

Alaska Health Care Commission

Meeting Discussion Guide

November 16 – 17, 2010

Agenda & Meeting Rules

Plans for Today

- Regrouping/Regrounding
 - What is our **Purpose**, **Role** and **Scope**?
- Overview of DHSS Initiatives Related to Commission's Strategies
- Commission Business
 - Financial Status Report
 - Bylaws Change
 - FYI – Media Coverage

Plans for Today

- Regrouping/Regrounding
 - Is our **Planning Process** understandable? And is it the right approach?
 - Do we need to clarify our planning horizon?
 - Are our **Goals** clear?
 - Do the proposed “System Transformation Measures” help bring clarity?
 - What approach should we take to finalizing the Measures?
 - What is our **General Strategy** (How we will achieve our health system goals)?
 - How can we improve the general Strategy?
- Understanding the Problem We’re Trying to Solve

Plans for Tomorrow

- 2010 Policy Recommendations
 - Evidence-Based Medicine
 - Additional Recommendations?
- Identify and Prioritize Specific Strategies for Study in 2011
- Next Steps

Purpose, Role & Scope

Purpose, Role & Scope

Purpose: *“The purpose of the commission is to provide recommendations for and foster the development of a statewide plan to address the quality, accessibility, and availability of health care for all citizens of the state.”*
AS 18.09.010

Role

- “IOM-like” expert study and advisory committee
- Not an advocacy group, coalition or collaborative
- Policy recommendations for the Governor and Legislature
- Coordination Role: Track other groups’ planning efforts, identify areas of similar focus, and work to share resources and avoid duplication of effort in areas of potential overlap.

Scope

- “Health Care” - or - “Health”?
- Flying at 5,000 - or - 50,000 Foot Level?

Vision, Goals & Values

Vision

*Alaska's health care system produces improved **health** status, provides **value** for Alaskan's health care dollar, delivers consumer and provider **satisfaction**, and is **sustainable**.*

Reform Goals

- I. Increased Access
- II. Controlled Costs
- III. Improved Quality
- IV. Prevention-Based

Values

- Sustainability
- Efficiency
- Effectiveness
- Individual Choice
- Personal Engagement

Diagnosing Alaska's Health Care System

What is the problem we are trying to solve?

Understanding the Problem we are Trying to Solve

5. *Are there other areas for future study the Commission should consider to help better understand and describe Alaska's health care system?*
 - *How would you prioritize these?*

Health Care Commission Study Plans

Contracting Process Started

- Impact of Federal Health Reform Law
- Health Care Spending and Cost Drivers
- Health Care Pricing and Reimbursement

Pending

- Health Status
- Health Care Service Utilization
- Workforce Development Cost Benefit Analysis

Health Care Cost Equation

$$\text{Cost (total expenditures)} = \text{Price (per process)} \times \text{Utilization}$$

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$$\text{Utilization} =$$

Conditions

X **# Episodes of Care** /Condition

X **# of Services** (by type)/Episodes of Care

X **# of Processes** /Service

Health Care Cost Equation

$$\text{Cost (total expenditures)} = \text{Price (per process)} \times \text{Utilization}$$

Utilization =

Conditions

To what extent is health status driving utilization and therefore overall cost?

X **# Episodes of Care** /Condition

X **# of Services** (by type)/Episodes of Care

X **# of Processes** /Service

Health Care Cost Equation

$$\text{Cost (total expenditures)} = \text{Price (per process)} \times \text{Utilization}$$

$$\text{Utilization} =$$

Conditions

X # Episodes of Care /Condition

X # of Services (by type)/Episodes of Care

X # of Processes /Service

Are Alaskan Patients getting the

- *Right Care, at the*
- *Right Time, in the*
- *Right Place?*

and is the care delivered as efficiently, effectively, and safely as possible?

Health Care Cost Equation

$$\text{Cost (total expenditures)} = \text{Price (per process)} \times \text{Utilization}$$

and at the Right Price?

Utilization =

Conditions

X **# Episodes of Care** /Condition

X **# of Services** (by type)/Episodes of Care

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Health Care Commission Study Plans

Contracting Process Started

- Impact of Federal Health Reform Law
- **Health Care Spending and Cost Drivers**
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Pending

- **Health Status**
- **Health Care Service Utilization**
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Health Care Commission Study Plans

Contracting Process Started

- Impact of Federal Health Reform Law
 - RSA in process – should be through the system w/i 1 week
 - Expect final report in January 2011
 - Will be included in Commission's 2010 report (summary in body; report as appendix)
- Health Care Costs in Alaska
 - RSA in process – should be through the system w/i 2-3 weeks
 - Expect final report in March 2011
- Health Care Pricing in Alaska
 - Authority to Solicit request form in process
 - Should be ready to go out to bid in December; awarded in January; final report between March – June?

