Ohio | Governor's Office of Health Transformation

2015 Year-in-Review

Modernize Medicaid

- Saved Ohio taxpayers $1.9 billion in 2015 compared to budget targets
- Concluded 2015 2.4 percent below Medicaid enrollment projections
- Held Medicaid per member cost growth below 3.0 percent
- Led the nation in prosecuting Medicaid fraud (more indictments than any other state)
- Cut Ohio's uninsured rate in half (from 17.3 percent in 2012 to 8.7 percent in 2015)
- Confirmed most Ohioans on Medicaid work, and connected Medicaid seekers to jobs
- Initiated Medicaid behavioral health benefit redesign
- Diverted veterans from Medicaid to the veterans benefits they earned
- Implemented new Medicaid managed care report cards
- Expanded the Medicaid in Schools Program (will save schools $22 million annually)
- Initiated graduate medical education reforms
- Maintained nursing home quality

Prioritize Home and Community Based Services

- Completed 7,000 institution-to-community transitions (exceeded 2008 goal of 2,000 transitions)
- Invested $286 million for people with developmental disabilities to live and work in the community
- Reduced excess capacity in state-run developmental centers
- Launched a groundbreaking training program for people with autism spectrum disorder
- Strengthened mental health and addiction services community supports
- Coordinated behavioral health services to prevent a return to prison
- Extended overtime benefits to independent providers, while clarifying labor standards
- Required electronic visit verification in home health settings
- Increased access to affordable housing to avoid institutional placements
- Strengthened adult protective services (annual funding increased from $500,000 to $3.5 million)
- Initiated the replacement of Ohio's two disability determination systems with one

Improve Population Health Outcomes

- Intensified Ohio's response to opiate abuse
- Empowered prescribers and pharmacists to prevent opiate abuse
- Developed a plan to reduce infant mortality by surging resources into at-risk neighborhoods
- Invested an additional $2 million to expand children's asthma and pneumonia research
- Developed a strategy to align local population health priorities
- Developed recommendations to improve state-level population health planning

Pay for Value

- Received national recognition and $75 million over four years to implement payment innovation
- Engaged private sector partners to align payment innovation
- Designed a Patient-Centered Medical Home (PCMH) payment model to transform primary care
- Created provider performance reports for high-cost episodes of care
- Required half of all Medicaid managed care payments to be value-based by 2020
- Released a plan to leverage Ohio's health IT to improve overall health system performance

Ohio | Governor's Office of Health Transformation

2015 Accomplishments

Governor Kasich created the Office of Health Transformation (OHT) in 2011 to lead the Administration's efforts to modernize Medicaid, streamline health and human services programs, and improve overall health system performance. Using an innovative approach that involves collaboration among multiple state agency partners, the Administration has taken significant steps to improve services to vulnerable Ohioans, reduce costs, increase efficiency, and support the Governor's efforts to create jobs and reduce unemployment. Below is a snapshot of these accomplishments in 2015.

MODERNIZE MEDICAID

Ohio's Medicaid reforms over the past five years have been recognized nationally for helping to reduce costs, improve health outcomes, and improve care coordination. When Governor Kasich took office in 2011, Ohio Medicaid was growing at an unsustainable rate, more than ten percent annually. OHT and its agency partners introduced an aggressive package of reforms that held Medicaid growth to 4.0 percent in 2012 and 2.5 percent in 2013. With spending under control, Governor Kasich made the decision to extend Medicaid coverage to more low-income Ohioans. By 2015, there was clear evidence that the Medicaid expansion was a smart decision for Ohio.

