

2017 ANNUAL REPORT WHAT'S INSIDE

### What's Inside

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#### 03 2017 Overview

23 states and the District of Columbia

#### **04** Project Highlights

Drug Effectiveness Review Project (DERP)

Medicaid Evidence-based Decisions Project (MED)

Oregon Health Evidence Review Commission (HERC)

New York Benefit Redesign & Implementation (NY TA)

State Medicaid Alternative Reimbursement & Purchasing

Test for High-Cost Drugs (SMART-D)

Colorado Multi-Payer Collaborative (CO MPC)

Healthier Washington Medicaid Demonstration Support

- 13 Milbank Memorial Fund
- **15** Our Team

2017 ANNUAL REPORT MESSAGE FROM THE DIRECTOR 02

# Message from the Director

The Center for Evidence-based Policy approached 2017 with a renewed focus on our core business of helping states shape better decisions by providing objective, rigorously analyzed evidence and policy research. We added highly skilled, multitalented researchers and implemented new internal systems that are leaner, more accountable, and more effective in meeting our customers' needs.

Over the course of the year we observed that interest expressed by new states was, and continues to be, at the highest level it has been since our founding. We welcomed South Carolina and Washington, DC to our collaborative family and our SMART-D project, funded by the Laura and John Arnold Foundation, attracted interest from states throughout the country. Several are currently entering contracting and implementation phases to purchase high-cost drugs in new ways.

Washington's Health Technology Assessment program added the Center as a primary evidence reviewer. This relationship builds on the single evidence support systems we've built in our longstanding work with Oregon's Health Evidence Review Commission and New York's Evidence Based Benefit Review Advisory Committee.

Additionally, we continued to selectively undertake single state health reform technical assistance projects, carried on our longstanding work in Colorado, and assisted the Washington Health Care Authority in implementing its section 1115 waiver by providing support to the regional Accountable Communities of Health.

The nationally volatile landscape of health reform. New and ever more expensive drugs and devices. Uncertain federal Medicaid policy. All of these conditions and more make unbiased, evidence-based information and unbiased stakeholder collaboration more critical than ever for states charged with balancing the needs of patients and the demands of state government to provide health services with finite resources. No other research center in the country does the mix and depth of work that we do.

We believe our unbiased focus on states continues to set us apart and we look forward to working with you in 2018!

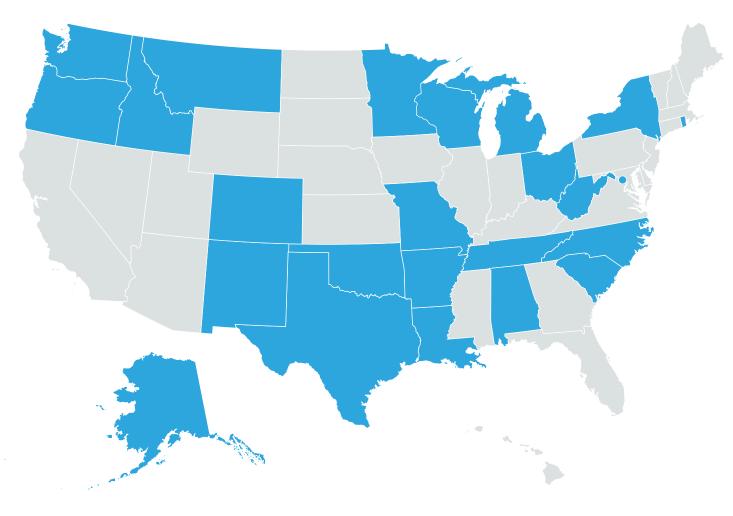
#### Pam Curtis

Director, Center for Evidence-based Policy Oregon Health & Science University



### © 2017 Overview

The Center worked with 23 states and the District of Columbia and on 15 projects in 2017



**Alabama** Alaska

**Arkansas** 

Colorado

**District of Columbia** 

Idaho

Louisiana Michigan

**Minnesota** Missouri

Montana

**New Mexico New York** 

**North Carolina** 

Ohio

Oklahoma

Oregon

**Rhode Island South Carolina** 

**Tennessee** 

**Texas** 

Washington **West Virginia** 

Wisconsin

# Drug Effectiveness Review Project (DERP)

The Drug Effectiveness Review Project (DERP) is a collaborative of state Medicaid and public pharmacy programs. DERP members meet twice a year at conferences and monthly via webinars to identify and prioritize member-directed research.

