



Roadmap to a High Performance Health System: Driving Innovation and Improvement

**Karen Davis
President**

The Commonwealth Fund

www.commonwealthfund.org

kd@cmwf.org

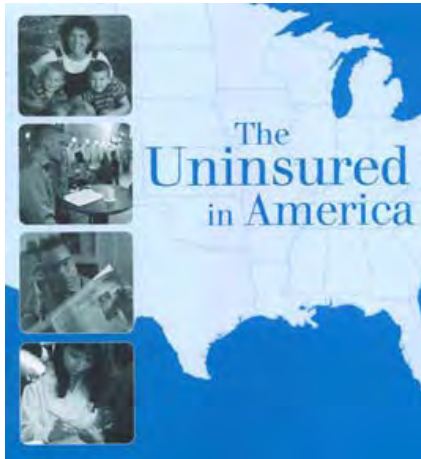
**Group Health Annual Membership Meeting
October 1, 2011**

Roadmap to a High Performance Health System

- **The U.S. should aspire to a high performance health system but current performance falls short of what is attainable**
- **Keys to a high performance health system**
- **The Affordable Care Act has the potential to help committed health care organizations achieve high performance**
- **What Group Health Cooperative can do to help others and improve its own performance further**



Why Health Reform is Needed: Current Performance Falls Short of What is Attainable



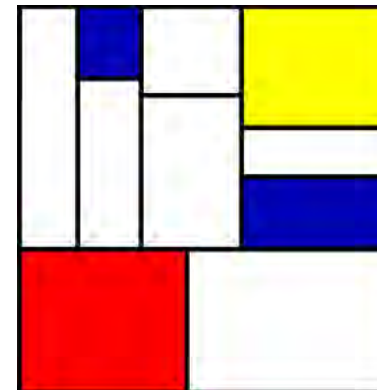
Uninsured Rates



Costs of Care



Quality of Care Chasm



**Administrative
Complexity**



U.S. Health System Performance Falls Short of Other Countries

Country Rankings	
	1.00–2.33
	2.34–4.66
	4.67–7.00



AUS



CAN



GER



NETH



NZ



UK



US

	AUS	CAN	GER	NETH	NZ	UK	US
OVERALL RANKING (2010)	3	6	4	1	5	2	7
Quality Care	4	7	5	2	1	3	6
Effective Care	2	7	6	3	5	1	4
Safe Care	6	5	3	1	4	2	7
Coordinated Care	4	5	7	2	1	3	6
Patient-Centered Care	2	5	3	6	1	7	4
Access	6.5	5	3	1	4	2	6.5
Cost-Related Problem	6	3.5	3.5	2	5	1	7
Timeliness of Care	6	7	2	1	3	4	5
Efficiency	2	6	5	3	4	1	7
Equity	4	5	3	1	6	2	7
Long, Healthy, Productive Lives	1	2	3	4	5	6	7
Health Expenditures/Capita, 2007	\$3,357	\$3,895	\$3,558	\$3,837*	\$2,454	\$2,992	\$7,290

Note: * Estimate. Expenditures shown in \$US PPP (purchasing power parity).

Source: Calculated by The Commonwealth Fund based on 2007 International Health Policy Survey; 2008 International Health Policy Survey of Sicker Adults; 2009 International Health Policy Survey of Primary Care Physicians; Commonwealth Fund Commission on a High Performance Health System National Scorecard; and Organization for Economic Cooperation and Development, *OECD Health Data, 2009* (Paris: OECD, Nov. 2009).



Keys to a High Performance Health System

- **Insurance market reforms that make affordable coverage available to all**
- **Payment reforms that align incentives for high value and effective cost control**
- **Delivery system reform that ensures the provision of accountable, accessible, patient-centered, coordinated care**
- **Investment in public reporting, evidence-based medicine, and infrastructure improvements that enable the delivery of the best care possible to patients in a culture of innovation and improvement**
- **Leadership and collaboration among all stakeholders to set and achieve national goals**

Source: Commonwealth Fund Commission on a High Performance Health System, *Staying on Course: Reaffirming the Vision of a High Performance Health System*, (New York: The Commonwealth Fund, forthcoming 2011).



The Affordable Care Act Has the Potential to Help Committed Health Care Organizations Achieve High Performance



Health Reform “Game Changers” Build on Local, State, and International Innovations

- **Affordability provisions**
- **New federal insurance market rules**
- **New health insurance exchanges**
- **Provider payment and delivery system reforms**
 - **CMS Innovation Center and Independent Payment Advisory Board (IPAB)**
 - **Accountable Care Organizations**
 - **Patient centered medical homes**
 - **Bundled acute and post-acute care payment**

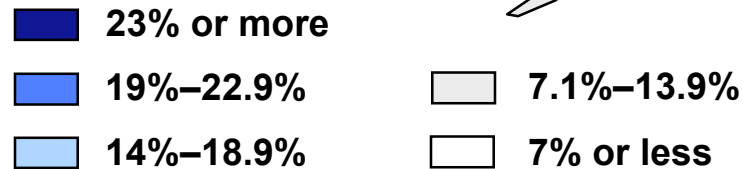
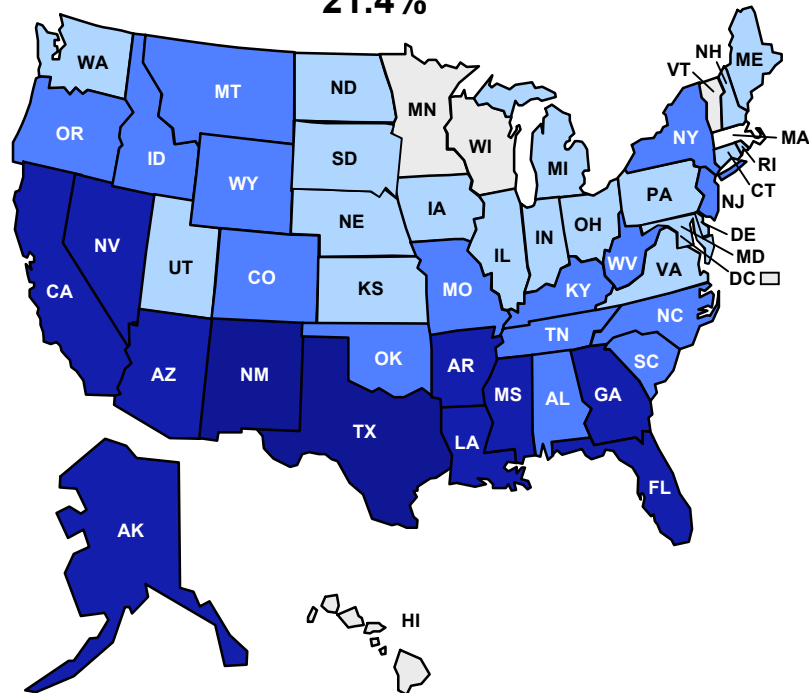
Source: K. Davis, *A New Era in American Healthcare*, (New York: The Commonwealth Fund, June 2010); C. Schoen, D. Helms, and A. Folsom, *Harnessing Health Care Markets for the Public Interest: Insights for U.S. Health Reform from the German and Dutch Multipayer Systems*, (New York and Washington: The Commonwealth Fund and AcademyHealth, December 2009); C. Schoen, *U.S. Health Reforms to Improve Access, Outcomes, and Value: International Insights and Innovative Policies*, Invited Testimony, Senate Committee on Aging, September 30, 2009



