King County Accountable Community of Health

Governing Board Meeting Summary

February 1, 2018, 1:00 p.m. – 4:00 p.m.
2100 Building, 2100 24th Ave S. Seattle WA 98144

Members Present: Elizabeth "Tizzy" Bennett (Seattle Children's Hospital), Roi-Martin Brown (Washington Community Action Network), Molly Carney (Evergreen Treatment Services), Elise Chayet (Harborview Medical Center), Kristin Conn (Kaiser Permanente of Washington), Shelley Cooper- Ashford (Center for MultiCultural Health), Steve Daschle (Southwest Youth and Family Services), Ceil Erickson (Seattle Foundation), Marya Gingrey (Regional Equity Network), Patty Hayes (Public Health – Seattle & King County), David Johnson (Navos Mental Health Solutions), Maria Langlais (delegate for Cathy Knight, Seattle Aging and Disability Services), Laurel Lee (Molina Healthcare), Esther Lucero (Seattle Indian Health Board), Daniel Malone (Downtown Emergency Service Center), Adrienne Quinn (King County DCHS), Jihan Rashid (Somali Health Board), Semra Riddle (delegate for Erin Sitterly, Sound Cities Association), Jeff Sakuma (City of Seattle), Elizabeth Tail (delegate for Stephen Kutz, Cowlitz Indian Tribe), Sherry Williams (Swedish Medical Center)

Members Not Present: Teresita Batayola (International Community Health Services), Betsy Lieberman (Betsy Lieberman Consulting)

Staff: Thuy Hua-Ly, Susan McLaughlin, Gena Morgan, Kelsey Robinson (HealthierHere), Christina Hulet (Hulet Consulting)

Guests: Siobhan Brown (CHPW), Elisa Del Rosario (ACRS), Anne Farrell Sheffer (YWCA – Seattle & King/Snohomish), Brad Finegood (KCBHRD), Wei-Lin Huang (Qualis Heath), Sybill Hyppolite (SEIU Healthcare 1199NW), Laura Johnson (United Healthcare), Silvia Kennedy (Susan G. Komen PS), Ingrid McDonald (PHSKC), Mattie Osborn (Amerigroup), Sharon Poch (Qualis Health), Marguerite Ro (PHSKC), Ellie Wilson-Jones (Sound Cities Association), Kirsten Wysen (PHSKC)

Welcome & Introductions

Esther Lucero (*Seattle Indian Health Board*) welcomed everyone and reviewed the agenda. The primary objectives of today's meeting are for the Governing Board to: (1) discuss strategies for how HealthierHere can lead with equity, (2) review/approve HealthierHere's 2018 administrative budget, (3) understand the relationship between managed care organization (MCO) provider contracts and upcoming ACH provider/partner contracts, (4) finalize the process for filling two open board seats, and (5) begin discussions on DSRIP Year I fund distribution.

Esther thanked the board for their flexibility with last minute changes to the agenda. Brief introductions were made by the board.

Learning Session: Leading with Equity

Abigail Echo-Hawk (*Urban Indian Health Institute*) led the governing board through an equity learning session. Abigail has prolific experience serving on and supporting boards in facilitating equity. In her experience, she found that even though programs around the social determinants of health were being

developed and good models were being adapted for unique communities, transformation wasn't happening.

What would it mean for HealthierHere to lead with equity? Equity requires vulnerability and potentially uncomfortable conversations. It requires authentic community engagement. Equity is not checking a box.

The board had multiple opportunities to share their experience with bias and equity in a board setting. The board was thoughtful and reflective during this learning session.

Abigail challenged the board to:

- Define and make equity actionable.
- Make equity the foundation of every decision.
- Have transparent and meaningful relationships with the board/partners.
- Have equitable partnerships.

The board took a brief break. There was no public comment following the break.

Board Business & Executive Director's Report

Esther asked for a motion to approve the January minutes, they were approved with no revisions.

Executive Director's Report

HealthierHere is hiring! Job postings for the following positions will be posted/sent to the board:

- 3-4 Project Managers of varying seniority.
- Director of Clinical Transformation (re-posted).
- Data Analyst Manager
- We are starting to schedule interviews for the Community & Tribal Engagement position. Christina will be communicating with board members interested in serving on the interview panel.

The HealthierHere Open House is Wednesday 2/7 from 3pm-5pm.

The second Provider Summit will be on Thursday 2/15 from 4pm-6pm. Board members are not required to attend. The content is for provider organizations interesting in becoming partners. The agenda for the monthly convening will evolve and will be sent out prior to each summit.

The statewide ACH convening was on 1/23-1/24. Time was spent focusing on how to manage cross ACH issues, and facilitate standardization and long-term sustainability. It was a very fruitful meeting and many actions steps were established.

We are engaging with Manatt (consultant) to advise us on how to organize and structure our implementation work. There will be time on the March GB agenda to review a timeline of decisions and strategies for completing this work.

A couple of board meetings will be extended to all day meetings to accommodate the complexity of this work and to ensure the board can make well informed decisions.

Final 2018 Administrative Budget

Patty Hayes (*PHSKC*) briefly introduced that work of the Finance Committee (FC) and introduced Thuy Hua-Ly (*HealthierHere*) who presented the 2018 administrative budget for approval (pages 6-8 of the agenda

packet).

The 2017 financials are being finalized; once complete, Thuy will present a financial statement for the board's review.

The total annual budget is $5.4M consisting of two main budget components: (1) a direct ACH administration budget of $2.6M, which funds salaries/benefits, lease, equipment, etc.; and (2) an indirect budget of $2.8M for Project Planning, Consumer and Community Engagement and Domain 1 strategy and investment planning and support.

