

State of Connecticut SIM Grant Request
Response to Questions and Revised Budget Narrative
February 4, 2013

A. Salaries and Wages

Total \$345,000.00
SIM Cooperative Agreement \$345,000.00
Funding other than SIM Cooperative Agreement \$0
Sources of Funding: NA

SIM PROJECT STAFF

Position	Number of Positions	Annual Salary	% time	Total Months of Salary Budgeted	Total Salary
SIM Project Innovation Design Coordinators (vacant)	2	\$120,000	100%	6 months	\$120,000
SIM Project Administrative Support (vacant)	1	\$50,000	100%	6 months	\$25,000
Program Planners (vacant)	4	\$100,000	100%	6 months	\$200,000
Total for State Personnel					\$345,000

Job Descriptions

State staff hired for this project will be hired under State of Connecticut provisions allowing for temporary, fixed term hires.

SIM Project State Agency Liaison (vacant) is responsible for coordinating all activities of the SIM project among the Governor’s and Lieutenant Governor’s Offices; the four participating state agencies; the Connecticut Health Exchange and the University of Connecticut. This individual will develop meeting agendas; materials for presentation; conduct meetings and ensure the overall completion of milestones by state participants. This individual will ensure that information is efficiently and effectively communicated to all State participants to allow the project to meet aggressive timelines. Reporting to the Project Director, this individual will ensure that all CMS reporting requirements are met.

SIM Project Stakeholder Liaison (vacant) is responsible for ensuring that stakeholders external to the state are fully engaged in the SIM/SHIP process. This individual will develop and implement outreach strategies and an overall communications plan for commercial payers, providers, hospitals, and consumers across the state. This individual will develop, implement and monitor a user-friendly strategy for contributing feedback to the SIM project through diverse channels. Examples of day to day activities may include presentations at professional

association meetings; media interface; consumer focus groups; website content; and social media strategies. Reporting to the Project Director, this person will ensure that the state’s many interested parties are fully engaged in the planning effort.

Administrative Support (vacant) is responsible for coordinating the activities of the project staff, including but not limited to booking space; coordinating materials production; payroll and personnel tasks; telecommunications support; and vendor bill payment. Other responsibilities include support during meetings; website content assistance; and project budget tracking.

DSS SIM Project Coordinator

DPH SIM Project Coordinator

DMHAS SIM Project Coordinator

OSC SIM Project Coordinator

These four positions are durational (i.e. short term) state employees who will support the four state agency commissioners during the six months of the SIM project. The four participating commissioners are from the Departments of Public Health; Social Services; Mental Health and Addiction Services, and the State Employees Health Plan Administrator in the Office of the Comptroller. These individuals will provide policy and program support at meetings and other activities to ensure that key state officials are able to maintain ongoing activities during the six month planning process.

B. Fringe Benefits (revised from December)

Total \$238,050.00
SIM Cooperative Agreement \$238,050.00
Funding other than SIM Cooperative Agreement \$0
Sources of Funding: \$0

The State fringe rate for the 7 staff positions is \$238,050 based on a fringe benefit rate of 69% x \$345,000. The components of the fringe benefit rate are provided below.

Component	% salary
FICA	6.20%
Medicare	1.45%
Unemployment	0.26%
Retirement	46.01%
Life (estimate)	0.15%
Medical (estimate)	14.93%
Total	69.00%

C. Consultant Costs

Total \$0
SIM Cooperative Agreement \$0
Funding other than SIM Cooperative Agreement \$0
Sources of Funding: \$0

The Connecticut SIM project is not requesting funding to hire an individual to give professional advice or services.

D. Equipment (revised from September)

Total \$3,700.00
SIM Cooperative Agreement \$3,700.00
Funding other than SIM Cooperative Agreement \$0
Sources of Funding: \$0

Item	How Many	Unit Cost	Amount
Laptop computers	2	1,000.00	\$ 2,000.00
Software purchases (MS Office, MS Project, MS Visio)	2 sets	600.00	\$ 1,200.00
Printers	1	500.00	\$ 500.00
Total Equipment			\$ 3,700.00

Computer equipment and software will be used by the Innovation Design Coordinators for all aspects of their work. Software costs include two purchases for Microsoft Office products, including Microsoft Project and Visio, needed to produce project documentation and to manage internal schedules. The team will need a combined printer, fax and copier as they will be housed in currently unoccupied space without this equipment.

