

**STATE QUALITY IMPROVEMENT INSTITUTE  
WASHINGTON UPDATE  
SEPTEMBER 2008**

**WHAT IS THE LATEST PROGRESS YOUR STATE TEAM HAS MADE IN ITS  
QUALITY IMPROVEMENT EFFORTS?**

Washington's quality improvement efforts, focused on the concept of a patient-centered medical home, are illustrated on the following chart, included to provide context to our progress report. Activities are organized under one of the three policy levers identified in our original Quality Institute (QI) proposal.

a. Expand patient-centered medical homes

- *Stakeholdering*: Internal and external advisory committees have been established to assist with the design of the next Washington State Collaborative focused on Medical Home. The expert panel for determining the measures and change package is planned for fall 2008. The Sandy MacColl Institute at Group Health will provide facilitation and consultation. (Challenge: State hiring/contracting freeze slowing planning process.)

b. Develop payment strategies to support medical homes

- *Report published*: Washington's Primary Care Coalition (PCC) published recommendations from their study of medical home reimbursement models, building on their white paper from 2007, "*The Future of Primary Care in Washington*".
- *Stakeholder meeting on September 15th in Seattle*: To support the reimbursement study directed by the 2008 Legislature (E2SHB-2549) and Primary Care-Pilot Projects, QI experts (Michael Bailit and Enrique Martinez-Vidal) are sharing their expertise and lessons learned, and facilitating a discussion on national reimbursement models and their alignment with the PCC recommendations. Stakeholders from the Primary Care Coalition; Rural Strategic Planning Committee; provider, payer, and purchasing communities; will offer input on selecting models for further study.
- *Consultant hired*: DSHS hired a consultant to help prepare the DSHS/HCA reimbursement study report on reimbursement options to support medical homes.
- *Background materials*: With consultant assistance, documents summarizing reimbursement paths and options, evaluation criteria for narrowing reimbursement models for study, and sample medical homes definitions, have been developed to ground stakeholders with a common baseline of medical home-related information. The HCA is developing a web site through which medical home-related information like this can be broadly accessible.
- *Next steps*: include reviewing recommendations from stakeholders to narrow reimbursement models for further study and preparing for actuarial modeling of selected models.

c. Develop communication strategies for engaging consumers

- *Consumer Website*: Puget Sound Health Alliance, has just launched its new website ([www.WaCommunityCheckup.org](http://www.WaCommunityCheckup.org)), designed to enable consumers and others to easily access the results of its Community Checkup Reports. The website shows searchable results for the 14 medical groups and the many clinics featured in the Alliance's first

Community Checkup report published in January 2008. In addition, for the first time, the report includes results for 26 hospitals in the region, using publicly-available data from the U.S. Department of Health and Human Services.

- *Provider reporting:* In November, the Alliance will publish its second Community Checkup report including results for three times as many medical groups as in the first report. The Alliance plans to hold community meetings to engage consumers in understanding and using the Community Checkup and will also work through its employer members to reach employees.

### **WHAT IS SOMETHING YOUR STATE TEAM HAS LEARNED AS IT WORKS TO IMPLEMENT THE QUALITY IMPROVEMENT EFFORTS OUTLINED IN YOUR FINAL ACTION PLAN?**