- ✓ ***Saved Ohio Taxpayers $1.9 Billion Compared to Budget Targets.*** On average monthly, 3.0 million Ohioans received Medicaid during the state fiscal year ending June 30, 2015 (SFY 2015) – almost 40,000 people below what was projected to occur when the program expanded in 2014. Enrollment in the expansion group was 152,000 people above the original estimate, but more than offset by traditional enrollment, which was 192,000 people below estimate. As a result, SFY 2015 Medicaid spending was $1.9 billion below the original budget estimate enacted by the Ohio General Assembly.
- ✓ ***Held Medicaid Per Member Cost Growth Below 3.0 Percent.*** The budget enacted in June 2015 holds growth in Medicaid per member costs to 1.38 percent in 2016 and 4.5 percent in 2017. Much of the increase in 2017 is related to investments in services for people with developmental disabilities. Excluding Medicaid spending through the Ohio Department of Developmental Disabilities, the remaining Medicaid growth in per member costs is 0.75 percent in 2016 and 4.05 percent in 2017, or 2.4 percent on average over two years.
- ✓ ***Led the Nation in Prosecuting Medicaid Fraud.*** The *Dayton Daily News* reported that investigations of health care providers billing taxpayers while neglecting or defrauding Medicaid patients more than doubled in Ohio since 2010 and led to 124 indictments last year, more than any other state. Over the same period, the number of Medicaid providers remained constant at around 92,000, but state efforts to catch bad behavior became more sophisticated, resulting in more investigations and successful indictments.

- ✓ ***Cut Ohio's Uninsured Rate in Half.*** In August 2015, the Ohio Colleges of Medicine Government Resource Center announced the results of the *2015 Ohio Medicaid Assessment Survey*. The survey's findings illustrated dramatic recent improvements in Ohio's health care landscape. For example, Ohio's uninsured rate was cut in half, from 17.3 percent in 2012 to 8.7 percent in 2015, primarily as a result of the Medicaid expansion. The rate of uninsured children also was cut in half, from 4.7 percent in 2012 to 2.0 percent in 2015. The rate of employer-sponsored insurance remained constant before and after the Medicaid expansion, with nearly 55 percent of Ohioans covered through an employer.
- ✓ ***Preserved Medicaid Coverage.*** Current Ohio Medicaid eligibility levels were set in October 2013 when the federal government approved Ohio's request to expand Medicaid eligibility to more low-income, uninsured Ohioans. The existing authority does not expire and required no action in 2015 to preserve Medicaid coverage for individuals living at up to 138 percent of poverty (children and pregnant women are covered up to 200 percent). As a result, 647,000 otherwise uninsured Ohioans did not lose coverage, 400,000 individuals with a behavioral health need or diagnosis did not lose coverage, and an estimated 38,000 veterans and family members did not lose coverage.
- ✓ ***Confirmed Most Ohioans on Medicaid Work, and Connected Medicaid Seekers to Jobs.*** The *Ohio Medicaid Assessment Survey* also confirmed more than half of Ohio's adult Medicaid enrollees or their spouses work, and another 30 percent are individuals with a disability that prevents work. In February, OHT upgraded the state's online eligibility system (*Ohio Benefits*) so every Ohioan seeking Medicaid automatically sees job openings within 20 miles of home. The job listings appear in a pop-up window connected to the state's online job bank (*OhioMeansJobs.com*). The budget enacted in June also supports work by speeding up the transition off Medicaid when an individual's income increases, and requiring Ohio Medicaid to seek federal permission for the state to establish a Health Savings Account for every Medicaid beneficiary (the waiver will be submitted in 2016).
- ✓ ***Diverted Veterans from Medicaid to the Veterans Benefits They Earned.*** Since June 2015, the Ohio Department of Veterans Services (DVS) has made contact with more than 6,000 Ohio veterans who requested information about Medicaid coverage via *Ohio Benefits*. Of these veterans, 4,400 (73 percent) were not receiving federal Veterans Administration (VA) benefits. DVS referred these veterans to county veterans' service offices for direct assistance in applying for the VA benefits they earned, instead of going on Medicaid.
- ✓ ***Initiated Medicaid Behavioral Health Benefit Redesign.*** The Medicaid behavioral health population in Ohio represents about one quarter (27 percent) of Medicaid members but accounts for almost half (47 percent) of Medicaid spending. By focusing on areas of need and making some key program reforms, Ohio can better serve individuals with high-end mental health and addiction needs while also holding down costs for taxpayers. In May, OHT convened a Behavioral Health System Redesign Leadership Team. This team of experts from across Ohio is advising the state on how to update insurance codes and definitions for behavioral health benefits, provide high intensity services for those most in need, and move behavioral health benefits into Medicaid managed care by January 2018.

