



Governor's Office of Health Transformation

Ohio's Transformation to Person-Centered Health and Human Services

Greg Moody, Director
Governor's Office of Health Transformation

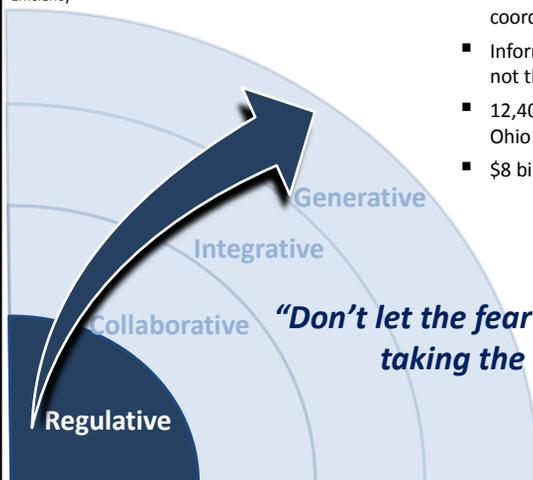
The 2012 Human Services Summit
October 6, 2012

Human Service Value Curve

Regulative Business Model:

Focus on delivering services to constituents for which they are eligible while complying with categorical policy and program regulations

Efficiency



Ohio's Human Service Challenges

- Policy, spending and administration are split across multiple state and local jurisdictions
- Programs function isolated within one system rather than working across systems to coordinate all services a person might need
- Information silos meet specific agency needs but not the needs of the whole person being served
- 12,400 (18%) fewer state employees today in Ohio than 12 years ago
- \$8 billion budget deficit in January 2011

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

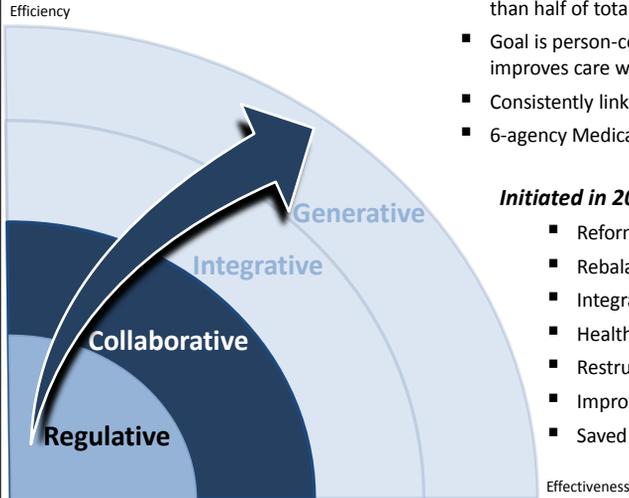
—Governor John Kasich

Effectiveness

Human Service Value Curve

Collaborative Business Model:

Focus on ensuring the optimum mix of services for constituents by working across agency and programmatic boundaries



Ohio Health Transformation Priority

Modernize Medicaid:

- Ohio Medicaid consumes 30% of state spending and covers 18% of Ohioans and 45% of all births
- A few high-cost cases (4%) account for more than half of total spending
- Goal is person-centered care coordination that improves care while reducing costs
- Consistently link payment to performance
- 6-agency Medicaid Cabinet

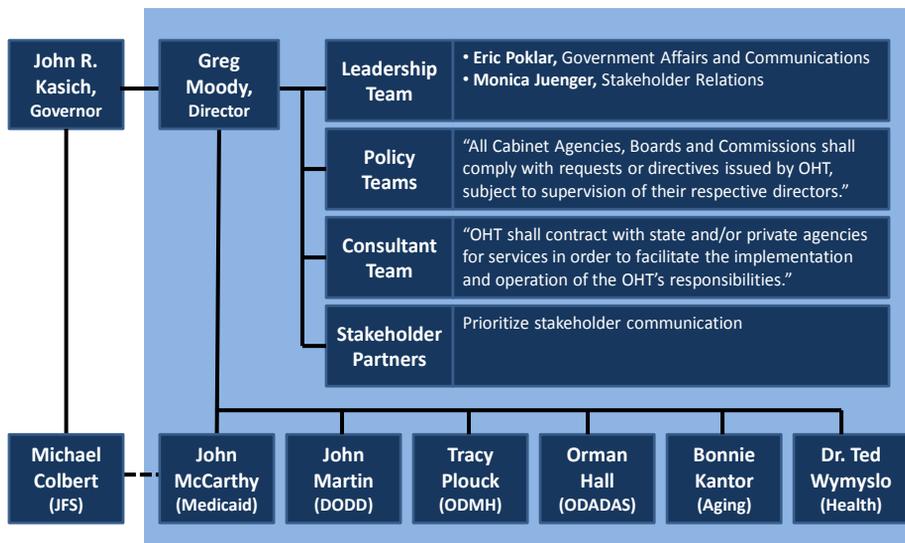
Initiated in 2011

- Reform nursing home payment
- Rebalance long-term care (36/42/50)
- Integrate Medicare-Medicaid
- Health homes for mental illness
- Restructure mental health spending
- Improve health plan performance
- Saved \$1.5 billion over two years



