



**Governor's Office of  
Health Transformation**

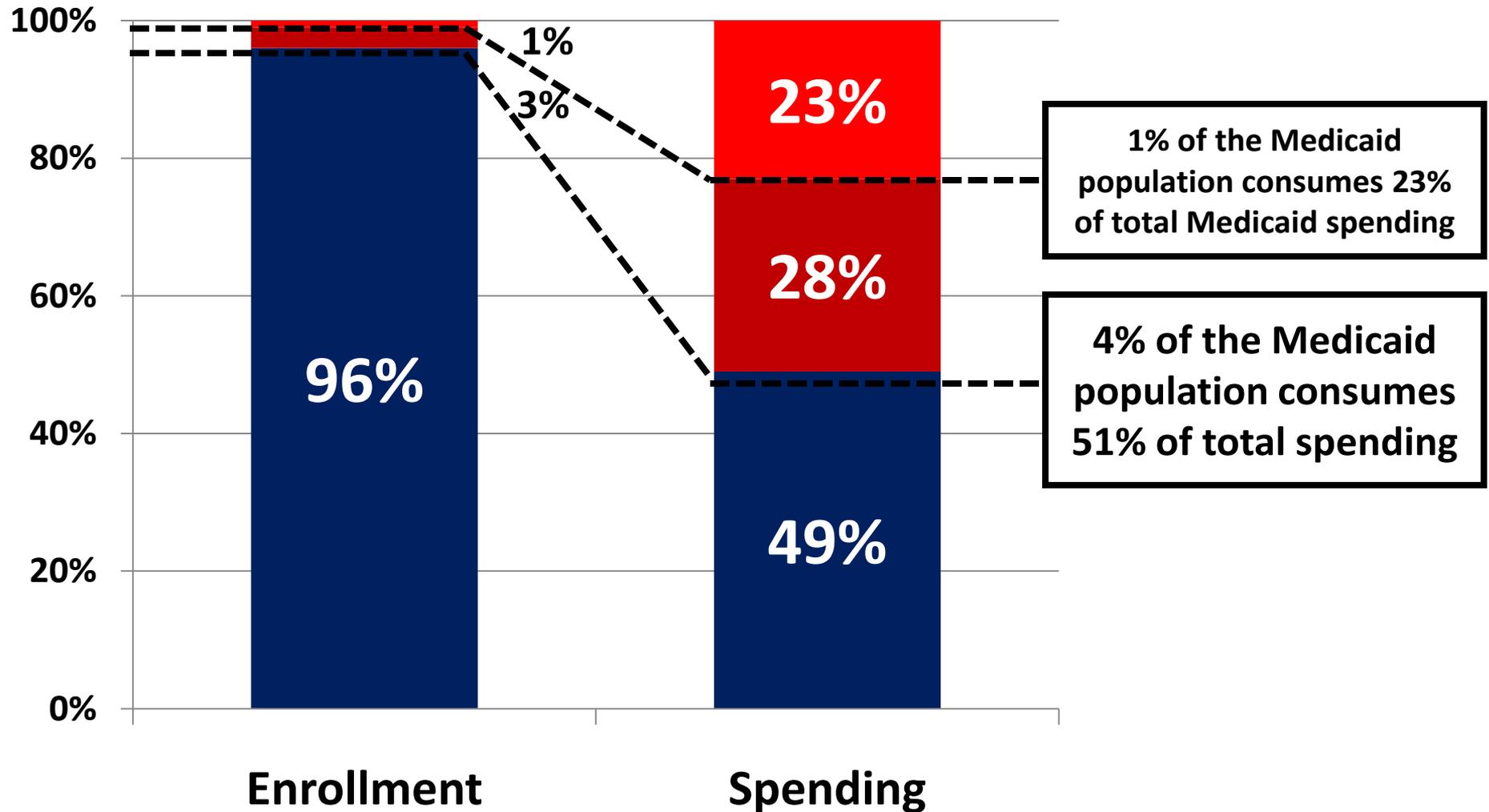
# **Building Momentum: Next Steps to Improve Overall Health System Performance**

Greg Moody, Director  
Governor's Office of Health Transformation

# Governor's Office of Health Transformation

- 1. Advance the Administration's Medicaid modernization and cost-containment priorities in the operating budget;**
2. Recommend a permanent health and human services organizational structure and oversee transition to that permanent structure; and
3. Engage private sector partners to set clear expectations for overall health system performance, including insurance market exchange planning

# A few high-cost cases account for most Medicaid spending



# Health Care System Choices

## Fragmentation

vs.

