

## KHPA Board Strategic Planning Retreat

**Executive Summary.** This document is designed to help lead the KHPA Board through initial discussions about agency strategic planning for the next three to five years. This will help the KHPA to define its direction for policies and programs, and help us make decisions on allocation of resources, including both capital and people. Rob Kaplan, member of the KHPA Board will facilitate the dialog, including a discussion of “what’s working today” and “what would the Board want to change”. Scott Brunner CFO, will describe the draft goals that staff have prepared (described below, with examples of objectives/tactics in the appendix). KHPA staff would like Board feedback on these draft goals, as well as any additional direction/suggestions the Board would like to provide. Staff will integrate Board feedback and direction into agency strategic planning, with the goal of providing a full strategic planning document by the end of the calendar year. The Board will continue to review and revise the strategic planning outline as it is developed. The strategic plan will be used to guide programs and policies throughout the year and serve as a “living document” in that it will be updated annually to reflect possible legislative or other administrative changes.

### **Background**

#### **Vision Statement**

Kansas Health Policy Authority: Coordinating health and health care for a *thriving* Kansas.

#### **Mission Statement**

As expressed in the statute that created the KHPA (KSA 2005 Supp. 75-7401, *et seq.*) the mission of Kansas Health Policy Authority (KHPA) is “to develop and maintain a coordinated health policy agenda which combines the effective purchasing and administration of health care with health promotion oriented public health strategies. The powers, duties and functions of the Kansas Health Policy Authority are intended to be exercised to improve the health of the people of Kansas by increasing the quality, efficiency and effectiveness of health services and public health programs.”

#### **Vision Principles**

This mission statement is clarified through a series of vision principles agreed to by the KHPA Board of Directors. The vision principles are values that provide the guiding framework of the Board and agency. These principles reflect the Board’s application of their statutory mission to the full range of health policies within their purview. The principles provide direction to the agency in its ongoing work and in developing new initiatives and programmatic proposals.

***Access to Care***—Every Kansan should have access to patient-centered health care and public health services ensuring the right care, at the right place, and the right price. Health promotion and disease prevention should be integrated directly into these services.

***Quality and Efficiency in Health Care***—The delivery of care in Kansas should emphasize positive outcomes, safety and efficiency and be based on best practices and evidence-based medicine.

***Affordable and Sustainable Health Care***—The financing of health care and health promotion in Kansas should be equitable, seamless, and sustainable for consumers, providers, purchasers and government.

***Promoting Health and Wellness***—Kansans should pursue healthy lifestyles with a focus on wellness—to include physical activity, proper nutrition, and refraining from tobacco use—as well as a focus on the informed use of health services over their life course.

***Stewardship***—The Kansas Health Policy Authority will administer the resources entrusted to us by the citizens and the State of Kansas with the highest level of integrity, responsibility and transparency.

***Education and Engagement of the Public***—Kansans should be educated about health and health care delivery to encourage public engagement in developing an improved health system for all.

### **KHPA Agency Draft Goals**

The KHPA Executive Director with her leadership team and senior managers developed three goals for the agency. These goals resulted from discussions about the progress made during the development of the health reform recommendations, managing the programs under the purview of KHPA, and after reviewing the 2008 Legislative Session. These are goals that over the next three to five years are designed to advance KHPA as an agency consistent with the mission and KHPA Board Vision Principles.

#### **Selection of Goals**

The draft goals fit the current environment KHPA operates within and addresses many of the broad realities of starting a new agency. The KHPA leadership and senior management team recognize that there are still several key parts of our infrastructure that need to be developed. As a fairly young agency, the organizational culture is primed for shaping. Many of the KHPA staff are new to KHPA and new to state government, creating an opportunity to guide employees to our core values of innovation, transparency and accountability. We can also create more training and personal development to encourage employees to develop new skills and abilities, while creating structures to reward high achievement and a culture of high expectations.

KHPA has a broad mandate to think beyond our programs in a structure that allows us to aspire to a coordinated health agenda. The role of KHPA is more than just running health care programs. Our statutory mandate and structure requires KHPA to identify efficiencies and improve the effectiveness of our program responsibilities, but with a vision toward greater coordination. KHPA was created to identify and propose solutions

to the big problems. The proposed goals identify changes in management approach and performance management to improve our programs. Special emphasis is focused on improving the quality of health care, improving the efficiency of the health care system, and targeting areas of unmet need.

