

Approaching Payment Reform from a Consumer Point of View

MICHAEL MILLER
POLICY DIRECTOR



Nov 9, 2015

Health Care Value Hub Conference

Health System Transformation: A General Framework

REFRAME THE DEBATE: IMPROVING VALUE

		HEALTH OUTCOMES		
		WORSE	SAME	BETTER
COSTS	HIGHER	No	No	Depends
	SAME	No	What's the point	Yes
	LOWER	No	Yes	Yes

From the Path to a People-Centered Health System

Is It About the Benjamins?



- No, but they do matter

Payment Reform

Payment reform is not the whole system transformation toolbox but it is an essential and unavoidable part of it



"Every system is perfectly designed to achieve exactly the results it gets."

- Don Berwick

"You get what you pay for"

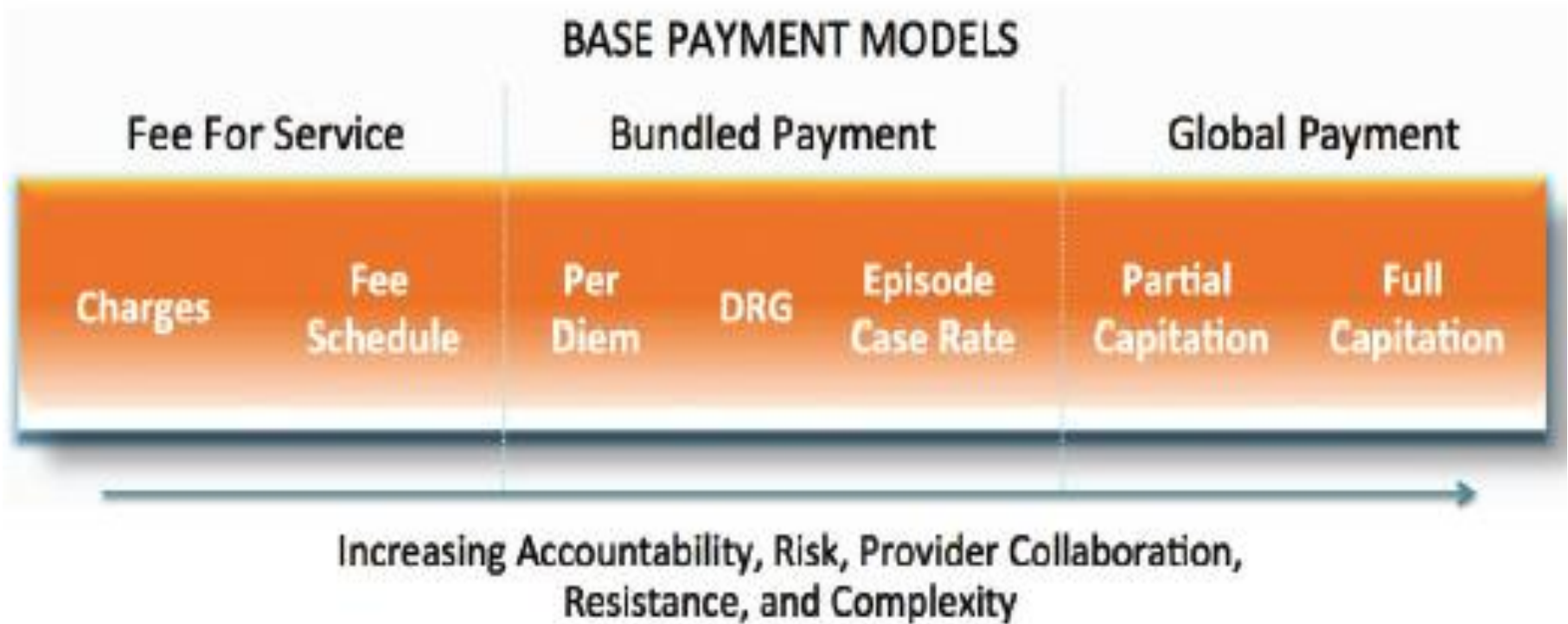
- Anonymous

What is Payment Reform?

Moving away from do-more/ make more toward making delivery system responsible for quality and cost.

It's a Continuum

- Care management fees to global budget



What Is Payment Reform?

3 Key lenses through which advocates need to approach payment reform

- Affirmative
- Defensive
- Opportunistic



Affirmative: What Are We Trying To Accomplish?

- Better Care
- Health Equity
- Reduce wasteful spending

Defensive: What Are We Worried About?

- No reimbursement system is perfect
- FFS: Incentive to increase volume
- Risk-based reimbursement: Incentive for under-service and avoidance

Opportunistic: What's Being Served Up?



Payment Reform Does Not Live In A Vacuum

- Care Delivery Model(s)
- Quality Measurement
- Structures & Governance
- Due Process Rights
- Transparency Choice



Payment Is Foundational



Key Questions

- Who is at risk and for how much?
- What is being incentivized?
- What else needs to be in place?

Risk Adjustment is Key

- Clinical
- SES



QUESTIONS?

Thank You!

