



Network for Regional Healthcare Improvement



Building a Bridge to Better Health, Better Care and Better Value

The path to affordable healthcare

Role of regional collaboration

Stephanie Clouser

Data Scientist

Kentuckiana Health Collaborative

December 4, 2018

The New York Times

What Mark Zuckerberg Will Be Crilled On at the Congressional Hearings

Zuckerberg Was Called Out Over Myanmar Violence. Here's His Apology.

Mark Zuckerberg With Top Lawm Before Hearing

BUSINESS DAY

Walmart in Talks to Strengthen Ties to Health

By MICHAEL CORKERY, DAVID GELLES and MARGOT SANGER-KATZ MARCH 30, 2018



Health Care | HOSPITALS | PHARMA | HEALTH INSURANCE | MODERN MEDICINE

Amazon, Berkshire Hathaway, and JPMorgan Chase to partner on US employee health care

- Amazon, Berkshire Hathaway and JPMorgan announce a partnership to cut health costs and improve services for employees.
- The idea is to create a company that would be "free from profit-making incentives."
- News of the deal slammed suppliers in the industry including Express Scripts, Cigna, CVS, United Health and Aetna.

Angelica LaVito | Jeff Cox

USA TODAY NEWS SPORTS LIFE MONEY TECH TRAVEL OPINION CROSSWORDS VIDEO SUBSCRIBE NEWSLETTERS MORE

Homeland Security Adviser Tom Bossert quits; resignation seen as result of John Bolton appointment

Walmart in early talks to buy insurer Humana, report says

Grace Schneider and Charisse Jones, USA TODAY Published 9:40 p.m. ET March 29, 2018 | Updated 10:17 a.m. ET March 30, 2018

USA TODAY A GANNETT COMPANY

The shift Facebook is complicated. That shouldn't stop lawmakers.

Zuckerberg Faces Hostile Congress as Calls for Regulation Mount

Mark Zuckerberg Has a Lot of Homework to Do

DealBook Business & Policy

CVS to Buy Aetna for \$69 Billion in a Deal That May Reshape the Health Industry

By MICHAEL J. de la MERCED and REED ABELSON DEC. 3, 2017



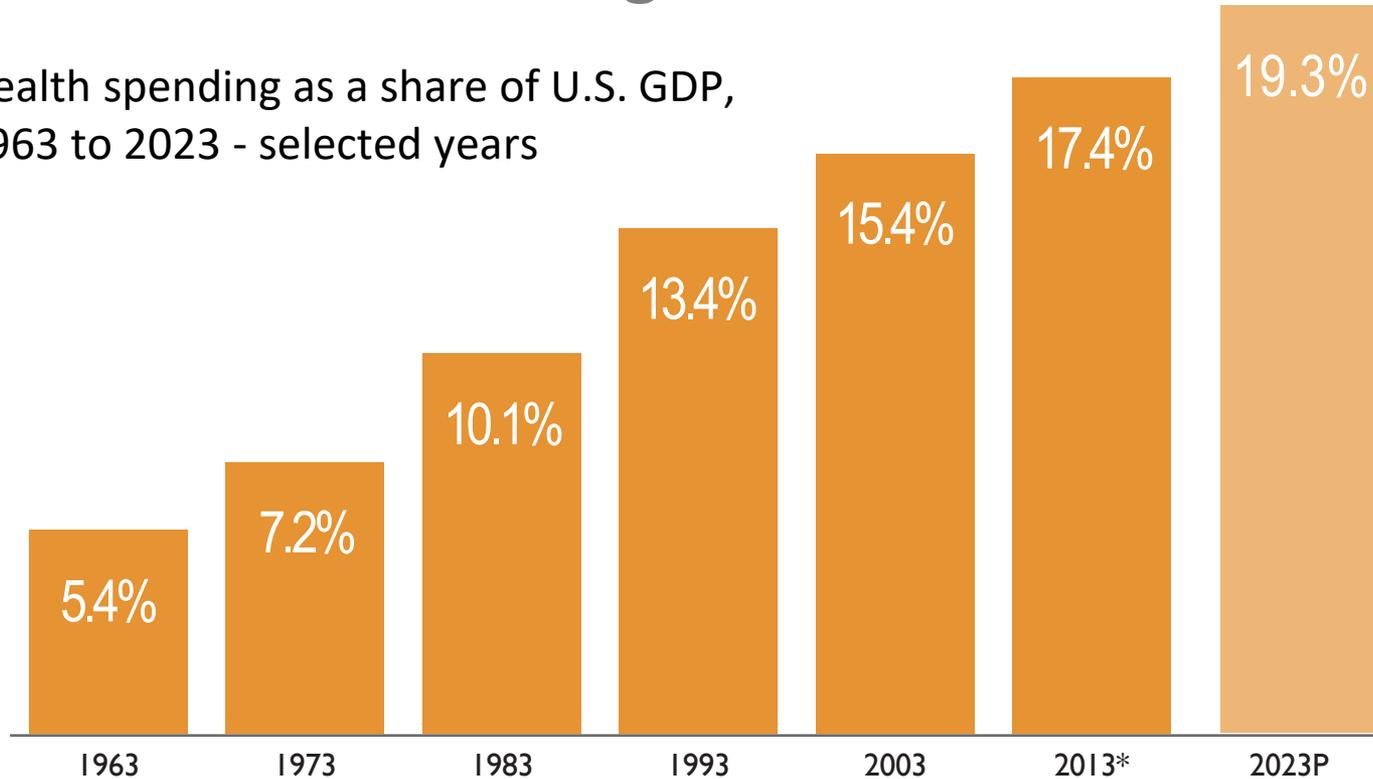
workiva

RELATED COVERAGE

- CVS** THE NEW HEALTH CARE Why the CVS-Aetna Merger Could Benefit Consumers DEC. 9, 2017
- As Health Care Changes, Insurers, Hospitals and Drugstores Team Up NOV. 26, 2017
- Hearing Amazon's Footsteps, the Health Care Industry Shudders OCT. 27, 2017

We have an unsustainable problem. Harder choices are coming.

Health spending as a share of U.S. GDP,
1963 to 2023 - selected years



*2013 figure reflects a 3.1% increase in gross domestic product (GDP) and a 3.6% increase in national health spending over the prior year. See page 27 for a comparison of economic growth and health spending growth.

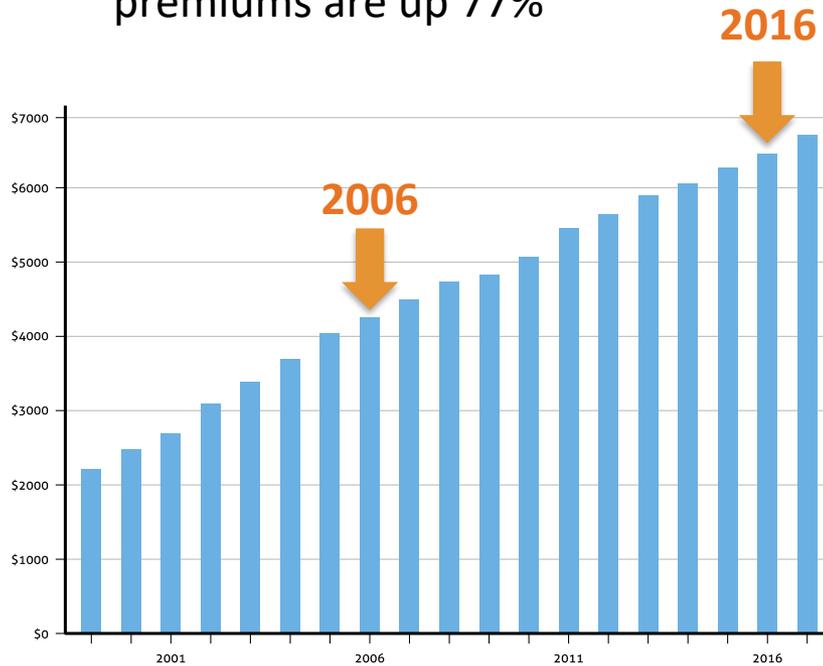
Notes: *Health spending* refers to national health expenditures. Projections shown as P.

Source: "National Health Expenditure Data," Centers for Medicare & Medicaid Services (CMS), 2014 (historical) and 2015 (projections), www.cms.gov.

© 2015 CALIFORNIA HEALTHCARE FOUNDATION

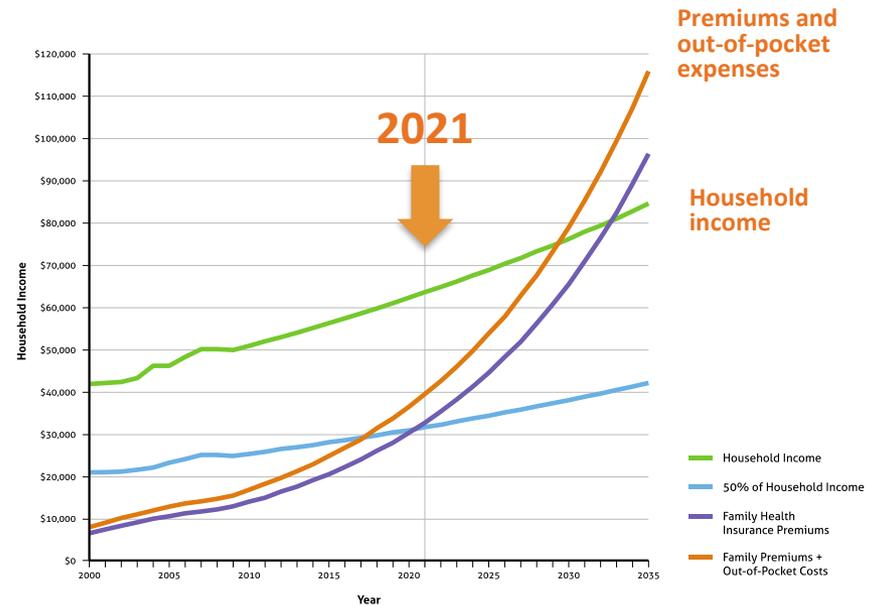
We have an unsustainable problem. Harder choices are coming.

Between 2006 to 2016
premiums are up 77%



Source: Henry J Kaiser Family Foundation, September 19, 2017. Premiums and Worker Contributions Among Workers Covered by Employer Sponsored Coverage. <https://www.kff.org/interactive/premiums-and-worker-contributions/>

Healthcare costs will consume
half of household income by 2021



Source: Young RA, DeVoe JE. Who Will Have Health Insurance in the Future? An Updated Projection. Am Fam Med 2012; 10(2): 156-162. PMID: PMC3315130.

