

Annual Health Care Cost Trends Hearing  
Massachusetts Health Policy commission  
Suffolk University Law School  
October 7, 2014

Chairman Altman, Secretaries Shor and Polanowicz, Executive Directors Seltz, Boros and Yang, distinguished members of the Health Policy Commission, thank you for including Health Care For All and the perspective of the patients and consumers of Massachusetts as you consider the cost of health care in our Commonwealth.

My name is Amy Whitcomb Slemmer and I am the Executive Director of Health Care For All, currently celebrating our 30<sup>th</sup> year of working for a consumer centered health care system that delivers accessible, high quality, culturally competent and affordable care for everyone, particularly the most vulnerable people among us.

I want to begin by thanking you for the important work that you are doing and for continuing the tradition of convening what we refer to as Health Policy Boot Camp, which in our experience, is a unique opportunity to gather stakeholders and all who are interested in understanding what is happening to the cost of health care and to consider solutions to this very thorny problem.

Health Care For All is interested to understand whether the full promise of our health reform laws – Chapter 58, Chapter 224 and others are being realized as the transformational vehicles we believe them to be.

The cost of health care from a consumer's perspective is the cost of a doctor's visit, a prescription co-pay, the cost of missed work and lost wages to accommodate limited office hours, the cost of multiple appointments to see specialists or have tests, the cost of time required to fill out and negotiate paperwork, including chasing down forms or meeting administrative requirements that have no discernable impact on our overall health. I very much appreciate the opportunity to highlight these costs and to champion the savings that is represented when health care is truly coordinated for patients and consumers.

We know that there are simple ways to cut health care costs, some of which were highlighted during the first day of hearings. Cost shifting is a simple answer – burdening consumers with increasingly large copayments and deductibles. Or limiting access or decreasing service availability also cuts costs. But those solutions are untenable and not what consumers want.

When you look at the newest unusual suspects entering into the health care marketplace – retailers, large pharmacies, and box stores, their growing popularity is a direct reflection on consumers' need for quick convenience and affordability. I wonder whether the rising popularity

of these non-traditional providers represents consumers' disenchantment with our fractured system where fewer and fewer patients expect to have a meaningful relationship with their doctor or anyone looking out for their overall health.

But it doesn't have to be like that – these hearings and the focus on system innovation and cost savings that are the bedrock and history of Massachusetts health reform give me great hope for what we can accomplish together.

In evaluating our current health care system, Health Care For All focuses on the three key elements – affordability, universal access and the quality of care that is experienced by the consumers of Massachusetts. Designing a health care system that does well on two out of three elements is hard. But consumers demand all three - cost, access and quality.

A successful approach to addressing health care costs, improving access and quality is aggressively investing in public health. Preventing illness and keeping us healthy in the first place is the most effective way to improve our overall health. Nationwide the trend is to starve our public health infrastructure – and we in Massachusetts are paying the price in higher medical costs.

Health Care For All is proud to have championed the creation of the Prevention and Wellness Trust Fund. Many of the projects supported by the fund are underway and hold great promise for those in the affected communities.

One example of the Public Health Trust Fund investment is at Berkshire Medical Center where community health workers are being deployed to focus on smoking cessation, changing behaviors to reduce high blood pressure and focusing on home based fall reduction throughout Berkshire County.

The City of Lynn is investing funds to improve public health by building innovative partnerships between primary care providers, their local housing authority and the public schools. The success of these new alliances will be the reduction of pediatric asthma, reduced rates of smoking and improved school attendance.

I hope that at this gathering next year, you will convene a specific panel to focus on the link between investments in public health and lowering the costs of medical care.

Another important way to lower health care costs is by improving access to preventive health care services in a clinical setting. For people with chronic disease, we have developed an array of low-cost treatments that save money by keep people well. Compare the cost of an asthma

inhaler to the cost of an inpatient admission for acute asthma. Or diabetes test strips with the cost of an inpatient stay or even an amputation.

Last fall Health Care For All engaged over 55,000 consumers throughout the state through a door-to-door canvassing effort, in conjunction with the Health Connector. We let people know about their new coverage options, and how to make sure their coverage was in place for 2014. This was an extraordinary opportunity to meet people where they live and to hear their real world experience of our health care system.

We met a woman named Marissa, who lives in Lawrence. Marissa has an employer sponsored health care plan, and her copays each month are \$180, just for her diabetes medicine. She told us that the cost of taking care of her diabetes means she skimps on other medical needs.

Making sure that people have access to the preventive equipment and services that they need so that they can be compliant patients and the healthiest people possible is incredibly important. Yesterday Dr. Chernew talked about “Value Based Insurance Design” and Health Care For All is a staunch proponent of this approach. We believe that eliminating barriers like co-pays and deductibles for high-value care keeps patients healthy and saves costs for the system.

