Integrated Funding Models

Supporting sector-led innovation

February 9, 2015
# Webcast Agenda

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<td>2. Ontario Experience with IFMs</td>
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<td>3. Expression of Interest for IFMs</td>
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<td>4. Questions and Answers</td>
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<td>6. Adjournment</td>
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Opening Remarks

Susan Fitzpatrick
Associate Deputy Minister, Health System Delivery and Implementation
Ministry of Health and Long-Term Care
Bridging To The Next Phase of Transformation

While progress has been made, there is much more to do. We need to deepen our efforts in certain areas to drive results.

Home and community care sector not yet operating as a mature sector. We will enhance its capacity to drive transformation and meet the needs of Ontarians.

Quality and evidence based funding in the acute sector has become a cornerstone of system transformation. We will expand this culture of quality and evidence to all parts of the health system.

Integrated coordinated care has taken hold in pockets of excellence. We will intensify efforts to enhance integrated services across the province.

Patient engagement is gaining strength as an important component of care. We will empower Ontarians through education and collaboration, allowing them to make informed choices about their health and wellness.

Mental health and addictions services could better meet client needs. We will drive structural change to increase access and quality for Ontarians.

Links between quality, value and performance need to mature. We will strengthen them through greater accountability for results and transparency in decision making.

Further fiscal restraint will require structural changes to the way we think of and deliver services. Maintaining system growth at 2% requires innovative approaches to delivery and a relentless focus on value for money.
The Action Plan focuses on four dimensions that are accountable & transparent. They will aim to place the person at the centre of every health care decision.

- Home and Community Care
- Improve System Integration, Accessibility
- Ensure Sustainability and Quality
- Increase the Health and Wellness of Ontarians

Accountable, Transparent & Evidence-Informed
## Patients First: Action Plan for Health Care

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<th>Access</th>
<th>Connect</th>
<th>Inform</th>
<th>Protect</th>
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<td>Improve access - providing faster access to the right care</td>
<td>Connect services – delivering better coordinated and integrated care in the community, closer to home</td>
<td>Support people and patients – providing the education, information and transparency they need to make the right decisions about their health</td>
<td>Protect our universal public health care system – making decisions based on value and quality, to sustain the system for generations to come</td>
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The next phase of Ontario's plan for changing our health system reflects our commitment to **put people and patients at the centre** of the system, and focuses on putting patients’ needs first.
Testing integrated funding aligns with key policy priority initiatives in Ontario

- **Action Plan**: Putting people and patients at the centre of the system
- **ECFAA**: Strengthening organizational focus and accountability to deliver high quality patient care
- **Health Links**: Focus on Ontario’s most complex patients (top 1-5% of users)
- **HSFR**: Will ensure that funding is tied more directly to the quality care that is needed; will drive smarter use of limited resources
- **Patient’s First: Action Plan for Health Care**: “Changing funding models is one way we will improve care coordination, because by covering all the steps in the patient’s journey (for example, from surgery to home care), we can make the patient’s experience more seamless”

**System goals:** Improve integration and care coordination, increase value-for-money, and improve patient care
Integrated funding has been tested in other health systems

- Integrated Funding, often referred to as, “Bundled Payment”, “Episode-Based Payment”, or “Case Rate”:

Some examples of bundled payment:

**Geisinger Health System (US)**
- Redesigned care processes to administer **coordinated bundle of evidence-based best practices**
- Improved clinical outcomes and reduced resource utilization

**Aultman Hospital Corporation (US)**
- Bundled services associated with **acute hospital visit** and 90 days **post-discharge** care
- Reduced readmission, prevented complications, reduced financial impact

**Prometheus Bundled Payment (US)**
- Bundled payment for all care required to treat chronic conditions and deliver procedures as recommended by experts
- Considerable time and effort needed to materialize benefits of payment reforms

*Bundled payment is associated with improved clinical outcomes and reduced resource utilization*
Sector Leadership and Excellence are Critical

- To bridge from pockets of excellence, existing tools need to be strengthened to support greater spread:
  - Meaningful patient engagement to co-design transformation
  - Expand quality improvement efforts beyond acute sector
  - Scale up initiatives where investments have shown results
  - Deepen funding reform and review benefits
  - Strengthen accountability agreements and oversight to drive results
  - Manage pace of change by ensuring change supports are in place
  - Leverage champions from the sector
  - Position strong leaders at the forefront who can deliver on the vision
Expression of Interest

Melissa Farrell
Executive Director, Health System Quality and Funding
Ministry of Health and Long-Term Care
Expression of Interest: Setting a framework and creating an environment to support field-driven tests of change

EOI and project implementation

- EOI (submission and review)
- Readiness Review
- Wave 1 site selection
- Ongoing project management
- Wave 2 site selection
- Ongoing project management

Evaluation

- All teams will participate in a central evaluation to report on impact and support continuous improvement
- Evaluation Report
- Evaluation Report

Community of practice

- All teams will participate in a Community of Practice to support KT

Policy review

- Findings from the evaluation will be assessed to inform funding and policy.
- Assess findings and review policy
- Assess findings and review policy
## EOI key objectives and outcomes

