

Value-Based Payment for Home and Community-Based Services Technical Support for Medicaid Agencies

Program Overview

Medicaid Innovation Accelerator Program

The Medicaid Innovation Accelerator Program (IAP) is a collaboration between the Center for Medicaid and CHIP Services (CMCS) and the Center for Medicare and Medicaid Innovation (CMMI) designed to build state capacity and support ongoing innovation in Medicaid. The Medicaid IAP provides targeted support to states' ongoing delivery system reform efforts across four priority program areas: (1) reducing substance use disorders; (2) improving care for Medicaid beneficiaries with complex care needs and high costs; (3) promoting community integration through long-term services and supports, and (4) supporting physical/mental health integration. IAP also provides support in four functional areas, which IAP sees as the building blocks to delivery system reform: (1) data analytics, (2) quality measurement, (3) value-based payment and financial simulations, and (4) performance improvement.

Incentivizing Quality and Outcomes Technical Support

Through the Medicaid IAP's *promoting community integration through long-term services and supports* (CI-LTSS) program area, IAP offers targeted technical support to state Medicaid agencies seeking to expand Home and Community-Based Services (HCBS) options for individuals receiving long-term services and supports. The Incentivizing Quality and Outcomes (IQO) support work, launched in 2016, focused on the design and implementation of IQO strategies for HCBS. IAP provided technical support to states in 2016 and 2017 through two separate IQO tracks – planning and implementation. The IQO Planning Track worked with nine states through a web-based learning webinar series that provided an introduction to IQO strategies and helped expand states' understanding of the key elements needed to develop an HCBS IQO strategy. The IQO Implementation Track provided four states with one-on-one technical support in designing and implementing an IQO strategy for HCBS.

Value-Based Payment for Home and Community-Based Services Technical Support

The Medicaid IAP is offering a new technical support opportunity that includes elements from both the *Planning* and *Implementation* tracks, and is intended to build the knowledge base and capacity of states to begin increasing state adoption of strategies that tie together quality, cost, and outcomes in support of community-based LTSS through one-on-one technical support focused on designing value-based payment strategies for HCBS. To more accurately reflect the goals and objectives of this program support opportunity, the name has been changed to Value-Based Payment for Home and Community-Based Services (VBP for HCBS). IAP will select up to ten states to participate in this technical support opportunity which starts in April 2018.

This one-on-one technical support program will include peer-to-peer learning opportunities and tailored coaching focused on two key objectives:

- Building state knowledge and capacity to design a VBP strategy for HCBS; and
- Moving states toward implementation of a VBP strategy for HCBS.

The focus of the VBP for HCBS track is on providing comprehensive design and planning support to states that are specifically interested in developing a VBP strategy for HCBS. States interested in this Medicaid IAP

opportunity should note that IAP also offers states support in VBP-related areas through the *VBP and Financial Simulations* functional area. States selected to participate in the *VBP and Financial Simulations* functional area can focus on any population or service type for their VBP activities and receive a full range of technical support from design through implementation, and includes financial simulations support. The next *VBP and Financial Simulation* technical support opportunity will be announced in spring 2018.

Overview of Technical Support

States participating in the VBP for HCBS track will receive technical support over an 11-month period through:

- Access to expertise from a diverse technical support team of HCBS experts who will support the state in meeting its specific goals for designing a VBP strategy for HCBS;
- Development of an action plan to identify goals and objectives that will guide their design of a VBP for HCBS strategy;
- Participation on peer-to-peer calls and other learning webinars on topics of common interest such as selecting HCBS measures, and selecting appropriate payment models to meet VBP program goals; and
- Assistance in using performance improvement tools that will help states to translate high-level improvement goals into a logical set of steps and processes.

The VBP for HCBS track will include states at varying stages of early design and development of their VBP for HCBS strategy either in fee-for-service or managed care delivery systems. States may be beginning to explore this area and request support in building their knowledge and embarking on the initial stages of developing a VBP for HCBS strategy; alternatively, states may have already begun planning a VBP for HCBS strategy and require targeted technical support in specific areas to support their current progress. This opportunity is available to all states. States that participated in the 2016-2017 IQO cohorts may also apply for this new technical support opportunity.

What is the Benefit to Selected States?

