

SIM R2 Webinar 2.1: Model Test Application and Proposal

Slide	Webinar Script
1.	<p>Good afternoon, and thank you for joining us today. As you know, the Funding Opportunity Announcement for Round Two of the State Innovation Model initiative was published on Grants.gov on May 22nd. In this webinar, we will focus on all components of the Round Two Model Test Award opportunity and highlight the requirements for submitting an application, as well as considerations regarding the application review process.</p>
2.	<p>For reference, major applicable dates for the Round 2 Model Test Funding are listed here:</p> <ul style="list-style-type: none"> <li>• The required Letter of Intent was due June 6, 2014</li> <li>• The Electronic Cooperative Agreement Application Due Dates is July 21, 2014, by 5:00 p.m., EDT</li> <li>• The anticipated Notice of Cooperative Agreement Announcement Date is Fall 2014</li> <li>• The Anticipated Cooperative Agreement Period of Performance is January 1, 2015 to December 31, 2018, which is inclusive of a pre-implementation period of up to 12 months.</li> </ul>
3.	<p>The agenda for this webinar will follow the structure of the Funding Opportunity Announcement Sections I – VII. For each Section, critical information for potential applications will be highlighted. However, for all Sections, the Funding Opportunity Announcement should be considered the primary source of information.</p> <p>In this webinar, we discuss the Funding Opportunity Description, including all Proposal Requirements; Model Test Award Information; Eligibility Information; Application and Submission Information; Application Review Information; Award Administration Information, and finally, Agency Contacts.</p>
4.	<p>Under this Funding Opportunity, CMS will fund up to 12 Model Test states with approximately \$20-100 million grants per state for a four-year period, with funding based in part on the size of the state population and the scope of the transformation proposal. This Funding Announcement expands on the State Innovation Models Round 1 Funding Announcement by specifying additional parameters CMS believes correlate with successful state-wide transformation.</p> <p>For more information about the entire Funding Opportunity Description, including information about the Round 2 Model Design awards, please refer to the first webinar, which can be found on our website <a href="http://innovation.cms.gov/initiatives/state-innovations">innovation.cms.gov/initiatives/state-innovations</a>.</p>
5.	<p>All applicants must submit all required proposal components, which are the Project Narrative, Budget Narrative, Financial Analysis and Operational Plan.</p> <p>Within the Project Narrative, the state must produce a detailed and fully developed</p>

	<p>proposal capable of creating state-wide health transformation for the preponderance of care within the state. For each individual element and/or program in the test proposal, the state must highlight how the element or program will (1) improve population health; (2) transform the health care delivery system; and/or (3) decrease per capita health care spending, drawing on a supporting evidence base. The Project Narrative must incorporate all nine elements and/or programs, which we will now review.</p>
<p>6.</p>	<p>Firstly, the state must develop a state-wide plan to improve population health during the project period. The state will be offered the opportunity to obtain technical support from the Centers for Disease Control in developing the plans. The plans should include integration of population health strategies with public health officials and health care delivery systems for all populations. At a minimum, plans should address the core measures of tobacco use and the incidence of obesity, and diabetes. In addition, states should consider integrating state strategies to address child wellness and prevention priorities, as applicable, including such factors as reducing childhood obesity, preventing early childhood dental caries, and addressing maternal depression to foster healthy child development.</p>
<p>7.</p>	<p>The state must provide a Health Care Delivery System Transformation Plan. CMS has identified the following characteristics to be closely associated with transformed health care delivery systems:</p> <ul style="list-style-type: none"> <li>a) Providers across the state and across the care continuum participate in integrated or virtually integrated delivery models;</li> <li>b) Over 80% of payments to providers from all payers are in fee-for-service alternatives that link payment to value;</li> <li>c) Every resident of the state has a primary care provider who is accountable both for the quality and for the total cost of their health care;</li> <li>d) Care is coordinated across all providers and settings;</li> <li>e) There is a high-level of patient engagement and quantifiable results on patient experience;</li> <li>f) Providers leverage the use of health information technology to improve quality;</li> <li>g) There is an adequate health care workforce to meet state residents' needs;</li> <li>h) Providers perform at the top of their license and board certification;</li> <li>i) Performance in quality and cost measures is consistently high;</li> <li>j) Population health measures are integrated into the delivery system; and</li> <li>k) Data is used to drive health system processes.</li> </ul> <p>The state must describe in detail how it will engage providers in health care delivery system transformation across the state, working towards the goals described above.</p> <p>CMS recognizes that individual state proposals will vary considerably. However, in reviewing the Health Care Delivery Transformation Plan, and the proposed cost and quality targets, CMS will consider state, regional, and national demographics, proposal parameters, alignment/overlap of existing CMS programs, and other factors that impact health.</p>

