

November 17, 2020

On November 16, 2020, IHA submitted comments (*click here*) to the Medicaid Legislative Work Group on the Hospital and Healthcare Transformation proposal officially released by the Illinois Dept. of Healthcare and Family Services (HFS) on November 13, 2020. In summary, IHA's comments stated:

The HFS Hospital and Healthcare Transformation Proposal offers a meaningful opportunity to improve the health and healthcare for many vulnerable Illinoisans, and is generally aligned with IHA's transformation vision and principles. Of course, there are important details and questions to be resolved. IHA respectfully requests the opportunity to continue to work with HFS and the MLWG to address those questions and implementation details, so that the program can move forward successfully and without undue delay. At the same time, the short term financial viability of hospitals – especially those serving vulnerable communities – must be stabilized during the new COVID-19 surge and that should be done using other federal funds in lieu of diverting transformation funding to that purpose.

As reported last week, on November 13, 2020, the Illinois Dept. of Healthcare and Family Services (HFS) officially <u>unveiled</u> its <u>healthcare transformation plan</u> that is aimed at addressing social and structural determinants of health.

"As we continue to address the ongoing COVID-19 pandemic, ensuring equitable healthcare access and delivery is more important than ever, especially in Black and Brown communities and for Illinois residents who are uninsured or underinsured," said Governor J.B. Pritzker. "Under this newly released plan, my administration will work with our partners in the General Assembly to establish a system where all Illinoisans, regardless of their background or where they live, receive the quality care they deserve."

"It's time we looked beyond the four walls of a hospital or doctor's office and reorient the entire system around people and communities. We need to reimagine care delivery and focus on what it takes to truly improve health and wellness for the most vulnerable Illinois residents," said HFS Director Theresa Eagleson. "Public policy and funding should focus more on integration of services and social factors that have the greatest impact on individuals and communities, in addition to inpatient hospital care or specific providers. We are proud of the framework our research and initial planning brings to the conversations about healthcare transformation in Illinois and we look forward to working with legislators in the general assembly to improve and finalize these ideas with their input and feedback."

Director Eagleson and her team had presented HFS' transformation proposal to the IHA Board of Trustees during the Board's virtual retreat on Nov. 5. See <u>IHA's Hospital and Healthcare Transformation -- Update No. 2</u>, sent to IHA members on November 9, 2020.

If implemented, the HFS plan will fund pilot projects and planning grants to address both healthcare and social determinants of health, emphasize collaboration with community-based organizations plus one unrelated healthcare provider, and ensure that health equity is a measurable, primary focus of each project. Pilots would fall into one of three collaboration categories: Cross-provider partnerships, safety net hospital partnerships, and critical access or distressed hospital partnerships. For more information, see an HFS Executive Summary.

According to the HFS press release, pending feedback and input from the General Assembly, the proposed funding mix would begin with an annual pool of \$150 million to start a realignment of state resources. The plan recommends coordinating projects with other sources of funding from other state agencies, the business community, and the philanthropic community to spur broad investment in community projects that have a coordinated, comprehensive approach to improving community health.

Legislation to authorize the HFS Hospital and Healthcare Transformation proposal could be considered by the General Assembly in January 2021.		
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