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HEALTH CARE QUALITY AND COST COUNCIL IDENTIFIES STRATEGIES FOR COST CONTAINMENT AND QUALITY ASSURANCE

Annual report recommends strategies for insurers, employers and consumers

BOSTON—The Massachusetts Health Care Quality and Cost Council today released its first Annual Report, which identifies specific strategies designed to improve health care quality while containing costs. A list of the Council’s recommended strategies is attached.

“Massachusetts is leading the way when it comes to expanding access to health care, but ultimately the state must focus on ensuring that we provide high quality care in the most efficient and cost-effective way,” said Secretary of Health and Human Services Dr. JudyAnn Bigby, who chairs the Council. “The Health Care Quality and Cost Council’s Annual Report outlines specific strategies for addressing a range of issues that contribute to the high cost of care but do not improve quality.”

The Council’s specific recommendations correspond to overarching goals set for FY08, including:

- Reduce the annual rise of health care costs to no more than the unadjusted growth in Gross Domestic Product (GDP) by 2012;
- Ensure patient safety and effectiveness of care;
- Improve screening for and management of chronic illnesses in the community;
- Develop and provide useful measurements of health care quality in areas of health care for which current data are inadequate;
- Eliminate racial and ethnic disparities in health and in access to and utilization of health care; ensure health indicators are consistent and consistently improving across all racial and ethnic groups; and
- Promote quality improvement through transparency.

Specific strategies identified by the Council in these areas include:

- The Commonwealth of Massachusetts should adopt and promote a statewide model system of care that improves the health status of people with, or at risk for, chronic conditions.
- Hospitals, nursing homes, physicians and other providers should implement, by 2010, a process for communicating patients’ wishes for care at the end of life, similar to the Physician Order for Life Sustaining Treatment (POLST) processes currently in use in Oregon, Washington, New York, West Virginia, and other states.

CONTACT: Jennifer Kritz, Jennifer.Kritz@state.ma.us, 617-573-1612 (o), 857-488-9983 (c)
Efforts to reduce hospital-associated infections, to improve chronic care management and prevention, and to improve the process of care at the end of life, must include specific strategies targeted to the needs of racial and ethnic minority groups.

The Council will develop legislative, regulatory and other recommendations to control health care spending based on analysis, assisted by independent experts, covering the full spectrum of health care clinical, service delivery, reimbursement, technology, administrative, legal and racial and ethnic disparities issues.

“The Council’s vision is that by June 30, 2012, Massachusetts will consistently rank in national measures as the state achieving the highest levels of performance in care that is safe, effective, patient centered, timely, efficient, equitable, integrated and affordable,” said Executive Director Katharine London. “This Annual Report establishes a common agenda for collaborative efforts that will benefit patients, providers, insurers and employers across Massachusetts.”

The Council is also working to promote access to high-quality, efficient care through the development of a consumer-friendly website that provides information about the quality and cost of health care services in Massachusetts. This website will be available in June 2008.

About the Health Care Quality and Cost Council
The Massachusetts Health Care Quality and Cost Council was established by Chapter 58 of the Acts of 2006 to establish statewide goals for improving health care quality, containing health care costs, and reducing racial and ethnic disparities in health care and to demonstrate progress toward achieving those goals. The Council is also charged with disseminating, through a consumer-friendly website and other media, comparative health care cost, quality, and related information for consumers, health care providers, health plans, employers, policy-makers, and the general public.

For additional information about the Health Care Quality and Cost Council and to obtain a copy of the Annual Report, please visit: www.mass.gov/healthcare.

Please see attached for recommended strategies.

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HEALTH CARE QUALITY AND COST COUNCIL RECOMMENDED STRATEGIES

Goal I. Reduce the cost of health care. Reduce the annual rise in health care costs to no more than the unadjusted growth in Gross Domestic Product (GDP) by 2012.

FY 2008 Specific Goals
A. Promote cost-efficiency through development of a website providing comparative cost information. Develop a website that will enable consumers to compare the cost of health care procedures at different hospitals and outpatient facilities.
B. Reduce health care spending by preventing the need for avoidable hospital stays.

Summary of Recommended Strategies:
The Council recommends specific strategies, under goals II. through VI. below, to reduce the growth in health care costs by providing comparative cost information and by preventing the need for avoidable hospital stays. In addition, the Council will pursue strategies to identify methods to control health care costs statewide, including:

- contracting with independent experts to provide the council with technical assistance in analyzing the causes of increases or decreases in health care costs. The Council will take a broad approach to this analysis, in twelve identified categories;
- adopting a standard of measurement of total annual Massachusetts health care spending (the “Massachusetts Global Health Cost Indicator”) to track the rate of increase or decrease in health care costs in total and within health care sectors from year to year; and
- developing legislative, regulatory, and other recommendations to control health care spending based on analysis, assisted by independent experts, covering the full spectrum of health care clinical, service delivery, reimbursement, technology, administrative, legal and racial and ethnic disparities issues
- producing a report comparing variations in rates paid by insured health plans, self insured entities, Medicaid, Medicare, uninsured persons, and other payers to health care providers in the Commonwealth.

Goal II. Ensure patient safety and effectiveness of care.

