



New Hampshire Department of Health and Human Services

An Approach to New Hampshire Health Care Reform and NH's "Building Capacity for Transformation" Section 1115 Demonstration Waiver

April 21, 2014

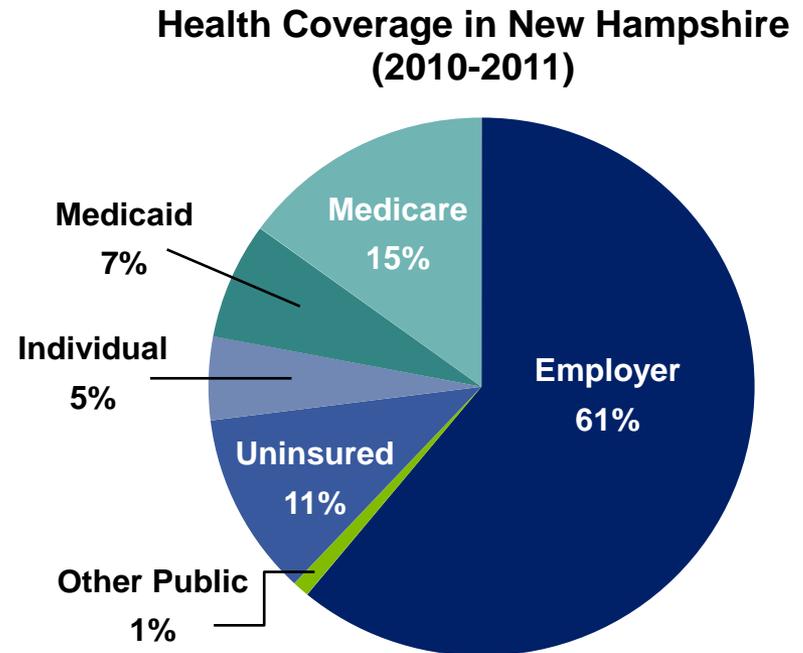
Presentation Overview

- Current Health Care Landscape in New Hampshire
- Current Challenges Within the Health Delivery System
- New Hampshire Health Care Reform
 - Mission
 - Goals
 - Strategies
 - Approach
 - Medicaid Transformation
 - Expanded Health Coverage
 - Population Health
 - Mental Health System Reform
- NH's "Building Capacity for Transformation" Section 1115 Demonstration Waiver
 - Designated State Health Programs (DSHP)
 - Mental Health
 - Substance Use Disorder (SUD)
 - Oral Health
 - Population Health
 - Waiver Timeline



Current Health Care Landscape in New Hampshire

- As of July 2012, the State of New Hampshire had 1.3 million residents and varies in population density per geographic area.
- This population accesses health care through either Medicaid, Medicare, or private insurance. The chart to the right shows a breakdown of the 2010-2011 population by health coverage source, including the estimated uninsured population.
- New Hampshire is consistently ranked as one of the healthiest states in the US according to United Health Foundation's America's Health Rankings, but there is still more work to do...
- The State saw an increase in ER visits for patients with opioids or heroin abuse disorders from 1001 in 2001 to 1357 in 2012.
- Inpatient and residential alternatives to New Hampshire Hospital have diminished since the 1990s. There were 236 voluntary inpatient beds across the state in 1990 and 186 beds in 2008, and the number of community Designated Receiving Facility (DRF) beds has decreased in the 2000s from 101 to currently 16.
- According to an analysis of New Hampshire Vital Records and birth certificate data, 7.6% of singleton babies, or 262 of 3,543 were born with a low birth weight (<2,500 grams) in CY2012, and it is widely known and accepted that there is an association between maternal periodontal disease and preterm birth and/or low birth weight.



Source: [New Hampshire Insurance Department](#)

Source: [UHF America's Health Rankings](#)
Source: [State Health Improvement Plan](#)



Current Challenges Within the Health Delivery System

New Hampshire's approach to health care reform has been developed in response to the following challenges, organized by category, that the health delivery system faces:

Fragmentation, lack of alignment, and limited capacity in health delivery system

- System of care is not geared/designed toward improving population health
- Excess capacity for and/or duplication of some services with no resulting difference in quality or access
- Lack of a robust network to meet new mental health and substance use disorder needs