32 Million Uninsured Covered Under Affordable Care Act Percent of Adults 19–64 Uninsured by State

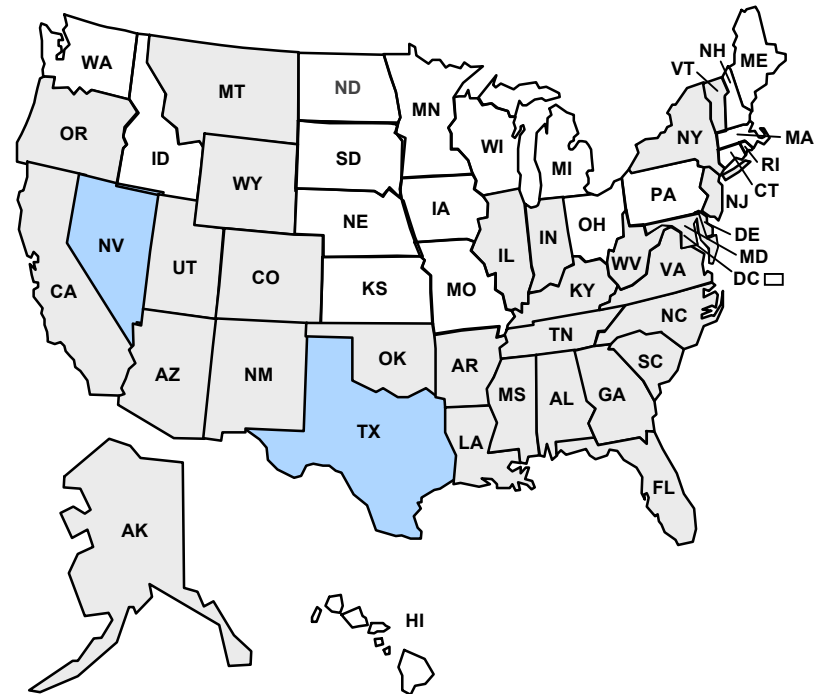
2008-2009

National Average
21.4%



2019 (estimated)

