A Healthier New Mexico – A Plan for Improving Health Outcomes and Population Health

Enhancing patient experience of care, reducing health care costs, and improving population health – the Triple Aim approach to health system transformation – will result in improved health outcomes for all people in New Mexico. The state's vision of "A Healthier New Mexico" is informed by the following goals: (1) Aligning health care delivery with community activities that promote healthy behaviors and environments; (2) slowing the rate of health care inflation by bending the cost curve over time; (3) increasing the number of New Mexicans who have health insurance; (4) re-envisioning and building the state's healthcare workforce and infrastructure; and (5) using health information technology to fill critical information gaps, and support transparency and delivery system reform. New Mexico has already laid the groundwork for transformation through innovative efforts at the New Mexico Department of Health (NMDOH) and the New Mexico Human Services Department (NMHSD).

NMDOH has highlighted its efforts to identify barriers to health care access, and to assess and improve public health service delivery through the process of applying for Public Health Accreditation. These efforts are reflected in the State Health Assessment (SHA), which describes population health status and areas for improvement, and the State Health Improvement Plan (SHIP), which describes collaborative strategies to improve population health based on SHA data. NMDOH uses the SHA and SHIP to increase its focus on prevention in alignment with the National Prevention Strategy, and to refine and expand population based approaches to priority health indicators. The success of the department's work depends on statewide partnership and collaboration with health indicator-specific partner groups. The NMDOH and the NMHSD will work with the Centers for Medicare and Medicaid Services (CMS) to develop a State Health Care Innovation Plan (SHIP) that will result in better health, better health care, and reduced cost for all state residents. The project narrative will be amended is necessary to include the Model

NMDOH has established successful population-based approaches to improving health outcomes at all life stages. These approaches include the Healthy Kids Healthy Communities program that targets, in part, childhood obesity; school-based health centers (SBHCs) that address adolescent health by expanding access to the uninsured and integrating behavioral health services; and the Tobacco Use Prevention and Control Program to address adult smoking behaviors. Community Health Workers (CHWs) provide services that span the life continuum. A law signed this year by Governor Susana Martinez establishes a voluntary statewide training and certification program for CHWs, who are critical to increasing patient access to community resources and improving health outcomes, especially in rural and frontier areas of the state.

NMHSD is modernizing the state's Medicaid system through Centennial Care, which is designed to deliver the right amount of care at the right time in the right setting, and focuses on quality of services over quantity. Members are encouraged to be active participants in their own wellness, and the system is working toward paying providers for health outcomes rather than process. Roughly one third of New Mexico's population is covered by Medicaid; therefore, it is important to have a system that focuses on preventive services, personal responsibility, integrated care, and value. Some innovation highlights include: care coordination based on health risk and comprehensive needs assessments; incentivizing the growth of patient centered medical homes (PCMH); rewarding members for engaging in healthy activities; targeted reduction of non-emergent hospital emergency department (ED) use; and participation in the National Governors Association Policy Academy to address Medicaid "super-utilizers."

Despite current transformation efforts in New Mexico, barriers remain that impede the state's ability to achieve the Triple Aim. Racial and ethnic disparities exist in some key indicators; for example, American Indians hold the highest rates diabetes death, and Blacks or African Americans have the highest rates for adult smoking. New Mexico also has a large

proportion of undocumented and uninsured individuals. The recent influx of immigrants, particularly women and children, poses significant public health challenges. It is important to address how services to these populations affect the health care delivery system. New Mexico will use the Model Design process to build upon its successes and to develop innovate ways to improve population health outcomes and decrease per-capita health spending.

