

Healthier Washington Medicaid Transformation Glossary

Updated January 2018

Accountable Community of Health (ACH): An Accountable Community of Health is a group of people and organizations from a variety of sectors in a given region with a common interest in improving health. With support from the state, they are voluntarily organizing to make community-based decisions on health needs and priorities, and how best to address those priorities without duplicating services. ACHs develop, implement, and monitor transformation projects under Initiative 1* of the Medicaid Transformation, Transformation through ACHs. There are nine ACHs in Washington State.

Delivery System Reform Incentive Program/Payment/Pool (DSRIP): DSRIP is a strategy to accomplish delivery system reform. The term “DSRIP funds” refers to the type of money available to pay for regional transformation projects. These funds are a vital tool to transform the Medicaid delivery system to care for the whole person, and use resources more wisely. The funds will be administered by ACHs. DSRIP is not a grant. It is a performance-based incentive program for earning funds through achievement of milestones and outcomes. These projects must be self-sustaining by the end of the Medicaid Transformation in 2021. [Learn more about DSRIP](#)

Transformation Year: Each year of the Medicaid Transformation is a 12-month period, beginning January 1 and ending December 31. The current year –DY 1 – began December 31, 2017. DY 2 begins January 1, 2018. The five-year Transformation ends on December 31, 2021.

Healthier Washington: Healthier Washington is a public-private, multi-sector effort to transform the health system to achieve better population health, reward high-quality care, and help curb health care costs. It represents patients, providers, payers, purchasers, community advocates, and others working together, supporting best practices, and using data to improve the lives of Washingtonians. The Medicaid Transformation is a key effort of Healthier Washington. [Learn More about Healthier Washington.](#)

Healthier Washington Medicaid Transformation: In January 2017, the Centers for Medicare & Medicaid Services (CMS) approved a Section 115 waiver. In Washington State, this particular waiver is called the Healthier Washington Medicaid Transformation. Washington’s five-year contract with CMS authorizes up to \$1.5 billion in federal investments to support the three Transformation initiatives.

- **Initiative 1: Transformation through ACHs:** One of three Medicaid Transformation initiatives. Each region, through its ACH, will pursue health improvement projects aimed at transforming the Medicaid delivery system to serve the whole person. [Learn more.](#)
- **Initiative 2: Long-term Services and Supports:** The second of three Medicaid Transformation initiatives. This effort provides new eligibility categories that support unpaid family caregivers and people who are at risk of future Medicaid long-term services and supports who do not currently meet Medicaid financial eligibility. [Learn more.](#)
- **Initiative 3: Foundational Community Supports:** The third of three Medicaid Transformation initiatives. This effort provides supportive housing and supported employment services for chronically homeless or unemployed people, or those who are at risk of being chronically homeless or unemployed. [Learn more.](#)

Section 1115 Waiver: Refers to Section 1115 of the Social Security Act, which allows the U.S. Department of Health and Human Services to waive certain provisions of the Medicaid program in order to approve experimental, pilot, or Medicaid Transformation projects that promote the objectives of Medicaid and the Children’s Health Insurance Program (CHIP). [Learn more about Section 1115 waivers.](#)

Special terms and conditions (STCs): Section 1115 waivers are established under a contract between the federal government and the state. This contract includes terms and conditions that establish the base requirements for how the Medicaid Transformation will be implemented, evaluated, and financed. [Read the STCs.](#)

STC protocols: Also referred to as “attachments,” protocols are referenced in the STCs and generally developed in the weeks and months after STCs have been approved. STC protocols are the specific details and expectations the Medicaid Transformation must adhere to. Topics covered by STC protocols include, but are not limited to, the Project Toolkit for Initiative 1, Funding and Mechanics Protocol, and expectations for new services authorized by the Medicaid Transformation.

Project planning

ACH certification: ACHs are required to attest to and demonstrate their readiness to participate in the Medicaid Transformation through a two-phase certification process. All ACHs passed Phase I certification in May 2017, having successfully described how they will comply with Medicaid Transformation requirements such as governance, organizational capacity, and stakeholder engagement. Phase II certification submissions must demonstrate how ACHs have complied with Medicaid Transformation requirements, and forecast their approach to Project Plan development. Due date for Phase II certification submissions - August 14, 2017.

Implementation plan: In Year 2, ACHs will be required to develop implementation plans for each project approved by the state in Year 1. HCA will provide guidance on implementation plan requirements, following the approval of ACH Project Plans in late 2017.

Independent assessor: The state will contract with an independent assessor to review Project Plans, and to consider anticipated ACH project performance. The independent assessor has no affiliation with the ACHs or their partnering providers. The independent assessor will make recommendations to the state regarding approvals, denials, or recommended changes to Project Plans to make them approvable.

Partnering provider: ACHs will partner with a variety of providers to support the development and implementation of transformation projects. Partnering providers may include clinical providers, community-based organizations, county governments, and/or tribal governments and providers, among others. ACH project plans will describe how they have engaged partnering providers and the role partnering providers will play in selected projects. As specified by the STCs, partnering providers must have signed agreements with the ACH to receive incentive funding.