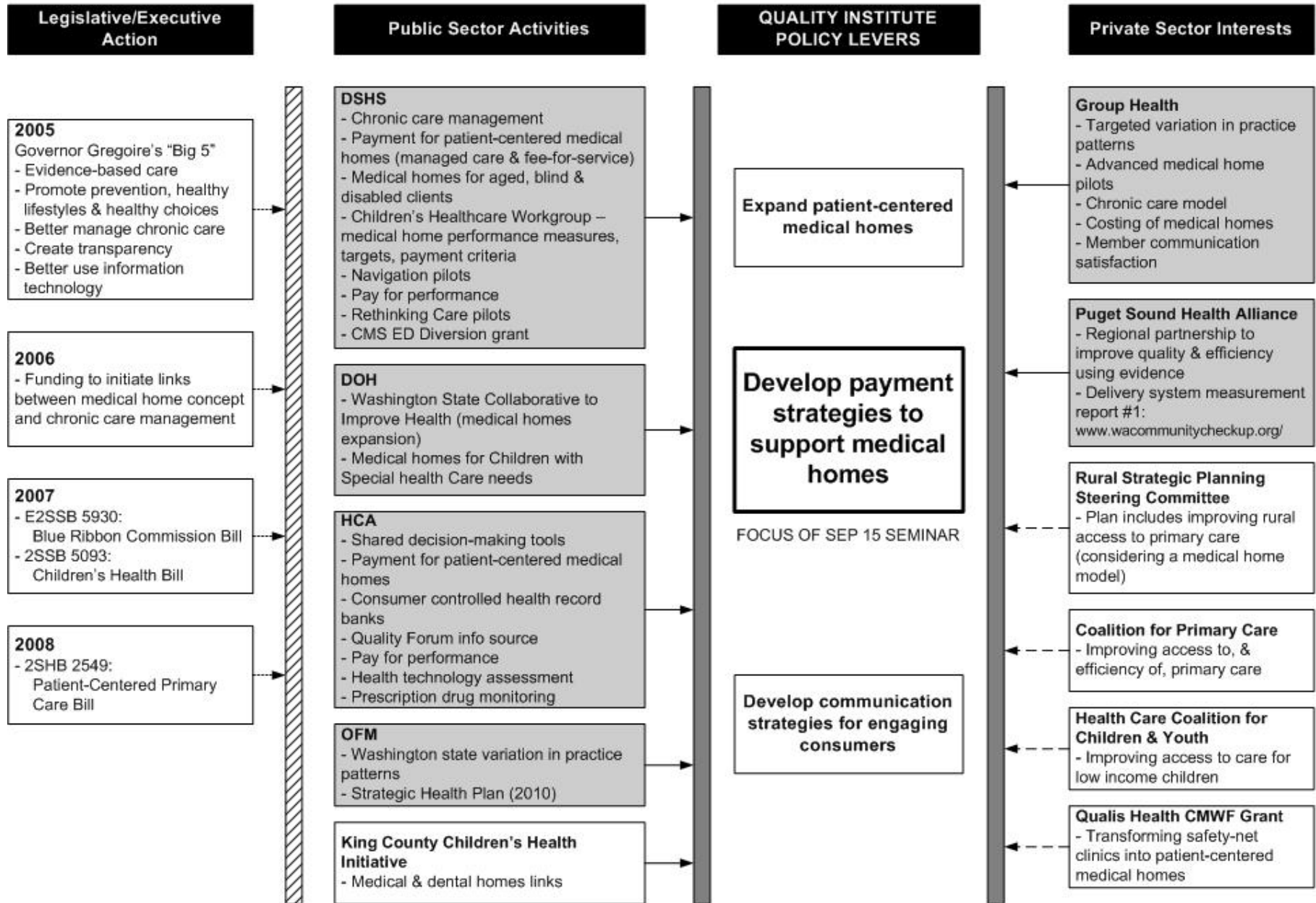
- a. Team members have different perspectives on what's important and feasible in the current Washington State environment (i.e., economic downturn, election year, etc.). Bi-weekly meetings have been helpful to discuss specific issues and set realistic expectations, given that each of our participating organizations and state agencies has a somewhat unique mission, initiatives, and legislative directives. However, coordination across public and private players has been aided by strong working relationships.
- b. QI technical assistance has been essential to our work --- as always, the input of external consultants provides neutral expertise that brings credible lessons learned to Washington from others doing similar work.
- c. Making real progress will require the participation of a majority of health plans willing to adopt and test the same payment approach(es) through one or more pilots; support from major public and private purchasers in the state to drive change; and a critical mass of providers willing and able to demonstrate practice redesign and quality improvement (supported by revised payment methods).

### **WHAT HAS YOUR STATE TEAM BEEN CHALLENGED BY DURING THIS PROCESS?**

- a. How a medical home can be demonstrated with measurable results is complex and evolving - *operationalizing* the medical home concept is not totally clear across different stakeholders. Although we have generally agreed upon a definition based on the NCQA definition (however replacing physician with primary care provider), the evaluation of medical home implementation and the changes that a practice must put in place create measurement challenges at the practice level. Nonetheless, payers and purchasers can be expected to require that changes and improvements over time be *demonstrated* to substantiate additional payment and corroborate “savings” they expect to see. This is a significant challenge.
- b. Individual state agencies/organizations have been tasked with many activities. It is challenging to identify and keep those that *can* be interrelated fully aligned.
- c. Private-Public collaboration is critical to this endeavor. Developing and maintaining a process that gets everyone to the table and keeps them engaged and collaborating on this issue is challenging, particularly during this time of financial/economic/political uncertainty.

- d. Developing new reimbursement methods will require funneling additional funding into primary care. But purchasers are unreceptive to "spending more" and reducing funding in other areas is politically quite difficult. Moreover, a *clear* ROI on medical home and collaborative care remains unproven.

## Overview of Washington State Projects Related to Advancing Patient-Centered Medical Homes



Quality Institute Team