Goal: Improving quality, outcomes, and value through information gathering and reporting, health planning and regulation, and health policy analysis

- Empower patients and families with information to make decisions through public reporting of quality and cost
- Stimulate quality improvement through voluntary and public reporting and through regulation
- Help control health system costs through effective and efficient planning and regulation
- Improve insurance options for small employers through regulation of the small group market
- Provide a health policy think tank for Maryland, merging information and analysis to develop options

Health care reform

- Health Insurance Exchange
- Creating a viable risk pool: merger of individual and small group markets
- Individual Responsibility
- Low-income premium subsidies
- Cross-cutting issue – Funding Healthcare Reform
  - Repurposing uncompensated care funds while maintaining the all-payer waiver
  - Medicaid HIFA waivers and plan amendments – the challenge of “budget neutrality”
- Cross-cutting issue - The Interface with Medicaid
  - Best combination of public and private sector solutions
  - Managing crowd-out of employer coverage
- Cross-cutting issue – The Affordability Project
  - What are essential or core services? Are they best defined by type of service or by evidence of value, effectiveness?
  - What cost-sharing provisions are both effective and fair?
  - Can high-efficiency networks be established and maintained?
  - What is the appropriate “affordability test” for health insurance?
- Cross-cutting issue – Proper Incentives
  - What incentives are appropriate and effective for individuals (value-based coinsurance, DM, actual health outcomes)?
    - What positive and negative effects do consumer-directed health plans (HDHPs) have on health and health care use?
  - What incentives are appropriate and effective for providers (P4V, capitation, gain-sharing)?
Quality and Accountability Through Public Reporting

- Quality measures in hospitals and nursing homes (with OHCQ)
  - Long-established measures – what’s our unique role?
  - The importance of auditing, credibility, and risk adjustment in public reporting
  - Reporting satisfaction measures (patient satisfaction in hospitals, family satisfaction in NH)
  - New initiatives – Healthcare Associated Infections, Surgical Outcomes
  - New initiatives – Linking quality measures with performance payments (with HSCRC / Medicaid)

- The marriage of certificate of need and public reporting of quality
  - Primary angioplasty programs as a classic example of strong performance standards driving quality improvement
  - New initiatives – Non-primary angioplasty outcomes research, universal reporting of cardiac surgery and angioplasty outcomes
  - Reporting of risk-adjusted outcomes aided by specialty society efforts (STS, NCDR)

- Health plan reporting
  - Long-established measures – What meaning do they have?
  - New measures of plan performance – providing better information, processing claims, managing chronic illnesses

- The Price Transparency Project
  - Hospital case rates for common DRGs – adjusted for case mix (with HSCRC)
  - Physician price transparency – distribution of billed and approved amounts by specialist and code

The Market for Physician Services

- Analysis of payment issues: “adequacy of payments,” out-of-network services, hospital-based physicians
- Analytic support for the Secretary’s Task Force on Access and Reimbursement

Health and Healthcare Disparities

- Hospital quality measures (with OMHHD)
- Ambulatory care sensitive conditions analyses (with OMHHD)
Rebuilding Maryland’s Hospital Infrastructure (in conjunction with the HSCRC)
- Nearly $4 billion in projects over 2 years at its peak

Planning Issues
- Urban hospitals
  - Outward bound
  - Why payer mix remains important
  - The special case of Dimensions

Emergency Department Crowding
- Community alternatives, diversion programs, new incentives to providers
- Process reengineering in the ED
- Disposition – inpatient bed needs, process reengineering in the rest of the hospital, alternatives in the community

Psychiatric care (with DHMH, MH, MHA, advocacy groups)
- Part of the ED crowding issue
- The market dynamics of psychiatric services
- The challenge of creating and sustaining effective community supports, ED and jail diversion programs, SA treatment options

Health Information Technology
- Delivering the right information to the right place at the time of service to improve quality and reduce costs
  - Information about the patient (Coordinate care, avoid errors, assure appropriate treatment, remind…)
  - Information about coverage, preferred treatments based on value

Electronic health records with decision support, e-prescribing

Health information exchange
- Vital that the policies be right to assure public acceptance and trust
- Business model is a challenge

Maryland initiatives
- Task Force on the Electronic Health Record
- Privacy and Security Study
- Planning and implementation projects (in conjunction with HSCRC, MCHRC, DHMH/Medicaid)
Greatest challenges involve value
  - Access is a huge issue, but universal coverage will require better solutions to the question of value
  - Identifying high value health care
    - Challenge of technology assessment
    - Vital need for real-world effectiveness data through health information exchange
    - Single source or multiple source?
    - Single implementation model or a diversity of value-based incentives
  - Developing appropriate models to deliver high value health care
    - Integrated, risk-bearing health care systems?
    - Provider incentives, including risk sharing?
    - Patient incentives – lower premiums, cost-sharing structures based on value?
    - Coverage of “experimental” interventions (interventions of uncertain value) only in clinical research settings
  - Communicating the issues to the public and professions
    - Building public acceptance of differential “costs” based on value (as opposed to managed care denials)
    - Conveying necessity to limit access to interventions of low or uncertain value
    - Dealing with the “preference shift” when illness strikes
    - Building professional support for guideline concordant care, implicit or explicit constraints on practice
    - Low reimbursement rates in Maryland, especially for primary care, provide a quid pro quo opportunity

From Page 1: The Affordability Project and Proper Incentives Revisited
  - Maryland Small Group Market as a Laboratory
    - Benefit designs regulated by the Commission are the only SGM products in Maryland
    - Modified community rating, guaranteed issue, guaranteed renewal
    - Ability to design a high-performance set of benefits
    - Some restrictions on patient incentives would need to be removed
  - Maryland Health Insurance Plan as a Laboratory
    - Maryland’s high-risk pool
    - Insurance designs established by the MHIP Board and implemented by CareFirst under contract
    - Great opportunity to explore more aggressive disease management strategies
    - Great opportunity to explore innovative incentives for patients and for physicians