The State of Delaware

State Employee Benefits Committee (SEBC)
Strategic Framework Development Discussion

September 26, 2016

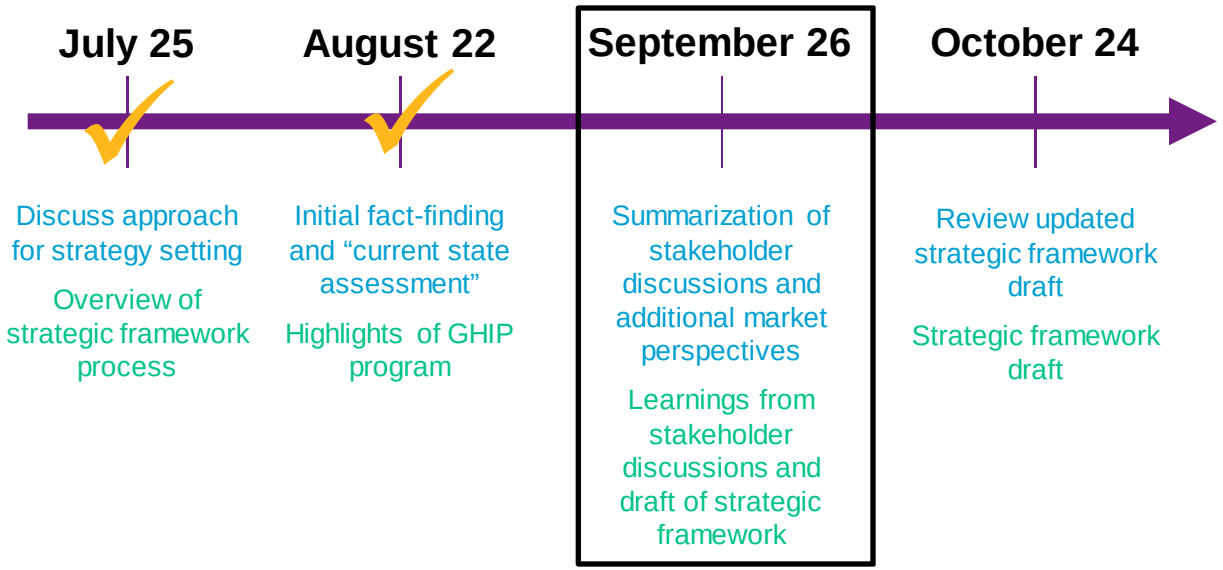
Willis Towers Watson

Today's discussion

- Revisiting plan for strategic development
- Market perspectives
- Summary of stakeholder discussions
- Draft strategic framework
  - Mission statement
  - Proposed goals, strategies and tactics

Revisiting project timeline

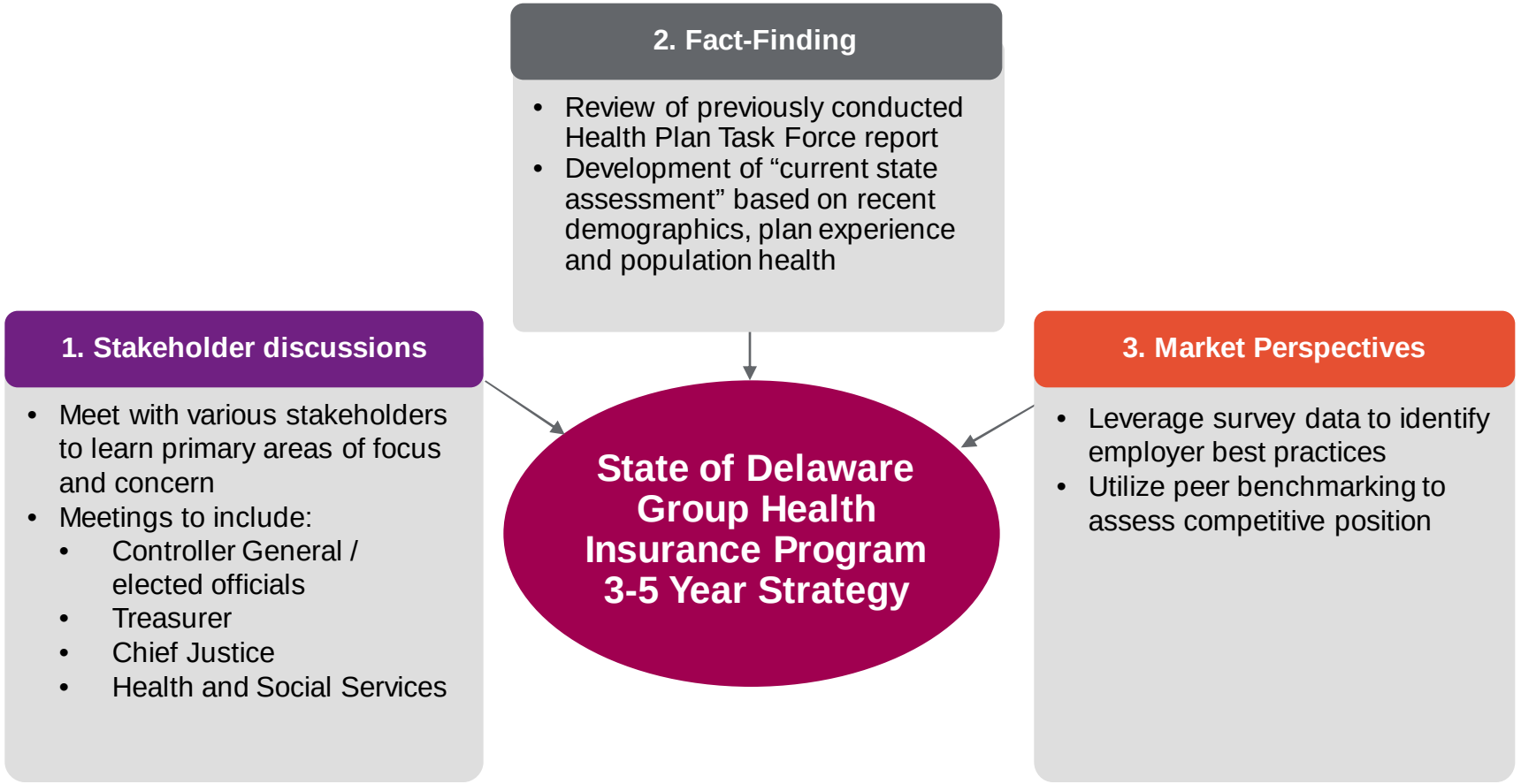
- The following timeline, aligned with upcoming SEBC meetings, outlines key objectives for the strategy development