E. Supplies (revised from September)

Total \$9,040.00
SIM Cooperative Agreement \$9,040.00
Funding other than SIM Cooperative Agreement \$0
Sources of Funding: \$0

The Connecticut SIM request for office supplies has been revised as follows:

Item	Cost
Photocopying supplies	\$7,040.00
Office supplies (for use by Cooperative Agreement Program Staff)	\$2,000.00
Total	\$9,040.00

The cost of photocopying includes large jobs of meeting materials for the state agency coordinators; stakeholder meetings, publicity for focus groups; and production of a final report. The number of meetings is based on the draft work plan that calls for a total of 50 public meetings and a minimum of three weekly meetings among workgroups. This estimate is based on materials preparation for 42 meetings with hand-outs, including materials for members of the public that attend these open meetings. The project will also produce a final report.

42 meetings x 50 attendees x 30 pages x \$.08 per sheet = \$5,040
200 copies x 50 pages color with binding and cover = \$2,000

Office supplies will be used by Cooperative Agreement Program staff and include meeting support items such as flip charts and markers.

F. Travel (revised from September)

Total \$14,954.00
SIM Cooperative Agreement \$14,954.00
Funding other than SIM Cooperative Agreement \$0
Sources of Funding: \$0

The Connecticut SIM Project has requested travel support for the following staff members and purposes.

1. Out of state travel:
 - a. The Project Coordinators will travel to two CMS conferences for SIM grant recipients, dates and times to be announced. For the purpose of this estimate, we assumed that that conferences will be three days each, one in Baltimore and one in Denver. Current airfare and per diem rates were used.

Travel for two staff members to two CMS conferences at 3 days each

Conf #1: Assume Baltimore
3 days federal per diem @ \$216 ea
RT Airfare Hartford to Baltimore \$300
Total per person: \$948

Conf #2: Assume Denver
RT Airfare Hartford to Denver: \$300
3 days federal per diem @ \$215
Total per person: \$945

Total for two staff members: \$3,786

- b. The Project Coordinators will make onsite visits to programs in Anchorage, Alaska and Seattle, Washington to learn about the specific implementation issues in designing multi-payer innovation projects. The two site visits will be with the Seattle Group Health Collaborative and the Alaska South Central Foundation.

Combined trip to Anchorage, Alaska and Seattle, Washington:
 3 days Alaska federal per diem @ \$195 ea.
 3 days Seattle federal per diem @ \$208 ea.
 RT Airfare \$1600 ea.
 Total per person: \$2809 ea

Total for two staff members: \$5,618

- 2. Instate travel: Project Coordinators will attend approximately 50 offsite meetings, including stakeholder engagement, consumer focus groups and off-site forums around the state during the project term. The trips are estimated at 100 miles each, round trip from Hartford to Bridgeport, Salisbury and Thompson.

2 staff members x 50 trips x 100 miles each x \$.555 per mile (GSA 2013)
 Total: \$5,550

G. Other (revised from December)

Total \$42,362.00
SIM Cooperative Agreement \$42,362.00
Funding other than SIM Cooperative Agreement \$0
Sources of Funding: \$0

- 1. Nonstaff Travel Out of State:
 - a. Three members of the State Health Care Innovation Planning Team (Planning Team) will travel to two CMS conferences for SIM grant recipients, dates and times to be announced. Planning Team members are not part of the program staff and represent state agency heads, consumers, payers, leaders from the provider community, and other stakeholders, providing overall leadership and oversight of the planning process. For the purpose of this estimate, we assumed that that conferences will be three days each, one in Baltimore and one in Denver. Current airfare and per diem rates were used.

Travel for 3 Planning Team members to two CMS conferences at 3 days each

Conf #1: Assume Baltimore
 3 days federal per diem @ \$216 ea
 RT Airfare Hartford to Baltimore \$300
 Total per person: \$948

Conf #2: Assume Denver
RT Airfare Hartford to Denver: \$300
3 days federal per diem @ \$215
Total per person: \$945

Total for this item for 3 people: \$5,679

- b. Three members of the Planning Team will make onsite visits to programs in Anchorage, Alaska and Seattle, Washington to learn about the specific implementation issues in designing multi-payer innovation projects. The two site visits will be with the Seattle Group Health Collaborative and the Alaska South Central Foundation.

Combined trip to Anchorage, Alaska and Seattle, Washington:
3 days Alaska federal per diem @ \$195 ea.
3 days Seattle federal per diem @ \$208 ea.
RT Airfare \$1,617 ea. as of 12/12
Total per person: \$2,809 ea

Total for this Item: \$8,427

2. Instate travel: Members of the Planning Team will attend 8 offsite community meetings and two offsite public forums around the state during the project term. The trips are estimated at 100 miles each, round trip from Hartford to Bridgeport, Salisbury and Thompson.

