



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Nathan Lavery, Fiscal Analyst
Date: February 26, 2013
Subject: Grant Requests

Enclosed please find three (3) items that the Joint Fiscal Office has received from the administration, including the establishment of two (2) limited service positions.

JFO #2611 – \$915,426 grant from the U.S. Department of Health and Human Service to the Department of Vermont Health Access. These funds will be used to collect and calculate performance measures and implement two performance improvement projects (focused on breast cancer screening & alcohol/drug dependent treatment). **One (1) limited service position** is associated with this request. **Expedited review has been requested. Joint Fiscal Committee members will be contacted by March 8th with a request to waive the balance of the review period and accept this grant.**
[JFO received 02/18/13]

JFO #2612 – \$120,000 grant from the University of Massachusetts to the Vermont Department of Disabilities, Aging and Independent Living (DAIL). These funds will be used to develop and test the DAIL Division of Vocational Rehabilitation's Progressive Employment Program as an evidence-based program for job placements.
[JFO received 02/18/13]

JFO #2613 – Request to establish **one (1) limited service** position in the Vermont Department of State's Attorneys and Sheriffs. This position will act as domestic violence prosecutor in Addison County. Funding for an existing part-time temporary position was approved in JFO #2369. The Department of State's Attorneys and Sheriffs is seeking to convert this position to a full time limited service position due to the availability of increased grant funding.
[JFO received 02/25/13]

Please review the enclosed materials and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; nlavery@leg.state.vt.us) if you have questions or would like an item held for legislative review. Unless we hear from you to the contrary by March 11 we will assume that you agree to consider as final the Governor's acceptance of these requests.



State of Vermont
 Department of Finance & Management
 109 State Street, Pavilion Building
 Montpelier, VT 05620-0401

[phone] 802-828-2376
 [fax] 802-828-2428

Agency of Administration

JFO 2611

**STATE OF VERMONT
 FINANCE & MANAGEMENT GRANT REVIEW FORM**

Grant Summary:		This grant will be used to build internal capacity develop resources for collecting and calculating performance measures.			
Date:		2/7/2013			
Department:		Department of Vermont Health Access			
Legal Title of Grant:		Measuring and Improving the Quality of Care in Medicaid			
Federal Catalog #:		93.609			
Grant/Donor Name and Address:		Department of Health and Human Services, Centers for Medicare and Medicaid Services, Office of Acquisitions and Grants Management, 7500 Security Blvd., Baltimore, MD 21244			
Grant Period:		From:	To:		
		12/21/2012	12/20/2013		
Grant/Donation		\$915,426			
	SFY 1	SFY 2	SFY 3	Total	Comments
Grant Amount:	\$481,539	\$433,887	0	\$915,426	
Position Information:		# Positions	Explanation/Comments		
		1 (LSP)	This position is limited service and will end when the grant expires. The position will manage the grant to meet the CMS timeline.		
Additional Comments:					
Department of Finance & Management		[Signature]		(Initial) [Signature]	
Secretary of Administration		[Signature]		(Initial)	
Sent To Joint Fiscal Office				Date 5/13/13	



VERMONT GRANT ACCEPTANCE REQUEST
Affordable Care Act (Form AA-1-ACA)

Priority Level (check one box):

Expedited 14 Days Normal 30 days

BASIC GRANT INFORMATION

1. Agency:	Agency of Human Services
2. Department:	Department of Vermont Health Access
3. Program:	Improving the Quality of Medicaid for Patients and Providers
4. Legal Title of Grant:	Measuring and Improving the Quality of Care in Medicaid
5. Federal Catalog #:	93.609

6. Grant/Donor Name and Address:
 Department of Health and Human Services, Centers for Medicare & Medicaid Services, Office of Acquisitions and Grants Management, 7500 Security Boulevard, Baltimore, MD 21244

7. Grant Period: From: 12/21/2012 To: 12/20/2013

8. Purpose of Grant:
 Under the terms of the Global Commitment to Health Waiver, DVHA is the country's only statewide 'public' Managed Care Entity. This grant will support the building of internal capacity and develop resources for collecting and calculating both clinical and administrative measures.

9. Impact on existing program if grant is not Accepted:
 Failure to enact the establishment of Adult Medicaid Quality Measures to fulfill federal mandates included in the Affordable Care Act, signed into law in March of 2010.