- ✓ ***Implemented New Managed Care Report Cards.*** The Ohio Department of Medicaid released a new Medicaid Managed Care Consumer Report Card that rates Ohio's five contracted health plans on topics such as "getting care" and "keeping kids healthy" and "doctor's communication and service." The goal is to provide greater transparency around Medicaid care and services, help Medicaid beneficiaries learn more about the managed care plans available to them, and foster competition among the five health plans.
- ✓ ***Expanded the Medicaid in Schools Program.*** Ohio Medicaid reimburses schools for services provided to children with an Individualized Education Plan (IEP), including nursing, behavioral health, occupational therapy, targeted case management and specialized transportation. Schools are responsible for providing these services, but can draw federal funds through Medicaid to reimburse 64 percent of the cost. The June 2015 budget expanded the Medicaid in Schools Program to include intensive behavioral services, services provided by an aide under the direction of a registered nurse, and specialized transportation from a child's home to school. This will enable schools to claim federal funds totaling more than $22 million annually for services that the school districts otherwise would have been required to provide using their own funds.
- ✓ ***Initiated Graduate Medical Education Reforms.*** As a result of the budget enacted in June, a legislative study committee reviewed why the 30-year-old Medicaid funding formula for graduate medical education (GME) generates dramatically different results for hospitals that provide similar medical training. Some hospitals receive up to $385,000 per resident or intern trained while others receive nothing at all. The committee submitted a report in December that outlines a strategy to make the GME formula more fair and promote state health policy priorities, including recruiting and retaining more physicians into primary care and specialties with shortages. Ohio Medicaid will use the committee's report as its starting point when it initiates consideration of Medicaid GME reforms in 2016.
- ✓ ***Maintained Nursing Home Quality.*** In May 2015, the Scripps Gerontology Center compared quality measures before and after the state adopted a new nursing facility reimbursement model in 2006. Ohio's nursing facility rates went from sixth highest in the nation in 2003 to 21st and in line with the national average by 2009. Despite the change in reimbursement, researchers did not find any erosion of quality.
- ✓ ***Initiated the Transition of Additional Income-Tested Programs to Ohio Benefits.*** Since going "live" in October 2013, more than two million Ohioans have applied for Medicaid coverage online through the new *Ohio Benefits* eligibility system. Currently, all of Ohio's Medicaid expansion population and all of the family and children population are enrolled in Medicaid via *Ohio Benefits*. The budget enacted in June 2015 adds more income-tested programs to *Ohio Benefits* in 2016 and 2017, including Medicaid aged, blind and disabled (ABD), supplemental nutrition assistance (SNAP), temporary assistance for needy families (TANF), food assistance for women, infants and children (WIC), and child care.
- ✓ ***Automated Grant Management Programs.*** OHT and the Ohio Departments of Administrative Services and Budget and Management convened nine volunteer state agencies to develop a standardized grant process and technology solution to migrate 57 separate grant management programs across 22 state departments totaling $25 billion in

grant funds to a central fully electronic and integrated system. The proposed new system is being implemented to address a current lack of standardization across Ohio's grant programs and create a significant opportunity to optimize grant functions statewide.

PRIORITIZE HOME AND COMMUNITY BASED SERVICES

When Governor Kasich took office, Ohio was spending more of its Medicaid budget on high-cost nursing homes and other institutions than all but five states, and Ohio taxpayers were spending 47 percent more for Medicaid long-term care than taxpayers in other states. Over the past five years, OHT has aggressively "rebalanced" Medicaid long-term care spending toward less expensive home and community based services (HCBS). The ultimate goal is for more seniors and people with disabilities to live with dignity at home, instead of a higher-cost nursing home.