## Coordination

- Multiple separate providers
- Provider-centered care
- Reimbursement rewards volume
- Lack of comparison data
- Outdated information technology
- No accountability
- Institutional bias
- Separate government systems
- Complicated categorical eligibility
- Rapid cost growth

- Accountable medical home
- Patient-centered care
- Reimbursement rewards value
- Price and quality transparency
- Electronic information exchange
- Performance measures
- Continuum of care
- Medicare/Medicaid/Exchanges
- Streamlined income eligibility
- Sustainable growth over time

# Our Vision for Better Care Coordination

- The vision is to create a person-centered care management approach – not a provider, program, or payer approach
- Services are integrated for all physical, behavioral, long-term care, and social needs
- Services are provided in the setting of choice
- Easy to navigate for consumers and providers
- Transition seamlessly among settings as needs change
- Link payment to person-centered performance outcomes

# Medicaid Transformation Priorities

 Improve Care Coordination

 Integrate Behavioral/Physical Health Care

 Rebalance Long-Term Care

 Modernize Reimbursement

[www.healthtransformation.ohio.gov](http://www.healthtransformation.ohio.gov)

THE BLADE

Wednesday, February 9, 2011

**Editorial - Medicaid realism**

Dayton Daily News

Wednesday, March 9, 2011

**Medicaid is 30% of state budget and growing**

The Columbus Dispatch

Sunday, May 1, 2011

**Editorial: Serve the seniors**  
*Lawmakers should reduce funding to nursing homes, boost in-home services*

Sunday, April 3, 2011

AKRON BEACON JOURNAL  
**Editorial - Ambitious for Medicaid**  
*John Kasich wants to save money. He also has a plan to improve quality and outcomes*

Dayton Daily News

Wednesday, March 9, 2011

**Editorial - Kasich needs to be bold and effective**

THE PLAIN DEALER

Sunday, April 10, 2011

**Medicaid proposal by Gov. John Kasich would transform system in Ohio**

THE REPOSITORY

Tuesday, March 22, 2011

**Editorial - Medicaid needs more than tweaking.**  
*Kasich tackles big problem areas without neglecting recipients' needs*

The Columbus Dispatch

Thursday, April 7, 2011

**Editorial: Rightsize it**  
*Lawmakers should continue effort to give seniors care options*



Don't let the fear of failure  
prevent you from taking the  
risk necessary to innovate.

— Governor John Kasich

# Governor's Office of Health Transformation

1. Advance the Administration's Medicaid modernization and cost-containment priorities in the operating budget;
- 2. Recommend a permanent health and human services organizational structure and oversee transition to that permanent structure; and**
3. Engage private sector partners to set clear expectations for overall health system performance, including insurance market exchange planning

