



How We Get to Affordable, Quality Healthcare

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We need accountability at all levels

- Health plans
- ACOs, organized delivery systems
- Practices
- Integration can be achieved by cooperation across levels
- Ultimately, payment reform is necessary to achieve quality, affordable care

We need accountability for quality and costs

- Patient cost-sharing is at an all-time high
- Cost sharing can create barriers to needed care
- Vouchers on employer agenda
- More constructive approaches to cost sharing can spare quality
- We need aligned incentives for patients, providers, payers

If accountability is the destination,
where do we start the journey?



**“Everything was fine until you
insisted on accountability.”**



Accountability Starts at “Home”

**Patient-centered medical homes (PCMH)
are the foundation of accountable care**

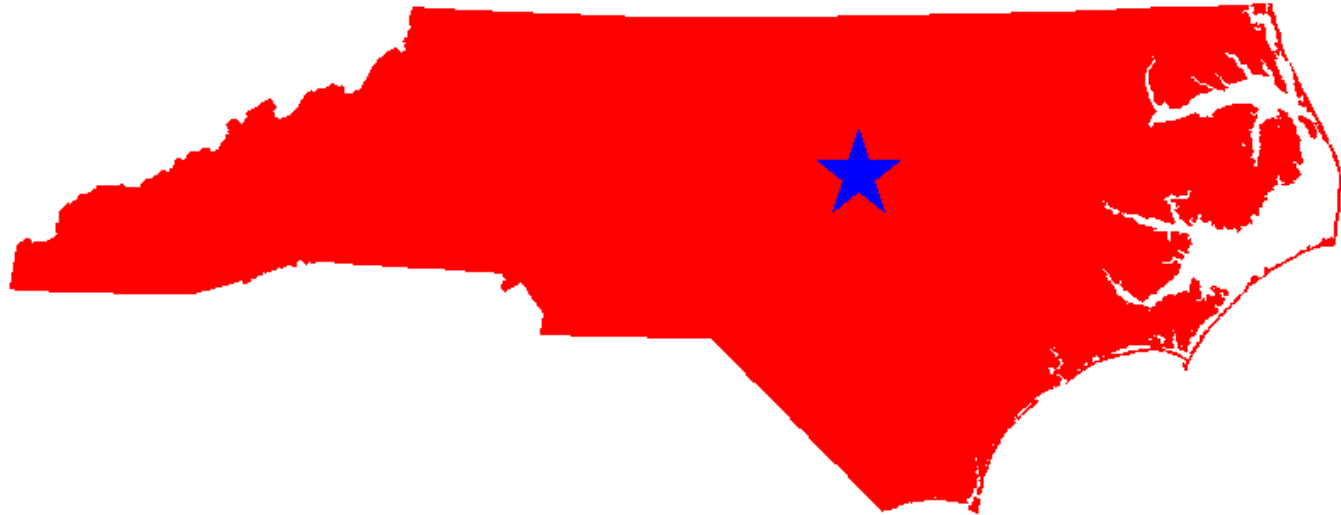


For clinicians, PCMH ends the “assembly line” focus on visits



- Gain the ability to plan care
- Have data at your fingertips
- Think strategically about patients as a population

Vermont and North Carolina use PCMH to build accountable care systems






What Health Plans Can Do

Health plans can partner with practices



Health plans can partner with practices

- Data sharing
 - Embedded care management
 - Co-manage specialty care, avoid unnecessary hospitalizations and ED use
 - Focus on patient needs, eliminate waste
- 
- A black and white photograph of two hands shaking, symbolizing partnership or agreement. The hands are in the center of the frame, with the fingers interlocked in a firm grip. The background is blurred, showing what appears to be a person's face and shoulders, suggesting a professional or medical setting. The lighting is soft, highlighting the texture of the skin and the strength of the handshake.

"Like a Pick Ax in Concrete"

Not aligning benefits packages with bundled payments and claims processing won't work





Why ACO Accreditation Matters

Variation in capabilities and readiness make ACOs risky for payers, patients



Accreditation aligns purchasers with common expectations



Unites health plans, employers, states and federal purchaser initiatives to prompt providers to change how they provide care

Accreditation identifies which ACOs are likely to be good partners



Accreditation is a roadmap and a vehicle for provider-led groups to show their abilities

- Providers in group practice arrangements
- Networks of individual practices
- Hospital/provider partnerships or joint ventures
- Hospitals and their employed or contracted providers
- Publicly governed entities that work with providers to arrange care
- Provider-health plan partnerships
- Different levels of accreditation signify varied degrees of ACO capability

The background features a large, abstract graphic on the left side. It consists of several overlapping, curved, teardrop-like shapes in shades of blue and red, set against a beige background. The shapes appear to be part of a larger, stylized figure or logo. The right side of the image is a solid blue background.