8.	<p>The State must describe the Payment and/or Service Delivery Model: One or more specific payment and/or service delivery models must be described that include, but are not limited to, the state’s Medicaid population, state employee population, and/or commercial payers’ populations. The payment and/or service delivery models must identify the targeted populations, the number of beneficiaries served, the number of participating providers, and the services to be delivered. CMS encourages applicants to propose payment models that directly align with one or more existing Medicare programs, demonstrations, and/or models, such as accountable care organizations (ACOs), primary care medical homes, and bundled payment programs. Medicare’s participation is not guaranteed and will be assessed on a case-by-case basis after thorough review of the proposed model.</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 also describe any Medicaid expansion activities and the percentage of the state’s population that is covered by Medicaid.</p>
9.	<p>The state must commit to using multiple regulatory authorities to influence the structure and performance of the state’s health care system. Regulatory authorities whose uses are envisioned under SIM include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>a) Aligning certificate of need processes and criteria (if applicable) to reinforce accountable care and delivery system transformation or developing alternative approaches to certificate of need programs, such as community-based approaches that could include voluntary participation by all providers and payers;</li> <li>b) Developing regulatory approaches to improve the effectiveness, efficiency and appropriate mix of the health care work force, such as through professional licensure/accreditation of providers and/or expanding scope of practice statutes;</li> <li>c) Creating opportunities to align state regulations and requirements for health insurers with the broader goals of multi-payer delivery system and payment reform;</li> <li>d) Integrating value-based principles into health insurance exchange Qualified Health Plan (QHP) certification processes, state employee plans, or Medicaid managed care plans including through selective contracting with carriers to provide health care coverage plans that provide the most competitive combination of value, quality, and choice; and</li> <li>e) Requiring academic medical centers and professional schools to integrate transformation-based teachings into medical education programs.</li> </ul> <p>This list is not intended to be exhaustive. States may propose alternative regulatory authorities that support delivery system transformation to satisfy this requirement in consultation with CMS.</p>

10.	<p>CMS recognizes that health information technology and data analytics will be important to achieving optimal efficiency and improved outcomes in state-wide health care delivery. States may propose to use SIM funds for the implementation of specific technology, software, applications, or other analytical tools as part of state infrastructure development to support the Model Test as long as the state provides a clear strategy for how, if applicable, the technological approach will be financed in addition to SIM, how it will not supplant other funding sources, and how it will be sustained after the cooperative agreement period has ended. Proposals must document the current state of health information technology adoption and utilization in the state, including current EHR adoption levels, percentage of providers meeting Meaningful Use requirements in the EHR Incentive Programs, and use of technology to support HIE activities. The Model Test proposals must also provide detailed descriptions for health information technology plans in the following domains:</p> <ul style="list-style-type: none"> <li>a) <i>Governance</i>: Describe how state leadership will direct the planning and oversight of implementation; supply a comprehensive plan to implement infrastructure to support the Model Test that leverages existing assets and aligns with federally-funded programs and state enterprise IT systems, such as those supported by Medicaid FFP for MMIS and HITECH programs; and explain how the governance structure will incorporate and expand existing public/private health information exchanges, including those operated by ACOs.. Examples of such systems that would be levered include: Medicaid eligibility/enrollment, authorization, attribution, care planning, quality measurement, and health information exchange.</li> <li>b) <i>Policy</i>: Describe policy and regulatory levers that will be used to accelerate standards based health information technology adoption to improve care in the state Model Test; describe methods to improve transparency and encourage innovative uses of data; offer a plan for promotion of patient engagement and shared-decision making; and propose multi-payer strategies to enable and expand the use of health information technology.</li> <li>c) <i>Infrastructure</i>: Describe how the state will implement analytical tools and use data driven evidence based approach to coordinate and improve care across the state Model Test; offer plans to utilize telehealth and perform remote patient monitoring to increase access to care and the timeliness of care; articulate plans to use standards based health IT to enable electronic quality reporting; explain how public health IT systems (such as clinical registry systems) will be integrated; and describe how support of electronic data will drive quality improvement at the point of care. The use of federal standards for HIT infrastructure components and the reliance on ONC certification, which ensures standards are followed, are examples of how applicants can further these activities.</li> <li>d) <i>Technical Assistance</i>: Define how the state will provide technical assistance to providers; identify targeted provider groups that will</li> </ul>
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	<p>receive assistance and what services will be delivered; and identify how the state intends to extend resources to providers ineligible for Meaningful Use incentive payments, if applicable.</p> <p>This list is not intended to be exhaustive. States may propose alternative approaches to data analytics and health information technology that support delivery system transformation. States will be offered the opportunity to obtain technical support from the Office of the National Coordinator for Health IT in developing the plans. In addition to explaining the individual components of the test, the State must address its rationale for how the specified elements and/or programs, in combination, will achieve state-wide health transformation. States may elect to focus on select areas of the state and/or to sequence elements or programs in the test geographically or temporally. The state should identify the test’s geographic scope in this section and address any sequencing of individual elements and/or programs.</p> <p>The Health Information Technology component of the plan is critical. The activities states propose related to HIT should be tightly coupled and jointly considered with other aspects of the plan, such as care coordination, quality measure alignment and reporting, population health management. The role of a state HIT Coordinator can be critical in ensuring this happens, since this position was envisioned as assisting with bridging the gaps in understanding between health information technology and the various health programs that HIT enables. HIT plans should be developed and implemented in close collaboration with plans for service delivery and payment models given the significant inter-dependencies of related policies and technical infrastructure at a provider, community and state level. These interdependencies should be considered in the SIM management structure, State Innovation Plans, and related operational plans.</p>
11.	<p>The state must demonstrate how it will use its unique role as a stakeholder convener to accelerate state-wide health transformation. The state must (1) demonstrate that there are a significant number of key stakeholders representative of the entire state population engaged and actively committed to the implementation of the state’s Model Test proposal and (2) present a clear and pragmatic strategy for maintaining stakeholder commitment throughout implementation of the proposed test. Stakeholders must include health care providers/systems, commercial payers/purchasers, state hospital and medical associations, community-based and long term support providers, consumer advocacy organizations, and, as applicable, tribal communities.</p> <p>The state must submit attestations of support from each identified stakeholder as part of its application. There is no template for this attestation. Notwithstanding the above, representatives from stakeholder organizations must be prepared to travel to CMS or participate in a virtual teleconference during the selection process to discuss their commitment to the state’s proposal.</p>
12.	The state must provide plans to develop a state-wide plan to align quality measures