- ✓ ***Completed 7,000 Institution-to-Community Transitions.*** Ohio Medicaid's HOME Choice program completed its 7,000th community transition in October 2015, far exceeding the original goal set in 2008 of transitioning 2,000 individuals out of institutional settings and into home and community alternatives. HOME Choice eliminates barriers that keep people in institutions and makes it possible for services and supports to "follow the person" into a home or community setting. Several national organizations recognized Ohio as a national leader in community transitions, including Mathematica and United Cerebral Palsy.
- ✓ ***Increased Opportunities for People with Disabilities to Live and Work in the Community.*** The budget creates more choices for Ohioans with disabilities to live and work in the community. The goal is to assist those who wish to move into the community to do so, and allow those who wish to remain in their current setting to do so. The budget creates 3,000 new state-supported HCBS waivers, downsizes institutions to reflect increased demand for community services, and supports community employment for anyone who wants to work. These initiatives represent one of the most significant new investments in the state's entire budget, totaling $286 million over two years.
- ✓ ***Reduced Excess Capacity in State-Run Developmental Centers.*** Currently, there are 816 people with disabilities residing in ten state-run Developmental Centers, which is 32 percent less than four years ago, and the census continues to decline each year. The challenge now is the efficiency of operating the same ten centers with significantly fewer residents in each. The average cost per bed has climbed from $162,000 in 2010 to $206,000 in 2015. The situation is no longer sustainable, so in February 2015, the Ohio Department of Developmental Disabilities announced it will close two centers, Youngstown Developmental Center and Montgomery Developmental Center, by June 30, 2017.
- ✓ ***Launched a Groundbreaking Training Program for People with Autism Spectrum Disorder.*** The Ohio Center for Autism and Low Incidence (OCALI) created a new Autism Certification Center and launched an online video training program for people who interact with individuals with autism spectrum disorder (ASD). The new program, called *ASD Strategies in Action*, offers service providers and families tools to ensure they are equipped to effectively care for, support, educate, employ, or work with individuals on the autism spectrum from early childhood through young adulthood.

- ✓ ***Strengthened Mental Health and Addiction Services Community Supports.*** The June 2015 budget continued the state's commitment to rebuild community behavioral health system capacity. It invests in prevention services and non-Medicaid supports that help a person sustain recovery, supports community strategies to reduce hospital and jail capacity, preserves hospital capacity to ensure high quality care for individuals in crisis, and supports families in crisis with youth who are at risk to be a danger to themselves and others.
- ✓ ***Coordinated Behavioral Health Services to Prevent a Return to Prison.*** Approximately 80 percent of Ohio's prison inmates have histories of drug and alcohol addiction. Those who do not overcome their addiction have a higher likelihood of re-entering prison after their release. Building on its established track record of keeping recidivism low, the Ohio Department of Rehabilitation and Corrections brought the clinical expertise of the Ohio Department of Mental Health inside its prisons to get inmates the help they need to overcome addiction while serving their sentences. The initiative also provides a seamless transition of services and supports to ensure sustained recovery after their release, including enrollment in a Medicaid health plan to avoid gaps in health coverage.
- ✓ ***Submitted a State Plan to Comply with New Federal HCBS Requirements.*** In 2014, the federal Centers for Medicare and Medicaid Services (CMS) released new requirements for HCBS waivers administered by states. After an extensive stakeholder process, Medicaid submitted Ohio's plan to comply with the new federal HCBS requirements in December 2015. Ohio's plan will ensure that all HCBS settings are integrated in and support access to the greater community, are selected by the individual from among setting options, ensure individual rights and freedom from coercion, optimize autonomy and independence in making life choices, and facilitate choice regarding services and who provides them.
- ✓ ***Extended Overtime Benefits to Independent Home Health Care Providers.*** In August 2015, the federal Department of Labor issued a rule requiring states to extend minimum wage and overtime protections to home care workers. Currently in Ohio, independent home care providers have wages that already meet or exceed federal minimum wage standards, and the Departments of Aging, Developmental Disabilities, and Medicaid are working together to provide a practical and efficient process to report and disburse overtime payments. In addition, the Ohio General Assembly clarified in December 2015 that independent home care providers are not otherwise considered public employees.
- ✓ ***Required Electronic Visit Verification in Home Health Settings.*** The June 2015 budget requires Ohio Medicaid to implement an electronic visit verification (EVV) system in 2016 to validate service delivery to eligible individuals by authorized providers. An EVV system significantly reduces the risk of improper claims being paid by Ohio Medicaid, and reduces certain administrative burdens associated with identifying fraud, waste and abuse.
- ✓ ***Increased Access to Affordable Housing to Avoid Institutional Placements.*** Ohio is a leader nationally transitioning individuals out of institutional settings and into the community. The budget enacted in June sustains recent increases in state funding to support affordable housing for priority populations, including those with behavioral health disorders, involved with the criminal justice system, at risk of entering an institution, and youth transitioning to adulthood. Over the next two years, the budget expands recovery housing capacity, funds

