Vision Principles for Success

presented by

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Center for Health Transformation

The Center for Health Transformation is a collaboration of leaders dedicated to the creation of a 21st Century Intelligent Health System that saves lives and saves money.

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Vision Principles for Success

- **Goal** – 100% coverage through market-based solutions, private/corporate efforts, tax incentives, direct public subsidies, strong community support, and faith-based outreach programs.
- **Vision** - Create a market-based solution that provides access to health insurance for all Georgians with care provided in a 21st Century Intelligent Health System.
- **Mission** – Create policies that will improve health, lower the costs of healthcare, reduce premiums for individual and small group health insurance, and decrease the number of uninsureds.

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The Transformation Model

Where we currently operate

Where we should be going

Reforms within the current framework

Current Healthcare System

Real Change

Requires

Real Change

21st Century Intelligent Health System

Failure to change will lead to decay

Rather than change, most bureaucracies prefer the comfortable routine of explaining failure.

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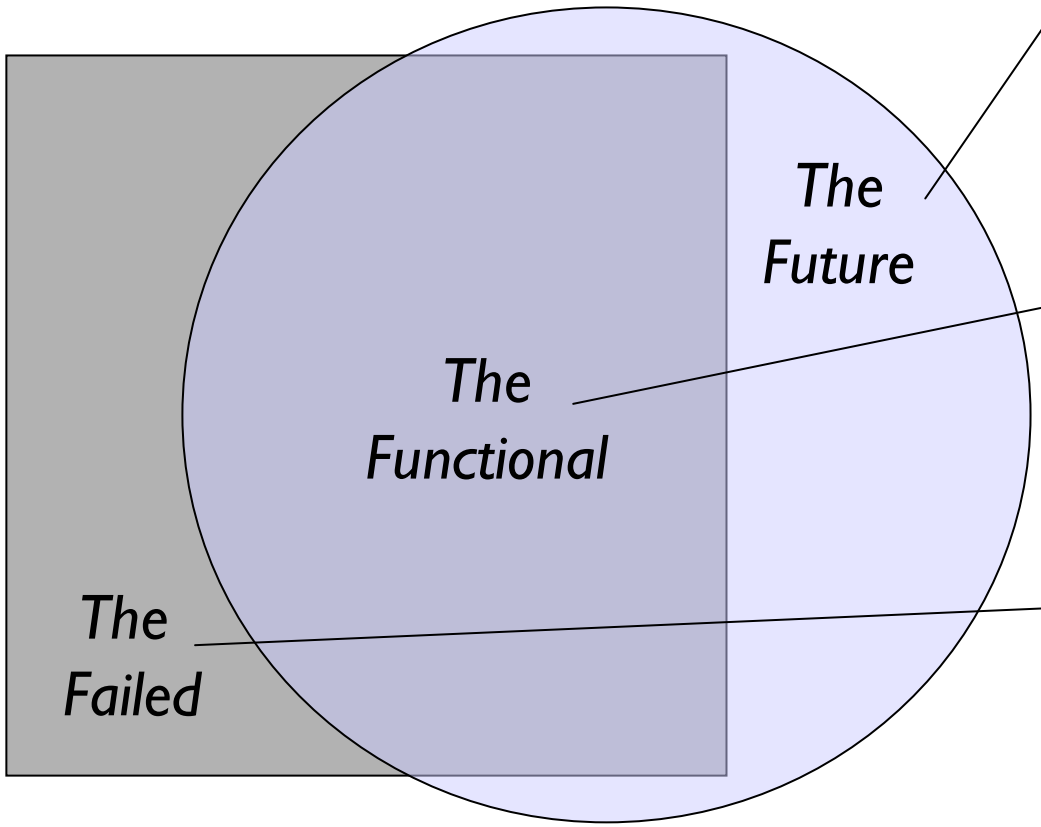
The Transition Model:

"Failed, Functional and Future"



Challenge → Innovation
These elements of the new system must be created – though some of these elements may well already exist within other systems.

Challenge → Improvement
These elements are compatible with the desired future state, and yet they provide ample opportunities for improvement and refinement.

Challenge → Elimination
While these systems are incompatible with the desired future, many may now depend on them, and so they must be phased out only when new, better systems are ready to take their place.

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Transforming vs. Reforming

Reforming

Florida House and Senate Passed Section 456.42 on May 23, 2003

"A written prescription for a medicinal drug issued by a health care practitioner licensed by law to prescribe such drug ***must be legibly printed***…"

Transforming

In February 2003, the Rhode Island Quality Institute teamed up with SureScripts to launch a state-wide electronic prescribing program to achieve 100% electronic prescription transmitting in the State of Rhode Island.

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Current System	21st Century System
Provider-centered	Individual-centered
Price-driven	Values-driven
45 million uninsured Americans	100% coverage
Hidden price and quality information	Transparent price and quality information
Knowledge-disconnected	Knowledge-intense
Slow diffusion of innovation	Rapid diffusion of innovation
Disease-focused	Prevention and health-focused
Paper-based	Electronically-based
Third party controlled market *(patient – provider – payor)*	Binary mediated market *(individual – provider)*
Limited choice	Increased choice
Punishment driven	Incentives driven
Trial lawyer driven litigation system	New system of health justice
Quantity and price measured	Quality of care and quality of life
Process-focused & administered	Metrics-led & outcomes focused
Bureaucratic management	Collaborative leadership
Overall cost increases	Overall cost decreases

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Transformation to Healthcare Consumerism

Reform of the current system will not work. A bolder vision is needed that builds a 21st Century Intelligent Health System which is based on Healthcare Consumerism.

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Increase Choices for Individuals

The 21st Century Intelligent Health System is individual-centered where choice means personal decision options for care, treatment, providers, education, participation, lifestyle, wellness activities, and disease support programs.