Health Care Commission Study Plans

Pending Prioritization, Availability of Funding, and/or Additional Direction

- Health Status in Alaska
 - Would you like to:
 - commission a special study,
 - rely on information already available from AK DHSS, or
 - support implementation of Healthy Alaskans 2020?
- Health Care Service Utilization in Alaska
- Workforce Cost Benefit Analysis
 - Scope of work unclear

Health Care Transformation Strategy

Planning Process

1. *Is the 5-Year Strategic Planning Process understandable (see pg. 7 of “homework”)? And is it the right approach?*

2. *Do we need to clarify our planning horizon?*
 - *If so, would it help if we specified that we are seeking to achieve*
 - *measurable progress on the four Goals within 5 years, and*
 - *attainment of the Vision within 20 years (or whatever # of years you believe to be ambitious but also realistic)?*

Goals

3. *Reference the draft set of system improvement measures listed (see next slide).*
 - *Will this list (once it is finalized and adopted) help clarify what the four Goals mean?*
 - *Or do you have other suggestions for clarification?*
- *Do the full Goal statements help clarify what the four Goals mean?*
- *What approach should we take to finalizing the set of measures?*
- *Should we also set targets?*

Indicators for Measuring Progress in Health Care System Transformation

I. Increase Access

- Percent of Alaskans who are uninsured
- Percent of Alaskans who have a specific source of on-going care
- *Measure of insurance affordability?*
- *Indicator of workforce supply?*

II. Control Costs

- Annual growth rate in total health system expenditures in Alaska
- Annual growth rate in Alaska's Medicaid expenditures
- Impact on Alaska's state budget: Annual change in spending and revenue; net savings
- *Measure of provider revenue based on value rather than volume?*

III. Safe, High-Quality Care

- Percent of population receiving key preventive services
- Percent of Alaskans with chronic conditions controlled
- Percent reduction in gap between benchmark and actual levels of quality
- Percent reduction in gap between benchmark and actual levels of safety

IV. Focus on Prevention

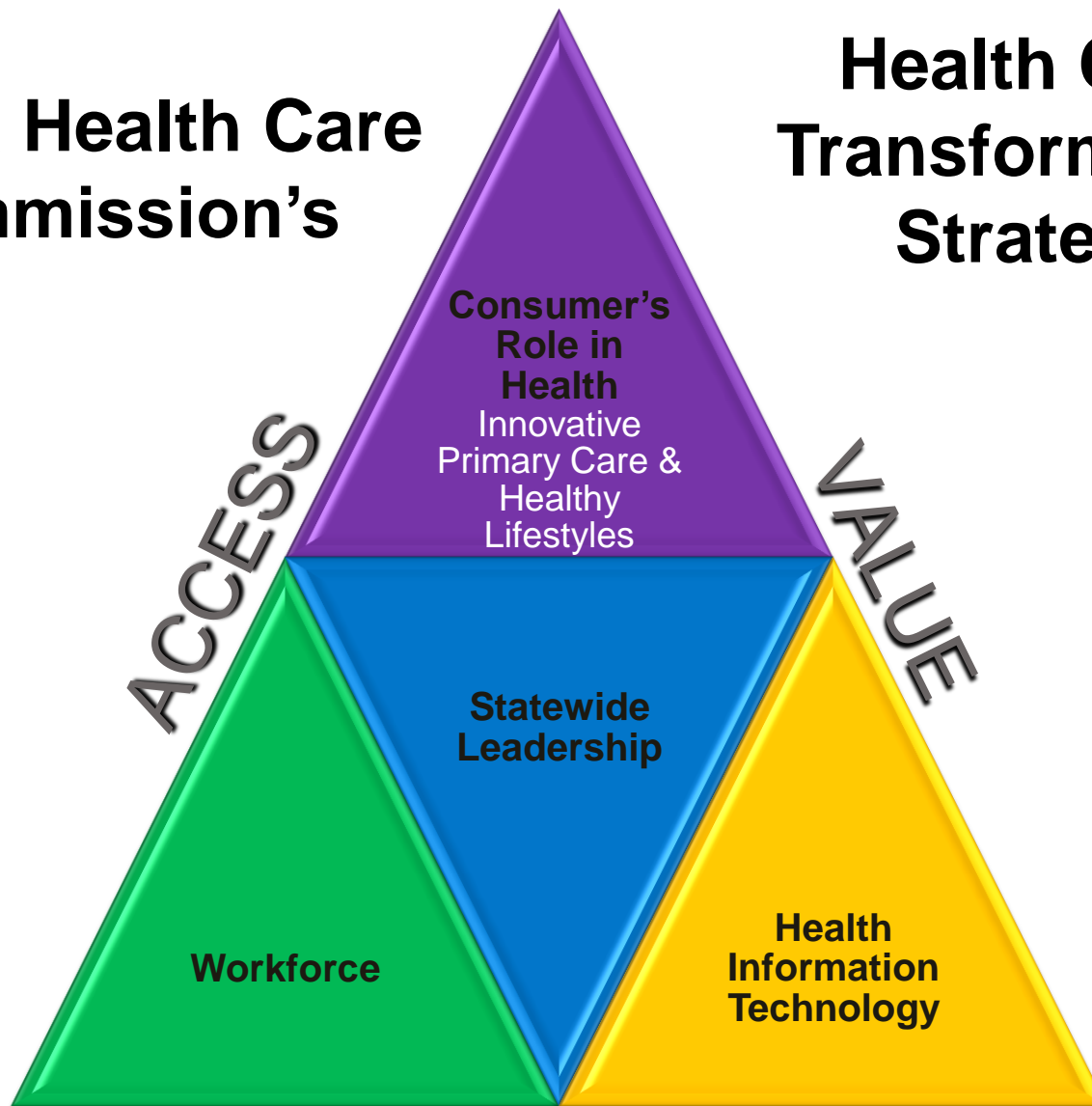
- Percent of Alaskan homes with safe water and wastewater systems
- Percent of Alaskans reporting health risks
 - Percent of Alaskans who smoke cigarettes
 - Percent of Alaskans who are obese/overweight
 - Percent of Alaskans who are binge drinkers
- Percent of Alaskans with moderate to severe depression
- Death rate among Alaskans due to injury (intention and unintentional)