Inappropriate financial incentives, payments, and/or funding

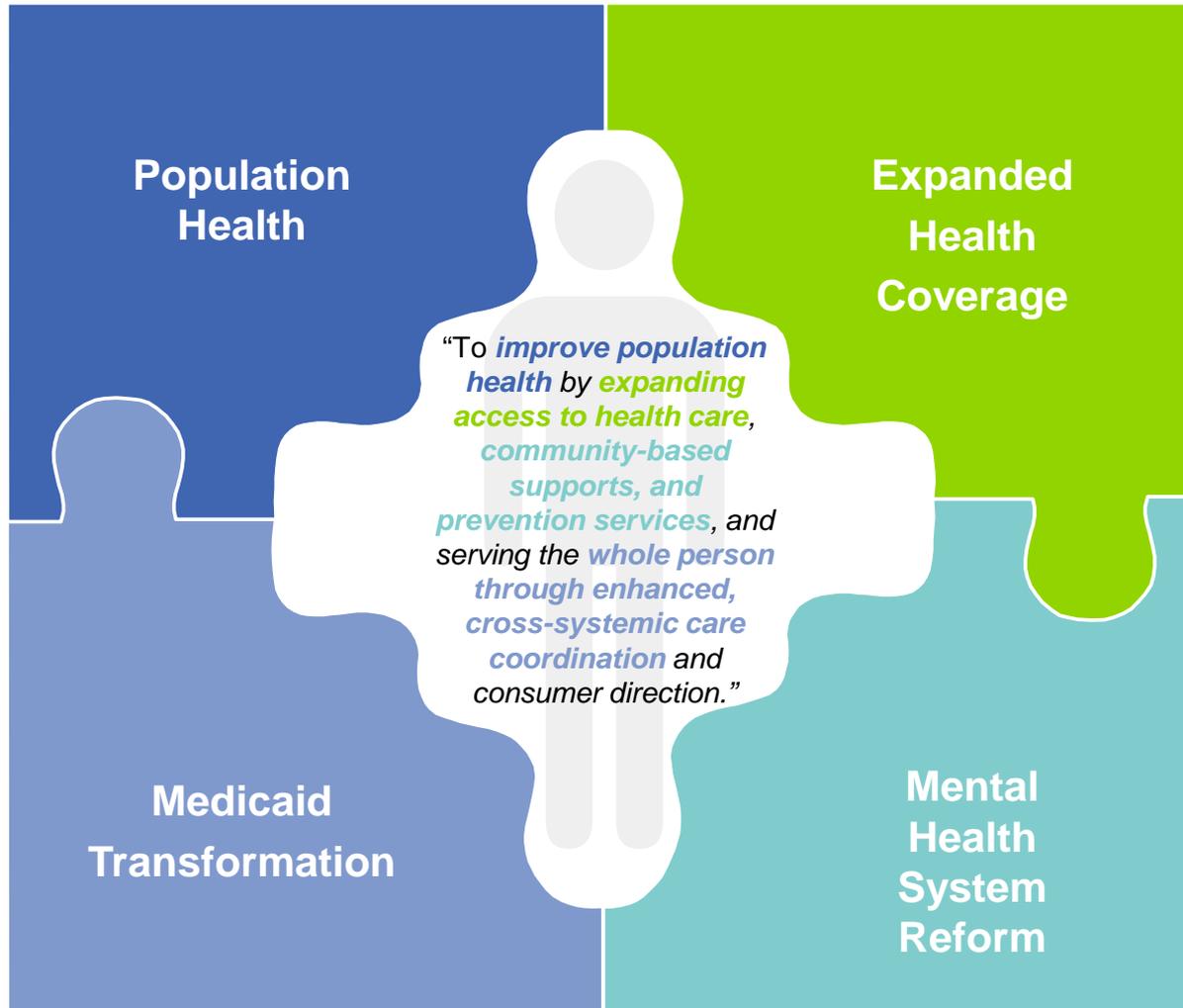
- Financial incentives not aligned so that the delivery system becomes less costly, while providing quality services
- Financial incentives not based upon standard quality outcome measures across all payers in the State, including Medicare and Medicaid
- A variation in Medicaid payment rates between State Plan services and Waiver services

Early stages of implementing transformation initiatives

- Broad provider interest in adopting Triple Aim-related reforms, yet concerns remain over the economic impact of these reforms
- Completing the transition from a Fee-for-Service program to a new Medicaid Care Management (MCM) program
- Concern over the capabilities of safety-net providers is a limiting factor in adopting transformative policies and infrastructure



NHHCR Mission



DHHS Organizational Redesign to Support a Whole Person Approach to Service Delivery

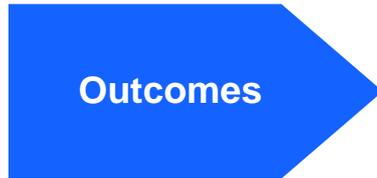


NHHCR Goals

The overall goals of New Hampshire's approach to health care reform are to:



Improve the patient experience of accessing and receiving care in New Hampshire



Improve the health of our populations and communities



Reduce health care costs through improvements in our delivery system

NHHCR Strategies

In alignment with the previously defined goals, New Hampshire's approach to health care reform focuses on a set of defined strategies:



- Improve and expand access to health care and community-based supports
- Address cross-systemic needs (DD, MH, LTSS, SUD) through enhanced care coordination
- Empower the individual to make informed decisions and participate in directing their care



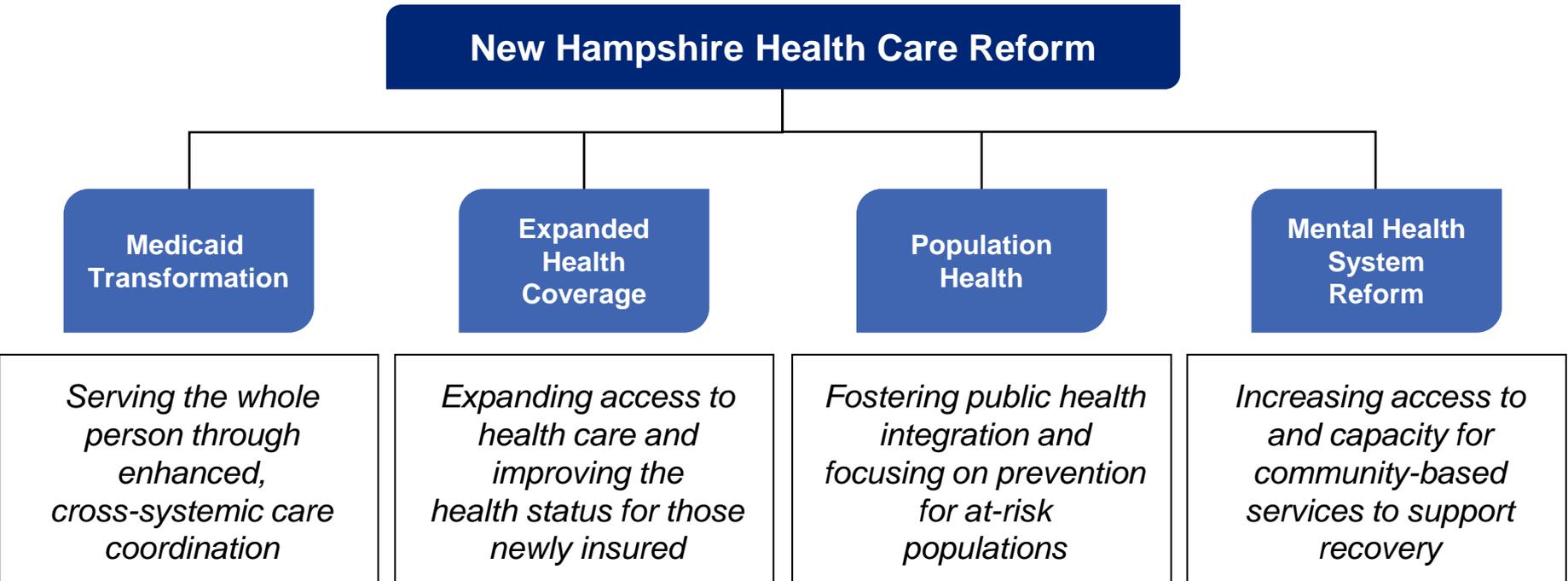
- Foster public health integration and concentrate on population health
- Focus on prevention for at-risk populations
- Adopt a “whole person” approach to service delivery



- Deliver cost-effective, community-based services and supports
- Ensure provider quality and accountability
- Practice data-driven decision making

**New Hampshire Health Care Reform
(NHHCR)**

NHHCR Approach Overview



NHHCR Approach

New Hampshire Health Care Reform

Medicaid Transformation

Medicaid Care Management
Step 1 <ul style="list-style-type: none"> – PCMH – Addressing determinants of health – Focus on quality Step 2 <ul style="list-style-type: none"> – Mandatory Enrollment
Long Term Care Reform
<ul style="list-style-type: none"> – “No Wrong Door” policy – Shift eligibility criteria to include at-risk populations – Equalize availability of services and use of consumer-directed budgets across waivers – Cross-systemic care coordination – Health Home
Substance Use Disorder Benefit
<ul style="list-style-type: none"> – Screening and intervention – Inpatient/outpatient treatment

Expanded Health Coverage

NH Health Protection Program
<ul style="list-style-type: none"> – Mandatory HIPP Program – Bridge Plan – Mandatory Premium Assistance Program – <i>Improving health care and health status for newly insured</i>

