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# Better Health, Better Care, and Cost Savings Through Improvement

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# Ohio's Health System Performance

## *Health Outcomes – 42nd overall[1]*

- 42nd in preventing infant mortality (only 8 states have higher mortality)
- 37th in preventing childhood obesity
- 44th in breast cancer deaths and 38th in colorectal cancer deaths

## *Prevention, Primary Care, and Care Coordination[1]*

- 37th in preventing avoidable deaths before age 75
- 44th in avoiding Medicare hospital admissions for preventable conditions
- 40th in avoiding Medicare hospital readmissions

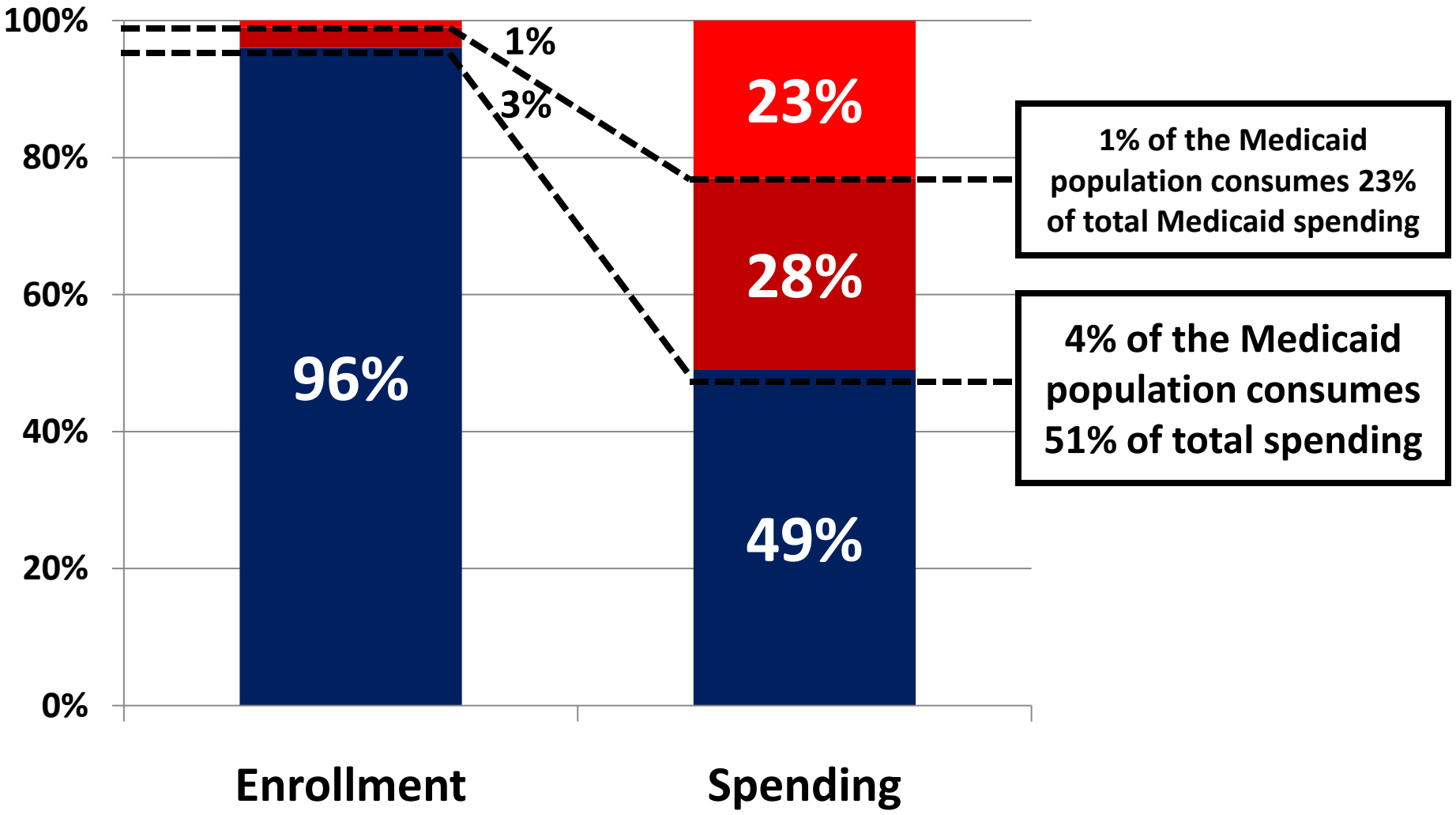
## *Affordability of Health Services[2]*

