



Welcome to

Quantifying Healthcare Value: Advocates' Guide to State-Level Data

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Welcome and Introduction

Lynn Quincy

Director, Healthcare Value Hub



Housekeeping

- Thank you for joining us today
- All lines are muted until Q&A
- Technical problems? Please text/call Tad Lee at 703-408-3204 or our office at 202-462-6262. Or use the Chat function in the webinar.



Agenda for Today

Welcome & Introduction

Healthcare Value Data – What’s Available and How to Find It

Sample State Profile

Tool Demo

Question & Answer



Quantifying Healthcare Value

Advocates' Guide to State-Level Data

Lynn Quincy

Director, Healthcare Value Hub

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October 14, 2016



What is Healthcare Value?

- **Getting good quality care for a fair price – we don't over pay at the household, employer or governmental levels.**
- **Consumers can navigate our healthcare system safely and confidently – the risk of encountering poor performers, an unnecessary or low-value treatment or an outrageously inflated price, is minimized.**
- **Our healthcare system is sensitive to consumers' varying ability to pay for the care they need.**



We have poor healthcare value

- High and rising healthcare prices
- Unwarranted variation in healthcare prices
- Unacceptable variation in healthcare quality
- Too little transparency

CONSUMER HARM



LESS MONEY FOR HOUSING AND FOOD

Overpaying for care means less money for food, housing and other necessities of daily life.



MIDDLE AND LOWER-INCOME FAMILIES HIT HARDEST

One in five middle-income people spends more than 10% of his or her income on healthcare expenses. Lower-income families are less likely to have health insurance to assist with medical costs.

Unaffordable healthcare is a top concern for consumers. It's time to work together towards better value in our healthcare system.

DIVERTS GOVERNMENT RESOURCES



State, local and federal governments make tough budgetary tradeoffs due to high healthcare prices, which may include lower spending on education, social programs, police and important infrastructure projects.

CONSUMERS FORGO NEEDED CARE



Half the U.S. population goes without needed care due to cost concerns, leading to poorer health outcomes.

CONSUMERS SUFFER MEDICAL HARM



Medical harm is the third leading cause of death in U.S. An estimated nine million people suffer from medical harm each year, including an estimated 400,000 deaths, and unnecessary spending that costs tens of billions of dollars.

Find out more about consumer harm from high prices and uneven quality:

HEALTHCAREVALUEHUB.org/Consumer-Harm



States are critical actors in getting to better healthcare value

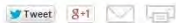
- The conditions that give rise to poor healthcare value vary across geographies
- Solutions will likely need to be customized to local conditions

ANNALS OF MEDICINE | JUNE 1, 2009 ISSUE

THE COST CONUNDRUM

What a Texas town can teach us about health care.

BY ATUL GAWANDE



It is spring in McAllen, Texas. The morning sun is warm. The streets are lined with palm trees and pickup trucks. McAllen is in Hidalgo County, which has the lowest household income in the country, but it's a border town, and a thriving foreign-trade zone has kept the unemployment rate below ten per cent. McAllen calls itself the Square Dance Capital of the World. "Lonesome Dove" was set around here.

McAllen has another distinction, too: it is one of the most expensive health-care markets in the country. Only Miami—which has much higher labor and living costs—spends more per person on health care. In 2006, Medicare spent fifteen thousand dollars per enrollee here, almost



Costlier care is often worse care. Photograph by Phillip Toledano.



Why is it important to measure healthcare value annually?

- **Things that aren't measured, don't get managed.**
- **Many interventions to address poor healthcare value require knowledge of underlying spending flows, utilization and price components.**
- **Must ensure that interventions do not:**
 - Reduce quality of healthcare
 - Lead to poorer patient experience
 - Add to our healthcare disparities

What metrics should we use
to measure healthcare value
at the state level?





Broad Categories to Measure Healthcare Value:

- Spending and Cost
- Affordability
- Health Outcomes
- Medical Harm
- Patient Experience



Spending Data: What's readily available at the state level?