Meeting Objective

Key Deliverable

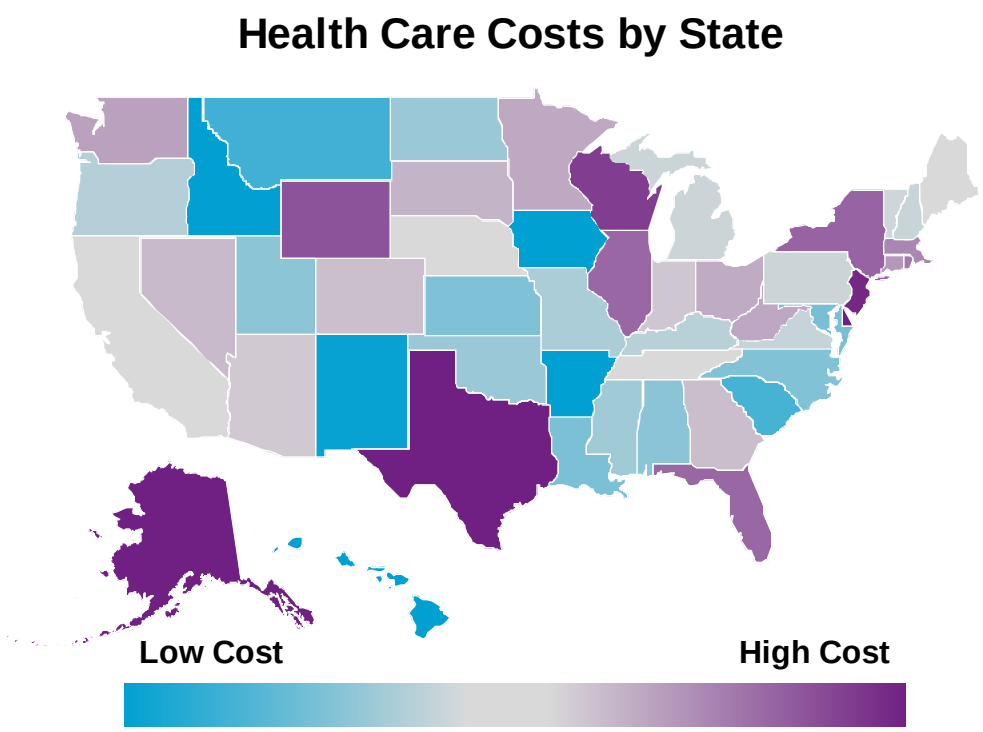
Revisiting “primary inputs” for strategic development



Market perspectives

Market perspectives

Delaware geographic factors



- The underlying cost for basic health care services varies by geography, in part driven by provider competition and prevalence of managed care plans
- Cost of health care is generally higher in Delaware compared to other markets
  - Health care costs in the Philadelphia/Wilmington and Dover areas are 6% and 10% higher than national average, respectively
  - All else equal, GHIP costs are expected to be 9% higher than the national average based on the geographic footprint for active population
- State GHIP comprises about 10% of the total population in Delaware

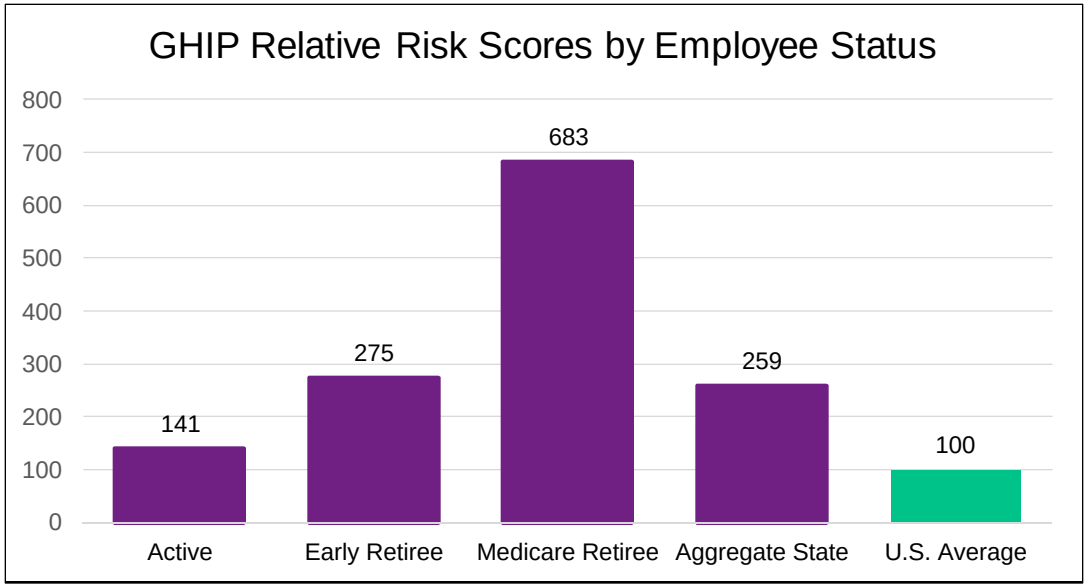
MSA	Geography Factor
Philadelphia/Wilmington	1.06
Dover	1.10
GHIP Overall (Actives)	1.09

National Average = 1.00

Source: Willis Towers Watson 2016 Health Care Financial Benchmarks Study

Market perspectives

Health status of GHIP participants vs. broader marketplace

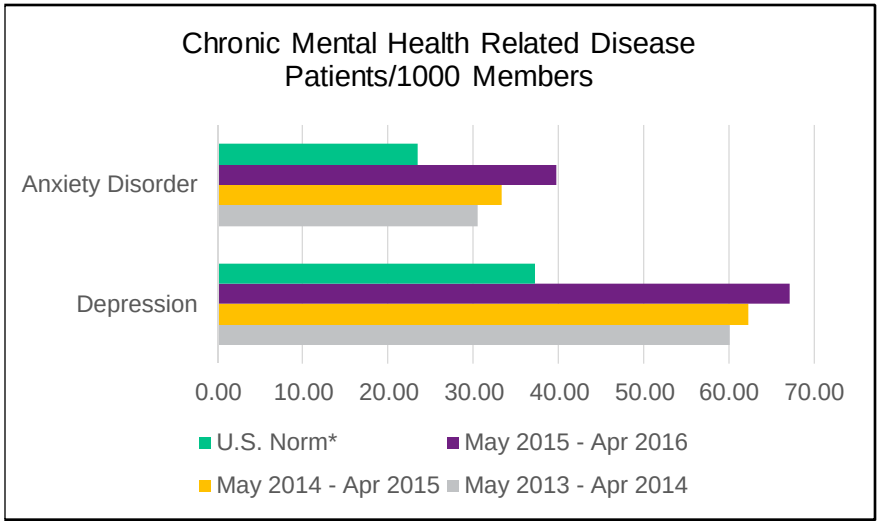


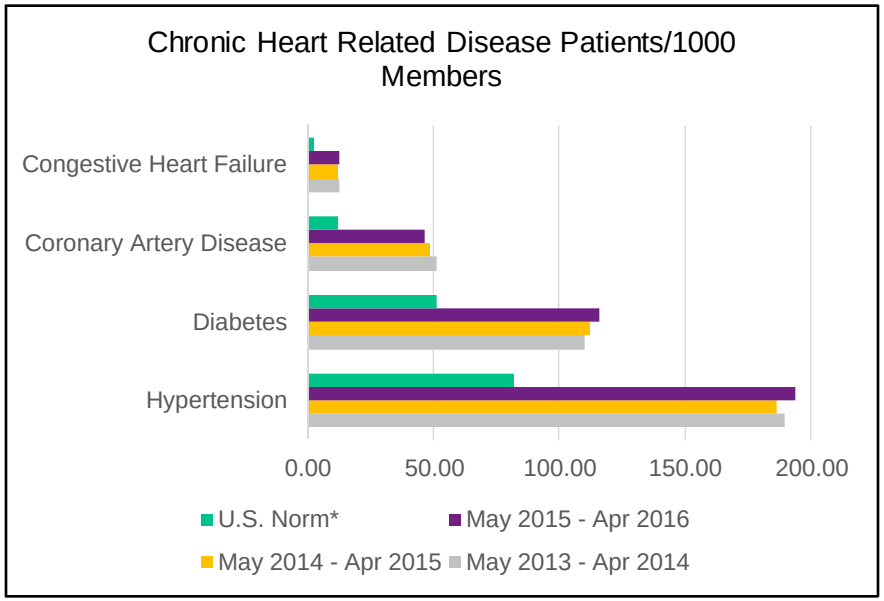
- Risk scores are typically used to judge the "riskiness" of a group, or the relative health status, with a higher score indicating a sicker population
- Whether analyzed by employee status, or on an overall basis, GHIP participants are much less healthy than the normalized national average
- High risk scores, such as the GHIP's, suggest participants may not be engaged in managing their own health