Governor's Office of Health Transformation

Medicaid Cabinet

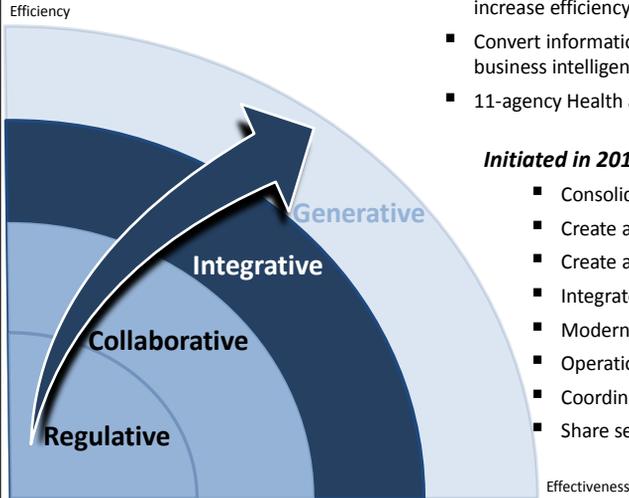


Source: Ohio Governor John R. Kasich, Executive Order 2011-02K (January 13, 2011)

Human Service Value Curve

Integrative Business Model:

Focus on addressing and solving the root causes of client needs and challenges by seamlessly coordinating and integrating services



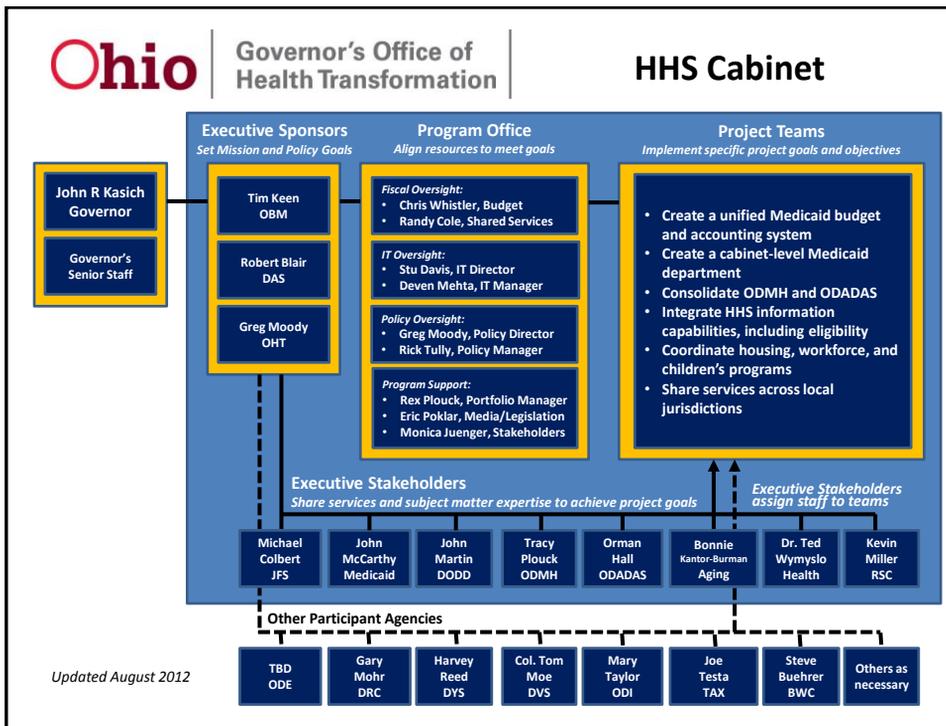
Ohio Health Transformation Priority

Streamline Health & Human Services:

- Ohio HHS policy, administration and spending is split across multiple state and local jurisdictions
- Goal is to share services to improve customer service, increase efficiency, and reduce costs
- Convert information silos into real-time enterprise business intelligence
- 11-agency Health and Human Services Cabinet

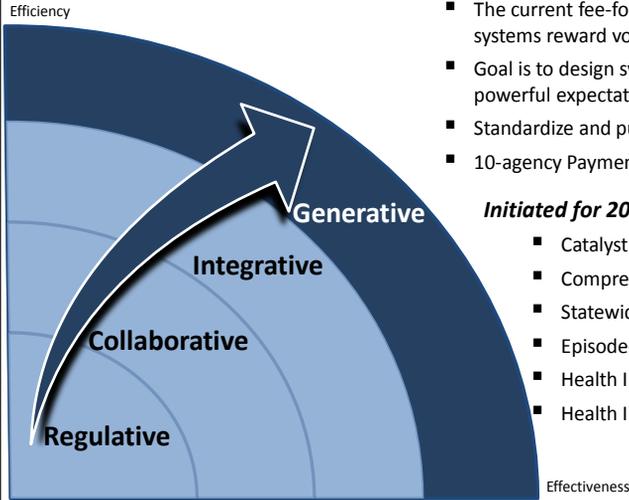
Initiated in 2012

- Consolidate ODMH and ODADAS
- Create a unified Medicaid budget
- Create a stand-alone Medicaid Dept.
- Integrate HHS information capabilities
- Modernize HHS eligibility systems
- Operational change management
- Coordinate programs for children
- Share services across local boundaries



