Date: December 5, 2018

Re: Department of Human Services FY 2019-20 Budget Listening Session

Dear Commissioner Johnson,

Thank you for the opportunity to submit testimony on behalf of the Trenton Health Team on the State Fiscal Year 2020 budget.

The Trenton Health Team is a multi-sector collaborative, started by the founding members Capital Health, St. Francis Medical Center, the Henry J. Austin Health Center and the City of Trenton’s Health and Human Services Department. THT is dedicated to improving health and well-being in the Trenton region and we do so with a variety of clinical and community programs, using data and population health analytics to identify needs and deploy locally-appropriate solutions. THT is a “backbone” for health care in our community, regularly convening health care and social service providers with other stakeholders including faith-based partners, housing organizations, youth-serving agencies, schools and preschools, and many more.

THT has been fortunate to participate in the Medicaid Accountable Care Organization Demonstration project over the past four years. As you know, close to 20 percent of the state’s population receives health care through NJ FamilyCare. Now, more than ever, it is imperative that we improve quality and outcomes and decrease costs for the health of our residents and the financial health of our state.

We applaud the State’s support of regional care collaboratives through the ACO project and are encouraged by the Department’s efforts to improve New Jersey’s healthcare system and apply a health equity lens as well as a focus on the social determinants of health. As you consider the budget for the upcoming fiscal year, we urge you to continue to support community based healthcare transformation by investing in Regional Health Hubs in the urban centers of Paterson, Newark, Trenton and Camden.

**We strongly encourage DHS to create four coordinated and efficient regional population health centers, Regional Health Hubs, based on the success of the Medicaid Accountable Care Organization (ACO) Demonstration Project.**

The healthcare delivery system cannot solve the problems of high-risk and high-need patients on its own. A more regional approach to care – one that involves coordinated, person-centered healthcare in combination with robust connections to social services and community resources – is required. To address these challenges, regional coalitions dedicated to finding solutions and working through strong community relationships at all levels are essential. State agencies and state-wide Managed Care Organizations (MCOs) need local, nimble partners who can convene stakeholders around tough problems and, with consideration of the assets and challenges present in that community, prepare solutions for scale. There are currently four regional health collaboratives in NJ – Healthy Greater Newark, Trenton Health Team, the Camden Coalition of Healthcare Providers, and the Health Coalition of Passaic County – that address the needs of high risk populations through real time data analysis, community convening, and innovative care coordination programs.

The Regional Health Hub Model builds on New Jersey’s already significant investments in public health, including the Medicaid ACO Demonstration Project, DOH’s Faith in Prevention, and coordinated state priority investments in maternal and infant health and the opioid crisis.

The Hub Model builds upon these investments and is envisioned as a holistic entity and key partner in executing the priorities articulated by the state in the Medicaid 1115 Waiver, the DOH DSRIP proposal, and the state’s Healthy NJ 2020 Health Assessment and Improvement plans.

Regional Health Hubs are envisioned as non-profit organizations in New Jersey dedicated to improving healthcare delivery and health outcomes and working in close concert with consumers and stakeholders in the region. We propose that the three certified ACOs (Trenton, Camden and Newark) and one ACO look-alike (Paterson) be designated and funded as the first Regional Health Hubs in New Jersey. While each Hub will approach this task using the unique strengths of its partners and targeting the specific challenges of its region, there are five core functions of a Regional Health Hub:

1. Operate or utilize a regional Health Information Exchange (HIE).
2. Convene multi-sector partners around the region and facilitate priority initiatives.
3. Facilitate care coordination for high needs populations.
4. Operate as a clinical redesign specialist for providers, payers and the state.
5. Serve as a local expert and conduit for state priorities.

In establishing the Regional Health Hubs, we request that New Jersey maintain its current fiscal commitment to regional care collaboratives, dividing the existing ACO appropriation of $3 million ($1.5 million in state dollars with matching federal funds) among the four proposed Regional Health Hubs. This budget neutral action would establish the Hubs in New Jersey.

Once the Regional Health Hub Model is created and the first four organizations designated, planning can begin to draw down additional federal funding in FY21 and beyond to extend the Hub model to additional communities with high numbers of Medicaid enrollees. The same state dollars, if matched more strategically to federal funding options, can cover a larger network of Hubs in future years.

**Regional Health Hubs serve as an important model for advancing Medicaid program priorities in the State of New Jersey.**

Regional Health Hubs build upon and leverage the previous state investments in public health, support priorities of the State of New Jersey, and are uniquely positioned within their communities to provide healthcare data infrastructure and analysis, care management and convening of community stakeholders. These four specific organizations (Trenton Health Team, Camden Coalition, Greater Newark Healthcare Coalition, and Health Coalition of Passaic County) have already been effective in operating HIEs, convening local partners around strategic health goals, and improving care and health outcomes. In recognizing these four Regional Health Hubs, New Jersey will continue this important work and also ensure that limited state resources are spent effectively and efficiently. In addition, the proposed Regional Health Hubs will provide ongoing and strong support for both DHS and DOH in accomplishing their priorities.

Regional Health Hubs provide New Jersey with an opportunity to lead the nation in developing a transparent and accountable model for population health. Now is the time to take the next step and put the Hub Model in place with clear goals, functionality, and sustainable funding