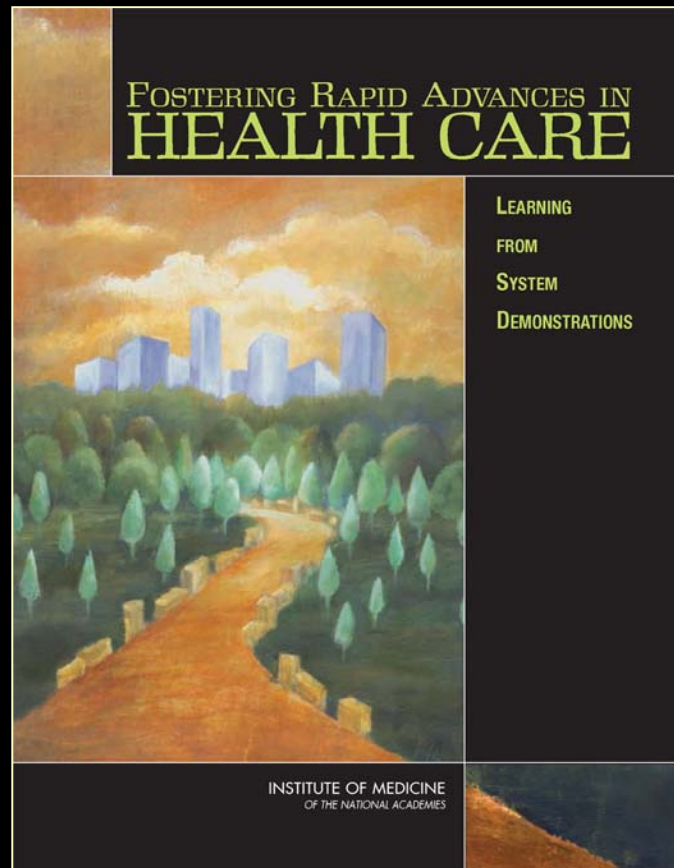


# *Fostering Rapid Advances in Health Care*



## Final Report

### Committee on Rapid Advance Demonstration Projects

To order: [www.nap.edu](http://www.nap.edu)

# *Charge to the Committee*

- Address the very serious challenges confronting health care
- Recognize the factors driving the crisis
  - Rising health care costs
  - Problems of the uninsured
  - Disparities in coverage and quality of care between majority and minority populations
  - Questions about quality of care overall
- Underlying these factors are system failures
  - Information technology infrastructure
  - Excessive cost of administration and regulation
  - Burden of malpractice liability

# *Charge to the Committee*



- Solution: Test radical or bold solutions by experimenting at the state level before generalizing for the entire country. Must articulate what we will learn and how the outcome will contribute to addressing the crisis.
- Time Frame: Useful in short term, intermediate and long term

# *Charge to the Committee*

Such experiments were to include but not be limited to:

1. Implementation of state-wide information systems
2. Alternatives to the tort liability system
3. Reorganization to reduce administrative costs
4. Innovations in benefits and service delivery that reward a population-level focus, including preventive services and the use of information technology to interface clinical care and public health systems
5. Innovations that improve efficiency and quality of care through altered reimbursement mechanisms

# *Committee on Rapid Advance Demonstration Projects*

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# *Criteria for Selecting Demonstration Categories*

- Criteria related to intended results
  - Improved health status
  - System improvements
  - Reduced waste
  - Stimulus for continued innovation
- Criteria related to successful implementation
  - Resonates with public and policymakers
  - Broad base of support
  - Addresses barriers
  - Builds on existing competencies

# *Key Characteristics*

- Mostly state- or community-based
- Many involve public/private partnerships
- Address critical aspects of health system:
  - coverage
  - benefits
  - payment
  - liability
- Information technology is critical component of nearly all

# *Portfolio of Demonstration Projects*

- Chronic Care Demonstrations: 10 – 12 communities
- Primary Care Demonstrations: 40 practice settings
- Information and Communications Technology: 8 – 10 states
- Health Insurance Coverage: 3 – 5 states
- Liability: 4 – 5 states

# *Chronic Care*

- Objective: Reduce the Toll of Chronic Conditions on Individuals and Communities
- Specific Goals:
  - Right care at the right time in the right setting
  - Improved patient safety
  - Enhanced patient role and satisfaction
  - Enhanced workforce productivity
  - Reduced clinical waste

# *Chronic Care*



## Two-Pronged Approach

- Redesign health care delivery system to enhance chronic care management
- Establish community-wide prevention initiatives

# *Chronic Care Demonstrations*



- Sites: 10 –12 states (or markets)
- CMS issues RFP
- Focus initially on Medicare beneficiaries
- 1-year planning grant; 3-year implementation
- Up-front investments, but budget neutral over the long haul

# *Chronic Care Demonstrations*



- 4-step process
  - Step 1: Establish a coordinating structure
    - Leadership
    - Create community-wide ICT infrastructure
    - Establish chronic care management programs
    - Sponsor community-wide educational efforts

# *Chronic Care Demonstrations*

- 4-step process
  - Step 2: Information and communications technology
    - registries and eventually computer-based records
    - web-based communications
    - support groups and tools
    - reminders and decision-support
    - home monitoring

# *Chronic Care Demonstrations*



- 4-step process
  - Step 3: Implement New Models of Care Delivery
    - ongoing communication between patients and clinicians
    - emphasis on patient education and support
    - effective multi-disciplinary teams
    - extended outreach with social and environmental services

# *Chronic Care Demonstrations*



- 4-step process

- Step 4: Community-Wide Educational Efforts

Public education efforts with an emphasis on primary prevention, early detection and slowing the rate of progression of chronic diseases