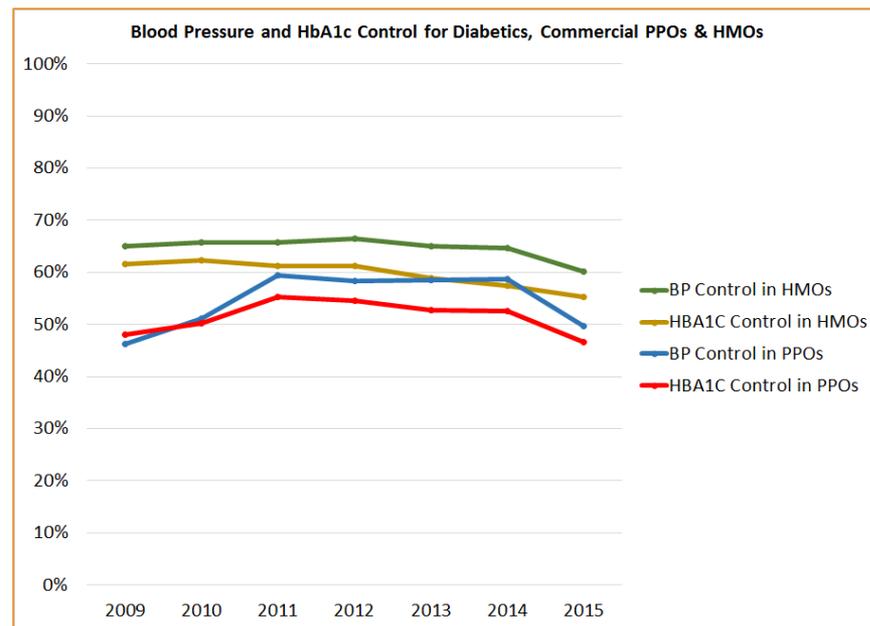
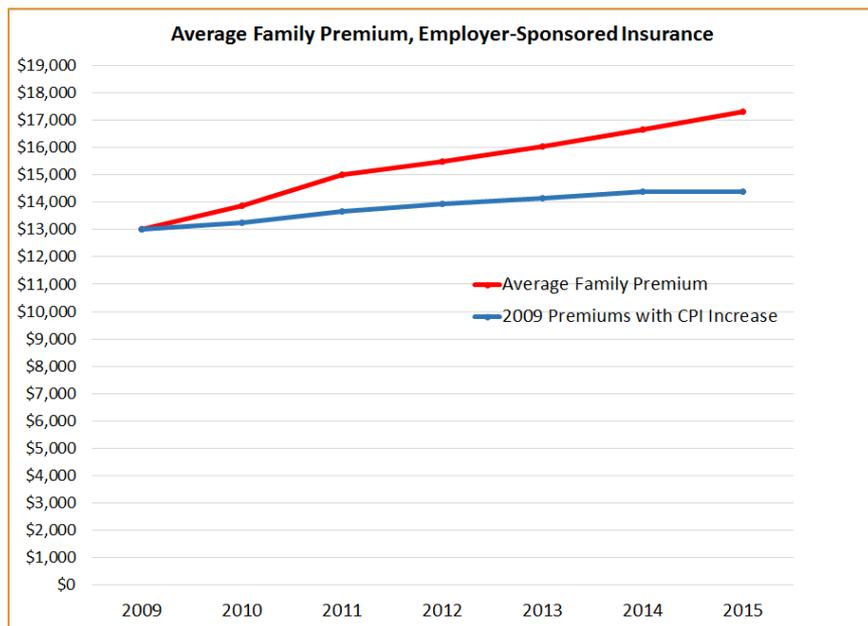
Value is LOWER today than six years ago.



Higher cost

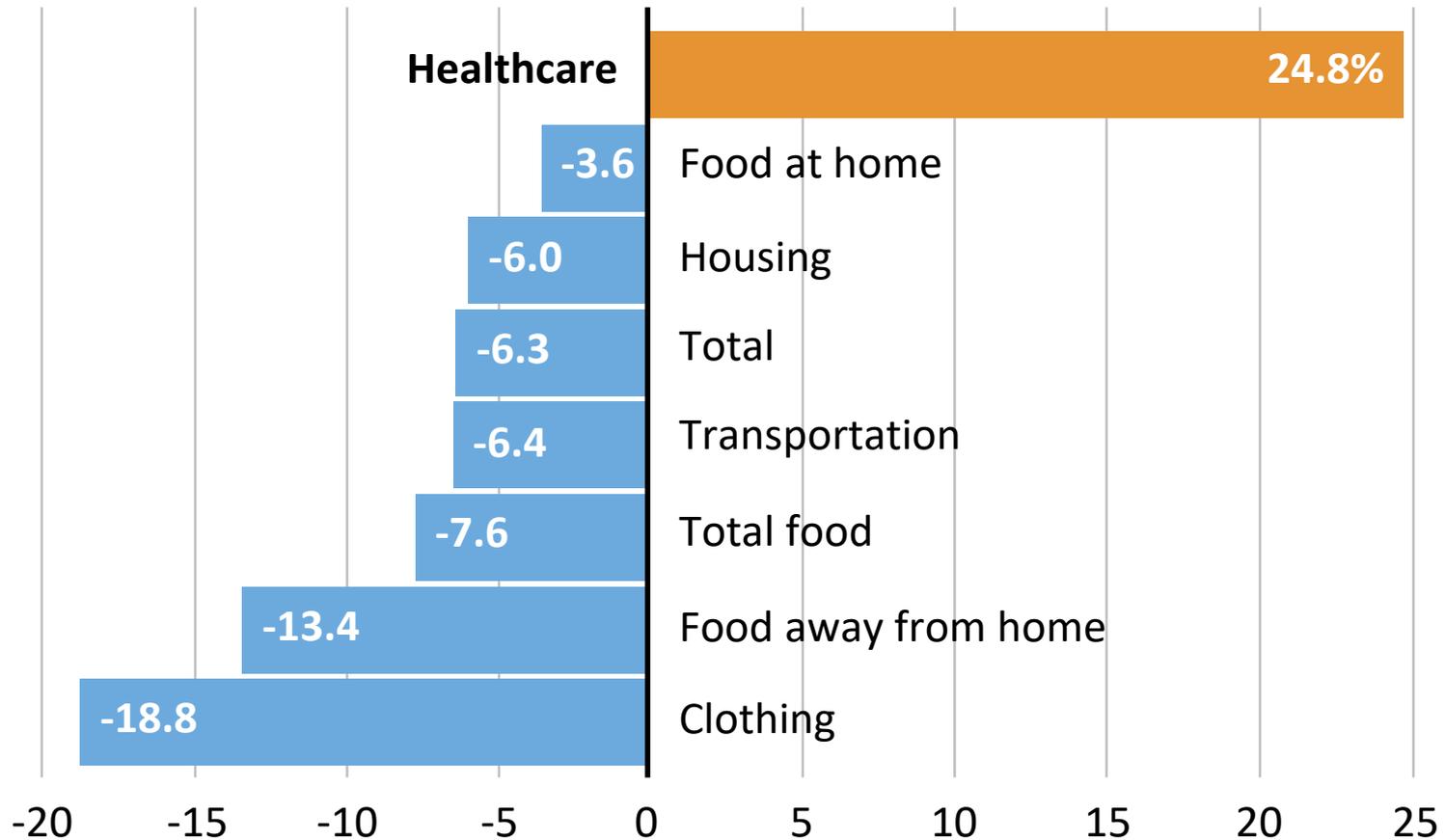


Poorer quality



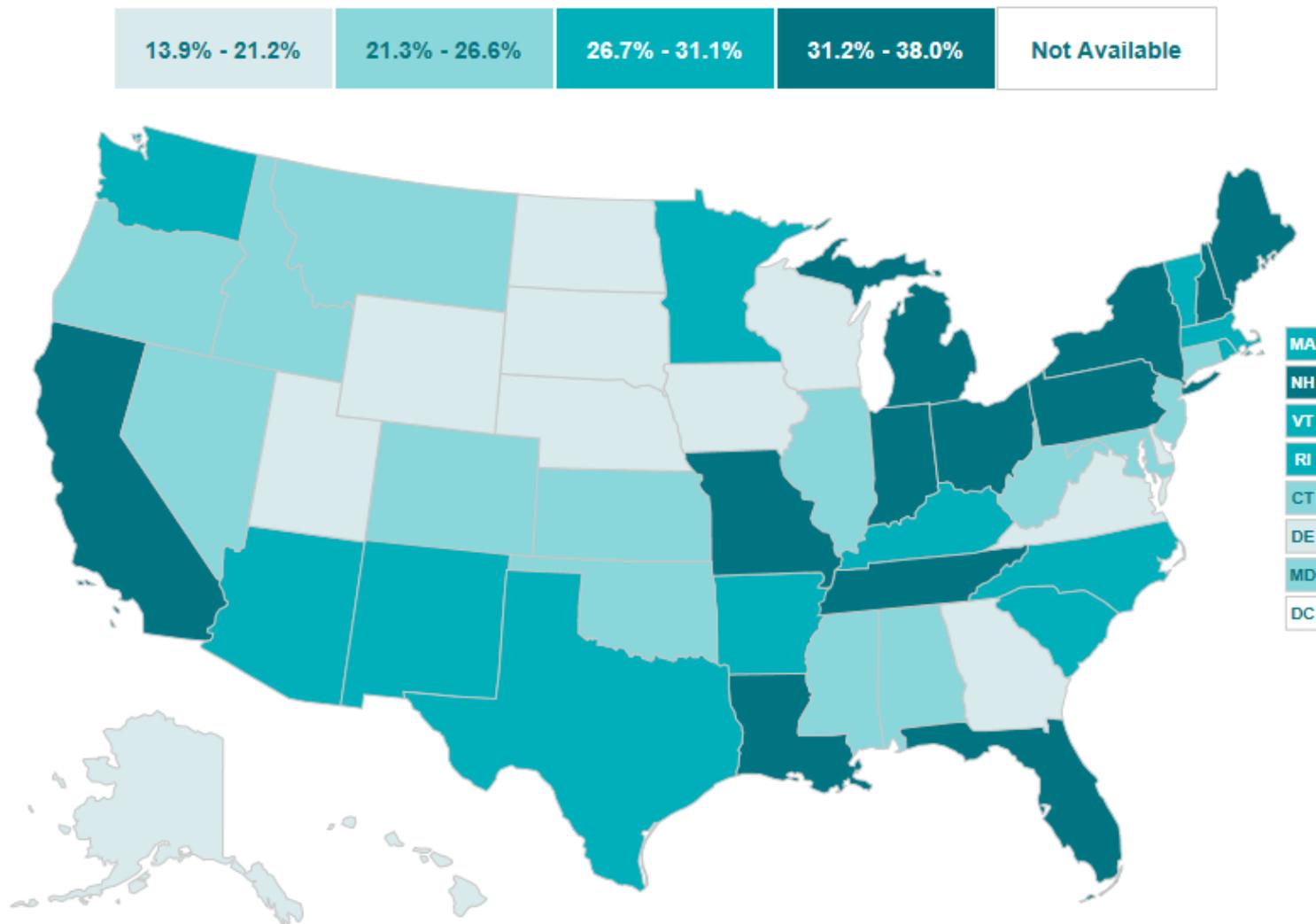
Source: National Council of State Legislatures

Percent change in middle income households' spending on basic needs (2007-2014).