Population Health

State Health Improvement Plan
<ul style="list-style-type: none"> – Tobacco – Obesity/Diabetes – Heart Disease and Stroke – Healthy Mothers and Babies – Cancer Prevention – Asthma – Injury Prevention – Infectious Disease – Emergency Preparedness – Misuse of Alcohol and Drugs
“Building Capacity” 1115 Waiver
<ul style="list-style-type: none"> – Mental health community-based payment pool for hospitals and community providers – (SUD) training and workforce development program – Pilot expanded oral health program for pregnant women – Statewide expansion of InShape Program

Mental Health System Reform

Community Mental Health Plans
<ul style="list-style-type: none"> – Housing Bridge Subsidy Program – Glencliff Alternative Beds – Mobile Crisis Teams – Community Crisis Apartments – Assertive Community Treatment Teams – Supported Employment – Quality Assurance – Integration of behavioral health with primary care



Medicaid Transformation

New Hampshire Health Care Reform

Medicaid Transformation

Expanded Health Coverage

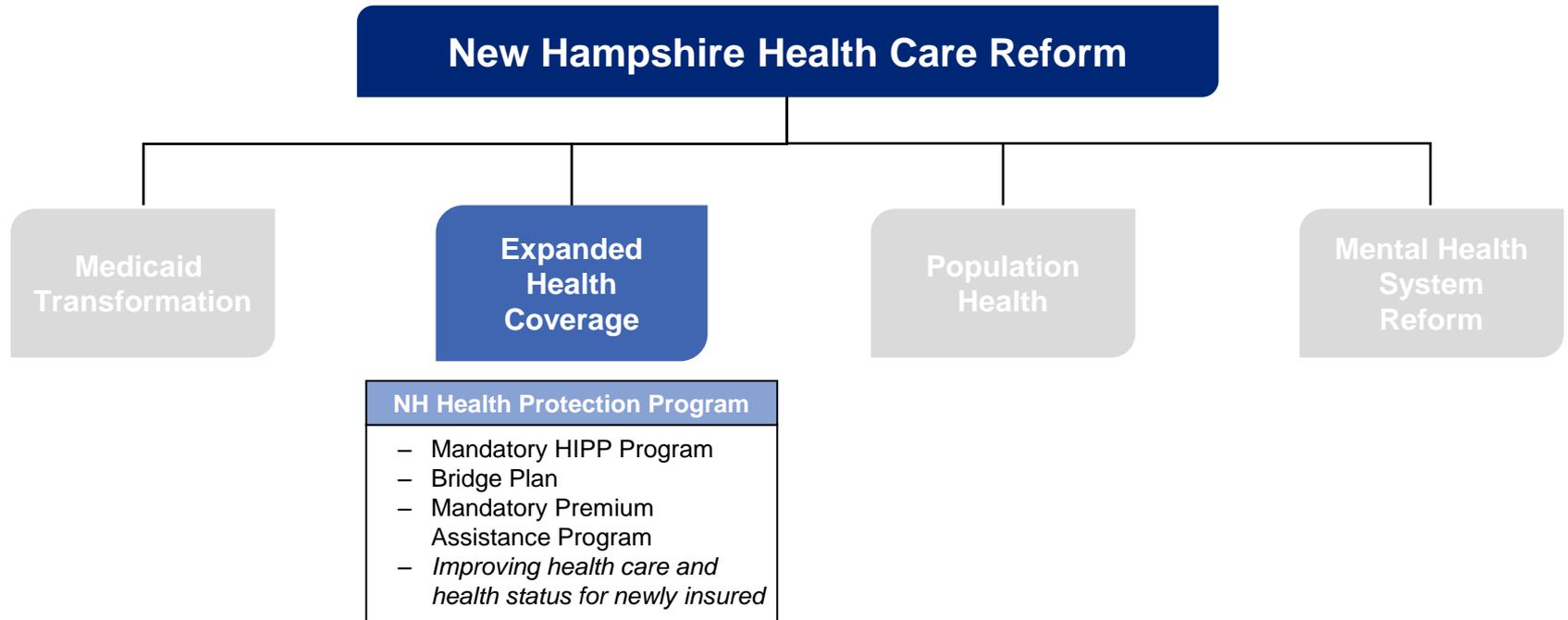
Population Health

Mental Health System Reform

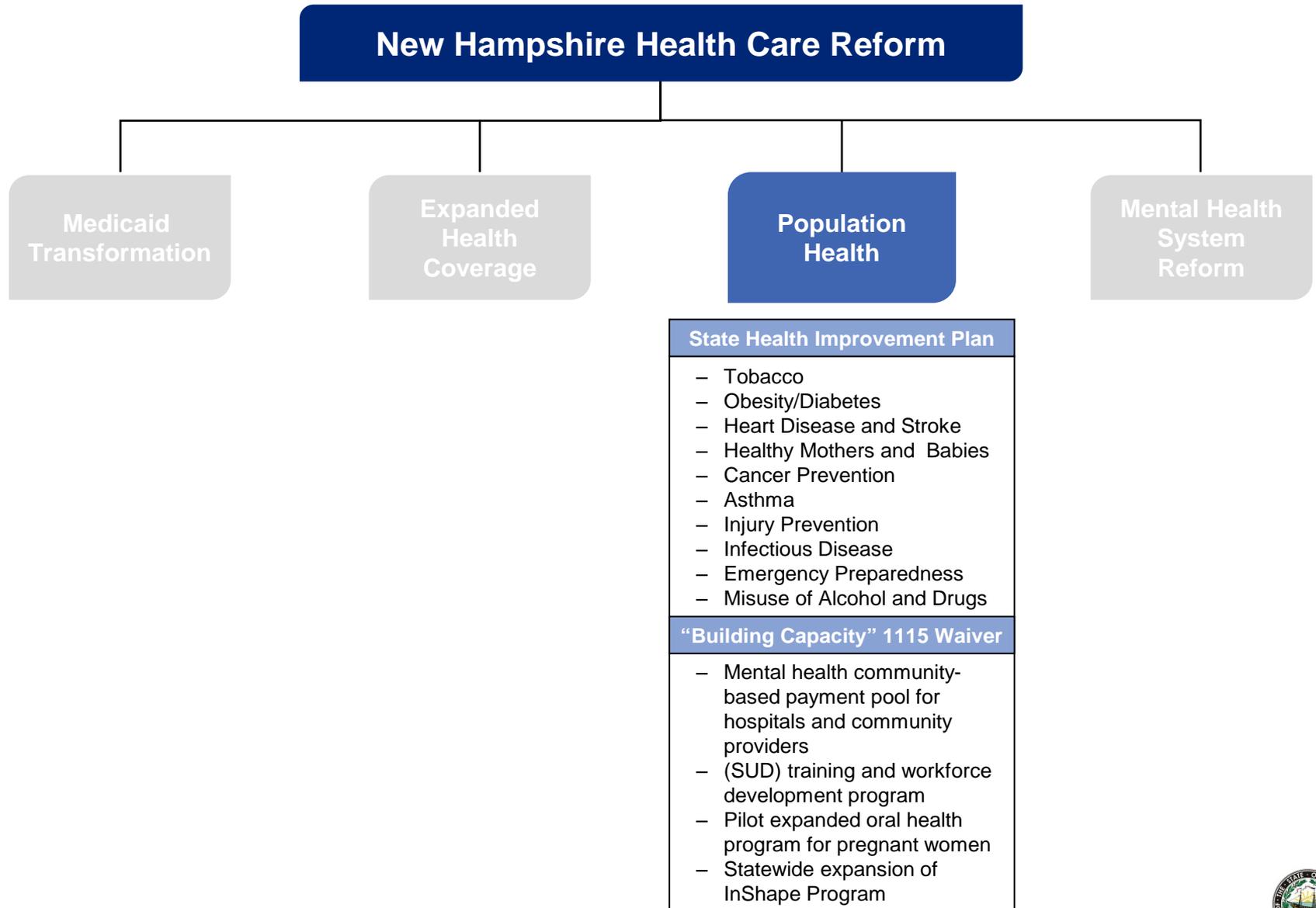
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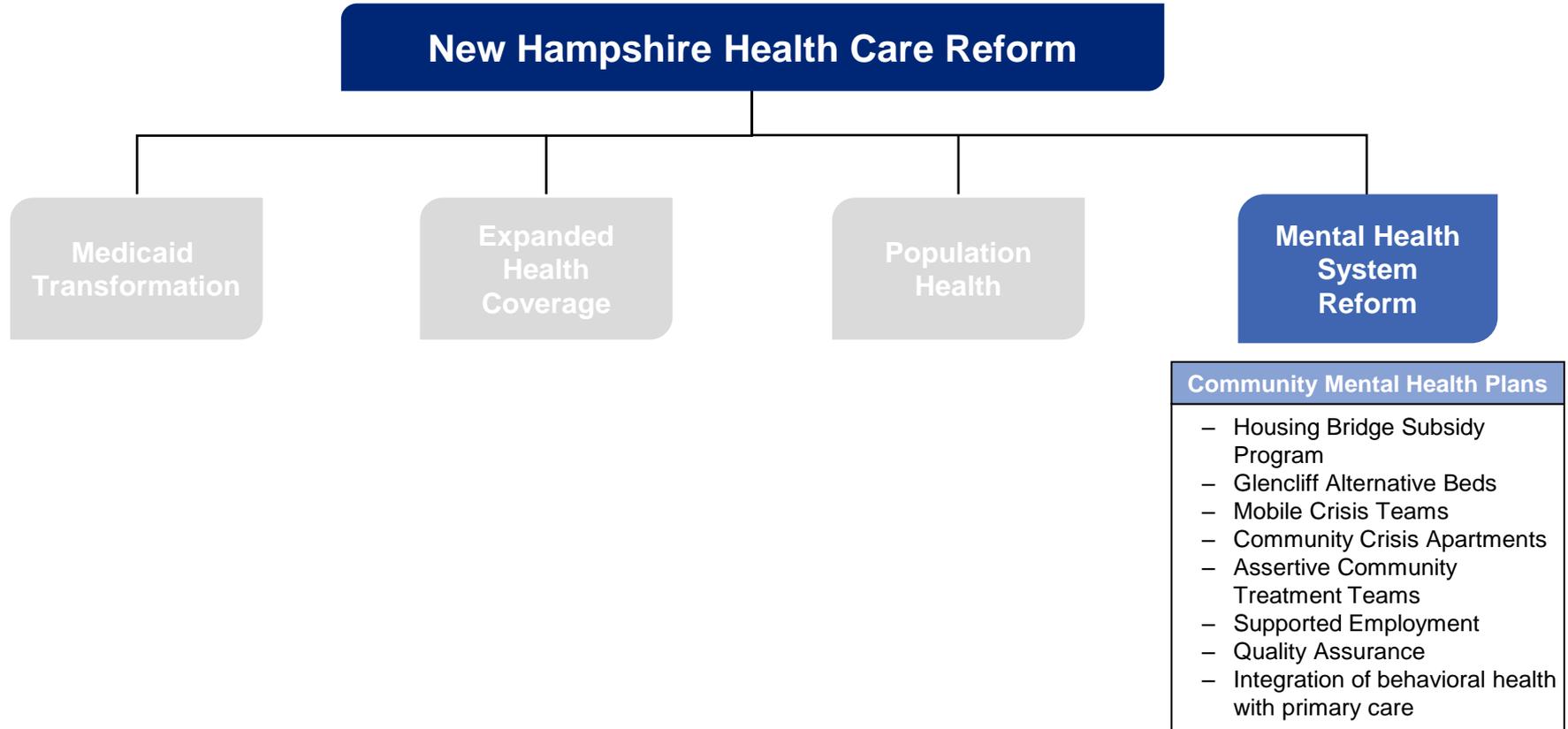
Expanded Health Coverage