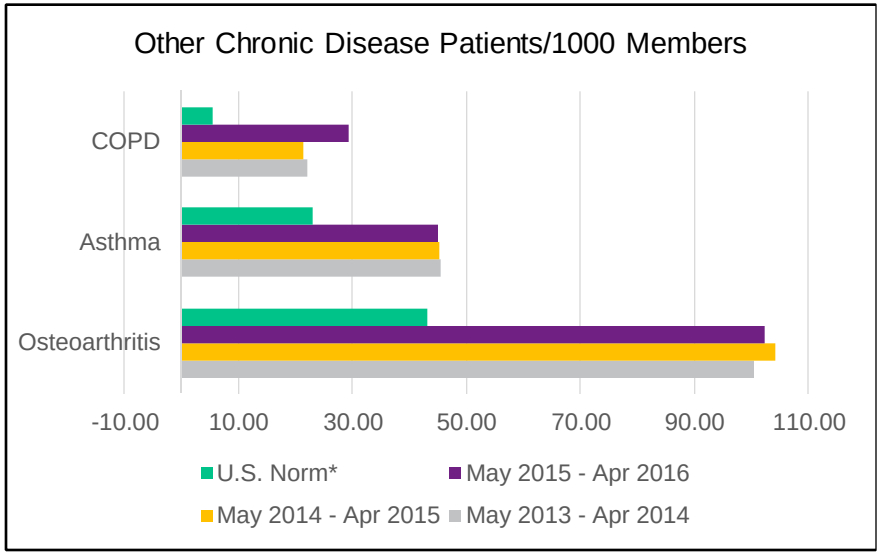
Source: Truven, State of Delaware Group Health Insurance Program Relative Risk Scores by Employee Status Jan 2015 – Dec 2015

Market perspectives

Health status of GHIP participants vs. broader marketplace





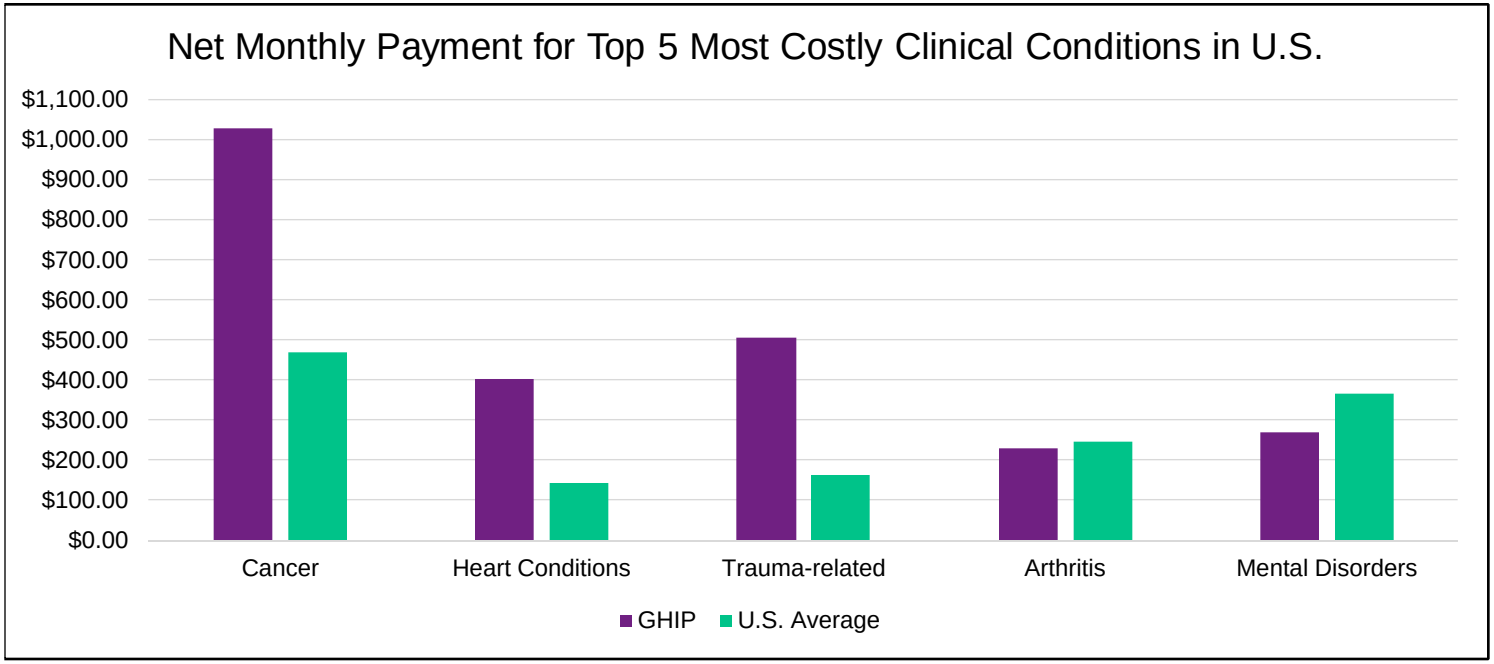


- GHIP plans have had a significant prevalence of chronic diseases over the past three years, with hypertension and diabetes as the two most prevalent chronic diseases over the past year
- GHIP's disease prevalence ranges from two to six times higher than Truven's U.S. Norm (adjusted for the State's age and gender across all populations)
- These patterns also support a lack of participant engagement in physical and mental healthcare

Source: Truven, State of Delaware Group Health Insurance Program Chronic Disease Prevalence (Patients Per 1000 Members) by Incurred Rolling Year

Market perspectives

Cost of GHIP participants vs. broader marketplace



- The State pays significantly more monthly per patient than the national average for 3 of the top 5 most costly conditions: cancer ($560 more), heart ($260 more), and trauma-related ($344 more)
- The State pays only slightly less than the national average for the remaining conditions: arthritis ($16 less) and mental disorders ($95 less)

Source: GHIP: Truven, State of Delaware Group Health Insurance Program Clinical Condition Group by Net Amount Per Patient; U.S. Average: Top Five Most Costly Conditions among Adults Age 18 and Older, 2012: Estimates for the U.S. Civilian Noninstitutionalized Adult Population. Statistical Brief #471. April 2015. Agency for Healthcare Research and Quality, Rockville, MD. http://www.meps.ahrq.gov/mepsweb/data_files/publications/st471/stat471.shtml

