

Webinar Script: State Innovation Models Round 2 Model Design Proposal Requirements

Slide	Webinar Script
1.	<p>Good afternoon and thank you for joining us. My name is Leah Nash and I am a Program Analyst with the State Innovation Group within the Center for Medicare and Medicaid Innovation. You may recognize my name as the programmatic contact listed in the State Innovation Models Initiative Round Two Funding Opportunity Announcement, published on May 22, 2014. I would like to review a few housekeeping items before we proceed:</p> <ul style="list-style-type: none">• All WebEx audience lines should be muted and we will not be accepting questions through audio.• As a safeguard, please ensure that you mute your line to avoid background noise.• Please submit questions through the Q&A pod on the left hand side of your adobe connect room screen. Questions received today will be addressed in the FAQ section of our website.• A PDF of the slides, a script and a recording of the audio portion of this webinar will be posted to our website shortly after the conclusion of the webinar.
2.	<p>In today's presentation, we will review the purpose of the State Innovation Models Initiative. We will then review who is eligible to apply and the overall funding available for model design cooperative agreements under the initiative. We will then discuss proposal requirements, prohibited uses of funds, award limitations, the application review and selection process, and important dates.</p>
3.	<p>The State Innovation Models Initiative tests the ability of state governments to achieve health transformation through the use of available regulatory and policy levers.</p> <p>CMS believes that state governments, with the leadership of Governors, can be critical partners of the federal government and other health care payers to facilitate the design, implementation, and evaluation of community-centered health systems that can deliver improved cost, quality, and population health performance results for all state residents, including Medicare, Medicaid, and CHIP beneficiaries. In addition, states maintain ongoing relationships with private payers, health plans, and providers that can accelerate delivery system reform. Many states are already</p>

	<p>engaged in these efforts and the State Innovation Models initiative will build upon that work. We view Model Design funding as an opportunity for states to engage a broad range of stakeholders to participate in designing a plan for state wide health transformation.</p>
<p>4.</p>	<p>CMS invites the 50 state Governor’s Offices, United States Territories Governors’ Offices, and the Mayor’s Office of the District of Columbia to apply.</p> <p>Only one application from a Governor per state is permitted for either a Model Design or a Model Test award. A state cannot receive multiple rounds 2 model design or model test awards. A state cannot receive both a round two model design award and a round two model test award. States that were awarded a model design or model pre-test award in Round One of SIM are eligible to apply. States currently engaged in a Round One Model Test award are not eligible to apply.</p> <p>Each application for a Model Design award must include a letter from the Governor, or the Mayor in the case of the District of Columbia, officially endorsing the application for a Model Design Award.</p> <p>A state may propose that an outside organization focused on quality and state delivery system transformation, such as a non-profit affiliated with the State Department of Health or a public-private partnership supported by the Governor’s Office, receive and administer funds through a Model Design award. However, the Governor’s Office must submit such requests in writing to CMS with its Letter of Intent to Apply and include a justification for the request and an attestation that the state will actively participate in all activities described in its proposal. Approval of such requests will be at the sole discretion of CMS.</p> <p>Only one application supported by the Governor will be allowed per state. In other words, the state may apply for the award or identify a designee. Only one application endorsed by the Governor’s office will be considered. A state pursuing this approach will still be expected to address all of the required areas described in the FOA.</p>
<p>5.</p>	<p>CMS will award between \$1 million - \$3 million per state for to up to 15 Model Design cooperative agreements through this Funding Announcement. States receiving Model Design awards have 12 months from the award start date to complete their State Health System Innovation Plans and Model Designs.</p> <p>The project period for Model Design awards will be one year: January 1, 2015, through December 31, 2015.</p>

	In determining the award amount for each applicant, consideration will be given to the size of the Medicaid, CHIP, and Medicare populations in the state as well as the overall scope and sustainability of the proposal.
6.	<p>Before I go into the proposal requirements I will review how applications will be reviewed.</p> <p>First, applications will be screened for completeness and to determine whether they adhere to the eligibility requirements for Model Design proposals outlined in the funding opportunity announcement. CMS encourages applicants to review the FOA carefully.</p> <p>After the applications have been screened, an objective expert panel will assess the extent to which the proposal advances the goals of the State Innovation Model as described in the FOA.</p> <p>Model design proposals must contain certain key requirements. Let's examine those requirements.</p>
7.	<p>Model Design applications must include a:</p> <ul style="list-style-type: none"> -Model Design Project Narrative -Budget Narrative -Financial Analysis -Operational Plan
8.	<p>In the Project Narrative portion of the proposal, a model design applicant must demonstrate a clear process for designing or refining a plan with the engagement of multiple components of state government. The project narrative must include the following core sections:</p> <ul style="list-style-type: none"> • Plan for Improving Population Health • Health Care Delivery System Transformation Plan • Payment and/or Service Delivery Model • Leveraging Regulatory Authority • Health Information Technology • Stakeholder Engagement