Per trip: 100 miles each x \$.555 per mile (GSA 2013) = \$55.50
8 Planning Team members
8 trips each

Total for this item: \$55.50 per trip x 8 trips x 8 persons = \$3,608

3. Speaker Fees: The project expects to hold public forums in February and March focusing on payment reform and reaching consensus.

Speaker fee = \$2,000
Travel expenses = \$1,000 for airfare, hotel and taxis

Total for this item: \$3,000 per speaker x 5 speakers = \$15,000

4. Telephone and Communications Services: The project aims to bring groups together from across the state. The use of web-based Visual Conferencing Services will be used to minimize the amount of travel time required.

Total for this item: \$75 per month for 25 participants per meeting for 6 months = \$450

- Copier rental: The project will need access to a high speed, high volume copier for the six months of the project to produce materials for meetings and the final report. This cost of leasing a copier with associated service contracts is estimated at \$333 per month.

Total for this item: The cost for a copier for 6 months = \$1,998

- Offsite meeting costs: The project will conduct community meetings and public forums.

Four meetings estimated at 100 attendees:

Space rental at a meeting facility - \$1,000

Audio equipment rental fees - \$800

\$1800 x 4 = \$7,200

H. Contractual Costs (revised from December)

Total \$2,200,208
SIM Cooperative Agreement \$2,200,208
Funding other than SIM Cooperative Agreement \$0
Sources of Funding: \$0

There are eight areas for which contractual services will be procured once the SIM grant is awarded. Details regarding contracts will be submitted at a later date as a revision to the budget as required. This section provides a summary of the proposed contracts, the amounts for each, the scope of responsibilities, and estimated costs and justifications.

- Strategic Planning and Project Management \$ 835,208

The Strategic Planning and Project Management service contract will provide the resources to ensure that the project moves ahead and that all meetings are coordinated. Specific tasks include: Overall coordination and management of the SIM Model Design project, including: Planning with the State Health Care Innovation Planning Group leadership; Stakeholder engagement; Preparation, support, follow-up for all monthly meetings, all subgroup meetings, statewide & regional stakeholder meetings; presentations to Health Care Cabinet; Coordination of consulting team; Coordination & preparation of SIM Model Testing Application. The contractor will oversee the agenda setting, coordination and follow up from the following set of meetings developed for the project, as shown in the following table.

Project Meetings	Minimum Number of Meetings
Planning with leadership	26
Cabinet meetings	6
sub group meetings	6
Presentation to HC Cabinet	1

statewide/regional meetings	3
conference phone calls	26
Mtg prep/ follow up /analysis	
Preparing Model Testing application	
Total meetings	42
Travel expenses	50 miles at .55 /mile

The following table shows how level of effort for this contract was created:

Role	Hours per person	Number of people	Hourly rate	Total
Project lead	350	1	250	87,500
Project manager*	600	2	150	180,000
Research analyst	650	2	125	162,500
Policy analyst	600	3	130	234,000
Meeting support	975	1	87	84,825
subtotal				748,825
Indirect (10%)				74,883
Travel				11,500
50 miles per meeting				
\$0.55 per mile = \$27.50				
10 positions = \$275				
42 meetings = \$11,500				
Total costs				835,208

* Two project managers at \$90,000 = \$180,000.

Project lead (1): Responsible for the overall coordination and management of the SIM Model Design process and development of the SIM Model Testing Application. This requires working directly with the Project Director and the State Health Care Planning Innovation Team Chairperson and overseeing activities related to stakeholder engagement and design concert development.

Project managers (2): Responsible for day to day coordination and management of the SIM Model Design process, including:

- Staffing the Health Care Innovation Planning Team and Planning Team Work Groups;
- Stakeholder engagement;
- Preparation, support, follow-up for all monthly meetings, all subgroup meetings, statewide and regional stakeholder meetings;
- Presentations to the Health Care Cabinet;
- Coordination and preparation of the State Innovation Model Design Plan;
- Coordination and preparation of the SIM Model Testing Application.

Research analysts (2): Responsible for providing research and analysis in support of the work of the State Health Care Planning Innovation Team and the Planning Team work groups.

Policy analysts (3): Responsible for:

- Collecting and synthesizing the information provided by stakeholders and experts through forms and meeting throughout the state;
- Development of design options for service delivery and payment reform options for the State Health Care Planning Innovation Team and the Planning Team work groups.
- Drafting of the State Innovation Model Design Plan and SIM Model Testing Application.

Meeting support (1): Schedule all meetings, secure meeting venues, manage communications and meeting invitations, coordinate and disseminate meeting materials, assure provision of meeting accommodations where needed.