- 37th most affordable (Ohio spends more per person than all but 13 states)
- 38th most affordable for hospital care and 45th for nursing homes
- 44th most affordable Medicaid for seniors



Sources: (1) Commonwealth Fund 2009 State Scorecard on Health System Performance, (2) Kaiser Family Foundation State Health Facts (updated March 2011)

# A few high-cost cases account for most Medicaid spending

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Source: Ohio Department of Job and Family Services; SFY 2010 for all Medicaid populations and all medical (not administrative) costs

# Fragmentation vs. Coordination

| Fragmentation | Coordination |
| --- | --- |
| • Multiple separate providers | • Accountable medical home |
| • Provider-centered care | • Patient-centered care |
| • Reimbursement rewards volume | • Reimbursement rewards value |
| • Lack of comparison data | • Price and quality transparency |
| • Outdated information technology | • Electronic information exchange |
| • No accountability | • Performance measures |
| • Institutional bias | • Continuum of care |
| • Separate government systems | • Medicare/Medicaid/Exchanges |
| • Complicated categorical eligibility | • Streamlined income eligibility |
| • Rapid cost growth | • Sustainable growth over time |



SOURCE: Adapted from Melanie Bella, *State Innovative Programs for Dual Eligibles*, NASMD (November 2009)

# Medical Hot Spot:
# Per Capita Health Spending: Ohio vs. US

| Measurement | US | Ohio | Percentage Difference | Affordability Rank (Out of 50 States) |
|---|---|---|---|---|
| Total Health Spending | $5,283 | $5,725 | + 8% | 37 |
| Hospital Care | $1,931 | $2,166 | + 12% | 38 |
| Physician and Clinical Services | $1,341 | $1,337 | - 0.3% | 27 |
| Nursing Home Care | $392 | $596 | + 52% | 45 |
| Home Health Care | $145 | $133 | - 8.3% | 35 |

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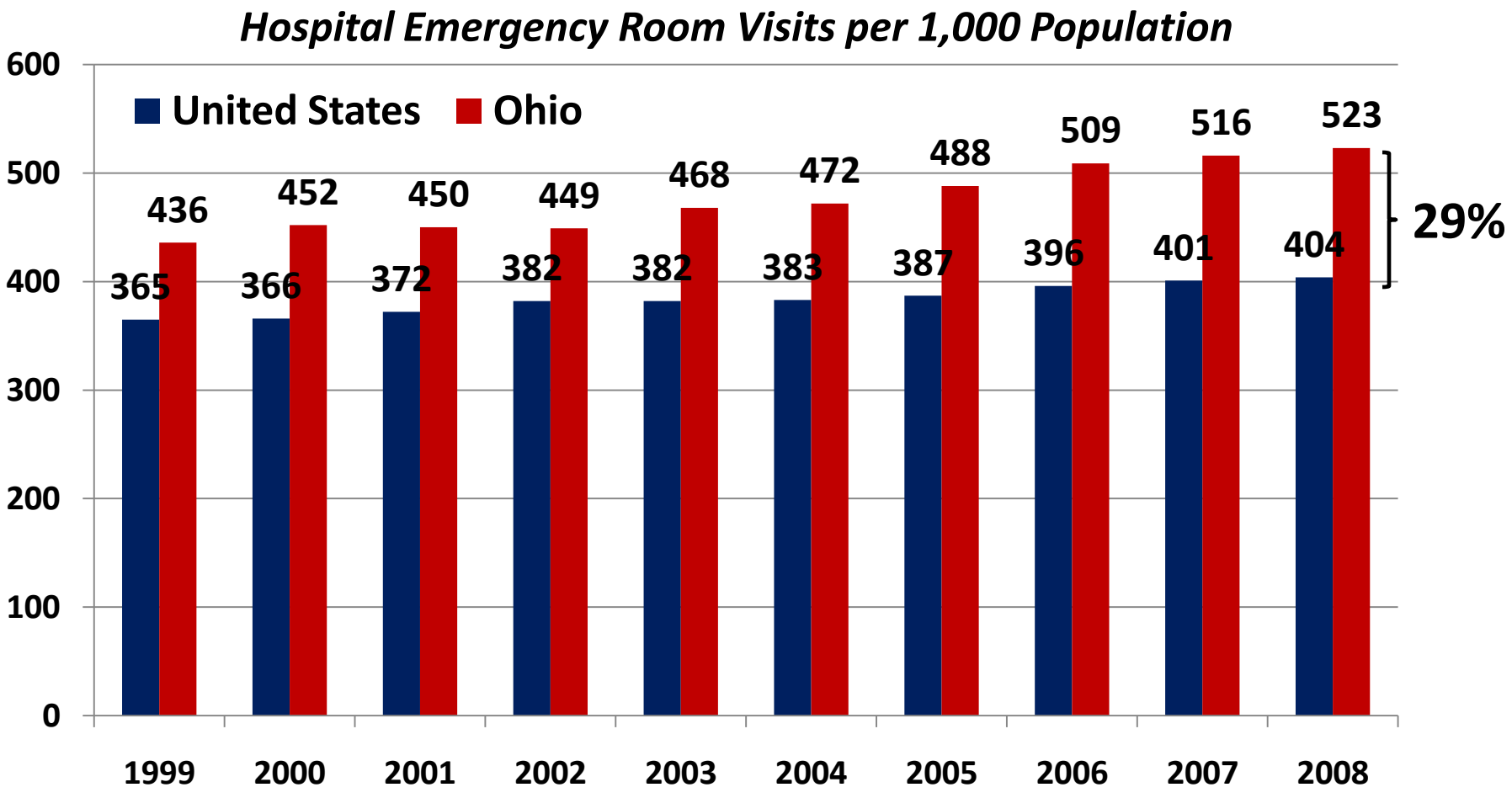
Source: 2004 Health Expenditure Data, Health Expenditures by State of Residence, Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group, released September 2007; available at http://www.cms.hhs.gov/NationalHealthExpendData/downloads/res-us.pdf