**Ohio HHS policy, spending and administration is split across multiple state and local jurisdictions**

**This inefficient structure impedes innovation and lacks a clear point of accountability**

**We need to share services to increase efficiency and right-size state and local service capacity**

**Only after program and operational alignment occurs will governance changes make sense**

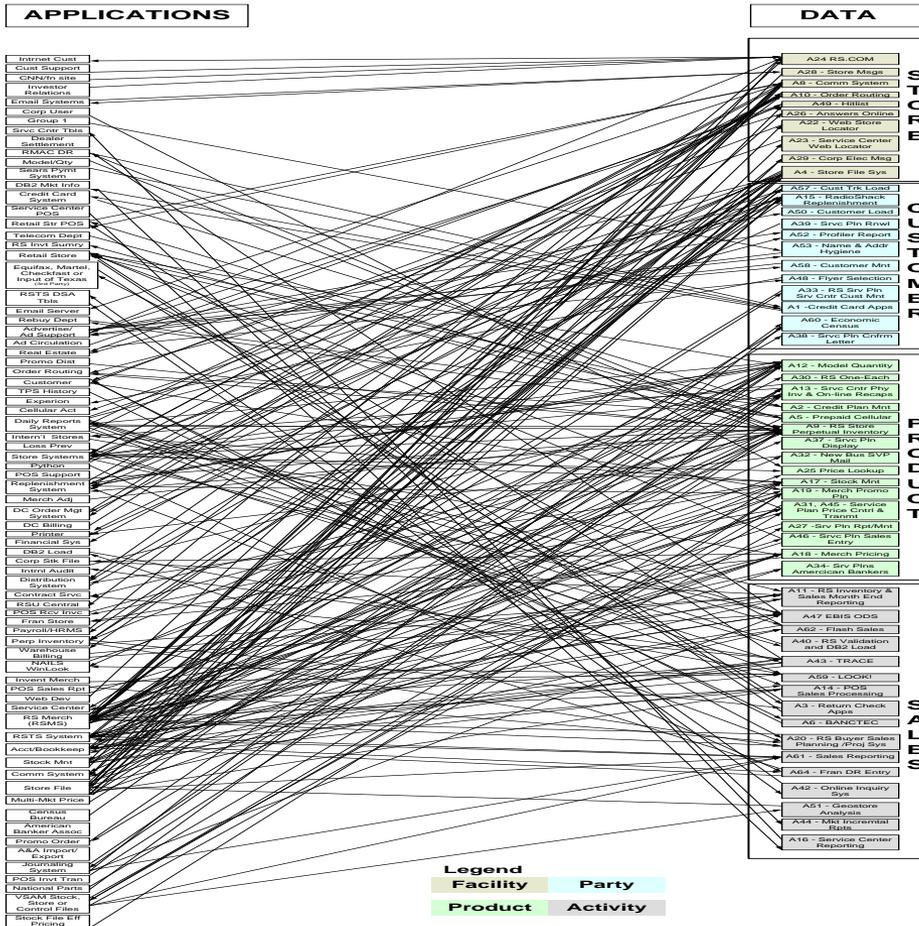
# Health and Human Service System Choices

## Program-Centered vs. Person-Centered

- Service and benefit centered
- Program specific services
- Complicated categorical eligibility
- Resource and process “counts”
- No clear point of accountability
- Deficit (problem) based model
- Compliance and control
- Bureaucratic

- Client/patient/person centered
- Integrated and coordinated services
- Streamlined income eligibility
- “Return on investment”
- Enterprise performance measures
- Strength (asset) based model
- Business intelligence
- Entrepreneurial

# Operational Hot Spot: Point to Point Information Systems



- Labor intensive and costly to maintain
- No “single version of the truth”
- Data locked in silos
- Multiple data formats and data entry points
- Incompatible and inconsistent business data

# Operational Hot Spot: Eligibility Determination

## Fragmented

- 88 county offices, each with different processes, results in inconsistent application of eligibility rules
- Two separate processes to determine disability (JFS and RSC) results in duplication and excessive cost

## Overly Complex

- 160 categories of eligibility – just for Medicaid

## Outdated technology

- CRIS-E is more than 30 years old
- Programmed in outdated computer language and cannot link with other health insurance programs

# HHS Transformation Priorities



Consolidate funding and control of Medicaid programs to be more efficient (HB 153)

- Consolidate HHS operations, including eligibility determination, enterprise decision support, and claims payment (planning now)
- Align cross-cutting initiatives, including housing, workforce, and early childhood (ongoing)
- After operational alignment, recommend a permanent HHS governance structure

# Governor's Office of Health Transformation

1. Advance the Administration's Medicaid modernization and cost-containment priorities in the operating budget;
2. Recommend a permanent health and human services organizational structure and oversee transition to that permanent structure; and
- 3. Engage private sector partners to set clear expectations for overall health system performance, including insurance market exchange planning**