10. BUDGET INFORMATION

	SFY 1	SFY 2	SFY 3	Comments
	FY 2013	FY 2014	FY N/A	
Expenditures:				
Personal Services	\$458,200	\$412,857	\$	
Operating Expenses	\$23,339	\$21,030	\$	
Grants	\$0	\$0	\$	
Total	\$481,539	\$433,887	\$	
Revenues:				
State Funds:	\$	\$	\$	
Cash	\$	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$481,539	\$433,887	\$	
(Direct Costs)	\$446,584	\$402,391	\$	
(Statewide Indirect)	\$1,697	\$1,529	\$	
(Departmental Indirect)	\$33,258	\$29,967	\$	
Other Funds:	\$	\$	\$	
Grant (source)	\$	\$	\$	
Total	\$481,539	\$433,887	\$	

Appropriation No:	03410010000	Amount:	\$481,539
			\$
			\$
			\$
			\$
			\$

JAN 29 2013

			\$
		Total	\$481,539

PERSONAL SERVICE INFORMATION

11. Will monies from this grant be used to fund one or more Personal Service Contracts? Yes No
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: Mark Larson, Commissioner Agreed by: ML (initial)

12. Limited Service Position Information:	# Positions	Title
	1	Grant Programs Manager
Total Positions	1	

12a. Equipment and space for these positions: Is presently available. Can be obtained with available funds.

13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: <u>[Signature]</u>	Date: 1-21-13
	Title: Mark Larson, Commissioner, Department of Vermont Health Access	
	Signature: <u>[Signature]</u>	Date:
	Title: Doug Racine, Secretary, Agency of Human Services	

14. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/> Approved:	(Secretary or designee signature) <u>[Signature]</u>	Date: 02/09/13
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15. ACTION BY GOVERNOR

<input checked="" type="checkbox"/> Accepted	(Governor's signature) <u>[Signature]</u>	Date: 2/12/13
<input type="checkbox"/> Rejected		

16. DOCUMENTATION REQUIRED

Required GRANT Documentation

<input checked="" type="checkbox"/> Request Memo	<input type="checkbox"/> Notice of Donation (if any)
<input type="checkbox"/> Dept. project approval (if applicable)	<input type="checkbox"/> Grant (Project) Timeline (if applicable)
<input checked="" type="checkbox"/> Notice of Award	<input type="checkbox"/> Request for Extension (if applicable)
<input checked="" type="checkbox"/> Grant Agreement	<input type="checkbox"/> Form AA-1PN attached (if applicable)
<input checked="" type="checkbox"/> Grant Budget	

End Form AA-1

**STATE OF VERMONT
Joint Fiscal Committee Review
Limited Service - Grant Funded
Position Request Form**

This form is to be used by agencies and departments when additional grant funded positions are being requested. Review and approval by the Department of Human Resources must be obtained prior to review by the Department of Finance and Management. The Department of Finance will forward requests to the Joint Fiscal Office for JFC review. A Request for Classification Review Form (RFR) and an updated organizational chart showing to whom the new position(s) would report must be attached to this form. Please attach additional pages as necessary to provide enough detail.

Agency/Department: Department of Vermont Health Access Date: 1/9/13

Name and Phone (of the person completing this request): Meaghan Kelley (802)-871-3302

Request is for:

- Positions funded and attached to a new grant.
- Positions funded and attached to an existing grant approved by JFO # _____

1. Name of Granting Agency, Title of Grant, Grant Funding Detail (attach grant documents):

Department of Health and Human Services, Centers for Medicare & Medicaid Services, Office of Acquisitions and Grants Management; Measuring and Improving the Quality of Care in Medicaid

2. List below titles, number of positions in each title, program area, and limited service end date (information should be based on grant award and should match information provided on the RFR) position(s) will be established only after JFC final approval:

<u>Title* of Position(s) Requested</u>	<u># of Positions</u>	<u>Division/Program</u>	<u>Grant Funding Period/Anticipated End Date</u>
Grant Programs Manager	1	DVHA/QU	12/21/12-12/20/13

*Final determination of title and pay grade to be made by the Department of Human Resources Classification Division upon submission and review of Request for Classification Review.

3. Justification for this request as an essential grant program need:

This grant will support the building of internal capacity and develop resources for collecting and calculating both clinical and administrative measures. Failure to enact the establishment of Adult Medicaid Quality Measures to fulfill federal mandates included in the ACA signed into law in March of 2010.

I certify that this information is correct and that necessary funding, space and equipment for the above position(s) are available (required by 32 VSA Sec. 5(b)).

