



Speeding up Improvement in Chronic Care: What should be the Federal Role?

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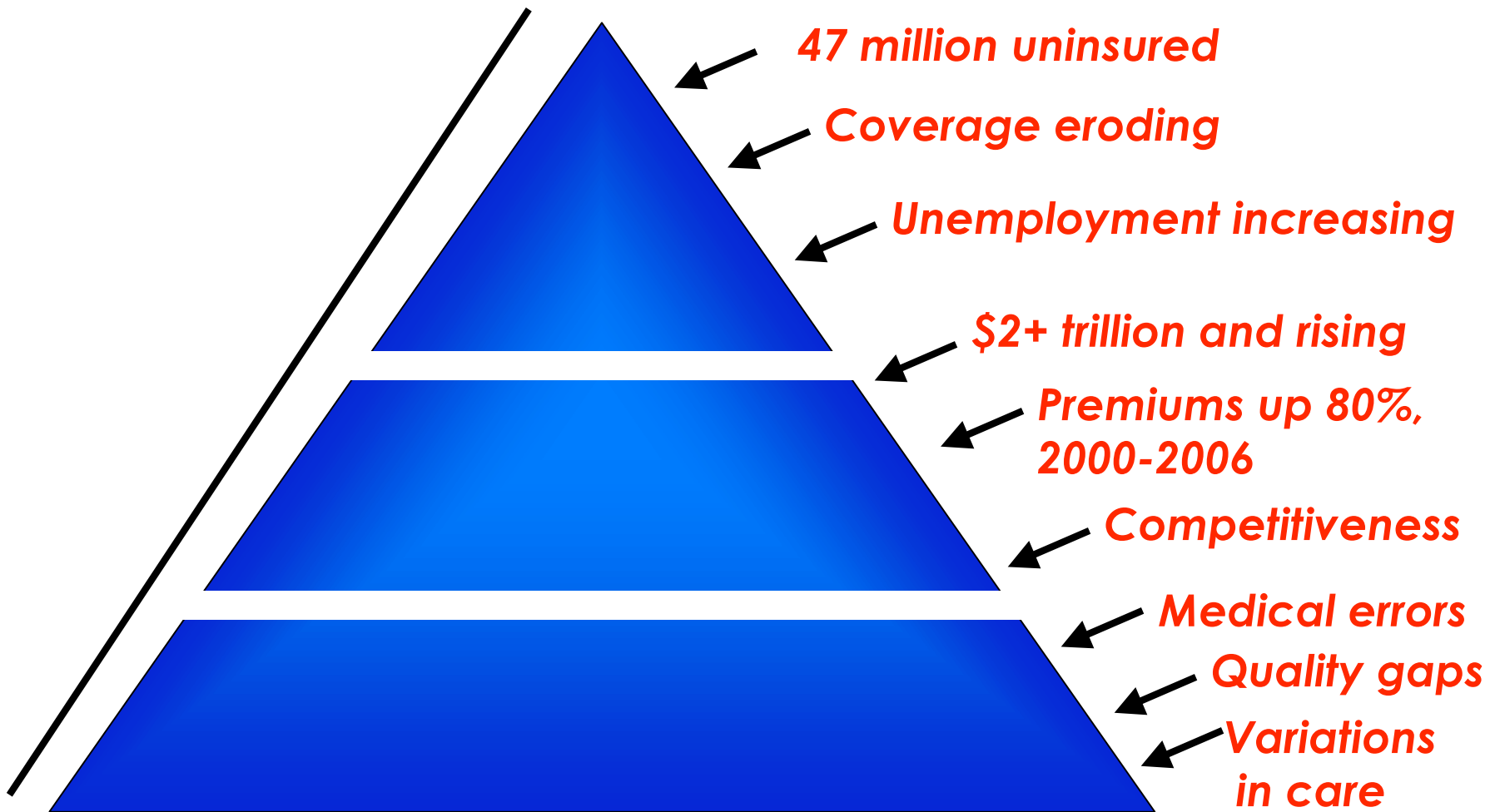
9 Days Ago, We Inaugurated a New President



