

# Local Health Department Experiences with the State Innovation Model Initiative: Idaho

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## Introduction

Through the State Innovation Models (SIM) Initiative, the Centers for Medicare and Medicaid Services (CMS) has provided up to \$300 million since early 2013 to support the design, development, and testing of state-based models for multi-payer payment and healthcare delivery system transformation to improve health system performance for residents of participating states. The CMS has funded 25 states to develop or implement State Health Care Innovation Plans for improving health and reducing healthcare costs:

- Six states were designated **Model Testing Award** states and received \$250 million to implement their already developed State Health Care Innovation Plans.
- Three states were designated **Model Pre-Testing** states and received funding to continue to develop comprehensive State Health Care Innovation Plans within six months of receiving funding.
- Sixteen states, including Idaho, were designated **Model Design** states and received funding to develop a new State Health Care Innovation Plan.<sup>1</sup>

The National Association of County and City Health Officials (NACCHO), with funding from the Centers for Disease Control and Prevention, is producing a series of reports to educate local health departments (LHDs) about SIM-related activities in their states. As states reframe and redesign their financing and delivery structures, LHDs must ensure that their local perspective is represented.

This document highlights the experiences of one LHD in Idaho, Public Health District 2, as it participated in State Health Care Innovation Plan activities during the past year.

## Implementation

Idaho, which chose not to expand Medicaid eligibility under the Affordable Care Act, has established a state-based health insurance exchange. Idaho will expand the Medicaid Managed Care Model and the Patient Centered Medical Home from a



focus on the Medicaid population to the whole population. Idaho's plan would put everyone under a managed care model, which would save money and increase access to care.

The team working on Idaho's plan included representatives from major hospitals, insurance companies, the governor's office, and physician groups and three representatives from state and local health departments. The LHD representatives wanted to articulate the value of local public health and to ensure that the plan incorporated the LHDs' critical roles in areas such as home visiting, care management, and core public health services.

## Challenges

The goal of coordinated care is to ensure that patients, especially the chronically ill, get the right care at the right time, while avoiding unnecessary duplication of services and preventing medical errors. Idaho calls this collaborative approach the "Medical Neighborhood" and envisions that eventually a central managed-care entity would be supported by seven to eight regional hubs across the state, although the leader of each regional hub has not yet been determined. LHDs, which were not included in the hub structure, must continue to work to elevate the value of public health in supporting these regional hubs.

Another challenge Idaho faced was concerns about competition among partners that feared losing potential revenue to other parts of the healthcare system if the plan moved forward as written.

<sup>1</sup> Centers for Medicare and Medicaid Services. *State Innovation Models Initiative Fact Sheet*. Retrieved April 2, 2014, from <http://go.cms.gov/1jBoKbX>.

## Opportunities

LHDs in Idaho provide essential clinical services, but with all of the new service providers, debate exists as to whether those clinical services should be provided elsewhere. LHDs can use the current environment of dwindling funding and changing workforce as an opportunity to define their role, communicate the importance of that role, and be reimbursed for that role.

## Recommendations

### Participate in the Planning Process

LHDs should participate in the state planning process and learn more about potential plans however and whenever possible; knowing what the intentions are can help LHDs figure out how to modify services to maintain relevance.

### Determine the LHD's Value to the Process and Implementation

All LHDs will have a different value in their community as SIM plans and activities roll out. As providers jostle for position, LHDs should strategize about what value they bring and position themselves for all potential outcomes.

## ADDITIONAL RESOURCES

### NACCHO'S HEALTH REFORM PROJECT WEBPAGE

[www.naccho.org/topics/healthreform/](http://www.naccho.org/topics/healthreform/)

### SIM INITIATIVE WEBPAGE

<http://innovation.cms.gov/initiatives/state-innovations/>

### GLOSSARY OF AFFORDABLE CARE ACT TERMS

<https://www.healthcare.gov/glossary/>

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The mission of the National Association of County and City Health Officials (NACCHO) is to be a leader, partner, catalyst, and voice for local health departments.

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