# Medical Hot Spot:
# Emergency Department Utilization: Ohio vs. US




Source: American Hospital Association Annual Survey (March 2010) and population data from Annual Population Estimates, US Census Bureau: http://www.census.gov/popest/states/NST-ann-est.html.

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# Medicaid Hot Spot:
# Medicaid Enrollees Who Get Care Primarily from Hospitals*

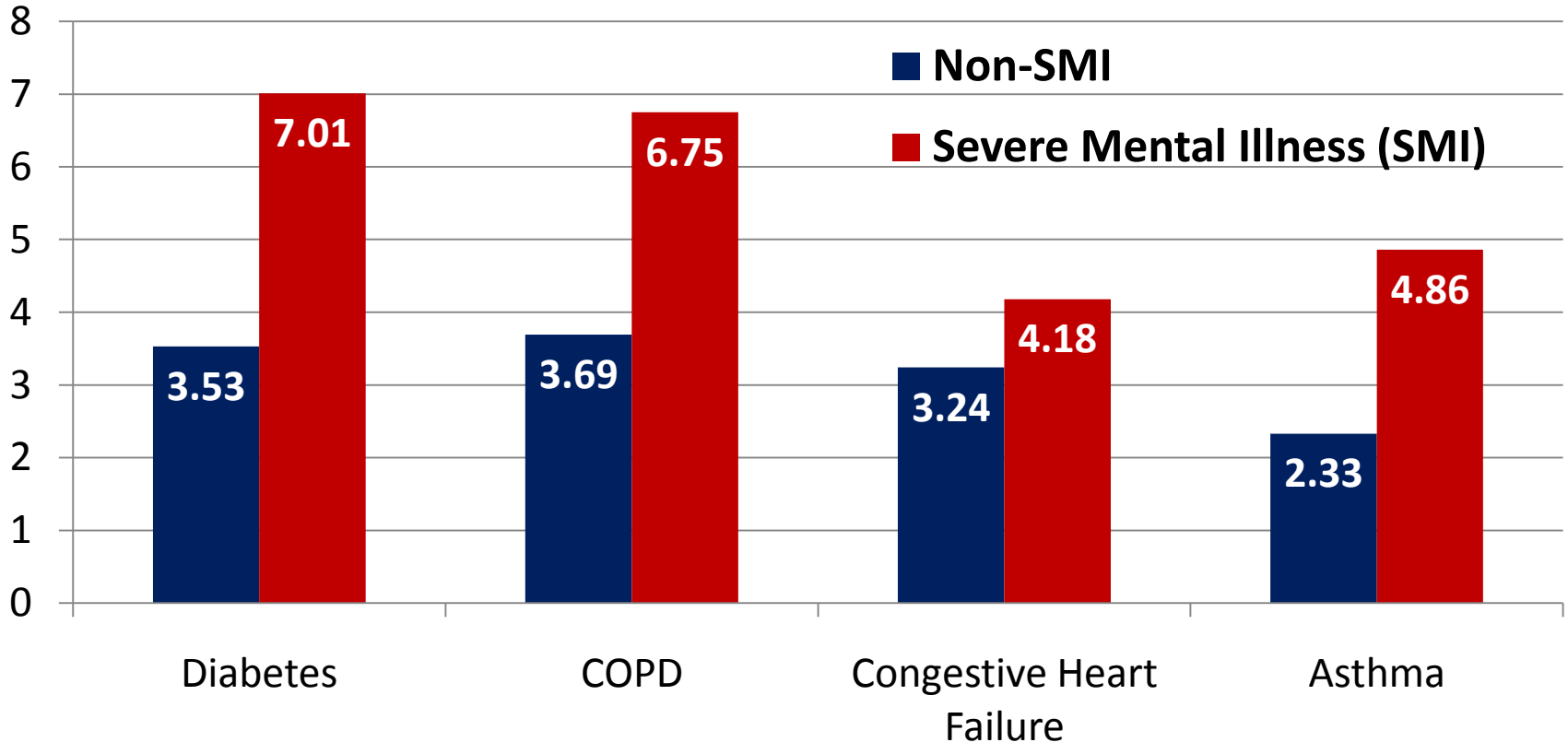
**** Indicating a lack of primary care and/or care coordination***

