

**Center for Medicare & Medicaid Innovation
State Innovation Models Initiative
on Model Design Awards for State Officials**

Tuesday, August 14, 2012

OPERATOR: Ladies and gentlemen, good afternoon, and welcome to the State Innovation Models initiative on model design awards for state officials, hosted by the Center for Medicare and Medicaid Innovation. A few housekeeping items before we proceed with the presentation. All participant lines are in a listen only mode throughout the presentation. We will be answering both live questions and typed questions during the question and answer period of the webinar.

You may ask a live question by pressing 1-4 on your telephone to enter your—to enter into the operator assisted queue during the Q&A session. You may submit questions via the general chat feature at the bottom of your screen at any time, as well. We will be answering questions at the end of the event, following the conclusion of the slide presentation. And, with that, I will now turn the call over to Ray Thorn, with the Center of Medicare, for Medicare and Medicaid Innovation. Thank you.

RAY THORN: Thank you, operator. Good afternoon, everyone, and thank you all for joining. Again, my name is Ray Thorn, and I am with the CMS Innovation Center. We are really thrilled that you have joined us today for this webinar on the state innovation models initiative, and more specifically, on the model design awards. Today's webinar is intended for state officials and governors' staff to help states plan and prepare their application for model design awards.

So, again, thank you for joining us and just a few housekeeping items at the time. This webinar is being recorded and will be posted on the Innovation Center's website within the week. The transcript and slides of today's webinar will be also posted within the week. In today's webinar, Jim Johnston, who is the program lead on the state innovations models initiative will provide more information and details on the requirements in submitting a model design application.

We also have Jennifer Lloyd, from our evaluation group, to discuss a few evaluation items. And then we also have Tony Rodgers, who is the CMS deputy administrator and director of the center for strategic planning in the room, and he will be available during the question and answer period as well. After Jim is finished, we will have a question and answer period, as I mentioned, which we will take questions that have been submitted through the chat box and we will also take questions over the phone.

If you have, if you do have questions that we were not able to answer on this webinar today, you can always email us. Our email address is at, is stateinnovations@cms.hhs.gov. Again, that's, the email address is stateinnovations@cms.hhs.gov. In addition, information on the state innovation models initiative is on the Innovation Center website at <http://innovation.cms.gov>, under the What We're Doing section of the website. And with that, I will turn it over to Jim Johnston.

JAMES JOHNSTON: Thank you, Ray. And I want to extend my thanks, also, to all of you for joining us today and today is the third in our series of webinars going over the details on applying for these state model test, model design. We'll do testing tomorrow, but today we're going to talk about model design. We won't go over a lot of this overview and the contextual information we presented in the first two.

But, as Ray mentioned, the prior webinars are posted on our website as well as transcripts. The last one you would even have an audio, which we got a lot of feedback from you, thank you for that. That was a little disruptive to look at. So we're not doing the audio anymore, but we will have the transcripts. We'll have the slides, and we are in the process of updating the FAQs and hope to have that posted shortly [unint.].

We'll capture all the questions you ask during the webinars and the other questions that we receive through the email box. As part of that, one of the ones I know I'm receiving more and more is on the financial templates. I'll say that right off the bat those have not been posted yet. You haven't missed them, they haven't been posted.

We will let you know as soon as they are. We anticipate doing that soon. In addition, the [unint.] application is not set up yet, and we are in the process of doing some technical glitches to get that resolved. So we'll have that up soon, too. So neither the templates nor the [unint.] applications are available at this time, but they will be soon, and we'll keep you posted on that.

I'll let you know as soon as they are available. So today, as Ray mentioned, we're going to go into detail on model design. And for, there we go—model design. It really starts, and you probably heard this already, but Secretary Sebelius had mentioned, as a governor, she was very interested as we put together this initiative because she's seen what states can do in action, and knows what great laboratories they are for innovation in developing practices that can be put into place nationwide.

And that really prompted the focus of how we're doing our state innovation models in both the design and testing. And the hypothesis is, and this goes for the entire initiative, both the design and testing phase, but I will mention it because you'll see this throughout the slides and I do fear a little bit that you're a bit ahead of us and some of the questions we received through the box already getting down to process.