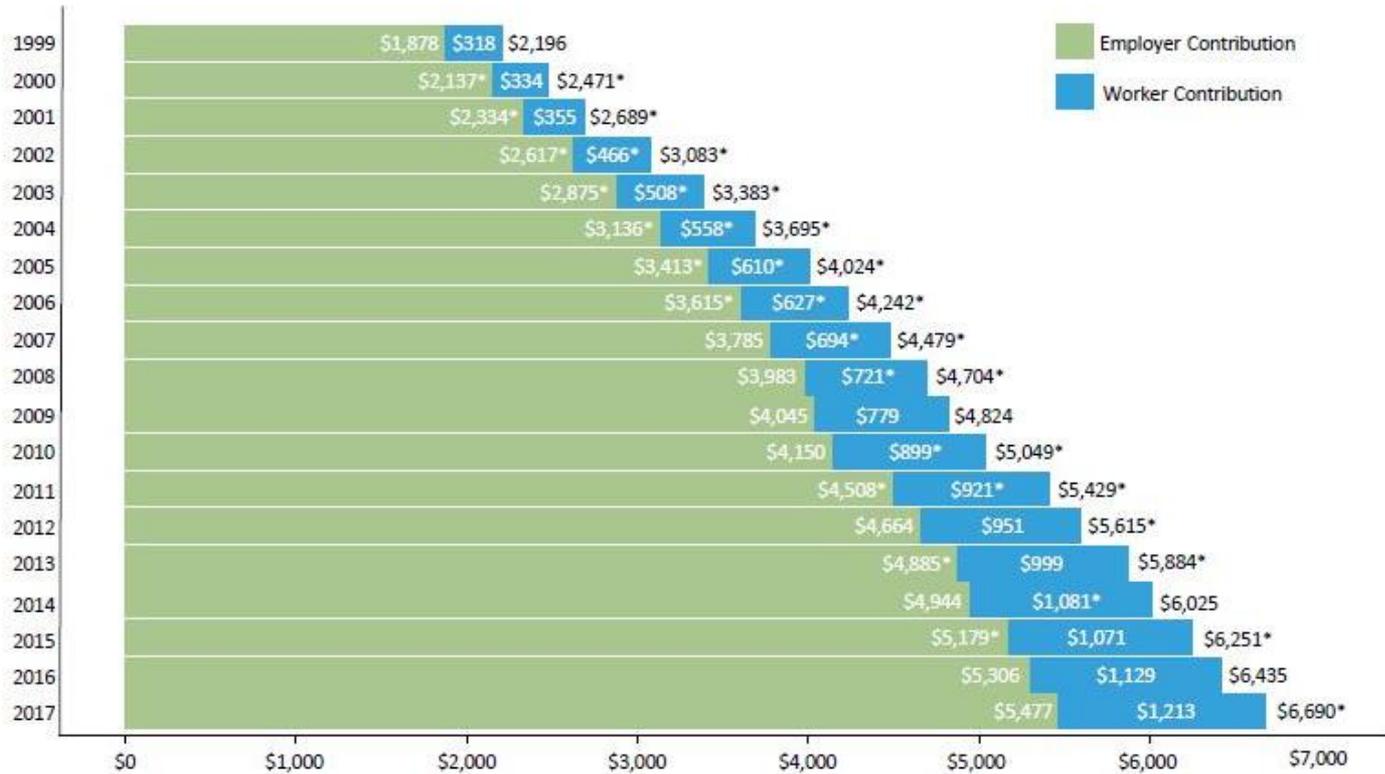
Source: Brookings Institution, Wall Street Journal

Medicaid expenses as a percentage of state budgets.



Source: State Health Access Data Assistance Center

Average Annual Worker and Employer Contributions to Premiums and Total Premiums for Single Coverage, 1999-2017



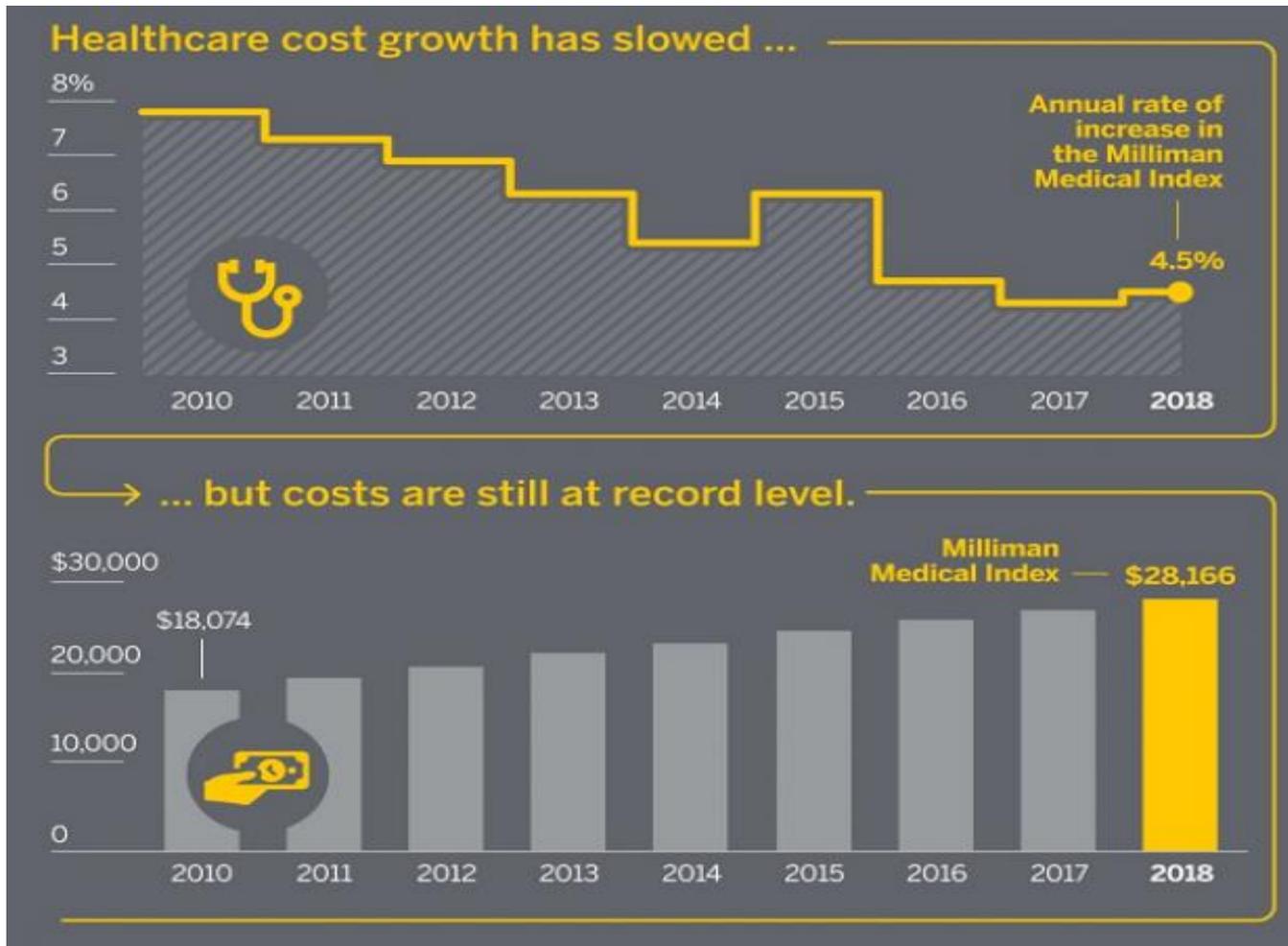
*Estimate is statistically different from estimate for the previous year shown (p < .05).

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Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017

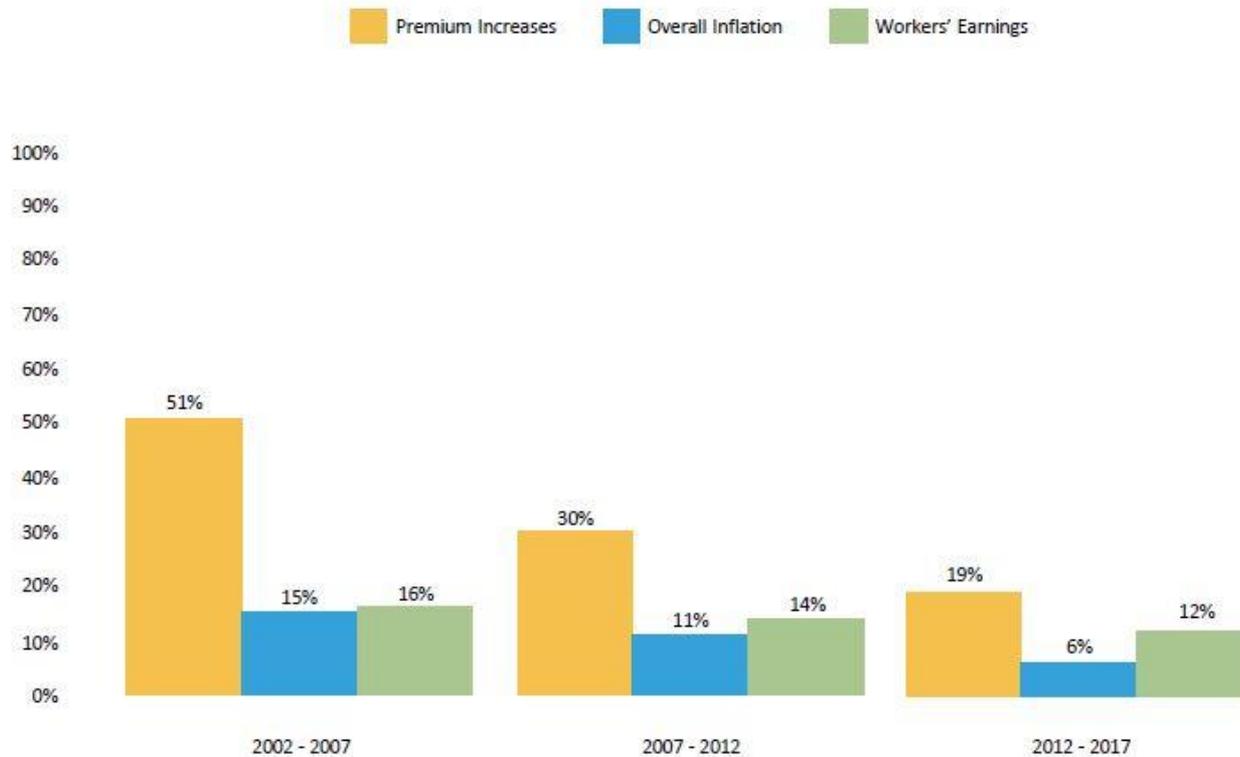
Graph Source: Families USA

Healthcare costs for typical American family hit record high.



Source: Fiscal Times, [Health Care Costs for Typical American Family Hit Record High](#) , May 23, 2018

