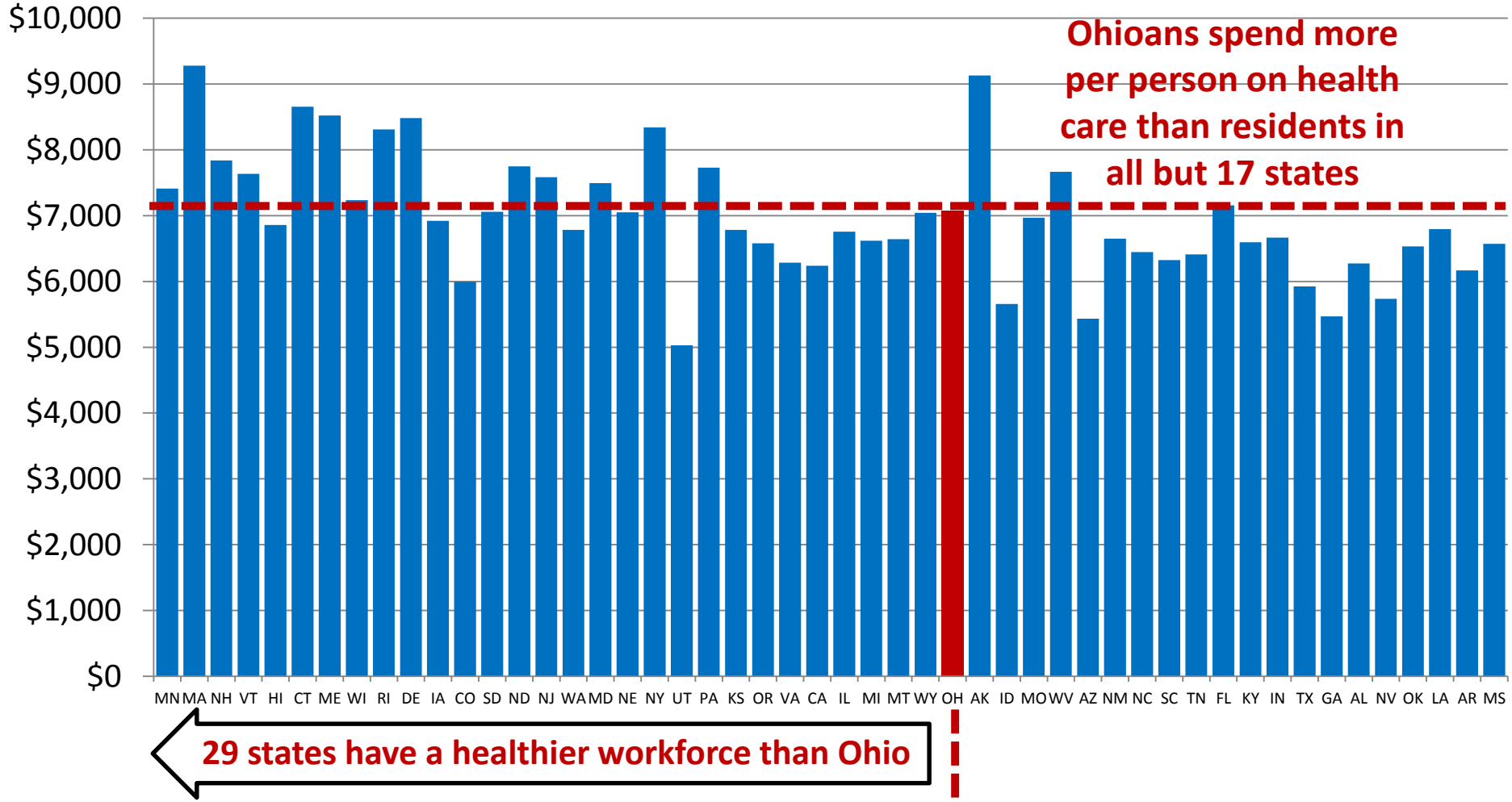
Ohio can get better value from what is spent on health care

Health Care Spending per Capita by State (2011) in order of resident health outcomes (2014)



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Sources: CMS *Health Expenditures by State of Residence* (2011); The Commonwealth Fund, *Aiming Higher: Results from a State Scorecard on Health System Performance* (May 2014).