Since 2003, DERP has worked with the Center to produce reports that assist policymakers with difficult drug coverage decisions. These reports are designed to evaluate the efficacy, effectiveness, and safety of drugs in order to help improve patient safety and quality of care. They are used to develop Medicaid pharmacy program coverage, address drug access, and help participating states to manage rising drug costs.

In 2017, DERP conferences focused on developing new products to better meet state needs in the changing landscape of Medicaid pharmacy. We heard from guest speakers on pricing and marketing of high-cost drugs, such as hepatitis C medications and Exondys 51, and we also examined the place of real-world evidence in pharmacy.

In addition to the conferences, DERP produced a new type of report on Compounded Topical Analgesics that featured management strategies along with drug evidence. This new concept was repeated later in the year with two additional topics, the HIV antiretrovirals report and the Exondys 51 report. DERP also developed a new product in 2017: Individual Topic Requests (ITR). Each DERP member state was allotted ITR funds to request a short, timely report on a topic of their choice.

#### What's Ahead

As new high-cost specialty drugs such as Exondys 51, Spinraza, and Kymriah continue programs, we anticipate a greater need for evolution and proactive research strategies and products as we move into 2018. In the new year, and continuing to provide high-quality evidence reports that set a standard for pharmaceutical manufacturers as they develop new therapies.



# Medicaid Evidencebased Decisions Project (MED)

The Medicaid Evidence-based Decisions Project (MED) is a self-governing collaborative of state agencies that produces reports and other tools to help state policymakers make the best evidence-based decisions for improving health outcomes. MED provides valuable evidence about effective treatments and information about harmful or unnecessary services.

2017 was great year for MED, in which two new members were added: the District of Columbia and South Carolina. MED states are diverse geographically, politically, and in program structure, and MED is excited to welcome these new members into the fold. The diversity of our members adds strength to the collaboratives' ability to work together to solve common issues in creative ways. Participants continue to express that one of the greatest benefits of MED is the opportunity for collaboration between Medicaid staff across states.

Opportunities for collaboration are especially abundant at the MED conferences hosted each spring and fall. At the spring conference, participants learned from each other how to use evidence and data to improve decisions and outcomes in their Medicaid programs, structures that help improve population-level health, and various approaches to Medicaid including implementation in a resource-constrained environment.

The fall conference focused on the opioid epidemic. Speakers from the Drug Enforcement Agency, the Office of Inspector General, Medicaid, and public health organizations convened to discuss opioid trends and how to develop a comprehensive approach to combating the opioid epidemic across state agencies. Many participants were joined by non-Medicaid colleagues to collaborate on efforts to address the opioid epidemic in their states, and left the meeting with actionable goals to bring back to their teams.

In addition, breakout group sessions focused on opioid management in Medicaid, law enforcement and justice, and treatment settings. MED report presentations at the conference included Tapering or Discontinuing Opioid Use among Patients with Chronic Noncancer Pain and Policy and Implementation Strategies for Opioid Quantity Limits. Participants also had the opportunity to discuss this issue on Governance and Open Forum calls and on the Opioid Workgroup calls. Several reports addressing opioids and substance use disorder treatment were also completed in the past year.

MEDICAID EVIDENCE-BASED DECISIONS PROJECT (MED)

The opioid epidemic represents one of many challenges Medicaid staff encounter every day. To address these and other needs, the MED collaborative produces evidence-based answers to well-defined questions, providing MED participants with access to proprietary reports that use robust research strategies to cover clinical, policy, and financial issues important to states. In the past year, participants requested reports on many health care delivery systems challenges. In response, MED reports have provided complex policy and health systems analysis in the areas of home- and community-based services, telehealth, social determinants of health, and care transitions, among others.

#### What's Ahead

In 2018 the Center will continue helping MED in their states by providing collaborative opportunities to support their initiatives, tools to help make evidence-based decisions, and information to help develop effective strategies.