**Draft Goal #1.** KHPA will advance a consistent, coordinated health policy agenda informed by rigorous data analysis and stakeholder education and input. (Please see page 4 for description and examples.)

**Draft Goal #2.** KHPA will become a model agency, through best practice leadership and management, creating a coveted place to work. (Please see page 6 for description and examples.)

**Draft Goal #3.** KHPA programs and services will be recognized and measured as innovative, efficient, and effective. (Please see page 8 for description and examples.)

Staff request that the Board review and discuss the draft goals.

Content Questions for the Board:

- A. Are these the right goals given the KHPA mission and vision principles? Are there others to add/replace these?
- B. After reviewing examples of objectives and strategies outlined in the appendix, is this a logical and appropriate plan for further development of strategies, tactics, and performance measures?
- C. What kind of feedback would the Board like from our stakeholders?

<p><b>Appendix</b></p> <p><b>Draft Goals and Examples of Measures, Objectives, and Strategies</b></p>
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**Draft Goal #1 --** KHPA will advance a **consistent, coordinated health policy** agenda informed by **rigorous data analysis** and **stakeholder education and input**.

Why is this a goal?

- KHPA has a statutory responsibility to coordinate health care policy and promote data driven policy.
- Implementation of this goal will lead the State toward the vision principles of stewardship and engagement of the public.
- Health reform in Kansas has not had a consistent set of objectives with a multi-year strategy.
- KHPA, and the Health Care Data Governing Board, had large volumes of data available, but there was limited rigor applied to analyzing or using the data as information.
- There has been limited effort to link data sets together to combine available information for broader conclusions.
- As a public agency and the arbiter of disputes about data policies, KHPA has the ability to push the envelope of health data to ensure the accountability and transparency of data.

Examples of Measures

Additional health data information will be available to consumers  
 Requests for presentations of KHPA by statewide or national audiences  
 Utilization of health data when making decisions related to purchasing health insurance plans

Examples of Objectives/Strategies related to Goal 1.

1. Development of the medical home model will be informed by a **strong stakeholder process** to achieve appropriate buy in and feedback from stakeholders

Tactics	2008	2009	2010	2011	2012
Determine process for defining medical home in statute	X				
Develop stakeholder process to analyze medical home definition options, including National Council on Quality Accreditation (NCQA) standards	X	X			
Obtain feedback from Advisory Councils		X			
Board to consider and approve medical home definition and payment incentives for care coordination, health and wellness, primary care			X		
Implement medical home incentive payments in			X	X	

State Employees Health Plan (SEHP) and Medicaid/HealthWave					
Evaluate medical home payment incentives in SEHP and Medicaid/HealthWave					X

2. Use and integrate health data through health indicator “dashboards” to improve **data driven policy decisions**. Dashboards are concise visual summaries of current status and historical trends of key measures of health and health care developed through a stakeholder process and compared to appropriate benchmarks.

Tactics	2008	2009	2010	2011	2012
Workgroups will recommend a set of measures to the Data Consortium that describe the level of access achieved by Kansans	X				
Board to consider and ratify the recommended measures for routine reporting	X				
Start reporting selected Tier 1 measures that are available and have satisfactory data integrity for public reporting.		X			
Data Consortium workgroups will recommend evaluations of health and health care in Kansas based on available data			X	X	X
Data Consortium workgroups will recommend new validation, analysis, or data collection to expand dashboard to include critical measures				X	X

3. Reformulate the 2007 KHPA Health Reform Recommendations to improve the health care system in Kansas through a **coordinated health policy** agenda.

Tactics	2008	2009	2010	2011	2012
Obtain feedback from the Advisory Councils on potential modifications to the 2007 KHPA Health Reform Recommendations	X				
Board status review of the 2007 KHPA Health Reform Recommendations, consideration of modification, and determination of priorities for upcoming legislative session	X	X			
Implementation of the 2007 legislatively authorized KHPA Health Reform Recommendations	X	X			
Pursue opportunities to participate in national state health reform collaborative projects.	X	X	X	X	X
Educate legislators on KHPA health reform legislative priorities	X	X			
Evaluate progress in attainment of KHPA Health Reform Recommendations; revise and resubmit		X	X	X	X

**Draft Goal #2**

KHPA will become a **model agency**, through **best practice leadership and management**, creating a coveted place to work.