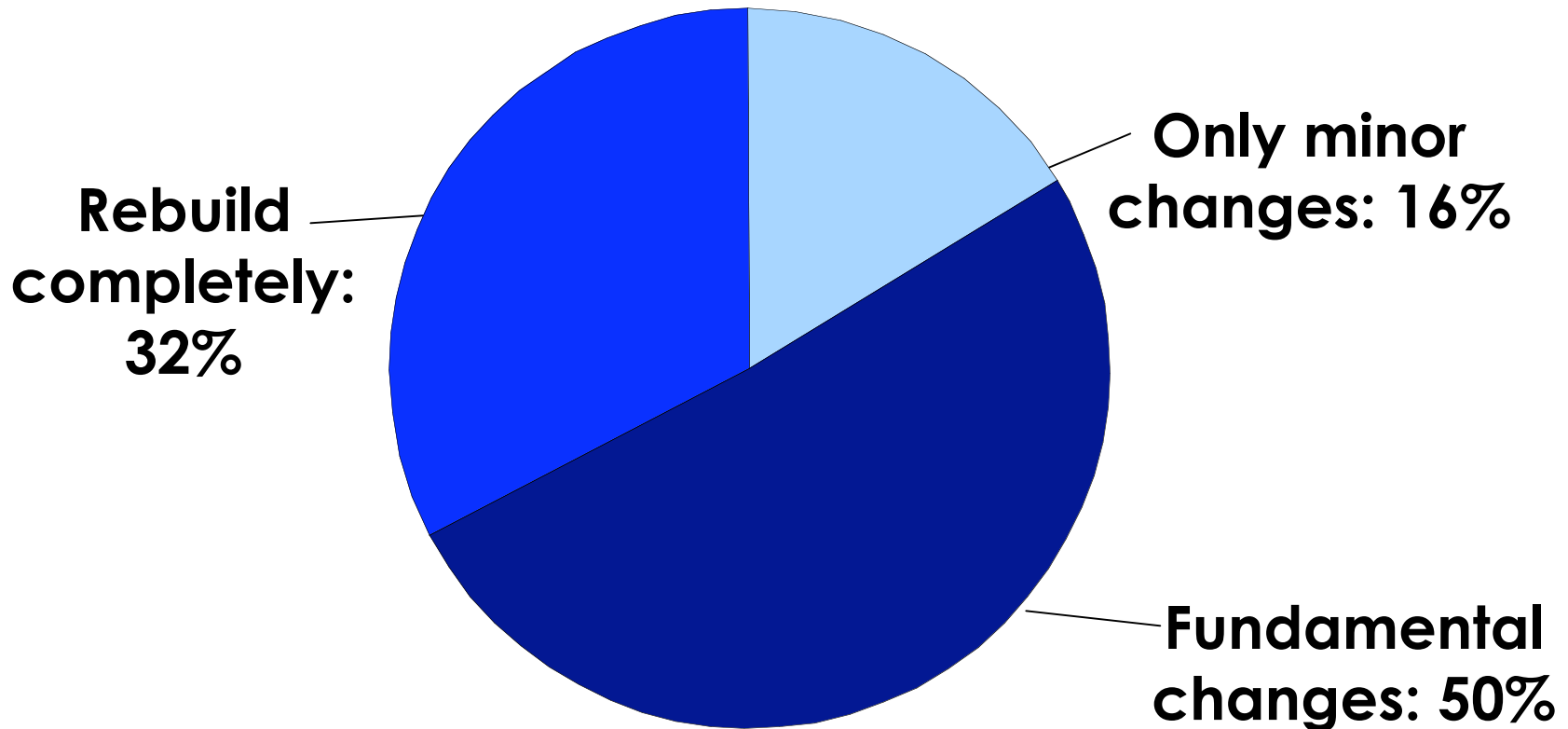
Both Candidates Promised to Reform Health Care



Pressures for Health Reform



82% of Americans Say the Health Care System Needs Fundamental Change



Source: Commonwealth Fund Survey of Public Views of the U.S. Health System, 2008

RECOMMENDED REFORM STRATEGIES



Key Message:

To be successful, reforms aimed at expanding access must also address the underlying problems of quality and cost.

