



Tennessee Health Care Innovation Initiative

Provider Stakeholder Group Meeting

November 5, 2014

Agenda

5 year episode of care sequence

Update on wave 2 episode of care TAG process

CMMI funding opportunity for transforming clinical practice



Approach and methodology employed to arrive at preliminary recommendation

175 identified episodes¹

90 initial episodes

75 episodes for implementation²

19 episodes for waves 3-5

Selection factors

- 1 Total **episode spend**
- 2 **Diversity in provider types** included as Quarterbacks
- 3 **Variation in average spend** per episode across Quarterbacks
- 4 Clinical **complexity** of the episode
- 5 Existence of **similar episode models**
- 6 Quarterbacks **variation in performance** on quality

Considerations

- **Homogeneity** of episode i.e. one large single opportunity that would not require further stratification
- **Distinctiveness** of episode e.g. episode is not a potential complication of other episode

Considerations

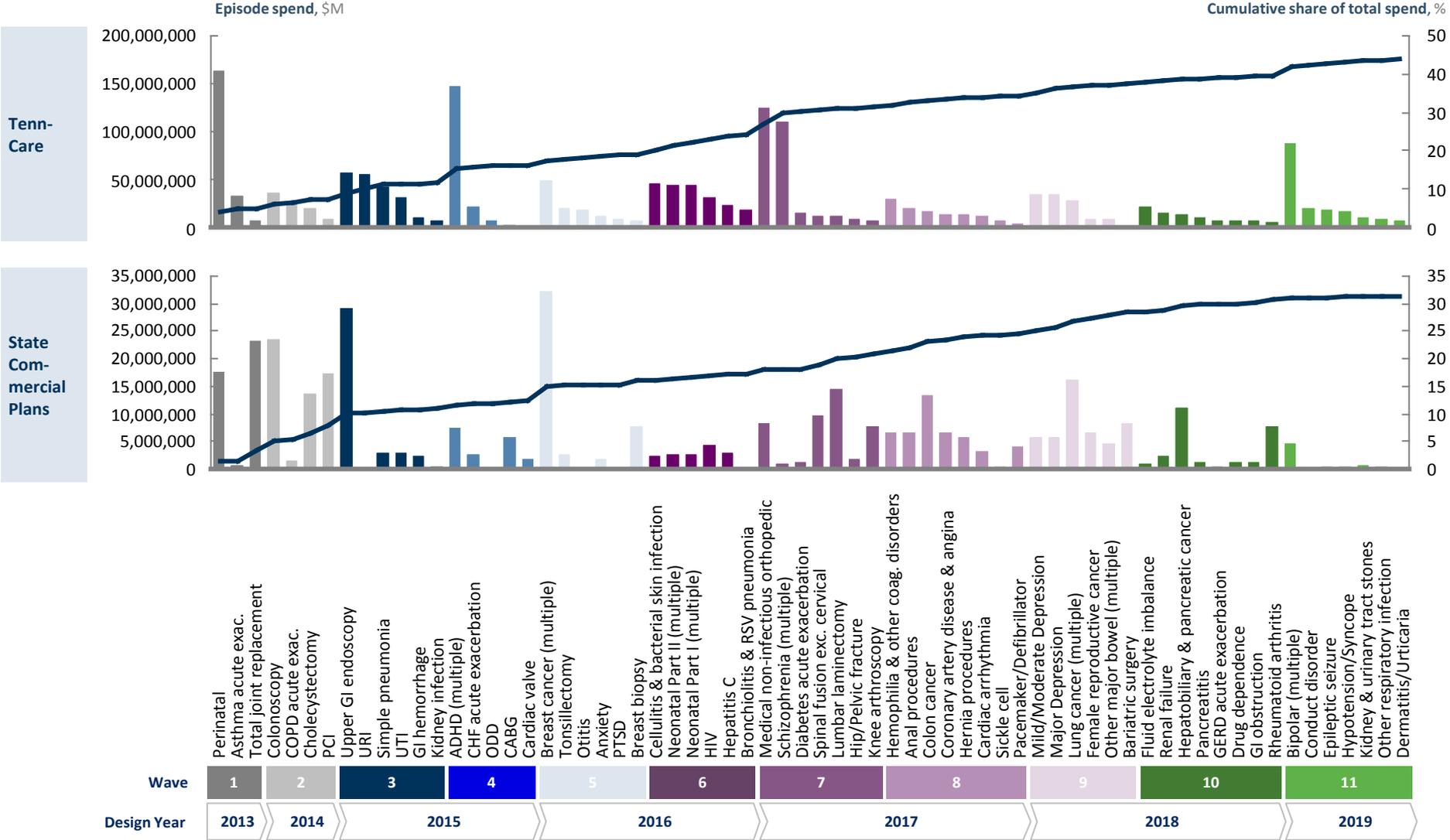
- Potential for **greater near-term impact** based on 6 selection factors
- **Clustering** of Quarterback groups
- **Balance** of TennCare and Commercial importance
- **Even diffusion** of complexity
- System **readiness for change** e.g. longer lead time for sensitive TA³
- **Lead time required** to design episodes

1 Based on episodes in existing episode models such as BCPI and Prometheus and additional opportunities through analyzing large spend areas using the episode diagnostic model

2 Including already identified wave 1 and 2 episodes

3 Therapeutic Areas

Episodes of care: 75 in 5 years



Note: Tennessee may want to assess benefits of securing additional Tennessee Commercial Data with which to design and localize certain episodes (multiple) indication identifies episodes in which more than one episode may be designed

Source: TennCare and State Commercial Plans claims data, episode diagnostic model, team analysis