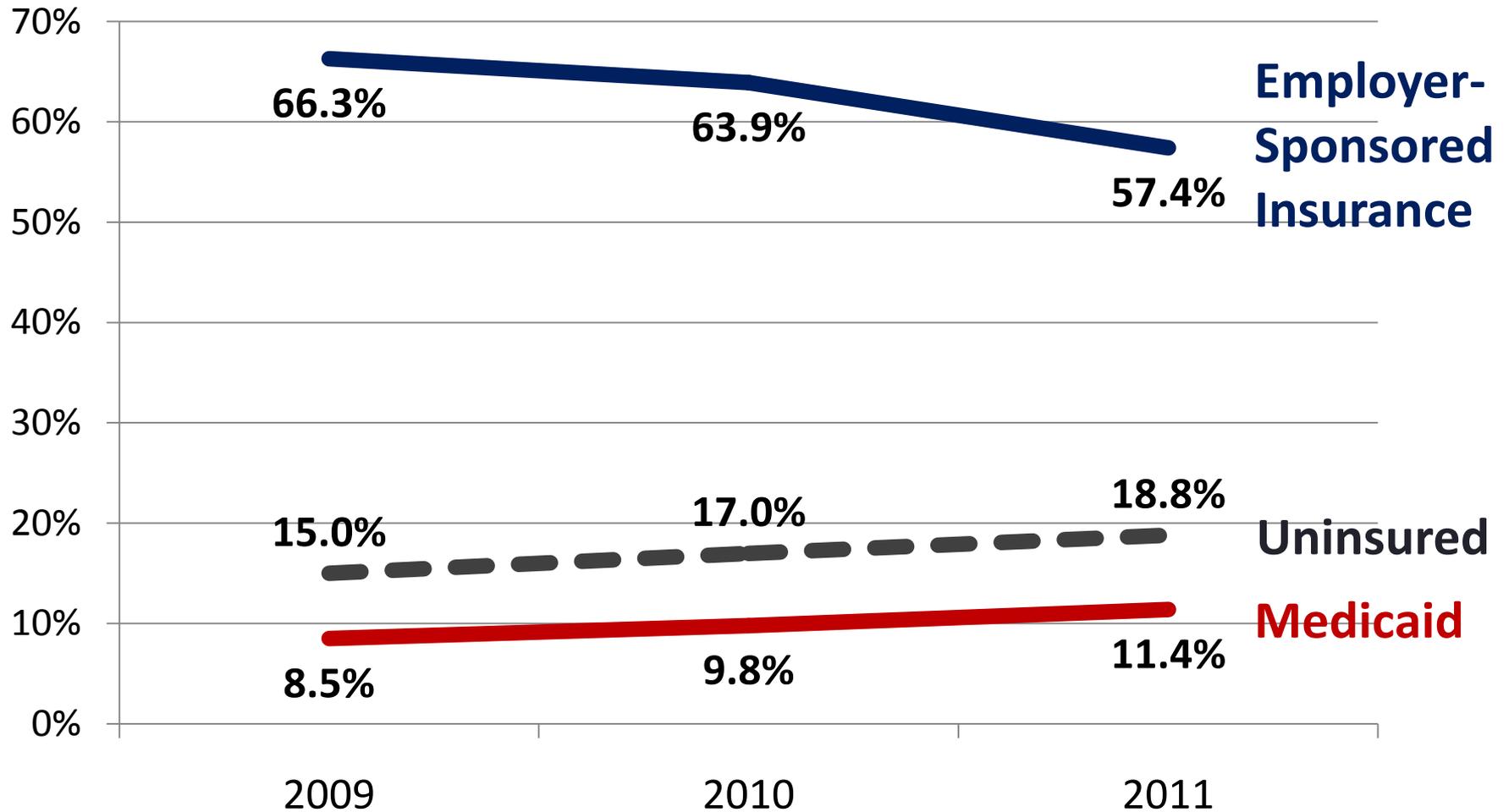
**Ohioans spend more per person on health care than residents in all but 13 states<sup>1</sup>**

