



## **State Innovation Models (SIM) Model Grant Briefing Sheet**

### **What is the SIM Model Grant and what is its purpose?**

The SIM initiative provides funding to assist in planning, designing, testing, and supporting evaluation of new health payment and service delivery models. The goal is to create multi-payer models with a broad mission to raise community health status and reduce long term health risks for all insured beneficiaries with special emphasis on Medicare, Medicaid, and the Children’s Health Insurance Program (CHIP).

### **How is the grant funded?**

The Center for Medicare and Medicaid Innovation (CMMI) sponsors the SIM grant program. CMMI is interested in testing innovative payment and service delivery models that have the potential to lower costs for Medicare, Medicaid, and CHIP, while maintaining or improving quality of care for program beneficiaries.

The funds to support the SIM program are authorized through the Affordable Care Act. Utah has been awarded just under \$1.0 million for the SIM Model Grant.

### **How will grant funds be utilized in Utah?**

With the help of the SIM Model Grant, the state is currently undertaking a process to identify goals in several areas for a State Health Care Innovation Plan. There are five work groups currently working to identify the one or two most important goals that need to be achieved for Utah in health information, health work force, payment reform, prevention and wellness and health care quality and safety. Through the volunteer efforts of nearly 120 work group members, the focus of the state’s efforts will be narrowed to the most important “aims” for the innovation plan.

### **Examples of potential Utah health innovation proposals:**

#### Health Information

- All Payer Claims Data Base (APCD) – The APCD includes health insurance claims data that are needed to develop and maintain a statewide database to report on episodes of care and to promote health care transparency.
- Master Person Index – The index is essential to assuring that data populating eclaims systems, the APCD, the Clinical Health Information Exchange (cHIE) and other systems can eliminate duplications and assure each patient identity is unique.
- Electronic Medical Records (EMRs) – EMRs are critical for independent practices so that they have the capability to report to the Master Person Index, the cHIE and other systems.

#### Health Work Force

- Educational changes for medical professionals that support their ability to provide quality services and become adept at supporting the health information changes needed to improve payment reform and improved health information

#### Payment Reform

- Payment systems that aim to move 80% of the state's total population to value-based payment and service delivery models within 5 years

#### Prevention and Wellness

- Support to build infrastructure for community health workers who will become expert at assisting populations with appropriately accessing the health care system

#### Health Care Quality and Safety

- Improvement in the state's overall response to unintended incidents through improved patient/provider communication, improved safety measures, professional education and support through payment reform for these efforts

#### **SIM Model Grant Timeline**

The SIM Model Grant is a six month planning grant. The project is at the mid-point and a progress report with the identified "aims" or goals for the plan going forward will be presented to the Governor at the Governor's Health Innovations Summit on September 26, 2013. The measures and interventions to complete the plan will be included in the State Health Care Innovation Plan to be completed by December 31, 2013.

#### **Option for SIM Testing Grant**

Upon completion of the SIM Model Grant, the state will have the option to apply for a SIM Testing Grant. The SIM Testing Grant supports testing of the state's aims to determine effectiveness before implementation. This requires constant evaluation and economic forecasting to assure saving projections are accurate. In addition, it requires demographic and data collection to assure Utah's aims are focused on all payer systems, but especially on Medicare, Medicaid and CHIP.

The SIM Testing Grant is not on-going funding and is not intended to support new government programs but rather initiate innovative change in how health care is paid for and provided. It is an avenue to develop innovations that will support lower health costs. The changes are both in the private and public sector and the state is not committed to long term funding.

Utah would need to submit an application to CMMI early next year to apply for a SIM Testing Grant. The SIM Testing Grant process is competitive. If Utah does not apply, the funding would go to another state. As this grant would be considered a "high impact" grant (over \$5.0 million), it would need to be approved by the Utah Legislature.