



**Testimony of  
Ami Cole, Plan President  
Molina Healthcare of Ohio  
Before the  
Joint Medicaid Oversight Committee  
November 17, 2016**

Chair Burke, Ranking Member Antonio and members of the Committee, my name is Ami Cole and I am the Plan President for Molina Healthcare of Ohio.

In Ohio, Molina provides care coordination services to approximately 300,000 Medicaid, Medicare and Health Insurance Marketplace consumers. Molina Healthcare of Ohio is an NCQA accredited health plan and is a proud employer of over 1,000 team members who work every day to meet the needs of members through innovative partnerships with providers, high touch care coordination for our members and supporting our local community and faith based organizations.

### **The Molina Story**

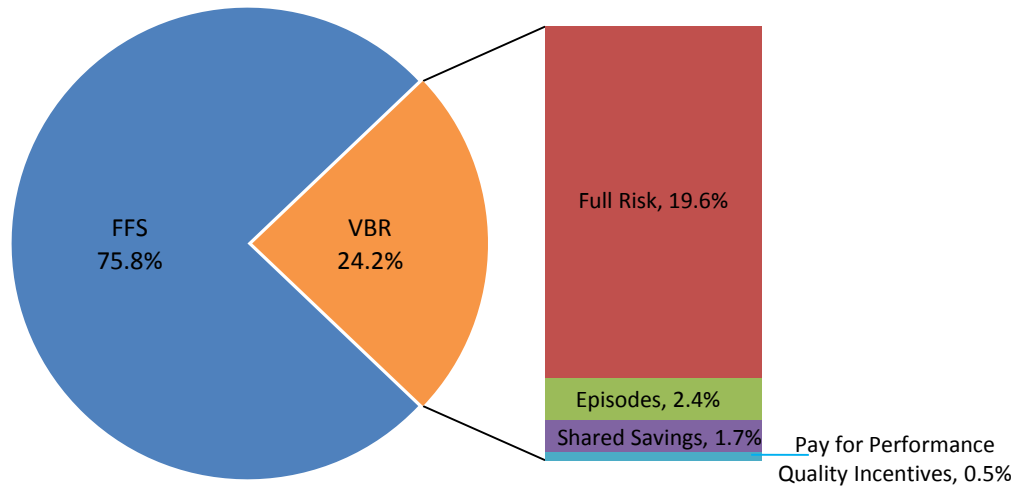
At Molina Healthcare, our focus has been on helping mothers, children, families, seniors and individuals with disabilities gain access to quality care for over three decades. We help members navigate the health care system and build community partnerships to develop solutions to the challenges they face. Molina Healthcare's history and member-focused approach began with the vision of Dr. C. David Molina, an emergency department physician who saw people in need, and opened a community clinic where caring for people was more important than their ability to pay. He believed every patient should be treated like family and founded Molina Healthcare on the principle that every person deserves access to quality doctors, nurses, and hospitals. Molina Healthcare nationally provides care coordination in thirteen different states to approximately 4 million individuals.

### **Growth of value-based contracts**

With an eye on shifting healthcare payments from volume to value, Molina Healthcare supports our health care provider partners through this transition through a continuum of value-based contracting approaches. These value-based programs include a range of opportunities from incentives for improved quality measures to full risk arrangements. This continuum allows us to focus on meeting providers where they are ready to begin in value-based programs and incentivize along this path.

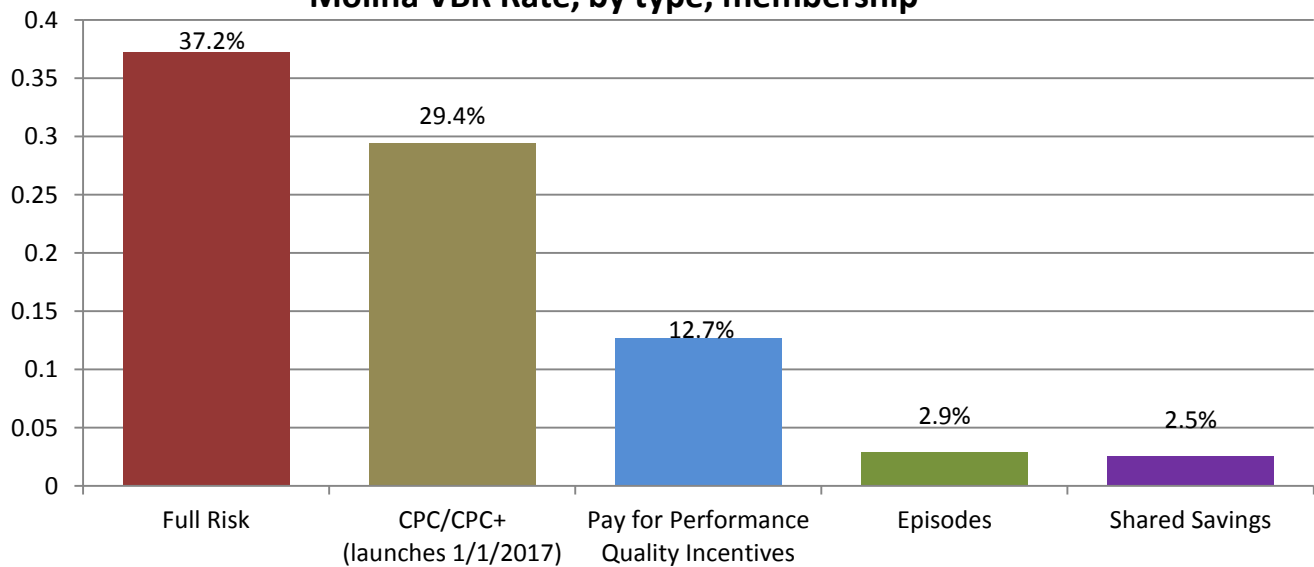
Molina Healthcare of Ohio (Molina) has currently achieved a rate of 24.2% of aggregate net payments tied to value-based reimbursement (VBR). This rate of success is primarily attributed to Molina contracts tied to value with select providers, which contributes 21.8% of the overall rate for Molina. Performance period SIM episodes contribute an additional 2.4%. In 2017, Molina is primarily focused on continued growth of VBR related to SIM episodes as well as the launch of primary care initiatives, CPC and CPC+. These state-led initiatives are gaining significant momentum across numerous provider types next year and beyond as we work to achieve 50% by 2020.