	<ul style="list-style-type: none"> • Quality Measure Alignment • Monitoring and Evaluation Plan • Alignment with State and Federal Innovation <p>Model Design applicants must specifically identify the levers it proposes to incorporate into a comprehensive state plan. Such levers include but are not limited to the state’s Medicaid program, state employee health plans, and stated-owned academic medical centers. In their design plans, applicants must explain the unique features of their design efforts and their strategies for designing a plan that aligns with existing CMS efforts.</p> <p>Also, Model Design project narratives should identify the proposed stakeholders that will actively participate in the Model Design process and present a clear and pragmatic strategy for engaging and maintaining their commitment to developing a State Health System Innovation Plan. States are expected to work with a broad group of stakeholders representative of the entire state population in their Model Design process including but not limited to providers, commercial payers, state hospital and medical associations, tribal communities and consumer advocacy organizations.</p> <p>Further, all model design project narratives must describe a strategy for designing a state health plan that includes multi-payer payment innovation and measure alignment. Additionally, all applicants must submit a plan to develop a monitoring and evaluation plan. Lastly, the project narrative should identify other state and federal initiatives within the state and a plan for aligning with those initiatives.</p>
9.	<p>As outlined in the FOA, Model Design Award applicants must submit Standard Form 424A (SF-424A) and a budget narrative. The budget narrative must be consistent with the SF-424A and Model Design requirements. Please note that all overhead and administrative costs are limited to no more than 10% of direct costs. Applicants are also to identify other sources of funding.</p>
10.	<p>The next required component of the Model Design Award proposal is a financial analysis. The financial analysis should describe the populations being addressed and their respective total medical and other services costs as per member per month and population total.</p> <p>If known, the financial analysis should describe anticipated cost savings resulting from specified interventions. If known, an applicant should describe total cost savings and return on investment for the overall state model and the basis for expected savings.</p>

11.	<p>A model design proposal must also include an operational plan. The operational plan must describe the activities and budgets for the performance period of the award and a detailed timeline for the design process with major milestones. Also included in the operational plan should be a list of key project personnel. For each listed key personnel, applicants should describe their background as it relates to the project, their roles, and overall responsibility. Applicants should address the Governor’s existing and future involvement in the model’s design and the state agencies and/or departments that will be actively involved in designing the model.</p> <p>Some applicants may need CMS data to develop comprehensive proposals. CMS is willing to accept requests from the state or its agents for data necessary for the development and/or implementation of Model Design proposals. Such data could include de-identified (by patient or by provider) or even individually identifiable health information such as claims level data. All data requests for individually-identifiable health information must clearly articulate the HIPAA basis for the requested disclosure. Once the data request is received, CMS will review it to determine if it is possible to meet the proponent’s data request needs. Applicants must note that appropriate privacy and security protections will be required for any data disclosed under the State Innovation Models Initiative.</p>
12.	<p>Certain areas are out of scope and will not be considered under the State Innovation Models Initiative. These limitations are outlined on the slide and found on page 14 of the FOA.</p>
13.	<p>Applications that propose to duplicate models for populations that are already being funded and tested as part of other CMS and/or HHS initiatives will not be funded. State Innovation Model funding could be used in a coordinated manner to complement existing initiatives.</p> <p>Also, State Innovation Model funding may not be used to supplant existing federal or state funding. States may propose the use of State Innovation Model funds to support additional costs associated with their model design initiative. In addition, States may not use State Innovation Model funds as state match under the Medicaid or CHIP programs nor use funds to substitute for currently funded Medicaid or CHIP services or administrative activities.</p>
14.	<p>Once submitted, all model design applications will be reviewed and scored based on the quality of their submitted proposals. The review and scoring of model design proposals does not require an in-person presentation, but rather an expert panel will review each application and assign it a score for its model design strategy (up to 30 Points), provider engagement strategy (up to 15 Points), Payer/Other Stakeholder Strategy (up to 15 Points), Operational Plan (up to 10 Points), and Model Design Budget Narrative/Financial Analysis (up to 30 Points). Let’s look at each of these criteria individually.</p>

