



JOINT COMMISSION ON HEALTH CARE
HEALTHY LIVING/HEALTH SERVICES
SUBCOMMITTEE

SEPTEMBER 18, 2012

BETH A. BORTZ
PRESIDENT & CEO

Impetus for a Center



- Work at MSV Foundation provided exposure to promising pilots in other states that could enhance Virginia's health status and economic competitiveness.
- A review of these pilots revealed that while physician participation is integral, partnerships with purchasers are also essential.
- Increasingly, Virginia's employers are recognizing the importance of improving workforce health and productivity as a competitive asset.

Impetus for a Center



- December 2010 VHRI report recommended “convening multiple stakeholders in collaborative efforts to identify, pilot test, and spread effective models of delivery and payment.”
- In order to be credible, these pilots need a degree of independence from any one established entity that could benefit from the results.
- There appear to be significant grant opportunities (CMS, RWJF, other private foundations) available if the key Virginia partners work together.

VCHI Mission and Vision



- Mission: To work in partnership with multiple stakeholders to accelerate the adoption of value-driven models of wellness and health care throughout Virginia.
- Vision: The Virginia Center for Health Innovation is envisioned as a nonprofit, nonpartisan, consumer-centered, trustworthy vehicle for sparking and sustaining health innovation in Virginia. The Center will advance the vision of Virginia as a national leader in individual health, community health, health care, and economic growth.

Value Proposition



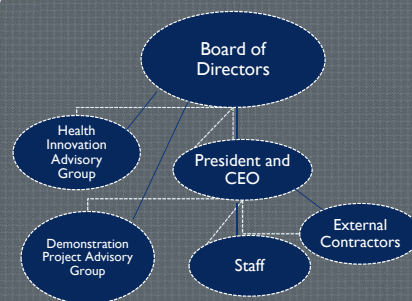
VCHI will add value to Virginia by:

- Researching and disseminating knowledge about innovative models of wellness and health care to all stakeholders;
- Developing multi-stakeholder demonstration projects aimed at testing innovative models of wellness and health care;
- Convening and educating stakeholders interested in accelerating the adoption of value-driven models of wellness and healthcare;
- Helping all stakeholders accelerate their pace of innovation for the benefit of Virginians.

Organization and Management



- **Corporate Structure.** The Center is being created as a 501c3 nonprofit corporation.
- **Board.** The Center is governed by a Board of Directors, presently consisting of 13 members. A majority of the board members are from the business community.
- **Staff.** The Center is being staffed by a President/CEO and a CIO. External contractors will be used as necessary.
- **Health Innovation Advisory Group.** The Center will seek advice from a standing advisory group of members representing the stakeholder sectors. They will be charged with leading VCHI's spread strategy. Core elements include the Virginia Health Innovation Network and best methods for packaging and disseminating VCHI products and services.
- **Demonstration Project Advisory Group.** The Center will seek advice from a second standing advisory group representing Virginia's leading health policy, research, and evaluation experts. This group will make recommendations as to the design and structure of VCHI's demonstration projects.



Structure



- VCHI was incorporated on January 18, 2012 and submitted its 1023 application for tax-exemption to the IRS on April 25, 2012.
- The Virginia Chamber of Commerce has agreed to house VCHI and provide administrative support.
- The Virginia Hospital Education and Research Foundation has agreed to serve as the initial fiscal agent, while VCHI's tax-exempt status is in process with the IRS.
- Richard Grier, an attorney and Principal with Thompson McMullan, has agreed to serve as the Center's legal counsel for start-up, as a pro bono contribution.
- \$580,000 in start-up funding has already been secured from six founding partners (MSV, PhRMA, VAHP, VHCF, VHHA, and VIPC&S) and from nine grants (Carilion, HCA, HDL, GIH, Merck, PhRMA, Pfizer, Riverside, and VHCF).

Board of Directors



- Chair -- William A. Hazel, MD, Virginia Secretary of Health and Human Resources
- Treasurer -- Nancy Agee, President and CEO, Carilion Clinic
- Secretary -- Barry DuVal, President and CEO, Virginia Chamber of Commerce
- Ursula Butts, VP Patient Care Services, Community Memorial Healthcenter
- Robert Cramer, Manager HR Planning, Norfolk Southern
- Ben Davenport, Chairman, First Piedmont Corporation
- Siobhan Dunnavant, MD, Partner, OBGYN Associates, Ltd.
- Jan Faiks, VP Gov't Affairs and Laws, PhRMA
- Richard M. Hamrick, MD, MBA, Chief Medical Officer, HCA Virginia
- Kendall D. Hunter, SVP Health Insurance Exchange Operations, Kaiser Permanente
- Anna McKean, EVP, Strategic Initiatives, Health Diagnostic Laboratory
- Deborah D. Oswald, Executive Director, Virginia Health Care Foundation
- Matthew Turner, VP, US Employee Benefits, Genworth Financial