	<p>across all payers in the state. If the state and key stakeholders have not yet reached consensus on such a plan at the time of submission, the proposal must describe in detail any progress to date on quality measure alignment, including the successes and challenges faced, and must articulate a path for developing a realizable plan by the conclusion of the up to 12 month pre-implementation period. The plan should also demonstrate the payers' commitment to reducing the administrative and/or non-clinical burden to providers in the state.</p>
<p>13.</p>	<p>The state will be responsible for monitoring and reporting to CMS on the progress and impact of its Model Test at regular intervals. In addition, CMS will conduct an independent evaluation of funded proposals in accordance with the requirements set forth in Section 1115A of the Social Security Act (added by Section 3021 of the Affordable Care Act). While the Innovation Center is responsible for the evaluation of each Model Test, states must also develop their own model evaluation process, under the guidance of the Innovation Center. The amount awarded will include any state cost of testing the model and meeting state and federal evaluation requirements. The state evaluations should include an examination of the model's impact on the entire state population. In general, CMS expects that Model Test awards will cover only costs that are not normally part of a state's operational cost, data collection cost, or administrative cost.</p> <p>The state must provide quantifiable measures for regularly monitoring the impact of its proposed model, including the effectiveness of the policy and regulatory levers applied under the Model Test, on the three key outcomes of (1) strengthening population health; (2) transforming the health care delivery system; and (3) decreasing per capita health care spending. Measures should be selected with a focus on the particularized state health demographics and health needs the Model Test proposal aims to address. All quality and cost measures must use the state's entire population in the denominator. Examples of measure domains that may apply:</p> <ul style="list-style-type: none"> <li>• For population health, include: percentage of state residents using tobacco</li> <li>• For health care delivery system transformation, include: percentage of state residents attributed to a primary care doctor</li> <li>• For per capita cost spending, include: per capita Medicare inpatient costs</li> </ul> <p>Final measures will be refined in conjunction with CMS during the 12 month pre-implementation period.</p>
<p>14.</p>	<p>The state must identify all existing health care innovation initiatives occurring within the state, including CMS, HHS, federal, and external initiatives (<i>e.g.</i>, the Robert Wood Johnson Foundation Aligning Forces for Quality program), and demonstrate how the proposal aligns with these health care innovation efforts. The state must describe how the proposal will (1) coordinate with and build upon existing initiatives and (2) ensure that federal funding will not be used for duplicative activities, or to supplant current federal or state funding. For example, if a state is participating in the State Financial Alignment Model, the state should describe how the State Financial Alignment Model complements the state's proposed SIM model.</p>