Population Health



Mental Health System Reform



**NH's "Building Capacity for Transformation"
Section 1115 Demonstration Waiver**

Background and Overview

- As part of its overall approach to health care reform, the New Hampshire Department of Health and Human Services (DHHS) is applying for a Section 1115 Demonstration Waiver from the Centers for Medicare and Medicaid Services (CMS).
- The initiatives proposed within the “Building Capacity for Transformation” waiver will include improvements to the delivery of mental and physical health services, substance use disorder (SUD) screenings and treatment services, population health programs, and oral health related services.
- DHHS has designed five specific programs that it will propose to obtain Designated State Health Program (DSHP) funding from CMS through the “Building Capacity for Transformation” waiver.
- The funding sources DHHS has identified as potential DSHP match resources include SFY2015 Biennial Budget mental health general funds, 10 Year Mental Health Plan/DOJ Settlement funds, Department of Corrections funds, county-level correctional health funds, and municipality-level health administration funds.
- DHHS will submit its “Building Capacity for Transformation” waiver application to the State Fiscal Committee on May 23, 2014 and to CMS on June 1, 2014, per the Senate Bill (SB) 413 requirement.
- The following slides outline potential DSHP funding sources, preliminary program designs for the five DSHP programs, and a timeline that depicts the review and comment period for the “Building Capacity for Transformation” waiver.