Why is this a goal?

- As a new agency, KHPA has opportunities to design ourselves based on high performance management principles.
- There will be limited amount of new money for positions or programs in the next 2 years. We need to build bench strength and capacity to innovate internally.
- We believe that a strong workforce leads to strong programs. KHPA needs to retain the expertise we have.
- KHPA has been successful recruiting from outside government and private sector and those employees need opportunities to expand and innovate.

Examples of Measures

Internal training platform  
 Survey results Desirable place to work  
 Recognized as a leading agency (define “leading agency”...leading in what?)  
 Culture of health within the workplace and encourage more health awareness at the home  
 Leadership development – internal promotions, number of job applicants per posting.

Examples of Objectives/Strategies related to Goal 2.

1. Consistent with a **model health agency**, define the culture of KHPA to promote health and professionalism.

Tactics	2008	2009	2010	2011	2012
With a team of interested KHPA staff, survey staff to understand KHPA culture	X				
Develop new KHPA culture focused on health and professionalism	X	X			
Integrate KHPA culture into HR policies, operations, etc	X	X			
Evaluate changes and continuous quality improvement			X	X	X

2. Promote **best practice management** for continuous improvement of Medicaid programs through structured assessment of affordability, sufficiency, efficiency and sustainability of Medicaid.

Tactics	2008	2009	2010	2011	2012
Program managers assess expenditures of programs through program reviews (on-going)	X	X	X	X	X
Program managers examine expenditures by	X	X	X	X	X

population groups and services					
Managers present recommendations to increase cost-effectiveness of programs and decrease waste	X	X	X	X	X
Program reviews edited and adapted by executive staff	X	X	X	X	X
Obtain stakeholder input on program reviews	X	X	X	X	X
Publish edited and adapted reviews on-line	X	X	X	X	X
Implement recommendations			X	X	X
Evaluate results of implementation				X	X
Evaluate and repeat process yearly	X	X	X	X	X

3. Promote **best practice management** through the development of a Quality oversight program for Medicaid and the State Employee Health Plan

Tactics	2008	2009	2010	2011	2012
Hired quality director to develop plan which includes Fee-for-Service (FFS), managed care and SEHP	X				
Evaluate current quality activities performed by the three delivery systems	X	X			
Recommend additional quality activities which will allow KHPA to compare outcomes across delivery systems	X	X			
Implement additional quality activities		X	X		
Align the SEHP Plan Year with the State Fiscal Year			X		
Evaluate quality and compare across delivery systems			X	X	

4. Develop KHPA staff through deliberate training and evaluation of development opportunities.

Tactics	2008	2009	2010	2011	2012
Identified internal training team	X				
Draft staff training plan for and professional development including evaluation planning	X	X			
Develop comprehensive catalog of required and desired training opportunities focused on core knowledge and skills.		X	X	X	X
Begin KHPA Leadership Academy for staff on health reform and health policy issues		X	X	X	
Evaluate training program and pilot calculation of return on investment (ROI)		X	X	X	

**Draft Goal #3. KHPA programs and services will be recognized as innovative, efficient, and effective.**

Why is this a goal?

- We want to save money and offer high quality health care.
- It's in the statute
- These are the programs we have the most direct control over to influence through continuous improvement

Examples of Measures

Compare operational expenditures to assistance expenditures to demonstrate the cost of providing benefits.

Examples of Objectives/Strategies related to Goal 3.

1. Adapt and operate **Medicaid programs and services** to meet the State's greatest health needs.

Tactics	2008	2009	2010	2011	2012
Conduct annual reviews of KHPA program coverage, design, and performance	X	X	X	X	X
Identify access gaps using KHPA dashboard, internal performance measures, and KHPA administrative data	X	X	X	X	X
Recommend policy changes in program eligibility, covered services, provider payment, and coordination of care to address identified needs	X	X	X	X	X
Implement policy changes		X	X	X	X
Review impact of policy changes using KHPA dashboard and other available data and modify as needed				X	X

2. Promote health care quality and efficiency in our Medicaid and SEHP **programs** by adopting **innovative** E-Health Technology.