15.	<p>As part of its application, the state must submit a SF-424A and a budget narrative. The budget narrative must be consistent with the SF-424A and Model Test requirements as well as limit overhead and administrative costs to no more than 10% of direct costs. States should indicate other resources that will aid in implementing the Model Test plan. See Section 4.2. <i>Content and Form of Application Submission</i> for more information.</p>
16.	<p>As part of its application, the state must submit a Financial Analysis. The Financial Analysis must estimate the proposal’s return on investment for the Model, and specifically for Medicare, Medicaid, and/or CHIP populations, over the performance period of the award as well as on a projected annualized basis after the term of the award is finished. The state must explain how its interventions will reduce total cost of care for the beneficiaries its model serves. The Financial Analysis also must provide financial models explaining the logic driving their forecasted cost of care savings.</p> <p>The state must obtain and submit an external actuarial certification of their Financial Analysis with their application. A qualified actuary who is a member of the American Academy of Actuaries must complete the external certification. The CMS Office of the Actuary will assist in reviewing the reasonableness of the estimated cost to the government, and will review the potential for federal savings. The external actuarial certification, as well as the review of the CMS Actuary, will be considered in final selection of Model Test awards.</p>
17.	<p>The state must submit a detailed Operational Plan that describes the activities and budgets for each year of the model and provide a detailed timeline for implementation and major milestones for successfully executing the Plan. The Operational Plan must show how the applicant plans to scale implementation activities to ramp up to an operational start within twelve months of receiving funding. The applicant must also establish accountability targets for the project, including specific quarterly milestones and metrics associated with each investment or activity that would be financed in whole or in part by this award. Projected quarterly targets for the test period should indicate the number and/or proportion of health care providers, hospitals, and beneficiaries that will be engaged by each Model Test component. The Operational Plan must also address any assumptions made and risks to the operational timeline, probability and impact of identified risks actually occurring, and projected strategies for mitigating identified risks.</p> <p>In addition, the application should show that the applicant has the resources and track record needed to operate the model and report on the progress it is making during the operation. Applicants shall include a list of key personnel; and for each person on this list, applicants should describe their relevant background, their roles, and overall responsibility. Applicants should address the Governor’s existing and future involvement in the model’s design and implementation, and the state agencies and/or departments that will be actively involved in executing the model.</p>

	<p>Applicants may also propose an operational plan that implements their State Health System Innovation Plan through a public-private partnership. Under such an approach, the state must demonstrate active engagement and participation in the public-private partnership.</p>
18.	<p>1. CMS will award up to \$30 million for up to 15 states for Model Design cooperative agreements and up to \$700 million in funding for up to 12 state-sponsored Model Test cooperative agreements through this Round 2 Funding Announcement.</p> <p>All states, the District of Columbia, and U.S. Territories may submit applications for Model Test and Model Design funding in Round 2 through this FOA except that States currently engaged in a Model Test with CMS are ineligible to apply for a Round 2 award.</p> <p>2. Up to 12 Model Test cooperative agreements will be awarded under this State Innovation Models initiative. Awards for Model Test states will range from \$20-100 million per state, based on the size of the state population and the scope of the proposal. During the selection process, each state’s budget plan will be reviewed to determine appropriateness of the amount requested based on the model’s complexity, size of the target population, spectrum of state policy activity, level of multi-payer and other stakeholder engagement, the return on investment, and the strength of the evidence base or logic model in supporting the expected impact of the Plan. The proposal’s savings estimates will be reviewed for their reasonableness by the CMS Office of the Actuary.</p> <p>State budget proposals will be reviewed to determine the appropriateness of itemized budget expenditure estimates and the total requested amount. CMS reserves the right to request modifications to the budget and expenditure plan.</p> <p>3. CMS expects to announce which states are being awarded cooperative agreements for Model Test awards on or around October 31, 2014.</p> <p>4. Initial funding of Model Test and Model Design awards is contingent upon the state’s acceptance of the award’s terms and conditions through the initial drawdown of funds and, in the case of Model Test awards, explicit CMS approval of an operational plan submitted by the state.</p> <p>The 48-month project period for Model Test will be divided into four budget periods, with an initial budget period of twelve months for pre-implementation work followed by three budget periods of 12 months each. Following the initial twelve-month budget period, non-competing continuation awards will be granted for each additional year of the cooperative agreement contingent upon availability of funding, state performance, and demonstrated progress towards the goals and objectives of this FOA. The anticipated test completion date for states receiving Model Test awards is December 31, 2018. The specific period of performance for each state model will be included in</p>

