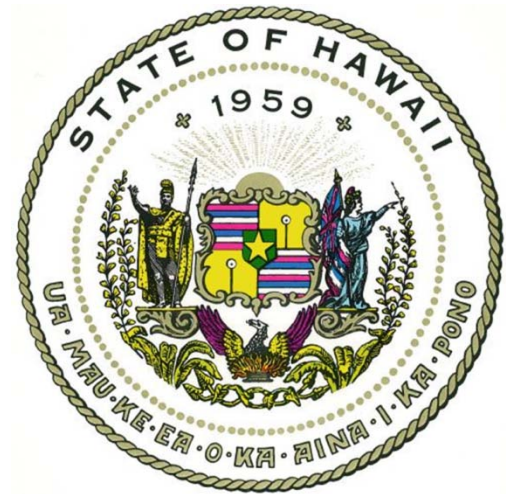


Health Care Transformation in Hawai`i

Beth Giesting
Healthcare Transformation Coord.



Context for Change

- **US Healthcare 18% of GDP - Highest costs in the world. (13% of HI economy). Inflation 2-3 x normal.**
- **Overuse of specialty care and procedures.**
- **Poor coordination: waste, errors, dissatisfaction, failure to get timely care.**
- **Little emphasis on common standards of quality and cost-effectiveness.**
- **50 million uninsured.**

Changed Role for Public Sector

- State/federal governments buy coverage for >60% of Hawai`i residents.
- Quality and cost of care are significant public concerns.
- Need and opportunity for improvement never greater.

Public sector needs strong, on-going presence in health care partnership

The Transformative ACA

- **ACA addresses shortcomings. Creates structure for greater public responsibility.**
- **ACA provisions include:**
 - **Public and private insurance expansion**
 - **Meaningful insurance – EHB, metal levels**
 - **Payment reform**
 - **Delivery system change**
 - **Population health**
 - **Use health IT**

Healthcare Transformation in the Governor's Office

Transforming health is a critical component of Governor Neil Abercrombie's New Day Plan and a top priority

- **Beth Giesting, Healthcare Transformation Coordinator and Health Information Technology Coordinator**
- **Tom Matsuda, Affordable Care Act Implementation Manager**
- **Joy Soares, Health Policy Analyst**
- **Phan Sirivattha and Derek Vale "borrowed" from OIMT**

Governor's Vision: Access to high quality care and insurance coverage in a seamless, economically sustainable health care system for all Hawai`i residents.

Elements for Transformation in New Day Plan

- **Community Health Centers**
- **Workforce shortages**
- **Health information technology**
- **Public health infrastructure with emphasis on children**
- **Patient-centered care**
- **Public-Private initiative**
- **Comprehensive strategy for aging populations**
- **Universal healthcare**

Transformation Work Priorities

- 1. Implementation of Affordable Care Act**
- 2. Public-private partnership**
- 3. Universal coverage and access**

Public-Private Partnership

**The Hawai`i Healthcare Project,
a public-private partnership between Governor's
Office, HIPA, and healthcare industry stakeholders**

- **Why? Health care happens in the private sector**
- **Stakeholders: consumers, providers, educators, insurers, policy makers, advocates, unions, businesses, HIT experts**
- **Purpose: improve the system and advance toward universal coverage for all Hawai`i residents**

The Hawai`i Healthcare Project

Objective

- **Accountable health care system**
 - ✓ **Patient-centered with improved care coordination**
 - ✓ **Integrated/aligned across continuum of care for outcomes and value**
 - ✓ **Providers act on quality standards related to population health**

The Hawai`i Healthcare Project

Implications

- **Delivery of care**
 - Consumers/community are partners in health
 - BH and OH integrated with medical care
- **Payment reform**
 - Outcomes rather than encounters/procedures
 - Multi-payer standardization

The Hawai`i Healthcare Project

Implications

- **Workforce change**
 - Team to promote health, deliver care, coordinate services
- **Use of health IT**
 - EHRs, exchange, data aggregation & analysis
 - Improve quality, reduce errors and duplication
 - Link clinical data with public and population health
 - Increase system transparency