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<th>Objectives</th>
<th>Courses of action</th>
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<td><strong>Promote patient-centred care across the care continuum</strong></td>
<td>Through establishing one plan of care that is entirely seamless to the patient</td>
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| **Improve quality and reduce unwanted or unwarranted variation of patient care pathways** | Through adopting best practices based on clinical consensus and best available evidence provided by Expert Panels  
Through introducing outcome-based measures |
| **Improved efficiency**                                                   | Through more integrated use of resources                                                                                                                                                                                |
| **Inform policy**                                                         | Through testing innovative delivery of bundled hospital and community-based care and integrated payment models focused on value                                                                                       |

Achieving these objectives is expected to translate to the following **outcomes**:

- Improved quality outcomes for patients (e.g., keeping people at home, reducing ED visits, reducing readmissions, ALC)
- Improved patient, caregiver, and provider experience
- Improved efficiencies and value for money
Expression of Interest for Integrated Funding Models

**EOI Development**
- Feb 9 – Mar 18, 2015

**EOI Submission**
- March 18, 2015
  - Review process begins

**EOI package** contains:
- EOI template
- EOI guidance document

**3-step Assessment Process**
- Late-March 2015
  - Readiness Assessment
- Late-April 2015
  - Funding & Wave Assignment

The EOI will address the following components:

- Readiness
- Measuring outcomes
- Commitment to evaluation and KT
- Patient engagement / experience
- Integrated funding
- Clear population / care pathway
Expression of Interest Review

The EOI will be reviewed on the following criteria:

- Alignment and fit with the vision and objectives
- Capacity for quality improvement
- Buy-in, participation, and engagement across impacted providers
- Evidence basis for patient population and care pathways
A team (including LHINs, HQO, SJHS, HSPRN, and ministry) will conduct site visits to a short-list of teams to assess in greater detail:

- Ability to collect, analyze, and report on data
- Sophistication with quality improvement methods
- Team structures and member participation
- Governance structure and clinical support
The breadth and scope of all models will be reviewed in totality to ensure:

- Representation from all sectors
- Good geographical spread across Ontario
“Bundling” care and funding can take many forms

Although all care pathways will be considered, the first wave of models will prioritize models focusing on the hospital-to-home transition (i.e., post-acute, short-stay), as this is where Expert Panel reports provide guidance for implementation.
Depending on readiness, implementation may be phased via an approach that maximizes KT across sites.

- **Wave 1: Early adopters** (post-acute, Short-stay)
  - Implement care pathway and funding
  - Measure outcomes
  - Sustain and spread

- **Wave 2: Based on KT from Wave 1**
  - Participate Communities of Practice
  - KT from Wave 1
  - Implement care pathway and funding
  - Measure outcomes
  - Sustain

- **Additional waves**
  - Participate Communities of Practice
  - KT from Waves 1 & 2
  - Implement care pathway and funding
  - Measure outcomes
  - Sustain
**Funding, supports and tools**

- Teams will **NOT** be provided with funding to support direct care costs (including care coordination); direct service delivery costs will be drawn from existing funding among the organizations participating.

- Teams **WILL** be provided one-time, project-specific, seed funding to coordinate the start-up of their project (up to $175,000 per team per year).

**Additional supports and tools:**

- **Central evaluation**: All teams will participate in a central evaluation to report on impact and support continuous improvement.

- **Quality improvement (QI) supports**: Teams will have access to quality supports, including site visits to assess readiness, communities of practice.

- **Community of Practice**: All teams will participate in a Community Practice for knowledge translation (KT) activities, including access to evidence-based best practices (from Expert Panels).

- **Data**: Teams will be provided with costing data and other analytics to support model development and implementation.

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* Health System Performance Research Network
EXAMPLE of bundled funding – acute to short-stay home care

1. Patient identification
2. Patient costs in hospital & CCAC
3. Bundled carve-out for hospital & CCACs

Hospital costs for target population
Post-acute & home care costs for target population

Bundled Carve-out $

NOTE: Other care pathways will be considered for future waves
EOI completion and submission process

- For support, contact IFM@ontario.ca
- Completed templates are due to the ministry by March 18, 2015
- Please send completed templates to IFM@ontario.ca

Stay tuned... Interactive Q&A sessions are being planned to support EOI development. In the meantime, please send questions to IFM@ontario.ca
Q & A

Panel:

• **Susan Fitzpatrick**, Associate Deputy Minister, Health System Delivery and Implementation, MOHLTC

• **Kevin Smith**, President and CEO, SJHS, CEO, Niagara Health System; Associate Professor, Michael G DeGroote School of Medicine, McMaster University

• **Melissa Farrell**, Executive Director, Health System Quality and Funding, MOHLTC

• **Lee Fairclough**, Vice President, Quality Improvement, Health Quality Ontario

• **Walter Wodchis**, Principal Investigator of the HSPRN; Associate Professor, Institute of Health Policy, Management and Evaluation, University of Toronto