[Signature] Signature of Agency or Department Head Date 1.15.13

[Signature] Approved/Denied by Department of Human Resources Date 1.24.13

[Signature] Approved/Denied by Finance and Management Date 2/8/13

[Signature] Approved/Denied by Secretary of Administration Date 02/09/13

Comments:

JAN 29 2013

State of Vermont
Department of Vermont Health Access
312 Hurricane Lane, Suite 201
Williston VT 05495-2807
dvha.vermont.gov

Agency of Human Services
[Phone] 802-879-5900
[Fax] 802-879-5651

MEMORANDUM

TO: Emily Byrnes, Budget Analyst, Department of Finance & Management
Molly Ordway-Paulger, Director of Classification, Compensation & HRIS
Department of Personnel

THRU: Doug Racine, Secretary of Human Services

FROM: Mark Larson, DVHA Commissioner

DATE: January 7, 2013

RE: AA-1 request for Grant #1F1CMS331115-01-00, Measuring and Improving the Quality of Care in Medicaid

The Department of Vermont Health Access (DVHA) was recently awarded a Cooperative Agreement for Measuring and Improving the Quality of Care in Medicaid by the Department of Health and Human Services, Centers for Medicare & Medicaid Services, Office of Acquisitions and Grants Management. Through this grant award, CMS has provided \$915,426 in ACA funds to assist in Improving the Quality of Medicaid for Patients and Providers.

In order to accomplish this objective during the grant period, the following tasks must be completed:

- Develop an internal process of using the hybrid method of data collection;
- Establish collaborative partnership with Medicaid provider network;
- Develop staff capacity to utilize the Vermont electronic medical record clinical repository;
- Increase proficiency of multiple State staff in use of the CMS Performance Improvement Protocol;
- Increase proficiency of multiple State staff to incorporate performance measure data into projects; and
- Conduct two performance improvement projects focused on: breast cancer screening, and initiation and engagement of alcohol and other drug dependent treatment.

Associated with those tasks, DVHA must hire the appropriate staff to facilitate and manage this program. The grant application includes funds for a Grant Programs Manager which will be located at DVHA. This work cannot currently be done by staff already employed as the complexities and demands of this grant require dedicated professional full-time focus.

All required and relevant grant documentation has been attached. If you have any questions or are in need of further information, please feel free to contact me. Thank you for your attention in this matter.

JAN 29 2013

Rec'd
1/17/13

State of Vermont
Department of Vermont Health Access
312 Hurricane Lane, Suite 201
Williston VT 05495-2807
dvha.vermont.gov

Agency of Human Services
[Phone] 802-879-5900
[Fax] 802-879-5651

MEMORANDUM

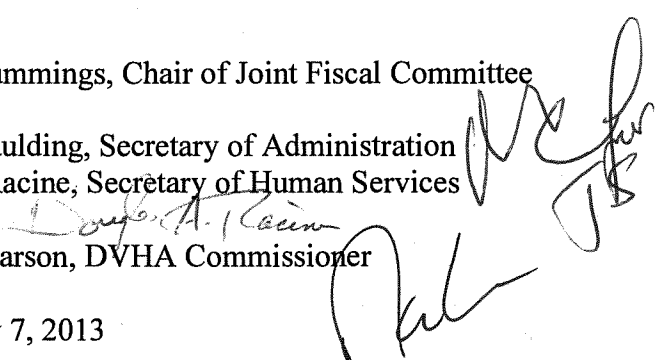
TO: Ann Cummings, Chair of Joint Fiscal Committee

THRU: Jeb Spaulding, Secretary of Administration
Doug Racine, Secretary of Human Services

FROM: Mark Larson, DVHA Commissioner

DATE: January 7, 2013

RE: Request for Expedited Routing of Grant Acceptance Request
Measuring and Improving the Quality of Care in Medicaid



The Department of Vermont Health Access (DVHA) was recently awarded the Measuring and Improving the Quality of Care in Medicaid grant by the Department of Health and Human Services, Centers for Medicare & Medicaid Services, Office of Acquisitions and Grants Management. We are asking for the expedited approval process for this agreement due to the aggressive timelines and required completion date for this project of 12/20/13.

The Affordable Care Act, Title II, Subtitle I, *Improving the Quality of Medicaid for Patients and Providers*, section 2701 made funds available for Adult Health Quality measures. This grant will focus on building internal capacity and developing resources for collecting and calculating performance measures as well as implementing two (2) performance improvement projects. The grant period began December 21, 2012 and involves timelines such as submitting at least fifteen (15) of the initial core measures to CMS by January 17, 2014, implementing two (2) quality improvement projects by April 21, 2013 and providing CMS with a semi-annual report by July 20, 2013. In order for DVHA to meet these timelines will need to hire a full-time grant manager.

All required and relevant grant documentation has been attached. If you require further documentation than what has been provided or if you have any questions, please feel free to contact me. Thank you for your attention in this matter.

