Creating a High Performance Health Care System

North Dakota Health Care Review, Inc. Quality Forum - October 9, 2007

Mary Wakefield, Ph.D., R.N.
Associate Dean for Rural Health and Director, Center for Rural Health

Connecting resources and knowledge to strengthen the health of people in rural communities.

Center for Rural Health

Seven Core Areas of Focus

1. Rural Health Research
2. Rural Health Policy
3. Rural Health Workforce
4. Native American Health
5. Education, Training and Resource Awareness
6. Community Development and Technical Assistance
7. Program Evaluation
A product of the Department of Health and Human Services’ Rural Initiative….
Established in December 2002
as a rural health and human services “information portal.”

RAC Services

Every State, DC, Puerto Rico & 10 Foreign Countries

확
Customized Assistance
확 4,200 requests
Phone: 1-800-270-1898  Fax: 1-800-270-1913
Email: info@raconline.org
Website: http://www.raconline.org

확 Web-Based Services (visits)
확 TOTAL VISITS MORE THAN 1,346,652

RAC Health and Human Services Listserv
확 reaches more than 5,600 individuals
The overarching mission of a high performance health system is to…
... help everyone, to the extent possible, lead long, healthy, and productive lives.

Scores: Dimensions of a High Performance Health System

(Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006)
Mortality Amenable to Health Care

Mortality from causes considered amenable to health care is deaths before age 75 that are potentially preventable with timely and appropriate medical care.

See Technical Appendix for list of conditions considered amenable to health care in the analysis.

Data: International estimates—World Health Organization, WHO mortality database (Nolte and McKee 2003); State estimates—K. Hempstead, Rutgers University using Nolte and McKee methodology.
International Comparison of Spending on Health, 1980–2004

**Average spending on health per capita (SUS PPP)**

- United States
- Germany
- Canada
- France
- Australia
- United Kingdom

(Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006)

**Total expenditures on health as percent of GDP**

**Medicare Expenditures, 1970 - 2015**

Dollars (in billions)

- United States
- Germany
- Canada
- France
- Australia
- United Kingdom

Note: Figures for 2010 and 2015 are projected
(Source: 2007 Medicare Trustees’ Report)
States Vary In Quality of Care

2000–2001

Note: State ranking based on 22 Medicare performance measures.


U.S. Adults Receive Half of Recommended Care; Quality Varies Significantly by Medical Condition

Percent of recommended care received

Medicare Hospital 30-Day Readmission Rates, by Regions, 2003

Rate of hospital readmission within 30 days

<table>
<thead>
<tr>
<th>Percentiles</th>
<th>National Mean</th>
<th>North Dakota</th>
<th>10th</th>
<th>25th</th>
<th>75th</th>
<th>90th</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>18</td>
<td>16</td>
<td>14</td>
<td>16</td>
<td>20</td>
<td>22</td>
</tr>
</tbody>
</table>

Data: G. Anderson and R. Herbert, Johns Hopkins University analysis of 2003 Medicare Standard Analytical Files 5% Inpatient Data
(Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006)

Medical, Medication, and Lab Errors Among Sicker Adults

<table>
<thead>
<tr>
<th>Countries</th>
<th>1 doctor</th>
<th>4 or more doctors</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>22</td>
<td>37</td>
</tr>
<tr>
<td>GER</td>
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<td>AUS</td>
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<td>14</td>
</tr>
<tr>
<td>CAN</td>
<td>34</td>
<td>35</td>
</tr>
<tr>
<td>US</td>
<td></td>
<td>28</td>
</tr>
</tbody>
</table>

Patients Reporting Any Error by Number of Doctors Seen in Past Two Years

CMS Hospital Compare

- CAHs as a group are performing:
  - As well or better than urban hospitals on half of the pneumonia measures and surgical infection prevention measures
  - Not as well as urban hospitals on all of the quality measures for AMI and CHF

(Source: University of Minnesota analysis of Hospital Compare Data for 2005)

Medicare/Premier Hospital Quality P4P Demonstration

- First year results = significant improvement; composite score increased
  - AMI: 87% to 91%
  - Heart Failure: 65% to 74%
  - Pneumonia: 69% to 79%
- Patients receiving better care showed lower mortality (AMI, CHF)
- Cost savings for hospitals (AMI, Pneumonia, CABG) and Medicare

(Source: Premier, “Centers for Medicare and Medicaid Services/Premier Hospital Quality Incentive Demonstration Project: Project Overview and Findings from Year One,” April 2006; and Premier, “Exploring the Nexus of Quality and Cost: Methodology and Preliminary Findings,” August 2006.)
Goals of CMS Value-Based Purchasing Program

- Improve clinical quality.
- Reduce adverse events.
- Encourage patient centered care.
- Avoid unnecessary costs.
- Stimulate investments in improving quality and/or efficiency.
- Make performance results transparent and comprehensible, empowering consumers.