FY 2008 Specific Goals

Summary of Recommended Strategies:
- Hospitals should work together to improve the use of evidenced based processes for reducing hospital acquired infections and lessons learned, in order to accelerate their efforts for improvement.
- Payers should align policies and standards to ensure that hospitals’ financial incentives encourage reducing infections.
- Consumers should receive information about what they can do and say to prevent infections in health care settings. This information should be provided using culturally sensitive materials available in multiple languages and literacy levels.

B. Eliminate “Serious Reportable Events” as defined by the National Quality Forum. Eliminate events that should never happen in hospitals, such as wrong surgery, wrong site, or wrong patient.

Summary of Recommended Strategies:
- Payers should align policies and standards to ensure that hospitals’ financial incentives encourage eliminating adverse events.
• Consumers should have full expectation of disclosure if a serious reportable event occurs and should receive information about what they can do and say to improve the safety of the care they receive and reduce the likelihood of an adverse event. This information should be provided using culturally sensitive materials available in multiple languages and literacy levels.

C. Improve overall patient safety and effectiveness of care.

Summary of Recommended Strategies:
• The Council will identify and adopt a meaningful measure of whole system quality and safety, including a whole system hospital mortality measure, in order to promote patient safety across-the-board, and not only in specific areas that are publicly reported.
• The Council will publicly report on its website the ratio of actual to expected mortality for each hospital by January, 2010.

Goal III. Improve screening for and management of chronic illnesses in the community.

FY 2008 Specific Goals
A. Improve chronic and preventive care. Improve care of chronic diseases such as congestive heart failure, diabetes, and asthma.
B. Reduce disease complication rates, readmission rates, and avoidable hospitalizations.

Summary of Recommended Strategies:
• The Commonwealth of Massachusetts should adopt and promote a statewide model system of care that improves the health status of people with, or at risk for, chronic conditions.
• The Executive Office of Health and Human Services (EOHHS) should convene a working group with broad representation from stakeholders, including the Council, to develop a blueprint for this statewide model.
• The blueprint shall include strategies to reduce, and ultimately eliminate, racial and ethnic disparities in the treatment and prevention of chronic conditions.
• The blueprint shall address each of these objectives: patient self management, physician practice coordination and support, transitions from one patient care site to another, community resources, health information systems, and payment system alignment.

Goal IV. Develop and provide useful measurements of or approaches to quality in areas of health care for which current data are inadequate or current approaches are unsuccessful.

FY 2008 Specific Goal: Focus on End of Life Care
Develop processes and measures to improve adherence to patients’ wishes in providing care at the end of life. Ensure that health care providers ask about and follow patients’ wishes with respect to invasive treatments, do not resuscitate orders, hospice and palliative care, and other treatments at the end of life.

Summary of Recommended Strategies:
• The Commonwealth of Massachusetts Executive Office of Health and Human Services (EOHHS) should implement a statewide public health educational campaign by September, 2008, to educate the public about their options for care at the end of life, how to communicate their wishes to their families and health care providers, and why it is important to communicate these wishes in advance. Because many individuals hold strong culturally-based beliefs about care at the end of life, it is essential that this campaign include a culturally competent campaign strategy and educational materials targeted to the needs of racial and ethnic minority groups.
• Hospitals, nursing homes, physicians and other providers should implement, by 2010, a process for communicating patients’ wishes for care at the end of life, similar to the Physician Order for Life Sustaining Treatment (POLST) processes currently in use in Oregon, Washington, New York, West Virginia, and other states.
• Hospitals, extended care facilities, and home health care organizations should, by March, 2009, offer formal hospice and palliative care programs to their terminally ill patients, and should ensure that these programs meet the needs of patients with different cultural expectations at the end of life.

• The Board of Registration in Medicine should require hospitals to submit a plan for ensuring that all clinical professionals who care for patients at the end of life are educated in the delivery of culturally sensitive care.

• Payers should adopt policies and standards to support and improve the process of care at the end of life.

Goal V. Eliminate racial and ethnic disparities in health and in access to and utilization of health care; health indicators will be consistent, and consistently improving, across all racial and ethnic groups.

FY 2008 Specific Goals
A. Reduce disparities in healthcare associated infections.
B. Eliminate disparities in Serious Reportable Events.
C. Reduce, and ultimately eliminate, disparities in disease complication rates, readmission rates, and avoidable hospitalizations.
D. Reduce disparities in screening and management of chronic illnesses.

Summary of Recommended Strategies:
• It is essential to address racial and ethnic disparities in health care through each quality improvement effort, rather than through a separate effort.
• It is essential that the blueprint for a statewide model system of coordinated care include specific strategies to reduce, and ultimately eliminate racial and ethnic disparities in the treatment and prevention of chronic conditions.
• Similarly, information to help patients and families express their wishes for care at the end of life must be adjusted to meet patients’ cultural expectations.
• The Council has recommended that DPH begin collecting Hospital Associated Infection rates and Serious Reportable Events by patient race and ethnicity to identify, and then address, and disparities in these areas.

Goal VI. Promote quality improvement through transparency.

FY 2008 Specific Goal
Promote quality improvement through development of a website and other materials providing comparative quality information.

Summary of Recommended Strategies:
• The Council will identify, adopt and display comparative measures of quality and cost information, including performance measurement data and benchmarks in a consumer-friendly format on its website in order to encourage health care providers to provide higher quality, lower cost care, and to help consumers select higher quality, lower cost health care providers.