Accountable Communities of Health
Phase II Certification Questions & Answers
July 21, 2017

This document provides answers to questions received from the Accountable Communities of Health (ACHs) and/or their Regional Coordinators about the Phase II Certification requirements. Please note that we have taken the liberty to paraphrase some questions.

Theory of Action and Alignment Strategy

1) Theory of Action. Since several of the strategies the ACH will implement to address regional priorities will be the projects, is this section meant for them to outline their selected project interventions? Alternatively, this section could highlight strategies already underway by the ACH that may or may not fold into the Demonstration, such as finding solutions to fill the need in North Central for more Crisis Stabilization beds.
   A. The goal of this section is for ACHs to articulate all the current and planned activities and describe how those activities address the regional needs previously identified. The ACH can discuss the projects they intend to select and describe how they fit into their broader strategy for community health transformation. However, ACHs should consider the Transformation Project Planning section the place to go into detail about the projects it plans to select.

Governance and Organizational Structure

2) Staffing. The ACH will have dynamic and expanding staffing capacity as projects roll out for implementation. Is this just outlining their plans for staffing based on current knowledge, knowing that this may change? If so, should they account for how they plan to be dynamic in reevaluating their staffing needs and making decisions to fill those needs if they arise?
   A. Yes. The application is intended for ACHs to articulate their plan to the best of their knowledge today. HCA understands that this is a dynamic process, that plans may change, and that ACHs may uncover new needs as they move forward with their projects. ACHs should lay out their vision of how they would build the organization today and discuss how they plan to assess and evaluate future needs.

Community and Stakeholder Engagement

3) Community Engagement. ACHs are asked to describe how they define successful engagement. However, HCA has already placed some parameters around what that success looks like. Is there guidance on how to merge the ACH's definition of successful engagement based on their community context with what HCA has outlined as required for successful engagement?
   A. HCA has articulated baseline expectations regarding engagement of beneficiaries, engagement of broader stakeholders, and participatory decision-making processes, which are part of the governance and transparency requirements. These should be considered minimum requirements, and ACHs can undertake additional community and stakeholder engagement activities to be responsive to their community context.

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4) <u>Community Outreach.</u> ACHs are asked to discuss meaningful use of social media. Is this interpreted to mean that an ACH is required to use social media? Or does it mean the ACH should outline how people in their community typically receive news and information and how they are using those primary channels to communicate?
   A. There is not a requirement to use social media. The intent is for ACHs to determine how community members get information and then develop strategies to disseminate information through those channels. Using social media is an option but not a requirement. For instance, in rural communities if the use of social media is not common, the ACH can describe how it is using the most effective communication channels to reach its audience.

5) <u>Attestation.</u> Phase II certification requires attestations from community members and sector representatives. Is there an expected format for the attestations? Would a letter of support suffice? Attestation suggests a level of objective review provided by a CPA, for example. Is that the level of objective review expected by the HCA? Would Manatt provide an attestation template or format?
   A. There is not a particular template or format that HCA is looking for here. However, letters of support would suffice, as would meeting minutes that memorialize community member attendance and comments, and solicitation for public comment and ACH response to public comments. Manatt is not planning on providing a template.

6) <u>Community Member Engagement, Attestation.</u> What is the thinking behind the requirement of participation of a Medicaid beneficiary since it raises two issues: tokenism and privacy?
   A. Medicaid beneficiary engagement is a CMS requirement. The goal of this requirement is to demonstrate evidence of ongoing and bi-directional engagement with Medicaid beneficiaries and community members. The attestation from at least one Medicaid beneficiary is one method of demonstrating this engagement, and it should provide evidence of repeated and bi-directional interaction. However, the ACH can use other methods, including documenting frequent community member attendance and comments in meeting minutes or demonstrating that the ACH solicits public comments and responds to those comments in a way that encourages ongoing dialogue between the ACH and consumers.

   Documentation of repeated ACH meetings with an organization that has Medicaid beneficiaries on its Board would also meet the requirement.

7) Public Meeting, Attestations. There is a requirement for ACHs to hold two public meetings and also to detail how their proposals incorporate feedback from the public comment process. Does it need to be a governing board meeting or other community meeting (e.g., local coalition community meeting)?
   A. It is a CMS requirement that ACHs engage in two public meetings. These meetings do not have to be governing meetings. However, they have to be held in a public forum to solicit public input into the project planning process.

Budget and Fund Flow

8) Quarterly Financial Statements. If an ACH entity does not have any quarterly financial statements to offer for the Certification Phase II Budget and Funds Flow section (Attachment B), will HCA accept quarterly statements from the ACH's backbone organization? Could those statements only include SIM funding, rather than the entire organization's financial information?
   A. Yes, the ACH can submit the backbone organization's quarterly statements, with a brief note in the narrative explaining that, as a new organization, the ACH does not have four quarters of financial statements and is instead submitting statements [describe what they are – whether for backbone or for SIM] that demonstrate the organization's ability to report financials. The ACH can also develop and submit statements that reflect amounts and uses of SIM funding rather than the entire backbone organization's statements. An ACH that is not able to submit its own quarterly financial statements and is providing substitute documentation of its financial reporting capability should provide an explanation in the narrative to clarify what they are submitting and how it demonstrates their financial management and reporting capability.