**Rising health care costs are eroding paychecks and profitability**

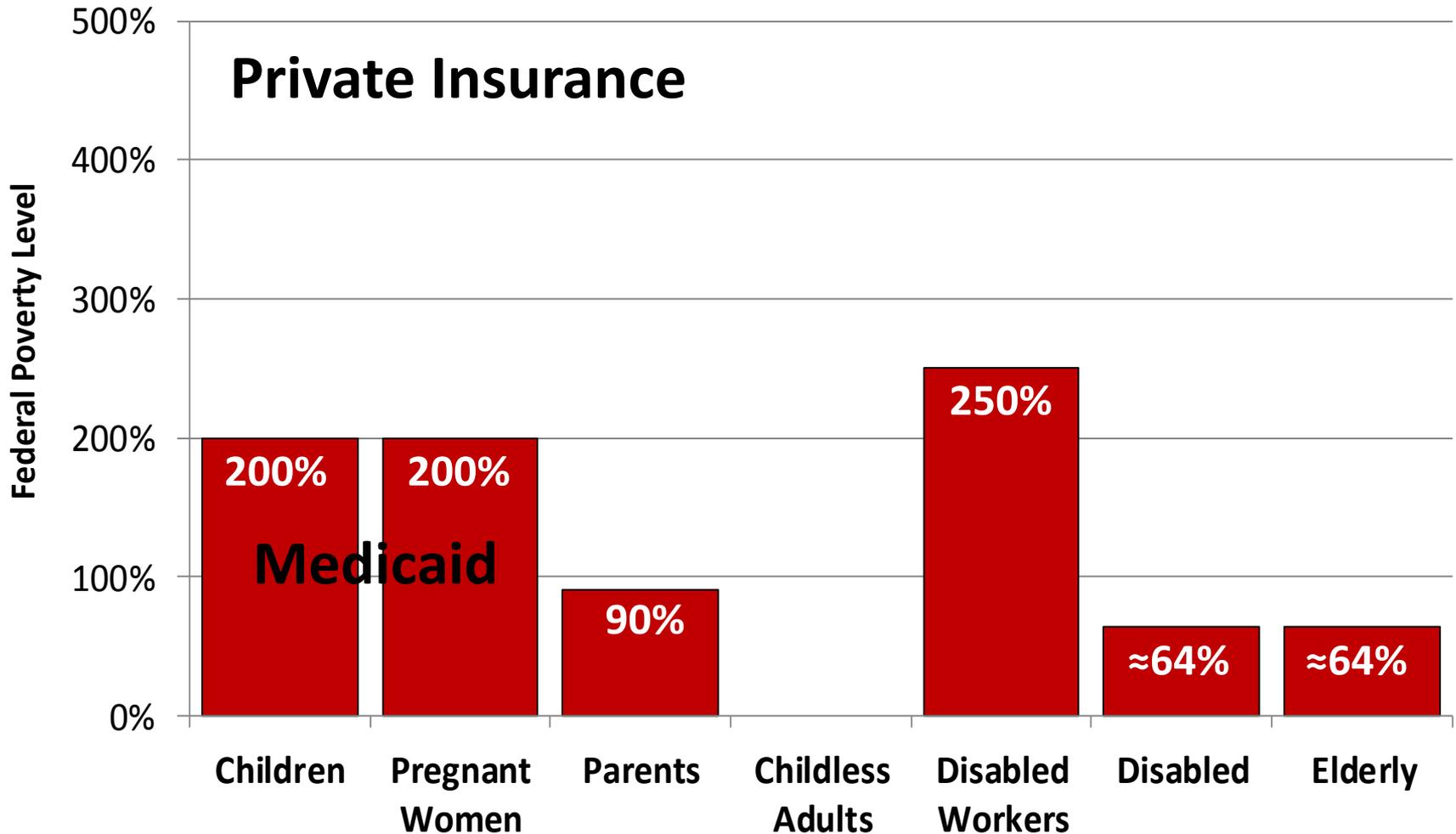
**Higher spending is not resulting in higher quality or better outcomes for Ohio citizens**