permanent supportive housing for youth seeking employment, pilots a subsidy for housing providers that support low-income persons with disabilities, establishes an Ohio Housing Trust Fund reserve, provides outreach and supportive services to chronically homeless individuals, and provides supportive housing for individuals with disabilities.

- ✓ ***Strengthened Adult Protective Services.*** The June 2015 budget increases funding for adult protective services from $500,000 annually to $3.5 million annually based on the recommendations of a 2014 Adult Protective Services Funding Work Group. The Ohio Department of Job and Family Services is required to build a statewide telephone hotline and case management system to make it easier for Ohioans to report suspected abuse and neglect and for counties to manage those reports.
- ✓ ***Initiated the Replacement of Ohio's Two Disability Determination Systems with One.*** Every year, 50,000 Ohioans with a disability qualify for Medicaid coverage. Today, these Ohioans have to prove they are disabled twice, once via county job and family services offices to qualify for Medicaid, and separately through Opportunities for Ohioans with Disabilities (OOD) to qualify for Supplemental Security Income (SSI). Most states have already eliminated this duplication and automatically enroll SSI individuals in Medicaid. The June 2015 budget requires Ohio Medicaid and OOD to replace Ohio's two duplicative systems with one that will determine eligibility for both Medicaid and SSI.

IMPROVE POPULATION HEALTH OUTCOMES

Over the past few decades, Ohio's performance on population health outcomes declined relative to other states. Ohio also has significant disparities for many health outcomes by race, income and geography, and spends more on health care than most other states. To turn this around, the Kasich Administration has increasingly targeted the state's health-related resources to address the most pressing needs. OHT is incorporating population health performance measures into regulatory and payment systems, and using those measures to align population health priorities across clinical services, public health programs, and community initiatives. It will take some time for the full impact of these initiatives to be seen, but there are early signs of improvement, and the Kasich Administration is committed to stay the course and respond to new threats as they emerge.

- ✓ ***Intensified Ohio's Response to Opiate Abuse.*** Governor Kasich established a cabinet-level Opiate Action Team in 2011 to coordinate cross-systems initiatives across several fronts, including law enforcement, public health, health care providers, addiction and treatment professionals, educators, parents, and others. These initiatives intensified in 2015 to crack down on drug trafficking, prevent youth drug use before it starts, encourage appropriate use and availability of pain medication, expand access to overdose antidote, and create pathways to treatment and recovery. New data reported in 2015 showed progress in key areas (e.g., fewer opiates being dispensed and a decrease in high doses of opiates) but also the emergence of more dangerous drugs, like fentanyl cut into heroin.
- ✓ ***Empowered Prescribers and Pharmacists to Prevent Opiate Abuse.*** Ohio became the first state in the nation to integrate the state's prescription monitoring system directly into medical records and pharmacy systems. The Ohio State Board of Pharmacy will work with