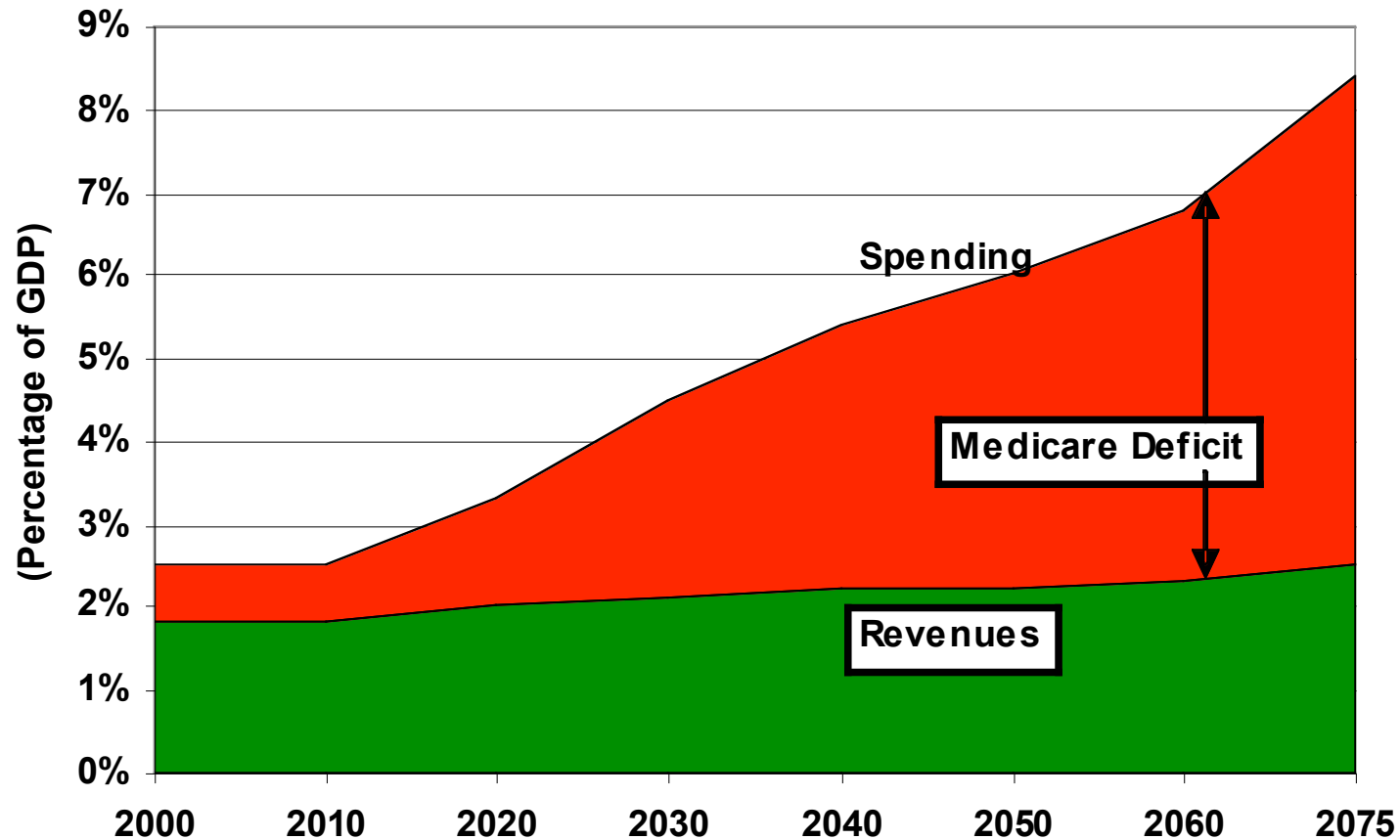
Structure reforms to include the building blocks of a high performance health system.

Source: M. O’Kane et al. “Crossroads in Quality,” *Health Affairs* 27, no. 3 (2008): 7.