Measure	Source
Per capita personal healthcare expenditures	Bureau of Economic Analysis (BEA)
High-value care: Received recommended screening & preventive care (Adults ages 50 and older)	The Behavioral Risk Factor Surveillance System (BRFSS)
Low-value Care: Potentially avoidable emergency department visits (Medicare beneficiaries)	Medicare Standard Analytic Files (claims data)



Ohio Spending Profile

Spending and Utilization Measures	Most Recent Year	Prior Year	Baseline
Per capita personal healthcare expenditures	\$7,146 (2015)	\$6,818	\$6,436 (2015 national average)
Use of Low Value Care: Potentially avoidable emergency department visits among Medicare beneficiaries	214 per 1,000 beneficiaries (2013)	219 per 1,000 beneficiaries	181 per 1,000 beneficiaries (2013 national average)
Use of high-value care: Adults ages 50 and older who received recommended screening and preventive care	39% (2014)	41% (2012)	40% (2014 national average)



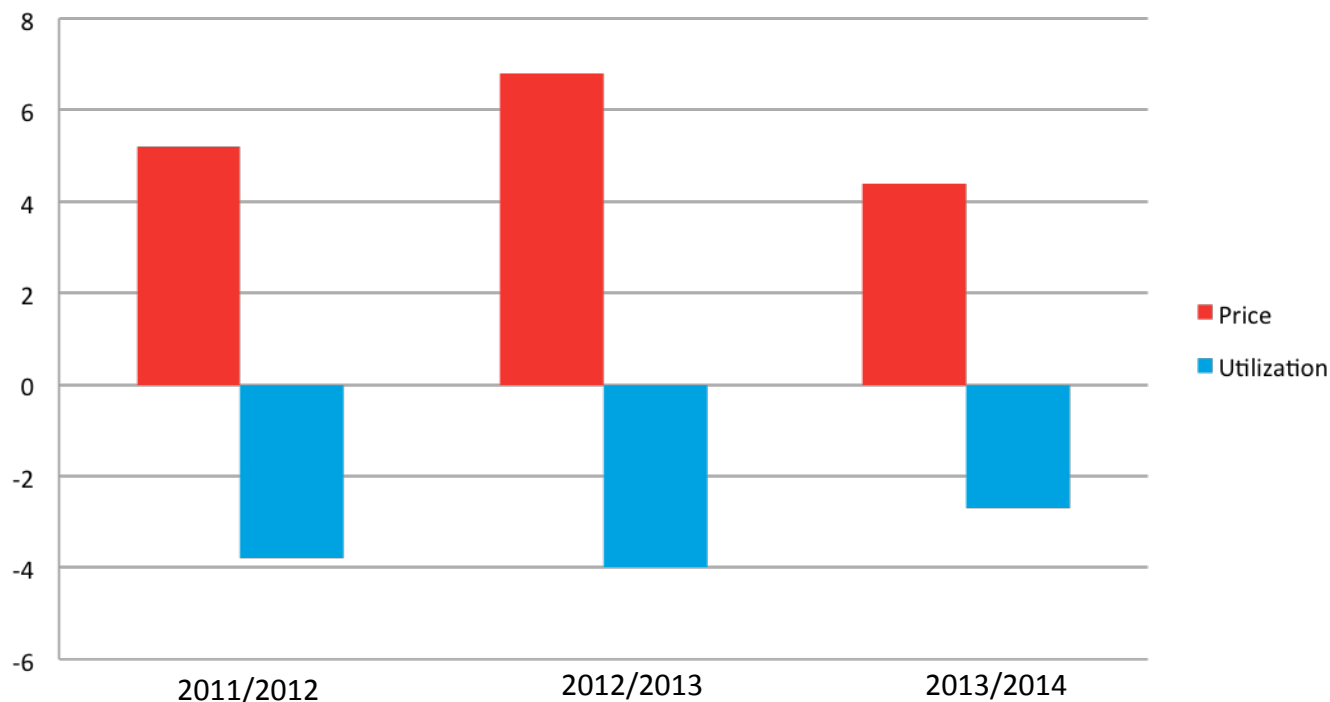
Spending Data: What's missing?

- Data detail to separate spending growth into its utilization and price components
- Demographic detail to assess disparities in costs and spending
- Determination of a “fair price” when the charge for a service, drug or device seems wildly out of line from cost to provide or value to society



Rising unit prices drive healthcare spending growth; increases in utilization a less important factor

Hospital Inpatient Spending: Annual Percentage Change





Affordability Data: What's readily available at the state level?