Priorities & Strategies

1. Coordinate with public health and education
 - Improve population health
2. Develop system to measure quality and cost
 - Develop, collect standardized clinical measures
3. Standardize patient-centered care models
 - Benefits
 - Metrics
 - Reimbursement strategies
4. Develop care coordination capacities
 - Support practices to be PCMHs and provide crucial supplemental/coordination services

Priorities & Strategies

5. Align all insurers

- Payment methods
- Reportable measures
- Administrative simplification

6. Build effective Health IT infrastructure

- Develop clinical & claims databases, analytics

7. Support workforce adequacy

- Licensing, training, payment

8. Address access barriers

- Explore telehealth potential, other

Next Steps

- **Requested general funds for Governor's Office**
 - \$301,208 for FY 14 (3 staff)
 - \$352,038 for FY 15 (4 staff)
- **Federal State Innovation grants?**
- **Long-term commitment to public-private partnership for change**

Hawai'i Healthcare Project

Implementing the Affordable Care Act

State ACA Task Force

DCCA/Insurance Division

DLIR

DHS

DOH

OIMT

AG

B&F

Governor's Office

Affordable Care Act: Major Impacts

Health
Insurance

Medical
Services

Individuals and Families

Employers

Government

Affordable Care Act: Major Impacts

Health
Insurance

Medical
Services

Individuals and Families

Employers

Government

ACA Mandates include:

- Coverage for children to age 26
- Preventive services
- Insurance rate review
- Pre-existing condition coverage
- Uniform coverage summaries
- Medical loss ratio rebates
- Essential Health Benefit levels

EHB selection for Hawai'i

- Array of benefits in HMSA Preferred Provider Plan 2010
- SCHIP pediatric dental (same as QUEST)
- FEDVIP pediatric vision
- Habilitative services equivalent to rehabilitative
- Currently under review by HHS