We will have a later session going into great detail on the application submission information. But we're going to start today more on that higher level design and then the testing. And our hypothesis is that all the models we want to be testing, the new delivery and payment models, will be more effective, and get better results, when they're implemented as part of a broadbased governor-led, multi-payer initiative.

And that really comes at two levels, which we'll talk about on the next slide, but what we want to make sure is that states can bring together a lot of different parties in an engagement. And they also cover a lot of the healthcare in their states. So, and you can see on the bottom, when we talk about states being strong partners, we sincerely believe that, and know that you and the states have the Medicaid population you're working with, your state employee programs you're working with.

A lot of, you're also, you're running programs for local units of government. All that is already part of the broad umbrella of state provided healthcare. You also have brought regulatory power over the insurance industry, over providers, and accreditation, and regulation, and Medicaid certification. Also facilities, working with public health, social service organizations, educational services, both in the K-12 level and post-secondary education, and there especially for the graduate medical education services.

And governors, and the governor's offices, and you state officials are uniquely able to convene parties for engagement. Both the payers, the providers, but also the broader community. And deliver it at tier, closer to home. You know your states, obviously, much better than we do, and can craft the solution

through the models that best fit your needs. Now we are hoping, as you do that, that there will be a commonality that we can replicate to other states in the region, hopefully nationally.

But we want to start with the models you're developing and that's why this initiative starts with the states telling us what your plans are and what your models will be. And then finally, and this isn't, it depends on how your state's doing this. We know some states are still planning to do state run exchanges. A number of states are looking at partnership arrangements and some are looking at the federal government doing that.

But wherever your state might be on the exchanges, what I'll answer, I'll take this opportunity to answer a question if you've got—wherever you are in that spectrum, you are eligible to participate and apply for a state innovation models award. But also, it gives you the opportunity, again, to reach out to stakeholders, depending on how you're doing that. And talk to your insurers, talk to your providers, talk to the broader community, and integrate your exchange, however you're doing that, into your broader state models.

This slide, if you've been with us on a previous webinar, you've seen it before, but we've been using it more and more, and I'm going to use it today to really—hit two points that we've hit in the past and it's moving this model from an acute care system, and again, to reiterate what I said on a previous slide, we do have the best acute care system in the world, but it's a volume based system.

Moving to the right side of this screen, when we get to the community integrated health care system, we get into more of the value based system. And that, that, that system, once you get to the community integrated healthcare and the attributes that go along with that system really define what you—we'd expect to see in a state healthcare innovation plan at completion. So as you look at this and consider whether your state is ready for the design or the testing.

And, again, part of our, our primary goal with that is to meet you wherever you are in that process. If you're starting, just starting on the design, you're probably going to be farther at the left of this slide, working on the acute care system, probably have a fee for service, value based system, probably very good at acute care, but maybe not doing the accountable care systems, case management systems, population health systems.

Now moving to the coordinated, seamless care approach in the middle, all the way to the community integrated. And that would really be in a testing environment. If you're there, you're probably looking at—you'll probably have models identified that you want to be testing or perhaps you already are testing and that would fit into your broader healthcare innovation plan that you're developing. So wherever you are on this spectrum, we want to be working with you.

And this should help you, also, to sort out where you think you are as you look at this. And some questions that we've gotten that this has been helpful as a, as a way to present it to stakeholders who are in your state and to consider yourselves and where you fall on this spectrum. Here are the FOAs, and most, well, everything we're going to talk about is lifted from the FOA and elaborated on and amplified, to talk about model designs.

But in the very beginning of the FOA the nomenclature we're using are really two types of models. We have the state healthcare innovation plan, and this is your high level, excuse me, comprehensive plan that'll transform healthcare in your state. So this would, again, lead to the integrated community

healthcare system that was on the previous slide. The other piece, are the specific models you're pursuing that fit within that broader plan.

And these would be payment and service delivery models that reflect the broader context in the plan, and implements that through payment mechanisms that reward value and service delivery models that coordinate care, and by doing that move the system along that continuum. So we'll talk about both today, because they're both important as you do your planning.