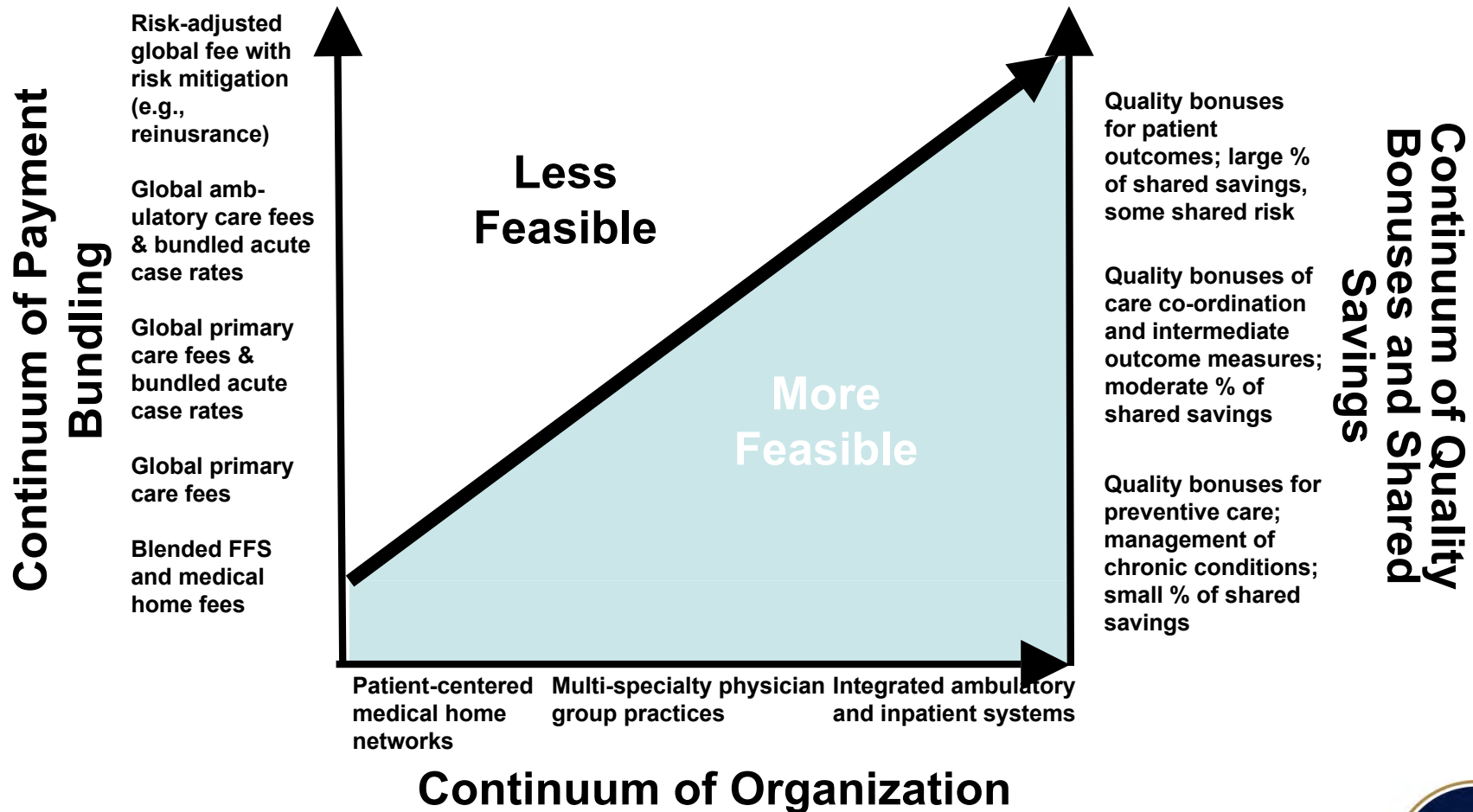
National Average
9.4%



Data: U.S. Census Bureau, 2009–10 Current Population Survey ASEC Supplement; estimates for 2019 by Jonathan Gruber and Ian Perry of MIT using the Gruber Microsimulation Model for The Commonwealth Fund.
SOURCE: Commonwealth Fund State Scorecard on Child Health System Performance, 2010



Affordable Care Act Offers Support to Promising Models of Payment and Care Delivery



Source: A. Shih, K. Davis, S. Schoenbaum, A. Gauthier, R. Nuzum, and D. McCarthy, *Organizing the U.S. Health Care Delivery System for High Performance*, (New York: The Commonwealth Fund, August 2008).



What Group Health Cooperative Can Do to Help Others and Improve Its Own Performance Further



State Health System Performance: How Does Washington Compare?

- **Scorecard Rankings:**
 - Overall: 16
 - Access: 23
 - Prevention & Treatment: 34
 - Avoidable Hospital Use & Cost: 6
 - Equity: 27
 - Healthy Lives: 13
- **Estimated Impact of Improvement in Washington**
 - 354,370 more adults would be insured
 - 146,624 more adults (ages 50 and older) would receive recommended preventive care, such as colon cancer screenings, mammograms, pap smears, and flu shots at appropriate ages
 - 144,250 children would have a medical home
 - \$25,850,729 would be saved from reducing Medicare readmissions

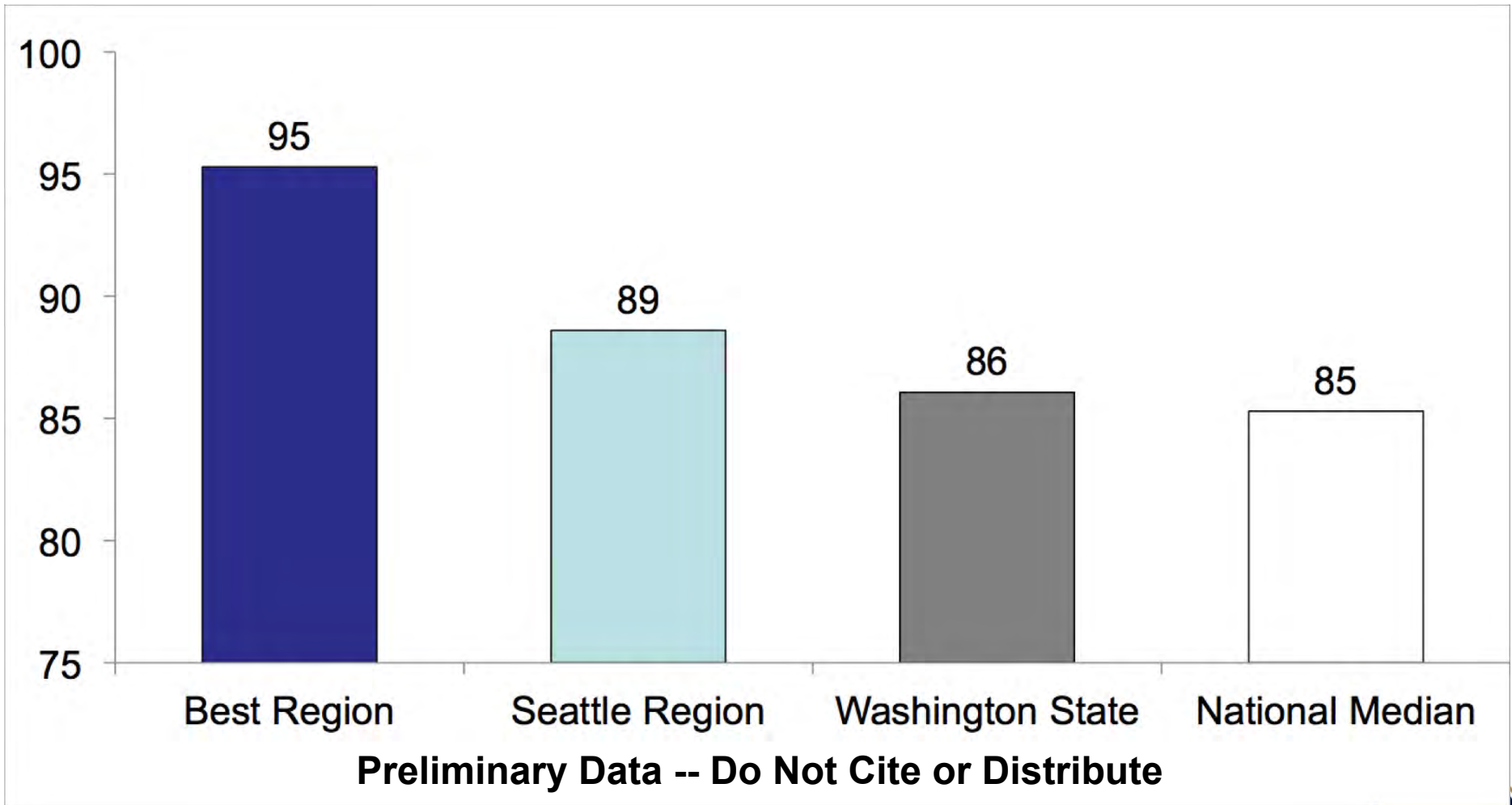


Source: D. McCarthy, S. K. H. How, C. Schoen, J. C. Cantor, D. Belloff, *Aiming Higher Results from a State Scorecard on Health System Performance, 2009*, (New York: The Commonwealth Fund, October 2009).