Cumulative Premium Increases for Covered Workers with Family Coverage, 2002-2017

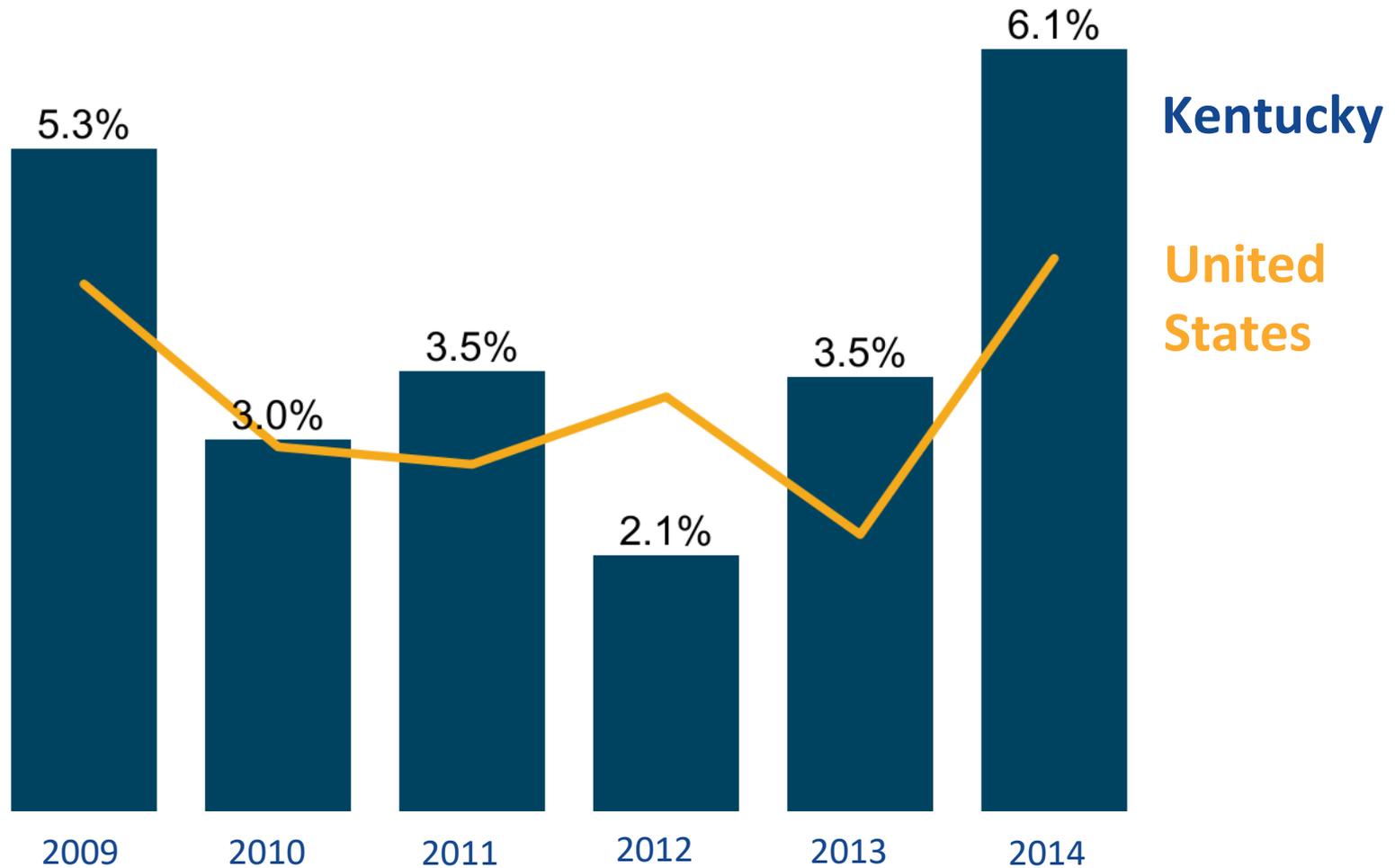


*Percentage change in family premium is statistically different from previous five year period shown ($p < .05$).

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2002-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City/Average of Annual Inflation (April to April), 2002-2017; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2002-2017) April to April)

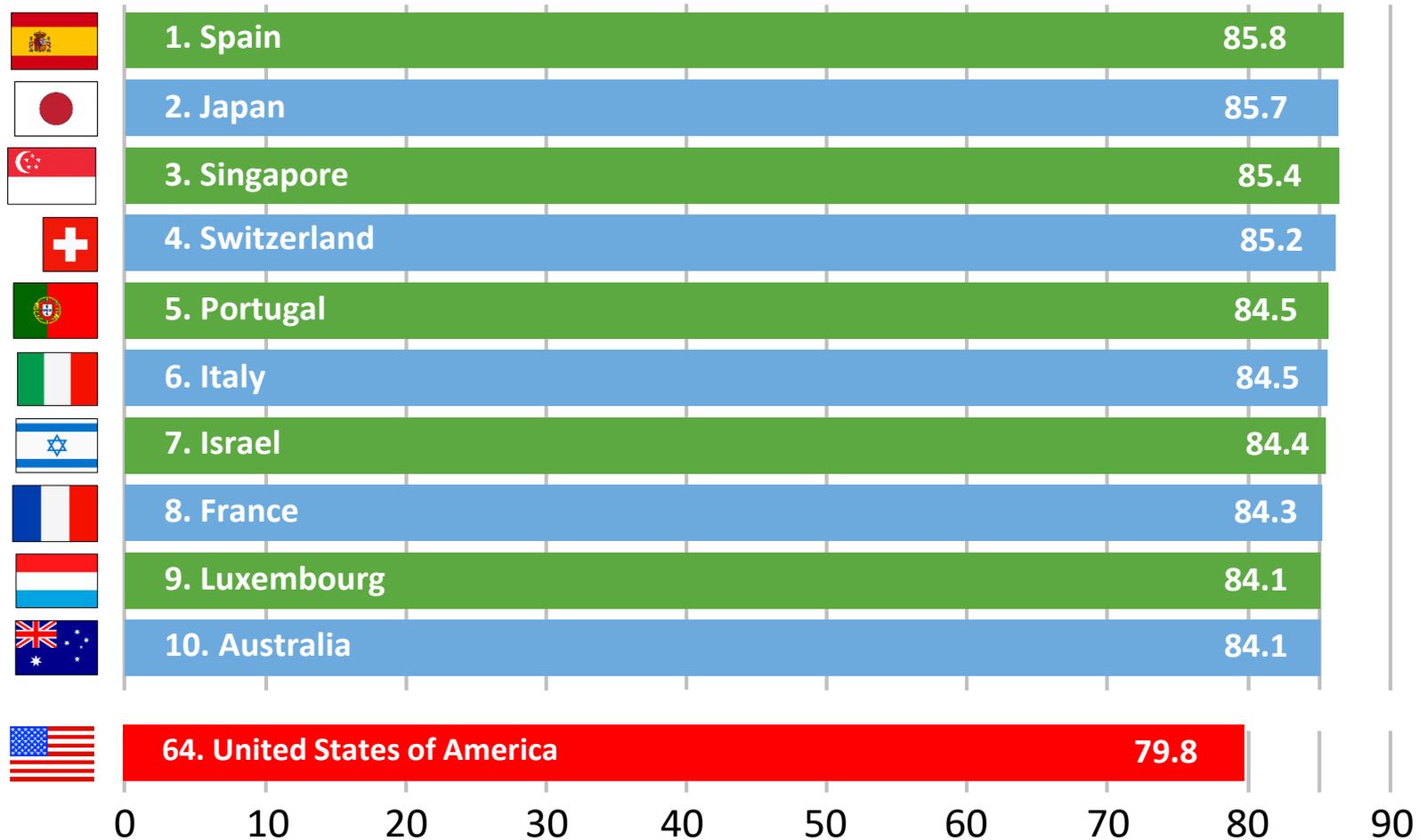
Graph Source: Families USA

Locally, healthcare expenditures have grown at a pace faster than the country as a whole.



Source: National Health Expenditure Data (CMS)

Life Expectancy — 2040 Forecast of Top 10 Countries



Source: CNN, [Spain to lead Japan in global life expectancy, US continues to slide](#), October 18, 2018

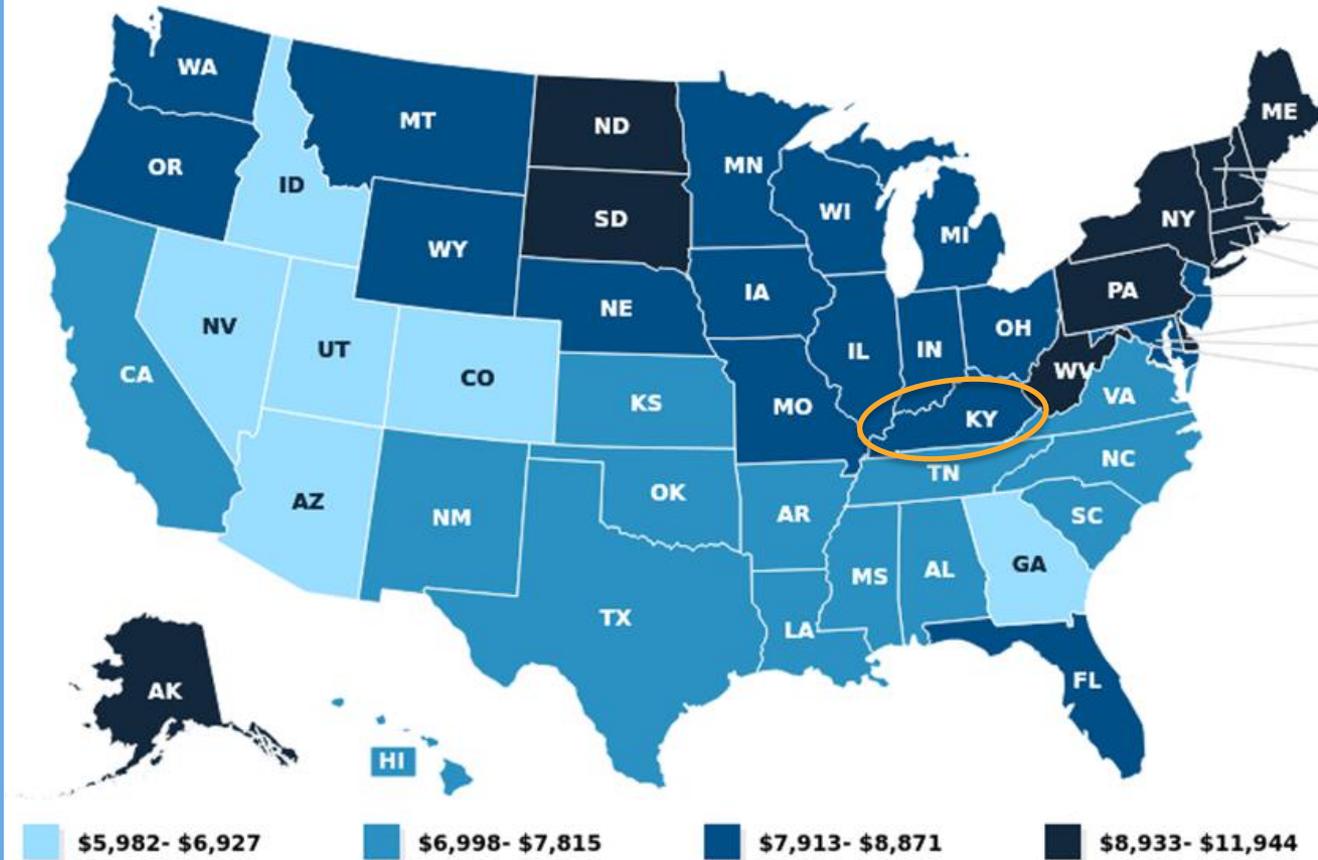
KENTUCKY

\$8,004

Ranks 30th in highest health care expenditures per capita

Right around the national average of \$8,049

Health Care Expenditures per Capita by State of Residence: Health Spending per Capita, 2014