Human Service Value Curve

Generative Model: *Focus on generating healthy communities by co-creating solutions for multi-dimensional family and socioeconomic challenges and opportunities*



Ohio Health Transformation Priority

Improve Health System Performance:

- Ohioans spend more per person on health care than residents in all but 17 states, yet 36 states have a healthier workforce than Ohio
- The current fee-for-service health care payment systems reward volume instead of value
- Goal is to design systems of payment that signal powerful expectations for better care
- Standardize and publicly report performance
- 10-agency Payment Innovation Task Force

Initiated for 2013

- Catalyst for Payment Reform
- Comprehensive payment innovation plan
- Statewide access to medical homes
- Episode-based payments
- Health Information Exchange (HIE)
- Health Insurance Exchange (HIX)



Governor's Office of Health Transformation

Payment Innovation Task Force

John R. Kasich
Governor

Governor's Senior Staff

State of Ohio Health Care Payment Innovation Task Force

Office of Health Transformation

- **Project Management Team:** Executive Director, Communications Director, Stakeholder Outreach Director, Legislative Liaison, Fiscal and IT Project Managers

Participant Agencies

- Administrative Services, Development, Health, Insurance, JobsOhio, Ohio Medicaid, Rehabilitation and Corrections, Taxation, Worker's Compensation, Youth Services, Public Employee and State Teachers Retirement Systems

Governor's Advisory Council on Health Care Payment Innovation

- **Employers** (Bob Evans, Cardinal Health, Council of Smaller Enterprises, GE Aviation, Procter & Gamble)
- **Health Plans** (Aetna, Anthem, CareSource, Medical Mutual, UnitedHealthcare)
- **Providers** (Catholic Health Partners, Central Ohio Primary Care, Cleveland Clinic, Akron Children's Hospital, Ohio Health, ProMedica)
- **Consumers** (AARP, Legal Aid Society, Universal Health Care Action Network)

State Implementation Teams

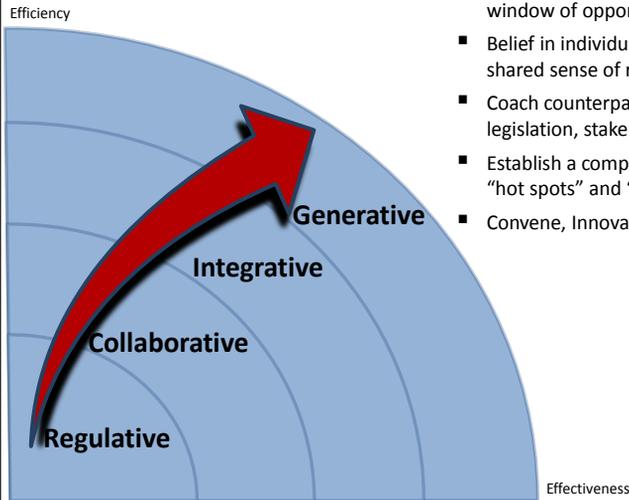
- Accountable Care Organizations
- Patient-Centered Medical Homes
- Episode-Based Payments
- Other Internal Teams as Needed to Enable Payment Innovation

Public/Private Workgroups

- Medicare Shared Savings Program Participants and Pioneer ACOs
- Ohio Patient-Centered Primary Care Collaborative
- Ohio Hospital Payment Group
- Other External Groups as Needed to Enable Payment Innovation

Human Service Value Curve

The goal is to chart a transformation journey along the Human Service Value Curve, moving organizations through ever more outcome-oriented business models



Office of Health Transformation

- Executive Order creates authority to plan and budget across multiple agencies
- Align problems, policies and politics to create a window of opportunity for action
- Belief in individuals, the power of small teams, shared sense of responsibility, long-term view
- Coach counterparts in policy, communications, legislation, stakeholder, operations, technology
- Establish a comprehensive vision but focus on “hot spots” and “high value targets”
- Convene, Innovate, Disband, Convene...

www.healthtransformation.ohio.gov

Ohio

Governor's Office of
Health Transformation

Welcome

Current Initiatives

Budgets

Newsroom

Contact

Video



Current Initiatives

Modernize Medicaid

- Reform nursing facility reimbursement
- Integrate Medicare and Medicaid benefits
- Rebalance spending on long-term care services and supports
- Create health homes for people with mental illness
- Restructure behavioral health system financing
- Improve Medicaid managed care plan performance

Streamline Health and Human Services

- Consolidate ODADAS and ODMH
- Create a cabinet-level Medicaid department
- Modernize eligibility determination systems
- Coordinate programs for children
- Integrate HHS information capabilities
- Share services across local jurisdictions

Improve Overall Health System Performance

- Pay for health care based on value instead of volume
- Encourage Patient-Centered Medical Homes
- Accelerate electronic Health Information Exchange