Percent of Adults Reporting No Cost-Related Access Problems Within the Past Year: How Does Seattle Compare?

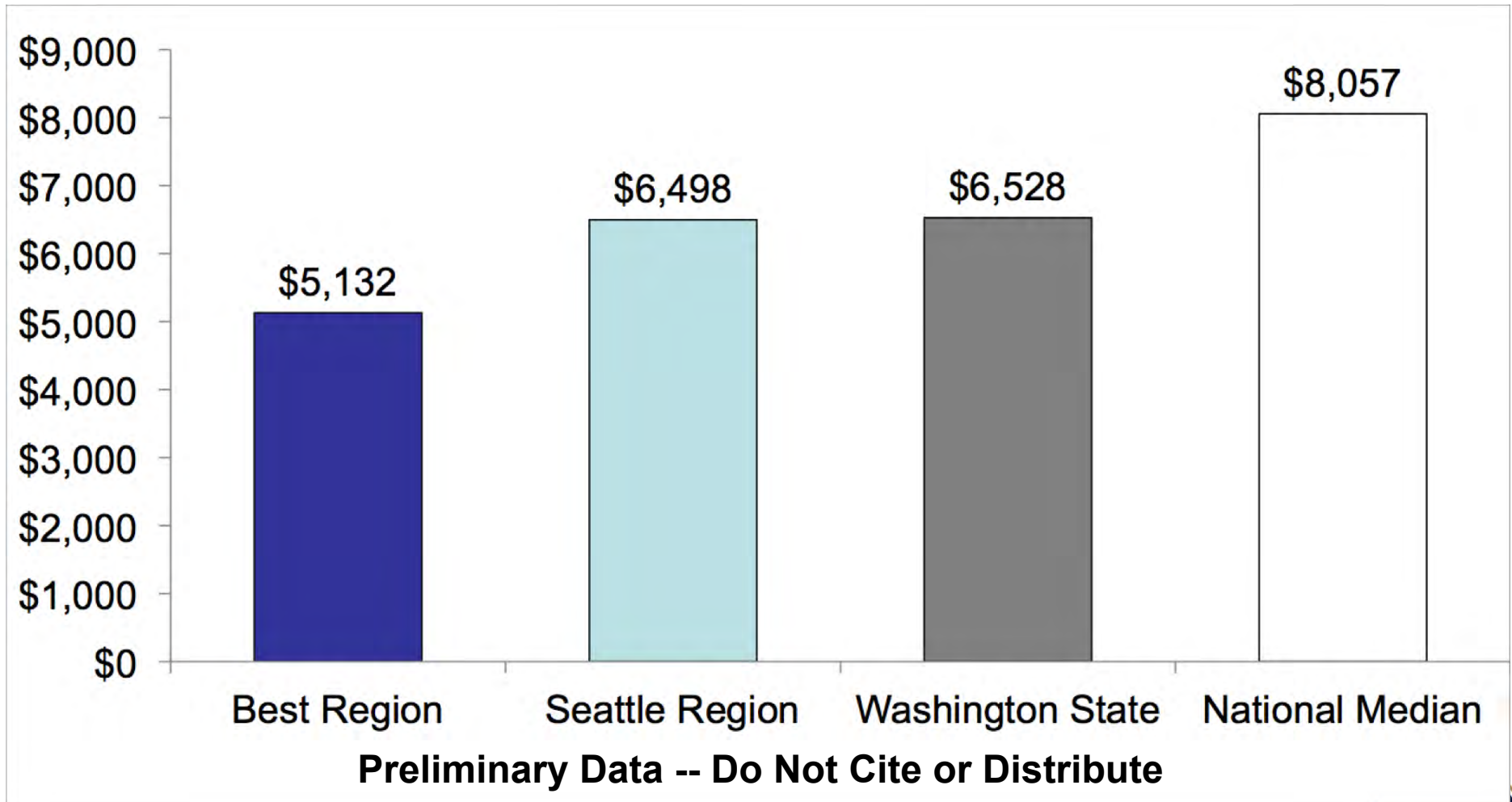
Preliminary Data -- Do Not Cite or Distribute



Source: Commonwealth Fund Local Scorecard on Health System Performance, forthcoming 2012.