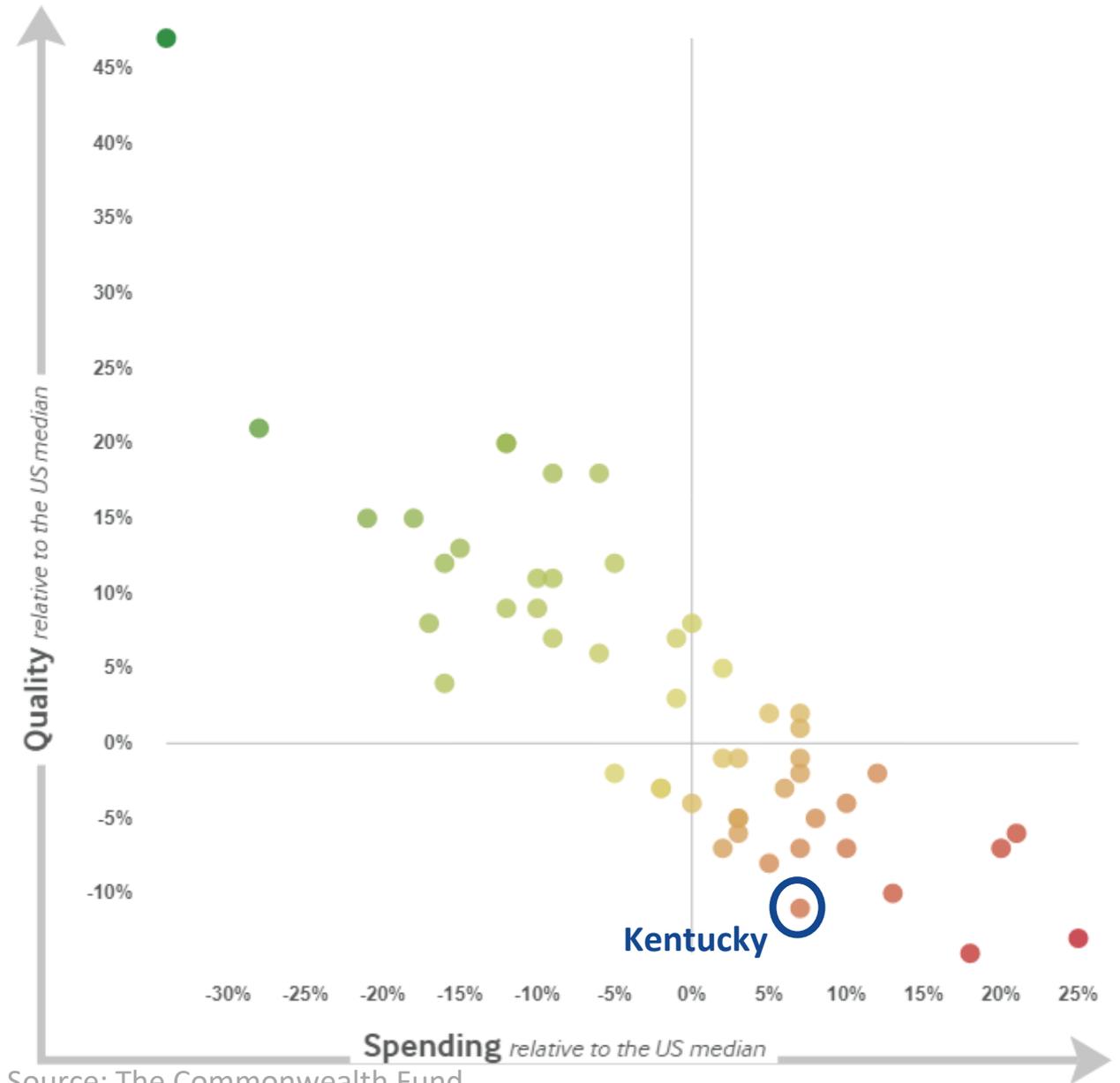


SOURCE: Kaiser Family Foundation's State Health Facts.

Medicare Spending and Quality Relative to the U.S. Median

7% ↑ HIGHER SPENDING

11% ↓ LOWER QUALITY

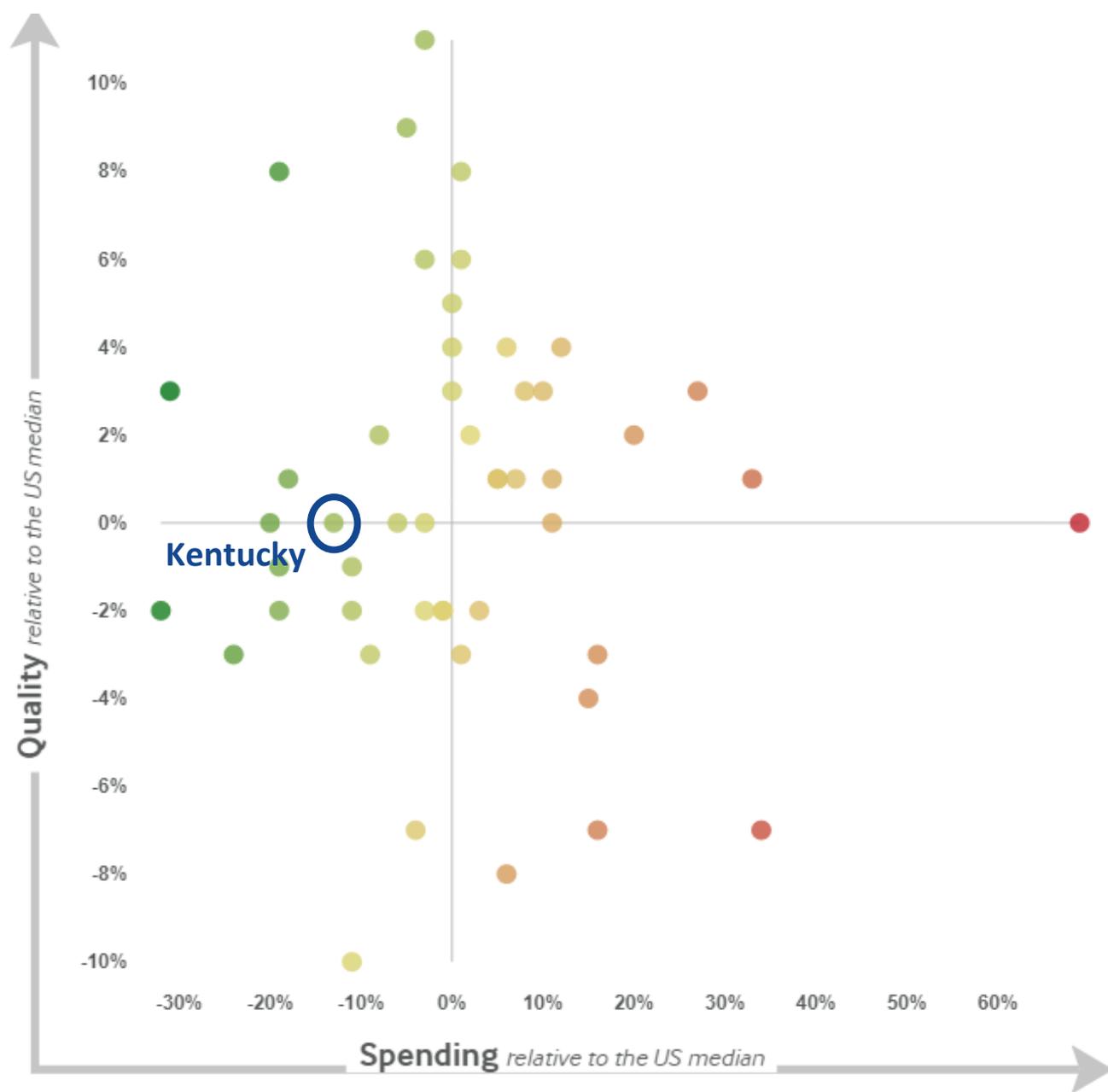


Source: The Commonwealth Fund

Employer-Sponsored Spending and Quality Relative to the U.S. Median

12% ↓ LOWER SPENDING

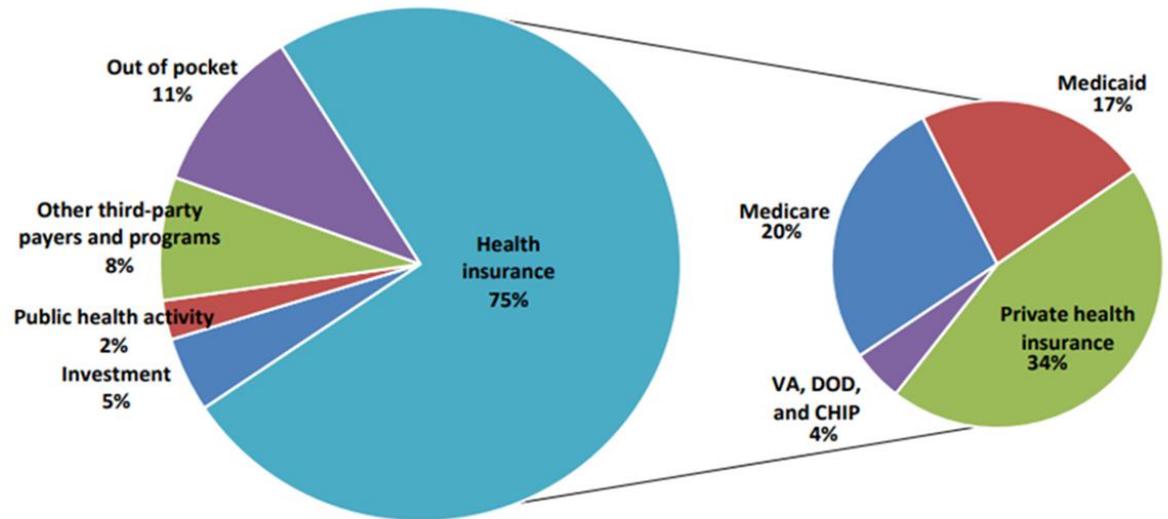
0% ↑ HIGHER QUALITY



Source: The Commonwealth Fund

We can't look at Medicare, Medicaid, and private insurance in isolation from each other.

The Nation's Health Dollar, Calendar Year 2016: Where It Came From

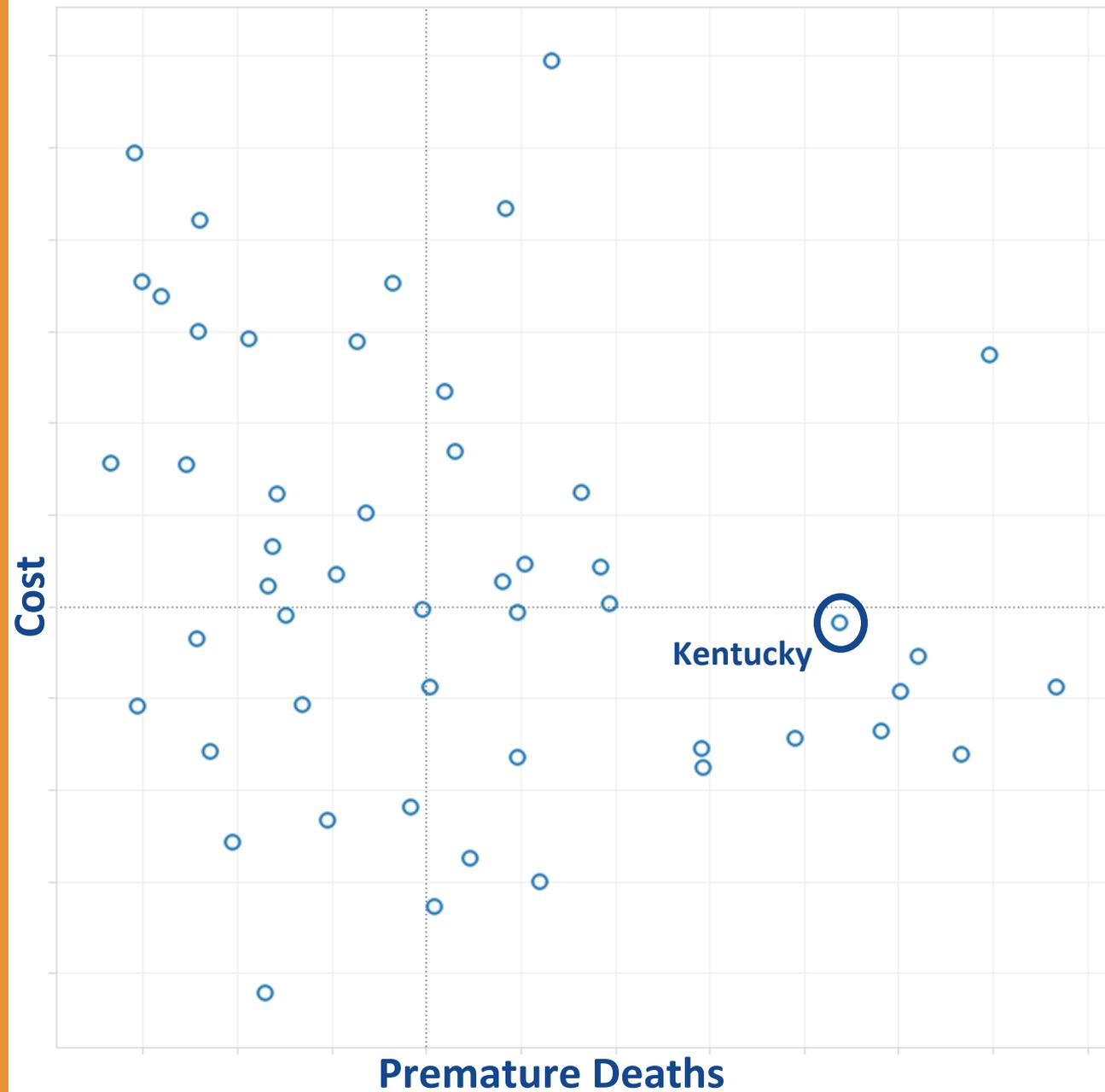


NOTES: "Other third-party payers and programs" includes Worksite health care, Other private revenues, Indian Health Service, Workers' compensation, General assistance, Maternal and child health, Vocational rehabilitation, Substance Abuse and Mental Health Services Administration, School health, and Other federal and state local programs.