(North Carolina Hospital Association) 21

CMS Value-Based Purchasing Plan

- Beginning FY 2007, hospitals report 21 measures or lose 2% in Medicare PPS reimbursement.
- Value-based payments beginning FY 2009.
- No payment increase allowed for patients with hospital-acquired infections.
VBP Program Details

- Budget neutral.
- In-line with IOM and MedPAC.
- Build on existing CMS measures.
- Three domains:
  1) Clinical quality
  2) Patient centered care
  3) Efficiency
- Performance measures and payments for outpatient care.

Outpatient PPS

- CY09 2.0% reduction for hospitals not reporting outpatient quality measures
- Proposed FY09: 10 new outpatient measures
  - 5 Emergency Department AMI Transfer Measures
  - 2 Surgical Care Improvement Measures
  - 1 measure each for Heart Failure, Community-Acquired Pneumonia, and Diabetes
- CMS seeking comment on 30 additional measures
Electronic Medical Records and Information Systems

- Reduce duplicate tests
- Provide decision support for physicians and patients
- Facilitate “referrals,”
- Reduce medical errors
- Promote better management of chronic conditions and care coordination
  - Registries
  - Performance information

Where are We on IT?

Only 28% of U.S. Primary Care Physicians Have Electronic Medical Records; Only 19% Have Advanced IT Capacity

Percent reporting EMR

<table>
<thead>
<tr>
<th>NET</th>
<th>NZ</th>
<th>UK</th>
<th>AUS</th>
<th>GER</th>
<th>US</th>
<th>CAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>98</td>
<td>92</td>
<td>89</td>
<td>79</td>
<td>42</td>
<td>28</td>
<td>23</td>
</tr>
</tbody>
</table>

Percent reporting 7 or more out of 14 functions

<table>
<thead>
<tr>
<th>NZ</th>
<th>UK</th>
<th>AUS</th>
<th>NET</th>
<th>GER</th>
<th>US</th>
<th>CAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>87</td>
<td>83</td>
<td>72</td>
<td>59</td>
<td>32</td>
<td>19</td>
<td>8</td>
</tr>
</tbody>
</table>

*Count of 14: EMR, EMR access other doctors, outside office, patient; routine use electronic ordering tests, prescriptions, access test results, access hospital records; computer for reminders, Rx alerts, prompt test results; easy to list diagnoses, medications; patients due for care.

Source: 2006 Commonwealth Fund International Health Policy Survey of Primary Care Physicians
Number of States with High Proportion of Uninsured Adults Ages 18–64 Is Growing

1999–2000

2004–2005


(Source: The Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006)

Access to Care
Uninsured in North Dakota

• 8.2% of North Dakotans are uninsured
• 51,920 people
  – Similar to the population of Bismarck
  – Over 11,000 are children
• Rural more likely to be uninsured
Receipt of All Three Recommended Services for Diabetics, by Race/Ethnicity, Family Income, Insurance, and Residence, 2002

Percent of diabetics (ages 18+) who received HbA1c test, retinal exam, and foot exam in past year

- **Total**: 53%
- **Private**: 54%
- **Uninsured**: 24%
- **Urban**: 55%
- **Rural**: 45%

* Insurance for people ages 18–64.
** Urban refers to metropolitan area >1 million inhabitants; Rural refers to noncore area <10,000 inhabitants. Data: Medical Expenditure Panel Survey (AHRQ 2005a).

(Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006)

State Scorecard Summary of Health System Performance Across Dimensions

(Source: Commonwealth Fund State Scorecard on Health System Performance, 2007)
Gains if North Dakota Achieved Top State Performance

• **More Getting the Right Care**
  – 1,200 diabetics would receive recommended care
  – 910 children immunized

• **More Getting Primary Care**
  – 64,174 adults and 27,871 children with primary care

• **Less Avoidable Hospital Utilization**
  – More than 2,250 fewer Medicare hospital admissions and readmissions per year (Savings of $8.4 million + per year)

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Key Findings

• **Wide variation among states, huge potential to improve**
  – Two to three-fold differences in many indicators
  – Leaders offer benchmarks

• **Leading states consistently out-perform lagging states**
  – Suggests policies and systems linked to better performance
  – Distinct regional patterns, but also exceptions

• **Significant opportunities to address cost, quality, access**
  – Quality not associated with higher cost across states

• **All states have room to improve**
  – Even best states perform poorly on some indicators.
The Dialogue Has Changed

FROM:
• “Americans have the best health care system in the world”

TO:
• We need to do better
  – We spend more on health care than any other country
  – We need more value for what we are spending

The American Health care delivery system is in need of fundamental change. The current care systems cannot do the job. Trying harder will not work. Changing systems of care will.