2. Community Outreach, Education and Engagement \$ 125,000

This set of services will be provided by a firm with expertise in developing and executing a plan for community engagement. Services will include all aspects of a community engagement strategy including focus groups and community based grassroots meetings. Outreach will be provided in multiple languages and meetings requiring translators and interpreters. The project estimates that approximately 20 outreach events will occur at an average cost per event of \$6250.

Personnel	Hours per person	Number of people	Average hourly rate	Total
Community Engagement Specialists	215	3	176	113,350
Interpreters and Translators \$500 per meeting x 20 meetings = \$10,000				\$10,000
Travel 50 miles per meeting \$0.55 per mile = \$27.50 3 positions = \$82.50 20 meetings = \$1,650				1,650
Total costs				125,000

3. Financial and Data Analytics

\$ 490,000

This set of services has several components, Statewide Financial Modeling; health econometric and Medicaid Payment Modeling. These estimates are based upon preliminary estimates from state agencies that have used similar services.

- a. Statewide Financial Modeling services support the SHIP through development of the infrastructure of the program through claims and clinical measures reporting, including data gathering and creating sample populations. This set of services will examine the financial aspects of extending state innovations such as the state employees’ wellness incentives to commercial populations. \$230,000
- b. Health econometrics will examine the interrelationships of changes in site of care and access to services under different assumptions. \$75,000
- c. Medicaid payment modeling will examine how a revised hospital payment system will affect total Medicaid payments; specific patient types, diseases conditions and procedures, and payment shifts among provider groups. \$180,000

Personnel	Hours per person	Number of people	Average hourly rate	Total
Senior Actuaries	208	3	400	250,000
Actuary analysts	200	6	200	240,000
Total costs				490,000

4. Legal and Legislative

\$ 150,000

The SIM project expects that several of the models developed during this SIM project will require legislative, regulatory, state plan amendments and contracting changes to be implemented. These resources will be required in the second half of the project as the particular options are developed. This estimate is based on similar services obtained in other states.

Personnel	Hours per person	Number of people	Average hourly rate	Total
Attorney	250	1	400	100,000
Policy analyst	250	1	200	50,000
Total costs				150,000

5. Quality Measurement

\$150,000

A key component of the SIM effort is benchmarking the current status of the health care system and creating an ongoing methodology to measure the progress and effectiveness of the selected model designs. This estimate is based on the contracted amount for work provided to a Massachusetts state agency in 2009 to inventory quality measures and develop a work plan for implementation of measures selected by a public workgroup.

Personnel	Hours per person	Number of people	Average hourly rate	Total
Quality measurement specialist	650	1	230	150,000
Total costs				150,000

6. Scope of Practice Review

\$ 150,000

The SIM project directs states to use all policy levers to accomplish the goals of the SHIP. A scope of practice review is needed to create an objective, fully informed analysis of the options that the state could pursue. This work would be conducted by the University of Connecticut Medical School.

Personnel	Hours per person	Number of people	Average hourly rate	Total
Public health specialists	500	2	150	150,000
Total costs				150,000

7. Program Evaluation Design

\$ 150,000

The SIM project directs states to develop a strategy for the evaluation of the impact of policy initiatives and systems changes on equal access to health care and the health of CT residents during the five years after implementation. This work will be conducted by the University of Connecticut Medical School.

Personnel	Hours per person	Number of people	Average hourly rate	Total
Public health specialists	500	2	150	150,000
Total costs				150,000

8. Health Care Data and Information

\$ 150,000

The SHIP process emphasizes measurement and benchmarking. To move forward quickly, the SIM project team will engage a consultant to develop a plan for transforming data into actionable consumer data. Consumer activation and participation in health care decision making is a key component of health system change and successful model implementation. In addition, employers seek improved information to use when making purchasing decisions and changes to benefit levels. These services will assess existing resources and set forth a plan for how the SHIP will deliver and present meaningful, actionable data to consumers and employers. The estimate for this set of services is based on a similar effort conducted for a Massachusetts state agency during the development of its consumer facing health care information website.

Personnel	Hours per person	Number of people	Average hourly rate	Total
User experience designers	375	2	200	150,000
Total costs				150,000

Total Contracted Services

\$2,200,208

I. Total Direct Costs (new)

A. Salary and Wages	\$345,000
B. Fringe Benefits	\$238,050
C. Consultant Costs	\$0
D. Equipment	\$3,700
E. Supplies	\$9,040
F. Travel	\$14,954
G. Other	\$42,362
H. Contractual	\$2,200,208
Total Costs	\$2,853,314