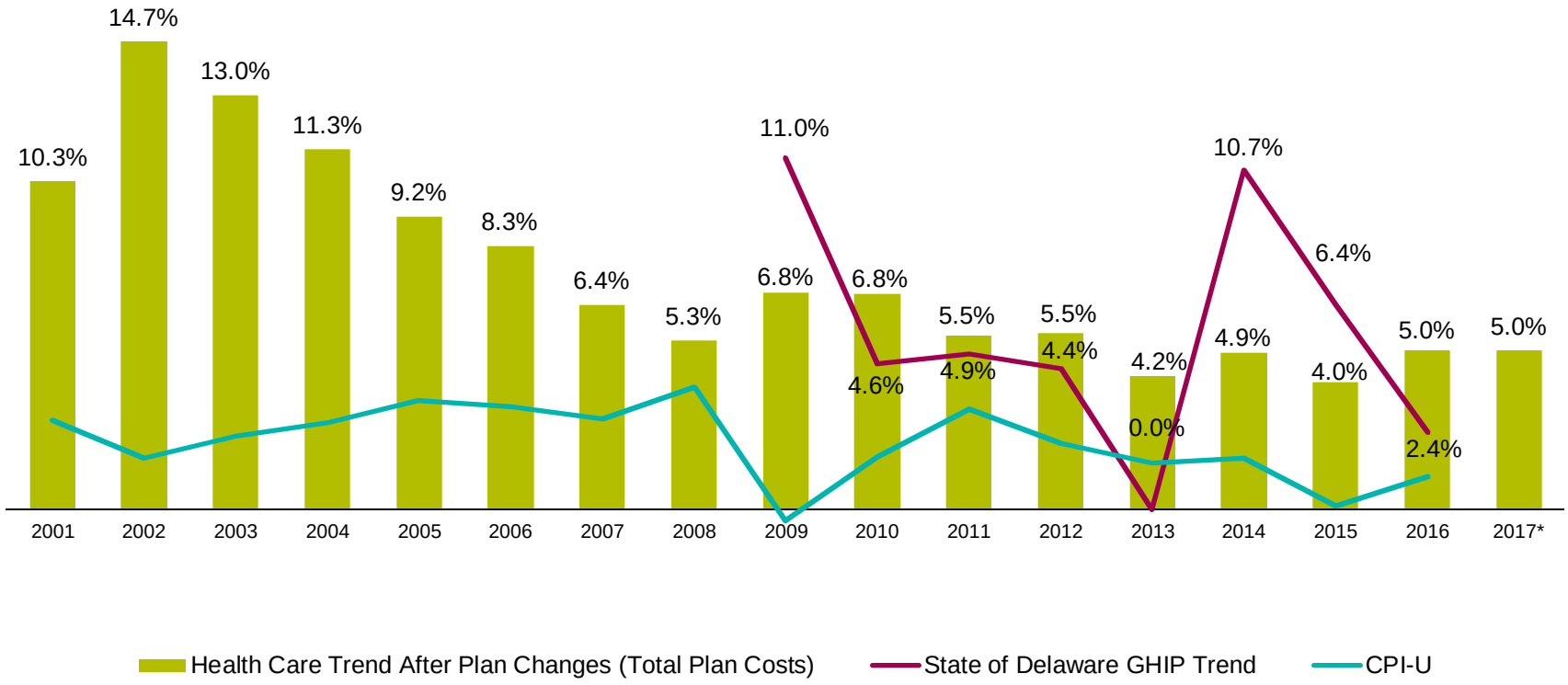
Employers are taking new directions in healthcare

From	To
Health care as part of benefits strategy	Health strategy aligned with Total Rewards
Transactional focus	Focus on the employee experience
Less choice	More choice with decision support
Broad national network	Curated network (e.g., narrow, high performing, value-based)
Subsidized price tags	Price and subsidy transparency
Administrative technology	Consumer / Patient technology, with focus on personalized digital health resources
Wellness	Well-being (physical, emotional and financial)
Discounts / Fee-for-service	Value-based reimbursement (cost, quality, efficiency and outcomes with analysis based on total cost of care)
Site of care agnostic	Right Care, Right Place, Right Price
Traditional benefit delivery platform	Private marketplace or equivalent on a self-managed basis

Source: Willis Towers Watson market experience, Summer/Fall 2016

Cost trend remains low but continues as a concern

Healthcare cost increases before and after plan design changes

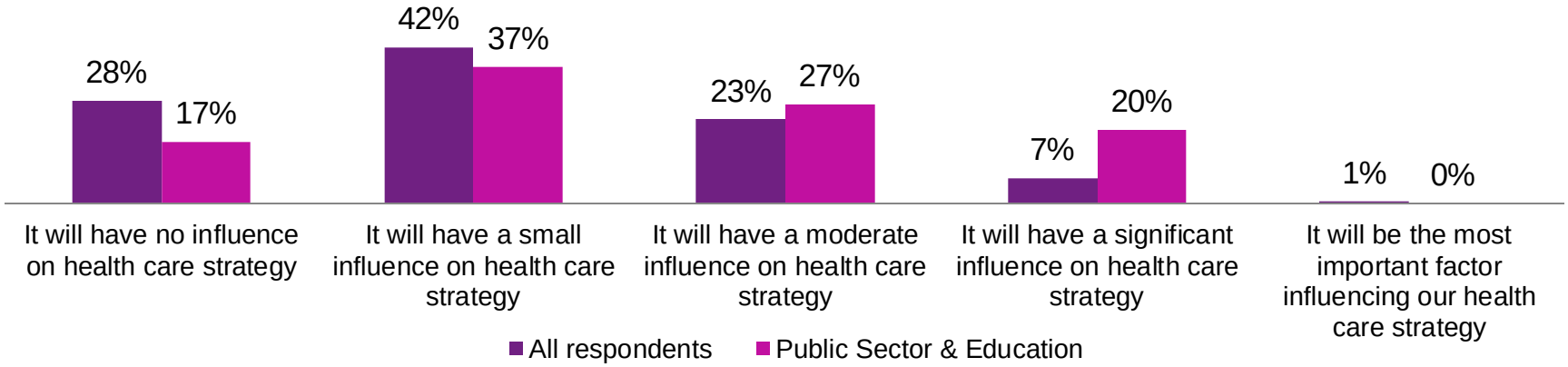


Sample: Based on respondents with at least 1,000 employees.
Notes: Median trends for medical and drug claims for active employees including both employer and employee contributions but excludes employee OOP costs. CPI-U extracted from the Department of Labor, Bureau of Labor Statistics, August 2016.
*Expected.
Source: Willis Towers Watson High Performance Insights in Health Care: 2016 Best Practices in Health Care Survey

Most employers plan moderate to significant changes to their health care benefits over the next 4 years regardless of excise tax delay

How significantly do you anticipate changing your health benefit programs between now and January 1, 2020?

How will the two year delay to the excise tax influence your organization's health care strategy for 2017?



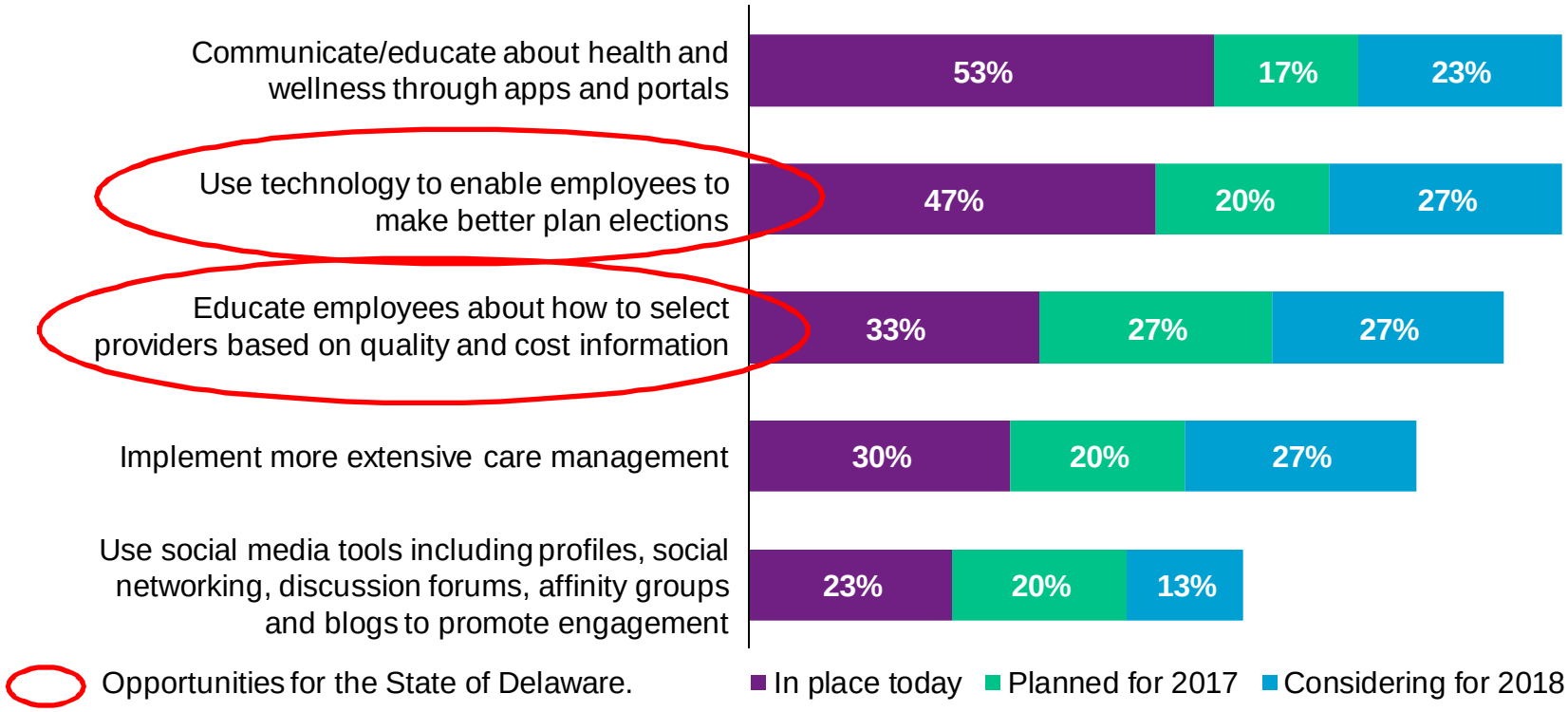
Note: Responses of "not applicable" have been removed.