	<p>the cooperative agreement and be executed upon the initial drawdown of funds by the recipient.</p> <p>5. Round two will award up to 12 states with Model Test cooperative agreements.</p> <p>6. Awards are for cooperative agreements.</p> <p>7. Continued funding is dependent on satisfactory performance against goals and performance expectations delineated in the cooperative agreement’s terms and conditions and, if applicable, approved operational plans. CMS reserves the right to terminate the cooperative agreement if it is determined to be in the best interests of CMS. Projects will be funded subject to meeting terms and conditions of the award, and subject to Section 1115A(b)(3)(B) of the Social Security Act, which requires the Secretary to terminate or modify the design and implementation of a model unless it is determined after testing has begun that it is expected to improve quality of care without increasing Medicare, Medicaid and CHIP spending; reduce Medicare, Medicaid and CHIP spending without reducing quality of care; or improve quality of care and reduce spending for Medicare, Medicaid, and CHIP beneficiaries.</p> <p>CMS also may terminate or modify a cooperative agreement based upon CMS review of the state’s progress, including a review of whether or how well quality and savings targets are met. In such cases CMS staff will make a recommendation to the CMS Administrator based on the best interests of CMS including consideration of the Innovation Center’s mission to test and evaluate new payment and service delivery models.</p>
19.	<p>CMS invites the 50 state Governor’s Offices, United States Territories Governors’ Offices (American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the Virgin islands), and the Mayor’s Office of the District of Columbia to apply. Only one application from a Governor per state is permitted for either a Model Design or a Model Test award (assuming the state applied and was not selected for funding under the first round of Model Test awards). A state cannot receive multiple Round 2 Model Design or Model Test awards.</p> <p>A state cannot receive both a Round 2 Model Design award and a Round 2 Model Test award. Each application must include a letter from the Governor (or the Mayor, if from the District of Columbia) officially endorsing the application for a Model Design award or for a Model Test award. States currently engaged in a Model Test award with CMS are NOT eligible to apply for funding under Round 2.</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 or Model Test award. The Governor’s Office must submit such requests in writing to CMS with its Letter of Intent and include a justification for the request and an attestation that the state will actively</p>

participate in all activities described in its proposal. Approval of such requests will be at the sole discretion of CMS. Only one such request supported by the Governor will be allowed per state. A state pursuing this approach will still be expected to address all of the required areas described in this FOA.

Applicants must meet all eligibility threshold criteria described in this FOA. States are strongly encouraged to review the criteria information provided in Section V, Application Review Information, to help ensure that the proposal adequately addresses all the criteria that will be used in evaluating applications and determining appropriate funding levels for each award.

All applicants must have submitted a required letter of intent to the programmatic point of contact in by June 6, 2014. If a letter of intent has not been submitted by the required due date, any subsequent application submitted by the entity will be ineligible. Applications not received by the application deadline, July 21, 2013 through [www.grants.gov](http://www.grants.gov) will not be reviewed. Applications will be considered for funding only if the application meets the requirements outlined in Section III, Eligibility Information and Section IV, Application and Submission Information. Model Test applications shall not be more than 55 pages in length. Both types of applications must be limited to the page maximums, sequence of sections, and section content specified in Section IV.2 Content and Form of Application Submission, parts C & D.

In addition, applications should include attestations of support from key stakeholders. The letters of support will not be included in the page limits for applications. The letters should attest to stakeholders' active engagement in the model and must contain specific information about how the stakeholders will contribute to the SIM process. The standard forms, project abstract, Governor's endorsement, and curriculum vitae are also not included in these page limits.

Other eligibility criteria include the following:

- All applicants must have a valid Employer Identification Number (EIN) assigned by the Internal Revenue Service.
- All applicants must have a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number in order to apply.
- All applicants must register in the System for Award Management (SAM) database (formerly CCR) in order to be able to submit an application at <http://www.grants.gov>. The SAM process is a separate process from submitting an application. Applicants should begin the SAM registration process as soon as possible after the announcement is posted to ensure that it does not impair your ability to meet required submission deadlines. In order to register, applicants must provide their DUNS and EIN numbers. Additional information about SAM is available at <https://www.sam.gov/portal/public/SAM/>.
- Applicants must successfully register with SAM prior to submitting an application or registering in the Federal Funding Accountability and