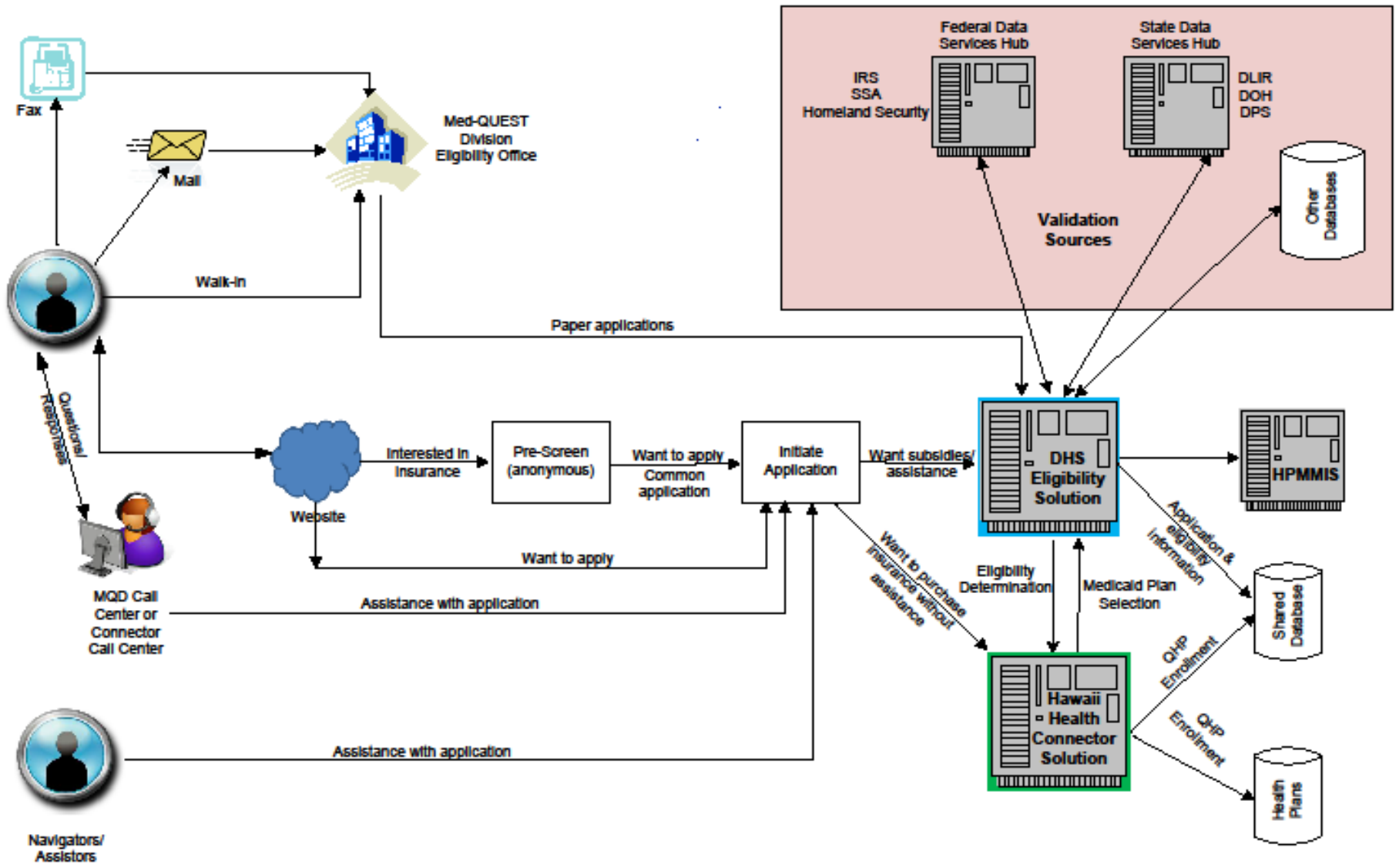
Hawai'i Health Connector

- Legislature – Act 205
- One-stop shopping for health insurance
- Individuals and small employers
- Launches October 1, 2013

State-Connector Interface

- Healthcare Transformation
- DCCA - Health insurance
- DLIR - Prepaid
- DHS - Medicaid eligibility
- DOH - Public Health
- OIMT - IT system integration

Proposed Application, Eligibility Determination and Enrollment



Affordable Care Act: Major Impacts

Health
Insurance

Medical
Services

Families and Individuals

Employers

Government

Essential Health Benefits and the Prepaid Act

- Hawai'i has selected an Essential Health Benefit package that is nearly the same as the current Prepaid prevalent plan
- Our goal is to preserve the Prepaid Health Care Act within the ACA

Prepaid – Preferred Solution

Eligibility Questionnaire

SHOP



Individual



Small Business Health Options Program

Small employers



Prepaid

Non-
prepaid

Employer tax incentives

- Small employer tax credits
- Large employer requirements:
 - Health insurance must be offered
 - Must be “affordable”
 - Must be “adequate”
 - Penalties
 - \$2,000-\$3,000 per employee, per year
 - Trigger: employee enrolls in the exchange and receives a tax credit

Affordable Care Act: Major Impacts

Health
Insurance

Medical
Services

Families and Individuals

Employers

Government

ACA Incentives for Medical Services

- Medicaid expansion
- Preventive care (no cost sharing)
- Fraud enforcement
- Build workforce (primary care, nursing)
- Community health centers
- Rural healthcare providers
- Accountable Care Organizations

Affordable Care Act: Major Impacts

Health
Insurance

Medical
Services

Individuals and Families

Employers

Government

Impact on individuals and families

- If employed and covered under Prepaid
 - Large employer (100+ full time)
 - Small employer
- Government employees (full time/part time)
- Low-income:
 - Medicaid expansion
 - Tax subsidies (138% - 400% FPL)
- Medicare: Quality incentives
- Uninsured / individual mandate

INFORMATION RESOURCE LIST

Video summary of ACA:

www.youtube.com/embed/3-1lc5xK2_E?rel=0

Kaiser Family Foundation website:

www.kff.org

- Implementation timeline:

healthreform.kff.org/timeline.aspx?source=QL

INFORMATION RESOURCE LIST

National Association of Insurance Commissioners (NAIC) website:

www.naic.org (including chart)

National Prevention Strategy:

Healthcare.gov/prevention/nphpphc

State of Hawai'i:

www.affordablecareact.hawaii.gov

Healthcare Transformation & IT Transformation

- The OIMT Information Technology & Information Resource Management (IT/IRM) Plan includes Health IT
- Health IT is an essential foundation for healthcare transformation
- Health IT includes 93 State systems and applications
- Healthcare Transformation requires data to make informed decisions

IT Transformation & Governance

- Data governance dashboards for oversight into IT projects
- Dashboards
 - Every month
 - Schedule / Cost / Scope / Reporting
 - Open & transparent mechanism
- Business Transformation Office: 2 Business Process Redesigns (BPR) per year

Importance of Health IT: *Measurement*

- Investment is required to gain knowledge of statewide healthcare Quality and Cost
- HIT & Data analytics permit tracking statewide cost and quality trends
- Data analytics informs Public Health
- Quality and cost metrics for reporting statewide, using national indicators

Healthcare Transformation: *Mission*

- The Governor's vision of sustainable high quality care is achievable through Health IT investments
- These align with ACA and the Federal "Triple Aim Goals" of:
 - Better healthcare
 - Controlling cost
 - Better population health

Health IT for Healthcare Transformation: *Mission & Measurement*

- Quality and Cost currently cannot be measured statewide for healthcare services
- Integrated HIT systems offer the opportunity to measure trends and deliver these results as dashboards for informed decisions to improve health statewide
- Accurate measurement of the healthcare system is required for new payment innovations and to focus on Patient-Centered Care

Federal Investments in Health IT

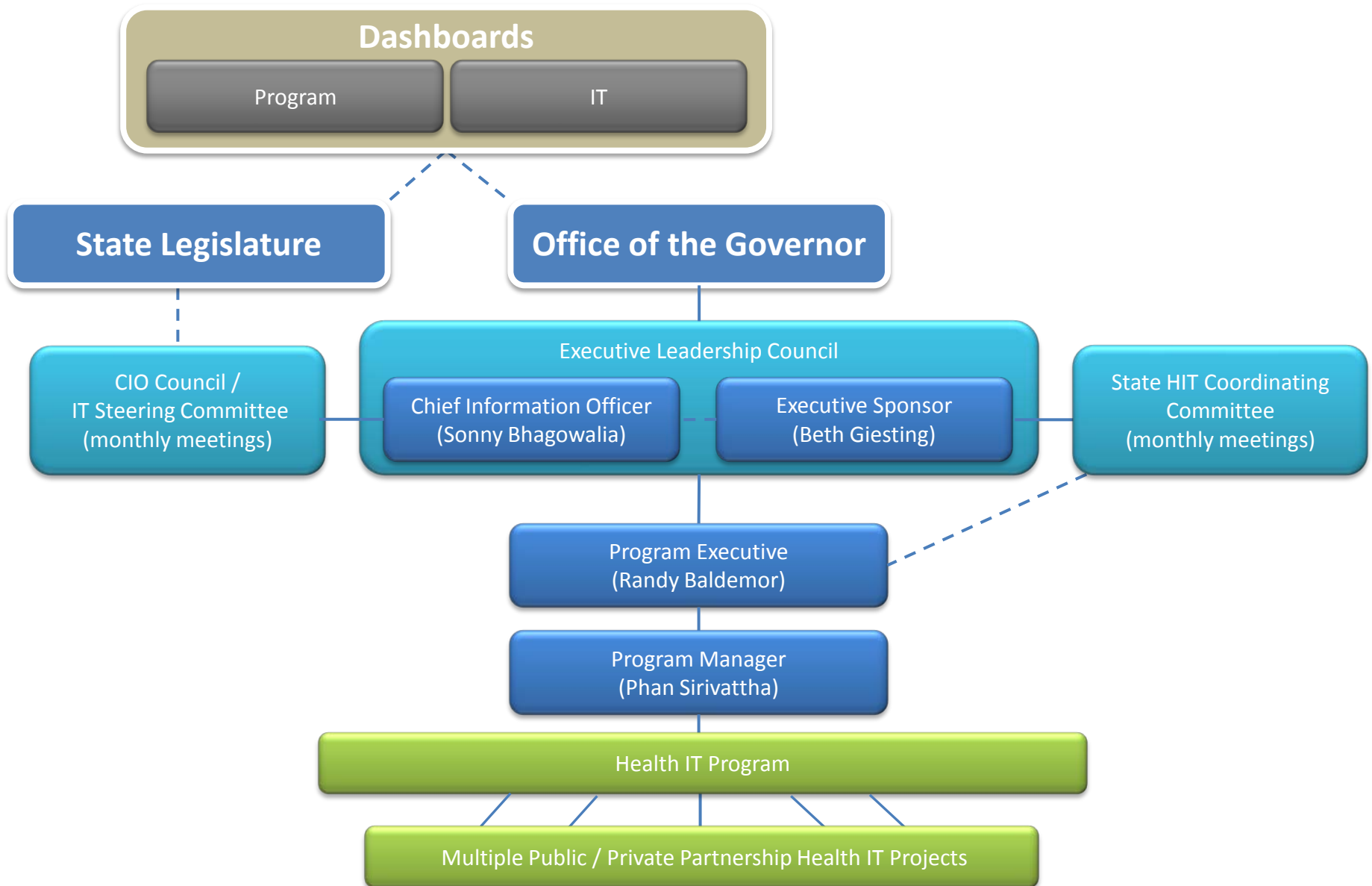
- Federal funding under ACA and ARRA to build health insurance exchange (Connector) and health information exchange (HHIE)
- State systems modernization of DHS-MedQuest Eligibility system