Since there are no historical financials to inform the budget, Thuy is making conservative estimates and is prepared to adjust the budget as needed. Thuy will present financial statements monthly, along with explanations for any significant cost variances and/or assumption changes.

Discussion:

- If we are an incorporated non-profit, are we subject to the B&O tax?
    - We are exploring our options, there are a few scenarios in which we would be exempt from this tax.
    - The HCA is also communicating with the DOR to negotiate this tax; however, it looks like each ACH is going to have to self-mitigate this issue.
    - We are working with our attorneys to address this and will inform the board of any updates.
- Are we approving the total, sub-totals or individual line items?
    - It is recommended that you vote to the total budget to allow some flexibility.
- Are we expecting to see large under spends?
    - As this work is building, yes. Thuy will analyze our burn rate, cash flow and draw down.
- $500k is allocated for data analysis, how was that determined?
    - This is based on what was spent on the data/backbone contract at Public Health Seattle – King County.
- Did the HIT/HIE proposal that UW Bothell put forth inform our budgets?
    - The UW Bothell proposal is focused on statewide investments, not regional investments, and therefore wasn't a good model for us to use.
- Is $500k going to be enough?
    - We don't know. We will have a better idea as we operationalize in 2018.
- Let's keep community in mind: are we incorporating intentional equity in how we build and manage our finances?
    - The Finance Committee has a clearly defined equity statement in their charter. The recommendation to use the "equity tool" in informing our finances and determining potential impact was well received by all board members.
- Do we have any MWBE goals?
    - Yes, we will share our findings at a future meeting.
- Where do provider engagement funds come from?
    - Funds for provider engagement live at the financial executor.
- Where will the salary for the Community & Tribal Engagement position come from.
    - It will come from the administrative budget.
- Is our budget balanced?
    - Our revenue will come to us in pieces so it's complicated to determine. Thuy will continue analyze our cash flow/draw down.

A motion was made to approve the 2018 administrative budget. There were 5 abstentions: Adrienne Quinn, Laurel Lee, Marya Gingery, Patty Hayes, and Shelley Cooper-Ashford. The motion was approved.

Learning Session: Managed Care Organization (MCO) Contracting

Laurel Lee (*Molina*), Mattie Osborn (*Amerigroup*), Siobhan Brown *(Community Health Plan of Washington*) Laure Johnson (*United Healthcare*) presented a learning session on MCO contracting (pages 9-31 of the agenda packet).

The goals for this session were to help the board understand the contract relationship between the state and managed care organizations, and the relationship between MCOs and providers. MCOs are a health delivery system focused on managing costs and quality service. Medicaid managed care is how we deliver those funds for Medicaid services. The MCO functions as a health plan and distributes funds to providers when they provide services to a Medicaid patient.

The state is moving towards Value Based Payment (VBP). VBP is a strategy that incentivizes providers to focus on quality of care and produce positive outcomes instead of the quantity of services performed. This shift allows for more provider and patient centered healthcare, but still comes with challenges. Moving to VBP is a major infrastructure change and many providers may not have the funds to invest in the capacities necessary to manage VBP. MCOs have the ability to support providers in training and data analytics.

Discussion:

- There is an interesting opportunity to use an equity lens in contracting.
- How do we support rural or small providers that may not be able to invest in VBP, but are the only providers in their area?
- Some providers may feel de-incentivized to take on certain patients if they know their outcomes will not be positive.
- Request for care management/coordination learning session to understand what MCOs are doing and how ACHs can both align investments and avoid overlap.
- Request for future learning session on how VBP impacts people seeking services.

Governance

Christina Hulet (*Hulet Consulting*) provided a brief update of the open board seats and the application process (pages 32-38 of agenda packet).

There are two board seats seeking recruitment: an “at-large” seat and a “long term care” seat. These are both “open” seats which means no lead entity is making a recommendation. The Executive Committee (EC) is recommending that the EC manage and facilitate the application process. Board members are welcome to make recommendations to the EC.

Christina reviewed the draft application packet and drew attention to areas in which equity was incorporated into the application. Christina asked the board to review the application and provide feedback if necessary.

The at-large seat is flexible and allows us to bring in specific expertise. Board members were asked to name one skill or expertise they you like to see added to the board:

- Lived experience (behavioral health, criminal justice/familiar faces)*
- Kid/youth perspective

- Senior/elder (ideally with link to supported housing/other services)
- Community health worker
- Community representative with experience trying to access services
- Family member/caregiver navigating the system
- Involuntary treatment/behavioral health
- Juvenile justice/prison/jail experience
- Language/interpreter services
- Integrated/non-traditional care

* The most common response was someone with lived experience (~40% of members)
Christina will finalize the application and send out the GB to distribute. The EC will come back with recommendations at a future meeting.

DSRIP Funding Updates

Thuy reviewed the DSRIP funding updates (pages 39-51 of the agenda packet). DSRIP funding is determined by Medicaid client enrollment. There has been a drop of 1% in client count and therefore our potential revenue has reduced. Intergovernmental transfers (IGT) is another mechanism to help fund and support the work of the ACH.

The DSHP funding decreases over 5 years and the IGT increases over 5 years. Due to funding caps, we anticipate a $300 million revenue shortfall. The HCA is working to mitigate this shortfall. Our first year does not rely heavily on IGT funds, we have some time to figure out how we will mitigate the shortfall. All nine ACHs need to agree with the IGT funding mechanism or there will be significantly less funds available to us. Many of the other regions are not comfortable using IGT and currently all IGT contributors are in King County. The GB will approve the payment schedule for shared domain 1 investments and the ACH will approve the payment schedule in the Financial Executor (FE). Each ACH will have a contract with the FE and provider registration will begin once the contract is finalized. Each provider wanting to participate in the MTP will need to register with the FE. There will be training in late February/early March for the payment process and the FE portal.

Meeting adjourned.