

Delivery System Change in Health Reform:
Improving Quality, Controlling Costs



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Community Catalyst
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About Community Catalyst

Community Catalyst is a national non-profit advocacy organization dedicated to achieving quality, affordable health care for all.

We work with national, state and local consumer organizations, policymakers and foundations to build consumer and community leadership to improve the health care system so it serves everyone, and to ensure consumers have a seat at the table as health care decisions are made.



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Overview of the Presentation

- **The Perfect Storm:** Describing the problem
- **The Big Picture:** Opportunities in reform
- **A Path Forward:** Identifying guiding principles



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The Perfect Storm

What's the need for delivery system reform?




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Time Warp to Early 2009: The Crisis in Health Care

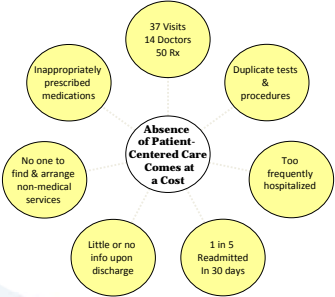
“The United States is doing an especially rotten job of delivering chronic care, at spectacular cost.”

Susan Dentzer, Editor-in-Chief, *Health Affairs*
 “Reform Chronic Illness Care? Yes, We Can”
 January/February 2009



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A Crisis in Quality: Our Fragmented System




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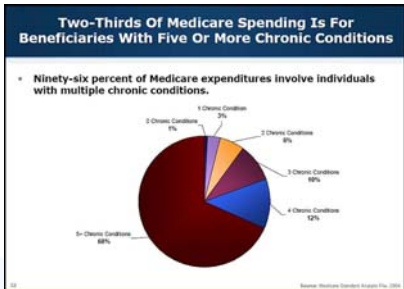
A Crisis in Quality: Disparate Impact on Certain Populations

- ✓ Dually eligible beneficiaries
- ✓ Older adults with multiple chronic conditions
- ✓ Racial and ethnic minorities
- ✓ People living with disabilities



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A Crisis in Cost: Medicare Spending



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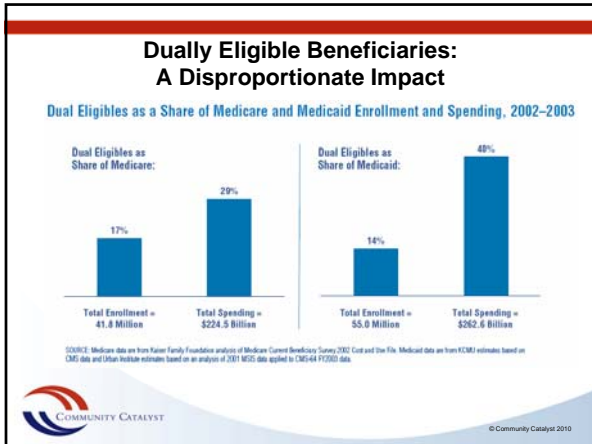
A Crisis in Cost: Medicaid Spending

- ✓ Chronic conditions prevalent
- ✓ Top 4 percent highest need = 50 percent of Medicaid acute care spending
- ✓ Over a third with 3+ chronic conditions
 - ✓ Linked to at least 2/3 total Medicaid costs
 - ✓ At least a third with psychiatric illness
- ✓ Highest cost 1 percent:
 - ✓ 87 percent have 3+ chronic conditions
 - ✓ 67 percent have 5+ chronic conditions

Source: Center for Health Care Strategies, *The Faces of Medicaid III: Refining the Portrait of People with Multiple Chronic Conditions*, October 2009.



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- ### National Health Care Reform Strategies
- ✓ Build a better foundation
 - ✓ Enable new ways to deliver and pay for care
 - ✓ Improve quality and accountability
 - ✓ Institutionalize consumer voice
-
- COMMUNITY CATALYST** © Community Catalyst 2010



Strategy 1: A Better Foundation

- ✓ Significant Medicaid expansion
- ✓ Investment in primary care & prevention
- ✓ Reducing disparities
- ✓ Workforce expansion
- ✓ Expanding programs that work




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Strategy 2: New Ways to Deliver and Pay for Care

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New Ways to Deliver Care



- ✓ Center for Medicare and Medicaid Innovation
- ✓ Federal Coordinated Health Care Office
- ✓ Accountable Care Organizations (ACOs)
- ✓ Independence at Home
- ✓ Community-based care transitions
- ✓ Health home team option
- ✓ Medication management



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New Ways to Pay for Care



- ✓ Increased payment for primary care
- ✓ Bundling pilot
- ✓ Value-based purchasing
- ✓ Avoidable readmissions and infections
- ✓ Independent Payment Advisory Board



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Strategy 3: Quality

- ✓ National Quality Strategy
- ✓ New Medicaid/CHIP quality measures
- ✓ "Physician Compare" website
- ✓ Physician Quality Reporting Program
- ✓ Data collection