Population Health Plan

New Mexico faces unique challenges based on its geography (it is one of the largest states but one of the least densely populated) and population (it is a minority-majority state with 46.7% Hispanics and 10.1% American Indians). The state has a poverty rate of 20.8%, and the widest income gap in the nation. The child poverty rate is 29%, with higher than average rates among American Indians and Hispanics. In addition, 32 of the state's 33 counties are considered health professional shortage areas. Tobacco use, obesity, injury, and diabetes are among the state's most serious health issues. Tobacco use results in 2,200 deaths and $844 million in annual health care costs; diabetes results in 7,600 deaths and $587 million in annual health care costs. In 2013, 13.7% of kindergarteners and 19.9% of third graders were obese, with higher than average rates for American Indian children. Diabetes is one of the top ambulatory care sensitive conditions that results in the highest hospitalization rates in the state. Hospital community health needs assessments (CHNAs) also indicate high morbidity and mortality related to tobacco use and diabetes.

New Mexico is proud of its progress in addressing health disparities. However, the state recognizes that there is still work to be done. To that end, there are four major goals for improving population health: (1) patient-centered care that features enhanced roles for health care paraprofessionals and expansion of services to rural and underserved populations; (2) development and utilization of multi-disciplinary community health teams that focus on

evidence-based care and connecting patients with social services; (3) increased availability of behavioral health services for all age groups; and (4) capacity building and community engagement around a population health improvement plan.

New Mexico will take several approaches to transforming population health. The state will build on existing initiatives like Healthy Kids to address obesity, Project ECHO at the University of New Mexico (UNM) to improve access to specialty care for rural and underserved individuals, and PLACE MATTERS programs through the New Mexico Health Equity Partnership (NMHEP) to address the social conditions that lead to poor health. The state will support integration of behavioral health services into primary care, in part through expanding programs like the NM Screening, Brief Intervention and Referral to Treatment (NM-SBIRT) Collaborative to more sites and partners and supporting training and education of the behavioral health workforce.

In addition, New Mexico will build capacity to engage in transformation through: supporting community health councils (CHCs) and health promotion teams in identifying and addressing community health needs; creating collaborative and sustainable initiatives around preventive care and healthy lifestyle choices; and expanding linkages between indicator-specific programs and organizations to create a unified, systemic approach. New Mexico will enhance the patient experience of care by increasing physician and patient awareness of community resources, encouraging patient engagement in care through care coordination and technology, and coordinating with providers to implement policies that encourage self-management. Finally, New Mexico will build and enhance the capacity of stakeholders to further policy efforts, provide input, identify resources, and develop plans that use resources effectively.

New Mexico will also plan for the statewide expansion of PCMH. One component of this will be the formation of a PCMH quality improvement collaborative to establish standardized quality measures – pediatric and adult – that focus on prevention. Another component will be the creation of a PCMH technical assistance center to promote best practices, facilitate education, and encourage a uniform state approach to PCMH. New Mexico will also evaluate how to include components of the Health Leads model in the PCMH initiative. This model enables doctors and other healthcare providers address the social determinants of health by connecting patients to the basic resources they need to be healthy. Finally, New Mexico will formulate a uniform payment model based on state-recognized PCMH certification.

Health Care Delivery System Transformation Plan

New Mexico is planning a multi-pronged approach to delivery system transformation: addressing shortages in the health care workforce; increasing health education and providing incentives for individuals to take a more active role in their health; and reducing reliance on high-cost services through improved disease management programs, greater use of health information technology, and new payment models that focus on effectiveness and efficiency.

Greater use of CHWs is one key to improving the delivery system. One goal of statewide CHW certification is to provide opportunities for reimbursement through Medicaid for CHW services, thereby promoting growth of this critical component of the state's healthcare workforce. As part of the Model Design plan, strategies will be developed with key stakeholders to link CHWs to primary care providers, to explore dual-training options and multiple CHW roles, to explore options to integrate public health essential services and primary care services, and to create a cohesive and integrated CHW workforce. Alternative reimbursement streams for CHWs will also be explored.