	<p>Transparency Act Subaward Reporting System (FSRS) as a prime awardee user. Primary awardees must maintain a current registration with the SAM database, and may make subawards only to entities that have DUNS numbers.</p> <p>Cost sharing or matching is not required.</p> <p>Foreign and international organizations are not eligible to apply.</p> <p>Faith-based organizations are not eligible to apply.</p>
20.	<p>A future webinar will describe, in detail, the content and form of application submission and how to download relevant application materials and submit an application successfully through Grants.gov. The webinar will take place on Thursday, June 12, 2014 from 4-5pm Eastern Daylight Time. Details regarding this and all future informational webinars will be posted on our website.</p>
21.	<p>In order to receive a cooperative agreement for either Model Test or for Model Design, states must submit an application in the required format, no later than the established deadline date and time. Applications that do not meet all the technical requirements will not be reviewed. If an applicant fails to submit all of the required documents or does not address each of the topics described below, the applicant risks not being awarded a cooperative agreement.</p> <p>The Criteria for the Model Test Expert Review Panel are as follows:</p> <p><u>Up to 50 points for the Model Test Plan</u></p> <p>a) Model Test applicant must demonstrate the ability to test innovative payment reforms that have the potential to accelerate transformation. The elements of the Model Test plans will be evaluated on the following criteria:</p> <ul style="list-style-type: none"> <li>• Well developed, detailed and clear annual cost and quality targets, which the state commits to review and report at least annually;</li> <li>• Use of policy and regulatory state levers to support successful health care transformation in the state;</li> <li>• Alignment with existing CMS programs and other state programs;</li> <li>• Number of residents directly affected by the Model Test;</li> <li>• Number of providers and payers participating in the Model Test</li> <li>• Likelihood of accelerating delivery system transformation;</li> <li>• Development and use of health IT infrastructure (See Appendix 2: Health Information Technology Plan).</li> </ul> <p>b) As this initiative is intended to reach a preponderance of a state's population, a state's decision to expand Medicaid will be an important factor in assessing the state's readiness to implement a state-wide plan for improving population health. Additionally, because Medicaid can serve as an important lever for driving delivery transformation, states</p>

	<p>should describe Medicaid expansion activities and the percentage of a state's population covered by Medicaid.</p> <ul style="list-style-type: none"> <li>c) The Model Test must offer and clearly demonstrate a pathway to a high potential for success in producing better health, better care and lower costs through improvement for Medicare, Medicaid/CHIP, and Medicare-Medicaid enrollee populations as well as other health care consumers within the state.</li> <li>d) The model must describe in detail the target populations, geographic areas, or communities that will be the focus of Model Testing, the current quality and beneficiary experience outcomes including current health population status, and the specific improvement targets expected from the Model.</li> <li>e) The state must identify specific implementable plans to collaborate with the CDC to develop a state-wide plan for improving population health. The plans will include developing collaborative approaches to improving population health that engage public health officials and provider organizations. (See Appendix 1: Plan for Improving Population Health).</li> <li>f) The state must demonstrate engagement in HHS initiatives to improve health and health care delivery.</li> <li>g) Integrated data is used not only to directly support the implementation of health care interventions but also to inform and improve the model throughout the period of the award. The state must include a clear feedback loop and strategies for continuous monitoring and improvement of the model through collection and analysis of data across payers and partners.</li> <li>h) The state must identify strategies they will employ to leverage State Marketplace Exchanges to further advance value-based payment methodologies.</li> </ul>
22.	<p><u>Up to 10 points for the Provider Engagement Strategy</u>  The state must demonstrate a clear, sustained commitment to participation and implementation of the health transformation model of major stakeholders including but not limited to advocacy groups, local governments, social service providers, and providers of acute health care, behavioral/mental health care, long term care (including home and community services as well as long term care facility services) in the state, including but not limited to state-owned entities, providers of acute health care, behavioral/mental health care, long term care (including home and community services as well as long-term care facility services).</p> <p><u>Up to 10 points for the Payer and Other Stakeholder Engagement Strategy</u>  The state must also demonstrate participation on the part of commercial payers with respect to both financial and quality measurement alignment. The state should identify a broad group of stakeholders involved in the execution of the Model Test, including but not limited to advocacy groups, local governments and social service providers.</p>