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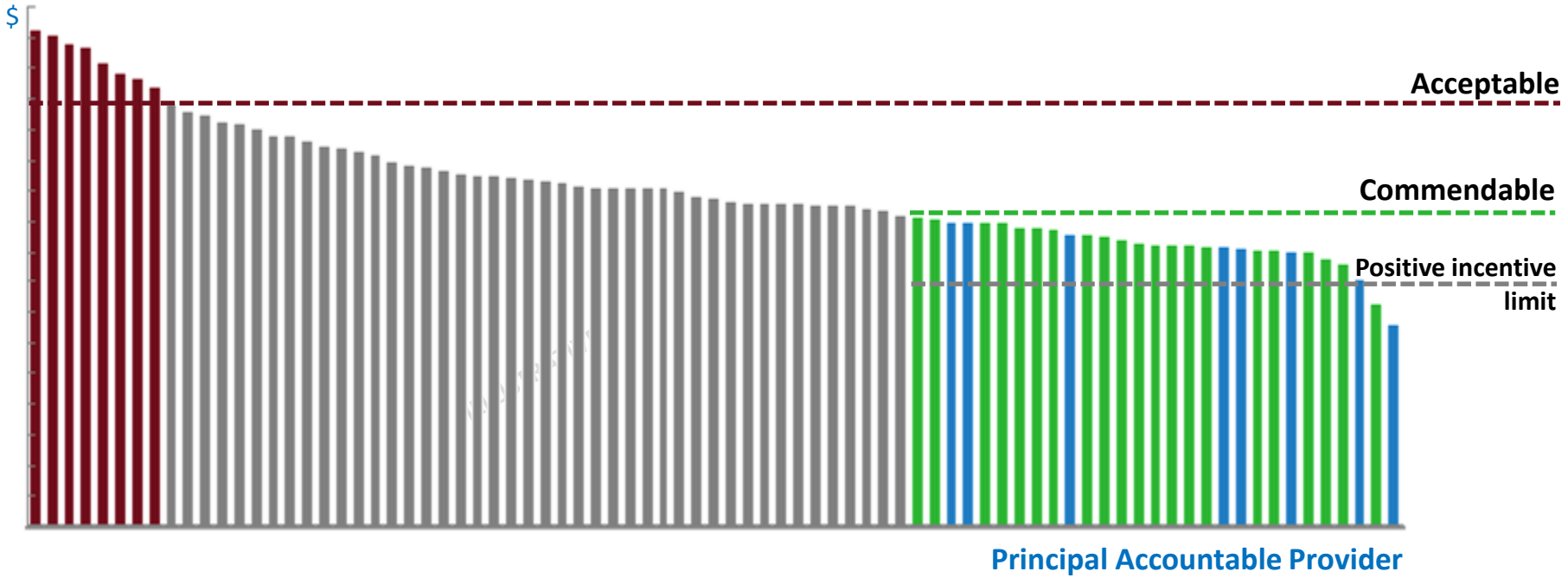
Ohio's Path to Value

Modernize Medicaid	Streamline Health and Human Services	Pay for Value
Initiate in 2011	***Initiate in 2012***	***Initiate in 2013***
Advance Governor Kasich's Medicaid modernization and cost containment priorities	***Share services to increase efficiency, right-size capacity, and streamline governance***	***Engage private sector partners to set clear expectations for better health outcomes***
• Extend Medicaid coverage to more low-income Ohioans • Eliminate fraud and abuse • Prioritize home and community based (HCBS) services • Reform nursing facility payment • Enhance community DD services • Integrate Medicare and Medicaid • Rebuild community behavioral health system capacity • Restructure behavioral health system financing • Improve Medicaid managed care plan performance	• Create the Office of Health Transformation (2011) • Implement a new Medicaid claims payment system (2011) • Create a unified Medicaid budget and accounting system (2013) • Create a cabinet-level Medicaid Department (2013) • Consolidate mental health and addiction services (2013) • Simplify and integrate eligibility determination (2014) • Refocus existing resources to promote economic self-sufficiency	• Pay for value instead of volume (State Innovation Model Grant) • Increase access to patient-centered medical homes (PCMH) • Report performance on high-cost episodes of care • Align population health priorities • Coordinate health information technology infrastructure • Coordinate health sector workforce development