Source: 2016 Willis Towers Watson Emerging Trends in Health Care Survey.

The majority of organizations are leveraging technology to facilitate communication and engagement

Which specific actions does your organization have in place or is it considering between now and 2018 for its healthcare program?

Health engagement

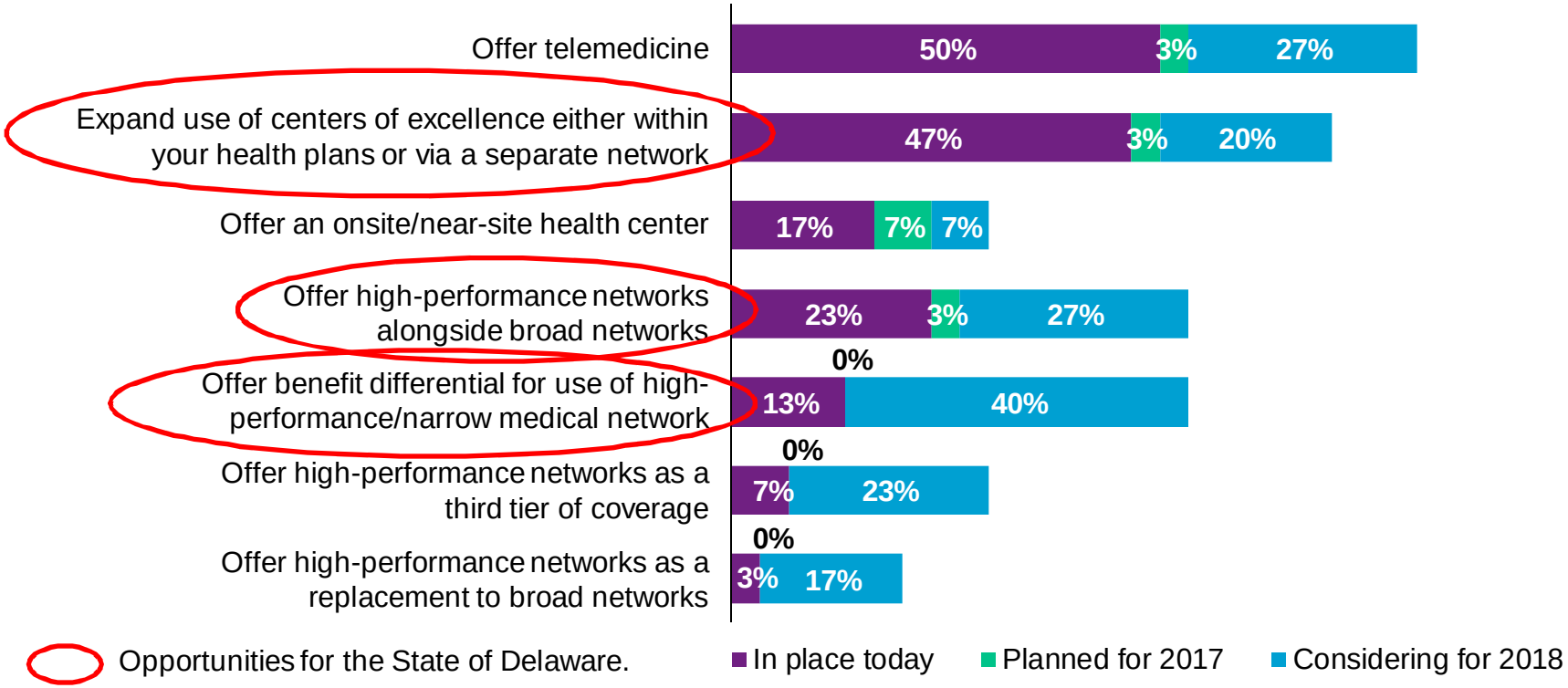


Source: 2016 Willis Towers Watson Emerging Trends in Health Care Survey. Industry: Public Sector & Education.

Telemedicine is rapidly becoming a core offering. In addition, employers are increasingly focused on high performance networks

Which specific actions does your organization have in place or is it considering between now and 2018 for its healthcare program?

Network/provider strategies



Source: 2016 Willis Towers Watson Emerging Trends in Health Care Survey. Industry: Public Sector & Education.

Summary of stakeholder discussions

Stakeholder discussions

Key themes

Shared accountability for healthcare cost

Stakeholder discussions

Key themes

…For the SEBC and Participants

Stakeholder discussions

Key themes

Embrace traditional and emerging approaches

Stakeholder discussions

Key themes

Ensure availability and access

Draft strategic framework

GHIP mission statement

Updated based on SEBC feedback

Offer State of Delaware employees, retirees and their dependents access to healthcare that produces high quality outcomes at an affordable cost while promoting individual accountability.

Proposed GHIP goals

Tied to the GHIP mission statement

Mission Statement:	***Goals:***
Offer State of Delaware employees, retirees and their dependents ***access to healthcare*** *that produces* ***high quality outcomes****…*	o Addition of at least net 1 value-based care delivery (VBCD) model by end of FY2018
at an ***affordable cost****…*	o Reduction of gross GHIP medical and prescription drug trend by 2% by end of FY2020[1]
while ***promoting individual accountability****.*	o GHIP membership enrollment in a consumer-driven or value-based plan exceeding 25% of total population by end of FY2020[2]

[1] Gross trend is inclusive of total increase to GHIP medical plan costs (both "employer" and "employee")

[2] Note: To drive enrollment at this level, the State will need to make plan design and employee contribution changes that may require changes to the Delaware Code.

