Health Reform in Oregon and Public Health: A Decade of Opportunity

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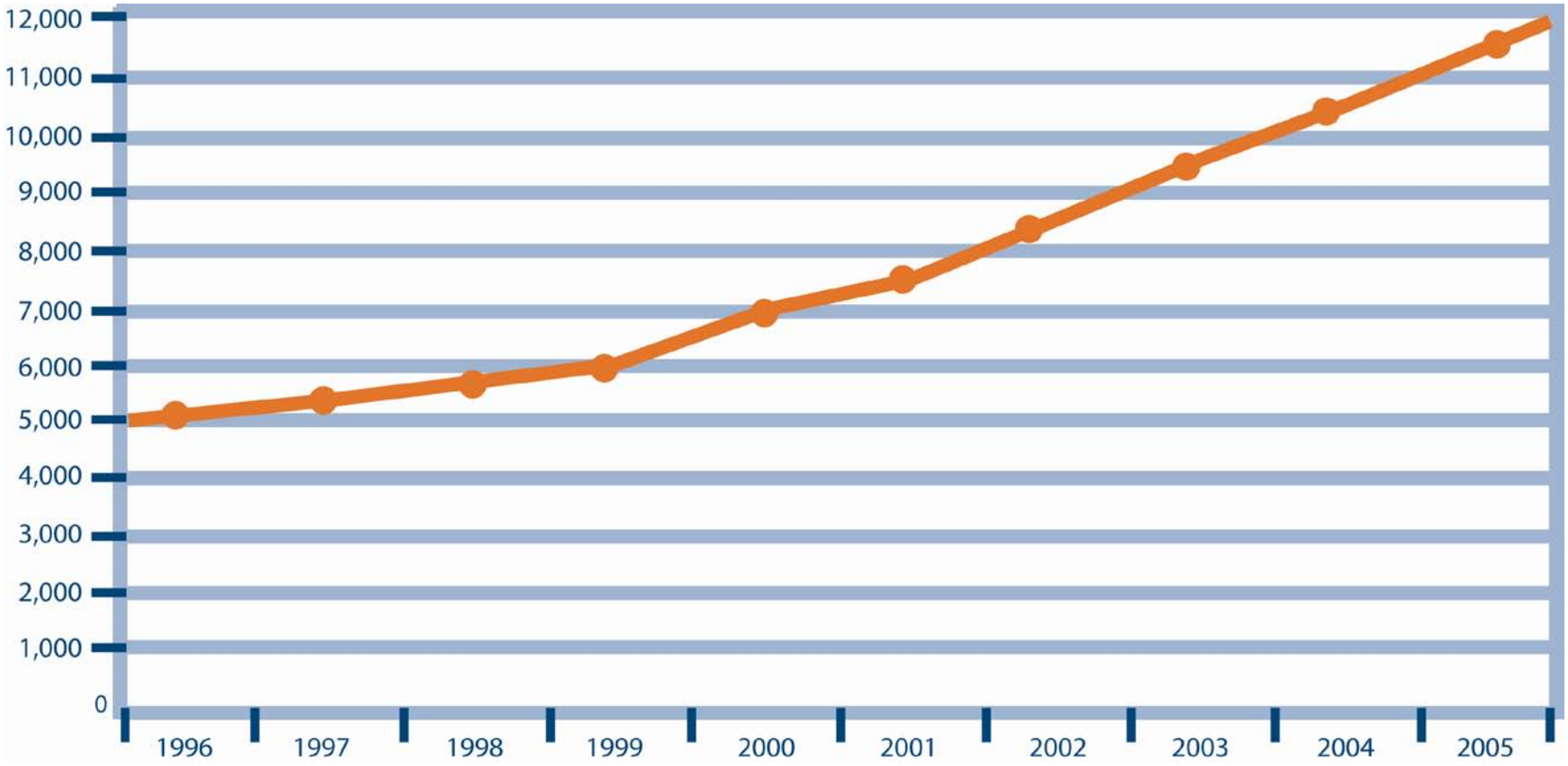