As you do the planning, and I'm going to take this slide from the reverse order those points are listed, because it really starts with engaging your stakeholders. And one of the first steps, if you haven't done so already, we would expect you to reach out to a broad group of stakeholders. Obviously, providers and payers, but also the broader community in your state.

The community—community based organizations, schools, graduate level medical education, as I mentioned before, work with those groups developing the plan that would become your state healthcare innovation plan. And then models that would be within that plan to advance payment and service delivery. So putting it all together, starting with the engagement, the plan, and then the specific models that you would do this to complete that compelling case.

And as you do that, we're going to look for the rationale that's it founded in and the specific models that you want to be testing that helped you reach that rationale and those outcomes. A lot of that, again, starts with the state healthcare innovation plan. If you look at appendix 1 of the FOA you'll see a fairly comprehensive list of initiatives we're doing here at the Innovation Center, some of them throughout the Center for Medicare and Medicaid Services, and also throughout the Department of Health and Human Services.

It's not a complete list, but it's a fairly good list and some of the slide presentations we've gone over in the previous webinars, you can see other examples of things you could be looking at that would help coordinate and build upon your efforts. So we encourage you to do that and present a comprehensive approach that complements the other initiatives going on in your state.

Appendix 3 of the FOA gets into the design elements, and in great detail that we're looking to be included in your state healthcare innovation plan. So please take a close look at appendix 3, I'm not going to read it all here. You can look at it. It goes on for a few pages. But it details all the different aspects of it that we expect you to look at. Everything from, again, starting with the engagement of the stakeholders, and by that we really mean the providers and payers in your model designs.

Bringing the framework together, that again uses the leverage available to you at the state level, everything from the regulatory powers in insurance and accreditation—brings you the schools, the community based organizations, including multi-specific payment models and multi-payer. You really need to be reaching out with the other payers in the state and presenting a model that they would participate in, too.

Similar to what we're doing in a pilot situation in a number of markets for the comprehensive primary care, which might be one model you look at. The MAPCP in some other states, that kind of arrangement, but it has to be multi-payer in what you're presenting to us and then beyond just the payers and the providers in that engagement, reaching out to the broader community and the citizens.

That means be building off of what you have in your healthy people 2020 plans. We encourage you to take a look at those. But to really reach out beyond the normal payers and providers, to reach consumers, tribal governments, community groups, to be putting together the models, the specific models, as well as the broader healthcare innovation plan. The next couple of slides will go into great detail, and I won't belabor the points too much.

But I probably will a little bit, because we all know—I want to make sure you understand the concepts we're looking for in these model designs. We'll go over that, again, from the FOA, what's in there. And, again, the first thing we want to see as you're putting this together, we don't expect you to have it today. Now, if you were coming in for a model testing proposition, that model testing application needs to include a state healthcare innovation plan.

For the design elements, that's what you're going to be working on over the next six months. And that would provide the vision statement for that transformation, describe your population health status. And we'll elaborate that on, on that in a future webinar for the templates, for the financial templates we design we really want to get a, have you have a preliminary look the populations you'd be serving, certainly your Medicaid CHP populations.

We're going to provide, as we mentioned in a previous webinar, we're going to do that in great detail on the next webinar. We're talking about the financial templates. Medicare data, because Medicare, we expect that could be part of your population. And also the commercial market, to the extent you have data on that. Bringing it all down together, so we have the population health status in your plan.

That [unint.] information, the specific models you want to be looking at, and your performance goals for that, which will help us as we do the evaluation. And then the roadmap for your healthcare transformation as you're looking forward. So that last part in particular, the roadmap for the healthcare transformation, points you toward model testing.

And what we are expecting is at the end of the design period you'd be prepared to participate in what will be a second round of model testing. Now we've also gotten questions on that second round. We anticipate doing that next summer. We do not have the specifics at this point on the number of states, nor the dollar amount that will be available. But we are planning on that, that is why we're doing the design round now is to point at states who participate in the design for that second round of model testing.