Paralleling Centennial Care efforts, New Mexico is also seeking to reduce non-emergent use of the ED through a variety of strategies including education, co-pays for non-emergent use, and ED diversion projects. New Mexico will use grant funds to explore development of a community paramedicine program to support health promotion and disease management. This program will help patients who are likely to use emergency or in-patient services for primary care to find more appropriate resources for their medical needs. Like CHWs, community paramedicine providers link patients to community resources, and support chronic disease self-management. The role of EMTs as health promotion specialists will also be explored. Payers may value Community Paramedicine as a way to enhance the patient's experience of care.

New Mexico plans to make incentive programs – for both consumers and health care professionals – another keystone of delivery system transformation. The Centennial Rewards program under the Centennial Care Medicaid waiver is designed to encourage recipients to engage in desirable activities that promote good health, improve compliance, and increase the use of preventive services. Members can earn points for completing healthy activities that can be redeemed for rewards. New Mexico will explore how the Centennial Rewards model can be expanded to other system payers and populations. One possibility is to adopt the program for the NM State Risk Management Division to incentivize state employees to improve their overall health, leading to a healthier workforce, improved job performance and reduced costs.

Payment and/or Service Delivery Model

New Mexico will evaluate new and existing outcomes-based payment models. The objective is to move toward a system that rewards patient-centered care that is efficient, accessible, and supports continuity of care. New payment models are expected to complement the PCMH initiative and Centennial Care innovations. These innovations include an array of

payment options that can work within the capitated payments made to the Managed Care Organizations (MCOs), but will also be applicable for payers and systems outside of Medicaid. New Mexico Medicaid is in the early stages of piloting several payment reform models, including bundled payments, pay-for-performance, shared-savings models, and payments for episodes of care. The state plans to use the results of these pilot projects in conjunction with an all-payer claims database (APCD) and the expansion of the PCMH model as a way to drive payment reform initiatives to wider groups of payers and providers.

The development and implementation of an APCD is one of the foundational components of New Mexico's Model Design plan and a critical tool for promoting transformative changes in the health care delivery system. It will also form a bridge between health care and population health. Reports and analyses based on APCD data will improve health care quality and reduce costs. Standardized metrics can generate provider performance data that will inform the development of alternative payment models. An APCD will facilitate value-based purchasing and delivery system reforms across payers. It will also provide stakeholders with information about healthcare utilization patterns and costs on a regional basis, create transparency, and provide previously unavailable data that can contribute to effective policy decisions. Ultimately, an APCD will facilitate better understanding of the health care system's performance and address imbalances between public health and healthcare services.

Leveraging regulatory authority

The long-term success of New Mexico's health system transformation is clearly dependent on federal and state policy to support shared resources and infrastructure. New Mexico will thoroughly evaluate existing infrastructure, build on successful components, make necessary changes, and have a clear long-term view to sustain transformation. The policy and

regulatory levers that New Mexico will employ in its planning process include: (1) evaluation of ways to strengthen and expand the New Mexico Health Information Collaborative (NMHIC) and promote utilization and support of an integrated health information technology system; (2) assessment of regulatory approaches to improve the health care workforce; (3) coordination with the New Mexico Health Insurance Exchange (NMHIX) to further ACA implementation, and to establish criteria for Qualified Health Plans that are consistent with coordinated, patient-centered care under a reformed multi-payer delivery system; (4) evaluation of avenues to establish an APCD; (5) review of opportunities for insurance regulation that include enhancing the rate review process, performing market analysis to inform policy decisions, and improving the quality and cost of care by promoting transparency and competition; (6) expansion of the work of the Native American Technical Advisory Committee to support implementation of Centennial Care for Tribal members and Indian health providers; and (7) evaluation of collaboration and communications policies under the State-Tribal Collaboration Act to ensure adequate and quality health service delivery focused on primary prevention in all tribal communities.

This is not an exhaustive list. State leadership will be involved in a collaborative review and recommendation process that takes into account feedback from consumers and communities who will directly benefit from this system transformation. There will be a focus on improved transparency, patient engagement and shared decision-making, innovative multi-payer strategies, expansion of services and support to rural and underserved communities, and the use of electronic data to improve patient care.

