Approximately 50,000 fewer patients died in the hospital and approximately \$12 billion in health care costs were saved in just three years.*
- Also in December of last year, HRSA provided \$36M in quality awards to community health centers across the country to incentivize use of medical homes and improved chronic disease management, including many health centers in Region IX.

# DELIVERY SYSTEM REFORM

We are taking action to build on progress made in improving health care so patients and their families can get the best care possible. Our goal is to spend our health care dollars more wisely, so—ultimately—people can live healthier lives.

- HHS is committed to **Delivery System Reform** to accelerate achievement of the overarching goals of **better care, smarter spending** and **healthier people**.
- Delivery System Reform includes three key areas: **care delivery, incentives** and **information**.

# DELIVERY SYSTEM REFORM

## CARE DELIVERY

- Coordination and integration across care settings
  - Patient-centered **Medical Homes**
  - **Chronic care** management
  - Physical and Behavioral health **integration**
- Population health improvements
  - Smarter care delivery **outside** the doctor/patient interaction
  - Treating the whole patient and all her **non-medical** needs
  - Public health and **population-based** strategies
- Patient Engagement in decision-making



# DELIVERY SYSTEM REFORM

## PAYMENT INCENTIVES

### Rewarding value and care coordination –not volume and care duplication

- Goals Include:
  - **Tying traditional Fee for Service Medicare payments to quality** or value through alternative payment models.
    - **30% by the end of 2016 and**
    - **50% by the end of 2018.**
  - **Tying traditional Medicare payments to quality** or value through programs such as the Hospital Value Based Purchasing and Hospital Readmissions Reduction programs.
    - **85% by the end of 2016 and**
    - **90% by the end of 2018.**
- Will create a “**Health Care Payment Learning and Action Network**” for private payers, employers, consumers, providers, states, and state Medicaid programs, as well as other partners, to expand alternative payment models into their programs.

# DELIVERY SYSTEM REFORM

## INFORMATION

**Distributing information to where it needs to be to support high quality care and greater transparency.**

- **Electronic Health Records (EHRs).**
  - Bring electronic health information to the point of care so health information is available when and where it is needed.
- **Access to Cost, Charge, and Quality Data**
  - *Physician Compare*
  - *Hospital Compare*
  - *Charge Data for Hospital and Physician Services*
  - *Qualified Entity Program*

# Center for Medicare & Medicaid Innovation (CMMI)

## Supports development of new models of payment and delivery

- Invests **\$10 billion over 10 years** to test innovations that **improve the quality of care** and/or **increase cost efficiency**
- Innovations will produce **return on investment** and **reduce Medicare and Medicaid spending** over the long-term.

# CMMI Innovations Portfolio

## **I. Accountable Care Organizations (ACOs)**

- Medicare Shared Savings Program (Center for Medicare)
- Pioneer ACO Model
- Advance Payment ACO Model
- Comprehensive ERSD Care Initiative

## **II. Primary Care Transformation**

- Comprehensive Primary Care Initiative (CPC)
- Multi-Payer Advanced Primary Care Practice (MAPCP) Demonstration
- Federally Qualified Health Center (FQHC) Advanced Primary Care Practice Demonstration
- Independence at Home Demonstration
- Graduate Nurse Education Demonstration

## **III. Bundled Payment for Care Improvement**

- Model 1: Retrospective Acute Care
- Model 2: Retrospective Acute Care Episode & Post Acute
- Model 3: Retrospective Post Acute Care
- Model 4: Prospective Acute Care

## **IV. Capacity to Spread Innovation**

- Partnership for Patients
- Community-Based Care Transitions Program
- Million Hearts

## **V. Health Care Innovation Awards (Rounds 1 & 2)**

## **VI. State Innovation Models Initiative**

## **VII. Initiatives Focused on the Medicaid Population**

- Medicaid Emergency Psychiatric Demonstration
- Medicaid Incentives for Prevention of Chronic Diseases
- Strong Start Initiative

## **VIII. Initiatives Focused on the Medicare Population**

- Medicare Intravenous Immune Globulin Demo
- Medicare Acute Care Episode Demonstration
- Medicare Imaging Demo

## **IX. Medicare-Medicaid Enrollees**

- Financial Alignment Initiative
- Initiative to Reduce Avoidable Hospitalizations of Nursing Facility Residents

# FY 2016 President's Budget

- **Improves access to health care in underserved areas**
- **Supports health workforce training**
- **Proposes New Funding for Health Centers, NHSC and Graduate Medical Education**

# Administration Priorities to Support Safety Net Infrastructure

- **\$4.2 Billion for Health Center Program**
- **\$810 million for the NHSC**
  - Including \$523 million new mandatory funds
- **\$400 million over 10 years for Community Based Primary Care Residency Programs**

# Partners Aligned for the Future

- **Affordable Care Act:** Affordability, Access, Quality
- **Delivery System Reform:** Better Care, Better Value, Better Health
- **Community Health Centers:** High quality, accessible care, healthy communities

# Thank you!

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