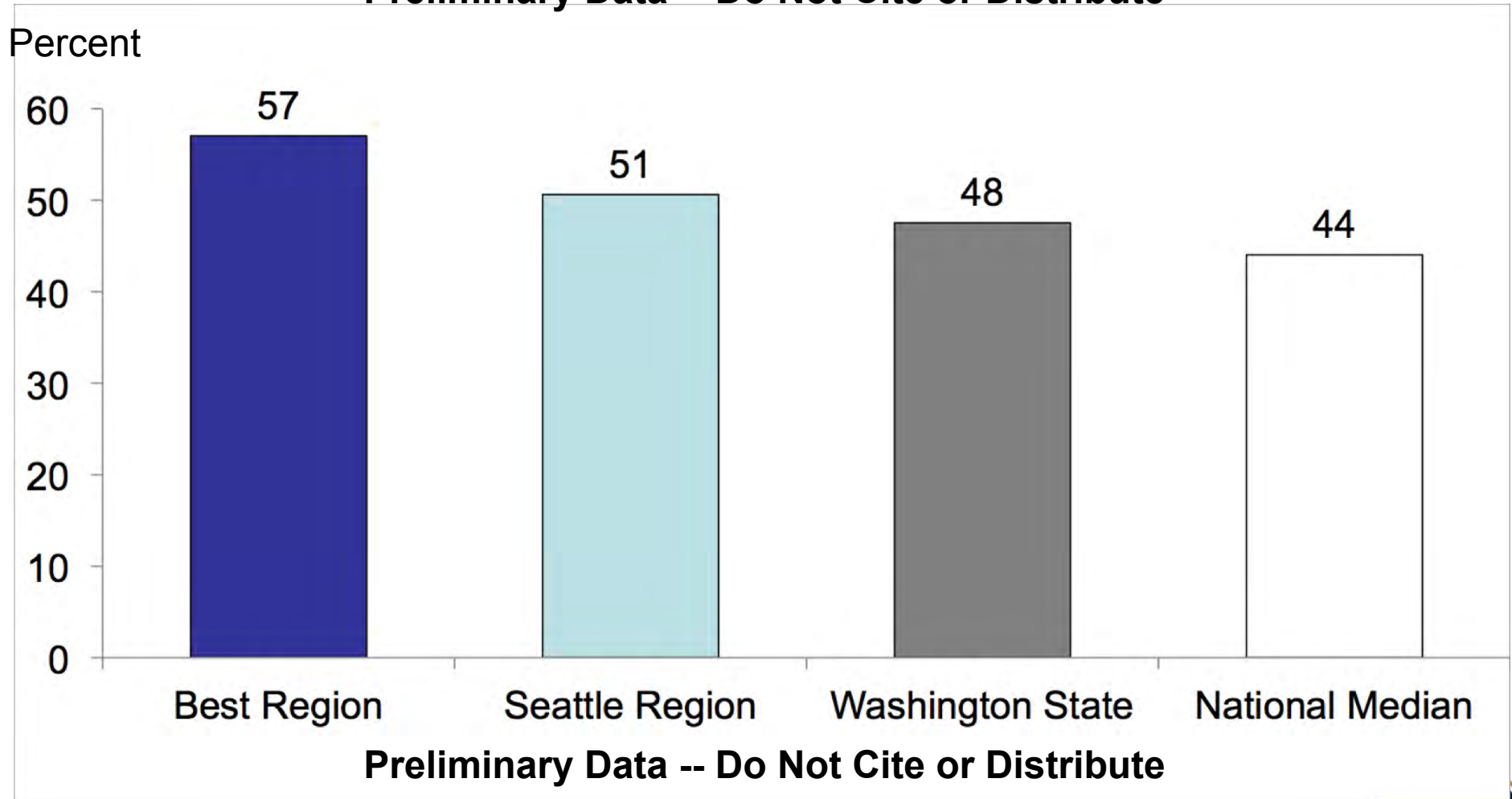
Medicare Spending per Beneficiary: How Does Seattle Compare?

Preliminary Data -- Do Not Cite or Distribute



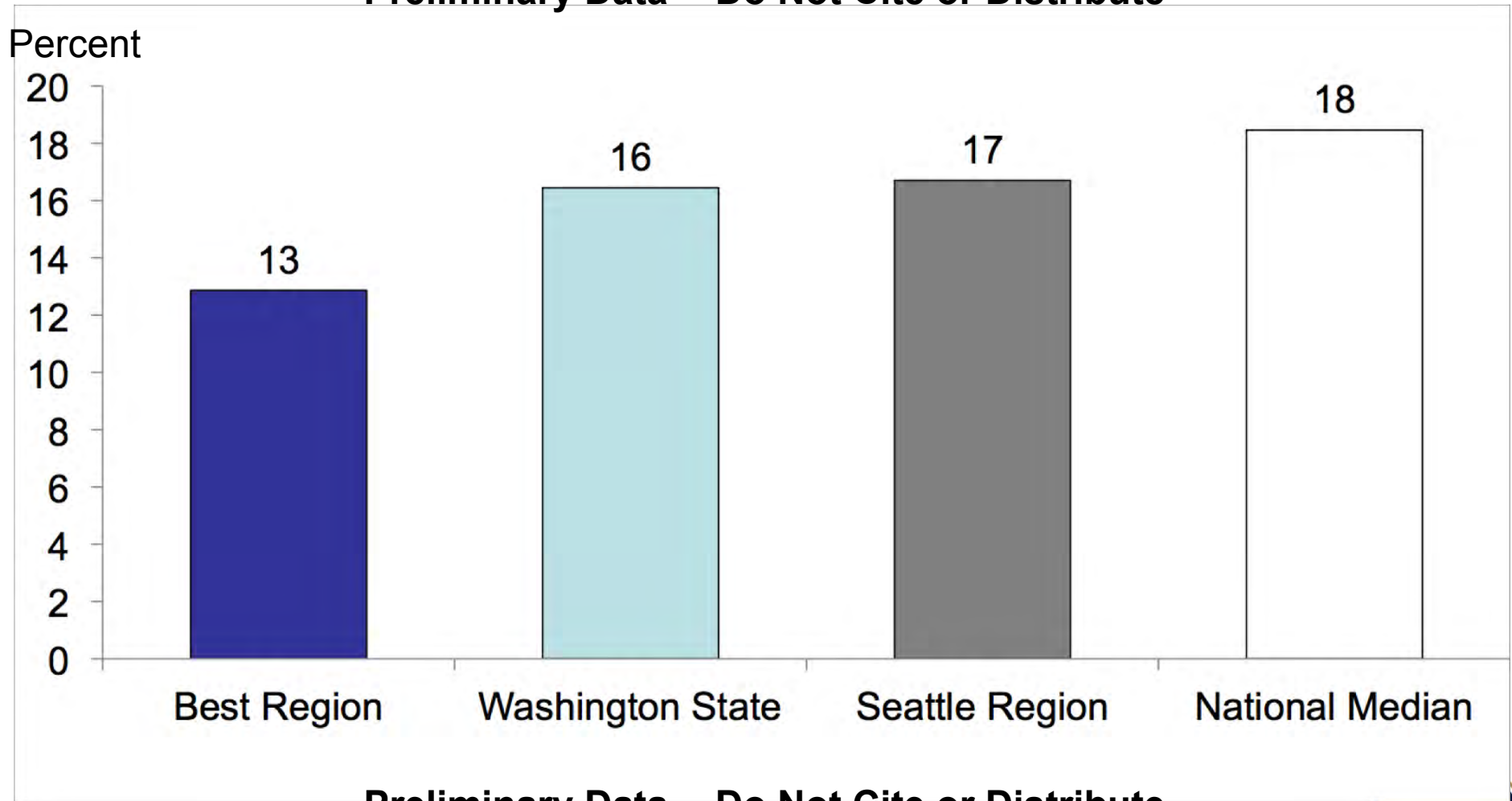
Percent of Adults 50+ Receiving Recommended Screening and Preventive Care: How Does Seattle Compare?