The other thing [unint.] before I leave this slide, is the very last dot point here, is on waivers. [unint.] plan administers your Medicaid program that you might be thinking about. At this point, unlike the testing states, we don't expect you to have all of the answers I've asked, but we want you to start thinking about, you know, if you're looking at a payment and service delivery model that would involve fundamental changes that require waivers, what that might be.

And we would work with you on that. But just start thinking about that, again, as you point toward the model testing, second round. The next couple of slides I will hit a lot of these points, I won't spend a lot of detail on this, again. It'll be in the FOA. We have provided a lot of detail in these slides in case you go back and look at it later if you didn't take notes.

You'll have the transcript as well as the information on the slides. But, again, it gets to the levers and the strategies they're going to be looking at, and to that fundamental hypothesis I mentioned right at the

top of the webinar about bringing together the powers, the engagement that you can do at the state level, to bring the markets together for your multi-payer situation, and the other regulatory and educational engagement.

All of that, the public health system, all of that together in your comprehensive plans and in the specific models. This slide just builds on the last one. Again, hitting on the regulatory authorities in a multi-payer environment, linking with the exchange efforts you're doing, integrating the financing and public—and the delivery of public health systems.

Part of that, too, you might be looking at your academic medical centers, public hospitals, what you might be doing there through Medicaid supplemental payments, and how that would fit into your broader plans. And then leveraging the community stabilization development initiatives in low income communities. Again, there's more information on that from the prior webinars.

That might be working with your non-profit hospitals as you're putting together the community benefits programs, community building programs, and the federal reserve has opportunities for community reinvestment, which will help with disparities as well as, again, your healthy people 2020 plans, which are probably looking at that. Part of this, too, would be, we would expect you to be complementary in your efforts here, of other initiatives we're doing here at the Innovation Center, for example.

We have healthcare innovation awards in many states, probably in some of your states. We'd like you to just take a look at that, see how that complements what you might be doing in other parts of your state, or efforts you might build on. The, the administration for community living has aging and disability resources centers, and a number of states are doing that. We'd like to see how you would coordinate with that. Those are just some of the examples that we'd like you to complement and coordinate with.

This next slide is lifted straight out of the FOA and this is really your checklist to look at for when you submit your applications. These are all the, the materials that must be part of your application. Again, we're going to get into a lot more details on the specifics, everything from your employer ID number to your DUN number, how you submit that in the next webinar, but this is the checklist of everything that needs to be submitted when you send in your application.

From the standard forms, that we'll talk about a lot in the next webinar, the letter from the governor, the endorsement of the project, and, again, the governor's office is our applicant for this, it comes from that level. Because we want to see those numbers of state government drop the bear as we do this, and that is our hypothesis, and then the engagement. And especially in the design phase, we're looking for evidence of the engagement through letters of participation and support and then the process that you've gone through to do that.

And you'll see that reflected as we score the applications in [unint.]. We've gotten some questions, and I want to address them right now, too. Is the pretesting assistance that we're offering the same as my old design? It is not. States that submit an application for model testing, and that application is about twice as long as the application you would be doing for model design, and that would have to include your state healthcare innovation plan.

That would be a prerequisite that needs to be submitted with that testing application. As we review those applications we're going to be looking at a number—or actually, we're going to be doing a number of reviews. We're going to be looking at the—having an actuarial look at the numbers that you submit.

We're going to have independent review panels looking into that, just like we would with the model design, and we're also going to be looking at waiver feasibility of this model that the states are proposing for testing.

Out of all that, we anticipate giving five awards for model testing. States that do not receive an award for that but are close could receive pretesting assistance. Now at that point, the range of that award would be, would be exactly the same as for model design. So there are some similarities there. It would range from one to three million and it would come out of the same pot of money that we've set aside for this model design pretesting assistance work.

So out of the 50 million dollars we would be funding both the model designs and the pretesting assistance awards. They would also have the same time period, six months, to complete the work that—to polish the model testing application some more. And, again, the expectation for the pretesting assistance states, just like the model design states, would be that they would all be submitting model testing applications in that second round.

But it is not—the requirements and the criteria are different than they are for model design. And it's possible a state could apply for model testing, not qualify for pretesting assistance and not receive an award. All right. The next is our slide for the scoring. So we will take the applications and as you would probably expect, this is a mirror image of all the application material we're asking you to submit.