Patient Engagement

We need to motivate and reward patients for taking care of their own health



Look for Win-Win

Let consumers keep some of the money the new system saves



Let's align the interests of patients,
payers and providers



Price signals can nudge patients,
payers and providers to participate



What we want to understand

- **Objective**
 - How should we present quality and resource use, given that relative resource use measure results for physician organizations may be available soon?
- **Participants**
 - One group includes uninsured consumers
 - One group for Spanish-speakers
- **Two rounds**
 - Round 1: test understanding of quality, cost, value
 - Round 2: test displays with messages



What we have learned so far

- Uninsured seem most open to taking into account cost and quality
 - “Staying at the Ritz but paying Motel 6”
 - “Who wouldn’t want best quality for lowest cost?”
- Other groups could be led to see that the cost and quality are independent
 - Some revert to thinking cost and quality are tradeoffs



Consumer Focus Groups

What we have learned so far

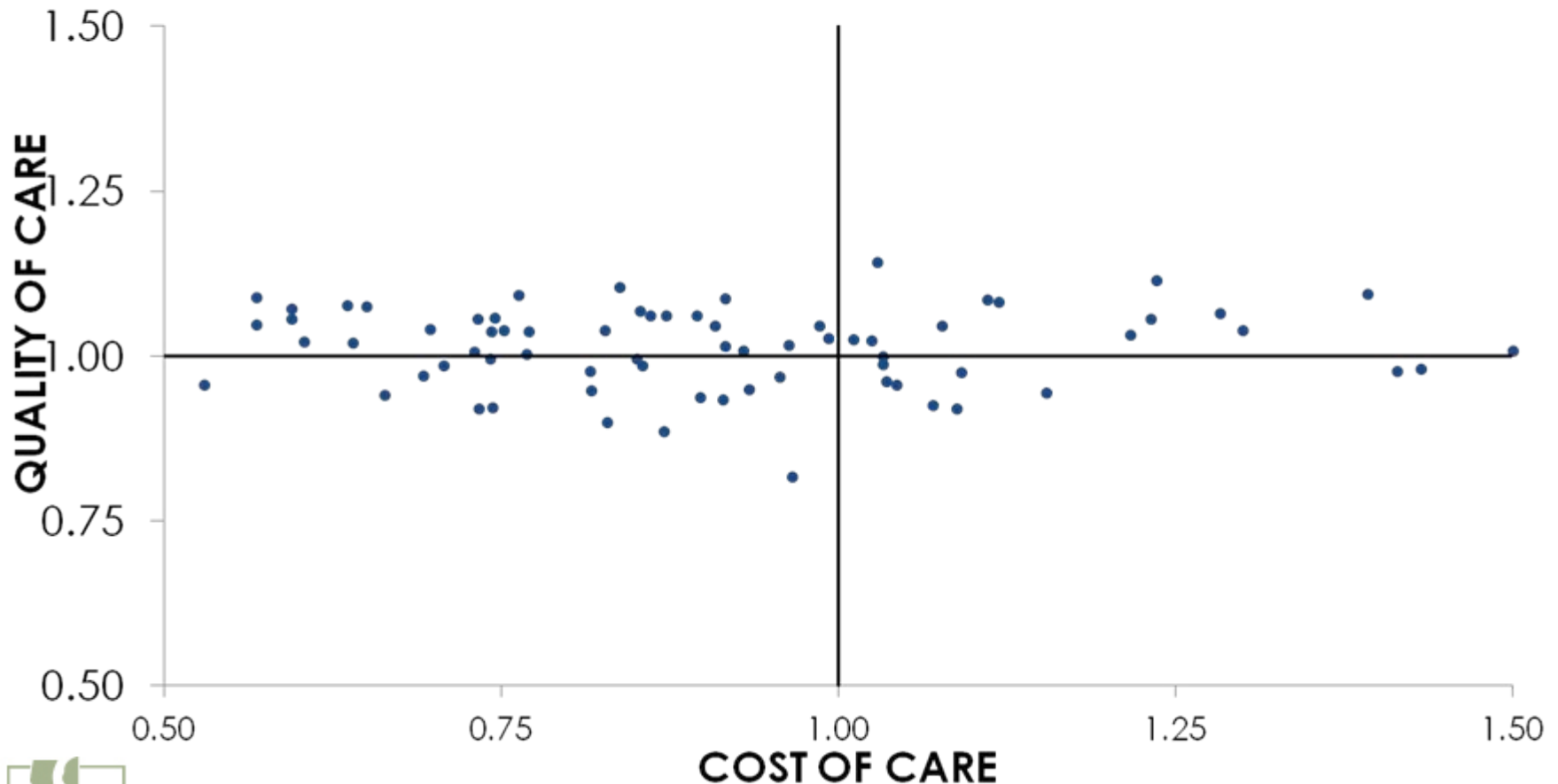
- Prefer “unnecessary” to “inappropriate” [care]
- Skeptical that care might be withheld
 - Don’t like terms “avoid” or “keep out of hospital”
 - Distrust generic drugs
- Don’t like language that sounds like marketing
 - “A bunch of promises no one can keep”



Consumer Focus Groups

People grasp that upper left quadrant is best, want to know which dot represents their physician

Diabetes Care by California Physician Organizations (HEDIS RRU data for three Commercial HMOs)



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Other Considerations

Health insurance Exchanges are opportunities to drive value

- **Choice architecture**
 - “Nudge” consumers toward best value options
- **Benefit design**
 - Foster designs that emphasize value, patient engagement
- **Network design**
 - Use quality and cost measures for tiering
- **Health plans as “market makers”**
 - Use their data and payment power to drive improvement

Creating accountable care includes expanding measurement



Creating accountable care includes expanding measurement

- Dual eligibles
- Outpatient HIV/AIDS care, pediatric dental care
- Patient-reported outcomes, clinical improvement over time, patient safety for
 - Knee or hip replacement
 - Heart failure
 - Hypertension

Get it Right the First Time

Bad implementation of a good idea can
taint other good ideas



Discussion