## Oregon Health **Evidence Review** Commission (HERC)

OREGON HEALTH EVIDENCE REVIEW COMMISSION (HERC)

In Oregon, the Health Evidence Review Commission (HERC) reviews clinical evidence to inform the coverage policy decisions for the Oregon Health Plan (Medicaid) and other health plans. HERC contracts with the Center to conduct evidence reviews on a variety of health services. Center and HERC staff members present the findings from these evidence reviews to the governor-appointed HERC commissioners, who then vote to adopt specific coverage policies. The evidence reviews and the HERC coverage policy decisions are documented in coverage guidances that are published at www.oregon.gov/oha/hpa/csi-herc/pages/index.aspx



Coverage guidances focus on clinical interventions and contain coverage recommendations for health plans in Oregon.



# New York State **Evidence Based** Benefits Review **Advisory Committee**

The Center works with the New York State Department of Health (NYS DOH) to provide:

- Staffing support and evidence and policy reviews to inform the state's Evidence-Based Benefits Review Advisory Committee (EBBRAC).
- Critical review and analysis of dossiers submitted to NYS DOH.
- Ad hoc evidence and policy review of topics prioritized by NYS DOH.

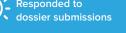
with NYS DOH staff. Dossier reviews and EBBRAC-relevant topics are publicly presented to the EBBRAC. In 2017, Center researchers completed eight evidence and policy reviews, responded to two dossier submissions, attended and presented at four EBBRAC meetings, and updated report formats and development processes.





















Attended and presented at EBBRAC meetings

2017 ANNUAL REPORT

### State Medicaid Alternative Reimbursement & Purchasing Test for High-Cost Drugs (SMART-D)

The State Medicaid Alternative Reimbursement and Purchasing Test for High-Cost Drugs (SMART-D) initiative is focused on the options available to state Medicaid agencies to purchase and pay for high-cost specialty drugs under current federal law. Funded by the Laura and John Arnold Foundation, the SMART-D initiative has sought to clarify the complicated state Medicaid drug purchasing landscape and identify and test new drug payment options for states. These alternative payment model (APM) options are designed to provide improved access to evidence-based therapies for Medicaid enrollees, while improving states' ability to predict and manage prescription drug costs in a manner that connects price, payment, value, and health outcomes. Through the SMART-D initiative, the Center seeks to enable a triple win—access for Medicaid enrollees to effective drug therapies that improve health outcomes, payment to manufacturers for those innovative drugs, and stabilized and more predictable state fiscal status.

The work of SMART-D has altered the landscape within the state Medicaid environment, as the project has made Medicaid leaders aware of options that had not been previously presented. The SMART-D team has presented to the National Academy for State Health Policy, National Association of Medicaid Directors, The Milbank Reforming States Group, Medicaid and CHIP Payment and Access Commission, AcademyHealth National Health Policy Conference, and the National Academy of Science, Engineering and Medicine. In this way, the SMART-D team has moved the discoveries of SMART-D into the broader conversation, providing actionable options for states.

In the first phases of SMART-D, the Center achieved the following milestones:

- Mapped the landscape of Medicaid drug purchasing through the publication of five reports (see www.smart-d.org) documenting the legal options, alternative payment models, economic analyses, and best practices for state Medicaid programs.
- Identified payment options for states through benchmarking U.S. commercial and European models and technical assistance to states to develop specific APM plans.
- Identified specific opportunities to collaborate with drug manufacturers by conducting outreach to drug manufacturers to educate them about SMART-D and options for value-based contracting with state Medicaid agencies.
- Provided technical assistance to four states and identified another cadre of states that would like to participate in future SMART-D efforts.

#### What's Ahead

In the coming year, the Center will continue technical assistance work with states and will seek to achieve the following goals:

- Establish terms for at least three APMs between states and drug manufacturers.
- Draft a model APM contract for use by states and drug manufacturers and seek CMS approval of this contract.
- Develop a technical assistance toolkit that can be shared with states.

The SMART-D initiative is a critical opportunity for states to innovate in the area of drug purchasing and to create a balancing influence on the pharmaceutical market. SMART-D offers important resources and capacity building to states at a pivotal time, and the initiative has the potential to help states connect drug purchasing with value and shape the national policy landscape.