Project Abstract Summary

Project Summary

Project Abstract

Under the terms of the Global Commitment to Health Waiver DVHA is designated as the country's only statewide "public" Managed Care Entity. The waiver encompasses all of Vermont's Medicaid programs with the exception of the Long Term Care waiver, the State Children's Health Insurance program, and the Disproportionate Hospital Payments. The Adult Health Quality Measures project will be under DVHA's Division of Health Services and Care Management thereby affording the project the ability to impact a majority of the segments of the Medicaid population. This project will benefit Vermont's adult state-wide Medicaid population.

DVHA is requesting \$1,827,295 to support the building of internal capacity and develop resources for collecting and calculating both clinical and administrative measures. The goals of the project are to develop an internal process of using the hybrid method of data collection; establish collaborative partnership with the Medicaid provider network; develop infrastructure to capture all necessary elements of the adult core performance measures; develop staff capacity to utilize the Vermont electronic medical record clinical repository; increase proficiency of multiple state staff in use of the CMS Performance Improvement Protocol; increase proficiency of multiple state staff to incorporate performance measure data into projects; and conduct two performance improvement projects focused on 1) breast cancer screening and 2) initiation and engagement of alcohol and other drug dependent treatment. As a result, DVHA's ability to thoroughly and effectively monitor the health of its beneficiaries will be strengthened along with its ability to identify areas of need for improvement initiatives, evaluate the impact of improvement efforts, and compare Vermont's Medicaid data with national benchmarks. In addition, this opportunity to develop internal capacity and resources will enhance DVHA's ability to monitor providers' compliance with evidence-based clinical practice guidelines and enable increased proactive monitoring of the Vermont Medicaid provider network.

The collaboration encouraged by this grant will help to strengthen and sustain partnerships that are already viewed as necessary in the State of Vermont.

The resources provided by this grant will strengthen DVHA's ongoing organizational commitment to continuous quality improvement and strengthen its capacity to operate as a highly functioning managed care entity that not only meets the federal Medicaid MCO requirements, but routinely exceeds them.

Estimated number of people to be served as a result of the award of this grant.

165000

**Department of Health and Human Services
Centers for Medicare & Medicaid Services
Office of Acquisitions and Grants Management**
7500 Security Boulevard
Baltimore, MD 21244

NOTICE OF AWARD

AUTHORIZATION (Legislation/Regulations)
Affordable Care Act, Section 2701, Adult Health Quality Measures

1. DATE ISSUED MM/DD/YYYY 12/21/2012	2. CFDA NO. 93.609	3. ASSISTANCE TYPE Project Grant
1a. SUPERSEDES AWARD NOTICE dated except that any additions or restrictions previously imposed remain in effect unless specifically rescinded		
4. GRANT NO. 1F1CMS331115-01-00 Formerly	5. ACTION TYPE New	
6. PROJECT PERIOD From 12/21/2012	Through 12/20/2013	
7. BUDGET PERIOD From 12/21/2012	Through 12/20/2013	

8. TITLE OF PROJECT (OR PROGRAM) Adult Medicaid Quality	
9a. GRANTEE NAME AND ADDRESS Vermont Agency of Human Services 208 Hurricane Ln Williston, VT 05495-2069	9b. GRANTEE PROJECT DIRECTOR Ms. Kate Jones 208 Hurricane Lane Williston, VT 05695-2806 Phone: 8028798256

10a. GRANTEE AUTHORIZING OFFICIAL Mr. Douglas Racine 208 Hurricane Lane Williston, VT 05495-2069 Phone: 802-241-2244	10b. FEDERAL PROJECT OFFICER Mr. Mark Smith 7500 Security Boulevard Baltimore, MD 21244 Phone: 410-786-8015
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ALL AMOUNTS ARE SHOWN IN USD

11. APPROVED BUDGET (Excludes HHS Direct Assistance)	
I HHS Grant Funds Only	
II Total project costs including grant funds and all other financial participation	II
a. Salaries and Wages	0.00
b. Fringe Benefits	0.00
c. Total Personnel Costs	0.00
d. Equipment	0.00
e. Supplies	0.00
f. Travel	0.00
g. Construction	0.00
h. Other	915,426.00
i. Contractual	0.00
j. TOTAL DIRECT COSTS	915,426.00
k. INDIRECT COSTS	0.00
l. TOTAL APPROVED BUDGET	915,426.00
m. Federal Share	915,426.00
n. Non-Federal Share	0.00

