

Winning a State Innovation Model Grant Seizing Opportunity to Transform Health Care Delivery

Importance to Virginians

Now is the time for innovation and transformation in health care. Promising models are being tested across the country. The Affordable Care Act has created new opportunities to bring more health innovation to Virginia, including support through new federal dollars. Since 2010, the federal government has awarded more than \$575 million to 25 states. Prior to this year, Virginia had not even applied for this funding. The Commonwealth should take advantage of every opportunity to leverage these federal resources and transform our health care system to be more effective and less costly for all Virginians.

This administration is committed to improving the health of all Virginians. We must start by focusing on those who are most vulnerable and have no access to health care because they are uninsured. By reaching this population, Virginia will make the greatest impact on our state's overall health indicators and help those who need it most. But we should not stop there. We will strive to create meaningful transformation across every sector of our health care delivery system in the Commonwealth by also enhancing the quality and value of care for those who are covered now through private insurance, Medicare, Medicaid and FAMIS.

Goal

Virginia seeks to transform its health care delivery system to provide better care at lower costs. Virginia can achieve this through engaging a broad array of stakeholders, strengthening public-private collaborations, and aligning incentives to promote quality and value in a person-centered, integrated framework.

Issue Background

CMS provides support to states for the development and testing of models for health care delivery system transformation. This is known as the State Innovation Model (SIM) grant program. In this year's round of funding, CMS will award up to 15 states a maximum of \$3 million apiece to design new health system innovation plans over a one-year project planning period.

Strategies for Success

In July, Virginia applied for \$2.6 million in federal funding through the CMS State Innovation Model grant program. If funded, this grant would promote public and private collaboration, led by the Virginia Center for Health Innovation (www.vahealthinnovation.org), which will lead to meaningful

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delivery system transformation in the Commonwealth. Virginia would receive both financial and technical support to convene stakeholders, enhance regional and statewide coordination, and develop tools and innovative strategies that lead to improved quality and reduced cost across every sector of the health system. We will set population health goals related to reducing cardiovascular disease and diabetes and lowering rates of tobacco use and obesity. We will focus on primary care transformation and delivering integrated care models that integrate behavioral health and oral health with primary care.

This grant award will enable Virginia to realize a broad vision for statewide health care transformation that improves the health of all Virginians while building a more robust behavioral health infrastructure to care for individuals living with mental illness and substance use disorders.

Timeline

Virginia submitted the grant proposal in July, and it is currently undergoing a competitive review process. CMS has said it expects to announce which states will be funded by October 31, 2014. If funded, the grant would run from January 1, 2015 through January 1, 2016.

Measures of Success

Success will be measured by the development of a robust and actionable plan for health innovation in Virginia that has the support of key stakeholders. The ultimate goal is to implement the plan and improve health outcomes through lasting systems change that benefits not only the uninsured, but also those Virginians covered by Medicaid, FAMIS, Medicare, Marketplace health plans, employer-based, and private health plans.