Health IT

Major Projects

- Public-private partnerships:
 - Hawaii Health Connector
 - Hawaii Health Information Exchange
- State:
 - DHS Eligibility System
 - State Data Services Hub
 - Data Governance
 - Healthcare Transformation

Health IT Program Organization Chart - Draft



OIMT Role in Health IT

- Role as coordinator of Health IT efforts
- Enabling functions for Healthcare Transformation
- Provide a standard approach to State technology implementation
 - Security, project management, interoperability, standards, etc.
- Leveraging existing data assets in disparate locations, while building out enterprise-level technology solutions

Hawaii Health Connector

Hawaii's Health Insurance Exchange

Background

- The Hawaii Health Connector “Connector” was established by Hawaii State Legislature through Act 205 (SLH2011) in accordance with the Patient Protection and Affordable Care Act (ACA) of 2010

Services of the Connector

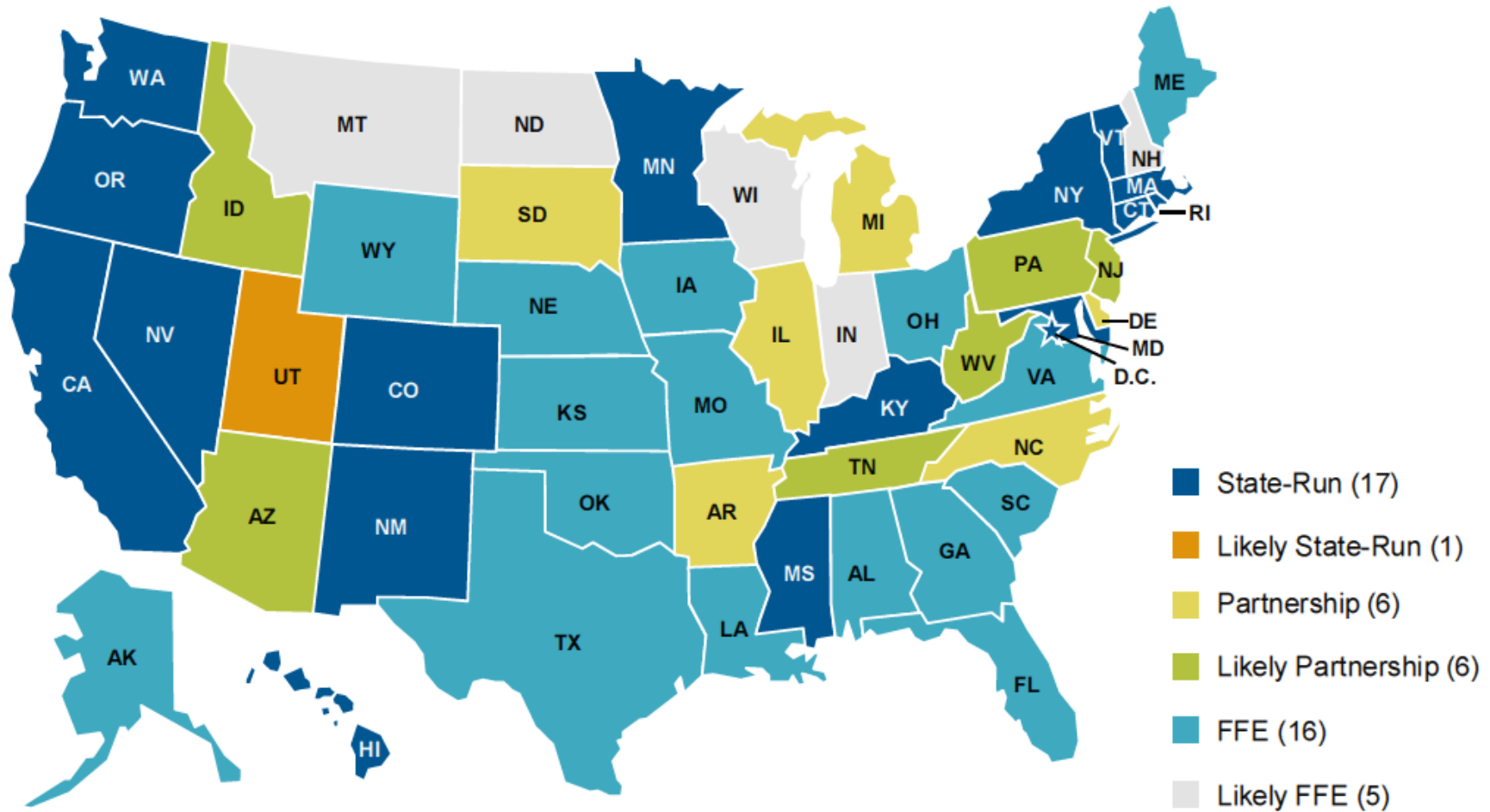
- Shop and compare qualified health insurance plans in a transparent marketplace
- Tax subsidies for individuals
- Enroll in a qualified health insurance plan
- Small business health options portal (SHOP)
- Connecting consumers to information necessary to make informed health care choices

Health Insurance Exchange Models

- Federally Facilitated Exchanges
- Federal Partnership Exchanges
- State-Based Exchanges

Insurance Exchange: National Landscape

Exchange Progress – Likely Operational Model



The Connector

- June 7, 2012