	<p><u>Up to 20 points for the Operational Plan</u>  States must demonstrate the organizational and operational capacity, organizational structure, leadership and expertise to successfully implement Model Test processes. The detailed project plan and timeline should be well described and clearly demonstrate how the state will successfully lead health transformation in the state with resources provided. The project leadership must clearly demonstrate the required knowledge, skills, abilities and experience to ensure efficient, smooth and effective implementation. States must also include a sustainability plan for the next 4 years beyond the period of the award that includes changes in personnel or administration as well as a clearly detailed plan for continued financing to support sustained health reform/transformation after CMMI award funding is exhausted.</p> <p><u>Up to 10 points for the Model Test Budget Narrative and Financial Analysis</u>  The proposed budget is carefully developed, is consistent with the Model Test requirements, and is clearly linked to support of a successful implementation plan. Overhead and administrative costs are limited to 10% of direct costs with funding focused on direct support of the Model Test. States must indicate other specific resources that will aid in implementing the Model Test plan, including descriptions of how these resources directly support health transformation in the state. The proposal must document how the overall Financial Analysis, including population and intervention specific savings, will be developed, how return on investment will be calculated, and how the state will incorporate non-CMMI funding (particularly commitments from the multi-payer collaborators, including but not limited to other state and local government resources) into the overall health transformation plan.</p>
23.	<p>Based on scores from the Expert Panel Review, selected applicants will be invited to present in person (in the Baltimore/Washington Metropolitan area) to an HHS Leadership Panel. The HHS Leadership Panel members are individuals who possess knowledge or expertise in innovative health care payment and service delivery models. They will review the applications prior to the presentations, consult during the presentations, and subsequently provide advice to the approving official. The presentations will help to ensure that only those applications that offer the greatest potential for furthering program purposes are selected for funding. The presentations will include the information from the FOA but will also be expected to highlight the following:</p> <ul style="list-style-type: none"> <li>• State and Stakeholder Commitment: States must demonstrate a commitment by a broad coalition of stakeholders, including state leadership, during the in-person presentation. The role and contribution of each stakeholder will be considered.</li> <li>• Likelihood of Success: States must demonstrate that their specific approach, through the joint efforts of stakeholders, will be likely to result in achieve success by reducing costs, improving quality and promoting delivery system transformation.</li> </ul>

	<ul style="list-style-type: none"> <li>• Novelty of Payment Model: State should demonstrate how their payment model presents a unique approach to delivery reform that would accelerate delivery transformation in a manner that has not been test on a state-wide scale.</li> <li>• Ability to Align with Medicare Programs: States should articulate how their proposal would align with existing CMS programs. For example, a multi-payer ACO approach could complement and align with the Medicare Share Savings program. State could also demonstrate how this alignment will further delivery transformation and reduces costs and improve care for all-payers, including Medicare.</li> </ul>
24.	<p>There will be separate review processes for Model Test and Model Design. The review process for Model Test will include the following:</p> <ul style="list-style-type: none"> <li>• Applications will be screened for completeness and adherence to eligibility requirements for the category states' have applied for: Model Test or Model Design. Applications received late or that fail to meet the eligibility requirements detailed in this solicitation or do not include the required forms will not be reviewed.</li> <li>• An objective review panel will determine the merits of the proposal and the extent to which the proposed model furthers the purpose of SIM, in accordance with the information outlined in Sections I. and IV. of this funding opportunity announcement and the criteria specified in Section V. The objective review panel may include federal employees and/or non-federal employees.</li> <li>• For Model Test states, applicants will be required to present their proposals to HHS leadership as part of the selection process. The purpose(s) of the presentation is(are) to: <ul style="list-style-type: none"> <li>• determine the extent to which the proposed model furthers the purpose of SIM, in accordance with the information outlined in Sections V.</li> <li>• determine the commitment of the state in implementing the proposal.</li> <li>• determine the level of commitment and investment by stakeholders.</li> <li>• assist CMS in its assessment of factors such as proposal feasibility, stakeholder engagement and state leadership.</li> <li>• assist CMS in understanding the number of individuals impacted by the proposal.</li> </ul> </li> <li>• The state's presentation must be led by a cabinet-level health official, such as a State Secretary of Health, and include providers and commercial payers who have committed to participate in the model. In the case of public-private partnership entities applying for a State Innovation Model Test award, senior leaders from the private and public sector, including senior leaders of the applicant entity, shall be present. Specifically, CMS expects applicants to address the criteria set forth in this FOA. CMS will also consider the number and nature of participation by stakeholders, including providers and payers, in the presentation. CMS may require further discussions with states regarding their proposals.</li> <li>• For Model Test applications, the CMS Office of the Actuary will provide an</li> </ul>