June 7, 2010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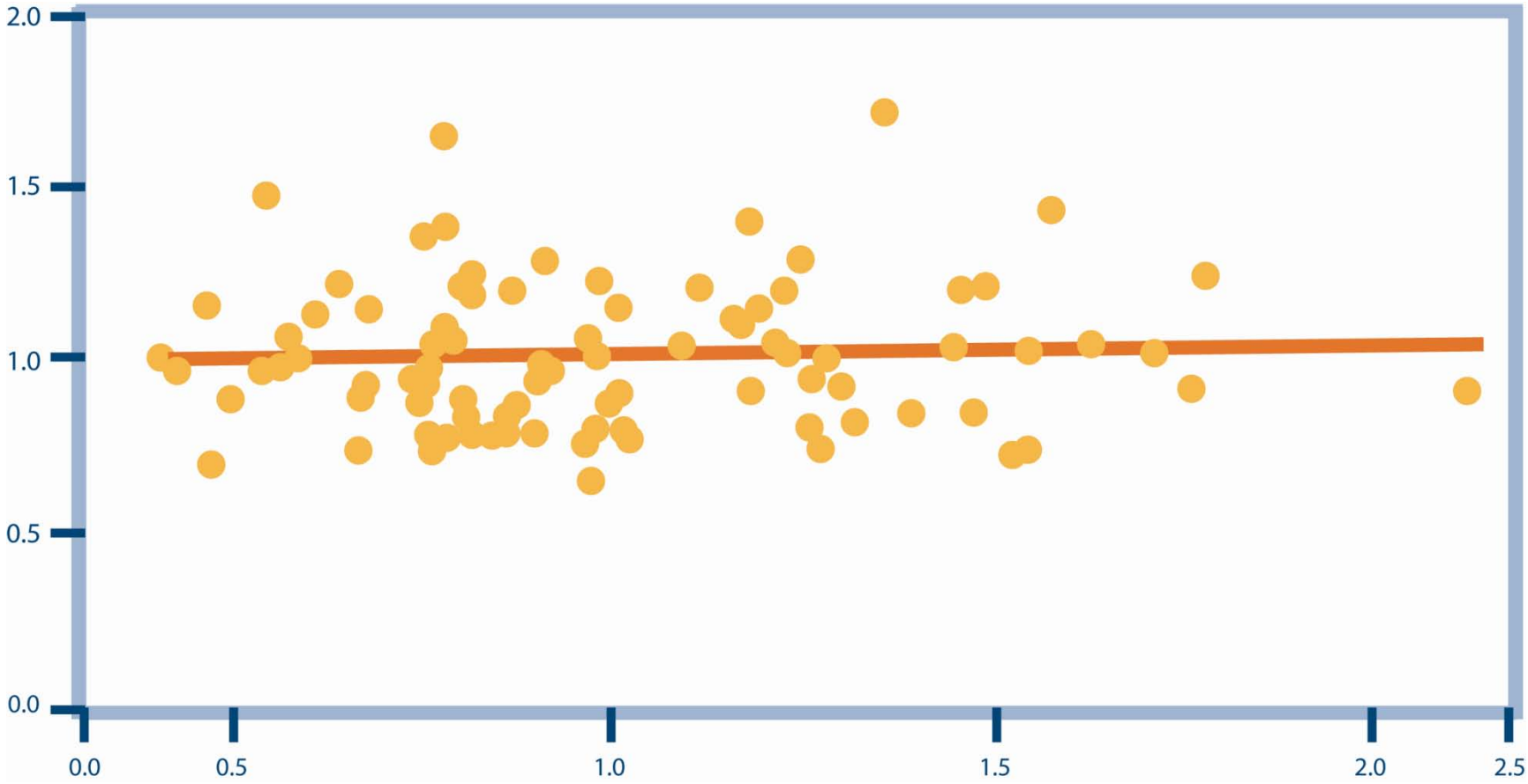
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