Framework for the health care marketplace

Proposed GHIP strategies

	Health Care Services	Health Status of the Population
Providers	**Provider Care Delivery** • Evaluate the availability of VBCD models where GHIP participants reside • Continue managing medical TPA(s)	**Provider-led Health and Wellness Initiatives** • Leverage other health-related initiatives in Delaware • Continue managing medical TPA(s)
Participants	**Participant Care Consumption** • Implement changes to GHIP medical plan options and price tags • Ensure members understand benefit offerings and value provided • Offer meaningfully different medical plan options to meet the diverse needs of GHIP participants	**Participant Engagement in Health and Wellness** • Offer and promote resources that will support member efforts to improve and maintain their health • Drive GHIP members' engagement in their health

Group Health Insurance Program

Supply

Demand

Proposed GHIP strategies and tactics

Goal: Addition of at least net 1 value-based care delivery (VBCD) model by end of FY2018

	Strategies	Tactics
Supply	**Evaluate the availability of VBCD models where GHIP participants reside**	Evaluate local provider capabilities to deliver VBCD models via medical third party administrator (TPA) RFP
		Implementation of VBCD models from RFP
		State-sponsored Health Clinic Request for Information (RFI)
Supply	**Leverage other health-related initiatives in Delaware to drive better outcomes**	Look for leveraging opportunities with the DCHI and DHIN to partner on promotion of value based networks
		Identify opportunities to partner and encourage participation in value-based care delivery model using outside vendors, TPAs and DelaWELL
Demand	**Encourage member awareness of tools to evaluate provider quality**	Promote medical plan TPAs' provider cost/quality transparency tools
		Educate GHIP population on other provider quality tools from CMS, Health Grades, Leapfrog, etc.

Value-based Care Delivery (VBCD) Models

- Center of Excellence (COE)
- High Performance Network (HPN) and Narrow Networks
- Advanced Primary Care / Patient-centered Medical Home (PCMH)
- Accountable Care Organization (ACO)

Proposed GHIP strategies and tactics

Goal: Reduction of gross GHIP medical and prescription drug trend by 2% by end of FY2020

	Strategies	Tactics
Supply	Continue managing medical TPA(s)	Negotiate strong financial performance guarantees
		Select vendor(s) with most favorable provider contracting arrangements
		Select vendor(s) that can best manage utilization and population health
Demand	Implement changes to GHIP medical plan options and pricetags	Evaluate bidder capabilities surrounding Centers of Excellence via medical TPA RFP
		Explore and implement medical TPA programs, such as tiered pricing for lab services, high cost radiology UM* and other medical and Rx UM programs, where necessary
		Evaluate feasibility of reducing plan options and/or replacing copays with coinsurance
		Change certain plan inequities, e.g., double state share and Medicfill subsidy
	Offer and promote resources that will support member efforts to improve and maintain their health	Educate GHIP members on the importance of preventive care and the State's preventive care benefits (covered at 100% in-network)
		Evaluate vendor capabilities surrounding UM/DM/CM* via medical TPA RFP
		Promote wellness tools and resources available through the GHIP medical TPA(s) (e.g., tobacco cessation, DelaWELL resources)
		Educate GHIP members on lower cost alternatives to seek care outside of the emergency room (i.e., urgent care centers, retail clinics, telemedicine)
		Evaluate incentive opportunities through incentive-based activities and/or challenges
		Identification of wellness champions to encourage development of "culture of health" statewide

*UM = Utilization Management | DM = Disease Management | CM = Case Management

Proposed GHIP strategies and tactics

Goal: GHIP membership enrollment in a consumer-driven or value-based plan exceeding 25% of total population by end of FY2020

Demand

Strategies	Tactics
Ensure members understand benefit offerings and value provided	Launch healthcare consumerism website
	Roll out and promote SBO consumerism class to GHIP participants
	Offer a medical plan selection decision support tool (e.g., Truven's "My Benefits Mentor" tool)
	Promote cost transparency tools available through medical TPA(s)
Offer meaningfully different plan options to meet the diverse participant needs	Change medical plan designs and employee/retiree contributions to further differentiate plan options*
	Change the number of medical plans offered*
	Communicate plan offerings, in conjunction with decision support tool to guide members into appropriate plans
Drive GHIP members' engagement in their health	Evaluate recommendations for creative ways to drive engagement and participation in consumer driven health plans via medical TPA RFP through leveraging vendor tools and technologies
	Evaluate feasibility of offering incentives for engaging in wellness activities

*May require changes to the Delaware Code

Next steps

- Confirm GHIP goals, strategies and tactics
- Next strategic framework meeting aligns with SEBC meeting on October 24
  - Review draft strategic framework

Appendix

Active/non-Medicare retiree FY15 top 20 procedures by state

Procedure	FY15 Avg Paid Claim Per Service	
	DE % difference compared to PA	DE % difference compared to MD
BLOOD COUNT COMPLETE AUTO&AUTO DIFRNTL WBC	272.4%	193.5%
COLLECTION VENOUS BLOOD VENIPUNCTURE	**66.0%**	352.6%
THERAPEUTIC PX 1/> AREAS EACH 15 MIN EXERCISES	270.3%	**45.8%**
Hosp OP visit for assess & mgmt of pt	**67.2%**	**81.4%**
COMPREHENSIVE METABOLIC PANEL	215.0%	137.7%
ECG ROUTINE ECG W/LEAST 12 LDS TRCG ONLY W/O I&R	246.1%	118.3%
MANUAL THERAPY TQS 1/> REGIONS EACH 15 MINUTES	**40.2%**	**70.8%**
BASIC METABOLIC PANEL CALCIUM TOTAL	344.9%	334.0%
RADIOLOGIC EXAM CHEST 2 VIEWS FRONTAL&LATERAL	104.4%	145.8%
EMERGENCY DEPARTMENT VISIT HIGH/URGENT SEVERITY	234.8%	148.4%
Injection ondansetron hydrochloride, per 1 mg	526.5%	45.6%
EMERGENCY DEPARTMENT VISIT MODERATE SEVERITY	665.6%	**96.0%**
THERAPEUT ACTVITY DIRECT PT CONTACT EACH 15 MIN	235.8%	**57.0%**
PROTHROMBIN TIME	158.5%	227.2%
LIPID PANEL	108.8%	**84.2%**
COMPUTER-AIDED DETECTION SCREENING MAMMOGRAPHY	**48.8%**	**65.0%**
ASSAY OF THYROID STIMULATING HORMONE TSH	215.9%	**99.4%**
LOCM 300 - 399 mg/ml iodine conc per ml	0.0%	256.1%
URNLS DIP STICK/TABLET REAGENT AUTO MICROSCOPY	200.7%	545.1%
EMERGENCY DEPT VISIT HIGH SEVERITY&THREAT FUNCJ	194.9%	173.2%
All	**189.6%**	**132.9%**

Number of Procedures by State

- Delaware: 194,534
- Pennsylvania: 9,361
- Maryland: 12,078

Total cost for all Procedures: $15.3M

- Overall, the State of Delaware paid more if a procedure was performed in Delaware than if performed in Pennsylvania or Maryland, based on the top 20 procedures on a net payment per service basis
- The State paid 89.6% more for procedures performed in Delaware, compared to Pennsylvania
  - Only 4 procedures were less expensive in Delaware than in Pennsylvania (shown in green above)
  - The procedure "LOCM 300 -399 mg/ml iodine" was not performed in Pennsylvania during FY15; could not be compared to the Delaware net payment per service cost
- The State paid 32.9% more for procedures performed in Delaware, compared to Maryland
  - 8 procedures were less expensive in Delaware than in Maryland (shown in green above), which is twice as many procedures in comparison to Delaware vs. Pennsylvania procedure costs

Source: Truven provided statistics in the Top 20 DRGS and Top 20 Procs by Regional Utilization and State.xlsx file; data reflects entire population (actives, non-Medicare & Medicare retirees).
Note: The net payment per service has not been adjusted for the population's risk score in each state.

