



Governor's Advisory Council on Health Care Payment Innovation

PAYMENT INNOVATION PRINCIPLES

The following principles were developed by Catalyst for Payment Reform (CPR), an independent organization representing consumers, purchasers, labor, physicians and other health care providers, payers and policymakers who have come together based on their shared vision that improving quality and affordability in health care requires a transformation in our payment systems. On January 9, 2013, Governor John Kasich's Advisory Council on Health Care Payment Reform recognized the CPR Principles as a starting point to prioritize and coordinate multi-payer health care payment innovation activities in Ohio.

1. Payment reforms should promote health by rewarding the delivery of quality, cost effective and affordable care that is patient-centered and reduces disparities.
2. Health care payments should encourage and reward patient-centered care that coordinates services across the spectrum of providers and care setting *while* tailoring health care services to the individual patient's needs.
3. Payment policies should encourage alignment between public and private health care sectors to promote improvement, innovations and meeting national health priorities, and to minimize the impact of payment decisions of one sector on the other.
4. Decisions about payment should be made through independent processes that are guided by what serves the patient and helps society as a whole, and payment decisions must balance the perspectives of consumers, purchasers, payers, physicians and other health care providers.
5. Payment policies should foster ways to reduce expenditure on administrative processes (e.g., claims payment and adjudication).
6. Reforms to payment should balance the need for urgency against the need to have realistic goals and timelines that take into account the need to change complex systems and geographic and other variations.