That's what we'll score by. So you can see the relevant weights we put on the various aspects of the scoring here. The model design strategy, and that really captures the engagement you've undertaken, to some extent, in the broader community. But more importantly, your healthcare innovation plan and how that would be developed. The provider engagement, engagement with others, and that's where the payers, consumers, and the broader community would be, your organizational capacity to complete your plan.

Again, pointing you toward model testing, but in this case, to put that plan together in six months, and then your budget and financial analysis. At this point the emphasis is more on that budget, your operational budget, and that, again, we'll talk about in a lot more detail in the next webinar, and it's detailed in appendix 2 of the FOA, is completing the budget material under the standard forms 424A.

But it also would include a general financial analysis of the populations with—based upon your information on the populations you plan to serve. Certainly your Medicaid and CHP populations, again, some information on Medicare and then to the extent you can, some information on your commercial populations in your state. Going to move next to funding. And we have a number of examples of how you might use that funding in this model design phase.

A number of costs that you'd incur at the state level that you could use to help you reach out, talk, do that engagement with the payers, providers, broader community. We will ask you to be attending some workshops that we'll be putting out through our learning diffusion group in particular, and we want you to budget for that. Actuarial modeling, once you, if you do this six months period and have some models you're really interested in for payment and service delivery, you want to start to start doing testing on those.

You could use the resources to do that. If we move to the next slide, you'll see some additional examples that get into more detail, especially on the model design cost. And, again, I won't hit them all,

but it's really about reaching out during that engagement, putting together your plan, and doing the legwork you need to complete in order to make sure that you can do it legally, it fits within the regulatory framework in your state.

If it doesn't, and you identify what changes you need in terms of waivers, or other possibly state law changes, the framework that you'd be looking at for that model, and certainly complementing other initiatives that are going on here at CMS. What you put together for your state healthy people 2020 plan, and also an acknowledgment and working with the national quality strategy and the national prevention strategy, which speaks to that broader healthcare innovation plan that would reach into the community and do that community integrated health system.

There are a number of things that you may not use that money for and we have gotten some questions on this. It is going to be a cooperative agreement is what we're offering, again, in the range of one to three million for the model design stage. And we're going to have some questions because it's a grant, could that be used as matching funds through Medicaid? The answer is unequivocally is no, it may not be used for that.

That is, that is not an allowable use, you can't use it to match any other federal funds, you can't use it to provide service and equipment that's the legal responsibility of anyone else under federal or state law, you can't supplement—I mean, I'm sorry. I will clarify that because I was speaking too fast. You can't supplant existing programs either at the federal, state or private level.

You can't use this money to satisfy any state matching requirements you have for other federal funds or pay for other devices that are unrelated to the proposal, or to advocate for changes in federal or state law. Now you can use that to look at your waivers that you might need as you're developing those plans. And you can also use it, and more in a model testing situation, when we get to testing.

It's possible you might have something that would complement an existing effort that we would be willing to work, and talk to states about that in the model testing phase. But supplanting is not allowed. I'm going to turn it over to Jenny Lloyd from our evaluation group, to talk a little bit on the model design evaluation.

JENNIFER LLOYD: Thanks, Jim. The Innovation Center will affect the ability of the model design states to engage stakeholders and develop a state healthcare innovation plan. Each model design state will be evaluated for through a series of case studies using qualitative methods to capture successes and barriers experienced by states. This could include interviews with grantees and CSM staff, as well as site visits.

CMS has the ultimate responsibility for the model design, evaluation process, and reports. The Innovation Center evaluation contractor will be able to assist states if they need evaluation technical assistance while developing a state healthcare innovation plan.

JAMES JOHNSTON: We're going to conclude with the timeline which you've all seen before in our previous webinars, and our next steps. So, the applications will be due toward the end of September, September 17th, Eastern time, at 5 pm. They have to be in by that date. And we're going to do, again, in the next, in the future webinars we'll do on the application and submission process.

We are serious about it, they have to be in by that deadline. And we'll get into more detail on that. We anticipate announcing the awards for both model design and model testing towards the middle to the end of November, and there will be a six month performance period for the model design, which also is the pretesting assistance, where they sync up.

