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October 9, 2015

Vikki Wachino
Director
Center for Medicaid and CHIP Services
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244-1850

Re: Washington State Application for a Medicaid Transformation Waiver

Dear Director Wachino:

I am writing on behalf of Molina Healthcare of Washington, Inc. ("Molina"), in response to the solicitation of comments regarding the Washington State Health Care Authority's (HCA) 1115 Medicaid Transformation Waiver Application. Molina is a managed care plan serving over 550,000 members statewide. For 35 years, Molina has been committed to serving Medicaid beneficiaries by providing culturally appropriate care in both rural and urban areas in the states that it serves.

We appreciate the opportunity to comment on the Washington 115 Waiver Application. We applaud the Washington HCA for their innovative vision for A Healthier Washington and look forward to collaborating with HCA and all ten accountable communities of health throughout the Waiver application and implementation process.

General Comments
We appreciate HCA's recognition of the need to focus on more than high-quality, traditional health care for individuals in order to promote better health outcomes for populations. Transforming the Medicaid system in a way that removes silos, integrates care, reforms payment methodologies, and engages patients, allows managed care to be successful. The anticipated changes that will take place under this Waiver will allow Molina to better serve all of our members statewide, especially those with higher needs. The Waiver will encourage and require innovation in a number of areas and Molina stands ready to work with HCA to create and implement those innovations.

Value Based Reimbursement
Molina strongly supports provider reimbursement using Value Based Reimbursement (VBR) models. VBR is the only evidence-based approach to managing care predicated on improving measureable quality performance as the first step in a long-term accountable relationship between Molina and multiple integrated delivery systems.

As a direct care provider and a managed care plan, Molina understands that providers need both time and a pathway for VBR. In response, we have introduced our "path to value" continuum of VBR relationships, all with some form of quality incentives and improvement targets. This approach and strategy will be

accelerated and enhanced under the flexibility that the waiver will provide.

To date, Molina has entered into pay-for-performance agreements with multiple provider systems all along the "path to value continuum", including two large systems which already operate under full capitation arrangements. Many more providers and integrated systems are in active discussion with Molina to increase their level of value-based incentives and alignment along the "path to value". We anticipate reaching HCA's goal of 80% of members being in VBR relationships long before 2018.

In addition to VBR agreements in Washington, Molina has entered into a variety of VBR arrangements in other states. We will continue to apply our innovations, experience and best practices in Washington as it transitions to Accountable Communities of Health and enhanced managed care services under the waiver.

Community Connectors

Additionally, Molina supports Washington's effort to move toward whole person care and managing the social determinates of health. Molina is committed to breaking down silos and giving members the tools necessary to be proactive and engaged in their care. One way we achieve member engagement is through the Community Connector program. Community Connectors are trusted members of the community who serve as extenders for clinicians by linking members with community based organizations that offer services beyond those provided through Medicaid and have a positive impact on social determinants of health. Molina recognizes that many of our patients face issues that are non-clinical in nature, such as housing, transportation, nutrition, etc. Through the use of Community Connectors, we create a personal pathway for information exchange between the member and his/her care team that allows Molina to serve as the "integrator" and "connector" for our members across physical, behavioral health, and social determinate domains. These resources and approaches to whole-person care will be enhanced by the proposed waiver.

Washington's Medicaid Transformation Waiver can achieve the goal of a Healthier Washington through care integration, engaged patients, demonstrated care quality, and aligned incentives for providers. Each of these elements lends itself to improved health while reducing Medicaid expenses, and although each element within the new waiver is not fully defined at this time, we are committed to working with HCA on the details associated with program implementation.

Molina looks forward to our continued partnership with HCA and in achieving the goals of the Healthier Washington vision. Should you have questions or desire additional information, please contact me directly at 425-398-2642.

Sincerely,

Peter Adler
President
Molina Healthcare of Washington, Inc.

cc: Claudia St. Clair