Delivery System Reform Incentive Payment Pool (DSRIP)
March 14, 2013
Overview- What is DSRIP?

• The Kansas DSRIP pool was created through the approval of the Section 1115 Demonstration Waiver for the KanCare program.

• The pool allows certain hospitals to receive special payments from Kansas Medicaid for participating in reform projects which benefit the health care delivery system widely.

• The payments are tied to meeting specific project milestones over the five-year demonstration period.
Overview - What is DSRIP?

• Two hospitals are currently eligible to participate in the DSRIP project:
  • The University of Kansas Hospital
  • Children’s Mercy Hospital

• These hospitals are eligible due to their status as a Large Public Teaching or Border City Children’s Hospital.

• Payments to the hospitals will be funded by state funds, intergovernmental transfers, and federal funds.
DSRIP Goals

• The Special Terms and Conditions (STCs) of the 1115 Demonstration Waiver outline the three-part aim of the DSRIP Pool
  • Better care for individuals;
  • Better health for the population; and
  • Lower cost through improvement

• DSRIP is intended to support participating hospitals’ efforts to enhance access and quality care
DSRIP Participants

• Only two participants are currently eligible to participate in the DSRIP program

• The University of Kansas Hospital and Children’s Mercy Hospital previously received supplemental payments as a part of their overall Medicaid reimbursement structure

• With the move to a managed care model, the State’s 1115 waiver did not allow supplemental payments to continue to the hospitals
The DSRIP program will allow the hospitals to continue to receive additional funding, but the funds will now be tied to certain project milestones.

KU and Children’s Mercy will need to select projects that have the potential to impact population health on a statewide basis.
DSRIP Requirements

The State Medicaid Program must do the following:

• Identify project focus areas for the DSRIP Pool
  • Focus areas must be approved by the federal Centers for Medicare and Medicaid Services (CMS)

• The State must seek public input from a variety of stakeholders on the focus areas prior to submission to CMS.
DSRIP Requirements

Continued…

The State Medicaid Program must do the following:

• Develop DSRIP Planning Protocol and Funding Mechanics Protocol which will serve as guiding documents for the DSRIP program

• Develop performance indicators to serve as reporting measures for each participating hospital
DSRIP Requirements

Each hospital must do the following:

• Implement new, or significantly enhance existing, health care initiatives. Activities must be responsive to the needs of the populations and communities served by the hospital.

• Select at least two projects from the list of focus areas produced by the State

• Develop a hospital DSRIP plan for approval by CMS that is consistent with the hospital’s goals and DSRIP protocols
Each hospital must do the following:

- Report on categorical project milestones each year

- Milestones include measures related to:
  - Infrastructure-Year one
  - Process-Year two
  - Quality and outcomes-Year three
  - Population focused improvements-Year four.

- Population-focused milestones will be set by the State and common across both hospitals.
Focus Areas

• The first step in developing the DSRIP program was to decide the focus areas for DSRIP projects

• To create DSRIP focus areas, the DSRIP project team (which includes state and hospital staff) wanted to utilize the efforts of the Healthy Kansans 2020 Steering Committee

• Each of the proposed focus areas is a translation of the HK2020 priority strategies

• Although not every priority strategy is reflected as a focus area, we tried to include as many of these priority strategies as possible and practical
Focus Areas

Proposed Focus Areas:

• Increase access to services, including primary care and preventive services

• Increase the effective and efficient use of population health management through health information technology (HIT)

• Increase integration of the health care delivery system, including medical, behavioral health, and social services.

• Promote physical activity through encouraging and marketing the benefits of physical activity and expanding access and opportunities for physical activity
Proposed Focus Areas:

• Improve health literacy, including nutrition education and tobacco use prevention and control

• Expand health and wellness programs and develop incentives for participation in these programs

• Expand chronic and complex care management models

• Promote healthy communities, including access to healthy food and lifestyle choices
Project Timeline

January-March 2013
- State gathers input on DSRIP focus areas

March 31, 2013
- List of proposed focus areas due to CMS from the State

April-May 2013
- State develops and seeks public input on DSRIP protocols

May 31, 2013
- Protocol drafts are due to CMS
Project Timeline

July 31, 2013
• Final approval of protocols by CMS

September 30, 2013
• Hospital plans due to CMS

December 31, 2013
• Final approval of plans by CMS

2014-2017
• Hospitals implement DSRIP projects
Questions?