Health Information Technology

New Mexico has consistently made progress in the development, adoption, and use of health information technology throughout the state. However, the technology infrastructure

varies widely and some communities lack the basic connectivity to participate in many of the activities envisioned in this project. For example, one of the major barriers to ACA implementation in New Mexico is the lack of technology required for enrollment. Through the Model Design process, New Mexico will: 1) explore ways to increase meaningful use of EHR, access to NMHIC, and expansion of Telehealth; 2) evaluate integration of NMHIC, APCD, and public health reporting systems; 3) determine methods for standardized data collection that protect health information; and, 4) support patient-centered care through better design and use of health information technology. Sustainability will be supported by increased adoption and use, policy development, and coordination between public health and private providers.

A Health Information Exchange (HIE) is an important component of continuity of care, which improves health care outcomes, reduces costs, and lowers claims payments. Currently, NMHIC operates as the only HIE in the state. All healthcare providers are not required to participate in the exchange, but the NM Electronic Medical Records Act requires that all available electronic health information from participating providers is included in the exchange. NMHIC contracts directly with Centennial Care's MCOs, a number of hospitals and medical groups, and the New Mexico Primary Care Association, a connection to community healthcare clinics and Federally Qualified Health Centers (FQHC). New Mexico will evaluate how to expand access to and use of the exchange by rural hospitals and provider organizations, and other provider types.

The New Mexico Health Information Technology Regional Extension Center (HITREC) was a collaborative effort to support meaningful use of Electronic Health Records (EHR). HITREC achieved 100% of its Milestone 2 goal of documentation of over 1000 providers live on a certified EHR with active quality reporting and electronic prescribing. The state will build on

this work through the Model Design process. Currently, just over 53% of office-based physicians statewide are on a basic EHR system. In the NM Medicaid EHR Incentive Program, 47% of eligible professionals and eligible hospitals attested to meaningful use through April 30, 2014. In addition, attestations were received from 9 of 10 counties with IHS facilities. Overall, 32 of 33 counties are participating in the program. While these are all great successes, challenges remain that will be addressed through the Model Design process, such as patient electronic access.

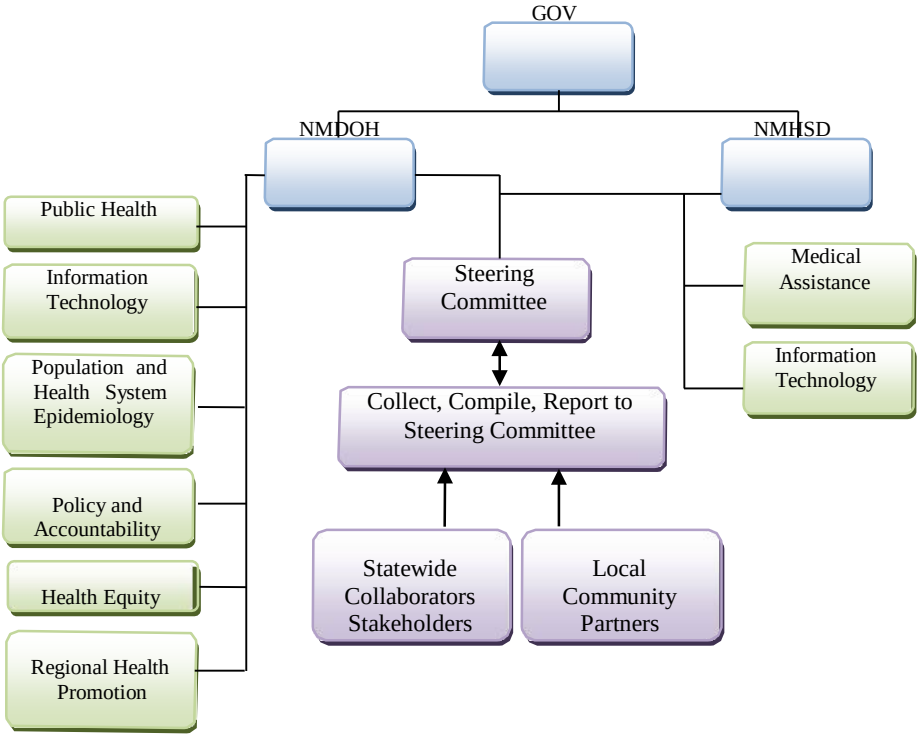
This latter issue is just one target of the NMDOH IT Services Division Health Information Technology (HIT) program, which has the ultimate goal of achieving 100% bidirectional data exchange. To that end, HIT has been coordinating with NMHIC on collection and use of health information. While a current patient portal exists, access to an integrated and standardized system will enable patients to be more informed and actively involved in their own care. To achieve this, New Mexico would like to move toward standardized reporting statewide, such as currently exists in the NM Statewide Immunization Information System. Regulatory support for mandatory standardized reporting of laboratory results and syndromic surveillance data would improve patient care.