Preliminary Data -- Do Not Cite or Distribute



Medicare 30-Day Readmissions Among All Admissions: How Does Seattle Compare?

Preliminary Data -- Do Not Cite or Distribute

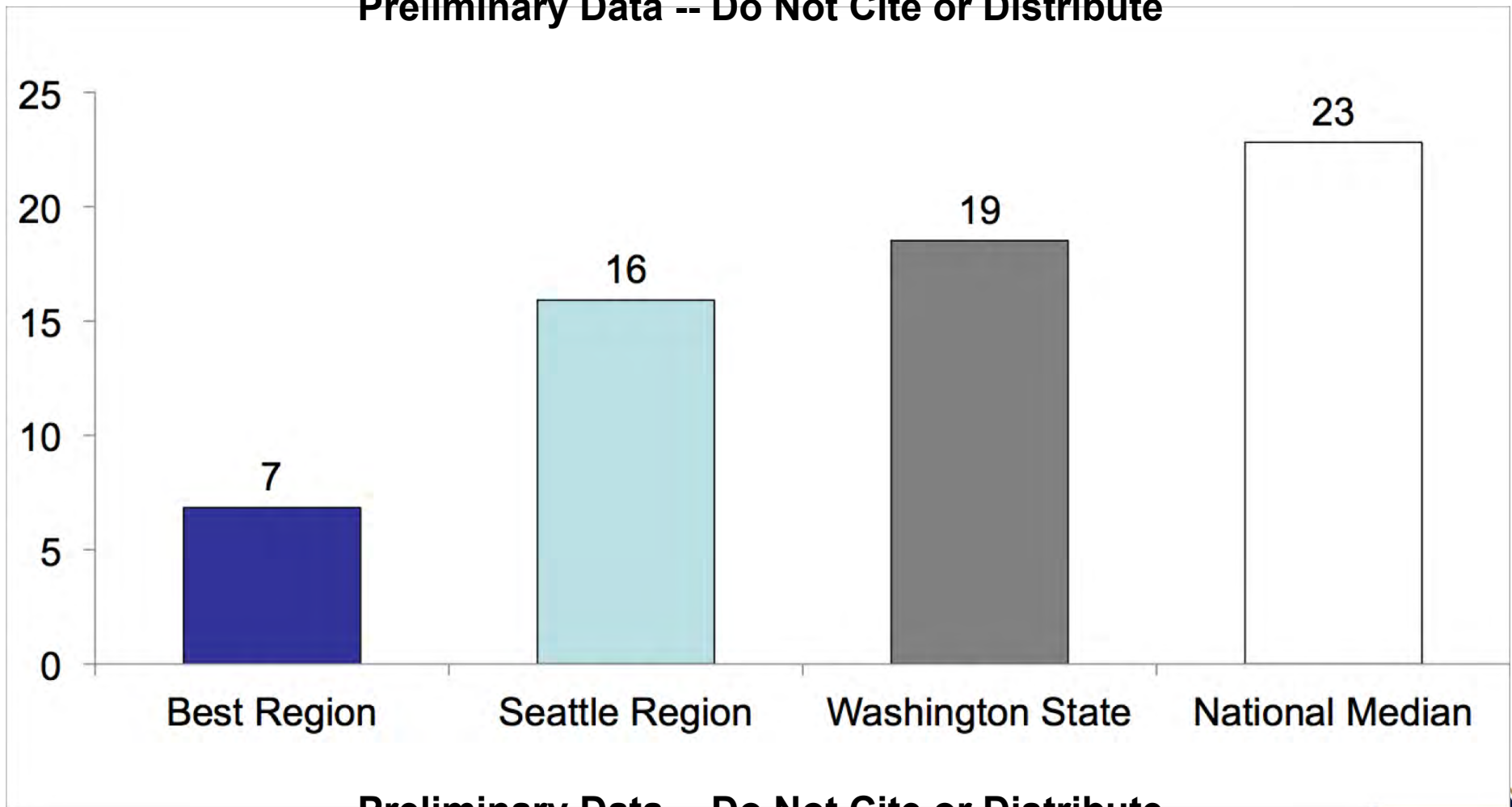


Preliminary Data -- Do Not Cite or Distribute



Colorectal Cancer Deaths Per 100,000: How Does Seattle Compare?

Preliminary Data -- Do Not Cite or Distribute



Preliminary Data -- Do Not Cite or Distribute



Long Term Care: How Does Washington Compare?

- **Scorecard Rankings:**
 - **Overall: 2**
 - **Affordability & Access: 6**
 - **Choice of Setting & Provider: 2**
 - **Quality of Life & Quality of Care: 18**
 - **Support for Family Caregivers: 2**
- **Estimated Impact of Improvement in Washington**
 - **11,272 more low- or moderate-income adults age 21 and older with activity of daily living disabilities would be covered by Medicaid.**
 - **2,174 more new users of Medicaid LTSS would first receive services in home and community based settings instead of nursing homes.**
 - **1,077 nursing home residents with low care needs would instead be able to receive LTSS in the community.**
 - **744 unnecessary hospitalizations of people in nursing homes would be avoided.**

Source: S. C. Reinhard, E. Kassner, A. Houser, and R. Mollica, *Raising Expectations: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Physical Disabilities, and Family Caregivers*, (Washington and New York: AARP, The Commonwealth Fund, and The SCAN Foundation, September 2011).

