Hospital Transformation Program Overview

Program Background

The Hospital Transformation Program (HTP) is a five-year reform initiative that builds upon the existing hospital supplemental payment program to incorporate value-based purchasing strategies into existing hospital quality and payment improvement initiatives.

Under the HTP, hospitals will be required to implement quality based initiatives to receive supplemental payments and demonstrate meaningful community engagement and improvements in health outcomes over time. The program will outline expectations for key activities and tracking measures, in order to establish statewide uniformity while providing the hospitals the flexibility to work with their communities on the best interventions and approaches.

While the Hospital Transformation Program is a state-wide reform initiative, the Department recognizes that rural and urban hospitals serve different populations and experience distinct challenges. As such, the HTP has in its structure a distinct rural component. Within that rural component it is envisioned that rural hospitals will have opportunities to transition into a new care delivery models to best use the resources of and meet the needs of their communities in order to promote and better support viability and sustainability.

The program will serve as a glide path to transition from pay-for-process and reporting to a pay-for-performance structure as we move further into the waiver period.

Project and Program Overview

- Enterprise legislation calls for an implementation date of October 1, 2019 for delivery system reform incentive payments (DSRIP) under an 1115 demonstration waiver
- Our delivery system reform initiative is referred to as the Hospital Transformation Program (HTP)
- HTP envisions transforming care across the following six priority areas
  - Care Coordination and Care Transitions
  - Complex Care Management for Targeted Populations
  - Behavioral Health and Substance Use Disorder Coordination
  - Perinatal Care and Improved Birth Outcomes
  - Recognizing & Addressing Social Determinants
  - Reduce Total Cost of Care

- Colorado’s hospitals have a critical role to play in the HTP, and will be asked to:
  - Engage with community partners
  - Recognize and address the social determinants of health
  - Prevent avoidable hospital utilization
  - Ensure access to appropriate care and treatment
  - Improve patient outcomes
  - Ultimately reduce costs and contribute to reductions in total cost of care

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Program Goals

- Improve patient outcomes through care redesign and integration of care across settings
- Improve the patient experience in the delivery system by ensuring appropriate care in appropriate settings
- Lower Health First Colorado (Colorado’s Medicaid Program) costs through reductions in avoidable hospital utilization and increased effectiveness and efficiency in care delivery
- Accelerate hospital’s organization, operational and system readiness for value-based payment
- Increases collaboration between hospitals and other providers, particularly Accountable Care Collaborative (ACC) participants, in data sharing and analytics and evidenced-based care coordination and care transitions, integrated physical and behavioral care delivery, chronic care management, and community-based population health and disparities reduction efforts.
- Add value to the system through an evidence-based and quality measure-driven approach

Community and Health Neighborhood Engagement (C/HN Engagement)

- Meaningful engagement with health neighborhood and community organizations is a cornerstone of the HTP
- Hospitals will begin in-depth community engagement process to further determine the needs of the community and the roles hospitals can play to support those needs, and to develop project ideas
  - Action Plan
  - Mid-Point Report
  - Final Report

- The C/HN Engagement process will consist of the following activities:
  - Build partnerships
    - Initiate or leverage relationships with organizations that serve and represent the broad interests of the community
    - Leverage existing forum and collaborations as possible
    - Recruit as needed
  - Create a plan for C/HN Engagement
    - Develop a proactive plan as a formal part of the applicant’s HTP governance
      - Must reflect input from key partners
  - Discuss needs & opportunities in the community
    - Leverage and/or host ongoing discussions for information-sharing and providing input
      - Topics for discussion:
        - Landscape analysis (needs, resources and service gaps)
        - Opportunities for HTP initiatives
  - Report on activities & findings
    - Report to the state, partners, and the public
    - Submit a final report of the findings from the C/HN Engagement process to the state
  - Develop an informed application
    - Application must reflect input received

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Quality Measures Approach

- The Department will seek insight and feedback from hospital stakeholders in order to inform the development of the quality measures used in the HTP
- Following input from Department subject matter experts (SMEs), Department staff will review selected quality measures for each of the six priority areas with the hospital workgroups to refine and develop a final list of quality measures
- Measure criteria include:
  - Aligns with the HTP’s goals for improving quality
  - Representative of the array of services provided by the HTP
  - Representative of the diversity of patients served in the HTP
  - Evidenced-based and scientifically acceptable
  - Presents a relevant opportunity for quality improvement
  - Has a sufficient population size
  - The measures also consider items that have relevant benchmarks, are not greatly influenced by patient case mix and have sufficient denominator size to reduce the effects of random variants.

- National Measure set included in the design and used as reference points:
  - CMMI Comprehensive Primary Care Plus (CPC+)
  - CMMI SIM Recommended Model Performance Metrics
  - CMS Core Set of Children’s Health Care Quality Measures for Medicaid and CHIP (Child Core Set)
  - CMS Core Set of Health Care Quality Measures for Adults Enrolled in Medicaid (Medicaid Adult Core Set)
  - CMS Core Quality Measures Collaborative
  - CMS Electronic Clinical Quality Measures (eCQMs)
  - CMS Value Based Purchasing (VBP)
  - CMS Medicare Hospital Compare
  - Joint Commission Accountability Measure List
  - National Committee on Quality Assurance (NCQA)
**Timeline**

- **Planning Period** – August 2017 – October 2018
- **Ramp-up Period** – October 2018 – October 2019 – Community and Health Neighborhood Engagement
- **Program Implementation** – October 1, 2019

**HTP Development Timeline**

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