prescribers and pharmacists to connect their systems to the Ohio Automated Rx Reporting System (OARRS), providing instant access to the information they need to see the warning signs of addiction, intervene earlier to get Ohioans the help they need, and prevent drug overdose deaths. As a result of recent efforts to strengthen OARRS, the number of queries using the system increased from 778,000 in 2010 to 9.3 million in 2014. At the same time, the number of individuals "doctor shopping" for controlled substances including opiates decreased from more than 3,100 in 2009 to less than 1,000 in 2014.

- ✓ ***Targeted Resources to Reduce Infant Mortality.*** Over the past four years, OHT and its partner agencies initiated an unprecedented package of reforms to improve overall health system performance for pregnant women and infants and reduce infant mortality. Last year, fewer babies died in Ohio than at any point in at least 75 years, and the state's overall infant mortality rate decreased from 7.4 deaths per 1,000 births in 2013 to 6.8 in 2014. However, the rate of black babies dying before their first birthday is double the state rate and increased from 13.8 deaths per 1,000 births in 2013 to 14.3 in 2014. In response to this disparity, Governor Kasich instructed the Ohio Departments of Health (ODH) and Medicaid to surge resources into neighborhoods most at risk for poor birth outcomes. The budget supports this strategy with funds to identify the most at-risk neighborhoods, support enhanced care management for women in those neighborhoods, and engage leaders in those neighborhoods to connect women to care. The budget also covers additional services in home visitation for pregnant women and newborns, improves the administration of Progesterone for at-risk mothers, requires additional disease screenings for newborns, provides funds for maternal and child health projects in Appalachia, and provides funding for tobacco cessation programs for pregnant women in at-risk areas.
- ✓ ***Funded Research to Improve Child Health Outcomes.*** In 2011, Governor Kasich pledged $2 million in research funding to improve health care for Ohio's children. This investment paved the way for Ohio's children's hospitals to develop new treatment plans for children with asthma and infants born addicted to drugs. Building on the success of this initial investment, in April 2015 the Governor pledged an additional $2 million for a second round of collaborative research among the children's hospitals to support expanded asthma research and launch new pediatric pneumonia research.
- ✓ ***Developed a Strategy to Align Local Population Health Priorities.*** In September, OHT contracted with the Health Policy Institute of Ohio (HPIO) to convene health experts to assist the state in identifying population health priority areas and improve population health planning statewide. There were six meetings with 48 organizations represented, including local health districts, providers, patient advocates, employer groups, and state agencies. The participants reviewed HPIO's analysis of 10 state-level health improvement plans, 110 local health district plans, and 170 hospital community benefit plans and discussed options to better align population health priorities across these jurisdictions. HPIO translated these options into specific recommendations, for example moving to a standard three-year planning timeframe for all public health districts and tax-exempt hospitals, collaborating at least at the county level on assessments and plans, and requiring public health districts and tax-exempt hospitals to submit their assessments and plans for the state to post online. These recommendations will be introduced as legislation in 2016.

- ✓ ***Developed Recommendations to Improve State-Level Population Health Planning*.** State health departments are required to develop a state health assessment and state health improvement plan to receive accreditation by the Public Health Accreditation Board (PHAB). ODH was accredited by PHAB in November 2015 on the condition that Ohio update its health improvement plan in 2016. HPIO, as part of the process to improve population health planning statewide, developed recommendations for improving the state's health assessment and planning process. ODH will use the HPIO recommendations as a starting point and involve the stakeholder group convened by HPIO to further assist in conducting the next state health assessment and updating the state health improvement plan.