Reward cost-efficient, high-quality episodes of care

Provider cost distribution (average risk-adjusted reimbursement per provider)

- ***Negative incentive***
- ***No change*** — No incentive payment
- ***No Change*** — Eligible for positive incentive payment based on cost, but did not pass quality metrics
- ***Positive incentive***



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NOTE: Each vertical bar represents the average risk-adjusted cost for a provider, sorted from highest to lowest average cost

Reward cost-efficient, high-quality primary care

Patient Experience:
Offer consistent, individualized experiences to each member depending on their needs

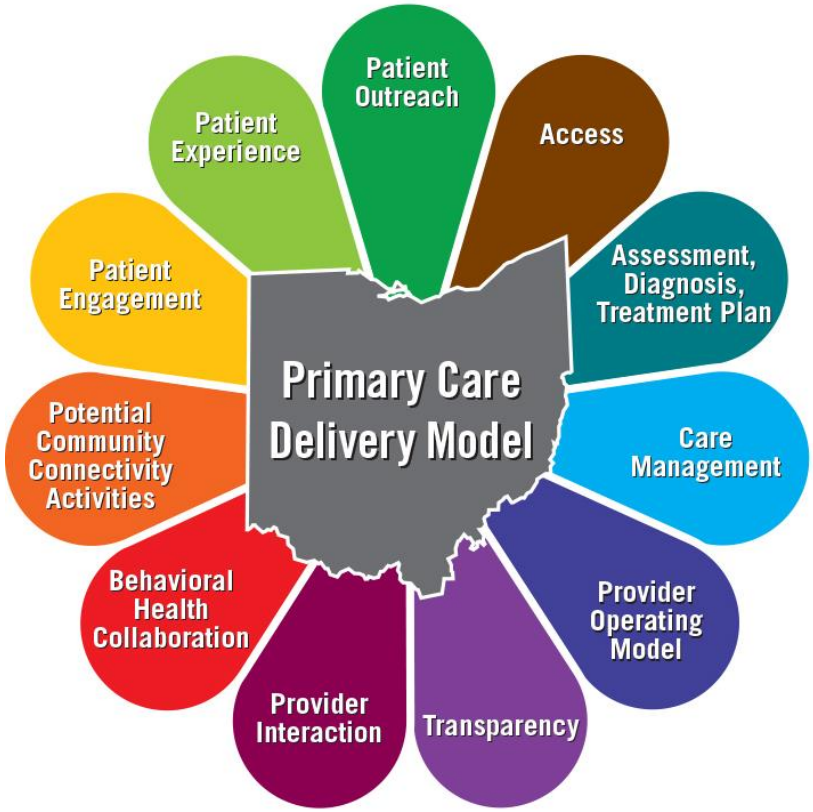
Patient Engagement:
Have a strategy in place that effectively raises patients' health literacy, activation, and ability to self-manage

Potential Community Connectivity Activities:
Actively connect members to a broad set of social services and community-based prevention programs (e.g., nutrition and health coaching, parenting education, transportation)

Behavioral Health Collaboration:
Integrate behavioral health specialists into a patients' full care

Provider Interaction:
Oversee successful transitions in care and select referring specialists based on evidence-based likelihood of best outcomes for patient

Transparency:
Consistently review performance data across a practice, including with patients, to monitor and reinforce improvements in quality and experience



Patient Outreach:
Proactive, targeting patients with focus on all patients including healthy individuals, those with chronic conditions, and those with no existing PCP relationship