**41 states have a healthier workforce than Ohio<sup>2</sup>**

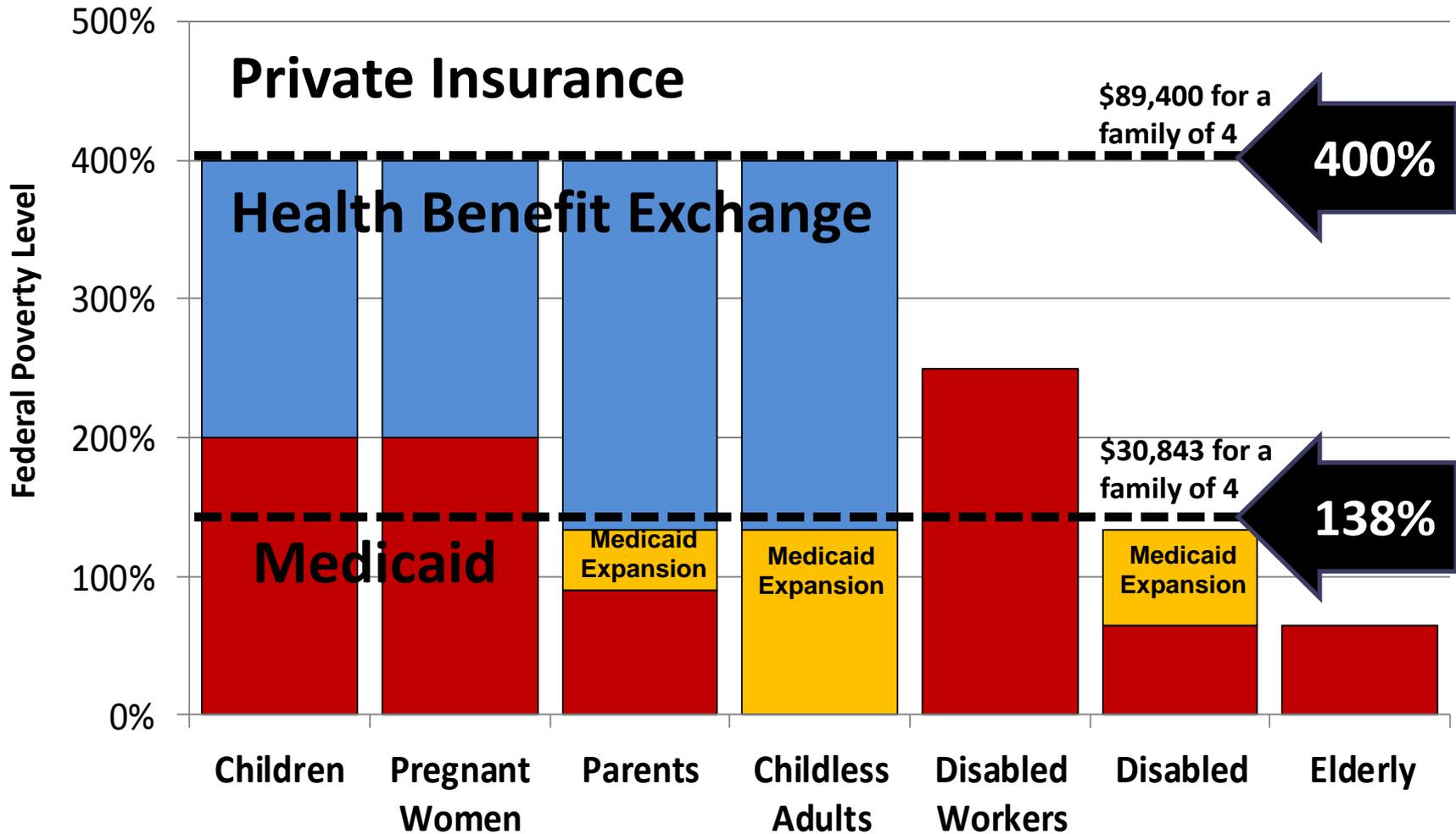
# Ohioans Covered by Employer-Sponsored Health Insurance, Medicaid, or Uninsured



# Federal Reform: Current Medicaid Income Eligibility Levels



# Federal Reform: 2014 Health Coverage Expansions



# Health System Performance Priorities



Leverage Medicaid purchasing power to support delivery system reform (HB 153)

- Align public/private infrastructure, including health insurance exchange and electronic health information exchange (planning now)
- Leverage public/private purchasing power to pay for value not volume, including patient centered medical homes and other innovations

# Summary of HHS Operational Hot Spots

- Complicated and interconnected
- Cut across multiple state agencies and local jurisdictions
- Depend on technology for success
- Politically complicated and sometimes controversial
- Valuable portfolio of business opportunities