We will be introducing legislation for the next session that would set up an expert panel to recommend which are the most cost-saving drugs and treatments that should be included in barrier free care. The proposed bill will empower the state to require all insurers to provide those services without any patient cost sharing.

In addition to barrier free care, Health Care For All is most excited about the incredible potential, and the very difficult to achieve – health system integration and care coordination. A system of care that looks at the whole patient, values every part of the person – the mind, mouth, and body and delivers care that requires a team of providers surrounding the patient in the middle.

Every day Health Care For All hears from people who are either desperate for better coordinated care and are suffering without it, or are thriving because they are the beneficiaries of innovative care delivery.

One consumer thriving because of coordinated care is Olivia. She lives in Boston, and requires the full time use of a wheelchair. Olivia is incredibly active, participating in all kinds of activities, including sports, like tennis and she has distinct medical needs. She was cared for by a variety of specialists and experienced the epitome of fragmented care. No one was looking out for her overall health even though she was at risk for a number of serious complications.

When we met Olivia, she enrolled in a care coordination program. In her case, it was the One Care program through the Commonwealth Care Alliance. This program has made a huge difference in Olivia's life. She is surrounded by a team of care givers representing both her clinical and community needs. This team works to provide the seamless care that she needs. Here's how she puts it: "It's all about stopping problems before they begin, by listening to you and what you want." In her case, her health care coverage needs to include a service that insures she has clean bedding so that she doesn't risk a bed sore and infection. She now has a home health aid who is trained and connected to the rest of her health care team.

Integrated care and care coordination are difficult because each demands that different, and formerly unrelated parts of the health care system collaborate, communicate and ultimately advocate for the best health and course of treatment for the patient. The changes required are challenging, but there are many success stories showing the way.

One program that is driving these new relationships and having remarkable results is the Community Asthma Initiative at Boston Children's Hospital. The program works with families to understand their child's asthma and the medications used to treat it. But beyond the traditional medical treatment, the program moves outside the health care setting and follows the child to identify and reduce asthma triggers in the home and other places where the child spends time. The program results are stunning:

- 80% reduction in the percentage of patients with asthma-related hospitalizations
- 56% reduction in the percentage of patients with Emergency Department visits
- 41% reduction in the percentage of patients with missed school days
- 46% reduction in the percentage of parents missing work due to their child's asthma

Another program that has built remarkable success on the framework of innovative care coordination is at the UCSF Medical Center which is focusing on improving outcomes through a heart failure care management program. This program highlights the use of a multi-disciplinary team, comprehensive patient education, and post appointment follow-up care. The results at UCSF are impressive. A 46 percent reduction in the 30-day heart failure readmission rate, and a 35 percent reduction in the 90-day heart failure readmission rate. These are exciting and hopeful statistics with meaningful impact on the patients participating in the program.

While there are innumerable examples of health system cost savings that are achieved because of delivery system innovations Health Care For All is also aware of significant areas ripe for delivery reform and similar innovation. We have been working with several organizations dedicated to improving Care transitions – like those required when going from the hospital to a long-term care facility which is a critical time for care coordination and a particular challenge for vulnerable people. This is also a part of the delivery puzzle not yet solved. Complex

medication management is another area rife with potential as a critical touch point where successful care coordination can make the difference between life and death.

We must be ambitious! Here's what we are learning: people with multiple health and social needs are high consumers of health care services, and thus drivers of high health care costs. The elevated cost of care in this population offers a tremendous opportunity to understand the individuals and their priorities and needs, and to craft a service delivery plan that meets their needs more effectively, at a significantly lower cost.

What seems to work best is providing broad coordination services rather than strict or traditional health interventions, to both improve health outcomes while ensuring access to the health care system and other needed supports. It's when there are strong partnerships between the health care system and community organizations that the results are the best. Results include -

- Better patient experiences and higher quality of care. Effective electronic medical records are vital for this work.
- Reduced costs and fewer medical errors. Less duplicated tests and other services.
- Coordinated care supports doctors and other clinicians to be more effective.
- Coordinated care encourages patients to be active participants in their care.
- Increased coordinated care means more face-time with doctors and other care-givers.

Successful care coordination involves the whole patient as the most crucial partner in his or her care. That is Health Care For All's definition of patient engagement, or "health confidence." And we are excited that health confidence can be both measured and acted upon.

Here's the question we need to be asking everyone in Massachusetts: "How confident are you that you can manage and control your health care problems?"

This question is already being posted to the patients in British Columbia and in several innovative settings across the US. Health Care For All is eager to find additional partner organizations willing to pilot this work closer to home.

Thank you for your leadership, for considering how consumers experience cost and for focusing on the transformative benefits and potential shared savings that rigorous care coordination represents. Thousands of patients across the Commonwealth will benefit from better care coordination, and we know it will lower health care costs. Most importantly, it will improve the health care experience for patients and consumers, and will allow us to continue to pursue the goal of health care for all.