Access:
Offer a menu of options to engage with patients (e.g., extended hours to tele-access to home visits)

Assessment, Diagnosis, Care Plan:
Identify and document full set of needs for patients that incorporates community-based partners and reflects socioeconomic and ethnic differences into treatment plans

Care Management:
Patient identifies preferred care manager, who leads relationship with patients and coordinates with other managers and providers of specific patient segments

Provider Operating Model:
Practice has flexibility to adapt resourcing and delivery model (e.g., extenders, practicing at top of license) to meet the needs of specific patient segments

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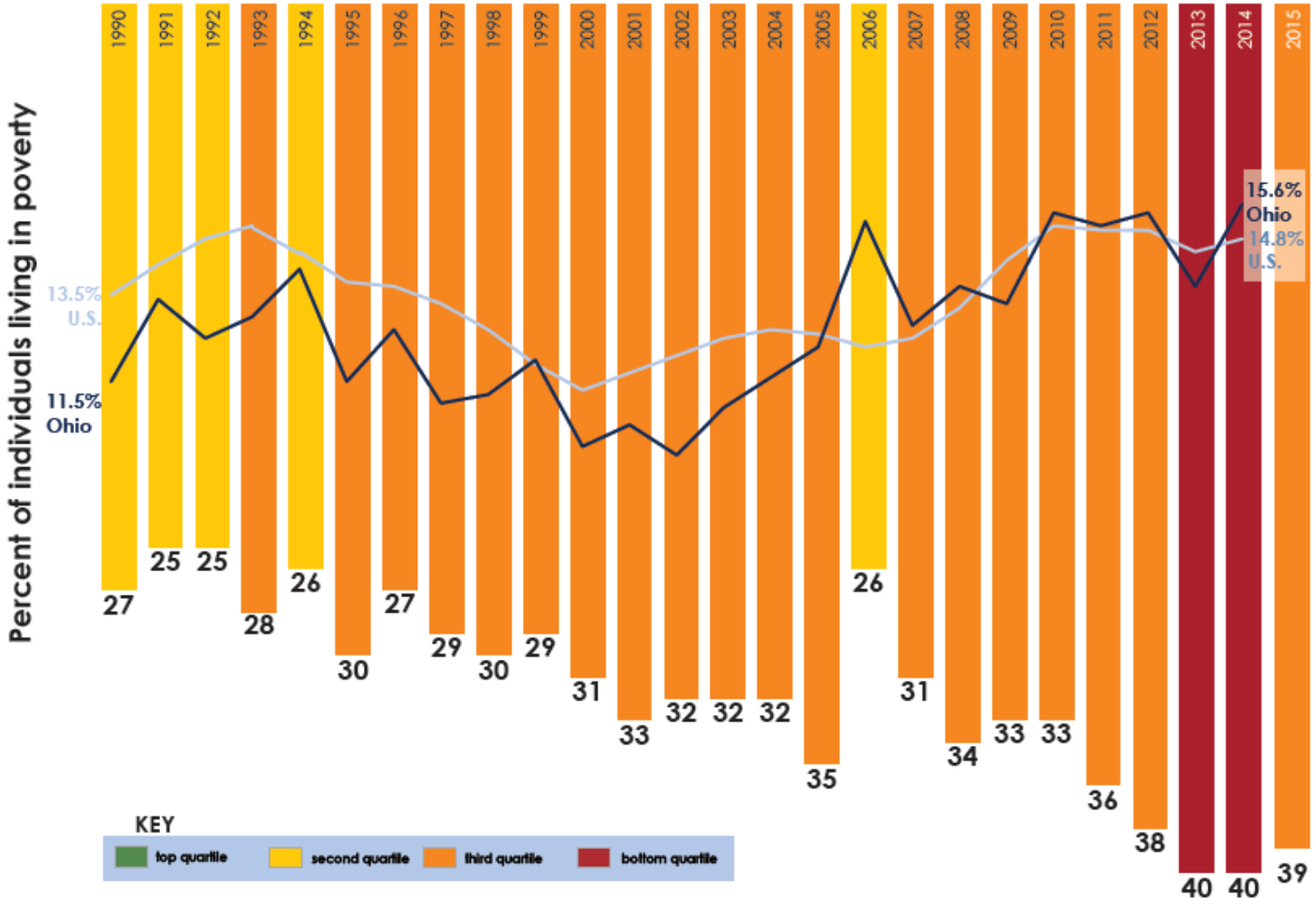
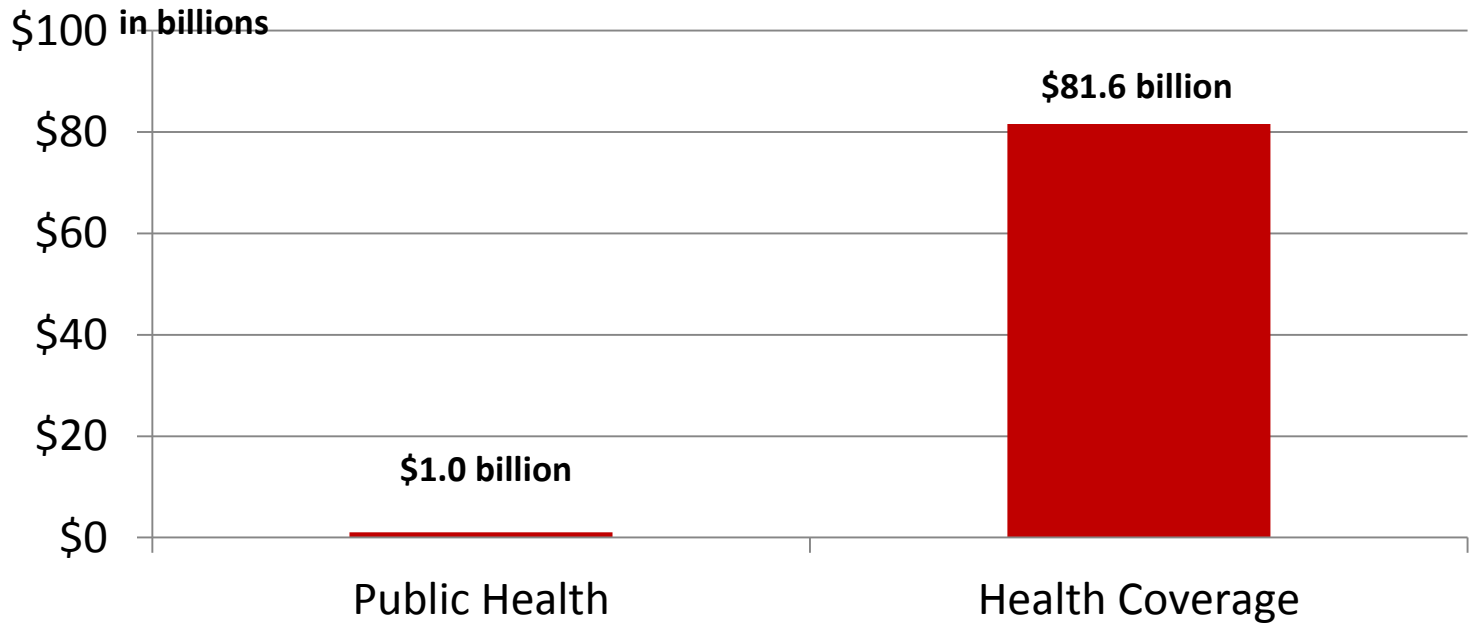
Ohio's performance on population health outcomes has steadily declined relative to other states



Source: Table prepared by the **Health Policy Institute of Ohio** based on United Health Foundation America's Health Rankings and U.S. Census Bureau Current Population Survey data.