Measure	Source
Adults who went without care because of cost in past year	Behavioral Risk Factor Surveillance System (BRFSS)
Made changes to medical drugs because of cost in past year	The National Health Interview Survey (NHIS)
Lack of insurance coverage	American Community Survey (ACS)
Individuals under age 65 with high out-of-pocket medical costs relative to their annual household income	Current Population Survey - Annual Social and Economic Supplement (CPS)



Ohio Affordability Profile

Affordability Measures	Most Recent Year	Prior Year	Baseline
No insurance coverage	8.3% (2014)	10.9 %	11.6% (2014 national average)
Adults who went without care because of cost in past year	13% (2014)	15%	14% (2014 national average)
Individuals under age 65 with high out-of-pocket medical costs relative to their annual household income	15% (2013-2014)	No Data	15% (2013-2014 national average)
Made changes to medical drugs because of cost in past year, ages 19-64	27% (2014)	30%	31% (2014 national average)
Trouble paying medical bills in past year	35% (2014)	31%	29% (2014 national benchmark)



Affordability Data: What's missing?

- State standard for what constitutes affordability and a system for tracking it.
- Sample size and demographic detail permits assessment of disparities in affordability



Outcomes Data:

What's readily available at the state level?

Measure	Source
Premature deaths that could have been prevented with effective and timely health care	CDC National Vital Statistics System: Mortality Restricted Use File
Infant mortality, deaths per 1,000 live births	CDC National Vital Statistics System: WONDER
Hospital admissions for pediatric asthma, per 100,000 children	Healthcare Cost and Utilization Project (HCUP)
Medicare 30-day hospital readmissions, rate per 1,000 beneficiaries	Chronic Conditions Warehouse (CCW)

More measures available ...



Ohio Outcomes Profile

Health Outcome Measures	Most Recent Year	Prior Year	Baseline
Premature deaths that could have been prevented with effective and timely health care, per 100,000 population	94 <i>(2012-2013)</i>	96 <i>(2010-2011)</i>	84 <i>(2012-2013 national average)</i>
Infant mortality, deaths per 1,000 live births	7.9 <i>(2013)</i>	7.5	6 <i>(2013 national average)</i>
Hospital admissions for pediatric asthma, per 100,000 children	128 <i>(2012)</i>	143	143 <i>(2012 national average)</i>
Medicare 30-day hospital readmissions, rate per 1,000 beneficiaries	30 <i>(2013)</i>	34	30 <i>(2013 national average)</i>