(IOM, 2001)
What do we need to Focus on to be the Best?

A high performance health system is designed to achieve four core goals:
1. high quality, safe care
2. access to care for all people
3. efficient, high value
4. system capacity to improve

Keys to Transforming the U.S. and North Dakota Health Care System

1. Extend health insurance coverage
2. Safe, effective, and efficient care
3. Ensure coordinated and accessible care for all
4. Increase transparency, reward quality and efficiency
5. Information technology and exchange
6. Workforce for patient-centered and primary care
7. Collaboration among public and private stakeholders
Efforts to Extend Health Insurance Coverage to All

1. Extend Health Insurance Coverage to All

What Are the Most Important Health Care Issues for Presidential and Congressional Action?

<table>
<thead>
<tr>
<th>Percent listing issue as first or second priority:</th>
<th>Total</th>
<th>Less than $50,000</th>
<th>$50,000–$74,999</th>
<th>$75,000 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure that all Americans have adequate, reliable health insurance</td>
<td>52</td>
<td>56</td>
<td>52</td>
<td>50</td>
</tr>
<tr>
<td>Control the rising cost of medical care</td>
<td>37</td>
<td>35</td>
<td>42</td>
<td>39</td>
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<tr>
<td>Lower the cost of prescription drugs</td>
<td>31</td>
<td>31</td>
<td>27</td>
<td>33</td>
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<tr>
<td>Ensure that Medicare remains financially sound in the longterm</td>
<td>29</td>
<td>29</td>
<td>32</td>
<td>30</td>
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<tr>
<td>Improve the quality of nursing homes and long-term care</td>
<td>14</td>
<td>16</td>
<td>15</td>
<td>13</td>
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<tr>
<td>Reform the medical malpractice system</td>
<td>14</td>
<td>10</td>
<td>12</td>
<td>18</td>
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<tr>
<td>Reduce the complexity of insurance</td>
<td>12</td>
<td>12</td>
<td>10</td>
<td>10</td>
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</table>

State Initiatives

MA Strategy for Health Care
“Everyone” does their part

Utah’s Primary Care Network Section 1115 Medicaid Waiver

Vermont Health Care Affordability Act Enacted May 2006

California Governor’s Health Care Proposal

New Jersey Raises Age of Dependent Status for Health Insurance

Pursue Excellence in Provision of Safe, Effective, and Efficient Care

1. Extend Health Insurance Coverage to All

2. Pursue Excellence in Provision of Safe, Effective, and Efficient Care

Illinois All-Kids

Retaining/Expanding Employer Participation: Maine’s Dirigo Health

Rhode Island: Five-Point Strategy

Minnesota Smart-Buy Alliance

Vermont Health Care Affordability Act Enacted May 2006
Perfect Care

- When is performance good enough?
  - For you; for your family
- Near-perfection is attainable even in health care
- The question we all should be asking:
  - How soon can we achieve perfect care?
    - Within our organization
    - Across the entire health care system
H.R.1651
Title: To provide for the establishment of the Rural Health Quality Advisory Commission

Organize the Care System to Ensure Coordinated and Accessible Care for All

1. Extend Health Insurance Coverage to All
2. Pursue Excellence in Provision of Safe, Effective, and Efficient Care
3. Organize the Care System to Ensure Coordinated and Accessible Care for All
Public Views about Effective Actions to Improve Care Quality

<table>
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<th>Action</th>
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<th>40</th>
<th>60</th>
<th>80</th>
<th>100</th>
<th>120</th>
<th>140</th>
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<tbody>
<tr>
<td>Computerized medical records</td>
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<td></td>
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<tr>
<td>Doctors and nurses working as a team/expanded role for nurses</td>
<td>27</td>
<td></td>
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<td></td>
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<tr>
<td>Receiving reminders for preventive care</td>
<td>26</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Doctors practicing in groups rather than on their own</td>
<td>34</td>
<td></td>
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(Commonwealth Fund, 2006)

Increase Transparency and Reward Quality and Efficiency

1. Extend Health Insurance Coverage to All
2. Pursue Excellence in Provision of Safe, Effective, and Efficient Care
3. Organize the Care System to Ensure Coordinated and Accessible Care for All
4. Increase Transparency and Reward Quality and Efficiency
Wisconsin

- **Wisconsin Collaborative for Healthcare Quality**
  - Voluntary consortium formed in 2003 -- physician groups, hospitals, health plans, employers & labor
  - Develops & publicly reports comparative performance information on physician practices, hospitals & health plans
  - Includes measures assessing ambulatory care, IT capacity, patient satisfaction & access

