Round two of the government’s Health Care Innovation Awards is making nearly $1 billion available to find ways of improving medical care while reducing cost – health care’s holy grail.

Specifically, the competition will focus on ways to rapidly reduce costs for people with Medicare and Medicaid coverage in hospital outpatient and other settings; improving care for groups of people who have special needs; and linking clinical care delivery to preventive and population health. Like the first round of funding, these awards will emphasize results while ensuring program integrity. Winning applicants will be ones that have a high likelihood of transforming the health care system and delivering better outcomes.

The money is available through the Affordable Care Act, which is credited with helping rein in Medicare spending to a 0.4 percent increase last year, far below historical averages.

The Pittsburgh Regional Health Initiative received a $10.4 million grant through the program a year ago, which is being used to create a virtual accountable care network in cooperation with seven community hospitals. PRHI’s Chief Medical Officer Dr. Keith Kanel is heading up that project, which is focusing on improving outcomes for people with chronic lung problems, congestive heart disease and heart disease.

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