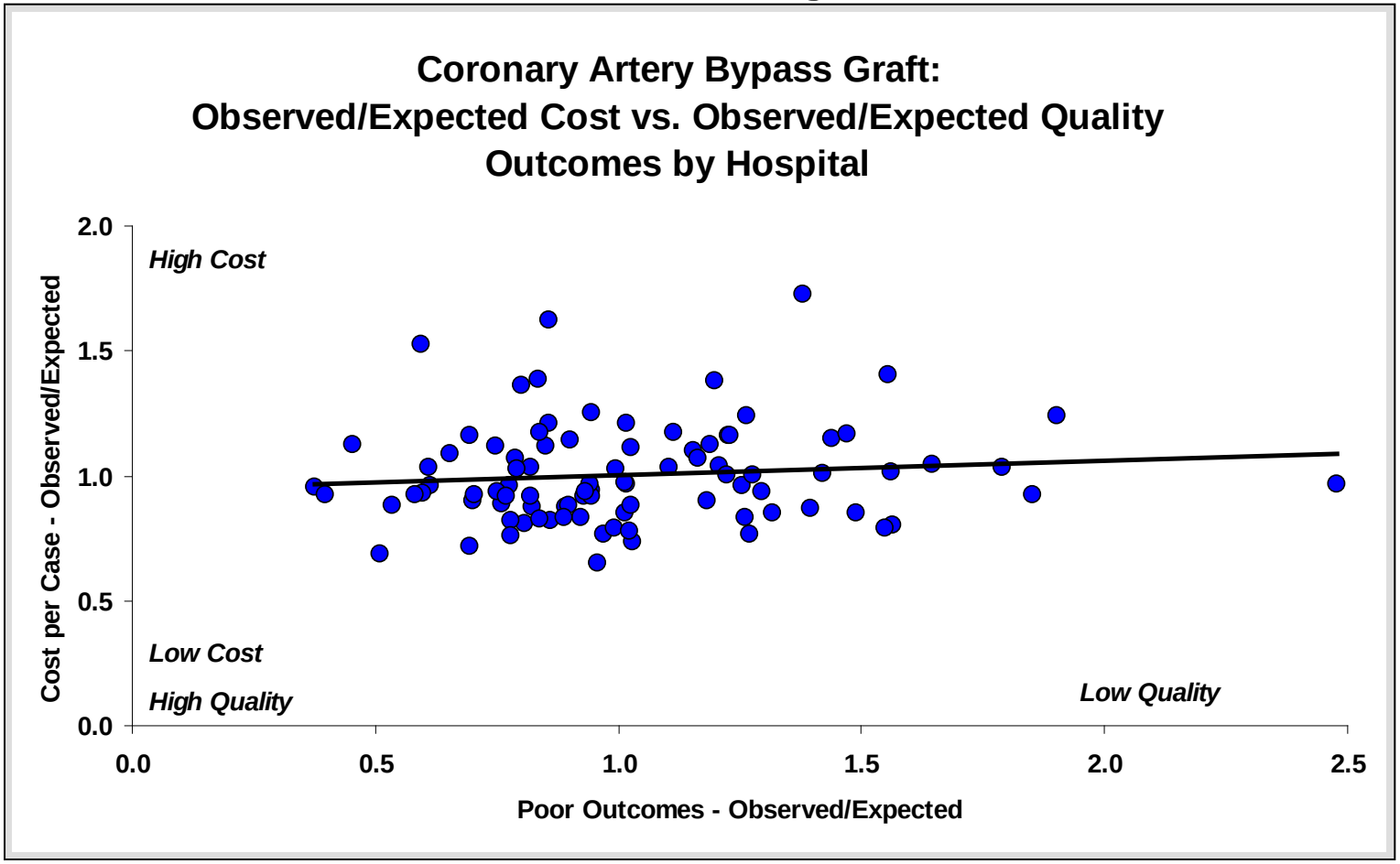
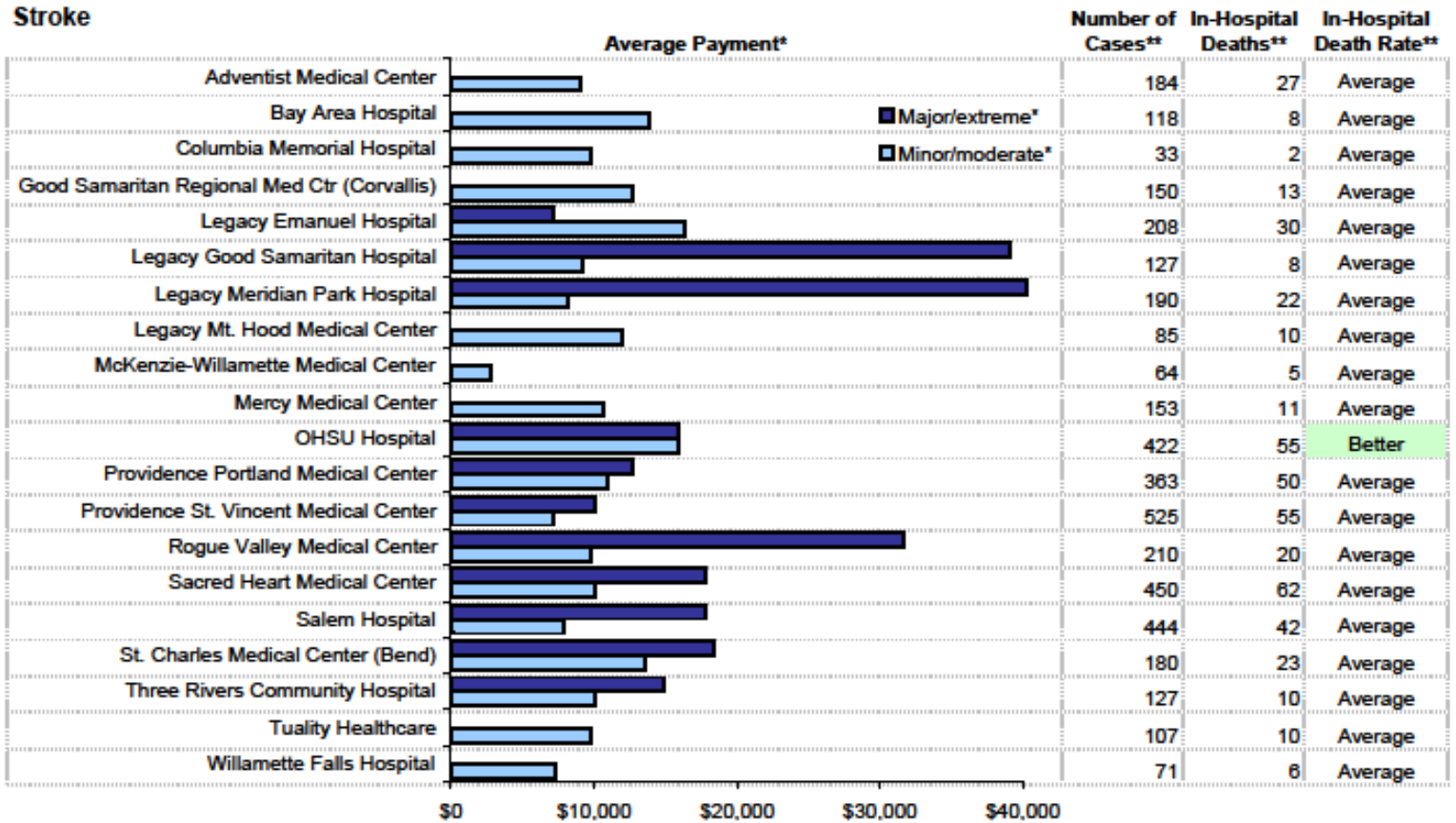
Nationally Cost and Quality Vary Widely