Active/non-Medicare retiree FY15 top 20 DRGs by state

DRG	FY15 Avg Paid Claim Per Service	
	DE % difference compared to PA	DE % difference compared to MD
BLOOD COUNT COMPLETE AUTO&AUTO DIFRNTL WBC	114.6%	136.8%
COLLECTION VENOUS BLOOD VENIPUNCTURE	106.8%	111.2%
THERAPEUTIC PX 1/> AREAS EACH 15 MIN EXERCISES	265.1%	122.9%
Hosp OP visit for assess & mgmt of pt	107.9%	119.1%
COMPREHENSIVE METABOLIC PANEL	**88.2%**	**55.1%**
ECG ROUTINE ECG W/LEAST 12 LDS TRCG ONLY W/O I&R	135.1%	204.9%
MANUAL THERAPY TQS 1/> REGIONS EACH 15 MINUTES	**77.6%**	198.0%
BASIC METABOLIC PANEL CALCIUM TOTAL	105.5%	257.4%
RADIOLOGIC EXAM CHEST 2 VIEWS FRONTAL&LATERAL	**87.9%**	118.4%
EMERGENCY DEPARTMENT VISIT HIGH/URGENT SEVERITY	215.0%	160.3%
Injection ondansetron hydrochloride, per 1 mg	**99.4%**	308.6%
EMERGENCY DEPARTMENT VISIT MODERATE SEVERITY	101.3%	123.9%
THERAPEUT ACTVITY DIRECT PT CONTACT EACH 15 MIN	190.6%	**66.5%**
PROTHROMBIN TIME	231.7%	365.5%
LIPID PANEL	**64.4%**	309.0%
COMPUTER-AIDED DETECTION SCREENING MAMMOGRAPHY	2585.0%	222.2%
ASSAY OF THYROID STIMULATING HORMONE TSH	206.9%	363.4%
LOCM 300 - 399 mg/ml iodine conc per ml	**54.7%**	245.8%
URNLS DIP STICK/TABLET REAGENT AUTO MICROSCOPY	389.3%	401.7%
EMERGENCY DEPT VISIT HIGH SEVERITY&THREAT FUNCJ	328.7%	**62.0%**
All	**106.1%**	**124.6%**

Number of DRGs by State

- Delaware: 3,515
- Pennsylvania: 189
- Maryland: 177

Total cost for all DRGs: $40.8M

- Overall, the State of Delaware paid more if a diagnosis was made in Delaware than if made in Pennsylvania or Maryland, based on the top 20 DRGS (diagnosis-related group) on a net payment per service basis
- The State paid 6.1% more overall when diagnosed in Delaware compared to Pennsylvania
  - 6 diagnoses were less expensive in Delaware than in Pennsylvania (shown in green above), which is twice as many diagnoses in comparison to Delaware vs. Maryland DRG costs
  - Compared to procedures, there were more diagnoses that are less expensive in Delaware than Pennsylvania
- The State paid 24.6% more overall when diagnosed in Delaware, compared to Maryland
  - Only 3 diagnoses were less expensive in Delaware than in Maryland (shown in green above)
  - Compared to procedures, there were fewer diagnoses that were less expensive in Delaware than in Pennsylvania

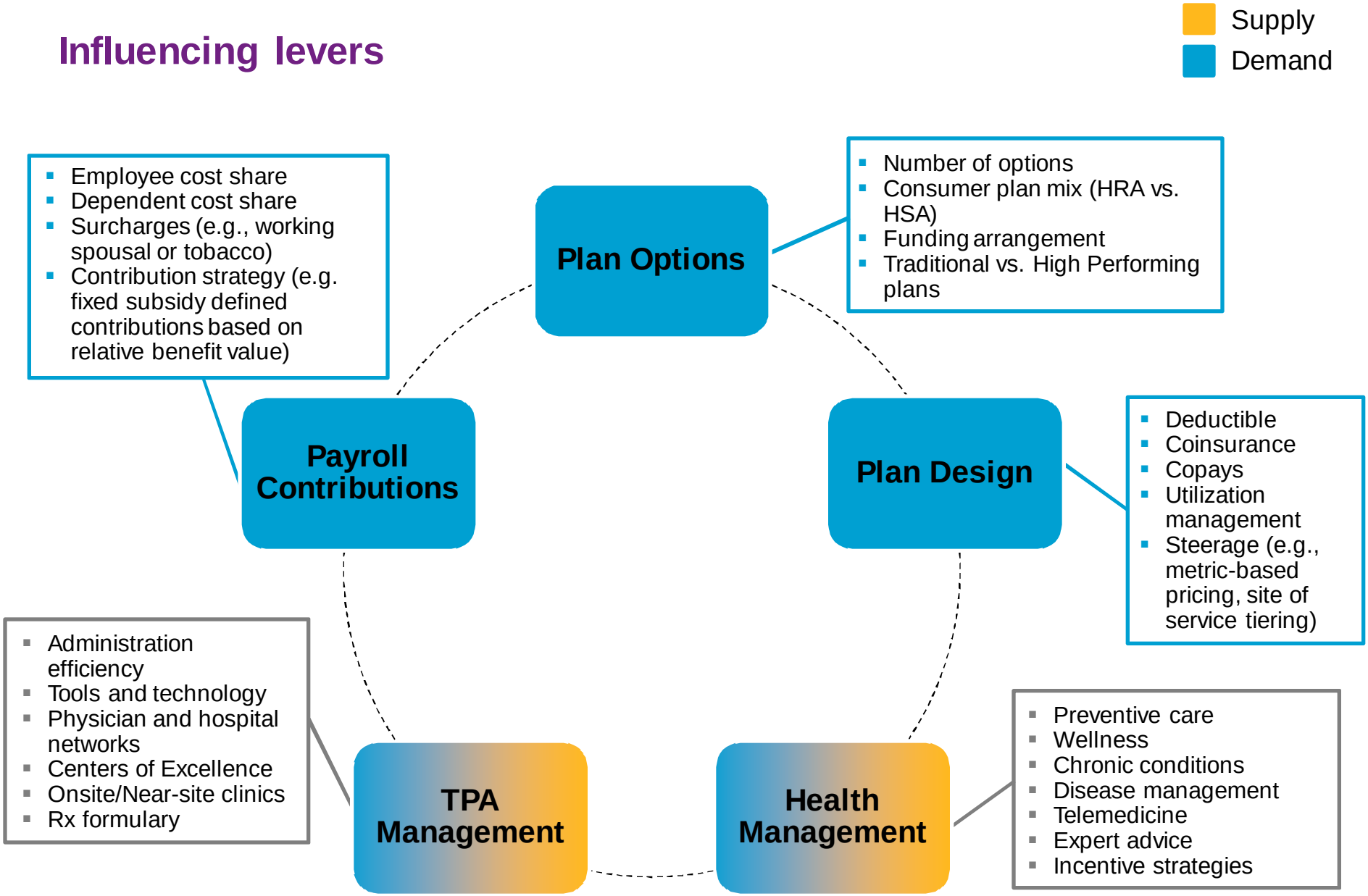
Source: Truven provided statistics in the Top 20 DRGS and Top 20 Procs by Regional Utilization and State.xlsx file; data reflects entire population (actives, non-Medicare & Medicare retirees).
Note: The net payment per service has not been adjusted for the population's risk score in each state.