Obama Health Reform Plan

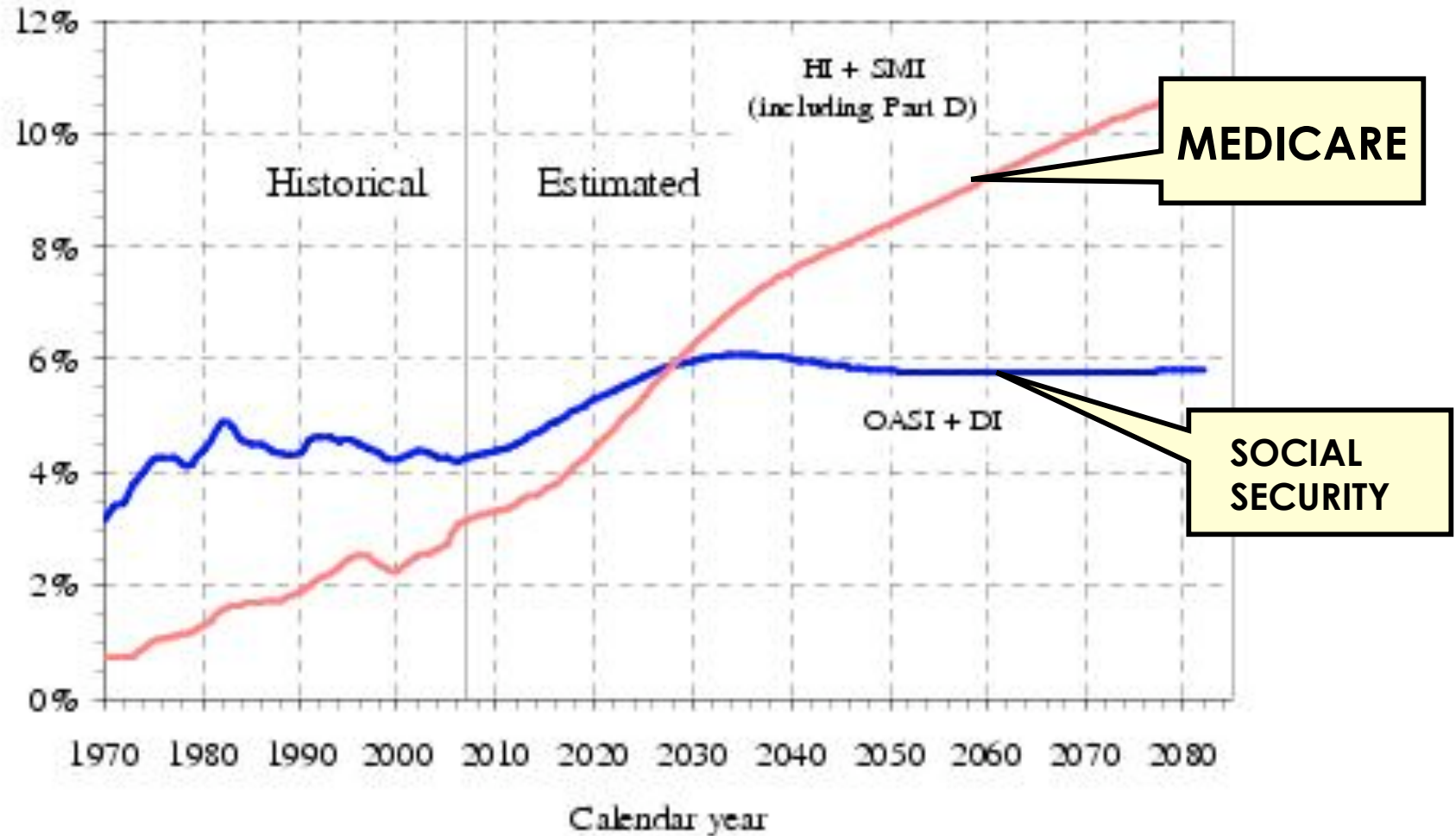
Building Blocks	Plan Features
Evidence base	<ul style="list-style-type: none"> • Independent institute for comparative effectiveness research
New models of care	<ul style="list-style-type: none"> • Federal investment in HIT • Support providers in developing care management, medical home, care integration & coordination programs • Disease management and prevention programs included in federal programs
Payment for High-Value Care	<ul style="list-style-type: none"> • Align incentives for excellence
National Performance Measurement Strategy	<ul style="list-style-type: none"> • Full transparency on quality and costs • Report preventable errors • Support practice improvement • Use validated performance measures
Multi-stakeholder Approach to Improving Population Health	<ul style="list-style-type: none"> • Develop regional and national public health strategy and align funding to support • Tackle disparities • Develop public health infrastructure

Medicare Reform : A Major Opportunity



Source: The Congressional Budget Office, *Social Security and the Federal Budget: The Necessity of Maintaining a Comprehensive Long-Range Perspective* August 1, 2002

Medicare Growth Projections



HI= Hospital Trust Fund SMI=Supplementary Medical Insurance Trust Fund
 OASI=Old Age Survivors Insurance DI=Disability Insurance

Source: Summary of the 2008 Annual Social Security and Medicare Trust Fund Report
<http://www.ssa.gov/OACT/TRSUM/trsummary.html>

Medicare Shapes Chronic Care

- **Dominant payer nationally – by far**
 - \$500 billion projected expenditures 2009
 - 45 million beneficiaries, most with multiple chronic conditions
- **Fee For Service policies reinforce status quo**
 - Poor coordination of care
 - Lack of self-care support
 - Uneven adherence to evidence-based medicine
- **Demonstrations not producing rapid progress**

Medicare Leadership Needed: Change Agent for Chronic Care

- **Time to move beyond research paradigm**
- **Make Population Health Improvement a core component of the CMS' mission**
- **Draw on lessons from the quality improvement field**

Many QI examples nationally

Towers Perrin 2008 Health Care Cost Survey – comparison of high and low performance employers:

72% of high performing companies say they play a significant role in employee health management (e.g., identifying and managing health risks in the population and managing disease, chronic conditions and high cost patients).

Critical Success Factors

- **Impassioned leadership commitment**
- **Explicit goals & performance metrics**
- **Organizational structure**
- **Authority and resources for innovation**
- **Incentives**
- **Processes to drive rapid innovation with partners**
- **Tolerance of mistakes**
- **Review and action based on findings**

“Continuous Innovation In Health Care: Implications of the Geisinger Experience” (Health Affairs 27:5, 2008)

Build on CMS experience

Large population-based programs

Public-private partnerships

Pay for performance structures

Beneficiary and caregiver engagement

Provider support and incentives

Broad multi-stakeholder collaboration

New data flows

**Rich data bases for learning about chronically ill
subpopulations**