Source: S. Grossbart, Ph.D., Director, Healthcare Informatics, Premier, Inc., "The Business Case for Safety and Quality: What Can Our Databases Tell Us," 5th Annual NPSF Patient Safety Congress, March 15, 2003.

In Oregon, wide variation in cost for similar outcomes...



	Number of Cases**	In-Hospital Deaths**	In-Hospital Death Rate**
Adventist Medical Center	184	27	Average
Bay Area Hospital	118	8	Average
Columbia Memorial Hospital	33	2	Average
Good Samaritan Regional Med Ctr (Corvallis)	150	13	Average
Legacy Emanuel Hospital	208	30	Average
Legacy Good Samaritan Hospital	127	8	Average
Legacy Meridian Park Hospital	190	22	Average
Legacy Mt. Hood Medical Center	85	10	Average
McKenzie-Willamette Medical Center	64	5	Average
Mercy Medical Center	153	11	Average
OHSU Hospital	422	55	Better
Providence Portland Medical Center	363	50	Average
Providence St. Vincent Medical Center	525	55	Average
Rogue Valley Medical Center	210	20	Average
Sacred Heart Medical Center	450	62	Average
Salem Hospital	444	42	Average
St. Charles Medical Center (Bend)	180	23	Average
Three Rivers Community Hospital	127	10	Average
Tuality Healthcare	107	10	Average
Willamette Falls Hospital	71	6	Average

* - Refer to glossary for "Severity of Illness" definition

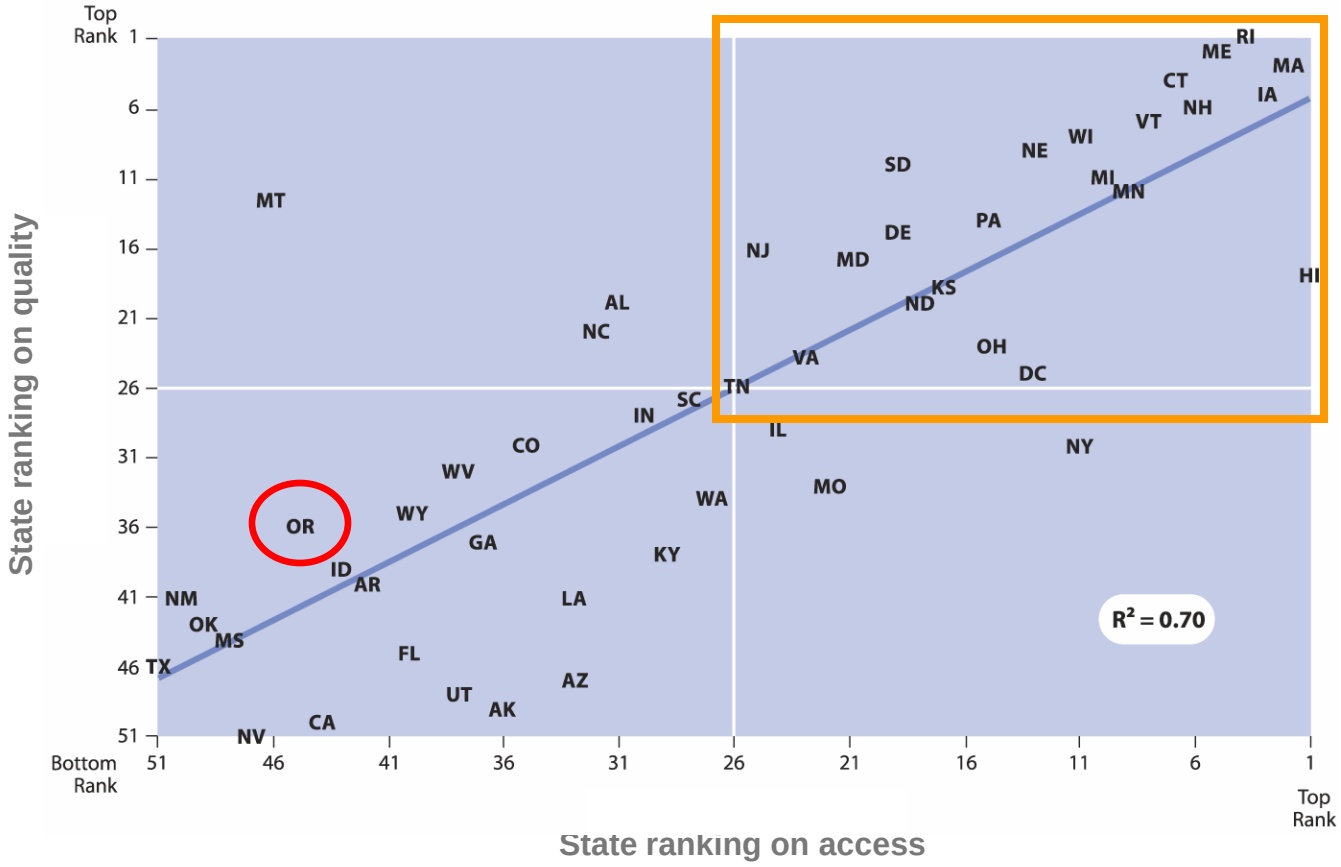
** - Source: 2007 Inpatient Quality Indicators

Sources: Office for Oregon Health Policy & Research. Hospital Quality Indicators Report, 2007. http://www.ohpr.state.or.us/OHPPR/HQ/index.shtml