9) Capacity Building, Funds Flow. Are there definitions of the use categories, e.g., what is the approved definition for "capital for capacity building"? From a funds flow perspective, ACHs are going to need to decide how to allocate those items.
   A. Please reference the "Guidance on Design Fund Non-Allowable Expenditures" released from HCA and the "Project Design Fund Spending-Examples" compiled by Manatt for additional guidance on allowable and non-allowable expenses. These resources are posted on ACHTA.org (http://www.achta.org/funds-flow-considerations/)

10) Design Funds Budget. Given budgets are already submitted for Phase I, is it necessary to re-enter this information from Phase I Certification now in a new, more detailed format? Or do we leave this section blank knowing that you already have this information for the first $1 million of design funds? In that case, would we then only submit a budget for $5 million

total in Certification Phase II design funds with our application for ACH certification Phase II?

A. ACHs should use the Phase II budget template to describe how Phase II Project Design funds will be spent. If Phase II Project Design funds will not be used to support a specific activity (e.g., Project Plan development), then ACHs do not need to populate that category in the Phase II Project Design Funds Budget Template. ACHs do not need to re-enter information indicating how Phase I Project Design funds are being spent.

Update on Phase II Project Design Funds Budget Template: In the current Phase II Project Design Funds Budget Template, the "Distribution by Organization" tab has been removed.

11) Domain 1 Activities, Project Design Funds. Is it correct to assume that HCA is aware that while we will show how $5 million or $6 million in design dollars will be allocated, additional investments in Domain 1 activities will need to be made with project implementation dollars over the five-year lifespan of the Demonstration? Put differently, can you please confirm that we do NOT need to fund all Domain 1 activities with design dollars?

A. Yes, ACHs may use additional funding sources, including incentive dollars and in-kind funding, to support Domain 1 activities.

12) Budget Item, Definition. Can you please provide more definition about the "Health Systems and Community Capacity Building" line items (capability development, recruiting, training, retention)? What are you looking for here and how are these categories defined? The Project Plan Template asks that we provide a *narrative* response to how Domain 1 activities will be conducted (see pp. 14-15).

A. The categories in the Phase II Project Design Funds Budget Template are provided as a high-level framework, but ACHs should use these categories, including the "other" line-item, to most accurately reflect their plans for spending design funds. If needed, ACHs can add additional line-items within the existing categories.

At a minimum, the Phase II Project Design Funds Budget Template must add up to $5 million. ACHs can specify how they plan to spend the additional $1 million but are not required to do so.

If ACHs anticipate their budget to exceed $5 million, they should flag those activities that would be funded by the $5 million and those that would be funded by other funding sources. ACHs can list those activities that would be funded by other funding in the "Additional Funding" tab.

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13) Budget Template, Format. Can you confirm if ACHs need to submit the budget in the Template format?
    - **A.** Yes, information must be submitted to HCA using the Phase II Project Design Funds Budget Template. However, what ACHs submit to their primary decision-making body can be in a different format, though the numbers must reconcile across the two documents. ACHs can translate the budget approved by their primary decision-making body to conform to the Phase II Project Design Funds Budget Template.

14) Pathways IT Funds. Can Pathways IT and set-up costs be funded through Project Design funds, or only project implementation funds?
    - **A.** Project Design funds can be used for Pathways IT and set-up costs, especially if funding is needed sooner than project implementation funds may be made available.

15) Budget, Organization Type detail. There appears to be some confusion/anxiety related to the amount of information required in the Phase II Certification Budget Template - specifically in the tabs marked "Budget Detail" and "Distribution by Org Type."
    - **A.** The Phase II Project Design Funds Budget Template has been updated and the “Distribution by Org Type” has been removed. The “Budget Detail” tab has been updated to include example budget categories and items that ACHs may adapt to describe how they intend to use Phase II design funding. ACHs are not required to populate all categories in the budget template.

16) Attestation. For the purposes of the Phase II Certification Attestation, should ACHs leave the SIM grant out of the revenue side of this budget?
    - **A.** To the extent that SIM funds are being used, they should be reflected in the “Additional Funding” tab. The goal is to understand the role of SIM funds and understand how they are complementary and not duplicative of other funding types.

17) Provider Incentives. In order to complete the Phase II Certification application, ACHs need help with figuring out how to structure provider incentives.
    - **A.** Sample funding allocation methodologies will be discussed at the August 7 Development Council call.

Transformation Project Planning

18) Q4, Transformation Project Planning. Could you provide some examples of risks that might be highlighted here?

A. The purpose of this question is to prompt ACHs to think ahead about the November deadline of the Project Plan Template and consider obstacles that would prevent ACHs from meeting Project Plan requirements. Sample risks include:

- Challenges getting providers bought into the project selection and planning process.
- Insufficient staff to develop robust plans for all of the anticipated projects.

Other Topics

19) Word Count. Will visuals provided by the ACH in their Phase II Certification Submission count towards the word count? Are visuals treated differently if they are embedded in the narrative in terms of word count?

A. The tables/visuals do not count against word count. However, word count should be viewed as the upper bound, and ACHs should strive to be concise. . If they find tables/visuals to be a more concise/efficient way to be responsive, then they should by all means use them. Attachments should substantiate and not substitute the direct response in the primary application – in either narrative or combination of narrative/table/visual form.

NOTE: The word count for the Transformation Project Planning section was increased from 1,000 to 2,000 words.

20) Attachments: Do we need to refer to them in the narrative or just attach them?

A. Including attachments is sufficient; there is no need to reference them in the narrative. Moreover, we do not recommend approaching your narrative as follows: "As you'll see in the attachment, [summary of attachment]." You can address the narrative question and then reference the relevant attachment for more information – for instance,

- *Question: TOA #3: Define your strategies to support regional healthcare needs and priorities:*
  Potential Answer: "We are implementing the following strategies: [Description of your strategies]. We expect them to move the needle on the regional healthcare needs and priorities in the following ways: [Description of anticipated impact]. We had gone through a process to map our activities to outcomes to ensure alignment of resources with desired impact (see attached driver diagram)."