Standardization of data collection is also critical to the APCD concept, as are standard procedures to modify unique data that exists. The Model Design process will allow New Mexico to evaluate ways to achieve this, and to evaluate how NMHIC can enhance the APCD with clinical information for quality and outcomes reporting. New Mexico will explore how integration of these systems will increase population health applications, allow for risk adjustment, and promote effective research. It will be critical to evaluate privacy concerns and the regulatory framework governing the collection and release of data.

Stakeholders and Project Organization

New Mexico is taking steps now to establish infrastructure and engage community partners around the design process. CHCs, including Tribal Health Councils, will conduct mobilization and education sessions over the next several months and coordinate with NMDOH Health Promotion Teams. Public feedback on the SHA and SHIP will be solicited to inform the evolution of performance measures. State agency stakeholders will take part in a visioning process to encourage collaboration and communication. This work to gather, educate, and mobilize stakeholders will facilitate a smooth transition into the design process, which includes a broad group of stakeholders from all facets of the health system, business, institutes of higher education, faith and community-based organizations, and others.

New Mexico has taken steps to identify a steering committee and establish the infrastructure to support the work of the various groups of stakeholders. This infrastructure is indicated in the figure below. NMDOH and NMHSD, at the direction of the Governor, are the primary partners facilitating the design process.



Statewide collaborators and local community partners are essential to the success of the Model Design. These groups will develop and solidify ideas to transform the health care delivery system, informed by the needs of the individuals and communities they serve, and incorporating or expanding on existing successes. These collaborators will form subgroups to address health outcomes at all life stages, with a focus on diabetes, obesity, and tobacco use and other identified health indicators, such as child maltreatment. New Mexico CHCs will facilitate gathering regional feedback and help align priorities identified in CHNAs with SHIP measures.

UNM and HealthInsight New Mexico are expected to be key stakeholders. UNM will convene other stakeholders around specific issues such as child maltreatment and continued integration and support of CHWs, and will provide some cost analysis relevant to return on investment for public health services. HealthInsight facilitates community engagement on the quality and effectiveness of health care, works toward health care value and transparency, and promotes the use of health information technology. A community-based partner will expand on this work by collecting and synthesizing the information received from stakeholder groups, and submitting reports to the Steering Committee. The Steering Committee will provide overall guidance for the project and make recommendations to the Governor's office regarding design options and policy or legislative changes. Oversight of the Steering Committee and the stakeholder process will largely fall to NMDOH, with the NMDOH Cabinet Secretary chairing and the NMHSD Deputy Secretary vice-chairing the committee. The Steering Committee will be comprised of representatives from key areas, including IHS, UNM, NMHIC, NMHIX, the NM Behavioral Health Collaborative, the Superintendant of Insurance, MCOs, Information Technology, CHCs, other state agencies, and legislators.

See the attachment - New Mexico Model Design Proposed Stakeholders – for a complete listing.

