



Executive Department  
State of Idaho

The Office of the Governor

State Capitol  
Boise

EXECUTIVE DEPARTMENT  
STATE OF IDAHO  
BOISE

**EXECUTIVE ORDER NO. 2014-02**

**ESTABLISHING THE IDAHO HEALTHCARE COALITION**

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*WHEREAS, Executive Order 2010-15 established the Governor's Idaho Health Care Council to effectuate the implementation of State health care initiatives; and*

*WHEREAS, Executive Order 2010-15 acknowledged the need for the State of Idaho to prepare and develop a plan to effectively address health care delivery; and*

*WHEREAS, the Idaho Health Care Council was directed to identify short-and long-range opportunities and issues created by the enactment of health care reform; and*

*WHEREAS, Executive Order 2010-10 established the Idaho Medical Home Collaborative (Collaborative) to implement a patient-centered medical home (PCMH) model of care to address the transformation of Idaho's health care system to a PCMH model; and*

*WHEREAS, the Collaborative launched a PCMH Pilot in January 2013 that implements guidelines for a PCMH model, a common definition of PCMH, PCMH qualifications, standards, and eligibility criteria, and common payment formulas for PCMH providers; and*

*WHEREAS, the work of the Collaborative provided the foundation for development of a State Healthcare Innovation Plan (SHIP) which outlines a blueprint for redesigning Idaho's healthcare system; and*

*WHEREAS, the executive order establishing the Collaborative sunsets in 2014, the important work of the Collaborative in guiding the transformation of primary care to the medical home model will continue to advise the SHIP within the auspices of the to-be-established Idaho Healthcare Coalition; and*

*WHEREAS, the SHIP identifies the need to redesign Idaho's healthcare system to integrate and coordinate care across all healthcare services in the State, yielding cost efficiencies and improved population health; and*

*WHEREAS, the SHIP details how Idaho's healthcare system today is defined by severe workforce shortages across healthcare professions, limiting access to services; and*

*WHEREAS, the SHIP finds that many primary care practices are without the resources and supports needed to implement quality initiatives, adopt advanced health information technology, at times resulting in inefficient care; and*

*WHEREAS, the SHIP describes a current payment system that pays for volume of services and does not incentivize or reward quality care, resulting in ever-rising healthcare costs; and*

*WHEREAS, the SHIP prioritizes building a robust primary care system statewide through the delivery of services in a patient-centered medical home (PCMH) model of patient-centered, team-based care, coordinated with the extended medical neighborhood-that includes secondary and tertiary care consultants, hospitals, behavioral health, and other community support services; and*

*WHEREAS, the SHIP identifies the differing needs of primary care providers in both rural and urban areas of the state and recommends development of specific resources to address those varying needs; and*

*WHEREAS, the SHIP acknowledges the flaws of the current competitive market fee-for-service model of reimbursement and the need to shift to a reimbursement system that promotes and rewards quality; and*

WHEREAS, in the transformation of the healthcare system to a well-integrated model that focuses on patient health outcomes, a high degree of coordination and collaboration between providers, payers and consumers of healthcare services is necessary to achieve the goal of developing an integrated, coordinated, efficient and economical healthcare system; and

WHEREAS, the state of Idaho has an interest in health care costs and finds that collaboration will promote quality and slow the rise of health care costs, and is in the best interest of the public; and

WHEREAS, the SHIP recommends creating a voluntary system that promotes primary care practice advancement under the PCMH model while respecting the long-standing culture in Idaho of provider and payer autonomy.

NOW, THEREFORE, I, C.L. "BUTCH" OTTER, Governor of the State of Idaho, by the authority vested in me under the Constitution and laws of this state do hereby:

1. The IHC is charged with expanding on the work of the Idaho Health Care Council by leading development of an integrated, coordinated healthcare system in Idaho that focuses on improved population health, improved individual health outcomes and cost efficiencies.
2. The Department of Health and Welfare, an agency of the State of Idaho, will actively supervise and oversee the activities of the IHC.
3. Members of the IHC shall be appointed by and serve at the pleasure of the Governor and include representatives from the Idaho Health Care Council, the Idaho Medical Home Collaborative, and others from the healthcare provider community, private and public payers, policy makers, and consumers.
4. The Chair of the IHC shall be appointed by the Governor from its members.
5. The IHC shall:
  - a. facilitate and support the transformation of primary care practices to the PCMH model;
  - b. develop regional collaboratives to support local practices in transformation and integration of PCMHs with the medical neighborhood that includes secondary and tertiary care consultants, hospitals, behavioral health, and other community support services;
  - c. recognize the critical issues related to Idaho's healthcare provider workforce shortage and work closely with the Idaho Health Professions Education Council, established by executive order in 2009, to ensure that SHIP activities align with the Council's workforce development strategies;
  - d. establish quality outcome measures and methods to collect and analyze individual patient and population health outcomes;
  - e. advance primary care payment methods that align with the PCMH model, encouraging public and private payers to reimburse for improved health outcomes rather than volume of visits;
  - f. provide guidance to expand health information technology (HIT) at the practice level, enhancing PCMHs' use of electronic health records (EHRs), enabling the coordination of care for patients between providers using interoperable technology connections, reducing the cost and redundancies found in the current healthcare delivery system and, at the state level, compiling population health data for quality measurement and improvement;
  - g. develop a long-range plan for sustainability and growth of Idaho's transformed healthcare system; and
6. The IHC shall provide quarterly progress reports, through the Department of Health and Welfare to the Governor.
7. This EO will be effective for 2 years.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho in Boise on this 25<sup>th</sup> day of February in the year of our Lord two thousand and fourteen, and of the Independence of the United States of America the two hundred thirty-eight and of the Statehood of Idaho the one hundred twenty-fourth.

C.L. "BUTCH" OTTER  
GOVERNOR

BEN YURSA  
SECRETARY OF STATE