

Health Care Innovation Awards



Introduction to Round Two

May 28, 2013

Agenda

- **Introduction: The Center for Medicare and Medicaid Innovation**
- Objectives of the Health Care Innovation Awards
- Funding Opportunity Overview
- Application Process
- Webinar Series and Next Steps

The CMS Innovation Center

Identify, Test, Evaluate, Scale

“ The purpose of the Center is to test innovative payment and service delivery models to reduce program expenditures under Medicare, Medicaid and CHIP...while preserving or enhancing the quality of care.

”

—*The Affordable Care Act*

CMS Innovations Portfolio

Accountable Care Organizations (ACOs)

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

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

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

Capacity to Spread Innovation

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

Health Care Innovation Awards

State Innovation Models Initiative

Initiatives Focused on the Medicaid Population

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

Medicare-Medicaid Enrollees

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

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The Health Care Innovation Awards

The Health Care Innovation Awards is a partnership with innovators in the field to test promising payment and service delivery models that will provide better care and lower costs for Medicare, Medicaid, and Children's Health Insurance Program (CHIP) enrollees.

- Round One was a broad solicitation announced in November, 2011
 - Large response with ~ 3,000 applications
- Awarded 107 projects totaling \$900 million for a 3-year period
 - Awardees encompass a wide variety of entities testing a broad array of models
 - Interventions are impacting care and costs across a broad cross section of services within diverse communities in urban and rural areas in 50 states
 - Fewer than five percent of applications were funded

Innovation Awards Round Two Goals

Engage innovators from the field to:

- Identify new payment and service delivery models that result in better care and lower costs for Medicare, Medicaid, and CHIP enrollees
- Test models in Four Innovation Categories
- Develop a clear pathway to new Medicare, Medicaid and CHIP payment models

Key Differences Between Rounds One and Two

Round One

- Broad solicitation
- Invited proposals across all settings of care
- Includes a focus on workforce training to support a transformed health care system

Round Two

- Focuses on Four Innovation categories
- Excludes models primarily focused on acute hospital in-patient care
- Increased focus on innovation in payment models
- Payment model design required along with a service delivery model

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Four Innovation Categories

1. Reduce Medicare, Medicaid and/or CHIP expenditures in ***outpatient and/or post-acute settings***
2. Improve care for ***populations with specialized needs***
3. Transform the ***financial and clinical models for specific types of providers and suppliers***
4. Improve the ***health of populations***

1: Reduce Medicare, Medicaid or CHIP expenditures in outpatient and/or post acute settings

Priority Areas:

- Diagnostic services
- Outpatient radiology
- High-cost physician-administered drugs
- Home-based services
- Therapeutic services
- Post-acute services

CMS will consider submissions in other outpatient and/or post-acute areas within this category

2: Improve care for populations with specialized needs

Priority Areas:

- Pediatric populations requiring high-cost services
- Children in foster care
- Children at high risk for dental disease
- Adolescents in crisis
- Persons with Alzheimer's disease
- Persons living with HIV/AIDS
- Persons requiring long-term support and services
- Persons with serious behavioral health needs

CMS will consider submissions that improve care for other populations with specialized needs

3: Transform the financial and clinical models for specific types of providers and suppliers

Priority Areas:

- Models for specific physician specialties and sub-specialties
- Models for pediatric providers who provide services for complex medical issues

Models in these priority areas may include, as appropriate, shared decision-making mechanisms that engage beneficiaries and their families and/or caregivers in treatment choices.

CMS will consider submissions in other areas within this category and from other specific types of non-physician providers

4: Improve the health of populations

Population Health:

- Defined geographically, clinically, or by socio-economic class
- Activities that extend beyond clinical service and focus on engaging beneficiaries in preventive health, wellness, and comprehensive care

Priority Areas:

- Models that lead to better prevention and control of cardiovascular disease, hypertension, diabetes, chronic obstructive pulmonary disease, asthma, HIV/AIDS
- Models that promote behaviors that reduce the risk for chronic disease
- Models that promote adherence and self-management skills
- Models that prevent falls among older adults
- Broader models that link clinical care with community-based interventions

CMS will consider submissions in other areas within this category

Sustainability Through Payment Model Design

To create a path to sustainability, applicants must propose the design of a new payment model along with their service delivery model. Awardees must submit a fully developed payment model by the end of the award. Payment models must address Medicare, Medicaid, and/or CHIP payments

Payment model descriptions should include, but are not limited to:

- How the funds would flow under the model
- What provider or beneficiary incentives would be created under the model
- The risk parameters
- How the payment model would deliver a positive return on investment for Medicare, Medicaid and/or CHIP programs
- How the payment model can be made available to other providers and potentially serve as a basis for a subsequent solicitation by CMS
- How the parameters of the payment model will progress over time to sustainability

CMS will host a webinar that focuses on payment model design

Financial Plan

Applicants must submit a financial plan that demonstrates a favorable return on investment for CMS

- The financial plan must be reviewed and certified by the Chief Financial Officer of the applicant organization
- Applicants requesting \$10 million or more in funding are required to obtain and submit an external actuarial certification
- Actuary must be a member of the American Academy of Actuaries
 - Applicants requesting less than \$10 million are encouraged, but not required, to submit an external actuarial certification

Data and Reporting

Awardees are responsible for:

- Self-monitoring for continuous improvement
- Reporting to CMS on the progress and impact of their model
- Providing data and reports to CMS as specified
- Providing patient identifiable information to support independent evaluation

CMS will:

- Consider requests for Medicare FFS data and provide on an as-needed basis
- Hire a contractor to conduct an independent evaluation
- Work with awardees to refine self-monitoring metrics and strategies to report progress

CMS will host a webinar on Self Monitoring and Evaluation

Partnering with CMS

The Health Care Innovation Awards are cooperative agreements with “substantial involvement” by CMS following the award.