Quality Measure Alignment

New Mexico continuously assesses program performance measures and population health indicators through a defined results-based process, and identifies or refines indicators and measures as community health status changes. New Mexico will take this same results-based approach to evaluate and refine the design process, by developing performance measures that are aligned with those already in use in the state and nationally. These measures will address stakeholder and community engagement in the design process and level of satisfaction. The state will also look to what is already in use by NMDOH and NMHSD to develop measures around diabetes, obesity, and tobacco use, and to track adverse events associated with health care.

Additionally, the PCMH quality improvement collaborative will establish a set of statewide quality measures aligned across all payers. The measures will focus on the state's priority health indicators; align with SIM measures; and address health disparities. Development of a modified National Committee for Quality Assurance PCMH assessment tool will also be explored. The approach to PCMH quality measures can be expanded to other proposed initiatives, and will include core sets of measures and measure concepts that are congruent with each other; include optional measures to apply to a broad range of specialties and clinical practice; and will maximize quality improvement while minimizing provider burden.

New Mexico will also evaluate the use of tools like the National Quality Forum's Alignment Tool that was developed in collaboration with the 16 Aligning Forces for Quality (AF4Q) community alliances. New Mexico can use this tool to align efforts within the state with national programs and with the National Quality Strategy. One objective across all payers is to evaluate ways to capture quality data and to develop a method to integrate quality, cost, and performance measurement. As part of its results-based approach, New Mexico will not only

develop quality measures, but also will evaluate methods to validate these measures and conduct performance improvement projects.

Monitoring and Evaluation

NMDOH and NMHSD will collaborate to identify quantifiable measures to evaluate the Model Design plan and planning process. Building evaluation components in at the beginning of the project will ensure that usable information is available as New Mexico moves toward plan implementation. The measures developed will allow the state to measure the impact of the proposed innovations on population health and the quality and efficiency of care.

Some of the initial measures that will be incorporated into the evaluation and monitoring plan will come from a variety of sources including the NMDOH and NMHSD strategic plans, hospital CHNAs, and feedback from CHCs. These measures could include: (1) Tobacco: percent of QUIT NOW enrollees who successfully quit using tobacco at 7-month follow-up; (2) Obesity: expenditures for children and youth receiving services through Medicaid School Based Service Programs; (3) Diabetes: percent of individuals in Medicaid managed care ages 18-75 with diabetes who had an HbA1c test during the measurement year; (4) Older adult falls: percent of older adults completing an evidence-based falls prevention program.

New Mexico will also monitor critical components of delivery and cost such as care coordination, use of CHWs and their impact on health status change, and preventive care. One key area to monitor and evaluate will be health information technology utilization. Measures around delivery and cost may include: percent of notifiable conditions reported through an electronic laboratory reporting system; availability of information to a patient's care team, including family members or caregivers; and screening for clinical depression. Cost of care measures will also be included in the evaluation process.

Alignment with state and federal innovation

Several initiatives in alignment with state and federal innovation have already been identified. New Mexico's Centennial Care program is an integral part of many of the proposed Model Design initiatives. NM-SBIRT was originally implemented under a Substance Abuse and Mental Health Services Administration grant. Expanding the concepts of this program – including the use of health information technology – to more sites is an important in addressing access to behavioral health services in the state. It is also important to continue to work of HITREC, originally funded by American Recovery and Reinvestment Act funds, to support the expansion and meaningful use of EHR in the state, and to complement the NM Medicaid EHR Incentive Program. New Mexico has also received 5 Health Care Innovation Awards.

In addition, the New Mexico Coalition for Healthcare Quality is involved in the AF4Q initiative. The NM Coalition is comprised of hospitals, health plans, physicians, nurses, consumers and employers who work together to address health care quality in specific counties. Currently, the NM Coalition is focused on performance measurement and public reporting, and high-value outcome-focused payment redesign, among other things. AF4Q communities have built transformative partnerships, and New Mexico will build on these partnerships to evaluate new models for care delivery and organization, and make innovative payment reform a reality.

