The State Innovation Models Initiative: Using Clinical Nuance to Align Payer and Consumer Incentives

Established by the Center for Medicare and Medicaid Innovation (CMMI), the State Innovation Models (SIM) Initiative is providing financial and technical support to states in developing and testing payment and service delivery models.

Who, What and Where?

CMMI awards states for Innovation in models

Using...
- bundled payments
- global budgets
- pay-for-performance
- accountable care arrangements

To...
- enhance consumer experience
- increase patient centered outcomes
- decrease costs

http://innovation.cms.gov/initiatives/state-innovations/

SIM AWARDS

Model Test Awards given to 17 states ready to implement their State Health Care Innovation Plans

Model Design Awards given to 17 states currently developing their innovation proposals

SIM goals of cost containment and quality improvement are better achieved when payment models are aligned with consumer engagement

A Potential Solution: Value-Based Insurance Design

Built on the principle of lowering or removing financial barriers to essential, high-value clinical services, V-BID plans align patients’ out-of-pocket costs with the value of services, using “clinical nuance”

What is clinical nuance?

- Aligns payer and consumer incentives
- Improves patient-centered outcomes
- Reduces disparities
- Enhances consumer experience
- Increases efficiency of medical expenditures

Incorporating Clinical Nuance in SIM

Clinical benefits from a specific service depend on:
- Who receives it
- Who provides it
- Where it is provided

Promotes consumer engagement

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