Potential DSHP Funding Sources

State of New Hampshire Health Care Funding Summary of Potential DSHP Resources*	
Funding Sources	Funding Amount
State Funding Sources	
<i>Department of Health and Human Services SFY 2015 Biennial Budget</i>	
Glenclyff Home General Funds	\$7,544,949
New Hampshire Hospital General Funds	\$24,650,441
Sununu Youth Services Center General Funds	\$14,683,277
<i>Department of Health and Human Services 10 Year Mental Health Plan/DOJ Settlement</i>	\$3,227,000
<i>Department of Corrections SFY 2015 Biennial Budget for Medical and Dental Services</i>	\$10,760,687
State Funding Sources Total	\$60,866,354
County Funding Sources	
Correctional Medical/Health Spending	\$6,093,757
Municipality Funding Sources	
<i>2013 Report of Appropriations Actually Voted (M-2 Form) reported to the Department of Revenue Administration</i>	
Health Administration	\$4,320,521
Health Agencies & Hosp. & Other	\$7,367,123
Municipality Funding Sources Total	\$11,687,644
Grand Total	\$78,647,755

* Please note that this list of unmatched health care funding only reflects potential sources for DSHP match and has not yet been reviewed and analyzed sufficiently to determine whether all the funds are potentially useable for DSHP matching purposes.



Mental Health

- Establish a mental health community reform pool that includes hospitals, health systems, and other community providers (e.g. CMHCs, FQHCs, and/or RHCs) and contains the following five different components:
 - 1 Capacity-retention Payments
 - A hospital would receive this payment if it pledges not to reduce access to mental health/SUD related services in their health system
 - This payment could be **10%** of the hospital's existing Medicaid claim payments for mental health/SUD related services in their system, based on previous years
 - 2 Capacity-expansion Payments
 - If a hospital, health system, and/or other community provider expands its capacity to provide mental health/SUD related services, DHHS would pay an enhanced rate for those services provided through the new "unit" for **3 years**, using a **25%** payment increase
 - 3 New Service Payments
 - If a hospital, health system, and/or other community provider adds inpatient OR outpatient mental health/SUD related services, DHHS would pay an enhanced rate for those services for **3 years**, using a **10%** payment increase

Mental Health (Continued)

- Establish a mental health community reform pool that includes hospitals, health systems, and other community providers (e.g. CMHCs, FQHCs, and/or RHCs) and contains the following five different components:

4 Pilot Program Pool

- Establish a pool for DHHS to fund grant applications from hospitals, health systems, and/or community providers to form pilots related to improving the delivery of physical health, mental health, and/or SUD treatments and services and that focus on improving the management of comorbidities and improving care coordination across delivery silos
- Grant applications would be evaluated by DHHS based upon a defined set of criteria and will be aligned with DHHS' incentive program with its MCOs to encourage payment and delivery reform

5 Incentive Pool

- Establish a pool that would begin to provide financial incentives in Year 3 of the demonstration, based upon a hospital, health system, and/or community provider's ability to meet defined outcome measurements
- This incentive pool would be funded by a **20%** holdback in all four components of this broader mental health community pool
 - These hold backs will begin to accrue in Year 2 of the demonstration

Community-Based Mental Health

- In addition to the mental health community reform pool, New Hampshire is requesting Designated State Health Program (DSHP) funding to help implement the components of its 10 Year Mental Health Plan and its settlement with the United States Department of Justice.
 - Specifically, DHHS is proposing to use DSHP funding to help implement these new community-based programs in the State's **non-Medicaid** population.

10 Year Mental Health Plan / USDOJ Settlement Programs		
Mental Health Program Name	Program Source	Unmatched Funding Amount in SFY15
ACT - 4 adult teams	10 Year MH Plan	\$228,000
ACT - 1 child team	10 Year MH Plan	\$70,000
ACT - 5 child teams	10 Year MH Plan	\$350,000
ACT - Bring 11 current Adult ACT teams to fidelity	DOJ Settlement	\$640,000
ACT - Add 12th & 13th Adult ACT teams	DOJ Settlement	\$57,000
Mobile Crisis Teams	DOJ Settlement	\$45,000
Community Crisis Apartments	DOJ Settlement	\$128,000
Housing Bridge Subsidy Program	10 Year MH Plan	\$545,000
Housing Bridge Subsidy Program	DOJ Settlement	\$409,000
DRF - Hospital	10 Year MH Plan	\$338,000
Residential - 12 beds	10 Year MH Plan	\$155,000
Residential - 62 beds	10 Year MH Plan	\$50,000
Expand REAP Program	10 Year MH Plan	\$75,000
Quality Assurance	DOJ Settlement	\$52,000
Expert Reviewer	DOJ Settlement	\$88,000
Total		\$3,227,000

Substance Use Disorder (SUD)

- Establish a fund for training education and workforce development programs focused on SUD treatment in which hospitals, health systems, and/or community providers would apply and DHHS would administer
- Curriculum components would include, but are not limited to, the following:
 - Crisis intervention
 - Crisis stabilization
 - ER and related continuum of care
 - Related mental health comorbidities
 - Neonatal abstinence syndrome (NAS)