"Out of pocket" includes co-payments, deductibles, and any amounts not covered by health insurance.
Note: Sum of pieces may not equal 100% due to rounding.

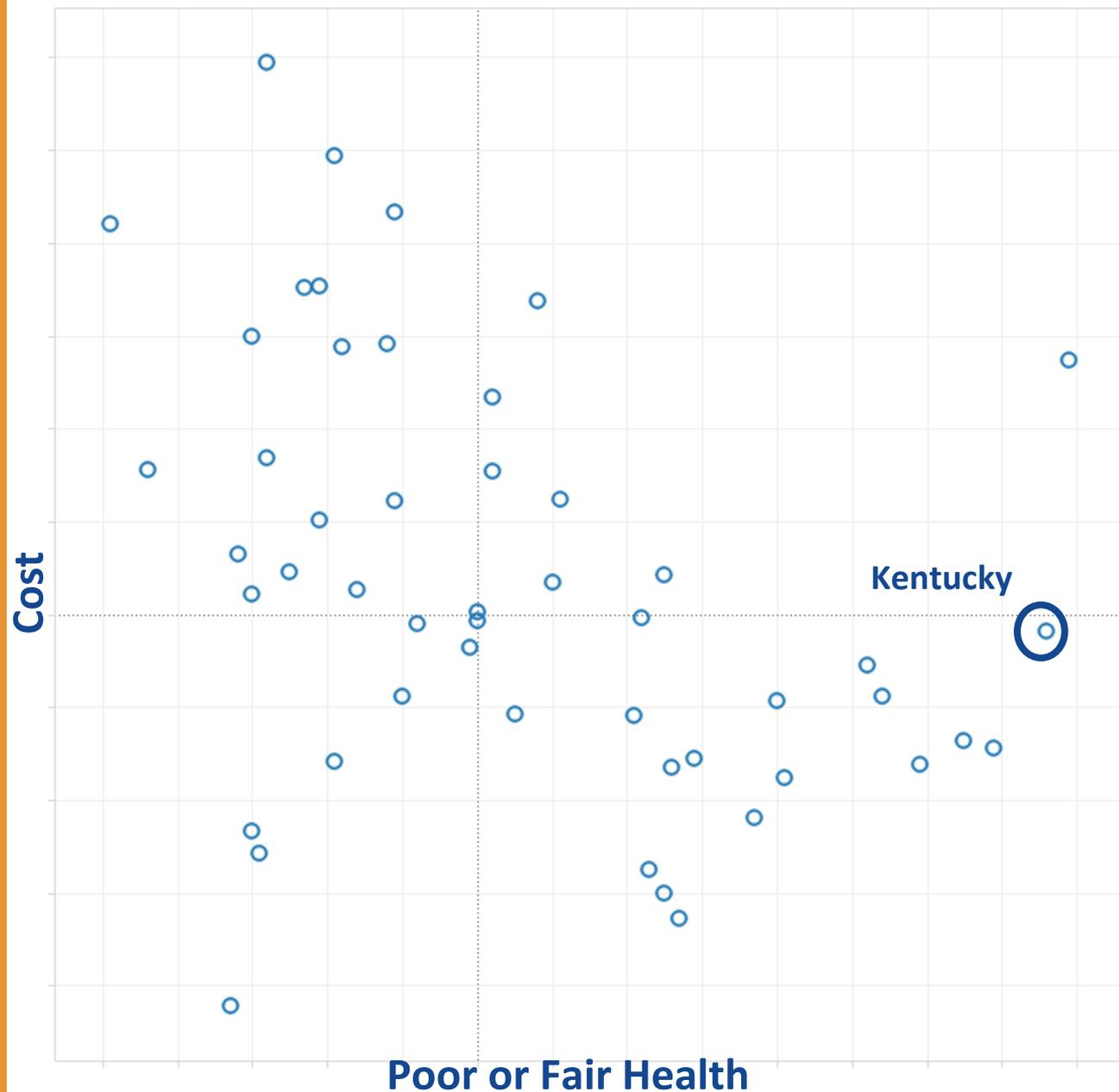


Total Healthcare Expenditures Per Capita Relative to Premature Deaths



Sources: National Health Expenditure Data (CMS) and RWJF County Health Rankings

Total Healthcare Expenditures Per Capita Relative to Poor or Fair Health



Sources: National Health Expenditure Data (CMS) and RWJF County Health Rankings

**We ALL created this problem.
We ALL need to be part of the solution.**



Patients



Payers



Providers



Purchasers

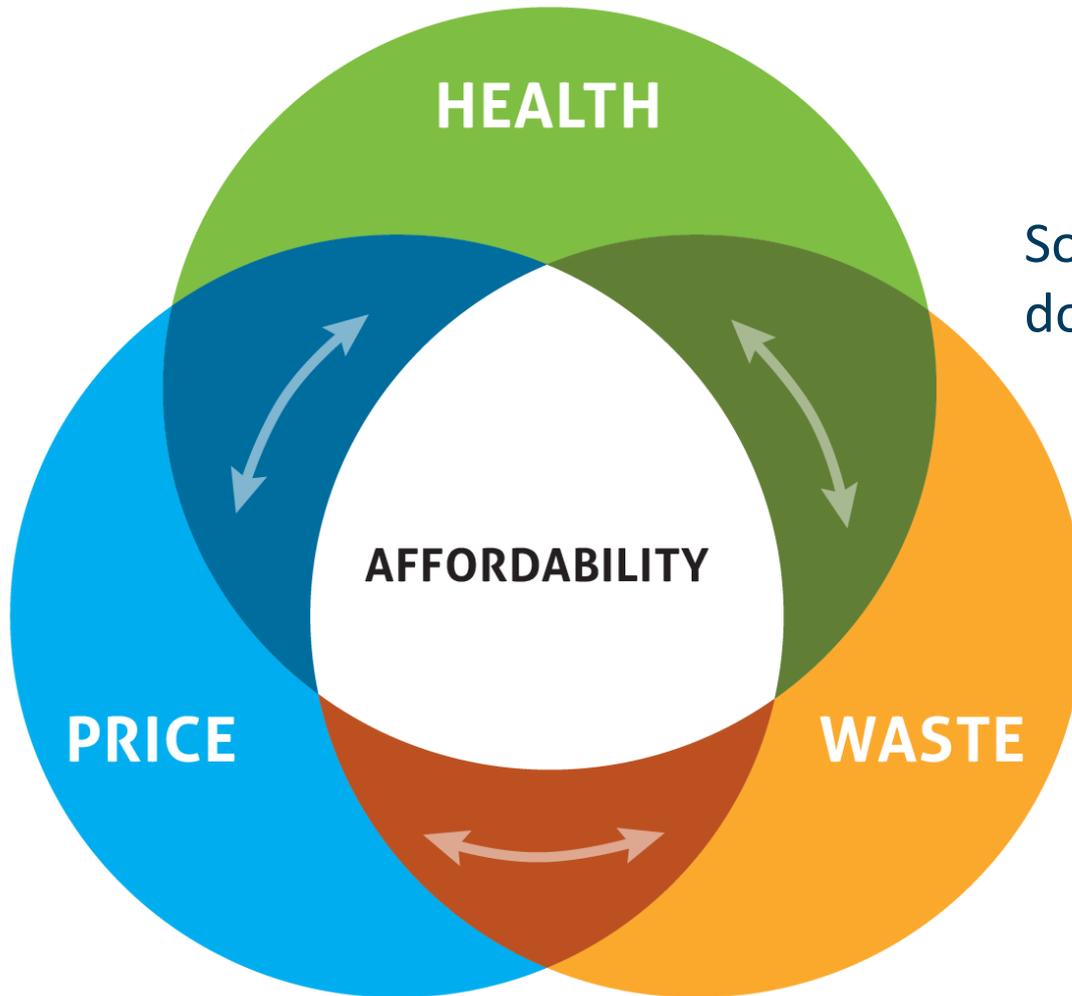


Policymakers

Understanding the problem



The major drivers of affordability.



Solving one issue in isolation does not achieve the goal.

Addressing the drivers of affordability has systemic benefits — in addition to the positive economic impact.

+ HEALTH

Healthier populations:

- use fewer resources
- increase productivity
- enhance communities

- WASTE

Unnecessary clinical procedures:

- increase clinical harm
- cause emotional distress
- incur financial harm

Administrative burden:

- increases cost
- is burning out providers

- PRICE

High prices:

- don't correlate with quality
- incentivize waste
- misallocate resources

What would it take to fix all this?

Transparency

Data & Information

Aligning Incentives

Community Engagement

Collaboration Across Sectors

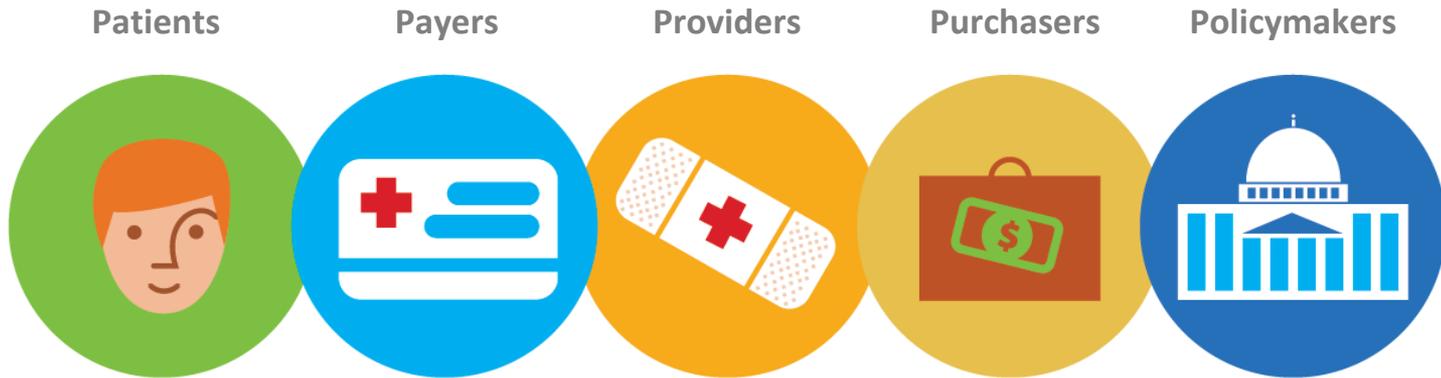
New Payment Models

Informed Consumers

Who could do all this?



