



New York State Health Innovation Plan

NEWSLETTER || JANUARY 2015

NEW YORK SIM UPDATES:

- Beginning January 2015, this newsletter will be part of a new initiative to provide important updates about New York's State Health Innovation Plan (SHIP) and State Innovation Models (SIM) initiative to those interested. It will be launched with regular updates from the SIM team, related developments in New York State, and will include links to outside articles of interest.
- We are pleased to announce that CMMI has awarded New York State, in coordination with Health Research Inc., approximately \$99.9 million through a State Innovations Model (SIM) Round Two Testing grant. The award period will officially run from February 1, 2015 through January 31, 2019.

Coverage of this news can be found at the following:

[Albany Business Review](#)
[Tonawanda News](#)
[Central New York Business Journal](#)
[Observer](#)
[The Lansing Star](#)
[Lockport Union-Sun Journal](#)

New York's press release on this grant is available here:

<http://www.governor.ny.gov/news/governor-cuomo-announces-100-million-health-innovation-grant-awarded-new-york-state>

More information on Round Two Testing awards is available here:

<http://innovation.cms.gov/initiatives/State-Innovations-Model-Testing-Round-Two/index.html>

New York's application materials can be found at the below link, for your reference:

http://www.health.ny.gov/technology/innovation_plan_initiative/sim.htm

IN THE NEWS:

- **The Art Behind Incentivizing Healthy Behaviors**
The reason why individuals are not responsive to education on public health issues may be due to behavioral economics, a recent Harvard Business Review article shows. Individuals were found to be far more receptive to healthy practices, such as taking medication daily, when the word structure of the message was tweaked to appeal more to emotions and utilization of social networks. Common practices, like offering larger amounts of money, miles, or points, were less impactful when compared to newly discovered methods. This may lead to a new way that health care leaders can reach people to encourage engagement in smarter health practices. To read more, view the full article [here](#).
- **Value-Based Payment, A Progressive Design In Need Of Perfecting**
From 2013 to 2014, value-based payment has risen dramatically and it is clear "value" is on the verge of surpassing "volume", according to Catalyst for Payment Reform's 2014 [national scorecard](#). Both public and private insurers recognize the need for a better quality of care that comes at a lower cost, however this can be a challenging approach to implement. The upgrades that would allow value-based payment come at a

significant cost, yet several examples exist that show long-term savings. For now, value-based payment is an area that is under investigation among payers who need to iron out the kinks before immediately proceeding. For more detail, read the full article [here](#).

- **Assessing Value-Based Purchasing Over The Past Decade**

RAND was asked to review the effectiveness of value-based purchasing over the past ten years by the Office of the Assistant Secretary for Planning and Evaluation in Health and Human Services. In summary, it was difficult to measure success because there was an absence of quantifiable goals set by program sponsors. Three critical areas were mentioned that require attention in order to make advancements within value-based purchasing in order for it to transform into a successful strategy. They are: develop a national value-based purchasing strategy, develop a well-defined, coordinated research strategy, and chart a new strategy and process for developing measures to support federal value-based purchasing programs. More detail on the findings can be found [here](#).

For more information on SHIP/SIM, visit: http://www.health.ny.gov/technology/innovation_plan_initiative/

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