Public health strategies alone are not sufficient

	Public Health	Health Coverage
State	State Health Improvement Plan	State Innovation Model Population Health Plan



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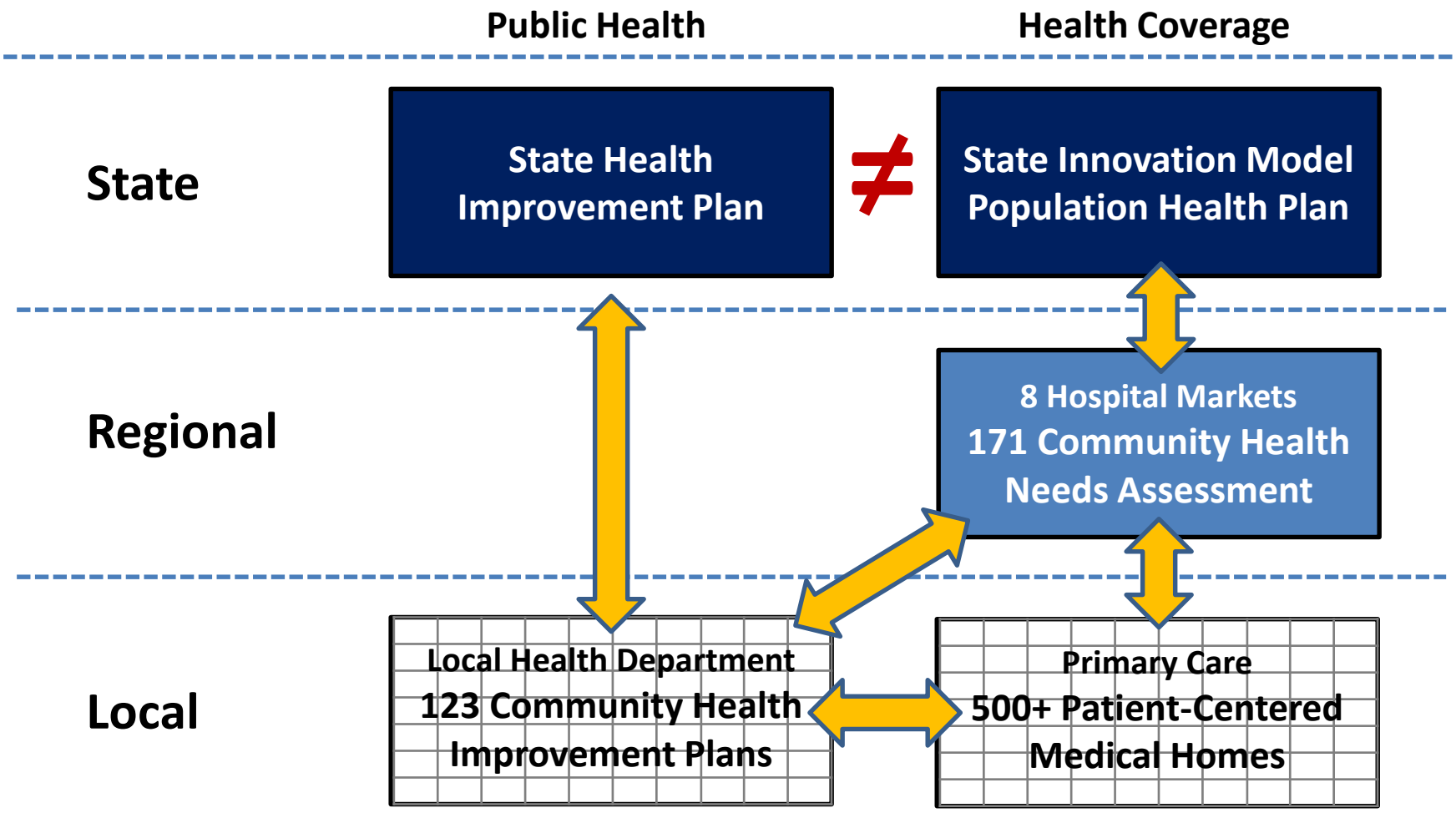
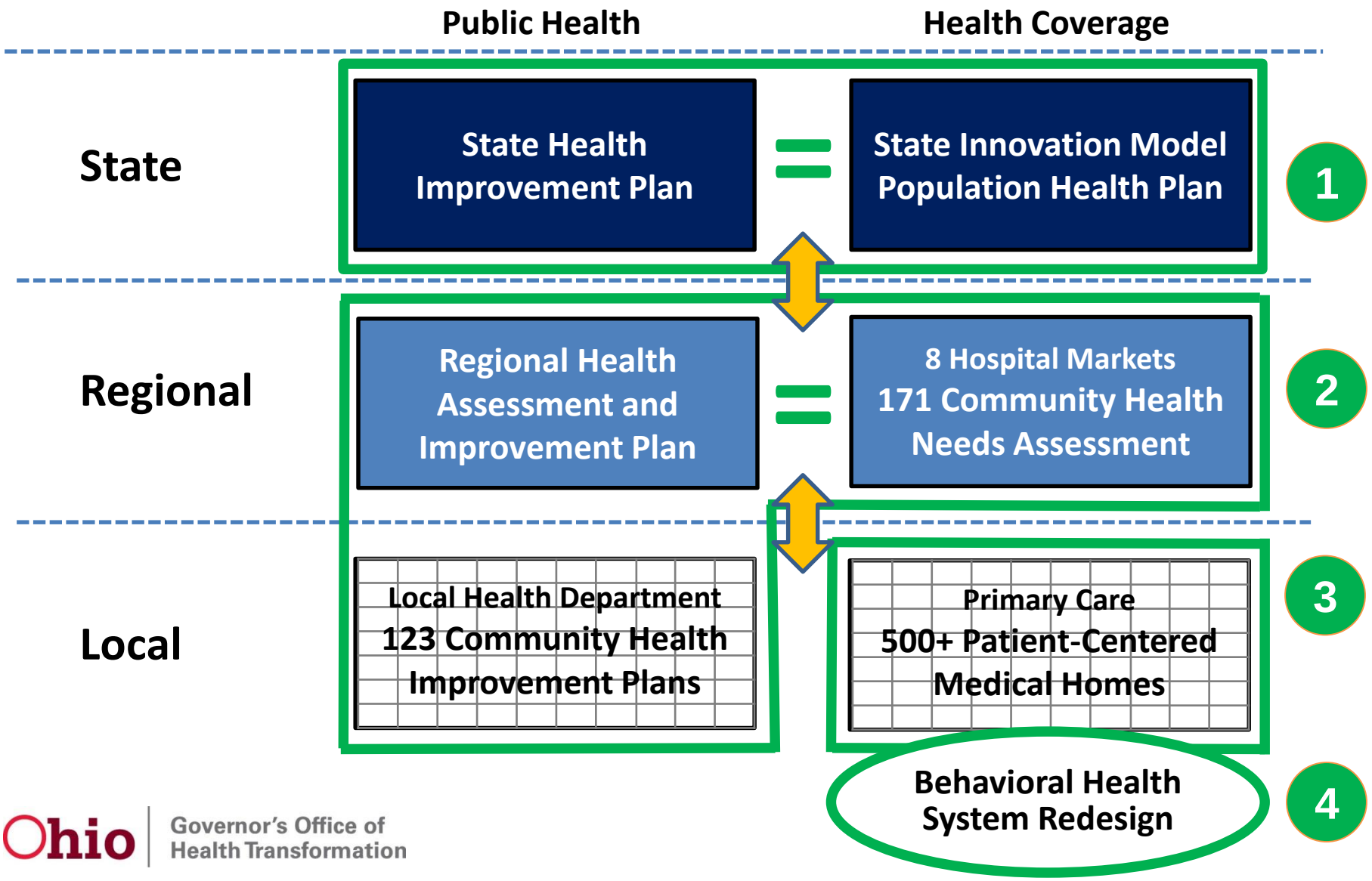
Source: "Public Health" includes $407 million federal, $188 million state, and $440 million local funds, Ohio Department of Health Annual Report (2015); "health coverage" includes total all payers by state of residence, CMS National Health Expenditure Data (2009)

Current population health planning is misaligned …



Aligning Ohio's capacity to improve population health



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