There is hope.



In many regions across the country we are coming together to untangle complexities and find a path to affordability.

So, what are we doing
about it?

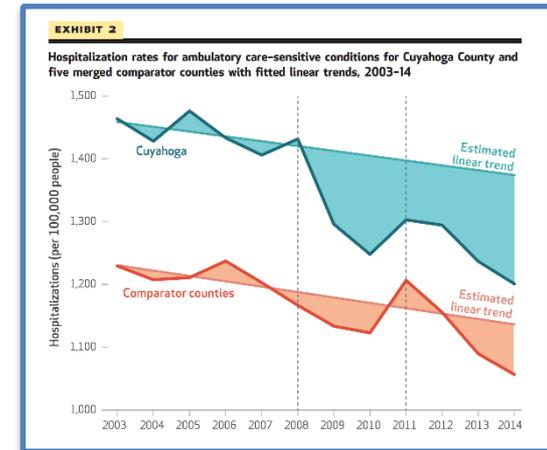


Health

Summary

Using SDoH data to reduce ambulatory care-sensitive hospitalizations

Combined SDoH (e.g., insurance type, race/ethnicity, language preference, education, household income) with clinical data for increased care coordination and improved primary care.



Outcomes:

- Hospitalization rates decreased by 106 more per 100,000 adults than they did in comparative counties
- 5,764 hospitalizations for ambulatory care-sensitive conditions were averted between 2009-2014

Graph source: Health Affairs, [Association Of A Regional Health Improvement Collaborative With Ambulatory Care-Sensitive Hospitalizations](#), February 2018

Linking social determinants of health and utilization

Better Health Partnership
Transforming Health Care, Together

Health

Summary

Route 66 Accountable Health Community

Leverages technology to address gaps in clinical services and health-related social needs of Medicare and Medicaid beneficiaries.



Power of interoperability

- Program screens for five SDoH with patients - food, shelter, transportation, domestic violence, & public utility access
- Program documents measures and integrates information into HIE and provider EHRs
- Testing positive for SDoH measures triggers program to coordinate services and inform clinical sites as to whether those services were delivered

Program went live May 1, 2018 – outcomes to be determined



Summary

Improving end-of-life care

NJHCQI developed a plan that shares **tactical solutions to improve end-of-life care** for New Jersey adults.

This plan was developed in response to a poll: 60% of New Jersey adults had no written documents expressing their wishes for care at the end of their lives.

NEW JERSEY
HEALTH CARE
QUALITY
INSTITUTE



Finding solutions to respect patient wishes

The plan calls for improved:

- Technology
- Payment reform
- Education
- Culture



Health

Summary

Utilizing the Louisiana Emergency Department Information Exchange (LaEDIE)

Collects/routes utilization data from hospital EDs across the state to Managed Care Organizations (MCOs); MCOs use data to contact members and:

- educate patients on appropriate ED use
- identify causes that sent them to ED
- implement case management strategies to reduce readmissions
- assist in finding a Primary Care doctor for follow up care

Value:

- Reduce avoidable ED visits
- Redirect to appropriate/less costly care
- Develop care plans for managing chronic disease
- Focus on preventative care
- Improve health status of patients



Putting HIE data
into action



Summary

Reducing preventable diseases

Cost burden of four preventable adult diseases is **\$15 billion per year**. Aim of program is to increase education and work toward Healthy People 2020 goal of 90% of adults 65 and older being immunized.



Immunization rates increased to reduce costs

Partnering with Immunization Action Coalition and working with providers to ensure patient immunization status is addressed in a clinical encounter.

Cost Burden of 4 Adult Vaccine-Preventable Diseases in Persons Age 65 Years and Older, United States, 2013

Vaccine-Preventable Disease	Estimated # of CASES	Estimated COSTS (Medical & Indirect) (in millions)
Influenza	4,019,759	8,312.8
Pneumococcal	440,187	3,787.1
Zoster	555,989	3,017.4
Pertussis	207,241	212.5
		\$15,329.8

Additional **\$11.2 billion** in costs if ages 50 – 64 years included

McLaughlin, JM, Tan L., et al. *J Primary Prevent* (2015) 36:259 - 273



Improved immunization rate for 65 years and older in NM from **58.4% to 65%** between 2013-2017.



Summary

Data driven improvement for population health

Developing comprehensive primary care by practicing learning and diffusion of skills, deploying an all payer claims database (benchmarking), and convening to discuss results.

Strategy:

- Neutral, Trusted, Local Convener
- Sustainable Prospective Care Management Payments
- Claims Data Aggregation Capability: The “Five C’s”
- Physician/Provider/Practice Culture
- HIE and EHR: Ability to Effect Change

Initial results:



Patient centered care achieves results

Health



Examining quality with a cost lens

Summary

Expanding practice transformation efforts to decrease waste

Support provider members in transformation to value-based reimbursement environment by improving quality, reducing cost, and therefore, increasing the value of healthcare.

This will be achieved by:

- 1) Using clinical and claims data to create a measure set that shows progress on both quality and the delivery of cost-sensitive care
- 2) Develop a coalition comprised of payers, purchasers/employers, providers, and stakeholder organizations

Goals:

- Accelerate the value proposition in Wisconsin
- Improve quality, increase affordability

Waste



Summary

Controlling administrative waste

Of 89 measures across 9 programs' sets, only 4 were in all sets, while 60 were in only 1 or 2 sets.

The infographic consists of three horizontal panels. The top panel shows a stack of coins icon next to "\$550 million paid out in total since 2004" and a person icon next to "200+ Medical Groups and IPAs". The middle panel shows a building icon next to "10 Plans" and a row of logos for Blue Shield of California, Anthem BlueCross, SHARP, aetna, Cigna, Kaiser Permanente, Western Health Advantage, CCHP, UnitedHealthcare, and Health Net. The bottom panel shows "9.6 Million Californians" next to an icon of a group of people.

Outcomes:

- Common Standard Measure Set used for P4P
- Single set of results used by health plans for rewarding healthcare systems and provider sfor delivering high value care
- Healthcare providers benefit from reduced administrative waste and can apply comprehensive interventions across all patients

Waste

Summary

Shining a light on waste in Washington state

Overuse of low-value services introduces the unnecessary risk of adverse physical and financial harm for patients, drives up costs for purchasers and insurers, and strains the system.



Outcomes:

- This report examined 47 common treatment approaches known by the medical community to be overused
- More than 45% of the healthcare services examined were determined to be low value
- Approximately 1.3 million individuals received one of these 47 services; among these individuals, almost one-half (47.9%) received a low value service
- 36% of spending on the healthcare services examined went to low value treatments and procedures - this amounts to an estimated \$282 million in wasteful spending



Understanding clinical waste



Summary

Overuse decreased by an average of 70%

Partnered with local health systems, purchasers, health plans, and medical society to reduce x-rays for lower back pain, antibiotic prescriptions for respiratory illness, and vitamin D screenings.

GDAHC



Integrating
Choosing Wisely
into EMRs

Reached 8 million individuals nationally through public services announcements with "what to do" messaging.

Implemented Choosing Wisely best practice alerts in the Henry Ford Physician Network's Epic EMR.

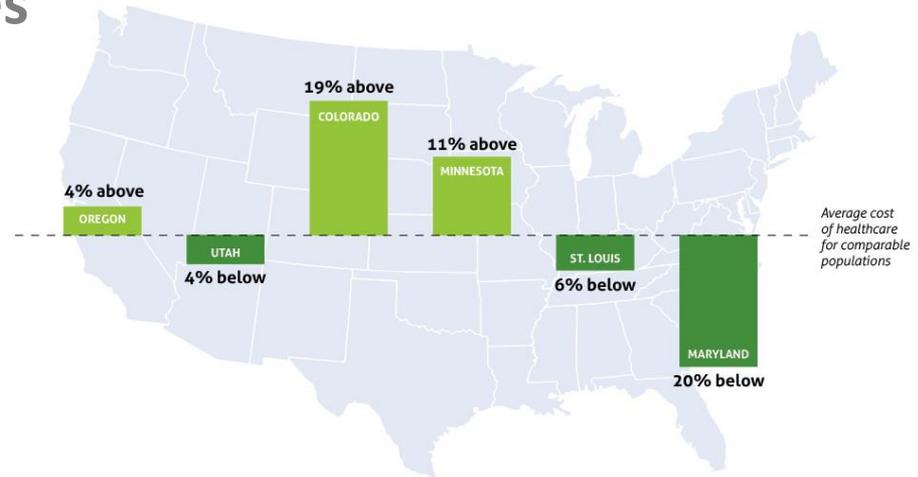


An initiative of the ABIM Foundation

Price

Summary

Untangling the Cost Drivers: A Comparison of Total Cost Between Six States



Measuring and comparing total cost of care

In-depth analyses make it possible to identify important differences in regional cost drivers.

- It's not just price or just waste in the system
- It's not just care patterns and delivery systems
- It's different state-to-state (sometimes within a state)

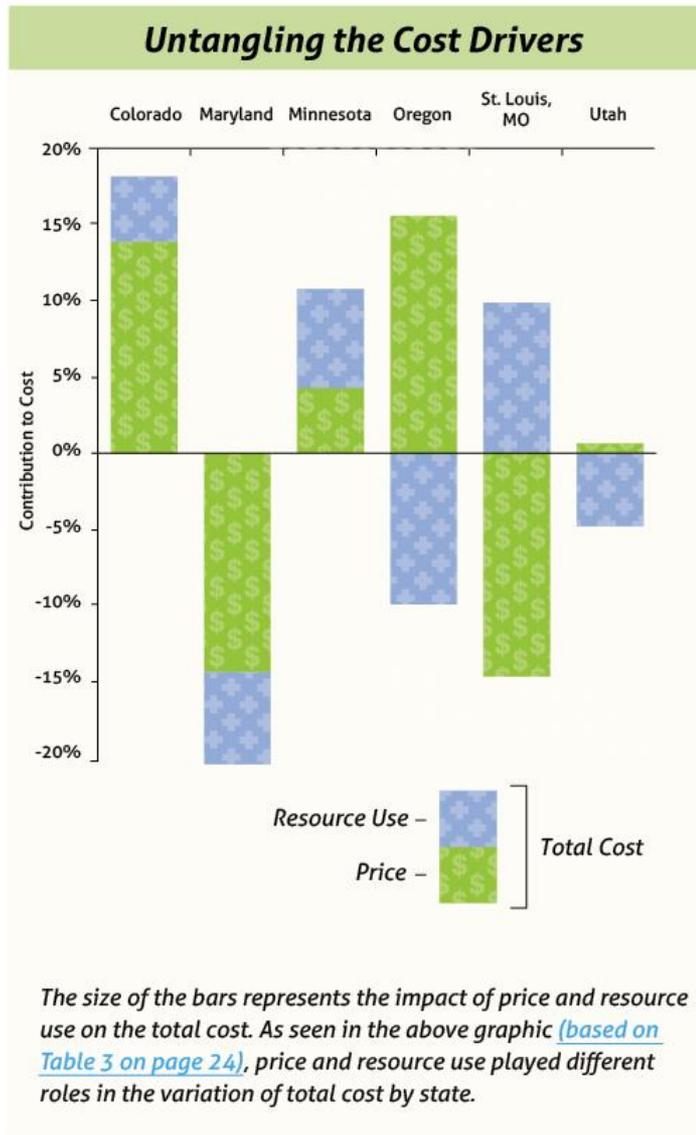
Price

Results



Getting to Affordability

Measuring and comparing total cost of care



Price and resource use play different roles in the variation of total cost by state.