Quality Varies Widely

- National Data
  - 44% Oregon adults over age 50 receive recommended preventive care (17th in the nation)
  - 90% of hospitalized patients receive recommended care for heart attack, heart failure, pneumonia (40th in the nation)
  - 66% of heart failure patients received written instructions at discharge (46th in nation)
  - Best state for preventing hospital admissions for children with asthma
- Oregon Quality Corporation data showed diabetes care exceeds the national average but there is wide variation across practices
  - 58% diabetics received an annual eye exam
  - 82% diabetics had their kidney function checked

State ranking on access and quality dimensions



Source: Commonwealth fund state scorecard on health system performance, 2007

- Aging populations with complex health needs and new technologies will continue to drive demand
- Resources will not keep pace with demand as currently delivered – in fact our resources are limited
- Simply doing more of what we are doing will only get us more of what we have.
- Spending more or accomplishing less are not options.
- We need solutions that will transform our system.

Key Element of Health Reform in Oregon

Oregon Health Policy Board and Oregon Health Authority created with goals to

- Improve the lifelong health of all Oregonians
- Increase the quality and reliability of care for all Oregonians.
- Lower or contain the coast of care so it is affordable to everyone.

Building a Healthy Oregon: The Essential Building Blocks

1. Create an Oregon Health Policy Board and an Oregon Health Authority
2. Bring Everyone Under the Tent
3. Set High Standards – Measure and Report
4. Unify Purchasing Power
5. Stimulate System Innovation and Improvement
6. Ensure Health Equity for All
7. Prepare for a 21st Century Workforce

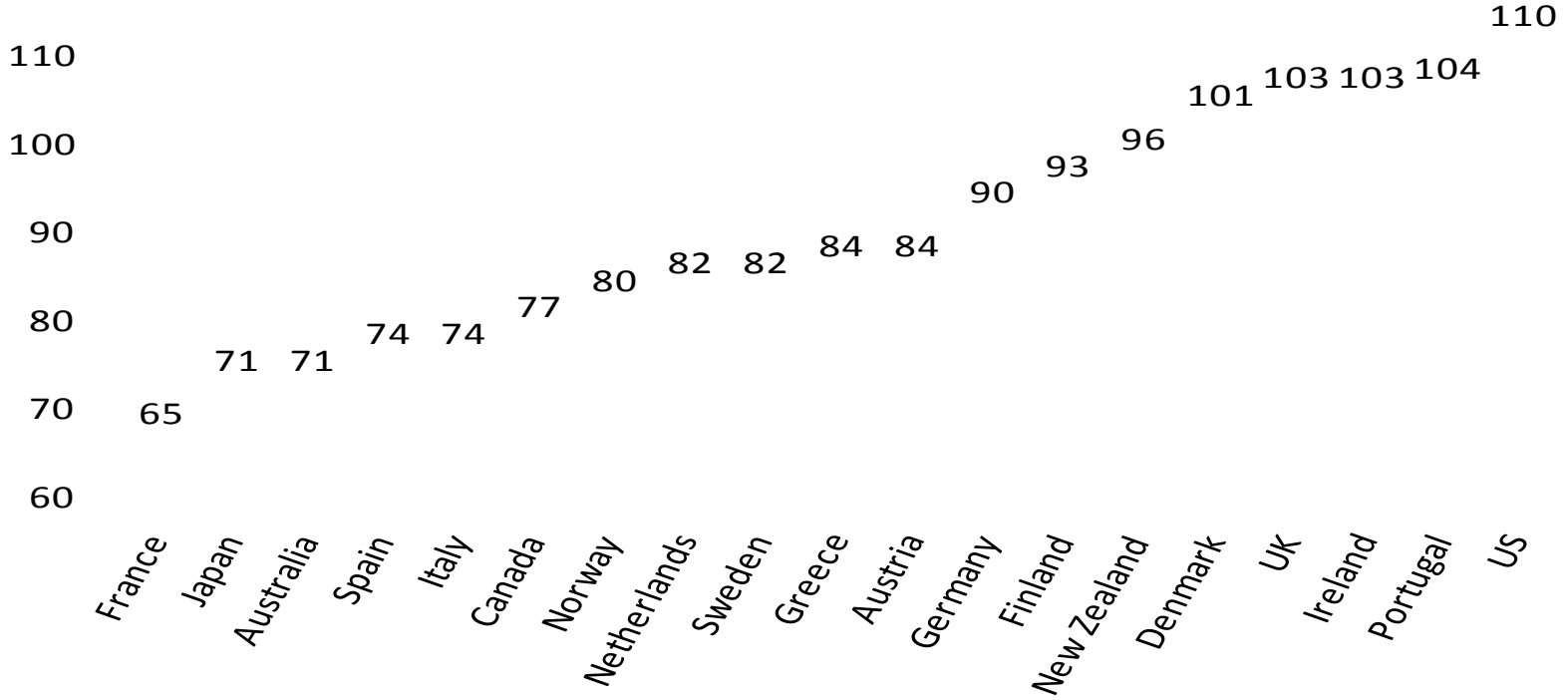
What We Will Need

- LEADERSHIP
- EXPERTISE
- STRUCTURED APPROACH
- FOCUS ON HEALTH AND QUALITY RATHER THAN ON CONSUMTION/PRODUCTIVITY
- REDEPLOYEMENT OF RESOURCES
- NEW ORGANIZATIONAL STRUCTURES WITH NEW ACCOUTABILITIES

