

# BUILDING BLOCKS TO HEALTH CARE REFORM



## Building Blocks for Health Care Reform: Pieces of the whole

Since its invention in 1980, the Rubik's Cube has come to symbolize the trickiest of problems – problems with multiple interdependent parts and that require both logic and creativity to solve. It's apt, then, that James Robinson, editor in chief of the policy journal *Health Affairs*, uses the Rubik's cube as a symbol for health reform. In that light, Governor Ritter's Building Blocks for Health Care Reform could be viewed as the first set of moves to solve the puzzle.

"The key to cracking the Rubik's Cube starts by solving one side and then methodically moving onto the other sides," said CMS President Dave Downs, MD. Governor Ritter chose a similar strategic tack when he launched the Building Blocks for Health Care Reform in February, explicitly stating that he was not going to address health care reform in one fell swoop. Instead, he opted for a step-wise plan to address infrastructure issues surrounding cost and quality before expanding coverage. "This approach synchs well with the strategy of the Physicians' Congress for Health Care Reform. We have focused on working with all the plans or pieces to drive solutions on the interdependent parts from the patient's bedside up," said Physicians' Congress Co-chair Mark Laitos, MD.

### Phase one

The recently concluded legislative session coupled with two Executive Orders made significant progress on

key pieces within the overall puzzle of health care reform. On June 3, Governor Ritter signed into law a string of bills that advance the Building Blocks, including access to care, maximizing value and transparency, and improving efficiency.

### Access to care

- Child Health Plan Plus (CHP+) and Medicaid Enrollment – SB160 (Hagedorn/McGihon) and SB 161 (Boyd/Merrifield) expand access to care for children, create a medical home for kids in Medicaid and CHP+ and remove red tape for eligible families that are trying to sign up for these public programs.
- Medicaid reimbursement – The Governor's office led the charge, with the resolute support of the members of the Joint Budget Committee, to expand access to care in Medicaid by raising physician reimbursement rates for primary and preventive care services by on average 30 percent.
- Collaborative scopes of practice – Drs. Steven Holt, Luke Casias and Alex Sluckey are serving on the advisory committee for the Collaborative Scopes of Care Study that was commissioned by Governor Ritter by executive order. The advisory group is framing the study which aims to investigate ways to appropriately increase access to care by exhaustively reviewing the evidence to date about the efficacy

of expanding scopes of practice for advanced practice nurses, physician assistants and dental hygienists within the context of systems of care. The Colorado Health Institute is serving as the research entity for the study, which is to be completed by December 31, 2008.

### Value and transparency

- Center for Improving Value in Health Care (CIVHC) – During a recent meeting with CMS leadership, Colorado Health Care Policy and Financing Department Executive Director Joan Henneberry summarized the work of CIVHC, created by Executive Order. "The vision is to marry the payment system to quality and value performance. The goal is to figure out what value and quality are, and then pay for it." The Center's steering committee, which includes CMS President and President-elect Drs. Dave Downs and Ben Vernon, is scouring the nation and the state for best practices on ways to contain costs and better coordinate care, focusing specifically on targeted levers to redesign the system, like payment reform, administrative simplification, public reporting and public education. A comprehensive report with specific recommendations will be submitted to the Legislature by the end of the year, which will fuel the ongoing work of the Center to coordinate

quality improvement and cost containment efforts across the state.

- The Center was also awarded a prestigious grant by the Commonwealth Fund to participate in the State Quality Institute (SQI). As a participant in the SQI, Colorado is now linked up with eight other cutting-edge states that are focused on growing high performing health care systems. Experts at AcademyHealth and the Commonwealth Foundation are working with the Colorado team to improve diabetes care and support medical homes for children and adults.
- Health plan report cards – The passage of HB 1385 (Primavera/Schwartz) directs the Division of Insurance to make easily accessible public reports available to consumers on health plan performance and costs in order to enable more informed decision-making.

### **Efficiency**

- Health insurance standardized benefits card – SB 135 (Mitchell/Gagliardi) lays out a plan and a process to enable real time electronic data interchange on patient enrollment and benefit status between health plans and providers. An expert panel will soon be appointed and CMS has submitted physician names for participation.

In addition to the Building Blocks, other important developments occurred like the passage of SB217. Championed by outgoing Senator Bob Hagedorn and Representative Anne McGihon, SB217 creates a process to craft a set of value-based health care benefits that could serve as the “floor” for coverage solutions in the future. It sets the stage for a possible individual mandate and accompanying subsidy program. The passage of SB194 represents the first comprehensive “tune-up” of state public health policy in 60 years. “It (provides) a blanket of coordinated and consistent public health services across the entire state, while still allowing individual counties and districts to determine what additional services may best meet their unique local needs,” said Jefferson County Department of Health and Environment Executive Director Mark Johnson, MD, MPH.

### **Phase two**

“Sometimes I wish the health care system was a Rubik’s Cube because then I would just attack the thing with a screwdriver to pop the pieces out or peel the stickers off to get everything quickly in the right order,” said Dr. Laitos. “Unfortunately, solving any good puzzle is never that easy and the same is true for health care.”

Dr. Laitos’ words ring true when one looks at health reform efforts around the country. Other states, such as California and Massachusetts, that are pursuing comprehensive health reform have served up bold ideas that later either failed to get off the ground or are stumbling under the weight of unexpectedly high costs and, in Massachusetts, insufficient numbers of providers to meet increased demands. Despite the comprehensiveness of these states’ reform strategies, the lack of a strong foundation on quality improvement and cost containment is eroding opportunities for further progress.

To Governor Ritter, those struggles demonstrate the value of the methodical approach of the Building Blocks. As he noted at the signing ceremony for the suite of Building Blocks bills earlier this month, “When I ran for governor, I ran on a promise to make high-quality, affordable health care accessible to every Coloradan. That goal remains unchanged. While (these bills) don’t get (us) to the place where everyone is covered yet...these are important building blocks that move us in that direction.”

Colorado’s Blue Ribbon Commission for Health Care Reform witnessed the same difficulties with “all at once” reform in other states. At the same Building Blocks ceremony, Commission Vice Chair Mark Wallace, MD noted, “After 15 months and thousands of hours of work, the Commission concluded that it would be impossible and irresponsible to try to fix the system with one bill or in one session. So we recommended phased implementation of reform.”

Dr. Wallace went on to say, “The Building Blocks approach is the smart and responsible path to meaningful reform. We know these steps alone will not resolve all the health care challenges we face, but they will make an immediate and positive impact today and will establish a strong foundation for reform in the future.” Preparations for the second phase of the Building Blocks, which will be released at the end of the year, have begun and CMS is at the table with the Ritter administration, offering ideas and informing the policy development process.

“Navigating the twists and turns of health care reform requires a steady hand, and phase one of the Building Blocks demonstrates the Governor’s vision and commitment to see this through,” said Dr. Downs. “We are going to continue to support these efforts, and to paraphrase James Robinson, we’re going to do our part on reforming the delivery system to facilitate the transformation of the interconnected whole.”



Dave Downs, MD, Sen. Bob Hagedorn, Lynn Parry, MD, Mark Johnson, MD, Rep. Anne McGihon, Kiki Traylor, MD, and the state’s Chief Medical Officer Ned Calonge, MD, revel in the moment at the signing ceremony with Governor Ritter.