Episodes of care: 75 in 5 years

Wave	Episode(s)	Tenn Care Spend, \$m	State commercial Spend, \$m	Wave	Episode(s)	Tenn Care Spend, \$m	State commercial Spend, \$m	Wave	Episode(s)	Tenn Care Spend, \$m	State commercial Spend, \$m
1	Perinatal	165.1	17.7	6	Cellulitis & other bacterial skin infection	47.2	2.5	9	Mild/Moderate Depression	36.1	6.1
	Asthma acute exac.	33.7	0.7		Neonatal Part II (multiple)	44.9	2.9		Major Depression	36.1	6.1
	Total joint replacement	7.7	23.4		Neonatal Part I (multiple)	44.9	2.9		Lung cancer (multiple)	29.6	16.4
2	Colonoscopy	36.8	23.8		HIV	32.8	4.6		Female reproductive cancer	10.3	6.8
	COPD acute exac.	27.2	1.8		Hepatitis C	23.7	3.0		Other major bowel	9.2	4.7
	Cholecystectomy	21.1	13.7		Bronchiolitis & RSV pneumonia	19.1	0.4	Bariatric surgery	2.3	8.5	
	PCI	9.5	17.5	7	Other medical non-infectious orthopedic	125.5	8.5	10	Fluid electrolyte imbalance	22.4	1.0
3	Upper GI endoscopy	58.2	29.3		Schizophrenia (multiple)	111.0	1.1		Renal failure	16.6	2.5
	URI	56.3	0.1		Diabetes acute exacerbation	16.2	1.4		Hepatobiliary & pancreatic cancer	13.8	11.2
	Simple pneumonia	43.4	3.2		Spinal fusion exc. cervical	13.4	10.0		Pancreatitis	11.5	1.4
	UTI	33.0	3.0		Lumbar laminectomy	13.1	14.7		GERD acute exacerbation	8.4	0.4
	GI hemorrhage	11.6	2.5		Hip/Pelvic fracture	10.2	1.9	Drug dependence	7.8	1.5	
4	Kidney infection	7.5	0.4	Knee arthroscopy	8.1	8.0	GI obstruction	7.3	1.5		
	ADHD (multiple)	148.0	7.7	8	Hemophilia & other coagulation disorders	29.9	6.7	Rheumatoid arthritis	6.4	7.8	
	CHF acute exacerbation	23.3	2.9		Anal procedures exc colon resection	20.6	6.7	11	Bipolar (multiple)	88.5	4.9
	ODD	8.4	0.1		Colon cancer	18.5	13.6		Conduct disorder	21.5	0.4
CABG	2.5	5.9	Coronary artery disease & angina		15.2	6.7	Epileptic seizure		19.9	0.6	
Cardiac valve	1.7	2.1	Hernia procedures		14.9	5.9	Hypotension/Syncope		17.6	0.6	
5	Breast cancer (multiple)	49.6	32.3		Cardiac arrhythmia	12.4	3.3		Kidney & urinary tract stones	11.7	0.9
	Tonsillectomy	21.5	2.7	Sickle cell	7.9	0.6	Other respiratory infection	9.6	0.6		
	Otitis	19.7	0.0	Pacemaker/Defibrillator	4.9	4.3	Dermatitis/Urticaria	8.9	0.1		
	Anxiety	12.1	2.1								
	PTSD	9.5	0.3								
	Breast biopsy	7.6	7.9								

Source: TennCare claims data, episode diagnostic (multiple) indication identifies episodes in which more than one episode may be designed

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■ TAG process completed ■ TAG process in progress

- The state convened three technical advisory groups in October and November to provide clinical advise on the colonoscopy, cholecystectomy and acute and non-acute PCI episodes of care.

TAG Topic	Meeting date
Colonoscopy	<ul style="list-style-type: none">■ Tuesday, October 7th■ Tuesday, October 21st■ Tuesday, November 4th
Cholecystectomy	<ul style="list-style-type: none">■ Thursday, October 16th■ Thursday, October 23rd■ Thursday, November 6th
Acute and Non-acute PCI	<ul style="list-style-type: none">■ Wednesday, October 8th■ Wednesday, October 15th■ Wednesday, October 29th

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CMMI funding opportunity announcement

- CMMI will invest \$840 million in the Transforming Clinical Practice Initiative over 4 years to support group practices, health systems, and medical provider associations to improve quality and lower cost. Two FOAs are out for this initiative:
- **Practice Transformation Networks** funding is geared toward health/hospital systems, large group practices, Quality Improvement Organizations, Regional Extension Centers, and regional and state-based health collaboratives. Grantees will be required to recruit clinician practices and build strategic partnerships, serve as champions for continuous improvement and culture change, facilitate improved clinical practice management, and use quality measures and data for improvement.
 - Total funding: \$670M
 - # Awards: 35
 - Estimated award amount: \$2-50M
- **Support and Alignment Networks** funding is geared toward medical professional associations, specialty societies, organizations involved in generating evidence-based guidelines for clinical practice, and organizations promoting measurement and improvement through clinical registries and electronic health records. These grantees will work in tandem with the Practice Transformation Networks and facilitate the goals of the overall initiative. The funding is for groups that are currently working in practice transformation efforts.
 - Total funding: \$30M
 - # Awards: 30
 - Estimated award amount: \$1-3M
- Letters of Intent are encouraged by November 20th and the application period runs through January 6, 2015.
- The official HHS announcement is here: <http://www.hhs.gov/news/press/2014pres/10/20141023a.html>
- Description of the program: <http://innovation.cms.gov/initiatives/Transforming-Clinical-Practices/>