Tactics	2008	2009	2010	2011	2012
Establish the E-Health Advisory Council in conjunction with the Governor's office	X				
Board consideration of the E-Health Advisory Council's recommendations and selection of KHPA E-Health policy initiatives	X				
Development of the implementation strategies by the E-Health Advisory Council		X			
Implementation of the E-Health policy initiatives		X	X		
Evaluation of E-Health policy initiatives and modification as needed				X	X

3. As a **service to all Kansans**, provide consumer health care cost and quality information to empower consumers to be better purchasers of health care.

Tactics	2008	2009	2010	2011	2012
Publicly launch Kansas Health Online website (with health care data currently available from other sources)	X				
Board considers and approves vision principle data indicators developed by the Data Consortium (partial list of indicators?)	X				
Vision principle data indicators added to Kansas Health Online		X			
Kansas Health Online continually updated with information on evidence based medicine/best practices	X	X	X	X	
Data consortium considers additional cost and quality data specific to Kansas		X	X		
Obtain feedback from Advisory Councils	X	X	X	X	
Board considers and approves vision principle data indicators developed by the Data Consortium (remaining indicators?)			X		
Cost and quality indicators added to Kansas Health Online				X	
Evaluation of Kansas Health Online					X

4. Implement a **care management program** for the aged and disabled Medicaid population to improve **quality and cost-effectiveness** and ensure coordination of care.

Tactics	2008	2009	2010	2011	2012
Prepare a review of the expenditures and utilization of Medicaid services by the aged and disabled population, with emphasis on care opportunities that are missed	X				
Perform internal analysis of Medicaid claims data to identify high cost or high risk individuals	X	X			
Review evaluation data from the two Medicaid Transformation Grant and Enhanced Care Management projects to determine effectiveness of encouraging preventive health care and appropriate management of chronic conditions	X	X			
Review and evaluate other states' programs for methods applicable to Kansas	X				
Hold discussions with provider groups about the needs of this population and the goals of care management	X	X			
Determine under what Medicaid authority the program can be developed (i.e. 1115 waiver, 1915b waiver, DRA)	X	X			

Incorporate stakeholder input, as appropriate, into development of program		X	X		
Design payment and financing for care management for the aged and disabled Medicaid population to allow both the beneficiary and the provider to be rewarded		X	X	X	
Incorporate ongoing cost (and any savings) of program into caseload estimates				X	
Implement and evaluate program				X	X

5. Improve benefit package design **and wellness programming** in the State Employee Health Benefits Plan through **innovative change in program administration**

Tactics	2008	2009	2010	2011	2012
Tie premiums to wellness outcomes			X		
Create incentives for participation in prevention activities			X		
Develop dashboard of performance indicators for medical, dental, and pharmaceutical programs		X			
Continually improve medical and pharmaceutical management program for plan members	X	X	X	X	X
Develop SEHBP Enrollment System to enhance data capacity and customer service		X	X		
Create a link between the Worker Compensation medical needs and the SEHBP networks		X	X		
Continually re-engineer the wellness offerings and incentives to maximize employee engagement		X	X	X	X
Align the SEHBP Plan Year with the State Fiscal Year			X		
Manipulate plan designs to create true choice of benefit plans—seek balance between plans		X	X	X	X
With the Board, develop a policy philosophy regarding Qualified High Deductible Health Plans (QHDHP) and Health Savings Accounts (HSAs)		X			

6. Implement performance reporting to link resource allocation to opportunities for greatest improvement in **agency operational efficiency**.

Tactics	2008	2009	2010	2011	2012
Senior managers identify finance and program indicators		X			
Provide monthly expenditure reporting to managers at the program level.	X				
Include performance measures in the FY 2010 budget submission		X			
Initiate Enterprise Risk Management activity to identify areas of performance risk		X			
Develop internal audit plan to review adherence to		X	X		

policy and procedures					
Publish performance measures on Kansas Health Online				X	