

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop WB-06-05  
Baltimore, Maryland 21244-1850



## **CENTER FOR MEDICARE AND MEDICAID INNOVATION**

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July 15, 2015

Mark C. Schaefer, PhD  
Director, Connecticut Office of Healthcare Innovation  
P.O. Box 1543  
Hartford, CT 06144

Dear Mr. Schaefer:

This letter describes certain programmatic requirements as outlined in the SIM Round 2 Funding Opportunity Announcement (Funding Opportunity #CMS-1G1-14-001, hereafter referred to as the "FOA")<sup>1</sup>.

As stated by the content of the Round 2 FOA, CMMI requires broad, multi-payer and stakeholder input and engagement in health care delivery system transformation supported by a SIM Model Test cooperative agreement. Specifically, the FOA articulates that a state "must describe in detail how it will engage providers in health care delivery system transformation across the state" and "must demonstrate how it will use its unique role as a stakeholder convener to accelerate state-wide health transformation. . . Stakeholders must include health care providers/systems, commercial payers/purchasers, state hospital and medical associations, community-based and long term support providers, consumer advocacy organizations, and, as applicable, tribal communities." (FO #CMS-1G1-14-001, pgs. 9, 29) The FOA further requires the state to "demonstrate a clear, sustained commitment to participation and implementation of the health transformation model of major stakeholders." (FO #CMS-1G1-14-001, p. 44) Additionally, a state "must also demonstrate participation on the part of commercial payers with respect to both financial and quality measurement alignment. The state should identify a broad group of stakeholders involved in the execution of the Model Test. . . ." (FO #CMS-1G1-14-001, p. 44)

CMMI acknowledges the value and utility of multi-payer input and participation in the testing and expansion of new health care payment models. CMS is working with private payers as well as state Medicaid programs, to meet or exceed the historic delivery system reform goals announced by Secretary Sylvia M. Burwell in January 2015.<sup>2</sup>

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<sup>1</sup> <http://innovation.cms.gov/Files/x/StateInnovationRdTwoFOA.pdf>

<sup>2</sup> <http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-01-26-3.html>

CMMI has indicated through several different communication channels, such as written e-mail feedback from the Project Officer, that CT's Stakeholder Engagement Plan, submitted in April 2015, outlines a governance structure that is not inconsistent with the requirements set forth in the Round 2 FOA. CT's Stakeholder Engagement Plan has been shared with other Round 2 Model Test awardees as an example to emulate.

The SIM Program team has observed governance structures in other SIM awardee states that show great promise for accelerating the transformation of their health care payment and delivery systems. For example, as part of Colorado's SIM initiative, six Colorado health insurers and the state's Medicaid program committed to adopt delivery and payment reforms designed to integrate behavioral and physical healthcare.<sup>3</sup> The Vermont Health Care Innovation Project, funded by the SIM award, developed a common set of core measures for the Medicaid and commercial insurance shared savings programs.<sup>4</sup> Similarly, Maine's Steering Committee, made up of payers, providers, consumer advocates, purchasers and other stakeholder organizations, has developed a governance structure that provides program recommendations to the Maine SIM Leadership Committee which is chaired by the Maine Secretary of Health and Human Services (HHS)<sup>6</sup>. The collaborative decision-making processes established by the ME SIM Steering Committee have shown to be so successful that several of those processes are being adopted by other Maine HHS programs.

In conclusion, CMMI has reviewed Connecticut's Stakeholder Engagement Plan submitted to date and has determined that it's consistent with the requirements of the FOA. We look forward to continuing to collaborate with your state to achieve better care, smarter spending and healthier people for your entire state's population.

Sincerely,

*CDR Francis R. Jensen MD*

*for*

Stephen Cha, MD, MHS  
Acting Group Director, State Innovations Group  
Center of Medicare and Medicaid Innovation;  
Chief Medical Officer, Center on Medicaid and  
CHIP Services;  
Centers for Medicare and Medicaid Services

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<sup>3</sup> <https://www.colorado.gov/pacific/governor/news/gov-hickenlooper-commends-first-healthcare-partners-state-innovation-model>

<sup>4</sup> [http://healthcareinnovation.vermont.gov/sites/hcinnovation/files/SSP\\_and\\_ACO\\_FAQ\\_and\\_Chart\\_7.8.14.pdf](http://healthcareinnovation.vermont.gov/sites/hcinnovation/files/SSP_and_ACO_FAQ_and_Chart_7.8.14.pdf)

<sup>6</sup> <http://www.maine.gov/dhhs/sim/resources/steering-committee.shtml>