General Strategy

4. *What suggestions do you have for improving our Health Care Transformation Strategy Pyramid?*
- *Should we expand our focus beyond primary care and work on improving care across the continuum of care?*
 - *Should we separate out the “Innovative Primary Care” (and/or full continuum of care) strategy from the “Consumer’s Role”*
 - *Should the Consumer’s Role be enhanced in other ways? (e.g., transparency, PHRs, etc.)*
 - *Should we reframe the focus on “Statewide Leadership” to “Policy Environment”*

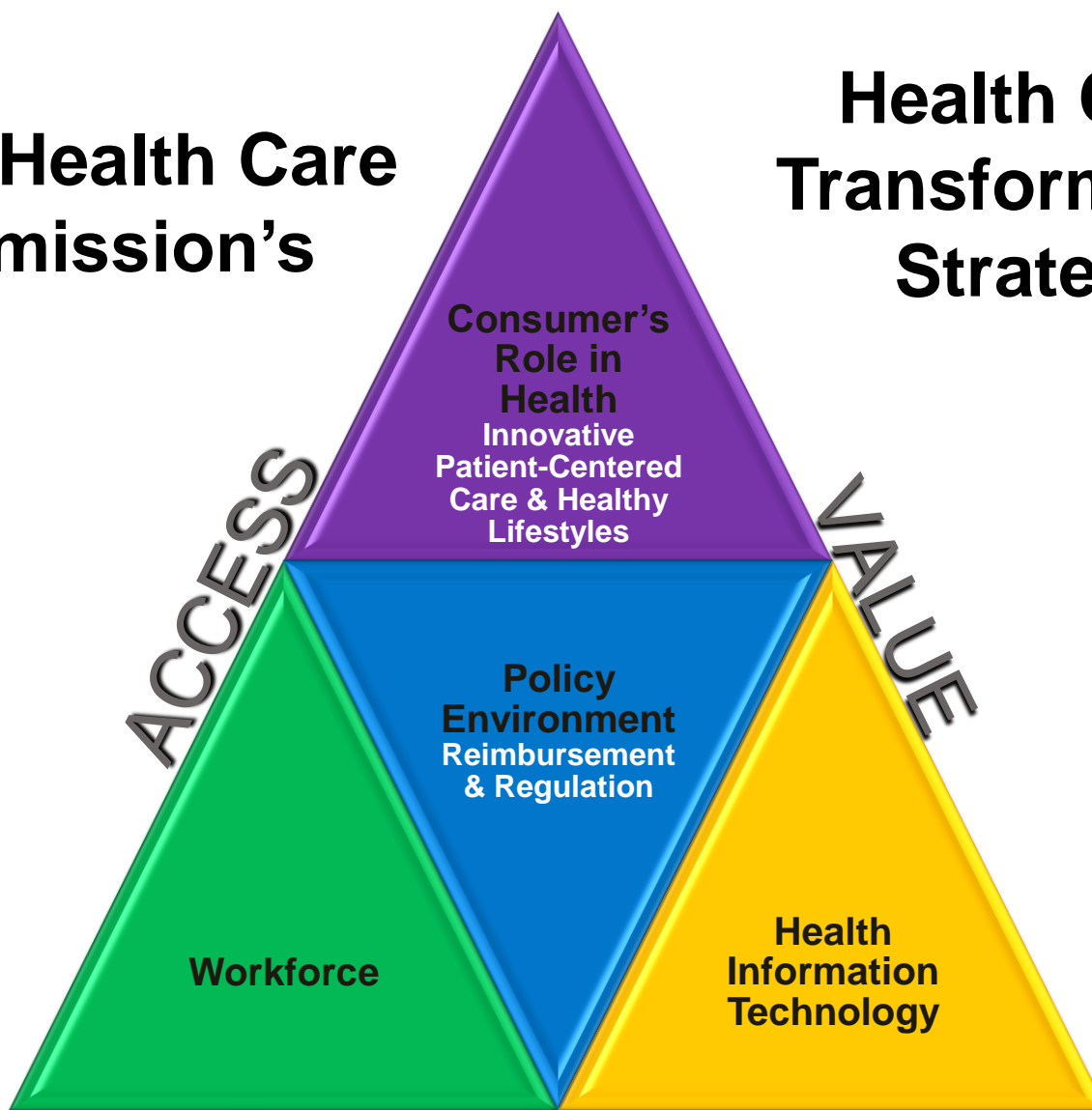
Alaska Health Care Commission's

Health Care Transformation Strategy



Alaska Health Care Commission's

Health Care Transformation Strategy



2010 Recommendations

Evidence-Based Medicine Recommendation

- 6. What should the Commission recommend to the Governor and Legislature in the 2010 Report to advance the use of evidence-based medicine in Alaska?*

Strategies for 2011 Study

2011 Potential Strategies

7. *See the list of potential strategies on next slide (from Part IV (pgs. 50-60) of the Commission's 2009 Report).*
 - *Which would you identify as the top strategy the Commission should consider next for achieving long-range transformative systems change in Alaska's health care system? Why?*
 - *Do you have additional strategies to add to the list?*

Potential Strategies

- **Access to Care**
 - *Increase insurance coverage*
 - *Develop health care workforce*
 - *Address specific services*
- **Value (Cost & Quality)**
 - **Analyze cost of care in Alaska**
 - **Foster primary care innovation**
 - **1) Leverage state purchasing power**
 - **3) Increase cost and quality transparency**
 - *Move to value-driven purchasing*
 - **Evidence-Based Medicine**
 - *Pay-for-Performance*
 - **2) Bundled payment systems**