Enterprise Decision Support

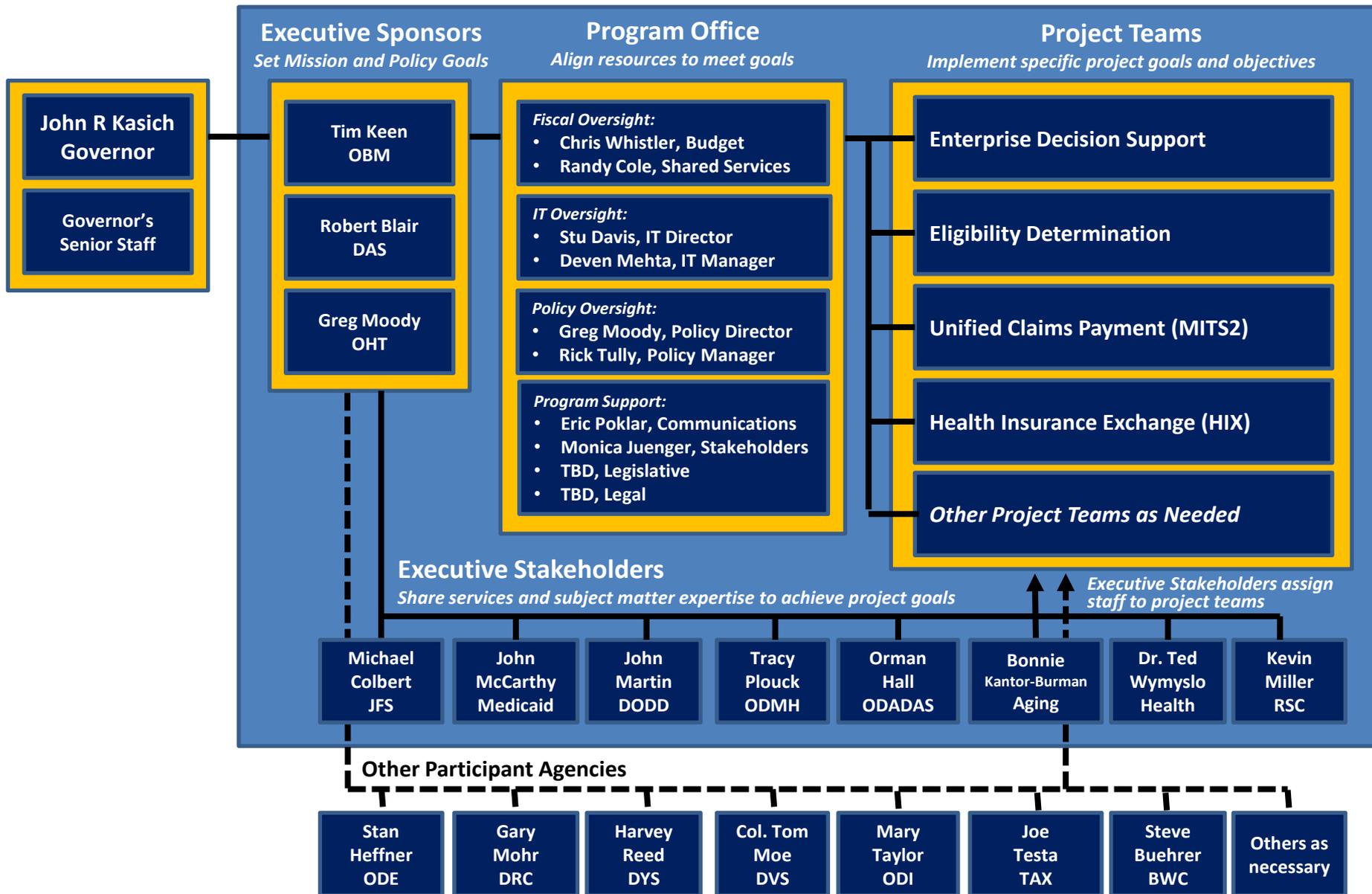
Eligibility Determination

Unified Claims Payment (MITS2)

Health Insurance Exchange (HIX)

Health Information Exchange (HIE)

# Ohio Health and Human Services Cabinet



**Ohio**

Governor's Office of  
Health Transformation

**Thank you.**

Greg Moody, Director  
Governor's Office of Health Transformation

[www.healthtransformation.ohio.gov](http://www.healthtransformation.ohio.gov)