12. AWARD COMPUTATION FOR GRANT			
a. Amount of HHS Financial Assistance (from item 11 m)	915,426.00		
b. Less Unobligated Balance From Prior Budget Periods	0.00		
c. Less Cumulative Prior Award(s) This Budget Period	0.00		
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	915,426.00		
13. Total Federal Funds Awarded to Date for Project Period	915,426.00		
14. RECOMMENDED FUTURE SUPPORT (Subject to the availability of funds and satisfactory progress of the project):			
YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS
a. 2		d. 5	
b. 3		e. 6	
c. 4		f. 7	
15. PROGRAM INCOME SUBJECT TO 45 CFR PART 74, SUBPART F, OR 45 CFR 92.25, SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:			
a. DEDUCTION		b	
b. ADDITIONAL COSTS			
c. MATCHING			
d. OTHER RESEARCH (Add / Deduct Option)			
e. OTHER (See REMARKS)			
16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, HHS ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:			
a. The grant program legislation cited above. b. The grant program regulations cited above. c. This award notice including terms and conditions, if any, noted below under REMARKS. d. HHS Grants Policy Statement including addenda in effect as of the beginning date of the budget period. e. 45 CFR Part 74 or 45 CFR Part 92 as applicable.			
In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.			

REMARKS (Other Terms and Conditions Attached - Yes No)
Please Refer to the Terms and Conditions Attached

GRANTS MANAGEMENT OFFICER: Michelle Feagins, Grants Management Officer

17. OBJ CLASS 41405	18a. VENDOR CODE 1036000264D4	18b. EIN 036000264	19. DUNS 809376155	20. CONG. DIST. 00
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	AMT ACTION FIN ASST	APPROPRIATION
21. a. 3-5991064	b. AMQG131115	c. AMQG	d. \$915,426.00	e. 7530509
22. a.	b.	c.	d.	e.
23. a.	b.	c.	d.	e.

Project Narrative

Organization and Administration

Structural Administration

Vermont has a single agency responsible for health and human services, the Vermont Agency of Human Services (AHS). The departments within AHS include: the Department for Children and Families, Department of Health, Department of Corrections, Department of Disabilities, Aging and Independent Living, Department of Mental Health and the Department of Vermont Health Access. Departmental activities are coordinated under this “superagency” to most effectively improve the health and social well-being of Vermonters. The Department of Vermont Health Access (DVHA) is Vermont’s Medicaid Agency and has intergovernmental agreements (IGA) with the other AHS departments in order to operate as Vermont’s public managed care entity (MCE). DVHA has primary responsibility for the implementation, oversight and evaluation of the adult measures project.

The DVHA is responsible for the management of Medicaid, the State Children's Health Insurance Program (SCHIP), and other publicly funded health insurance programs in Vermont. In 2009, DVHA became the home of state oversight and coordination of Vermont's Health Care Reform initiatives, which are designed to increase access, improve quality, and contain the cost of health care for all Vermonters. The Blueprint for Health joined DVHA in 2010, bringing a vision and plan for a statewide partnership to improve the health care system for all Vermonters. DVHA also is responsible for Vermont’s health information technology strategic planning, coordination, and oversight.

DVHA leadership is comprised of the Commissioner, four Deputy Commissioner, the Blueprint Director, and a Medicaid Medical Director, who is a University of Vermont faculty

member under contract with DVHA. The DVHA Commissioner is responsible for all of DVHA's operations and also provides leadership for state and federal health care reform implementation. DVHA's organizational structure includes five divisions:

- Blueprint for Health
- Health Reform
- Health Services and Care Management
- Policy, Fiscal and Support Services
- Health Benefits Exchange

Since December, 2009, the organizational alignment of DVHA's health care programs and administrative functions with state administration oversight and implementation of Vermont's comprehensive health care reform provided new opportunities for program integration among all AHS departments, as well as with activities, agencies, and departments outside AHS. This alignment is critical to ensuring collaboration among all necessary state partners for successfully implementing the Adult Quality Measures project, particularly with respect to integration with Vermont's health care system and ongoing reform efforts. Project oversight will be provided by the Director of Quality Improvement & Clinical Integrity, Division of Health Services and Care Management (See Appendix B, Organizational Chart for Health Services & Care Management Division).

Organization of the Project

The DVHA Director of Quality Improvement & Clinical Integrity, along with the Project Manager, will ensure full implementation, integration, and evaluation of the project. The Project Manager will have overall management responsibility and will coordinate the implementation team's work with the existing DVHA Quality Committee. The DVHA Quality Committee

reports to the Managed Care Entity (MCE) Quality Assurance and the Performance Improvement (QAPI) Committee to ensure coordination of quality initiatives throughout the AHS departments that form the MCE. The QAPI Committee includes representatives from each of the MCE's Inter-governmental Agreement (IGA) Partners and is chaired by the DVHA Director of Quality Improvement and Clinical Integrity. To ensure stakeholder input throughout the project period, the Project Manager and project staff will meet at least biannually with the Medicaid & Exchange Advisory Board. To assure coordination, integration, and support, the project staff will work with various units of the DVHA Health Services and Care Management Division, other DVHA Divisions, all AHS Departments, and particularly with the Vermont Department of Health on the major tasks outlined in this application. General roles are described in the table below:

Entity	Adult Measures Project Roles and Responsibilities
DVHA Health Services and Care Management Division	<p>Overall project management</p> <p>Works with the Managed Care Medical Committee to identify areas for improvement and recommend performance improvement projects to the DVHA Quality Committee</p> <p>Implements quality improvement projects, collects, analyzes and reports on performance measures</p> <p>The DVHA Quality Committee approves all quality improvement projects, monitors the quality improvement work plan, and updates the MCE QAPI Committee on the status of the grant activities.</p>
DVHA Blueprint for Health Division	Integrates project activities into the community health teams that support patient centered medical homes.
DVHA Health Care Reform Division	Integrates project into ongoing health reform and health information technology efforts.
DVHA Policy, Fiscal and Support Division	Expands the current infrastructure and develops staff capacity to produce valid and reliable data on the Adult Core Measures.
Vermont Department of Health	Collaborates on data collection efforts to obtain the necessary data and align current performance improvement efforts.

Vermont's Capabilities to Conduct the Project

The State of Vermont has extensive capabilities to fulfill or exceed the requirements of this funding opportunity based on its experience with:

- Reporting HEDIS Measures.
- Incorporating prevention and health promotion into more coordinated and evidence-based delivery systems, as demonstrated through the Vermont Medicaid Chronic Care Initiative and through the Blueprint for Health medical home model.
- Obtaining support to implement projects of similar nature and scope from a broad spectrum of stakeholders, including: the Governor's Office, legislature, state agencies, and community-based organizations.
- Developing a system for quality oversight as a Managed Care Entity.
- Operating as a Managed Care Entity and complying with the CFR Managed Care Regulations.

Vermont has a long history of commitment to developing health care initiatives aimed at expanding health care coverage and improving the quality of health care services, all while also seeking to control the growth of health care costs. This culture of ongoing reform and desire for excellence in the system of care has translated into nine reform bills and over 60 state and regional initiatives, all of which contribute to Vermont being named the healthiest state in the nation for four consecutive years.

The Department of Vermont Health Access (DVHA), as a public Managed Care Entity (MCE), is required each year to calculate and report standard performance measures to the Vermont Agency of Human Services (AHS) operating as the Single State Agency. DVHA also is required to maintain an ongoing program of performance improvement projects that focus on clinical and non-clinical areas. AHS contracts with an external quality review organization in order to obtain

independent monitoring of the performance measures, the performance improvement projects, and DVHA's overall compliance with the requirements of 42 CFR 438.240(b)(1). DVHA also obtains technical assistance from the external quality review organization. The external quality review organization validates DVHA's performance measures following the CMS performance measure validation protocol and validates the performance improvement project(s) using the CMS performance improvement project protocol.

DVHA has consistently met the validation requirements for both the performance measures and performance improvement projects. For the calendar year 2011 review, DVHA received a "fully compliant" validation result for all nine (9) required HEDIS performance measures.

DVHA also obtained a score of 100 percent for all applicable evaluation elements in the 2010 – 2011 validation of the performance improvement project.

DVHA's experience with calculating and reporting on the nine HEDIS measures and implementing formal performance improvement projects positions the State to maximize use of this new grant funding to effectively expand its capabilities to meet the three aims of the project.

State Activity

CHIPRA

Vermont and its partner, the state of Maine, are among ten state teams (18 total states) awarded the CHIPRA Quality Demonstration grants to enhance the quality of care delivered to children in their states and to inform best practices for the nation. Maine and Vermont share \$11.3 million in funding over five year's time. This demonstration capitalizes on Maine and Vermont's leading roles in health reform in the nation, and is building on both states' expertise in Medicaid quality measurement. The State of Vermont Department of Vermont Health Access (DVHA) and the University of Vermont College of Medicine's Vermont Child Health Improvement Program (VCHIP) are building on the existing health quality infrastructure to

improve measurement of child health outcomes, expand health information technology (HIT) to improve the flow of child health data, support innovative care delivery and payment models, and promote collaborative learning environments that can serve as a national model for improving children's healthcare quality. Vermont is learning from Maine's experience testing and reporting on the initial core child healthcare quality measures set in order to identify the resources it will need to eventually collect the measures.

This current grant opportunity will provide DVHA with the necessary resources to implement lessons learned through the CHIPRA grant partnership and to develop the infrastructure and staff capacity needed to collect, report, and use the Adult Quality Measures to drive quality improvement. As DVHA is not testing and reporting on the initial core child healthcare quality measures set, this grant will not duplicate the activities of the CHIPRA grant, but rather complement Vermont's learning collaboration with Maine.