Price

Conclusions

- Pricing structures & care delivery vary across states, and those differences drive differences in cost
- The numbers provide a framework for steering healthcare policies, open discussion of market factors, and identification of strategies
- Results showed **variability in every category of care** with the least amount in differences in pharmacy pricing, which is largely a result of national pricing policies
- **Consistency in year-over-year results**, despite some differences in the underlying populations, highlights the regional norms in care delivery and pricing

Price



Getting to
Affordability

Measuring and comparing total cost of care



Data in Action Providers

Multi-payer reporting enables providers to validate, challenge, and change practice patterns, select high-value specialists, and monitor the impact of change over time.



Data in Action Policymakers

Provides meaningful information to inform policy targeted at the actual drivers of healthcare costs.



Data in Action Patients

Public reporting raises patient awareness of the variation that exists and informs selection of higher quality, more cost-efficient providers.



Data in Action Payers

Provides aggregated cost information they wouldn't otherwise have access to and can drive improvement in the market.



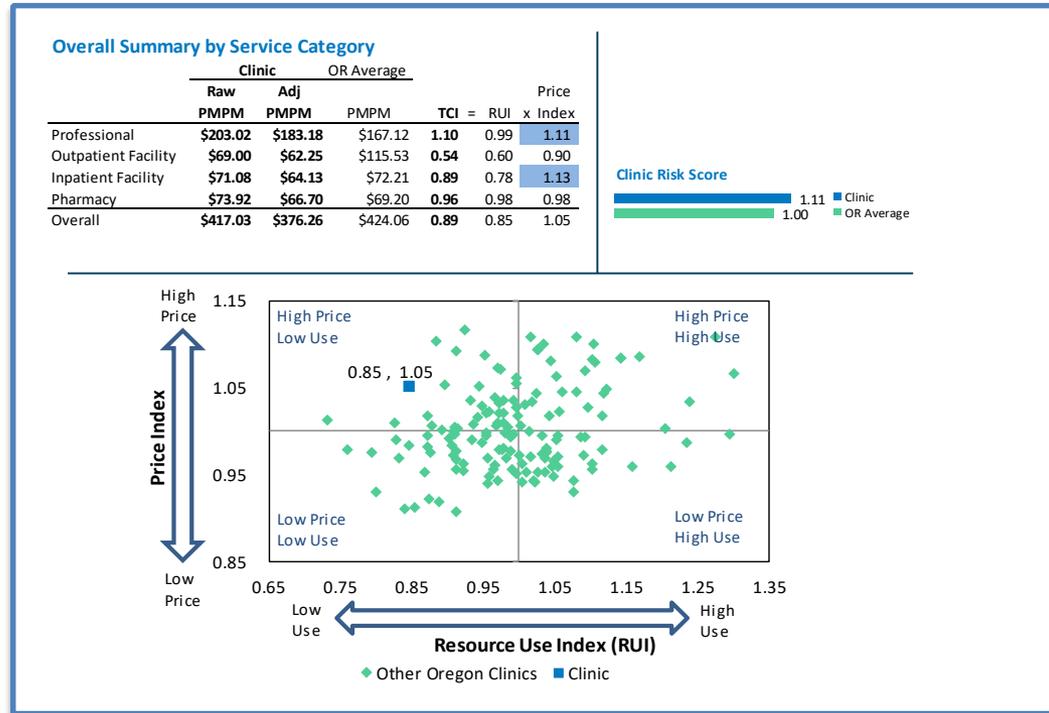
Data in Action Purchasers

Identification of high-value providers and health plans informs purchaser's benefit network design.

Price

Summary

Clinical Comparison Reports



Translating information into action

Comparison reports show variation in healthcare cost and resource use for commercially insured patients attributed to individual clinics, as compared to other clinics in the same state.

“ [It’s] important to establish a standard set of quality measures that are useful for improving care and feasible for program evaluation. ”

Transparency

Data & Information

Aligning Incentives

Community Engagement

Collaboration Across Sectors

New Payment Models

Informed Consumers

*- Quality Measures for
Community-Based, Rural
Palliative Care in Minnesota: A
Pilot Study*



Waste

Methods

- Decision making committee included **40+ organizations from** across Kentucky
- **Multi-stakeholder input** was important
- Five committee meetings and **public comment period**
- Selection criteria included measure **alignment across payers** and **reporting reliably**
- **Issued letters of support** from organizations on measures
- Working with organizations to **adopt measures and incorporate into performance contracts**



Building a Bridge to Better Health, Better Care and Better Value

Improving health &
minimizing burden

What do all these initiatives have in common?

**They're bringing together all parties
for safer, higher quality, more
affordable care that works better for
everyone.**



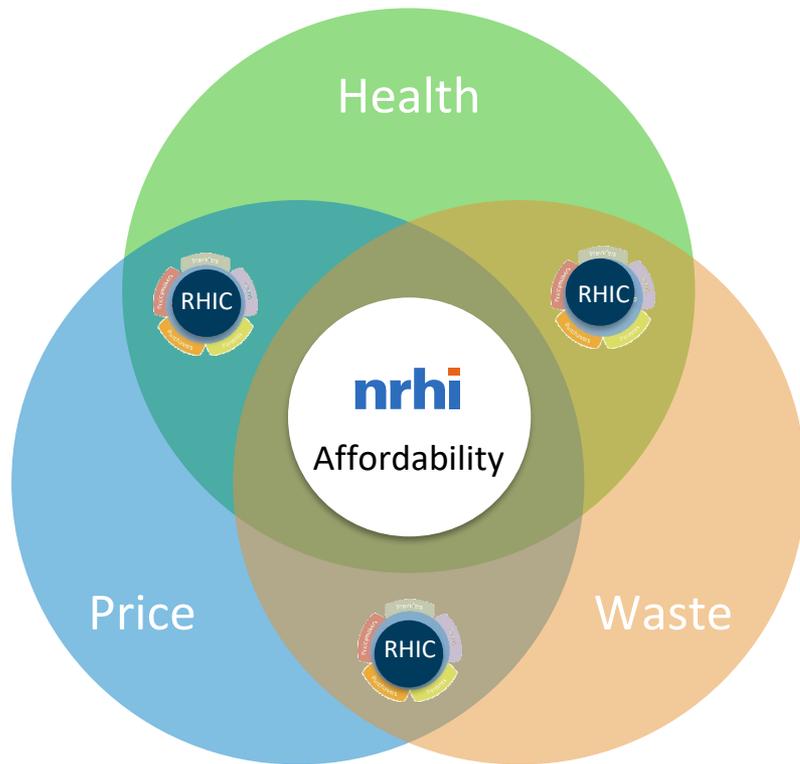
Regional Health Improvement Collaboratives (RHICs)



The Role of RHICs



Multiple Stakeholders, Varied Tactics – One Goal

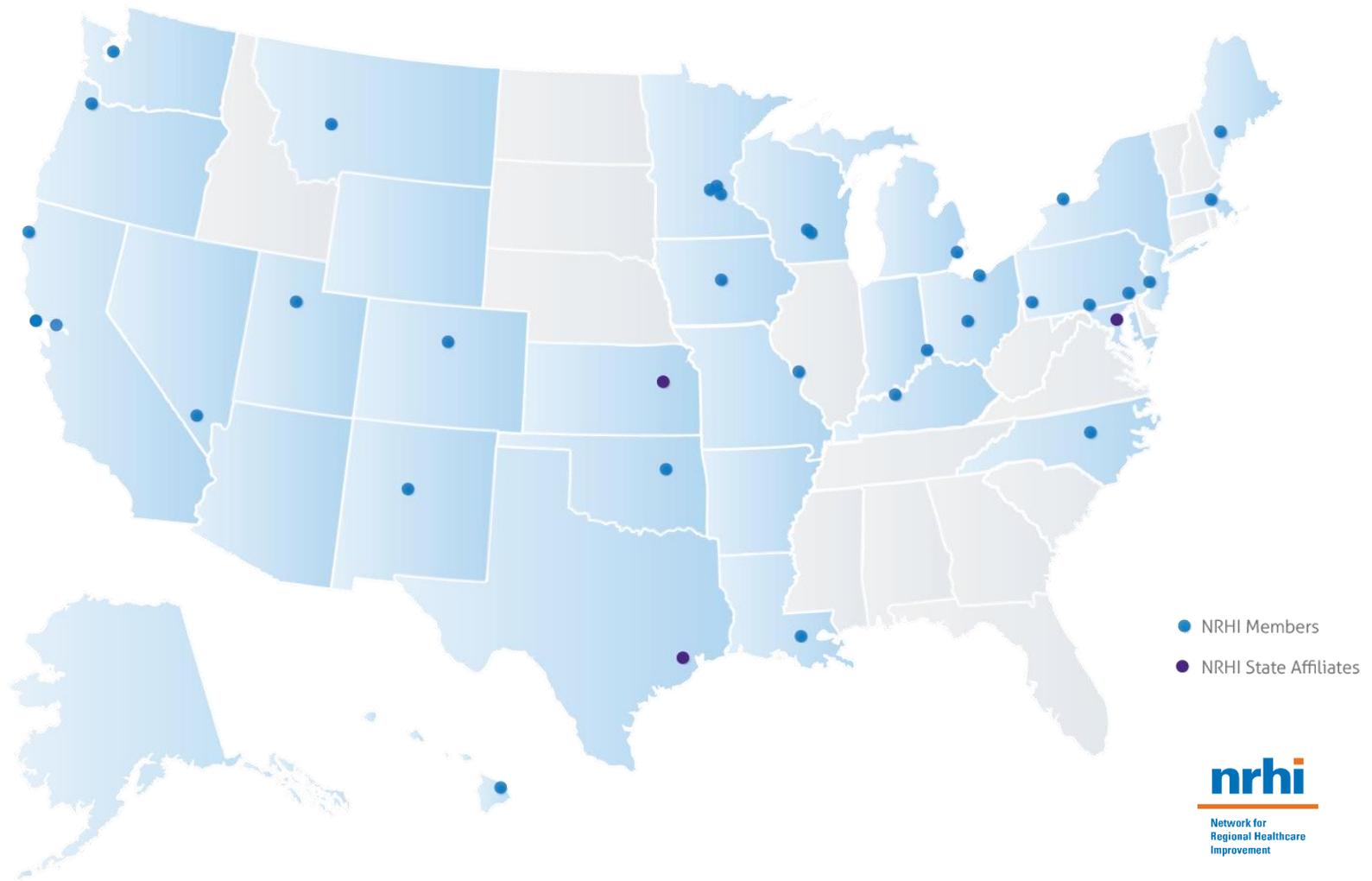


Members engage from positions of particular knowledge, experience and strengths:

Population Health
Payment Reform
Quality Improvement
Data Analysis

- Cross pollinate best practices
- Disseminate educational materials
- Lead community dialogue

RHICs currently work in many regions across the U.S.



Let's Quadrant Jump, Kentucky!

If Kentucky improved to the level of the top 10% benchmark for each indicator, then

EACH YEAR:

155

fewer colorectal
cancer deaths

22,649

fewer Medicare ER visits for
non-emergent issues

264,092

fewer adults would go without
healthcare because of cost

1,590

fewer preventable
premature deaths

Do your part to make healthcare more affordable



Affordable
Care
Together

Network for Regional Healthcare Improvement