Practice Transformation Support Hub (Hub): The Hub is a resource provided under Healthier Washington. It connects health care providers with tools, training, and hands-on technical assistance to more effectively coordinate care, promote community linkages, and move to value-based care and payment. The Hub accelerates regional and statewide health improvement activities that focus on strengthening capacity, improving health outcomes, and increasing the overall health of the community. [Learn more about the Hub.](#)

Project Plan: ACHs are required to submit a single Project Plan, which includes the portfolio of transformation projects they and their partnering providers select. The Project Plan contains one section focused on ACH organizational and planning information, and a second section focused on project-level details. Project plans must be developed in collaboration with community stakeholders, be responsive to community-specific needs, and support the objectives of the Medicaid Transformation. They must be approved before the ACHs are eligible to receive Medicaid Transformation incentive payments.

Project Plan Resource Guide: A guidance document providing clarification, and listing existing and future resources to support ACHs in their work.

Project Plan Template: ACHs used a template to describe their Project Plan. A draft of the Project Plan Template was released to the public on June 16. A public comment period closed June 30. ACHs submitted Project Plans in November 2017.

Project Toolkit: The Project Toolkit provides details about the transformation projects that will be eligible for DSRIP funding under Initiative 1 of the Medicaid Transformation. The [draft Project Toolkit](#) was developed with state and regional health priorities in mind, and includes input from cross-sector experts and stakeholders. For

each project, the Project Toolkit outlines evidence-based approaches, progress measures, timelines and milestones, and outcome metrics. After federal review and approval, the final Project Toolkit will be released in summer 2017.

Data and analytics

Analytics, Interoperability, and Measurement (AIM): A Healthier Washington effort to improve existing health data systems by integrating data from multiple sectors. Better data systems enable Healthier Washington and its partners to perform more strategic analysis and make fact-based decisions about health care service delivery, policy and program development, and health care reform investment strategies.

Regional Health Needs Inventory (RHNI): Under the Medicaid Transformation, ACHs are expected to gather, review, and interpret information about the health status, systems, and capacity of their region. The purpose is to ensure ACHs take a data-driven approach to project selection, design, and implementation. This data inventory includes data provided by the state, but also by regional and local data sources (e.g., community health organizations, hospitals), as well as local providers, stakeholders, and partners. ACHs are expected to use their inventory to justify project selection and design in the Project Plan.

Funds flow & value-based payment

Design funds: ACHs are eligible to earn up to \$6 million in incentive funds upon successful completion of a two-step certification process during Year 1. Design funds are intended to support ACH-level investments required to coordinate transformation projects, such as technology, tools, and human resources.

DSRIP Project Pool Calculator: A tool released by HCA that ACHs may use to estimate the maximum potential DSRIP project pool funds that they may earn under the Medicaid Transformation. The first versions of the tool were released in May and June 2017. Subsequent versions will be released in August, with expanded functionality to further estimate potential revenue based on example Project Plan scores.

Financial executor: In order to ensure consistent management of and accounting for the distribution of earned DSRIP incentive funds across ACHs, the state has selected, through a procurement process, a single financial executor. The financial executor will be responsible for the distribution of funds to ACHs and their partnering providers.

Integration incentives: Integration incentives are the type of incentive dollars an ACH can earn if their regions moves forward with integrated managed care by January 1, 2019. To be eligible, regions must complete two milestones:

- County submission of binding letter(s) of intent to the state Medicaid director by September 15
- Implementation of new integrated managed care organization(s) in the region

These incentives are in addition to the incentive dollars a region can earn for participation in transformation project activities. [Learn more about integration incentives.](#)

Medicaid Value-based Payment (MVP) Action Team: HCA created a statewide workgroup, the MVP Action Team, to support Medicaid transformation. The MVP Action Team includes state, regional, and local stakeholders, tribal government partners, and others. The MVP Action Team is responsible for the following:

- Serving as a learning collaborative to support managed care organizations and ACHs in attaining Medicaid value-based purchasing goals
- Providing a sounding board to HCA on detailed definitions of value-based purchasing arrangements
- Promoting provider participation in the state's Medicaid value-based purchasing survey and baseline assessments
- Preparing providers for value-based contract arrangements by leveraging ACHs
- Serving as a forum to provide feedback/clarification on HCA's definition of value-based purchasing

[Learn more about the MVP Action Team.](#)

Project incentives: Project incentives are funds that are earned from the pool of project funds. ACHs can earn project incentives for successful approval of project plans in Year 1, as well as demonstrated completion of project-specific milestones and metrics according to the timelines outlined in the Project Toolkit. Incentives earned will be adjusted based on actual performance against project milestones and metrics.

Regional Coordinator: Regional Coordinators are “on-the-ground” technical assistance provided for ACHs. The state has engaged Manatt Health and the Center for Evidence-based Policy to assist ACHs in reaching certification and planning milestones necessary to receive funds and implement projects under Initiative 1.

Value-based Roadmap: The HCA Value-based Roadmap is a document that lays out how HCA will fundamentally change how it pays for health care to drive new models of care delivery that support population health. This roadmap combines major components of Healthier Washington. [Learn more about the Value-based Roadmap.](#)