Payment Reform

Vermont Medicaid is in the midst of comprehensive systems and payment reforms, including incorporation of more prospective and value-based payment systems. Improvements in quality measurement, reporting, and use are central to these efforts. Quality measurement is important to support payment reforms because:

- Vermont Medicaid will be linking an increasing proportion of payments to providers to their performance across a wide array of quality metrics;
- It is important to have quality measures in place that will guard against potential unintended negative consequences of newly introduced payment system changes that could create shifts in financial incentives;

- Quality related data and analytics can help inform payment system design, for example, by helping identify areas where positive financial incentives and/or enhanced payments may be warranted.

Health Information Technology

Vermont will test and evaluate methods for collecting and reporting the Initial Core Set Measures in alignment with existing methods and infrastructures related to its Medicaid Management Information System (MMIS). In addition, it will align efforts with those made possible through the Health Information Technology for Economic and Clinical Health (HITECH) Act. To this end, the Vermont Electronic Health Record Incentive Program (EHRIP) makes financial payments to Vermont Medicaid providers who attest and provide evidence that they are adopting, implementing, upgrading, or meaningfully using Electronic Health Record (EHR) systems capable of providing data related to the Initial Core Set of Quality Measures for Medicaid-Eligible Adults. DVHA's Division for Health Care Reform is currently planning and managing a series of major Health Services Enterprise Projects to build a new electronic state health care information infrastructure that will bring online new clinical data sources for the Core Quality Measures; EHR interfaces, the Vermont Health Information Exchange (HIE), and the Vermont clinical data repository will all be part of this effort.

DVHA's Relationship with the Grant Partners

On December 13, 2005, the Vermont Legislature approved the State's implementation of the Global Commitment to Health Demonstration Program. The Global Commitment to Health is a Demonstration Initiative operated under the Section 1115(a) waiver and now encompasses all of Vermont's Medicaid programs, with the exception of the Long Term Care Waiver, the State Children's Health Insurance program and the Disproportionate Hospital Payments. The federally approved waiver and corresponding changes in Vermont State statute changed the

administrative structures of State government to designate the Department of Vermont Health Access (DVHA) as the country's only statewide "public" Managed Care Entity (MCE) operating within the MCO model. The Agency of Human Services (AHS) pays the MCE a lump sum premium payment for the provision of all Medicaid services in the state (apart from the exceptions mentioned above). DVHA's Intergovernmental Agreements (IGAs) with other AHS departments guide the provision of programs and services to the Medicaid population. As a public MCE, DVHA also is a branch of AHS, not an independent entity. DVHA's Commissioner reports directly to the AHS Secretary. (See Appendix A, MCE Organizational Chart).

DVHA's IGA Partners include the Vermont Department of Health, the Vermont Department of Mental Health, the Vermont Department of Disability, Aging and Independent Living, the Vermont Department for Children and Families, and the Vermont Department of Education. DVHA collaborates with its IGA Partners to maintain an ongoing quality assurance/performance improvement program that includes, but is not limited to, conducting performance improvement projects, calculating and reporting performance measures, and assessing the quality and appropriateness of care. The MCE activities are developed, integrated, and monitored by the MCE Quality Assessment and Performance Improvement (QAPI) Committee, which includes DVHA and IGA Partner representatives.

The Medicaid and Exchange Advisory Board advises and informs DVHA on policy development and program administration for the State's Medicaid funded programs and the Health Benefits Exchange. The Board allows for ongoing stakeholder consultation.

Staffing Plan

Primary staffing for this grant will involve five (5) DVHA staff members; their names, titles, organizational unit, percentage of time dedicated to the grant, and grant responsibilities follow:

- 1) Cynthia Thomas, Director of Quality Improvement & Clinical Integrity, 10%.

Ms. Thomas will have overall management responsibility of the grant and will oversee its activities and direction. She will approve personnel hires and contracts, ensure compliance with federal reporting requirements, and advise the grant Project Manager and Implementation Team.

- 2) TBD, Project Manager, Quality Improvement & Clinical Integrity Unit, 100%.

The Project Manager will be responsible for coordinating the daily grant activities, including oversight of the quality improvement projects, assuring progress within timeframes for expanding internal data collection capability, and obtaining appropriate training to build DVHA staff expertise to analyze and appropriately use performance measures. The Project Manager also will be responsible for compliance with CMS' terms and conditions of the grant, including submission of required interim progress reports, the annual progress report with performance measurement data on at least 15 of the Initial Core Measures, and a final report to the CMS Project Officer.