**Molina VBR Rate, by type, net payments**



In addition to monitoring progress of net payments tied to VBR, Molina is also monitoring Medicaid members receiving care from a provider partnering with Molina in a VBR arrangement. With the inclusion of current VBR initiatives as well as the 1/1/2017 launch of CPC/CPC+, the majority of Molina’s Medicaid membership are included in one or more VBR programs.

**Molina VBR Rate, by type, membership**



## **Assisting providers and consumers through this transition**

Molina and state-led VBR initiatives will have the greatest opportunity for success through partnership between health plan, health provider and consumer. When considering how best to partner with providers, Molina has focused on collaboration through Provider Engagement Teams (PET). These PETs offer provider groups support from a cross-functional team with representation including Provider Relations, Medical Affairs, Quality Improvement, and Health Care Services with a focus on provider education and engagement on VBR initiatives to bolster best practices and drive improved quality outcomes. Molina has primarily focused on PET partnering with primary care, OB/GYN and behavioral health providers, while continuing to explore additional specialties of focus.

In addition to PET partnership, actionable feedback to providers is vital to program success, which Molina achieves through comprehensive scorecards gauging performance and opportunities for improvement. Examples include: comparison of historical to current performance, member needed service reports, which are also self-service tools available through the Molina portal, and coding education. To further enhance information available, Molina is currently partnering with a technology vendor to explore dynamic functionality, which will offer providers even more flexibility to evaluate the healthcare data associated with their patients. Based on 2015 PET performance, Molina has experienced an **85% improvement** in quality performance compared to non-PET provider groups which reinforces the value of this program and success in collaborating with our provider partners where they are on the VBR continuum.

Consumer partnership also provides tremendous value during the transition to VBR. Molina continues to focus on initiatives to increase provider transparency and education for consumers to increase engagement in health care decision-making. With regard to transparency, Molina currently provides information to members through the Molina provider directory to assist in provider selection to include: board certification, special skills and experience, gender and spoken language. Additionally, Molina is evaluating the inclusion of additional metrics on the provider directory to assist members in provider selection to include: 1. CPC/CPC+ indicator for participating practices, 2. Episode performance by accountable provider (quality/cost), and 3. Primary care provider rating (based on quality/cost metrics). To foster greater consumer participation in their health care decisions, Molina offers a secure portal to consumers, which collects key health record information such as service history, health reminders, medications, and authorizations. Additionally, consumers have access to send/receive secure messages with a Molina care manager. Lastly, Molina is launching a new program in January to expand the use of text messaging to support healthy choices.

## **Barriers faced and opportunities to eliminate**

Through numerous discussions, Molina has found providers at various stages of interest in pursuing VBR. With two full risk arrangements with key Children's Hospital Health Systems, Partners for Kids (Nationwide Children's) and Health Network by Cincinnati Children's, we have had the opportunity to partner with large scale health systems willing to focus on population health and shift away from fee-for-service (FFS) payment. Largely, providers are willing to consider enhanced payments in addition to FFS payments to reward improved performance as incentives, while hesitant to consider any degree of risk. Some of the areas of concern raised by health systems include: 1. Challenges accounting for a different payment methodology in current patient accounting systems, 2. Concerns with ability to influence changes in practice patterns.

Molina continues to see opportunities whereby support from the legislature could overcome barriers:

1. Information exchange:
  - a. While Health Information Exchanges (HIEs) have been launched in Ohio, full provider implementation has been slow. Any opportunities to drive a rapid increase in data sharing within the HIE would be a valuable improvement.
  - b. Provider willingness due to privacy/HIPAA-related concerns, to exchange needed information with health plans (including Medicaid plans) is also challenging. Currently, HIE exchange to health plans provides very limited information (often only hospital admission/discharge information, with no meaningful clinical or quality related detail). Clinisync has taken the lead to evaluate how they may bridge this gap of information exchange; therefore any opportunity to foster this initiative and improve provider-engagement will be highly beneficial.
2. Health plan and Provider alignment: Separate from SIM work, individual health plans and providers have historically worked on unique VBR initiatives, which often resulted in different initiatives from plan to plan and provider to provider, which reduces initiative effectiveness and critical mass. To promote consistency and maximum effectiveness, Molina requests continued support of SIM initiatives as the driver of the underlying requirement of 50% of aggregate payments tied to VBR by 2020. Legislature support of SIM will be critical to ensure provider participation in this ground-breaking work.
3. Provider Innovation Funding: Also recognized in Ohio is the significant variation of provider sophistication related to innovation, a namely example is electronic medical records (EMR). Many small and/or independent physician practices have not yet adopted even basic EMR functionality due to the cost and time associated with the practice migration. Legislature support of initiatives and funding to assist these practices in migration to EMR, at a minimum, would be welcomed.

Thank you for the opportunity to testify on this innovative topic. I will be glad to answer any questions you may have.