

Washington
Value-Based Purchasing

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- I. **Program Type:** Medicaid/State Employees/Public-Private Partnership
- II. **Established:** 2005/2006 with Governor's five-point plan to address health care quality and costs.
- III. **Service Population:** primarily directed at programs served by Health Care Authority (HCA includes state purchased health care, state employees, retirees, and dependents), low-income Basic Health Program (approximately 400,000 covered lives), Medicaid (approximately 800,000 covered lives), and workers' compensation program.
- IV. **Program Description:** Governor's five-point strategy for health care:
 - a. Emphasize evidenced based health care
 - i. Establish the state health technology assessment program (SHTAP) to evaluate new and existing technologies and provide coverage recommendations to agencies regarding state purchased health care.
 - b. Better manage chronic care
 - i. Addressing the 5% driving up to 50% of costs, evaluate and procure predictive modeling tools to better predict next year's 5%, and utilize care/disease management to better manage these populations
 - c. Create more transparency in the health care system
 - i. Work with other purchasers, plans and providers, to create a centralized, common set of quality measures to measure provider quality, and develop incentive systems to reward high performing providers (individual providers, clinics, and hospitals)
 - d. Make better use of information technology
 - i. Work with legislation that created the Health Information Infrastructure Advisory Board to develop recommendations for state activity to facilitate and support adoption of health information technology (HIT). Utilize state infrastructure grants to providers and hospitals to facilitate HIT adoption.
 - e. Promote prevention, health lifestyles, and healthy choices
 - i. Create Washington Wellness Works for state employees, use health risk assessments, incentives, and other tools to facilitate health promotion.

State Innovations to Advance Quality

- V. **Staffing:** led by Governor's health policy office, collaborative effort between Health Care Authority (Public Employees Benefits Board, Basic Health Plan), Medicaid agency (fee-for-service and managed care), Labor and Industries (workers' compensation agency), and Department of Health (public health agency)
- VI. **Results:** to be measured through health care cost trends, increased access for uninsured.
- VII. **Leading Organization/s:** HCA, Health and Rehabilitation Services Administration (HRSA - Medicaid Agency within Department of Social and Health Services), L&I, DOH
- VIII. **Key Partners:** community and professional organizations (e.g., state medical society, state hospital association, Puget Sound Health Alliance), advocacy groups (e.g., labor, citizen action), business (e.g., Association of Washington Business), health plans, University of Washington.
- IX. **Lessons Learned:** key stakeholder work, early education of legislators
- X. **Funding:** funding requested in 2006 legislation session for State Health Technology Assessment Program (\$1.2M for FY2007); \$500,000 authorized for HCA for HIT infrastructure grants; \$450,000 authorized for health risk assessments; other funding to be determined (e.g., chronic care predictive modeling, additional wellness incentives, data transparency)