| Non-Institutionalized Medicaid Population | Enrollment | | Spending | | Average Cost |
|---|---|---|---|---|---|
| | Number | % | Amount | % | |
| Children | 29,552 | 1.3% | $510 million | 5% | $17,300 |
| Adults | 12,530 | 0.5% | $841 million | 8% | $67,100 |
| Total | 42,082 | 1.8% | $1.35 billion | 13% | $32,100 |

Source: Ohio Department of Job and Family Services for SFY 2010. Note that medical costs include those incurred by MCPs and paid by FFS, excluding institutionalized consumers and their costs. Consumers may have been in both FFS and MC delivery systems within SFY 2010. This analysis includes consumers costs in both systems.

# Medicaid Hot Spot:
# Hospital Admissions for People with Severe Mental Illness

***Avoidable hospitalizations per 1000 persons for ambulatory care sensitive conditions (avoidable with proper treatment)***

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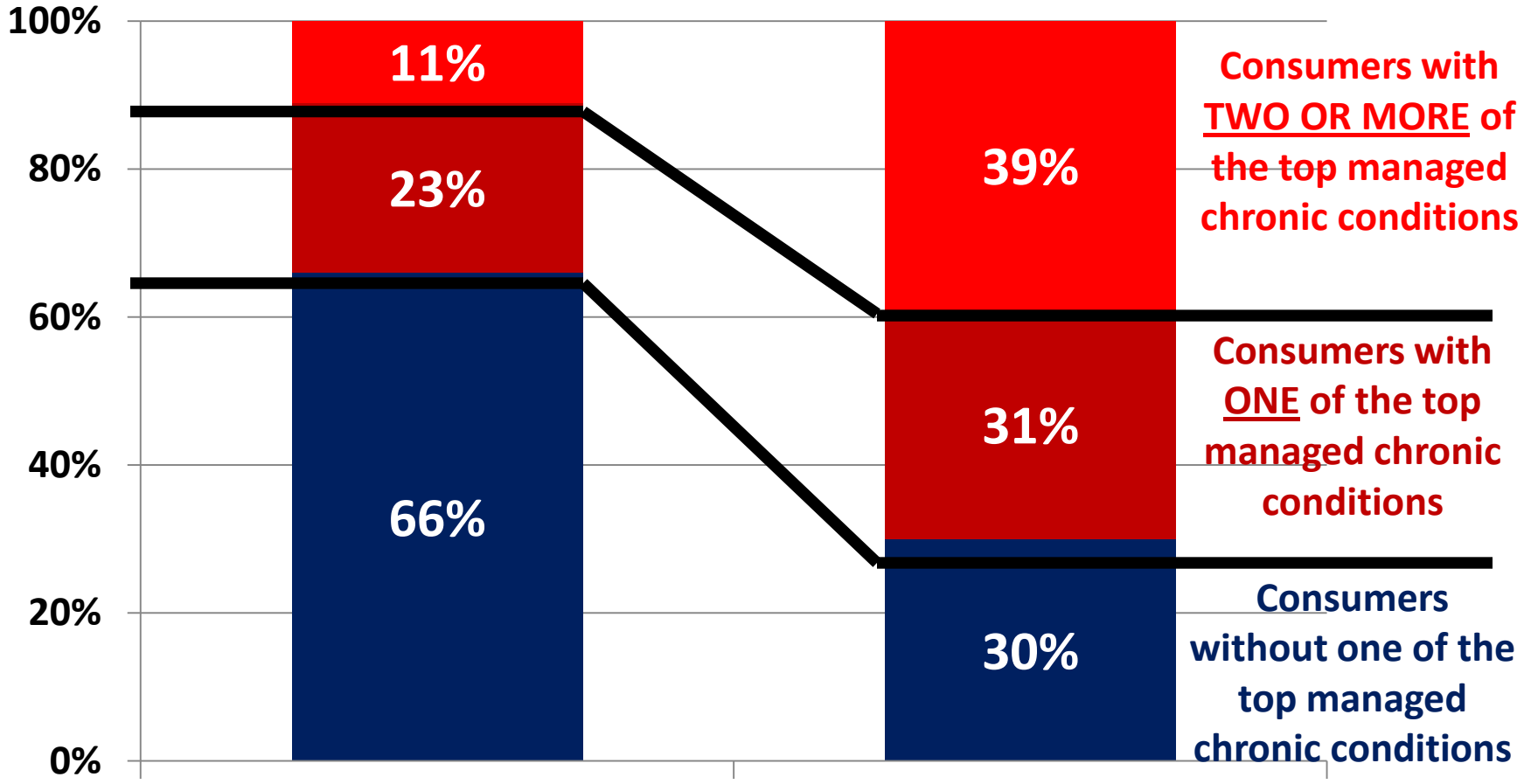
Source: Ohio Colleges of Medicine Government Resource Center and Health Management Associates, Ohio Medicaid Claims Analysis (February 2011)