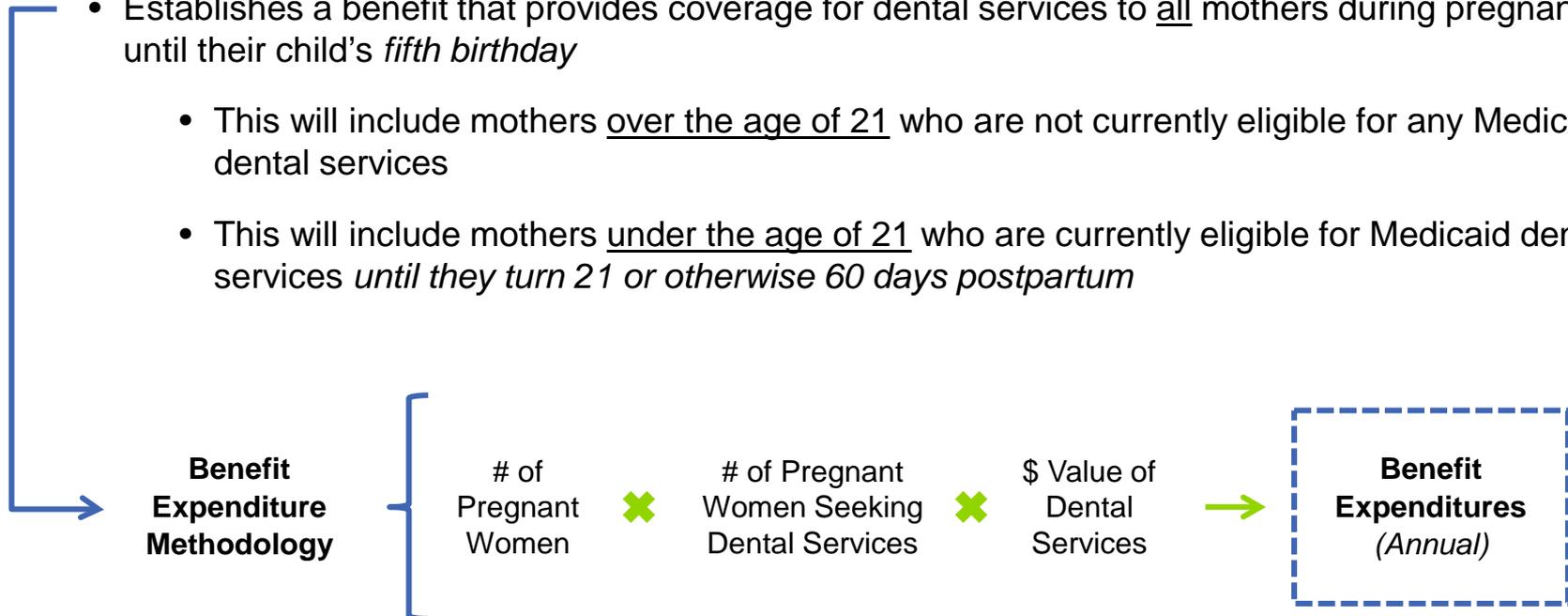
**Hospital, health
system, and/or non-
traditional provider
applications**



**Fund for Training Education and
Workforce Development**

Oral Health

- Pilot an expanded Medicaid oral health program for pregnant women and mothers of young children that accomplishes the following:
 - Establishes an education program for all mothers to increase the understanding and value of oral health
 - Encourages participation by all mothers who smoke in an approved smoking cessation program
 - Establishes a benefit that provides coverage for dental services to all mothers during pregnancy until their child's *fifth birthday*
 - This will include mothers over the age of 21 who are not currently eligible for any Medicaid dental services
 - This will include mothers under the age of 21 who are currently eligible for Medicaid dental services *until they turn 21 or otherwise 60 days postpartum*



Population Health

- A Medicaid grant was awarded to the State to expand the InShape Program statewide to community mental health centers (CMHCs) via Dartmouth, which expires in 2015
- Establish a funding pool to continue and expand this program by awarding grant applications from hospitals, health systems, and/or community providers to implement an InShape Program that expands to do the following:
 - Include children w/ severe mental illness, not just adults, as participants
 - 1915(c) Developmentally Disabled waiver enrollees
 - Adds smoking cessation classes as a component for adults

- The rate of tobacco use among people with a substance use disorder or mental illness is 94% higher than among adults without these disorders
- Approximately 50% of people with mental illnesses and addictions smoke, compared to 23% of the general population
- People with mental illnesses and addictions smoke half of all cigarettes produced, yet are only half as likely as other smokers to quit

“Building Capacity for Transformation” Section 1115 Demonstration Waiver Timeline