- **Wisconsin Health Information Organization**
  - Coalition formed in 2005 to create a centralized health data repository based on voluntary sharing of private health insurance claims, including pharmacy & laboratory data
  - Wisconsin Dept of Health & Family Services and Dept of Employee Trust Funds will add data on costs of publicly paid health care through Medicaid
Expand the Use of Information Technology and Exchange

1. Extend Health Insurance Coverage to All
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5. Expand the Use of Information Technology and Exchange

Rural Health Information Technology

- **New USDA Initiative on Electronic Medical Records**
  - Combines grant and loan funding (20:80) @ 5%
  - Can apply up to one month before end of FY
  - $50K up to $1 million
- **Continuing annual grants and loans for distance learning and telemedicine**

http://www.usda.gov/rus/telecom/dit/dlt.htm
Using Telemedicine to Improve Access in Rural Communities

- The use of electronic information and telecommunications technologies to support long-distance clinical care
  - Improves communication with providers
  - Provides better health monitoring
  - Saves long distance travel
  - Mental health has proven to be a good model
  - High approval ratings from rural patients

Barriers to Use of Telemedicine in Rural Areas

- Provider acceptance
- Health insurance coverage restrictions
- Licensing restrictions
- Lack of local infrastructure
North Dakota Telepharmacy Project

- Licensed pharmacists provide traditional services to registered pharmacy technicians at remote sites via audio and video computer links
  - 57 pharmacies involved in project: 21 central pharmacy sites and 36 remote telepharmacy sites
  - 33 counties (62%) in North Dakota and two in Minnesota
  - Served 40,000 rural citizens since its inception in 2002

Develop the Workforce to Foster Patient/Population Centered and Primary Care

1. Extend Health Insurance Coverage to All
2. Pursue Excellence in Provision of Safe, Effective, and Efficient Care
3. Organize the Care System to Ensure Coordinated and Accessible Care for All
4. Increase Transparency and Reward Quality and Efficiency
5. Expand the Use of Information Technology and Exchange
6. Develop the Workforce to Foster Patient-Centered and Primary Care
Ratio of Rates of Inpatient & Part B Spending During the Last Two Years of Life to the U.S. Average (Deaths Occurring 2000-03)

1.15 to 1.37 (5)
1.00 to < 1.15 (6)
0.85 to < 1.00 (32)
0.81 to < 0.85 (8)

Standardized FTE Physician Labor Inputs per 1,000 Decedents During the Last Two Years of Life (Deaths Occurring 2000-03)

24 or More (5)
21 to < 24 (10)
18 to < 21 (27)
Fewer than 18 (9)

(Dartmouth)
The Relationship Between the Ratio of Primary Care to Medical Specialist Physician Labor Inputs and Days Spent in Intensive Care (Deaths Occurring 2000-03)

\[ R^2 = 0.48 \]

The Relationship Between the Ratio of Primary Care to Medical Specialist Physician Labor Inputs (Deaths Occurring 2000-03) and CMS hospital compare composite quality score

\[ R^2 = 0.11 \]
Primary Care

- Health is better in areas where there are more primary care services.
- People who receive primary care are healthier.
- Costs of care are lower in areas where there are more primary care services.

(Starfield, et. al. 2005)

Encourage Leadership and Collaboration Among Public and Private Stakeholders

1. Extend Health Insurance Coverage to All
2. Pursue Excellence in Provision of Safe, Effective, and Efficient Care
3. Organize the Care System to Ensure Coordinated and Accessible Care for All
4. Increase Transparency and Reward Quality and Efficiency
5. Expand the Use of Information Technology and Exchange
6. Develop the Workforce to Foster Patient-Centered and Primary Care
7. Encourage Leadership and Collaboration Among Public and Private Stakeholders
By Engaging….

- Broad-based coalition of clinicians, hospitals, public health, health plans, purchasers, and government agencies
- For example, on a common quality agenda, including shared guidelines and tools, reporting quality measures and patient satisfaction measures

At the State Level…What We Can Do:

Promote:
- evidence-based health care
- effective chronic care management
- transitional care post-hospital discharge
- data transparency and reporting on performance
- practice value-based purchasing
- the use of health information technology
- wellness and healthy living
- access to primary care and preventive services
- simplify and streamline public program eligibility
Health Policy Forecast

- Predictions notoriously difficult
  - Early signs of clear skies (initial deliberations/position statements)
  - Chance of late storms

2008 Climate Map

Annual Lobbying on Health

2006 Data (Center for Responsive Politics at www.opensecrets.org)
For more information contact:

Center for Rural Health
University of North Dakota
School of Medicine and Health Sciences
Grand Forks, ND 58202-9037

Tel: (701) 777-3848
Fax: (701) 777-6779

http://medicine.nodak.edu/crh
Email: mwake@medicine.nodak.edu