# Medicaid Hot Spot:
# Enrollment Spending by Top Managed Chronic Conditions




**Enrollment (2.3 million)  Spending ($10.3 billion)**

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Source: Ohio Department of Job and Family Services. Institutionalized consumers excluded. Based on SFY 2010 total medical cost either by ODJFS or Medicaid managed care plans. Top managed conditions = Diabetes, CAD, CHF, Hypertension, COPD, Asthma, Obesity, Migraine, HIV, BH, & Sub. Abuse.

# The Vision for Better Care Coordination

- The vision is to create a person-centered care management approach – not a provider, program, or payer approach
- Services are integrated for all physical, behavioral, long-term care, and social needs
- Services are provided in the setting of choice
- Easy to navigate for consumers and providers
- Transition seamlessly among settings as needs change
- Link payment to person-centered performance outcomes

# Health Transformation Priorities

- Improve Care Coordination
- Integrate Behavioral/Physical Health Care
- Rebalance Long-Term Care
- Modernize Reimbursement
- Balance the Budget

# Ohio HIT/HIE "To Do" List

- Medicaid Information Technology System (MITS) implementation (MITA framework)
- ICD-10 and 5010 conversions
- Medicaid eligibility system update (Affordable Care Act)
- EHR incentive program administration (HITECH)
- Upgrade business intelligence/analytic capacity across agencies
- Public health and other registries and reporting requirements

# A Vision for Ohio HIE

- Support the improvement of health and wellbeing of Ohioans by providing the secure authorized exchange of electronic patient health record information at the point of care
- Exchange patient-specific health information bi-directionally among all Ohio providers and hospitals that have certified EHRs
- Support Ohio's public health infrastructure and research community
- Connect to the national health information exchange infrastructure, and meet national and state standards for privacy and security of health information

# Ohio Health System Performance Priorities

| Patient-Centered Payment Reform | Price and Quality Transparency | Medicaid Modernization | Sustainable Coverage |
|---|---|---|---|
| • Leverage public/private purchasing power<br>• Focus on high-value delivery system reforms<br>• Align State health care purchasing priorities | • Measure and report health care quality and prices<br>• Compare health plan and provider performance<br>• Accelerate the meaningful use of HIT/HIE | • Improve Care Coordination<br>• Integrate Physical and Behavioral Health<br>• Rebalance Long-Term Care<br>• Modernize Reimbursement<br>• Streamline Government | • Create a Health Benefit Exchange<br>• Implement insurance market reforms<br>• Pilot delivery system reforms<br>• Support regional health system improvement |
| **Employer Leadership** | **Provider Leadership** | **State Leadership** | **Federal Requirements** |

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