Unless we do something to address rising chronic disease prevalence, healthcare reform is likely to sink on the iceberg of rising costs

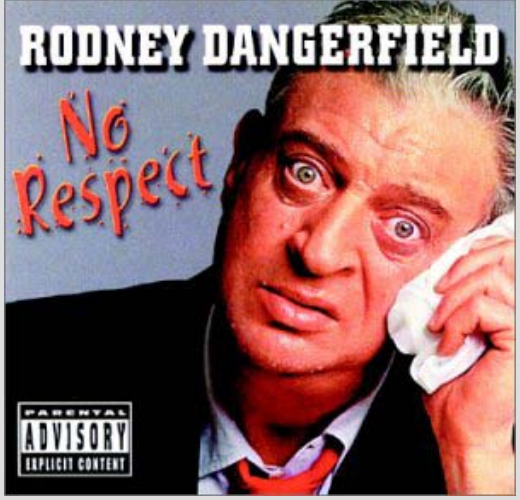
Preventable Deaths* per 100,000 Population in 2002-2003 (19 Industrialized Nations, Commonwealth Fund)

(* by conditions such as diabetes, epilepsy, stroke, influenza, ulcers, pneumonia, infant mortality and appendicitis)



As much as *30%* of health care costs *(over $700 billion per year)* could be eliminated without reducing quality

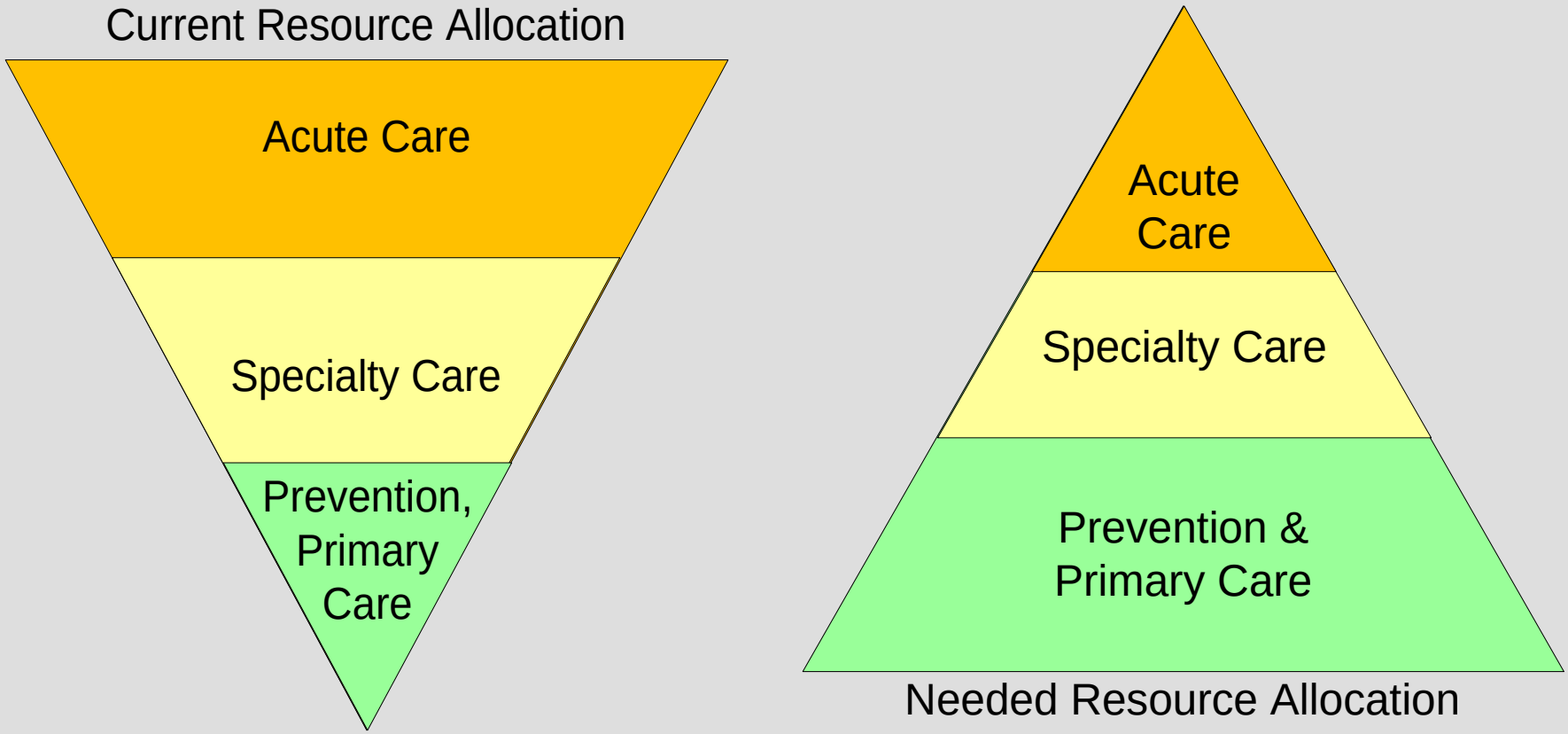
We Don't Get No Respect



- $2.5 trillion (17.6% of GDP) spent in 2009 on healthcare, compared with $35 billion for public health
  - Just over 1% of health dollar spent on public health, yet 80% of preventable deaths due to behavior and environment