Tomorrow we're going to go over the same type of structure for slides, where we're talking about model testing and what's going to be required for that. There will be a lot more on the evaluation because, as Jenny mentioned, for this part it'll be a qualitative evaluation. For the model testing we're going to be looking at a very, it'll be a lot more, it'll be a quantitative as well as a qualitative evaluation.

So we're going to have those requirements and the other requirements that'll be necessary when states submit their model testing applications. So that will be tomorrow. Same number, same time, we'll be doing that tomorrow. We will be having a webinar in the very near future that will get into all the details on, and it's really in section 4 of the FOA, that gets into all the nuts and bolts on the application and submission process and information.

Along with that we will be going over the financial templates, which, again, have not been posted yet. But will be posted before that next webinar, so you have a chance to look at those and ask questions about them. We will be asking for baseline information in those about the populations you would be serving in the both, again, Medicaid, CHP, Medicare and we'll have some sources where you can get that as well as to the extent you can, your commercial populations in your state.

And at that point, too, we will spend more time talking about Medicare data resources that we'll make available to you to help you with those templates. As Ray mentioned in the beginning, but I will reiterate because we look forward to getting your questions, you can send them to stateinnovations@cms.hhs.gov. And, again, you may wish, and we haven't heard, as far as I know, from anybody yet, but if you create a similar inbox for your state, and then tell us about it, we will direct any stakeholders or calls we get.

And we have gotten some calls like how do I reach out to my governor's office in whatever state. We could direct them to that box, if you set one up. We are in the process, as I mentioned at the top of the hour, of updating our FAQs. We appreciate the questions you've got. We plan to get that out as soon as we can. It's in our clearance process now.

And you can find on our website, the previous webinars we've done, along with the transcripts. This one will be posted there, hopefully within the week. And that's at <http://innovation.cms.gov>. And with that, I will turn it back over to Ray.

RAY THORN: Great, thank you, Jim. At this time, we're in the question and answer section, and I—if I can ask the operators to, if you're interested in submitting a, or asking a question over the phone, if I can ask the operator to reiterate the process or the instructions for submitting any questions over the phone.

OPERATOR: Certainly, Ray. Ladies and gentlemen, if you'd like to register for a question, please press the 1, followed by the 4, on your telephone. You're going to hear a three tone prompt to acknowledge your request. If your question has already been answered and you would like to withdraw registration, please press the 1, followed by the 3. If you're using a speakerphone, please lift your handsets before entering your request.

Once again, ladies and gentlemen, if you'd like to register for a question, please press the 1, followed by the 4, on your telephone, now. One moment please, while we wait for our first question.

RAY THORN: And in the meantime, while we're waiting for our first question, I think we have gotten several questions through the chat function, and our first question is by [unint.] and asks what do we mean, what does CMS mean by theory of action development?

JIM JOHNSTON: In the theory of action, if you go back to the, it's on one of our slides. But it is how you're going to approach this task of putting together your model design. And that was we want to, as you look at that, talk about the models you might look at for payment and service delivery, but more importantly, also, your healthcare innovation plan and how you're going to approach it.

Our theory of action is that working with you at the state level, and having you look at the leverage you can bring to bear in accelerating transformation and looking at healthcare reform, that it'll happen more completely, and faster. And we would expect that you'd probably echo that, because that is what we're going to be testing.

As Jenny mentioned, we'll get into a lot more detail tomorrow on the evaluation. That is what we're going to be measuring our success on, in terms of the improvements in quality of care for our beneficiaries. That broader health look into the community, and by doing all that reducing costs. So the theory of action that gets you to those accomplishment or those metrics. Another question I saw that we had was on, related to that, is the payment strategies and the roadmap for getting there.

We do not expect that you necessarily have that when you send in this application. To the—the more you know, it'll help us frame that with you, but this is for model design in states. So, again, that would put you more to the left of that continuum of where you might be currently in your planning. But we don't want that to deter you from submitting an application. But the more you know along that line, the more, the farther you'll be toward completing those goals.