Many states are working toward Medicaid HCBS payment reforms that incentivize quality and program outcomes; however, few states have experience with incentivizing quality outcomes for HCBS.¹ States will participate in peer-to-peer learning opportunities and receive individual technical support around designing and implementing a VBP strategy for HCBS in the following areas:

- Aligning financial incentives in a VBP for HCBS strategy with overall state policy objectives for HCBS;
- Engaging with stakeholders to ensure a VBP strategy for HCBS is widely understood and supported;
- Developing a measurement strategy, including selecting HCBS outcome and quality measures, determining accountable entities, and identifying beneficiary population and attribution models;
- Designing an approach to collect and analyze baseline data, and measuring performance within the VBP for HCBS strategy;
- Designing VBP for HCBS strategies that offer both financial and non-financial incentives;
- Distributing incentive payments in accordance with performance on selected metrics;
- Monitoring the impacts of the VBP for HCBS strategy on providers and managed long-term service and supports plans; and

¹ According to a recent survey of Medicaid Directors, only 6 of 34 responding Medicaid agencies were participating in efforts that incentivized value for LTSS. "The Role of State Medicaid Programs in Improving the Value of the Health Care System," National Association of Medicaid Directors, Bailit Health. http://medicaiddirectors.org/wp-content/uploads/2016/03/NAMD_Bailit-Health_Value-Based-Payment-in-Medicaid.pdf

- Implementing strategies to expand successful VBP for HCBS strategies to new populations, programs, or providers

Components of Technical Support for State Medicaid Agencies

Program support begins in April 2018 and runs through February 2019. Participating states will receive the following state-specific tailored support:

- **Access to a Technical Support Coach & Subject Matter Experts:** Assignment of an IAP technical support coaching team based on the state's unique goals for designing a VBP strategy for HCBS as indicated in their Expression of Interest (EOI) and as discussed during office hours (a component of the application process after submission of an EOI).
 - A lead coach will be assigned to each state to serve as the state's primary point of contact, along with additional support as needed.
 - The VBP for HCBS coach-led technical support team will include subject matter experts and other health policy and program experts.
 - The coaches will also be able to connect the state with other experts and states with experience in VBP for HCBS programs.
- **One-on-One Technical Support:** The coaching team will meet regularly with the state and support the state throughout the VBP for HCBS track process, including:
 - Two on-site visits:
 - An initial site visit from the state's coaching team during the first three months of the program to facilitate relationship building, review educational resources, and to create a VBP for HCBS action plan. The goal of this first site visit is to support states in applying information learned from the track's interactive webinars to their design of a VBP for HCBS action plan.
 - A second site visit from the state's coaching team during the last three months of the program will support states as they implement action plan activities and move forward in the design of a VBP for HCBS strategy. During the second site visit the state and their coaching team will also discuss activities and next steps that will support the state in maintaining the momentum of their work after the conclusion of the track.
 - Conference calls and/or webinars between the state and their coaching team, on a flexible schedule that works best for the state.
 - Specific support activities designed to meet each state's unique needs and goals.
- **Peer-to Peer Interaction:** In addition to each state receiving tailored support from its coaching team and other VBP for HCBS experts, states will engage with other states participating in the track and receive program support including:
 - Webinars in the first two months of the program to ensure all states receive the same baseline information and to build state knowledge about VBP for HCBS strategies;
 - Peer-to-peer calls and webinars on topics of common interest such as selecting HCBS measures, and selecting appropriate payment models to meet VBP for HCBS program goals; and
 - A final all-state webinar at the end of the track to share accomplishments and lessons learned.

Selection Criteria and Timeline

The Medicaid IAP seeks to engage Medicaid agencies that demonstrate a commitment to developing a VBP for HCBS strategy. The following criteria will be used to select participating states:

- Commitment from the State Medicaid Director;
- The state has clearly articulated an interest in and commitment to designing a VBP for HCBS strategy. For states who have begun planning a VBP for HCBS strategy, a description of activities and current progress is provided;
- Designation of a senior leader from the Medicaid agency as the team lead, and a co-lead from another state agency as appropriate to the state's VBP for HCBS goals, who will oversee and be accountable for the day-to-day work;
- A core team of 3-5 senior leaders well-positioned within Medicaid and other state agencies (as appropriate) to design and plan VBP for HCBS strategies;
- Consideration of program support goals in the context of other HCBS and VBP activities in your state (e.g., larger health and human services VBP initiatives, or HCBS quality initiatives);
- Capacity to begin work shortly after selection for technical support;
- Demonstration of a commitment to collaborating with IAP coaching and technical support team members to develop an VBP for HCBS action plan and participate in activities described in the action plan throughout the course of the track; and
- Assurance that team members will have sufficient time and resources for this effort.

For states that identify a target population that is primarily served by an HCBS operating agency or component, a Letter of Commitment from that agency will be required for participation in the VBP for HCBS track. However, the letter does not need to be submitted until the state has been selected to participate.

How Do Interested States Apply for Technical Support?

Interested states are asked to complete and email the Expression of Interest form to MedicaidIAP@CMS.HHS.gov by midnight (EDT) on February 15, 2018 with the subject line "Value-based Payment for HCBS." The Expression of Interest form can be found online on the [IAP CI-LTSS web page](#).

For questions about this Medicaid IAP opportunity, please contact melanie.brown@cms.hhs.gov using the subject line "Value-Based Payment for HCBS"