 - *Medical error/infection reporting and non-payment*
 - *Control fraud and abuse*
 - *Reform malpractice system*
 - *Support process and quality improvement*
- **Prevention**
 - *Public health and community-based prevention*
 - *Safe water and sanitation system*
 - *Employee health risk management*

Potential Strategies

- **Access to Care**
 - *Increase Insurance Coverage*
 - *Medicaid Expansion*
 - *Individual &/or Business Mandates*
 - *Individual &/or Business Subsidies*
 - *Insurance Industry Mandates*
 - *New Insurance Programs*
 - *Health Insurance Exchange*
 - *Develop Health Care Workforce*
 - *Focus on integrated primary care team occupations?*
 - *Address Specific Services*
 - *Clinic Preventive Services*
 - *Trauma Care*
 - *Pediatric Specialties*
 - *Behavioral Health*
 - *Long Term Care*
 - *Etc., Etc., Etc.*

Next Steps

Next Steps

- Draft /Partial Report to Commission: 11/29
- 1-hr Teleconference to Review Draft: 11/30
- Commission Comments due: 12/6
- 1-hr Teleconference to Discuss Comments: 12/7
- Public Comment Period: 12/10 – 12/27
- Commission Meeting to Consider Comments and Approve Report: 1/7
- Commission Report due to Leg & Gov: 1/15

Public Comment Requested on

Specifically:

- EBM Recommendation
- Additional issues requiring study
- Strategies to be considered in 2011

Generally:

- Anything else the commenter would like to share with the Commission

Upcoming Meetings & Events

- Tuesday, November 30 – 1hr. Teleconference
- Thursday, December 2 – Meeting with Commonwealth North Health Care Action Coalition
- Tuesday, December 7 – 1 hr. Teleconference
- Thursday, December 9 – S HSS Hearing (Anchorage LIO) **CANCELLED**
- December 10 – 27: Public Comment Period on Draft
- January 7: Full-day Face-to-Face meeting in Anchorage