But you do not have to have a detailed payment strategy when you send in your application, nor your detailed modeled design, healthcare innovation plan. If you're a model testing state, you would need all of that, but for design, we want to meet you wherever you are in that design process on, and help you develop those goals which gets to another question on technical assistance. We will be having learning collaboratives.

We will have some contractual support. We're going to have help us here, so in addition to the money that we're going to provide to the states to do your modeling, to the extent there are states pursuing similar goals, we'll have, hopefully, learning collaboratives among those states. We will have some workshops where we bring you together virtually or possibly in person.

But we're going to have resources available in terms of actuarial support, engagement support with stakeholders, and some best practices that you could look at as you develop your, your specific models and also that broader healthcare innovation plan.

RAY THORN: Thanks, Jim. Operator, do we have a question on the, on the phone?

OPERATOR: We do. Our first question comes from the line of Meera Mani with McKinsey and Company, please go ahead.

NIRA MANI: The question is to what extent do stakeholders need to commit to participation? Is it, do they need to commit to participation on specific model types or [unint.] types? And do they need to commit financial or other resources up front? What's the—what would a most compelling proposal look like?

JAMES JOHNSTON: For model design, for model design, we're looking at evidence, through letters of participation and support, that they will certainly be looking at what, that they want to participate in this process to come up with a state innovation plan. They agree to the concepts that are in that. And also, with the payment and service delivery models that the state is thinking they want to pursue.

And that would be that they would, they would plan to participate in those models, which would probably mean that they would be financially aligning themselves, if it's a primary care case management program, that they will be putting dollars out there for primary care case management. If it's accountable care, that they're going to be setting up accountable care organizations. So that it's a true partnership within the state and true participation by that, those multi-payers coming in. Tony Rodgers is going to share.

ANTHONY RODGERS: Let me give you a simple rule of thumb. This is a broadbased delivery system and payment model test. And so we expect that those stakeholders and individuals who eventually will benefit, either beneficiaries or providers, or other stakeholders that you are going to be leveraging would be at the table to discuss the model design, to participate in the overall strategies related to how you will transform your delivery system. And, again, look at the outcomes we're looking for. That should tell you what kind of stakeholders need to be at the table.

RAY THORN: Thank you, Tony and Jim. Operator, do we have another question on the phone?

OPERATOR: Currently there are no questions in the queue. But as another reminder, if you'd like to register for a question, please press the 1, followed by the 4, on your telephone.

RAY THORN: But we do have a few more questions in the chat box, and one person asks does the healthcare innovation plan need to reflect the entire state, or may it propose transformation of a sub-state region?

JAMES JOHNSTON: In terms of that question, for the healthcare innovation plan we are looking for a statewide plan. That this is the state's vision for that future, that we talked about earlier in the slides. That, that it would be statewide, it would involve multi-payer, as, as Tony Rodgers expounded on. That is, it would be for the entire state.

Now that, in the model testing there might be phase-in and ramp-up to get there, it might start regionally, it might start with specific groups of providers and expand out from there. But as, as came up on an earlier webinar, we are talking about, we want to see the preponderance of care in the state. By that we mean really most of the care providers and patients moving towards these new payment and service delivery models, and certainly seen enough with [unint.] in this broader context of the state innovation plan, which would be statewide.

RAY THORN: Great, thank you, Jim. And another question we received, that is, does CMS expect all payment methodologies for providers for services to be changed?

JAMES JOHNSTON: Again, under the broader state healthcare innovation plan, we would expect that it would, it would speak to the entire state and a variety of payer and provider arrangements. In the models, it might be much more focused and there certainly could be a phase-in, and certainly different approaches for different providers, depending on what you're looking at. We ought to see the specifics, so it isn't an absolute, but certainly the plans at the healthcare innovation level should speak to the entire state, providers, payers, and talk about that overall vision.

RAY THORN: Thanks, Jim. Operator, do we have any people in the queue?

OPERATOR: There's currently no one in the queue.

RAY THORN: Then we do have another question from the chat box. A participant asks, can you please repeat the process to create an email address for the states?