 - Declaration letter for implementation of a state-based exchange submitted to Center for Consumer Information and Insurance Oversight (CCIIO)
- November 2, 2012
 - Submission of Blueprint
- January 3, 2013
 - Conditional Approval received

Exchanges: Key Dates

- **Feb 15, 2013:** Level 2 Grant Application due
- **Mar 2013:** IT Detailed Design Review
- **Apr 2013 :** Call Center
- **May/Jun 2013 :** User Acceptance Testing
- **Jul 2013 :** IT Security Review
- **Aug 2013 :** Operational Readiness Review
- **Oct 1, 2013:** Initial Open Enrollment Period begins
- **Jan 1, 2014:** Coverage in Qualified Health Plans begins
- **Jan 1, 2015:** Exchanges must be financially self-sufficient

Community Outreach

- 75 Visits Statewide
- Resounding Feedback
 - The benefits of improving personal and community health through access to affordable quality health insurance plans
 - Consumer assistance in culturally and linguistically appropriate manner
 - Interest for information regarding small business health care tax credits
- HOW SOON CAN WE SIGN UP!!!

Implementation & Operation

- Currently “building” the IT exchange portal
- Ground-up, state of art system for maximum flexibility and extensibility
- Using 100% Federal money, under watchful eye of our funding agencies
- Building support functions around exchange
 - Call center
 - Customer services
 - Training
 - Consumer services and resources

Summary

- 100% Federally Funded
- Increasing access to affordable health insurance
- High risk/Low margin for error
- “Of Hawaii, For Hawaii”

Mahalo!

www.hawaiihealthconnector.com