Finally, New Mexico will use the Health in All Policies (HiAP) approach in policy development and decision-making at all levels. With broad stakeholder participation, the design process provides an unprecedented opportunity to instill HiAP concepts into the statewide vision for a healthier New Mexico that can be carried through to implementation. Adoption of HiAP is in alignment with ongoing projects in the state, such as Healthy Kids, NMHEP-led Health Impact Assessments, and AF4Q activities.

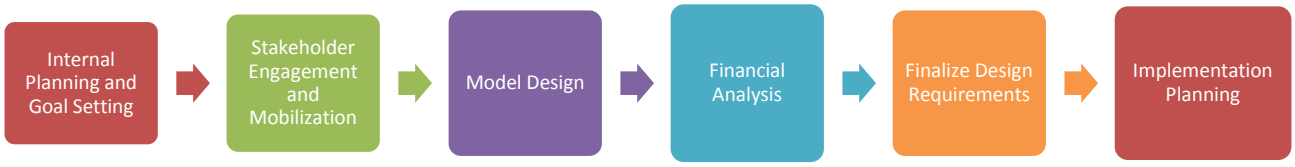
Operational Plan

A high level work plan has been developed to guide the work of NMDOH and NMHSD through the Model Design process from pre-award activities through the end of the period-of-performance in December 2015. There are six major phases of work conducted through the Model Design. The responsibility for this work will be shared among NMDOH and NMHSD staff, a steering committee, statewide collaborative stakeholders, and local community partners. Though the grant award will not be announced until October, the work plan is structured in a way to begin internal planning, goal setting, and stakeholder engagement prior to notification of award.

Key personnel during throughout the Model Design process from NMHSD are Julie Weinberg, New Mexico Medicaid Director, who will have oversight of the APCD and PCMH design; Matt Onstott, Deputy Medicaid Director for Finance, who will lead payment reform efforts; and four additional staff as outlined in the budget narrative. Key personnel for NMDOH are Tres Schnell, Director of Office of Policy and Accountability; Shannon Barnes, Accreditation Coordinator; and new staff as outlined in the budget narrative, to include epidemiologists, health promotion staff, and community involvement coordinators.

New Mexico's Governor fully supports the state's involvement in the Model Design process. Governor Martinez has designated NMDOH as the lead agency for this project, and her Policy Director and Cabinet Director for Health and Human Services will serve as her designees on the Steering Committee. The Cabinet Secretary and Deputy Secretaries from both NMDOH and NMHSD will be integral to the implementation of this grant. Other state agencies will be actively involved in the Model Design process, and these agencies are listed in the attachment – New Mexico Model Design Proposed Stakeholders.

The graphic below shows the sequence of each of the phases of work, with descriptions of each phase following.



Internal Planning and Goal Setting – NMDOH and NMHSD will engage in four tasks: (1) review the grant application with internal stakeholders and clarify initial goals; (2) organize internal resources, to include identifying key personnel and strategizing for Phase 2; (3) refining initial goals; and (4) identify the Steering Committee. During this phase, the grant team will identify resources and personnel that will be essential to the Stakeholder Engagement and Mobilization phase, develop an action plan, and begin to analyze and refine the goals identified in the application. A key product will be a clear set of initial goals and a vision for the design process that will be shared with stakeholders. The process for selecting the Steering Committee will be established and members identified.

Stakeholder Engagement and Mobilization – This phase will focus on the Steering Committee and stakeholder organization. The Steering Committee is expected to meet for the first time during this phase, develop a process for Model Design activities, establish a communication framework, and begin to identify key stakeholders to address targeted issues. These stakeholder focus groups will address the vision of "A Healthier New Mexico" by targeting health outcomes at all life stages, and the intersection of public health and health care. The focus groups will be directed at:

- Child Wellness, Adult Wellness, and Older Adult Wellness
- APCD Design

- PCMH Strategies
- Health Information Technology
- Community Health Workers and Community Paramedicine
- Payers and Providers
- Long Term Care

Existing indicators and performance measures from NMDOH and NMHSD will be used as a baseline, and stakeholder feedback on refining or finding alternatives to these indicators and measures will be a key activity. The overarching goal during this phase is to conduct statewide stakeholder meetings and community education around the process, initial goals, and vision.