JAMES JOHNSTON: So what we have done here at the Innovation Center is we've created the email box, which some of you have used. It's, again, stateinnovations@cms.hhs.gov, and that is where we are directly all the emails we get in with inquiries about the program. And, again, if you have any questions, please send those in.

Because that's our central point of contact. What we're suggesting is that states could create a similar point of contact for your state healthcare innovation plan and within that, your models, that you could direct, rather than just calls coming in to the governor's health care advisor or to the Medicaid director, or maybe both, that you would create a central point of contact in your state.

I couldn't tell you exactly how to do that, but somewhere in your IT department somebody could help you with that and create that, that central email box that would help you coordinate those calls and centrally collect them, monitor them and then you could parse them out as you go.

RAY THORN: Operator, thanks, Jim, Operator, do we have anyone in the queue?

OPERATOR: There's nobody in the queue.

RAY THORN: And actually it looks like we do have a few more questions. Will there be any opportunity to get back, or to, excuse me, will there be any opportunity to get feedback from the Innovation Center team on a state's proposal prior to the formal grant submission?

JAMES JOHNSTON: The answer to that is no. We want to provide as much information to you as we can, which is why we're doing the web-out today and tomorrow, and we will again be having another one in the near future, and more if needed. If you have questions, please let us know. But we will not and cannot give any feedback on a specific state proposal. They will all come in, in a fair and open competition.

And we're going to do all those, again, those mechanics on how to submit that in the next webinar, and not until the next webinar, which will be [unint.] next week, we'll get into that. But, no, we cannot give you feedback on your proposal.

RAY THORN: Thank you, Jim. And it looks like we do not have any more questions submitted through the chat box. And—actually, it looks like we have a couple more. Let's see here, to—one, one person asks to what extent do states need to be thinking about incorporating the community prevention, more

specifically focusing on changing community environments so that healthy choices are the easy choice, in their proposals?

ANTHONY RODGERS: Hi, this is Tony Rodgers. This is part of our innovation goal, is that states will indeed begin to integrate within the health system design these kinds of strategies. These broader community prevention strategies. If you saw what Jim presented was kind of the logical progression of health system maturity, that's the direction we're going. So this is where innovation comes in, and we challenge states to be innovative and creative in terms of how they integrate those kinds of community prevention programs.

RAY THORN: Great, thank you, Tony. And then another question is, that we, we received, is the MAPCP requires all payers to pay the same amount for transformation of processes. Will this plan expect that?

JAMES JOHNSTON: And clearly, you're not familiar. MAPCP is a primary care case management program, operating, I believe, in eight states. Some of them are statewide, some of them regionally. As the question asks, mentions, it is an all payers, it is a multi-payer arrangement for these primary care case management, where it is the same amount for the transformation of the practices.

Would we expect the same, see the same here? The answer is no. And that's partly because this is your plans. We're seeing what you want to do and how that fits in your state through your payment and service delivery models. Even here at the Innovation Center, we have a, another proposal that's our comprehensive primary care case management, going on in a number of markets.

Again, a multi-payer arrangement, where those, the case management there varies by the payer because that model is testing slightly different things. So it would depend on the models you want to pursue in your state. So it could be the same or it could vary. Either way, we'd expect you to have an explanation of how you hit upon doing it that way.

RAY THORN: Okay, thank you, Jim. Operator, do we have anyone in the queue?

OPERATOR: There's nobody in the queue. But just as a final reminder, if you'd like to queue up for a question, please press the 1, followed by the 4, on your telephone. And there are no further questions at this time.

RAY THORN: Okay, thank you, Operator, and it looks like we do not have any further questions on the chat, on the chat box. So we will go ahead and wrap up this webinar. And if you do have questions that you think of later, please feel free to email the state innovation models email box, that is stateinnovations@cms.hhs.gov, and, again, we will be doing another webinar tomorrow at 3 o'clock on the model testing awards.

And the information for that webinar, to log on and register, is on the Innovation Center website and that's <http://innovation.cms.gov>. So, again, I want to thank you all for participating today and thank you very much, and have a great afternoon.

OPERATOR: Ladies and gentlemen, that does conclude the conference call for today. We thank you for your participation and ask that you please disconnect your line.

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