Demonstration Project Advisory Group



- Richard M. Hamrick, III, MD, MBA – Co-Chair
Chief Medical Officer, HCA Virginia Health System
- Kendall Hunter – Co-Chair
Senior Vice President, Kaiser Permanente
- Christopher S. Bailey
Senior Vice President, VA Hospital & Healthcare Association
- Ursula Butts
Vice President, Community Memorial Healthcenter
- David Coe
Executive Director, Colonial Behavioral Health
- A. Mark Fendrick, MD
Co-Director, Center for Value-Based Insurance Design
- Dorrie Fontaine, RN, PhD, FAAN
Dean of the School of Nursing, University of Virginia
- Robert Fortini
Vice President, Chief Clinical Officer, Bon Secours Health System
- Kylanne Green
Executive Vice President, Health Services, Inova Health System
- Sarah Bedard Holland
Executive Director, Virginia Oral Health Coalition
- Cindi B. Jones
*Director, Virginia Department of Medical Assistance Services
Director, Virginia Health Reform Initiative*
- Colleen A. Kraft, MD
Program Director, Transitional Residency, Carilion Clinic
- Christopher J. Mullins
Executive Director, United Healthcare – MidAtlantic

Health Innovation Advisory Group



- Jan Faiks – Co-Chair
*Vice President for Government Affairs and Law,
Pharmaceutical Research and Manufacturers of America*
- Anna McKean, MBA – Co-Chair
Executive Vice President, Health Diagnostic Laboratory
- Laura Bondurant
Director, Employee Benefits, Media General
- Steven Ford
Deputy Director, VA Dept. of Medical Assistance Services
- Doug Gray
Executive Director, Virginia Association of Health Plans
- Michael Jurgensen
Senior Vice President, Medical Society of Virginia
- Cyndi Miracle
Vice President, Virginia Chamber of Commerce
- Deborah D. Oswalt
Executive Director, Virginia Health Care Foundation
- Laurens Sartoris
President, Virginia Hospital and Healthcare Association
- C. Scott Schoenborn
National Director, Employers, Pfizer, Inc.

Toward a Strategic Scorecard



- The Virginia Center for Health Innovation (VCHI) recently adopted a **two-part** strategic scorecard to focus and evaluate the organization's work. This strategic scorecard consists of a **Health System Scorecard** and a **Health Innovation Scorecard**.
- The **Health System Scorecard** will include statewide indicators of access, quality, cost, and health status and should be helpful for understanding why Virginia needs health innovation.
- The **Health Innovation Scorecard** will include indicators of multi-sector action to implement and spread innovation and should be helpful for managing the core strategies of VCHI.

Health System Scorecard



- Virginia should strive to have the best health and health care in the nation. A good starting point is to find out where Virginia stands in comparison to other states.
- The **Health System Scorecard** provides information about Virginia's national ranking on a variety of health indicators. This information can be used to inform priorities for action in Virginia's ongoing efforts to improve health and health care. All of the scorecard indicators can be viewed at <http://innovationva.homestead.com/Scorecard/system.html>

A Portfolio Approach to Innovation



- Reviewing the health system indicators and reflecting on the wide variety of innovation opportunities that are of interest to VCHI stakeholders, the organization has agreed to develop a portfolio approach to innovation.
- The innovations in the portfolio should:
 - Be of significant interest to the major VCHI stakeholders;
 - Include dimensions of value and payment reform;
 - Be supported by some level of demonstration research so that there is potential for immediate adaptation and spread;
 - Be integrated into the core strategies of VCHI; and
 - Be measured over time as part of an innovation scorecard.

VCHI Innovation Portfolio



We have approved nine broad innovation areas which will serve as the initial VCHI innovation portfolio. These are:

- Measurement of employee health and productivity;
- Value-based purchasing;
- Value-based insurance design;
- Focused delivery and payment reform;
- Patient-centered care models;
- Price and quality transparency;
- Reducing overutilization;
- Strategic wellness design; and
- Patient safety improvement

Health Innovation Scorecard



- The **Health Innovation Scorecard** would provide an annual assessment of the number of organizations implementing elements of the innovation portfolio throughout Virginia.
- Measurement would begin with the subset of organizations engaged in the Virginia Health Innovation Network.
- As organizations begin to report on outcomes, VCHI will learn about the impact of innovation on quality and cost.
- To see more on the proposed innovations measures, visit <http://innovationva.homestead.com/Scorecard/innovations.html>

Implications for Health System Improvement



- In the ideal world, VCHI would be able to link the spread of health innovation to positive changes in the health system indicators.
- This could take time, for two reasons.
 - First, it will take time for the scale of innovation to reach sufficient size and scope to influence statewide indicators.
 - Second, many of the statewide indicators of health system performance have a time lag of 18 months or more.

Consequently, it will be very important to measure the spread and impact of innovations at the organizational level. It will also be important to sustain a strategic focus on spreading innovation at a scale large enough to eventually impact state-level indicators.

Project Ideas Under Portfolio Consideration



- *Virginia Health Innovation Network*
- *Choosing Wisely Campaign – Virginia Pilot*
- *Diabetes Collaborative with Virginia Epic Users Group*
- *North Carolina Prevention Partners (NCP) “Work Healthy America” – Virginia Hospital Pilot*
- *Value-Based Insurance Design for State Employees*

A Closer Look: Virginia Health Innovation Network



- VCHI’s Board of Directors has already approved the development of its first initiative – the Virginia Health Innovation Network.
- **Vision:** The Virginia Health Innovation Network is envisioned as a statewide network of individuals and organizations actively engaging in identifying, generating, evaluating, spreading, and sustaining value-driven innovations in health and health care.
- The backbone of the Network will be a secure, password protected portal available to network subscribers only. Subscribers would access the portal to:
 - Find innovative ideas in specific topic areas.
 - Participate in evaluations of specific health innovations.
 - Recommend specific health innovations.
 - Recommend topic areas in need of focused innovation.