- CMS will partner with Awardees and have substantial involvement and provide guidance for project activities
- CMS and Awardees will collaborate in approaches to monitor and measure progress towards model goals including:
 - Impact on Medicare, Medicaid and CHIP expenditures
 - Impact on quality of care and health status
 - Operational performance
 - Meeting proposed project milestones
 - Building and/or enhancing required program infrastructure
 - Producing timely, accurate reports

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Eligible Applicants

CMS seeks to engage a wide variety of innovators. Interested parties of all types that meet the eligibility requirements, have interventions that will deliver better care and lower costs, and can create a path to an alternate payment model are welcome to apply, including

- Provider groups
- Health systems
- Payers
- Community collaboratives
- For-profit organizations
- Community-based organizations
- States
- Local governments
- Public-private partnerships
- Private sector organizations
- Faith-based organizations

Eligible Applicants

- Conveners that will be direct award recipients
- Technology developers whose proposals reflect the actual use of a product in a broader service delivery or payment model
- Round One applicants that meet eligibility criteria
- Round One awardees that meet eligibility criteria for models *that are not already funded under Round One*
- Participants in existing CMS Innovation Center initiatives or demonstrations *provided proposals do not duplicate models that CMS or other HHS entities are currently testing in other initiatives*

Key Dates

Date	Description
June 1, 2013	Letter of Intent (LOI) web-based forms available on http://innovation.cms.gov
June 14, 2013	Templates & Applications available on http://innovation.cms.gov
June 28, 2013	LOIs due by 3:00 PM EDT
August 15, 2013	Application due electronically by 3:00 PM EDT
January 15 and 31, 2014	Anticipated award announcement dates
February 28, 2014	Anticipated Notice of Cooperative Agreement Award
April 1, 2014–March 31, 2017	3-year Cooperative Agreement Period

Award Selection Criteria

HHS staff external to CMMI and other outside experts will review eligible applications

- **Design of Project** (25 points)
- **Organizational Capacity & Management Plan** (25 points)
- **Return on Investment** (20 points)
- **Budget, Budget Narrative & Model Sustainability** (20 points)
- **Monitoring & Reporting** (10 points)

Further Selection Considerations

The CMS Approving Official will use results of the objective review to make final award decisions, taking into consideration factors including, but not limited to:

- Reasonableness of the estimated cost to the government and anticipated results
- Inclusion of Medicaid and CHIP populations in the service model design
- Results of any actuarial reviews
- Extent of participation by multiple payers during the performance period
- Whether proposal promotes interoperability and exchange of secure, privacy-protected health information across disparate organizations, providers, and stakeholders, in alignment with Meaningful Use requirements

Refer to pg 35 in the FOA for a full list of selection considerations

Application Logistics

- Requires a **Dun and Bradstreet Data Universal Numbering System (DUNS)** number which can be obtained at <http://www.dunandbradstreet.com>
- Applicants **MUST** register in the **System for Award Management (SAM)** at: <https://www.sam.gov/portal/public/SAM/>
- Authorized organizational representative submits the application to <http://www.grants.gov>
- Ensure file attachments comply with grants.gov requirements

If you have not started this process, start immediately

Templates and Resources

Templates for Supplemental Materials:

- Supplemental Materials, as outlined in the FOA, are a required part of the Application process. These include:
 - Operational Plan
 - Financial Plan
 - Actuarial Review
 - Executive Overview
- Templates for the supplemental materials will be available on the Innovation Center website at <http://innovation.cms.gov> on or about **June 14, 2013**

Additional Resources :

- Additional resources will be posted on <http://innovation.cms.gov> including:
 - Frequently Asked Questions
 - Links to payment model descriptions

Applicant Lessons from Round One

- **If you do not have a TIN number, apply to the IRS early!**
 - Make sure that the same TIN number is used for all registrations and processes related to this application
 - If your organization name has changed, you may need a new TIN number for registration
- **Please pay close attention to application requirements in Section IV of FOA**
 - Process for submitting applications
 - Submission deadlines
 - Formatting
 - Page Limitations

Applications failing to meet the criteria will be rejected

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Upcoming Webinars

- **CMS will be offering a webinar series in June and July that further describe:**
 - Health Innovation Categories
 - Payment Models
 - Financial Plan and Total Cost of Care
 - Application Narrative
 - Technical Requirements for the submission of the application
- **Sign up to receive email updates at:**
<http://innovation.cms.gov/>

Next Steps

- Letters of Intent (LOI) are due **June 28, 2013**
- LOI will be available online **June 1, 2013** in a web-based form through the Innovation Awards website. Technical assistance on how to submit an LOI will be provided in an upcoming webinar
- Additional information regarding the Innovation Awards will be posted on <http://innovation.cms.gov>
- More Questions? Please Email InnovationAwards@cms.hhs.gov

Thank You!

Please use the webinar chat feature to submit questions