PAY FOR VALUE

Across the United States, there is growing consensus that changing the way we pay for health care is a critical factor in decreasing costs and improving health outcomes. Ohio leads the nation in efforts to improve the health of its citizens by resetting the basic rules of health care competition to reward better care, not just more care. OHT and its state agency partners have been working with private sector health plans and providers since 2012 to pay for what works to improve and maintain health and shift from volume-based fee-for-service payments to value-based payments. In 2015, the state's payment innovation efforts moved from the design phase to implementation.

- ✓ ***Received National Recognition for Payment Innovation*.** In December 2014, the federal Centers for Medicare and Medicaid Innovation awarded Ohio a $75 million four-year grant to adopt two payment models designed by the state that reward higher-quality, value-based care – episode-based payments and increased access to patient-centered medical homes (PCMH). Together, these two efforts will affect a projected 80 percent of Ohio's medical expenditures. Most important, the models have the potential to benefit up to 90 percent of the state's population and improve population health by increasing access to care, incorporating behavioral health care into care plans, encouraging shared decision making, and rewarding progress on clinical quality indicators, among other measures.
- ✓ ***Engaged Private Sector Partners to Align Payment Innovation*.** In 2013, Governor Kasich convened a CEO-level Advisory Council on Payment Innovation comprised of purchasers, plans, providers, and consumers to coordinate multi-payer health care payment innovation activities statewide. The Council identified experts to participate on PCMH and episode-based payment design and implementation teams. In 2015, OHT facilitated weekly team meetings that throughout the year involved 600+ participants from provider organizations, health plans, consumer organizations, and state agencies. OHT also worked with a core leadership team to align strategy across payers (Aetna, Anthem, Buckeye, CareSource, Medical Mutual, Molina, Paramount and United). The CEOs of these plans committed to the Governor they will help design and implement the episode and PCMH models in Ohio.
- ✓ ***Designed a Payment Model to Transform Primary Care*.** In May 2015, OHT convened a Patient-Centered Medical Home (PCMH) Design Team to develop a payment model that financially rewards primary care teams that hold down the total cost of care by preventing disease and managing chronic conditions. With input from 500+ stakeholders representing patients, primary care practices, and health plans, OHT prepared a PCMH payment model

for adoption across Medicaid and commercial health insurance throughout Ohio in 2016. The goal is to give Ohioans the quality of care and information they need to increase their level of health at every stage of life, and to financially reward primary care practices that achieve better care and better health outcomes while holding down the total cost of care.

- ✓ ***Created Provider Performance Reports for High-Cost Episodes of Care.*** In March 2015, Ohio's largest health insurance plans (Anthem, Aetna, Medical Mutual, United, CareSource, Buckeye, Molina and Paramount) began measuring and reporting provider performance on six high-cost episodes of care using definitions and measures developed jointly with OHT. A second wave of episodes was designed for implementation in 2016, and a third wave is set for implementation in 2017. The goal of the episode-based payment model is to reduce the incentive to overuse unnecessary services within each episode and financially reward better care and cost savings through improvement.
- ✓ ***Required Half of All Medicaid Managed Care Payments to be Value-Based by 2020.*** The budget included a provision (ORC 5167.33) that requires Ohio's Medicaid managed care plans to implement 50 percent of payments as value based by 2020. It requires the Ohio Medicaid director to adopt rules that specify the value received from a provider's services, a provider's success in reducing waste in the provision of services, and the percentage of a Medicaid managed care plan's aggregate net payments to providers that are based on the value received from the provider's services.
- ✓ ***Released a Plan to Leverage Ohio's Health Information Technology.*** OHT conducted a formal health IT assessment and identified new opportunities to leverage technology to improve health system performance. That process resulted in a state health IT strategy with four priorities for action: share useful payer data to help providers improve, reinforce and accelerate care coordination, improve usability and access to data, and use Big Data to improve programs and policies. The ultimate goal is to provide the right information in the right place at the right time to improve overall health system performance.