Model Design – This phase will involve the following activities: (1) development of the model through the identified focus groups; (2) compilation, synthesis, and reporting of design elements to the Steering Committee; and (3) Steering Committee review of proposed design elements leading to a consensus on a detailed Model Design. Each group will be expected to address delivery system and payment reform redesign, how existing initiatives will be incorporated into the new model, any regulatory or legal barriers, health information technology requirements (as applicable), and the populations or sub-populations in the state that will be affected.

In addition, specific targets for the PCMH and APCD focus groups have already been identified. The focus groups will look largely look at qualifications and requirements in addition to the issues identified above. For the PCMH initiative, stakeholder focus group meetings will be conducted from February 2015-October 2015. The focus group will start making recommendations on accreditation, measures, training, and other identified aspects of the initiative, such as the PCMH Technical Assistance Center, beginning in April 2015. For the APCD design, NMHSD will contract with an APCD stakeholder facilitator by April 1, 2015.

Monthly APCD focus group meetings will be conducted from April 2015-October 2015, and a final APCD design white paper is expected to be completed by the end of November 2015.

All focus groups will be sending their information to an intermediate contractor (to be identified) who will be responsible for compiling and synthesizing all of the information and making reports to the Steering Committee. This process is expected to model the work of HealthInsight but within the design process defined by the Steering Committee. Reports to the Steering Committee are expected to be quarterly, and there will be fluid communication to and from the Steering Committee to refine design elements on an ongoing basis. The end result of this phase is agreement upon a Model Design. The Model Design will be presented to stakeholders for final feedback, and will be updated, if necessary, before being submitted as a formal recommendation to the Governor.

Financial Analysis – New Mexico plans to work with an economist during the Model Design and Financial Analysis phases to assess return on investment for population health interventions and cost savings for investing in public health services. The economist will ultimately build a simulation model to determine the cost-effectiveness of the proposed Model Design. In addition, specific focus groups will evaluate and develop savings estimates based on the current status in the state, planned initiatives, and evidence from similar initiatives that have been implemented in other states. While the financial analysis is ongoing, during this phase, a final savings estimate based on the final recommendations for the Model Design will be completed.

Finalize Design Requirements – Once approval for the proposed design is received from the Governor, the Steering Committee will develop a standardized process for prioritizing design elements and developing a plan to operationalize the design. Detailed design requirements to effect implementation will be established by designated stakeholder groups. This phase will

focus on continued stakeholder engagement and support, and regulatory and contractual alignment, and will address providing the necessary specificity for actual implementation of the Model Design.

Implementation Planning: New Mexico will create a detailed plan for providing system infrastructure, care coordination tools, and other capabilities to ensure feasible implementation. The departments will also create a plan to help providers shift their internal organization to reflect new requirements. This phase involves the following tasks: (1) developing an implementation plan; (2) identifying resources and developing a budget; (3) planning for continued stakeholder involvement; and (4) final review of the implementation plan by the Steering Committee and planning for the Model Test.

Assumptions and Risks: Resistance from payers to inputting information into the APCD may occur, and it will be necessary to evaluate regulatory mechanisms to support an APCD. This may be difficult due to the issue of political will. For NMDOH, obtaining stakeholder involvement from all sectors may be the most difficult part. Individuals from organizations outside of health care and public health may not understand what they can contribute, which could be a challenge. NMDOH is committed to educating all stakeholders about how they can contribute to "A Healthier New Mexico" with emphasis on the social determinants of health, such as housing, environment, employment, food, and transportation, and the importance of these factors to the population's health. Likewise, ongoing education to health organizations to encourage increased collaboration with nontraditional partners will be needed to achieve the project's goals. In general, the State expects to encounter an immense "learning curve" as it transitions from traditional health care to an increasingly patient-centered environment.