Improving Health Value: Lessons from Other States

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Agenda

1. Where does the value lie?
2. A look at some unusual suspects
3. Lessons
111 year old operating foundation
National scope
Neutral and bipartisan

“Improving Population Health by connecting leaders and decision makers with the best evidence and experience”
Value = Quality/Cost

Source: Huffington Post
Approximately 1 in 3 Health Care Dollars is Waste
Can We Afford This?

Average U.S. Healthcare Spending per Person in 2014
$9,700

Total Wasted Spending per Person $2,910

Source: Consumer Reports
Strategies for Improving Cost Performance

Cost reduction – not merely cost shifting

- Payment reforms
- Regulation
- Benefit Design and Price Transparency
- Health Information Exchange
- Chronic Care Management
These are policy choices that must be supported and aligned across payers.

**Ohio's Value-Based Alternatives to Fee-for Service**

Ohio's State Innovation Model (SIM) focuses on (1) increasing access to comprehensive primary care and (2) implementing episode-based payments.

- **Fee for Service**: Payment for services rendered.
- **Pay for Performance**: Payment based on improvements in cost or outcomes.
- **Patient-Centered Medical Home**: Payment encourages primary care practices to organize and deliver care that broadens access while improving care coordination, leading to better outcomes and a lower total cost of care.
- **Episode-Based Payment**: Payment based on performance in outcomes or cost for all of the services needed by a patient, across multiple providers, for a specific treatment condition.
- **Accountable Care Organization**: Payment goes to a local provider entity responsible for all of the health care and related expenditures for a defined population of patients.
Ohio is not alone in traveling this path

• 13 other markets doing Multipayer Primary Care Transformation – ten of them are state wide.
• Measuring Total Costs of Care across all payers becomes essential (Cost Reduction. NOT Cost Shifting)
• Even more ambitious payment reform:
  – Maryland
  – Vermont
A lesson in humility for all of us in health care

**Figure 1. Determinants of Health and Their Contribution to Premature Death.**
Adapted from McGinnis et al.¹⁰
Redefining the Spending that Drives Value

High social/medical ratio → better health outcomes

*Switzerland and Turkey are missing data for 2009
Figure 2: State Social-to-Health Spending Ratio and Selected Health Outcomes, by Quintile (2009)

a) Percent of adult population that is obese

b) Percent of adults who reported 14 or more days in the last 30 days as mentally unhealthy days

c) Lung cancer mortality rate per 100,000 population

d) Social-to-health spending ratio

Legend (a,b,c): dark gray indicates highest quintile (i.e., poorest health outcomes) and white indicates lowest quintile (i.e., best health outcomes).
Legend (d): dark gray indicates lowest social-to-health spending ratio; white indicates highest social-to-health ratio.

Source: Bradley and Rogan, Milbank Memorial Fund, 2016
What Can States do to Change the Ratio? Plenty – if they work

Source: Rogan and Bradley, Milbank Memorial Fund, 2016
So where is value increase happening?

• Where are we seeing improvement in state scorecard performance that is
  – Consistent across scorecards?
  – Statistically valid?

• What happened there?

• A summary of forthcoming research by Jones and Louis (Boston University)
Finding the Movers...

Chronic Care

Early Childhood
Figure 6. Trend in Georgia’s Infant Mortality Rate Ranking, 2004-2014
Georgia Actions

Timeline of Notable Events

- **2011**
  - Brenda Fitzgerald appointed commissioner of the Dept of Public Health, which becomes cabinet level agency.

- **2012-2019**
  - Dept of Public Health data cleaned and organized through online platform OASIS, used to conduct “hot spot” analysis.

- **2006**
  - High infant mortality rate, state ranked 43rd.

- **2012**
  - State-wide Infant mortality Task Force created, participation in multi-state networks such as COINN and the Perinatal Quality Collaborative.

- **2012-Present**
  - Targeted campaigns focused on Safe Sleep and post-conception care.
Figure 3. Trend in Florida’s Infant Mortality Rate Ranking, 2004-2014²⁸
Florida Actions

Timeline of Notable Events

1991
Gov. Chiles signs legislation creating State Healthy Start (precedes federal legislation)

2004
Statewide infant mortality plan

2007
Legislation creating the Black Infant Health Practice Initiative (BIHPI) signed into law

1991-Present
33 Healthy Start coalitions are developed, covering all parts of the state; provide screening, home visits, and care coordination

2006
REACH UP becomes model for local coalitions to develop non-profit entities

2011-Present
Participation in Perinatal Quality Collaborative
Figure 2. Delaware’s Chronic Disease Ranking, 2007-2012
Delaware Activities

Timeline of Notable Events

- **2003**
  - The DE General Assembly created the Chronic Illness and Disease Management Task Force.

- **2008**
  - Gov. Jack Markell, a known supporter of health and wellness, elected to office.

- **2010**
  - Delaware Council on Health Promotion and Disease Prevention (CHPDP) created by Gov. Markell via Executive Order 19.

- **2007**
  - HR29 was enacted establishing the Women’s Healthy Heart Task Force aimed at developing a comprehensive strategy for encouraging heart healthy activities for women.

- **2009**
  - DE S 66 was enacted establishing the Heart Disease and Stroke Prevention program within the DPH of the DHSS; addressed a number of issues related to these diseases.

- **2011**
  - The first Delaware State Health Improvement Plan (SHIP) assessing and Improving community health was initiated; a three-year program.
Figure 3. Iowa’s Chronic Disease Ranking, 2007-2012\textsuperscript{17}
Iowa Activities

Timeline of Notable Events

2004
The Iowa Health Care Collaborative is formed as a partnership between Iowa healthcare providers, the Iowa Hospital Association and the Iowa Medical Society.

2008
HR 2212 Iowa Smoke-free Air Act passed into law prohibiting smoking in public places.

2009
Iowa Fit for Life program begins

2010
State’s first stroke registry created through the University of Iowa

2012
Iowa applied for a State Innovation model grant to advance its health improvement efforts to the next level; received multiple SIM awards in 2013 and 2014

2006
Iowa standardizes the public reporting of data

2009
Development of Iowa Comprehensive Heart Disease and Stroke Plan developed

2011
Iowa’s Healthiest State initiative began with the goal of making Iowa the healthiest state

Iowa received a Community Transformation Grant (CTG) to reduce the prevalence of heart disease, stroke and other risk factors
Initial Lessons from the Movers..

1. Lead through State Government
   – Commit and convene

2. Set Goldilocks Targets based on Community Needs
   – Broad or focused?

3. Establish Multi-sectoral Collaboration
   – Plan for persistence

4. Collect and Share Data.
5. Eliminate Disparities
   – High disparities are source of poor performance
6. Engage Community Partners
   – Build the “Big Mo”
8. Employ Multi-pronged Strategy to Get Buy-In and Sustain Progress.
   – A flock, not a raptor
Ohio brings assets to this work

- State leadership
- Platform for multi payer alignment
- Convening in HPIO
- Baseline measures
- Engaged consumer groups

How will you proceed?