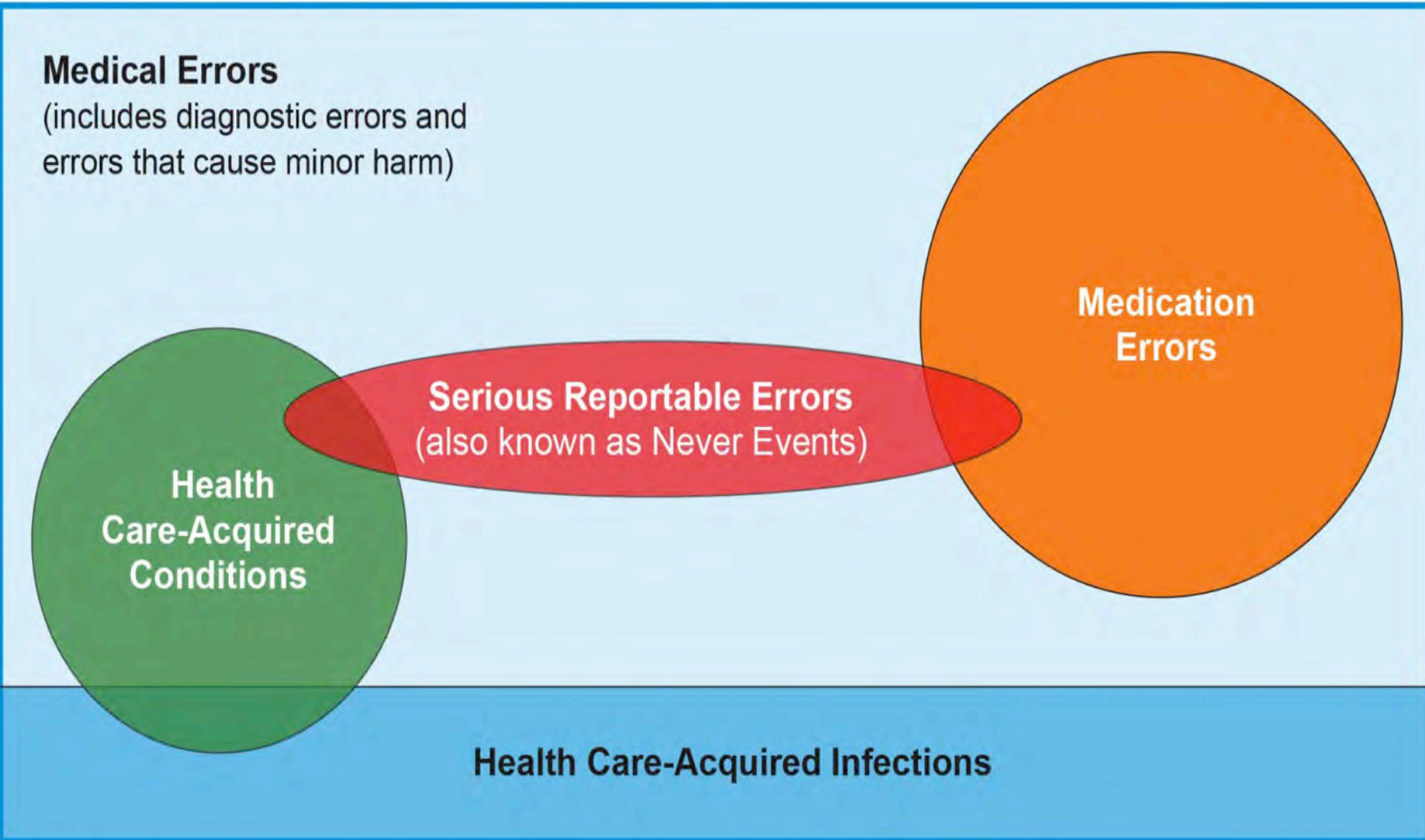


Outcomes Data: What's missing?

- Nationally collected data doesn't always contain sufficient sample to permit detailed demographic analysis that would allow us to measure progress on disparities in health outcomes.
- Medicare based measures may not be good predictors for other populations.

Figure 1

Types of Medical Harm and How They Overlap



Notes: Graphic excludes benign errors and near misses that don't cause harm. As noted in Table 1, poor reporting of harm makes it difficult to gauge the relative frequency of each type of harm.



Medical Harm Data: What's readily available at the state level?

Measure	Source
Healthcare-acquired infection rates	CDC National Healthcare Safety Network (NHSN)



Medical Harm Data: It's missing!

- Selected types of harm sometimes collected at the provider (hospital) level.
- Not collected nationally (one exception)
- When collected at the state level, not “rolled up” to a state level measure.
- Rarely collected: medication errors, diagnostic errors, and errors that occur outside the hospital setting.



Patient Experience Data: What's readily available at the state level?

Measure	Source
Medicare fee-for-service patients whose health provider always listens, explains, shows respect, and spends enough time with them	Consumer Assessment of Healthcare Providers and Systems (CAHPS)
Hospitalized patients who reported hospital staff always managed pain well, responded when needed help, and explained medicines and side effects	Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS)

More measures available at AHRQ State Snapshot ...



Patient Experience Data: What's missing?

- Expand the data collected to include the non-Medicare population and non-hospital settings
- Sufficient sample size to permit detailed demographic analysis that would allow us to measure progress on disparities in patient experience.



Easy-to-use tools to help you

- **Healthcare Value Hub (duh!)**
- **[U.S. Health System Data Center](http://datacenter.commonwealthfund.org/), The Commonwealth Fund**
<http://datacenter.commonwealthfund.org/>
- **[SHADAC Data Center](http://datacenter.shadac.org/Profile), State Health Access Data Assistance Center**
<http://datacenter.shadac.org/Profile>
- **[State Snapshots](https://nhqrnet.ahrq.gov/inhqrdr/state/select), Agency For Healthcare Research and Quality**
<https://nhqrnet.ahrq.gov/inhqrdr/state/select>
- **[Healthcare-associated Infections \(HAI\) Progress Report](http://www.cdc.gov/hai/surveillance/progress-report/index.html), CDC**
<http://www.cdc.gov/hai/surveillance/progress-report/index.html>



Questions?




Type into the chat box

OR

to unmute phone, press *6

Please do not put us on hold!

Next Hub Webinar:
*After the Election: What Does the New
Administration Mean for Healthcare
Value?*



**December 16, 2016
2:00pm – 3:00 EST**

Registration at
HealthcareValueHub.org/events

Thank you!

Attendees and the Robert Wood Johnson Foundation

Contact Lynn Quincy at lquincy@consumer.org
with your follow-up questions.

Visit us at HealthCareValueHub.org and ConsumersUnion.org