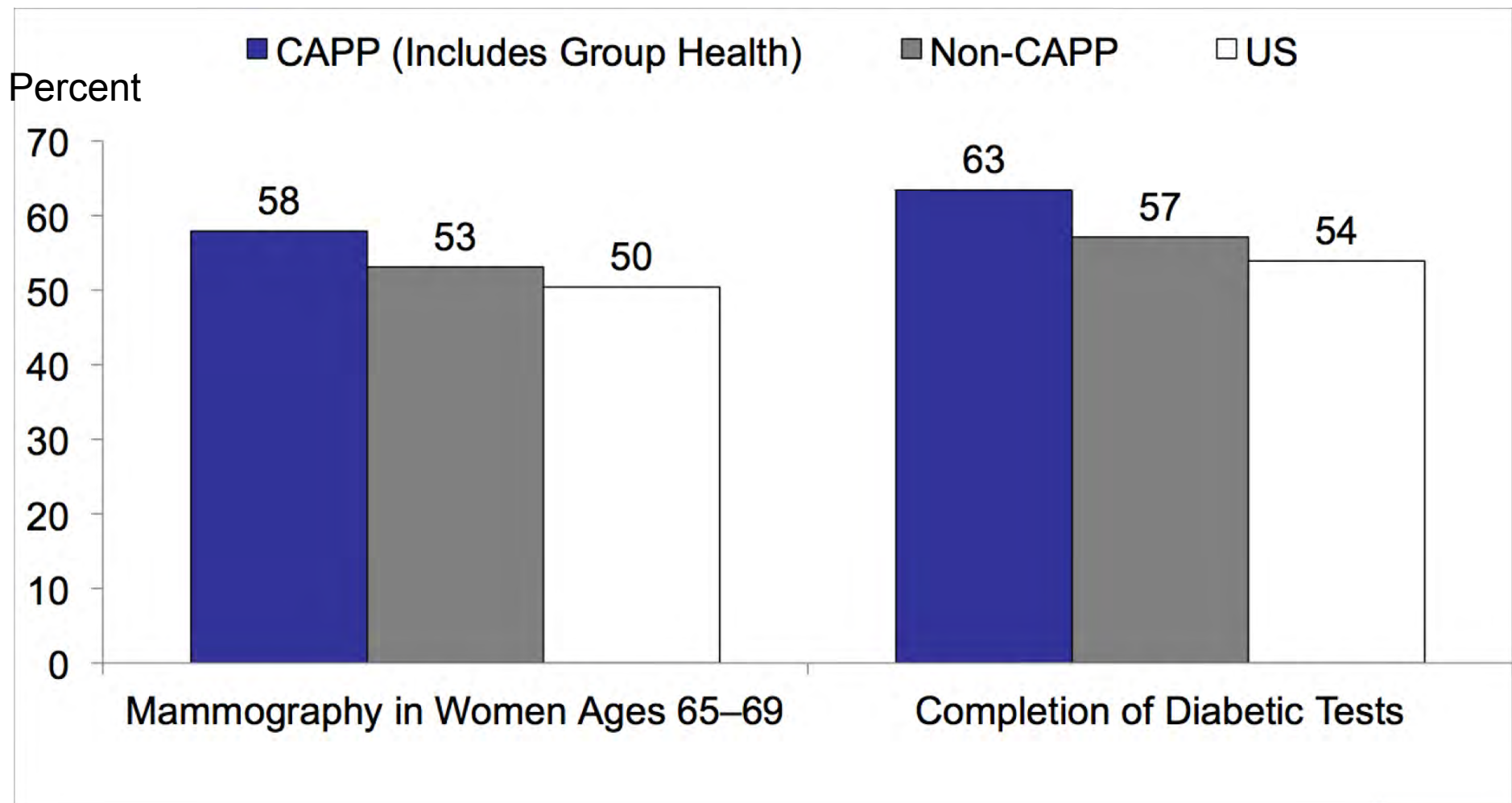


Group Health as a Leader and Innovator

- **Much of the region's success is undoubtedly driven by Group Health**
- **Group Health innovations that contribute to high performance:**
 - **Care coordination within an integrated multi-specialty group practice**
 - **Health information technology**
 - **Performance improvement initiatives**
 - **Patient-centered medical home model of care**
 - **Shared decision-making collaborative**



