

Washington State Health Care Innovation Planning Tribal Issues to be addressed – DRAFT DO NOT SHARE

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Background:

CNS has established the Center for Medicare & Medicaid Innovation (CMMI) to support the development and testing of innovative health care payment and service delivery models. CMMI has created an initiative for states to undertake a process to plan, design, test, and evaluate new payment and health service delivery models. The objective of these new models is to shape larger health system transformation. CMMI is interested to test these new models in order to lower costs for Medicare, Medicaid, and the Children's Health Insurance Program (CHIP), while maintaining or improving quality of care for program beneficiaries.

Washington State is one of three states that received a Model Pre-Testing award to assist the state to work with health care leaders to set common aims through a plan that improves the patient experience of care, improves the health of populations, and reduces the per capita cost of care. The \$999,975 grant will fund the development a five-year Health Care Innovation Plan for the State of Washington. The Plan will enable Washington to compete for an additional CMMI Testing Grant to explore further options to implement the Plan.

Tribal Issues & Recommendations

The following are preliminary recommendations based on a cursory review of the SCHIP Executive Summary and other documents. Tribes will provide additional comments and recommendations when the full details of the plan become available and when the State conducts Tribal consultation. The recommendations provided in this document are intended for preliminary discussion only and Washington Tribes request and expect the State to conduct a more formal and thorough tribal consultation in the development of the five year Health Care Innovation Plan. It is critical that the Plan address how it will impact the Indian health system. The SCHIP Executive Summary explains that the Health Care Innovation Plan's core strategy is to:

“..fundamentally reorient payment toward value rather than volume; incentivizing care delivery redesign; creating regionally centered organizations that support necessary linkages and alignment around community health improvement and cross-sector resource sharing; and building robust health information technology and exchange infrastructure throughout the state.”

Indian health programs welcome the opportunity to partner with the State to improve reimbursement and health care delivery models. There are a complex set of federal statutes and regulations that govern the Indian health system and its participation in CMS programs. Past experience demonstrates that unless Indian health programs and policy experts are involved in the development health system reforms, they will not effectively integrate with the Indian health system. This is why it is important to have Tribes involved in the development of any policy framework to reform reimbursement and health

care delivery systems and to conduct Tribal consultation. The broad policy objectives discussed above will have a profound and lasting impact on the Indian health system. The following provide a short summary of the concerns and a recommendation to address the issue.

1. Include Indian-specific Chapter/Section in the Plan

It is recommended that the Plan include an Indian specific chapter or section that explains how the Indian health system will be integrated with the Plan framework and recommendations. Specifically it should address how the Plan recommendations will comply with the complex federal statutes and regulations that govern the Indian health system and also how it will address the items discussed below.

2. Tribal Consultation

Tribes recommend that the State consult with Tribes in the development of the Plan and on its final recommendations before it is submitted to CMS. In recognition of the special relationship with tribal governments, the United States government has recognized the importance of Tribal consultation by reaffirming Executive Order 13175 to ensure regular and meaningful consultation and collaboration with tribal officials in Federal policy decisions that have tribal implications. The Washington State Centennial Accord recognizes Tribes as sovereign governments and provides a framework for a government-to-government relationship between the State and Tribes. The Washington HCA's Tribal Consultation and Communication Policy, establishes a requirement for a consultation process between Washington Tribes and the HCA on issues that will impact IHS and Tribal health programs.

Section 5006(e) of the American Recovery and Reinvestment Act (ARRA) requires States to utilize a consultation process to seek advice on a regular, ongoing basis from designees of the Indian Health Programs and Urban Indian Organizations concerning Medicaid and CHIP matters having a direct effect on Indians, Indian Health Programs or Urban Indian Organizations. The statute requires the solicitation of advice on an "on-going, regular basis". In order to assure the spirit of this obligation is fulfilled; CMS will require States to demonstrate that they have sought advice from designees of Indian Health Programs and Urban Indian Health Organizations throughout the process of developing state plan amendments, waiver requests, and **demonstration projects**. The "on-going, regular basis" requirement is intended to assure that the State has the benefit of substantive input and evaluation of impact from Indian Health Programs and Urban Indian Health Organizations during the proposal development process so that the State can meaningfully take this information into account.

3. Lead by example as a purchaser and market organizer

The Plan should strengthen the ability of Indian health programs to participate in the reform efforts and must comply with federal payment policy. One of the objectives outlined in the SHCIP Executive Summary is that the state intends to transform how it purchases health care and services. Other elements associated with this objective explain that the Plan intends to "adopt common measures, value-based payment and benefit design strategies" that will move away from a fee-for-service system to an outcomes-based payment system. Again, it is important to note that the Indian health system is governed by a very complex set of federal statutes and regulations that govern Indian health provider participation in CMS programs and payment policy. It is important that any

recommendations developed in the Plan take into consideration the unique circumstances of Indian health programs.

4. Coordinate and integrate the delivery system with community services, social services and public health.

The Plan framework and recommendations should support and embrace the federal laws and regulations governing Indian participation in managed care. The SHCIP Executive Summary discusses how the Plan will create locally governed public-private partnership organizations in nine newly designated regional service areas that also will serve as new Medicaid procurement areas. These “Accountable Communities of Health” will align State and community priorities and encourage cross-sector resource sharing and funding strategies. While the Plan may not consider these to be managed care entities, they seem to be very similar. These new systems have been referred to as Medicaid Accountable Care Organizations, Coordinated Care Organizations or other similar references. The tribal experience with managed care entities has not always been positive. In response to these challenges, Congress amended the Social Security Act to include Indian Medicaid managed care protections dealing with reimbursement and treatment of Indians enrolled in managed care entities.

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