- 3) Patty Breneman, Data Analyst, Data Management and Integrity Unit, 50%.

Data Analyst duties include collaborating with the Quality Unit to develop accurate, responsive, and sufficiently detailed analyses and reports that measure and monitor Medicaid enrollment, utilization, expenditures and program performance. These duties will focus on integrating the Adult Core Measures with current reporting systems. Ms. Breneman will be one of two interim Project Managers until the full time project manager position is filled.

4) Kathy Browne, Quality Unit Grant Manager, 50%.

Responsibilities include oversight of infrastructure development needed to analyze and use the measures to monitor and improve access to, and quality of, care in Medicaid. Ms. Browne will be one of two interim Project Managers until the full time project manager position is filled.

5) Betsey Lord, Behavioral Health Concurrent Review Care Manager, Quality Improvement & Clinical Integrity Unit, 25%

Ms. Lord will be responsible for coordinating quality improvement project activities, including establishing baseline data, facilitating involvement of IGA partners, and establishing and monitoring timelines. Ms. Lord also will obtain input from the DVHA Quality Committee and Medicaid and Exchange Advisory Board and will provide them with status updates and reports.

Operational Plan

Current Quality Measurement Process

As the State Managed Care Entity (MCE) for the Vermont Medicaid population, DVHA is required to report standard performance measures to the Vermont Agency of Human Services (AHS). These measures are calculated and reported annually to AHS by DVHA's Data Management and Integrity unit. AHS requires performance measures in the following areas:

- **Children's Health** - Well-Child Visits and Adolescent Well-Care Visits and Lead Screenings
- **Oral Health** - Annual Dental Visits
- **Behavioral Health** - Antidepressant Medication Management
- **Chronic Conditions** - Asthma and Diabetes

- Prenatal & Postpartum Care
- Access - Adults' Access to Preventive/Ambulatory Health Services & Children and Adolescents' Access to Primary Care Practitioners
- Consumer Experience of Care - Consumer Assessment of Health Plan Providers and Systems (CAHPS)

For the past three years, DVHA has contracted with Verisk Health to calculate HEDIS administrative rates. Beginning with HEDIS 2013, DVHA will perform the HEDIS hybrid methodology chart review process for select measures, using the systematic sampling module and medical record chase module. DVHA currently does not have internal staff capacity to perform chart reviews and therefore is contracting with an external agency to perform this task on a one-time basis.

Anticipated Impact of Project

The resources provided by this grant will strengthen DVHA's ongoing organizational commitment to continuous quality improvement and strengthen its capacity to operate as a highly functioning managed care entity (MCE) that not only meets the federal Medicaid MCO requirements, but also routinely exceeds them.

DVHA's current resources have allowed for running only administrative HEDIS measures, which has limited both its knowledge of beneficiary health issues as well as limiting the scope of its ability to monitor the provider network. Collecting and calculating the CMS Adult Core Measures will require DVHA to build internal capacity and develop resources for collecting and calculating both clinical and administrative measures. As a result, DVHA's ability to thoroughly and effectively monitor the health of its beneficiaries will be strengthened along with its ability to identify areas in need of improvement initiatives, evaluate the impact of improvement efforts,

and compare Vermont's Medicaid data with national benchmarks. In addition, this opportunity to develop internal capacity and resources for monitoring both clinical and administrative data will enhance DVHA's ability to monitor providers' compliance with evidence-based clinical practice guidelines and enable increased proactive monitoring of the Vermont Medicaid provider network. This grant will allow DVHA to provide training, support, and technical assistance to state staff regarding the design and implementation of performance improvement projects to improve the quality of care for Medicaid beneficiaries. These enhanced skills will easily transfer to other improvement activities throughout DVHA and AHS and therefore will have positive impacts that far exceed the specific tasks and activities of the grant.

Implementing two performance improvement projects that reach across DVHA and include its partner departments within AHS, as well as community providers, will strengthen existing and planned initiatives. The collaboration encouraged by this grant will help to strengthen and sustain partnerships that are already viewed as valuable and necessary in the State of Vermont.

The two proposed performance improvement projects, *Increasing Breast Cancer Screenings* and *Initiation and Engagement of Alcohol and Other Drug Dependence Treatment*, have been identified as critical issues by the state. The most commonly diagnosed cancer in women is breast cancer. Mammography, combined with a clinical breast exam, is the most effective means of early detection. By using the resources of the grant to implement a project to increase screenings, Vermont will increase early detection and treatment among women covered by Medicaid. The performance improvement project focused on *Initiation and Engagement of Alcohol and other Drug Dependence Treatment* will complement the current efforts of the Vermont Department of Health to decrease substance abuse in Vermont.

Implementation Plan