



STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

March 13, 2012

Health Care Cabinet, Delivery System Innovation—Work Group

Co-Chairs:

- Patricia Baker, President and CEO, Connecticut Health Foundation, Inc.
- Patricia Rehmer, Commissioner, Connecticut Dept. Mental Health & Addiction Services

Work Group's Charge:

"This work group is charged with identifying two to four (2-4) key recommendations for consideration by the Cabinet that promote quality, efficiency, and patient-centeredness through service delivery integration and coordination of care, and that are supported by payment reform." (*emphasis added*)

Work Group's Operating Principles:

- Commitment to impact;
- Equity in care delivery & access;
- Leverage;
- Accountability;
- Inclusion;
- Action.

Preamble

In fulfilling our Charge to develop Recommendations that will promote Quality, Efficiency, and Patient-Centeredness in healthcare delivery, the Work Group considered each of these three domains separately, and their interrelation. Our conclusion was that the three domains are inherently interdependent—for one cannot achieve a truly Patient-Centered healthcare system without providing high-Quality care—which should also be Efficient care—or put another way: the right care, in the right amount, at the right time.

Consequently, we have identified four broad themes or **Design Principles**, as noted below, each of which incorporates elements that will promote Quality, Efficiency and Patient-Centeredness. Associated with each Design Principle we have developed a series of **Recommendations** that can be acted upon in the **Near-Term** and Long-Term.

Our Design Principles are:

1. Transparency and Continuous Quality Improvement (CQI) should be central elements in the design and operation of the healthcare system.
2. Adoption of the Team-Based Care model is necessary to improve timely access to care, care coordination, and the efficient use of resources.
3. Patient-Centeredness should be central to the re-design of the healthcare system—and should integrate medical, dental, and behavioral health—and the home, work, and school environments that so profoundly affect health.
4. Payment Reform should move the healthcare system from one that rewards Volume with little regard for Quality and Efficiency—to a healthcare system that recognizes and rewards Value.

Our Recommendations are listed in the following pages.

Design Principle #1:

Transparency and Continuous Quality Improvement (CQI) should be central elements in the design and operation of the healthcare system.

Recommendations:

Near-Term:

- The State should act as a convener to bring together stakeholders, including consumers, to gain agreement on statewide quality and efficiency measures that both the public and private sector will agree to monitor and report publicly.

Additional Recommendations:

- Process, outcomes, cost, and utilization data should be tracked.
- Socio-economic determinants of health, namely racial and ethnic background, income, location, education, and occupation should also be tracked.
- Data collection should be across the domains of medical, dental, and behavioral health, and include measures of cross-entity coordination and efficiency.
- The data should be made broadly available (in a HIPAA-compliant manner, with all appropriate privacy protections) and in such ways that it is truly useful to all constituents.
- The State should consider building an internal state function or contracting with a non-partisan Independent Evaluator to conduct rigorous analyses of proposed pilot programs and those that have been approved so as to develop reliable information for Policymakers, Purchasers, Payers, Providers, and Patients.

Design Principle #2:

Adoption of the Team-Based Care model is necessary to improve timely access to care, care coordination, and the efficient use of resources.

Recommendations:

Near-Term:

- The State should lead a group of stakeholders in exploring ways to take best advantage of the existing healthcare workforce by encouraging Providers to practice at the full scope of their education, experience, and license—and to be paid appropriately.

Additional Recommendations:

- The State should convene relevant stakeholders to explore ways to enhance the training and curriculum offered by colleges and universities so that graduates, of all degrees and certifications, are better prepared to implement culturally competent patient-centered care, Team-Base Care, care coordination, self-management support, and population health management.
- Through policy, legislation, and payment strategies, the State should encourage the formation of organizational and financial models that facilitate Team-Based Care, such as Patient-Centered Medical Homes, Accountable Care Organizations, and Health Homes & Neighborhoods. These models should be designed to improve the quality and efficiency of care, but not create local monopoly pricing power.

Design Principle #3:

Patient-Centeredness should be central to the re-design of the healthcare system—and should integrate medical, dental, and behavioral health—and the home, work, and school environments that so profoundly affect health.

Recommendations:

Near-Term:

- Starting immediately, Patients should be included as full and active participants in all program design and monitoring activities, including the Insurance Exchange.

Additional Recommendations:

- To optimize health and wellbeing, the State should require that all plans offered through the Insurance Exchange do not use an “Improvement Standard,” but rather adopt the following policy: “Restoration shall not be a deciding factor in determining coverage through any plan included in Connecticut’s Exchange.”
- To reduce the excessive use of hospital emergency rooms for dental care, preventative and restorative dental care should be provided in all Insurance Exchange plans. At a minimum, this coverage should include an annual checkup as well as all other necessary care to treat pain, decay, illness or injury.
- The State should adopt a data-driven approach to program design by incorporating “customer mapping” and similar techniques to generate statistically valid, quantifiable information about patient needs, expectations and experiences.
- Special efforts should be made to coordinate all forms of healthcare for the under-served populations, as they often have the most severe disease burdens, have historically had difficulty securing healthcare (particularly Specialty care), and suffer the most from poor coordination.
- Patients with commercial healthcare insurance often have difficulty in accessing mental health care. Access to and coordination of mental health care for patients with comorbid conditions should be a primary consideration.

Design Principle #4:

Payment Reform should move the healthcare system from one that rewards Volume with little regard for Quality and Efficiency—to a healthcare system that recognizes and rewards Value.

Recommendations:

Near-Term:

- To realize better Value, the State as a purchaser of healthcare, should convene relevant stakeholders to initiate a phased, thoughtful, transparent, and ongoing process to methodically move the reimbursement system to one that recognizes, rewards, and improves Value (i.e. quality divided by cost).

Additional Recommendations:

- To increase efficiency, the State should convene relevant stakeholders to identify and reduce the administrative burdens on Patients and Providers, such as redundant or inconsistent insurance coverage and payment related documentation.
- The State should adopt a mixture of payment and reward models (Fee-For-Service, Pay-for-Performance, Payment-for-Outcomes, Shared Savings, episode-based payments, global payments, partial capitation, etc.) that are appropriate to the patient's condition and the services provided; that reward Value rather than Volume; and that recognize and encourage both improvement and achievement of clinical excellence and efficiency.
- The State should begin a phased process of public reporting of Payer and Provider quality and efficiency.
- As Patient engagement is as important as Provider engagement, the State should explore the use of Patient-focused financial incentives and Value-Based Benefit Design.