	<p>assessment of the reasonableness of the state’s savings estimates. CMS reserves the right to request that state applicants respond to feedback provided by this office through programmatic or budgetary revisions.</p> <ul style="list-style-type: none"> <li>• Following the end of the review processes described above, the approving CMS official will make the final award decisions taking into consideration: <ul style="list-style-type: none"> <li>- the recommendations of the objective review panel;</li> <li>- the performance review of the presentation made by state and stakeholders;</li> <li>- if applicable the state’s response to CMS’ request to meet additional requirements or make plan amendments;</li> <li>- the geographical diversity of awardees;</li> <li>- the readiness of the state to conduct the work required for Model Test proposal;</li> <li>- the range of service delivery and payment models proposed;</li> <li>- the scope of impact across different state population segments;</li> <li>- reviews for programmatic and grants management compliance;</li> <li>- the reasonableness of the estimated cost to the government and anticipated results;</li> <li>- the net Federal savings potential over the project period as reviewed and verified by OACT;</li> <li>- the likelihood that the proposed Model will result in the benefits expected, including a positive return on investment;</li> <li>- novelty of payment model; and</li> <li>- applicant’s response to budget negotiations.</li> </ul> </li> <li>• If OACT assesses the state’s potential for savings and determines that a state’s model is not likely to achieve significant savings, the CMS approving official has the right to also take this factor into consideration in making final award decisions.</li> <li>• Successful state applicants will receive one cooperative agreement award issued under this announcement for the appropriate funding category: Model Design or Model Test. CMS reserves the right to approve or deny any or all proposals for funding. Note that Section 1115A of the Social Security Act specifies that there is no administrative or judicial review of the selection of organizations, sites, or participants to test models.</li> <li>• If a Model Test applicant is not selected for a Model Test award, CMS may select the state/entity for a Model Design award if (1) after all possible states/entities which applied for Model Design awards are selected and funding is still available to issue additional Model Design awards (not to exceed overall maximum of 15 Model Design awards); and (2) CMS determines the state/entity is not ready for a Model Test award and would benefit from Model Design funding.</li> </ul>
25.	<p>Applicants are encouraged to read, in detail, the Award Administration Information Section assess ability to comply with all requirements of the award prior to submitting an application. In particular, this section includes detailed information about the</p>

	<p>expectations for awardee Reporting, which differ significantly from other HHS and CMS award requirements.</p> <p>The Innovation Center will take an active and substantial role in the evaluation and monitoring of SIM Design and Model Test awards. The activities funded under the cooperative agreement and their resulting State responsibilities will be part of performance tracking, measuring, and evaluation responsibilities of CMS and the Innovation Center. In the case of Model Design awards, CMS will examine how the states used the funds. We will examine whether the planning and design support resulted in the multiple payers and providers in the state coming together to develop a plan to transform the delivery system. To the extent that a delivery system reform plan was developed, we will examine the extent to which the plan was implemented, whether health care spending in those states changed over time, and what was the impact on health care quality.</p> <p>Performance assessment, monitoring, and evaluation for Model Test awards will focus on:</p> <ul style="list-style-type: none"> <li>• Impact on quality of care, patient experience, and health status</li> <li>• Impact on health care costs</li> <li>• Implementation and test performance, including: <ul style="list-style-type: none"> <li>- Meeting proposed design and planning or implementation and test milestones;</li> <li>- Demonstrating readiness to carry out design and planning work or implementation activities required to test the proposed model;</li> <li>- Producing timely and accurate reports showing clear progress on design and planning activities or providing the required data, and/or reports on health care cost, quality, and population health performance, as delineated in the cooperative agreement; and</li> <li>- Community integration of health care</li> </ul> </li> </ul>
26.	<p>All programmatic questions about the SIM initiative must be directed to the program e-mail address: <a href="mailto:stateinnovations@cms.hhs.gov">stateinnovations@cms.hhs.gov</a>. This e-mail address is regularly monitored, and a responses to questions will be posted on <a href="http://innovations.cms.gov">http://innovations.cms.gov</a>. The submitter may direct a follow-up question to: Leah B. Nash. Administrative grant questions about the SIM initiative may be directed to: Grants Management Specialist, Gabriel Nah.</p>
27.	<p>This concludes our presentation of the Model Test Application and Proposal components.</p> <p>We will have one additional Webinar on June 12<sup>th</sup>, 4-5pm EDT with instructions for “How to Apply using Grants.gov.”</p> <p>If you have questions in the meantime, please submit to <a href="mailto:StateInnovations@cms.hhs.gov">StateInnovations@cms.hhs.gov</a>. FAQs will be frequently updated and posted to the</p>

	Innovation Center website at <a href="https://innovation.cms.gov/initiatives/state-innovations">innovation.cms.gov/initiatives/state-innovations</a> . Additional information is also available on our website.
28.	We will now turn back to the moderator and respond to questions that we have received through the chat box during this session.