Health Care Quality Report Card 2009 Edition			
State	Quality Improvement Plan	Physician Quality Reporting Program	Physician Compare
Arkansas	☆☆☆☆	☆☆☆☆	☆☆☆☆
California	☆☆☆☆	☆☆☆☆	☆☆☆☆
Colorado	☆☆☆☆	☆☆☆☆	☆☆☆☆
Connecticut	☆☆☆☆	☆☆☆☆	☆☆☆☆
Delaware	☆☆☆☆	☆☆☆☆	☆☆☆☆
District of Columbia	☆☆☆☆	☆☆☆☆	☆☆☆☆
Florida	☆☆☆☆	☆☆☆☆	☆☆☆☆
Georgia	☆☆☆☆	☆☆☆☆	☆☆☆☆
Idaho	☆☆☆☆	☆☆☆☆	☆☆☆☆
Illinois	☆☆☆☆	☆☆☆☆	☆☆☆☆
Indiana	☆☆☆☆	☆☆☆☆	☆☆☆☆
Iowa	☆☆☆☆	☆☆☆☆	☆☆☆☆
Kansas	☆☆☆☆	☆☆☆☆	☆☆☆☆
Kentucky	☆☆☆☆	☆☆☆☆	☆☆☆☆
Louisiana	☆☆☆☆	☆☆☆☆	☆☆☆☆
Maine	☆☆☆☆	☆☆☆☆	☆☆☆☆
Maryland	☆☆☆☆	☆☆☆☆	☆☆☆☆
Massachusetts	☆☆☆☆	☆☆☆☆	☆☆☆☆
Michigan	☆☆☆☆	☆☆☆☆	☆☆☆☆
Minnesota	☆☆☆☆	☆☆☆☆	☆☆☆☆
Mississippi	☆☆☆☆	☆☆☆☆	☆☆☆☆
Missouri	☆☆☆☆	☆☆☆☆	☆☆☆☆
Montana	☆☆☆☆	☆☆☆☆	☆☆☆☆
Nebraska	☆☆☆☆	☆☆☆☆	☆☆☆☆
Nevada	☆☆☆☆	☆☆☆☆	☆☆☆☆
New Hampshire	☆☆☆☆	☆☆☆☆	☆☆☆☆
New Jersey	☆☆☆☆	☆☆☆☆	☆☆☆☆
New Mexico	☆☆☆☆	☆☆☆☆	☆☆☆☆
New York	☆☆☆☆	☆☆☆☆	☆☆☆☆
North Carolina	☆☆☆☆	☆☆☆☆	☆☆☆☆
North Dakota	☆☆☆☆	☆☆☆☆	☆☆☆☆
Ohio	☆☆☆☆	☆☆☆☆	☆☆☆☆
Oklahoma	☆☆☆☆	☆☆☆☆	☆☆☆☆
Oregon	☆☆☆☆	☆☆☆☆	☆☆☆☆
Pennsylvania	☆☆☆☆	☆☆☆☆	☆☆☆☆
Rhode Island	☆☆☆☆	☆☆☆☆	☆☆☆☆
South Carolina	☆☆☆☆	☆☆☆☆	☆☆☆☆
South Dakota	☆☆☆☆	☆☆☆☆	☆☆☆☆
Tennessee	☆☆☆☆	☆☆☆☆	☆☆☆☆
Texas	☆☆☆☆	☆☆☆☆	☆☆☆☆
Utah	☆☆☆☆	☆☆☆☆	☆☆☆☆
Vermont	☆☆☆☆	☆☆☆☆	☆☆☆☆
Virginia	☆☆☆☆	☆☆☆☆	☆☆☆☆
Washington	☆☆☆☆	☆☆☆☆	☆☆☆☆
West Virginia	☆☆☆☆	☆☆☆☆	☆☆☆☆
Wisconsin	☆☆☆☆	☆☆☆☆	☆☆☆☆
Wyoming	☆☆☆☆	☆☆☆☆	☆☆☆☆



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Strategy 4: Institutionalizing the Consumer Voice



- ✓ Shared decision-making
- ✓ Representation on IPAB
- ✓ Multi-stakeholder consultation on National Quality Strategy
- ✓ Institutionalizes consumer assistance or ombudsman programs at state level



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A Path Forward
 Responding effectively to the opportunities and challenges that ahead




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Apply the Right Principles

- ✓ Place patients and families at the center of care
- ✓ Focus on improving health outcomes
- ✓ Anchor the delivery system in primary and preventive care
- ✓ Coordinate care
- ✓ Increase transparency and accountability
- ✓ Educate and empower patients and families




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Develop Campaigns that Shape Implementation

- ✓ Help set the rules of the road
- ✓ Fight for a seat at the table
- ✓ Talk to policymakers
- ✓ Build a public education campaign
- ✓ Partner with organizations that have similar goals




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We Can't Do It Alone



- ✓ Committed and knowledgeable state and federal policymakers
- ✓ Providers committed to patient-and family-centered care
- ✓ Informed and engaged consumer advocates



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Delivery System Change in Health Reform

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WHAT NEXT? Making it Work for New Jersey: A Statewide Health Care Reform Implementation Conference June 2010

Questions?



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