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A Change in the Culture of Health

A culture of health focuses on wellness and prevention rather than disease and treatments. Health activities should measure and reward participation in wellness assessments, compliance with a condition management programs (e.g. taking medications, diet, exercise, scheduled physician office visits), and maintenance of good health characteristics (e.g. blood pressure, cholesterol, nicotine use, body mass index).

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Plan Design Must Include Everyone

Any system that works only for the young, healthy, and wealthy is a system destined to failure. Health insurance is about financial security when sickness or accidents strike. Healthcare consumerism is intended to help the sickest patients to get the best care, treatment and understanding of condition through financial and information empowerment.

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Encourage Increased Personal Responsibility

The 21st Century Intelligent Health System combines personal responsibility with patient financial involvement to incent program participation, reward compliance, and support for better personal health management. Incentives that reinforce a culture of health, well-being, self help, and shared responsibility can have a significant effect on outcomes.

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Private Sector, Market-based Initiatives

Establish a supportive environment that will allow the creative entrepreneurial market to develop the health insurance products and services for an effective transformation to Healthcare Consumerism.

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Build on Health Savings Accounts

Federal legislation passed in 2003 favors the development and use of tax advantaged HSAs. Georgia should leverage the transformational strengths of HSA eligible HDHPs. While other products and plan designs may be helpful in dealing with health insurance issues in Georgia, HSAs represent a foundational building block for a 21st Century Intelligent Health System.

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Creating and Encouraging A Behavioral Change

The 21st Century Intelligent Health System is more than high deductible health plans with an attached savings account. It is about transforming a health plan into one that puts economic purchasing power — and decision-making — in the hands of individuals. It is about having the information and decision support tools they need, along with financial incentives, rewards, and other benefits that encourage personal involvement and responsibility in altering health and healthcare purchasing behaviors.

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Foster Environment for Increased Competition

Competition in a free market is the best solution to lower prices, better service, higher quality, and more choices. New policies are critical to increasing competition among insurers, providers, agents, and other service providers.

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Encourage Health Information Technology

The Georgia General Assembly recently passed and Governor Perdue signed a bill which allows physicians to issue and pharmacists to accept electronic prescriptions. However, policies should be developed to create incentives for rapid adoption, including tax incentives for electronic medical records (EMR) in medical offices and hospitals.

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Insurance Matters

Insurance means better access to care, better access to care means better treatments, better treatments means better health. The Institute of Medicine concluded: "Health insurance is associated with better health outcomes for adults and with their receipt of appropriate care across a range of preventive, chronic and acute care services. Adults without health insurance coverage experience greater declines in health status and die sooner than do adults with continuous coverage."

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Individual Ownership

Healthcare Consumerism includes opportunities to accumulate HSA funds through “shared-savings” programs. That is, plan members can be financially rewarded for doing the activities which promote and improve their health which in turn save money. The real value of HSAs is creating ownership that empowers individuals to make their own health and healthcare decisions and choices.

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Individual Plans Need to be Portable

While employer-based insurance is important, individual policies should not necessarily rely on employer-based insurance. Individual ownership of insurance needs to be encouraged and expanded. Health insurance should not be dependent upon a job or lost when one changes jobs. Georgia needs a competitive, vibrant, and viable individual health insurance market.

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Health and Healthcare

Health should be viewed as a dynamic state of well-being within an individual that includes physical, mental, social, and spiritual balance. A focus on “health” recognizes the potential to improve the status of an individual in need regardless of the diagnosis or condition.

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A New System of Health Justice

The 21st Century System of Health Justice must start and end with patient safety. Health records should be electronic. The health justice system must be fair and provide effective and appropriate compensation to the injured individual. The new system demands accountability which encourages disclosure without fear of retribution. Best practices and protocols for health delivery are rapidly adopted.

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Transparency (Right to Know)

Private sector, market-based systems can only be effective with an abundance of information that is easily available and understood by consumers. If properly integrated into care, information can be as important to health and healthcare as a medical test, medication, or treatment. With good information people can achieve better health outcomes at lower costs. With good information consumers will be better equipped to fully accept their role in the new world of Healthcare Consumerism.

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Consumers Have the Right to Know Cost and Quality Data

Florida Governor Jeb Bush and former Health Secretary Alan Levine lead the country in promoting the transparency of hospital quality information and prescription drug prices.

www.MyFloridaRX.com

MIAMI - CELEBREX 200 MG CAPSULE
Usual and Customary prices for Nov 1 - Nov 30, 2005

You can sort your results by Pharmacy, Zip Code, Drug Name, Quantity, or Price by clicking on the column title.

Name	Zip Code	Drug Name	Quantity	Price ▲
WAL-MART PHARMACY 10-2091 8651 N.W. 13TH TERRACE MIAMI, FL 33126 (305) 470-4530 Map It	33126	CELEBREX 200 MG CAPSULE	30	86.04
CAROLINA PHARMACY 4633 NW 199 STREET MIAMI, FL 33055 (305) 625-6255 Map It	33055	CELEBREX 200 MG CAPSULE	30	220.50

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www.FloridaCompareCare.com

Surgery/Procedure: Nervous System Injections, Stimulations or Cranial Tap
Time Period: January 2004 through December 2004

Facility / City	Total Visits	Risk Adjusted Average Charge
Cleveland Clinic Hospital - 100056 Weston	1,232	$917
Coral Springs Medical Center - 110019 Coral Springs	40	$5,123

Pneumonia Mortality Rate
Time Period: January 2004 through December 2004

Cedars Medical Center - 100009 Miami	As Expected
Coral Gables Hospital - 100183 Coral Gables	Higher Than Expected
Doctors Hospital - 100020 Coral Gables	Lower Than Expected

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Questions & Answers

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