### Colorado Multi-Payer Collaborative (CO MPC)

The Colorado Multi-Payer Collaborative (CO MPC) is a working collaborative of public and private payer organizations focused on transforming care and reforming payment in Colorado. The CO MPC has brought traditionally competing organizations together to share resources, align quality measures, and align support for payment transformation to support primary care practices in the pursuit of increased quality of care, all while controlling cost and encouraging appropriate utilization.

The CO MPC has been collaborating since 2012 and consists of public and private healthcare payers. Originally established as a result of the Centers for Medicare & Medicaid's Comprehensive Primary Care (CPC) initiative, the CO MPC has used the momentum of early efforts to expand health care transformation activities and support throughout Colorado. The CO MPC currently includes nearly all payers operating in Colorado, including Centers for Medicare & Medicaid Services. Members of the CO MPC participate in three initiatives in various configurations (i.e., not all payers participate in all initiatives):

- Comprehensive Primary Care Plus
- State Innovation Model
- **Data Aggregation**

The CO MPC meets monthly and operates in compliance with federal and state antitrust laws. It sees itself as the nexus of transformation in Colorado and desires to play a pivotal role as the focus on health care deepens. The CO MPC is committed to building on and expanding initial efforts to transform and support health care transformation throughout Colorado.

## Healthier Washington Medicaid Demonstration Support

HEALTHIER WASHINGTON MEDICAID DEMONSTRATION SUPPORT

In early 2017, the Washington State Health Care Authority (HCA) received federal approval of a five-year, \$1.1 billion Medicaid demonstration project as a key component of the state's Healthier Washington initiative. The Center partnered with Manatt Health to respond to the state's need for technical assistance and stakeholder engagement.

The federally supported Delivery System Reform Incentive Payment Program (DSRIP) centers on the state's nine Accountable Communities of Health (ACHs). ACHs serve as the convening and coordinating bodies for regional efforts to drive statewide healthcare transformation and address key priorities such as payment reform, opioids, and behavioral health integration.

The Center focused particularly on supporting the ACHs, providing expertise and support to these community based entities as they responded to HCA's application requirements for addressing critical health priorities. In addition, the Center led a statewide series of key leader interviews that culminated in the production of materials that will support HCA's continuing engagement with stakeholders throughout the state.



"The Center for Evidence-based Policy team helped our Accountable Communities of Health by providing timely information and assistance as we prepared to undertake major work to transform the health of Washington State."

> - Senator Linda Parlette, Executive Director, **North Central Accountable Community of Health**



"The topics the Center reviews are often terribly complex, and those of us who've done this type of work certainly appreciate the high quality of analysis done by MED. As I've shared with many colleagues, Medicaid beneficiaries are fortunate to have such smart and dedicated professionals working to improve the programs."

- Alex Malter, MD, MPH Former Medicaid Medical Director,
State of Alaska

2017 ANNUAL REPORT MILBANK MEMORIAL FUND 13

### Milbank Memorial Fund

The Center is proud to be a strategic partner of the Milbank Memorial Fund, dating back to the Fund's support of the Center's creation and our early convening of the DERP and MED collaboratives. This long-standing partnership is rooted in our shared dedication to evidence, our common belief in the primary role of states as leaders, and our commitment to help states to better serve their citizens through unbiased, non-partisan collaboration. On an ongoing basis, the Center and Milbank work to bring Evidence Informed Health Policy (EIHP) workshops to state leaders across the country, and select key health policy issues to advance through dissemination of useful, high-quality evidence.

In 2016 the Center and the Fund collaborated by offering several Evidence-informed Health Policy Workshops for state leaders. The Center provided assistance to the Fund's Reforming States Group, a bipartisan group of leaders from the executive and legislative branches, and to its Multi-State Collaborative, a group of leaders who are representatives of state-based multi-payer primary care transformation initiatives. The Fund also supported the Center's SMART-D project by providing guidance and promotion. More information about the Fund is available at www.milbank.org.



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14







**Curtis Harrod** 









"The Center finds the 'sweet spot' by producing high quality work that is timely while remaining methodologically rigorous for our needs."

- Ellie Garret, JD Health Services Policy Analyst, Minnesota Department of Human Services

To join one of our evidence collaboratives, initiate a custom policy project or find out how else we support effective policy design, get in touch with the Center today.

centerforevidencebasedpolicy.org



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