# *Primary Care*

## COMMUNITY HEALTH CENTERS

- Established networks of primary care practices
  - Both urban and rural settings
  - High proportion of the poor
  - Majority of active clients as board members
- Administration has focused on CHC as a way to provide services to uninsured & other vulnerable populations

# *Primary Care*

Models of 40 exemplary primary care practices over the next 3 years

Build upon management of chronic conditions extending innovations to all patients

- Chronic care management
  - Asthma: symptom-free days, school days missed, ER
  - Team-based care
  - “Learning collaboratives”
- Electronic patient registries
  - Evidence-based guidelines with reminders, visit notes, generate statistics

# *Primary Care*



## GOALS FOR ALL PATIENTS

1. High quality patient-centered care
  - Redesigned preventive, acute and chronic care
  - Use of effective teams
2. Participatory care: decisions and self-care
3. Open access—same day if requested
4. Evidence-based, safe care

# *Primary Care*

## GOALS FOR ALL PATIENTS

5. Shared best practices: delivery redesign
  - Learning collaboratives
6. Efficient, effective care: inpatient and outpatient
7. Equitable: Meet diverse patient needs and reduce disparities

EVALUATION OF CHC DEMONSTRATION EFFORTS  
AND COMMUNICATION OF RESULTS TO  
LARGER COMMUNITY

# *Information and Communications Infrastructure*

- ICT Infrastructure viewed as fundamental to achieving our six quality aims
  - Safety
  - Effectiveness
  - Patient-centeredness
  - Timeliness
  - Efficiency
  - Equity
- In addition: support for national security

# *Information and Communications Infrastructure*

- Objective: Establish state-of-the-art ICT infrastructure in a geographic region
  - Supports communication, access, knowledge management, and decision making
- Sites: 8 – 10 states
- DHHS: Issues Request for Proposals
- 5-year demonstrations
- One-time-only federal financial support

# *Information and Communications Infrastructure*



Three Phases:

1<sup>st</sup> Phase: Planning and Preparation

- Establish public-private partnership
- Detailed operational plan

# *Information and Communications Infrastructure*



Three Phases:

2<sup>nd</sup> Phase: Data Exchange Platform

- Establish interconnectivity for providers and other users in a community
- Maintain secure portal through which authorized users access patient and other data

# *Information and Communications Infrastructure*

## 3rd Phase: Comprehensive ICT Infrastructure

- Computer-based patient records
- Migration of new applications, including:
  - insurance enrollment and eligibility verification
  - claims processing
  - clinical knowledge management
  - decision support tools
  - telemedicine
  - disease surveillance; public health rapid alert system

# *Health Insurance Coverage*

- Objective: To make affordable insurance coverage available to all Americans
- Sites: 3 to 5 states
- CMS issues RFP
- 10-year commitment
- Not budget neutral; increased federal and state expenditures

# *Health Insurance Coverage*



## Specific Goals:

- stable insurance coverage
- family-centered coverage
- some degree of consumer choice
- shared responsibility for health
- improved use of preventive services
- better management of chronic conditions
- fewer disruptions in patient and clinician relationships
- ease of access to appropriate care providers

# *Health Insurance Coverage*

## Specific Goals:

- reduction in redundant services that result from lack of consistent source of care
- fewer administrative transactions resulting from changes in insurance coverage
- improved efficiency resulting from electronic clearinghouse for enrollment, eligibility verification, and billing and payment processes
- establishment of strong public private partnership that provides a foundation for addressing other health issues

# *Health Insurance Coverage*



## Two Major Components:

- expansion of public and private insurance options
- establishment of statewide electronic enrollment insurance clearinghouse

# *Health Insurance Coverage*



## Coverage Expansions:

- Tax credits
- Medicaid and SCHIP expansions
- Combination

# *Health Insurance Coverage*

## Electronic Enrollment Clearinghouse:

- Participants include public and private insurance programs
- Initial Applications:
  - eligibility verification
  - enrollment
  - claims processing and payment
- Over Time: Comprehensive ICT infrastructure

# *Liability*

- Objective: Create Patient-Centered and Safety-Focused, Nonjudicial Compensation Systems
- Sites: 4 to 5 states
- DHHS issues RFP
- Start-up funding required, with measurement of costs to assess budget neutrality in the long run



# *Liability*

- Two Options:

Option 1: Provider-Based Early Payments

Option 2: Statewide Administrative  
Resolution

# *Liability*

## Demonstration Attributes

- Public Infrastructure: definitions of avoidable injuries, prospective schedule of non-economic damages, data on access, cost, and safety
- Legal Environment: statutory or contractual modification of tort liability, narrow exceptions, subrogation waivers, organization-based coverage
- Patient Safety: error reporting and analysis with patient involvement and peer review protection
- Education: general public and stakeholders

# *Liability*

## Option 1: Provider-Based Early Payments

- Provider organizations elect to promptly pay economic loss and pre-defined non-economic damages for identifiable classes of avoidable injuries
- Participating providers establish patient safety infrastructure to identify and avoid injuries
- Participating providers are immune from suit
- Federal government provides reinsurance on a shared-cost basis to participating providers

# *Liability*

## Option 2: Statewide Administrative Resolution

- All health care providers participate in a state-sponsored administrative system established to compensate patients suffering avoidable injuries
- Providers pay amounts determined by administrative adjudication system
- Providers are immune from suit
- Federal government funds start-up costs

# *Overall Strategy*



- Involve large number of communities
  - all geographic regions
  - rural and urban
- Include communities at the cutting edge
- Learn from successes and failures
  - learning collaboratives
  - ongoing evaluation

# *Building Block Approach to Health Reform*



- 2005 – 1<sup>st</sup> generation of 21<sup>st</sup> century community health systems
- 2010 – broader health system change well underway