Sources: Kaiser Family Foundation, *Trends in Healthcare Spending, March* 2009, At http://www.kff.org/insurance/upload/7692_02.pdf, and Trust for America's Health, *Shortchanging America's Health, page 15* at http://healthyamericans.org/assets/files/TFAH2010Shortchanging05.pdf

Reallocate Resources



For Example

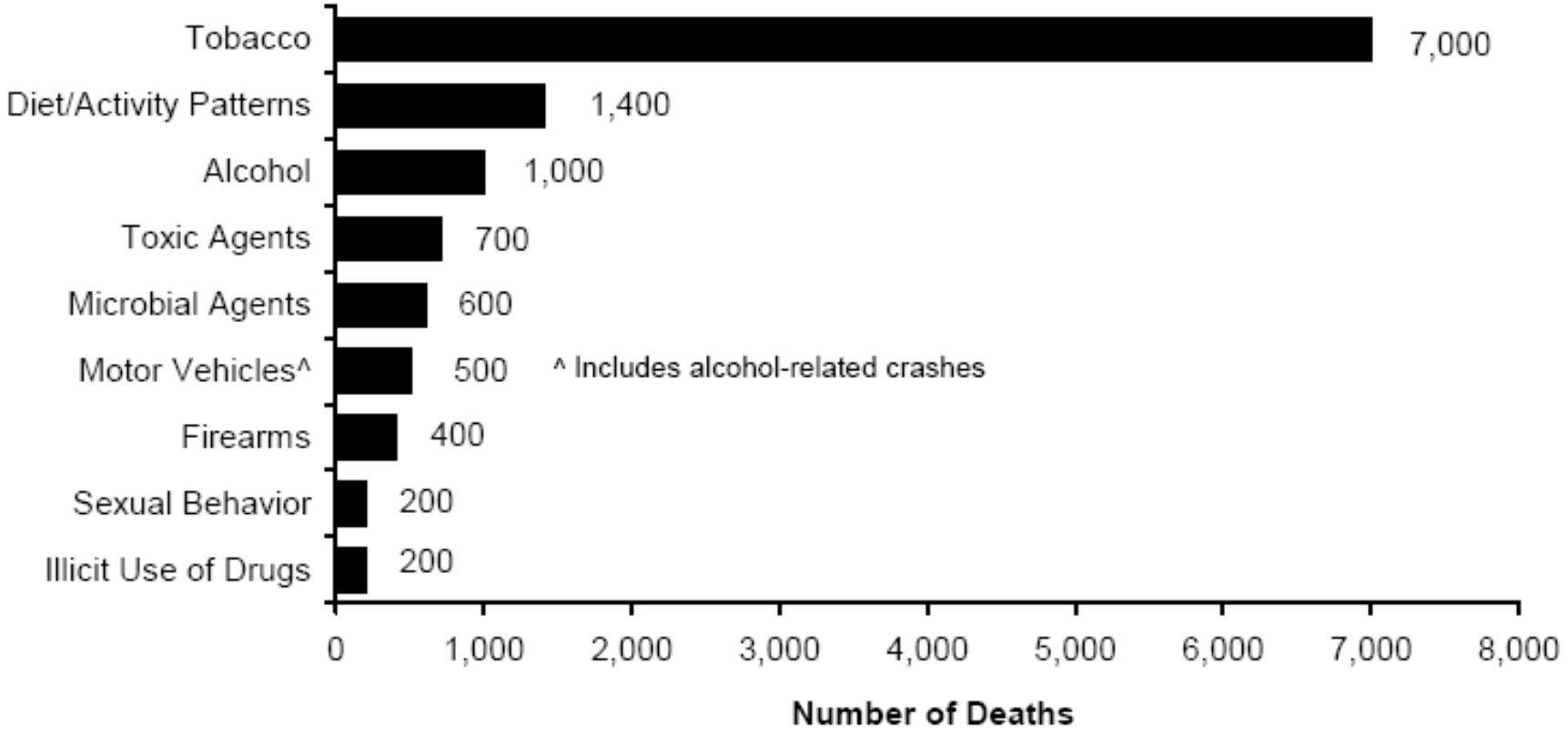
Solution:

Community health benefit and health reform

PAYMENT MODELS			
Fee for service	Episode-based reimbursement	Partial/full risk capitation	Global budgeting
INCENTIVES			
Conduct Procedures	Evidence-based medicine Clinical PFP	Expanded care management Risk-adjusted PFP	Reduce obstacles to behavior change Address root causes
METRICS			
Net revenue improvement	Improved clinical outcomes Reduced readmits	Reduced/preventable hospitalizations/ED Reduced disparities	Aggregate in health status & QOL Reduced HC costs
GOVERNANCE			
Informal relationships & referrals	Joint partnerships between organizations e.g. mental health & behavioral health		New community-based accountability linking all

SO WHAT DOES EPI HAVE TO DO WITH IT?