15.	<p>In assessing applicants' model design strategy, the expert evaluation panel will assess whether, and the degree to which:</p> <ul style="list-style-type: none"> • Applicants' clearly articulated a process for designing a plan with commitment from multiple components of their state government and other key stakeholders • Applicants' specifically identified current and future levers the state would seek to develop and incorporate into a comprehensive state plan, such as the state's Medicaid program, state employee health plans, state-owned academic medical centers, etc. • Applicants' provided a clear strategy for aligning with existing HHS/CMS efforts and how those coordinated initiatives can be implemented on a multi-payer basis • Applicants' clearly demonstrated how their proposed plan will improve access to care particularly for vulnerable populations <p>Scoring in this area will also take into consideration the applicant's ability to describe the strategies it will employ to leverage State Marketplace Exchanges in expanding value-based payment methodologies.</p> <p>As SIM aims to reach a preponderance of a state's population and Medicaid can serve as an important lever for driving health care delivery system transformation, the state should describe any Medicaid expansion activities and the percentage of the state's population that is covered by Medicaid.</p> <p>Finally, a proposal submitted by a state that was awarded a model design or pre-test award in Round One will be evaluated for the states' ability to demonstrate progress in further developing their design plans and their ability to clearly articulate how their current proposed strategies will enhance their Round 1 efforts.</p>
16.	<p>An applicant's provider engagement strategy should demonstrate commitment from major providers to participate in the design of the State Health System Innovation Plan. Major providers include, but are not limited to, behavioral/mental health care providers, long term care providers and state-owned entities. Continuing Round One Model Design and Pre-Test states must demonstrate appreciable progress to date in engaging providers.</p>
17.	<p>In this section, Model Design applications will be scored on their ability to describe a state health system innovation plan that includes multi-payer payment innovation and measure alignment. The applicants' proposal must include but is not limited to the participation of commercial payers and purchasers as well as various stakeholders, including state health associations and advocacy groups. The expectation, which will be reflected in this section's score, is that applicants will identify a broad group of stakeholders and create a mechanism for their active and effective participation in the</p>

	<p>planning and designing of the State Health System Innovation Plan and document the development of a multi-payer Model Design with stakeholder input. Continuing Round 1 Model Design states' scores will be reflective of their ability to demonstrate results in engaging payers and other stakeholders.</p>
18.	<p>The operational plan score should be determined by the applicants' ability to demonstrate the organizational structure, capacity, leadership, and expertise needed to successfully complete the Model Design process, including presentation of a detailed timeline of activities to be completed. Scoring of this section will also consider the descriptions of staff needed to lead this effort, and the necessary skills and experience needed to ensure smooth and effective implementation.</p>
19.	<p>A Model Design Proposal Budget Narrative & Financial Analysis should:</p> <ul style="list-style-type: none"> – Include a carefully developed budget consistent with Model Design requirements – Reflect reasonable administrative & overhead costs (limited to 10% of direct costs) – Indicate other resources that will aid in designing the State Health System Innovation Plan – Describe how the overall Financial Analysis will be developed <p>If other funding streams will be used to support the Model Design initiative, those sources should be described in this section.</p> <p>Part of the review process will include an analysis of the readiness of the state to complete the design process within one year after approval of a cooperative agreement award.</p>
20.	<p>All programmatic questions should be directed to our inbox, stateinnovations@cms.hhs.gov. Follow up inquiries may be directed to me, Leah Nash, at Leah.Nash@cms.hhs.gov. All administrative questions should be directed to Mr. Gabriel Nah, our OAGM Grants Specialist at Phone: 301-492-4482 or email: Gabriel.Nah@cms.hhs.gov</p>
21.	<p>Frequently asked questions will be posted continually to our website: innovation.cms.gov/initiatives/state-innovations.</p> <p>The next informational webinar, entitled "How to Apply on Grants.gov" will be held on Thursday, June 12 between 4-5 pm EDT. The call in line and URL link will be posted on our site and e-mailed to specific individuals. Thank you for joining us today. We look forward to working with you in the future accelerate health system transformation.</p>