Benefit priority matrix

Reframing priorities in order to develop the GHIP's overarching mission

Attribute	Guiding Principle
Competitive Position	Implement changes to benefits that keep the value of the Total Rewards package at the competitive norm
Employee Perception	Focus on design and contribution strategies targeted to improve employee perception and understanding of the benefit program
Financial Management	Manage long-term program costs for the GHIP and plan participants while holding vendor partners accountable for maintaining their commitment to high performance and optimal service delivery
Choice	Offer employees choices that are meaningfully different in price and in value and meet the diverse needs of the GHIP participant population
Simplicity	Design and communicate the plan options so that they are easy for employees to understand and use, and are efficient to administer
Health and Wellness	Provide programs and incentives to support wellness and encourage GHIP participants' engagement in proactively managing their health
Consumerism	Empower employees using plan design, tools and resources, and communications to be thoughtful consumers of health care
Quality and Access to Care	Ensure the State is working with the appropriate TPA partner(s) that can provide the highest quality provider network with adequate access for GHIP participants

Influencing levers



Confines of strategic development

Requirement of legislation

Potential tactic to address strategy	Illustrative example(s)	Requires legislative change?
Traditional plan design changes	Increase deductible by $100	No
Non-traditional plan design changes	Implement reference-based pricing Add a third coverage tier for a narrow network	No
Adding a new medical plan	Adding CDHP/HSA or adding a PPO option that has a narrow network	No*
Removing a plan option specified by the Delaware Code	Removing the First State Basic plan	Yes**
Freezing enrollment in a medical plan	1. Freeze to new entrants 2. Freeze to new hires	Yes
Adding a vendor	Wellness vendor or engagement vendor	No
Adjustments in employee cost share	Increasing the payroll contribution for an employee from 12% to 15%	Yes
Adjustments in dependent cost share	Increasing the dependent cost sharing by 10%	Yes
Addition of surcharges	1. Add a tobacco and/or spousal surcharge 2. Wellness “dis-incentive” for non-participation	Yes
Addition of an incentive program	Paying an employee $100 to get their biometric screening from their PCP	No
Implement a medical or Rx utilization management programs	1. Implement high cost radiology management program 2. Discontinue coverage of certain high cost specialty drugs and/or compound drugs	No

*Procurement would be involved in reviewing any amendments to vendor contracts for the new plan(s). Additionally, cost share would have to fit within one of the existing plans to avoid legislative change.
**May require legal input regarding Delaware Code.

Note: *Italicized* words refer to other terms defined in this glossary.

State of Delaware health care initiatives

Terminology	Acronym	Explanation	Goal
All Payers' Claims Database	APCD	A large scale database created by state mandate that systematically collects medical claims, pharmacy claims, dental claims (typically, but not always), and eligibility and provider files from private and public payers. The Governor of Delaware recently signed an APCD into law.	To fill critical information gaps for state agencies, to support health care and payment reform initiatives, and to address the need for transparency in health care at the state-level to support consumer, purchaser, and state agency reform efforts. Additionally, to provide comprehensive, multipayer data that allows the state and other stakeholders to understand the cost, quality, and utilization of health care for their citizens.
Delaware Center for Health Innovation	DCHI	Created to develop, facilitate, and oversee the implementation of collaborative efforts aimed at transforming the delivery of health care services in the State. The DCHI has been convening stakeholders to establish goals for primary care transformation as a key element of *Delaware's Health Innovation Plan*.	To encourage payers to offer Total Cost of Care or Pay-for-Value models to primary care providers, to base outcomes measurement on quality and efficiency measures primarily from the DCHI Common Scorecard, and to support practice transformation and care coordination to help PCPs to be successful in outcomes-based payment models.
Delaware Health Information Network	DHIN	The State of Delaware's *Health Information Exchange (HIE)*. One of the most advanced *Health Information Exchanges* (HIE) in the country, DHIN has a high rate of adoption among providers and hospitals and communicates lab findings and imaging reports along with hospital Admission Discharge Transfer reports and medication history.	To give providers an enhanced patient view to improve efficiency and effectiveness of care.

Note: *Italicized* words refer to other terms defined in this glossary.

State of Delaware health care initiatives

Terminology	Acronym	Explanation	Goal
DelaWELL Health Management Program	DelaWELL	The DelaWELL Health Management Program is designed through the State of Delaware and Aetna to address specific health and wellness needs. The program reflects the State's commitment to healthy lifestyles. Eligible participants include benefit-eligible employees (state agency, school district, charter school, higher education and participating groups), state non-Medicare eligible pensioners, and their spouses and dependents over the age of 18 who are currently enrolled in a State of Delaware Group Health Plan. While there are no cash incentives (the reward is good health) for participation, and participation in DelaWell is voluntary, it is strongly encouraged.	Through wellness and disease management programs, DelaWELL aims to help participants become more involved in their health and make real health improvements. By encouraging participants to be proactive about wellness, engage in preventive care, control chronic conditions, and be a wise health care consumer, the State hopes to control health care costs.
Health Information Exchange	HIE	The electronic movement of health-related information among organizations which allows doctors, nurses, pharmacists, other health care providers and patients to appropriately access and securely share a patient's vital medical information electronically—improving the speed, quality, safety and cost of patient care.	To allow health care professionals to collaborate in delivering the best possible care to patients. This electronic collaboration can improve the completeness of patient's records, (which can have a big effect on care), as past history, current medications and other information is jointly reviewed during visits.
Healthy Neighborhood Campaign	n/a	A program supported by the Delaware Center for Health Innovation (DCHI) that will design and implement locally tailored solutions to some of the State's most pressing health needs including: healthy lifestyles, maternal and child health, mental health and addiction, and chronic disease and prevention. The State has been split up into ten Healthy Neighborhoods and three local Healthy Neighborhoods councils will be launched during 2016.	To bring local communities together to harness the collective resources of all of the organizations in their community to enable healthy behavior, improve prevention, and enable better access to primary care for their residents.

Note: *Italicized* words refer to other terms defined in this glossary.

National health care initiatives

Terminology	Acronym	Explanation	Goal
Medicare Shared Savings Program	MSSP	Established by the Affordable Care Act, the Medicare Shared Savings Program is a key component of the Medicare delivery system reform initiatives included in the Affordable Care Act and is a new approach to the delivery of health care which includes facilitating coordination and cooperation among providers to improve the quality of care for Medicare Fee-For-Service beneficiaries and reduce unnecessary costs. Eligible providers, hospitals, and supplier may participate in the program by creating or participating in ACOs. The Program will reward ACOs that lower their growth in health care costs while meeting performance standard on quality of care and putting patients first. Participation in an ACO is purely voluntary.	To improve beneficiary outcomes and increase value of care by providing better care for individuals, better health for populations, and lowering growth in expenditures by reducing unnecessary costs.
State Health Care Innovation Plan	SHCIP	Developed by the State in February 2013 after being awarded a *SIM* grant, the program develops and implements a plan for broad-based health system transformation including new payment and delivery models. This health transformation will be organized into six work streams: delivery system, population health, payment model, data and analytics, workforce, and policy.	To improve the health of Delawareans, improve the patient experience of care, and reduce health care costs.
State Innovation Models	SIM	A national grant program administered by the Center for Medicare and Medicaid Innovation to support states to move toward value-based payment models and to improve population health. The State was awarded a "design grant" in February 2013 to fund the development of the *State Health Care Innovation Plan* and received an additional grant in July of 2014 to support the implementation and testing of the *State Health Care Innovation Plan*.	To encourage states to move towards value-based payment models in order to reduce unnecessary costs while improving population health.

Desired end state

Mission Statement

- Statement articulating GHIP purpose
- Varying level of specificity (can be a single statement or multiple bulleted missions)
- *Example: "Offer State of Delaware employees and retirees access to care that produces high quality outcomes at an affordable cost"*

Program Goals

- Provides an outline of what the GHIP strives to accomplish over the 3-5 year time period
- Goals will be SMART (Specific, Measureable, Attainable, Relevant and Time-bound)
- *Example: "GHIP employee enrollment in a consumer-driven health plan exceeding 25% of total population by EOY 2019"*

Strategies

- Advances the goals
- Strategies will tie specifically to goals (each may advance >1 goal)
- *Example: "Utilize incentives (financial or otherwise) to drive behavior change"*

Tactics

- Action-items intended to advance a specific strategy
- Tactics are a means of achieving program goals through furthering specific strategies
- *Example: "Health Insurance Request-for-Proposal"*

Desired end state includes all four components above and should be revisited on an ongoing basis to ensure continued applicability based on GHIP objectives and experience