Causes of Preventable Deaths in Oregon, 2008



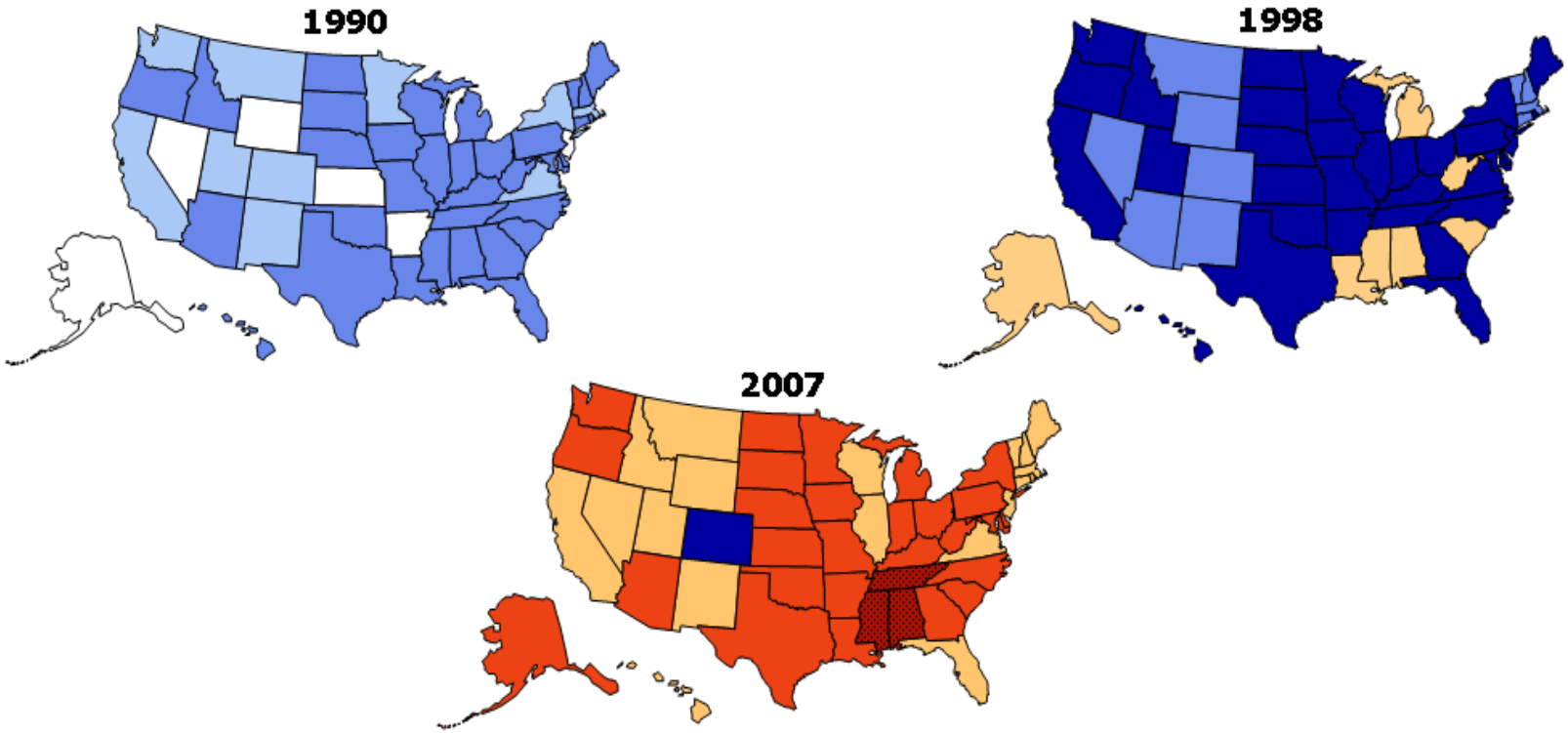
22% of all deaths in Oregon attributable to tobacco use


WILLAMETTE
WEEK
WWEEK.C
The New Urban Sprawl
WHY ARE OREGONIANS SO DAMN FAT?
BY TAYLOR CLARK PAGE 12

Obesity Trends* Among U.S. Adults

BRFSS, 1990, 1998, 2007

(*BMI ≥30, or about 30 lbs. overweight for 5'4" person)



Source: CDC Behavioral Risk Factor Surveillance System.

SO WHAT ABOUT PUBLIC HEALTH IN THE NEXT DECADE?

- If we envision a mission-driven health care system that reflects societal goals of health, equity, and affordability.
- Then there is a tremendous window of opportunity to shape reform:
  - Acknowledge conflicts and tensions that need to be resolved (be real).
  - Stay focused on the public's health, public interest and the common good that is in this for all (aim high).

WHY?

- Coverage provided by insurance reform will allow public health to focus on health rather than on health care delivery for uninsured.
- Common goal of improving health and addressing chronic illness and leading causes of morbidity and mortality can bring population and individual health together.
- Large investments in data – H.I.T.
- Opportunity to better address social determinants of health.
- New organizational structures will need public health leadership

What Will Help….

- Realign funding
  - Investments in population health
  - Greater flexibility to focus on common goals
  - System wide accountability
  - New incentives

What Will Help….

- Enhanced workforce
  - Quantity
  - Skill – organizational development, change management, collaboration, media
- Leadership
- Political will

- New mindset that embodies purpose and meaning and the mutual obligations that bind us together
- Opportunity to create new and better methods for contributing to the health and well being of our country
- Combine creativity and foresight to invent new institutional forms
- Public Health can lead the way