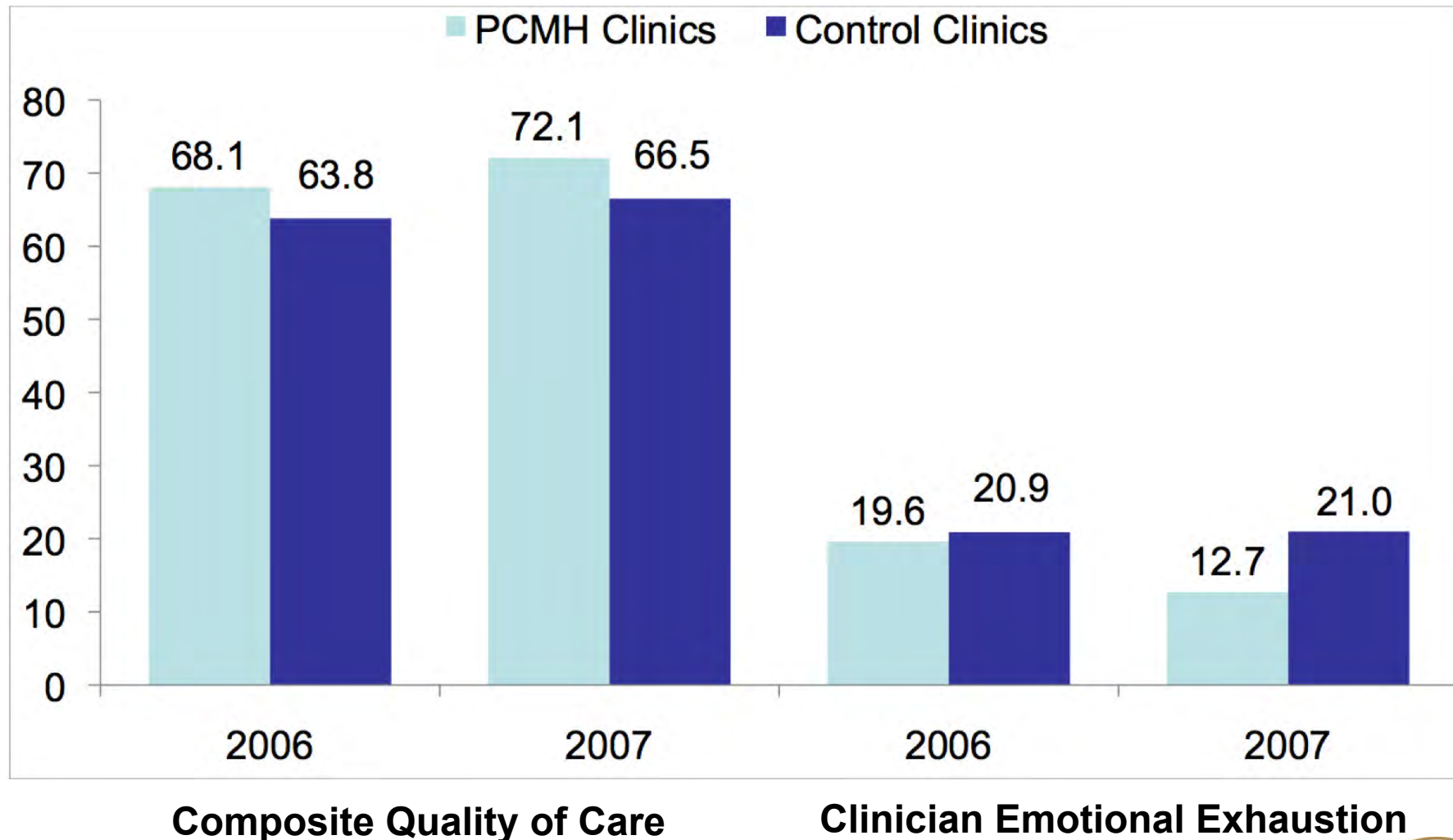
Quality Measures For Council Of Accountable Physician Practices (CAPP) Including Group Health



Source: Weeks WB, Gottlieb DJ, Nyweide DE, Sutherland JM, Bynum J, Casalino LP, Gillies RR, Shortell SM, Fisher ES. Higher health care quality and bigger savings found at large multispecialty medical groups. Health Aff (Millwood). 2010 May;29(5):991-7.



Group Health Cooperative: Comparison of Clinical Quality and Staff Burnout at the Patient-Centered Medical Home Site and Comparison Clinics, 2006 to 2007



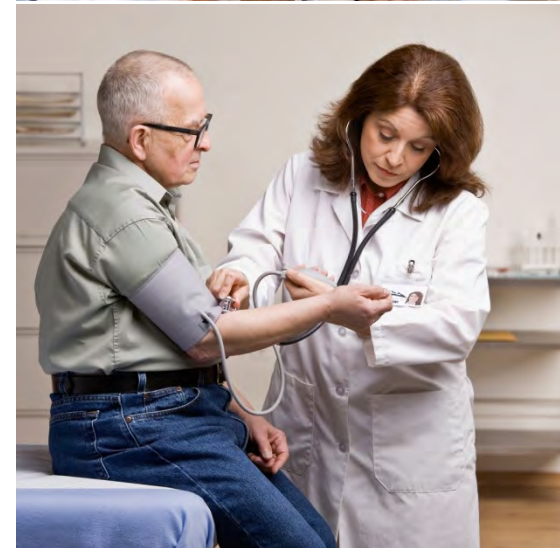
Notes: Mean difference in composite clinical quality changes from 2006 to 2007 between clinics significant at $p < 0.01$; difference in mean emotional exhaustion in 2007 between clinics significant at $p < 0.01$.

Source: R.J. Reid, P.A. Fishman, O. Yu, et al., "Patient-Centered Medical Home Demonstration: A Prospective, Quasi-Experimental, Before and After Evaluation," *The American Journal of Managed Care* 2009, 15(9):e71-e87.



Washington State Shared Decision-Making Collaborative

- **State of Washington passed legislation in May 2007 endorsing the use of shared decision-making and encouraging collaborative efforts to develop, certify, use, and more fully evaluate these tools**
- **Evidence-based tools that facilitate shared decision-making may improve patients' knowledge and align patients values with their choices**
- **Group Health leads the collaborative and was the first multi-specialty health system to implement shared decision-making under the new legislation**
- **Commonwealth Fund-supported evaluation of the program on the use of elective procedures, total health care utilization, and total costs being conducted by David Arterburn, M.D. , M.P.H.**



A New Era in Health Care Delivery: How Group Health Cooperative Can Help

- The U.S. has passed historic legislation that will help usher in a new era in American health care
- Will make major strides toward achievement of goals of affordable coverage for all while slowing cost growth
- However, realizing the potential is not assured
 - Oversight and system of tracking health system performance will be needed
 - Effective implementation is a big hurdle
 - Stakeholders need to work together toward success of reform
 - Innovate, learn, and spread
- Rewarding good outcomes and value is key as policymakers continue to search for sustainable ways to reduce outlays in the Medicare and Medicaid programs, reign in the federal budget deficit, and lower growth in national health care expenditures
- Group Health can lead the way on the path to high performance
 - Share best practices
 - Improve areas where fall short and learn from others
 - Active participation in innovative payment pilots
 - Help spread the model – new cooperatives; accountable care organizations
 - Extend its reach



Thank You!



Tony Shih,
Executive Vice President
for Programs,
ts@cmwf.org



Melinda Abrams,
Assistant Vice President,
mka@cmwf.org



Cathy Schoen, Senior
Vice President for
Research and
Evaluation,
cs@cmwf.org



Rachel Nuzum,
Senior Policy
Director,
rn@cmwf.org



Barry Scholl,
Senior Vice
President,
bas@cmwf.org



Kristof Stremikis,
Senior Research
Associate,
ks@cmwf.org

**For more information, please visit:
www.commonwealthfund.org**

