




King County Health Reform Initiative


**Presentation to
State Coverage Initiative Workshop**

July 28, 2005



Problem

- Double-digit increases in US health care costs are predicted for the next 5 years
- Without any interventions King County's costs would double in a six year period
- Experts said reform also needs to happen on the regional level



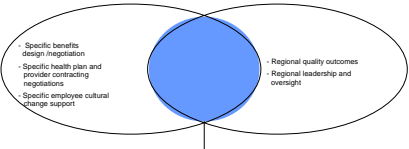
KC Health Reform Initiative

King County Only Strategy


- Specific benefits design negotiation
- Specific health plan and provider contracting negotiations
- Specific employee cultural change support

Regional Only Strategy

- Regional quality outcomes
- Regional leadership and oversight




- Plan/provider contracting innovation
- Benefits design innovations
- Quality and cost reporting
- Evidence based resources
- Self management tools and information
- Information Technology Infrastructure and Regional database




Regional Strategy: Puget Sound Health Alliance

- Mission:** *To forge a leadership alliance among patients, health care professionals, purchasers, and plans, and to design and implement an innovative, high quality, and affordable health care system in the Puget Sound region.*
- An independent, nonprofit membership organization with Board of Directors
- A collaborative approach
 - Purchasers, health care professionals, plans, patients



Regional Strategy: Puget Sound Health Alliance

- A regional 4 county area
 - King, Kitsap, Pierce, Snohomish counties
- An integrated strategy
 - Quality improvement is the foundation
 - Sharing cost and quality improvement data is essential
 - Measurement results must be in the public domain



What the Alliance will do

Slow down the cost trend by improving quality and efficiency and decreasing waste by:

- Building a regional reporting system based on uniform, evidenced-based performance measures of quality
- Creating a repository of evidence-based clinical practice guidelines for region's practitioners to use
- Distributing evidence-based patient education and self-management tools
- Providing patients with more information for decision-making

What the Alliance will do

- o Providing infrastructure for healthcare professional-based quality improvement collaboratives
- o Providing incentives to health professionals to improve quality of care
- o Supporting health promotion in the workforce
- o Increasing the use of the most effective, evidence-based and affordable drugs
- o Improving the linkages between public health and the health care system

Alliance members as of 7-18-05

Employers/Associations (19)

- o King County
- o Startucks
- o State of Washington
- o Washington Mutual
- o REI
- o City of Seattle
- o Hope Heart Institute
- o Port Blakely Companies
- o Puget Sound Energy
- o Foundation for Health Care Quality
- o Qualis Health
- o Pierce County
- o City of Everett
- o King County Medical Society
- o Washington State Pharmacy Association
- o American Heart Association
- o Washington State Medical Association
- o Freestanding Ambulatory Surgery Center Association (FASCAWS)
- o Washington State Hospital Association
- o Fisher Communications

Health Care Professionals (11)

- o Virginia Mason Medical Center
- o The Polyclinic
- o Seattle Surgery Center
- o Pacific Medical Centers
- o The Everett Clinic
- o First Choice Health
- o Woodville Pediatrics
- o John Verrilli, MD
- o Overlake Surgery Center
- o Puget Sound Family Physicians
- o UW Medicine

Health Plans (6)

- o Group Health Cooperative
- o Community Health Plan of Washington
- o Regence BlueShield
- o Premiera Blue Cross
- o Uniprise, a UnitedHealth Group Co.
- o Aetna

Internal KC Strategy

6 Key action steps for King County's internal effort suggested by the HAT Force reports included:

1. Use employee surveys and focus groups to determine the most relevant and effective communication programs
2. Conduct an analysis of its health care utilization data to determine areas of greatest effect on health care costs
3. Create benefit designs that motivate employees and their families to choose identified quality providers, actively participate with their providers in their own health care, participate in wellness and prevention activities, and manage chronic health conditions

Internal KC Strategy

6 Key action steps for King County's internal effort suggested by the HAT Force reports included *con't*:

4. Approach communication with employees the same way one would plan a major public information campaign
5. Provide consistent, meaningful, accurate and simple information on benefits administration and the effect that employee decisions can have on costs
6. Provide employees with information and tools to assist with understanding health conditions, making decisions and successfully carrying out self-care actions and obtaining health

The county has acted on all these recommendations.

Progress to date

- o Taken action in collaboration with labor
- o Conducted Survey and Focus Groups
- o Carried out Health Productivity Analysis
- o Hired staff for education "Health Matters" team
- o Implementing an on-line enrollment tool

Survey & Focus Groups

- o Conducted employee survey and focus groups, spring 2004
- o Determined current level of understanding, attitudes and readiness for change in 4 areas:
 - Health care crisis
 - Issues in choosing health plans
 - Using health care services
 - Managing personal health
- o Information used to create strategic communication and education plan

Health & Productivity Analysis

- Identified most frequent and costly health conditions
- As a result of this study, starting Jan 2005, the county has implemented the following programs:
 - Informed Health Line
 - Enhanced Member Outreach (EMO)
 - Disease Management
 - MedQuery
 - Aexcel

Health Matters

- 4 health education specialists hired as "Health Matters Team" to conduct education program for employees
- Health Matters Team are:
 - Presenting a series of 6 different "Road Shows" on health care cost and quality, and managing personal health issues at county worksites during 2005
 - Creating information and consumer tools for "My Health Matters" page on the Focus on Employees website
 - Researching and producing the "Health Matters" monthly newsletter sent to employees' homes

Healthy Incentives Benefit Plans, Labor and JLMIC

King County and unions in the Joint Labor Management Insurance Committee negotiated a framework for the 2006-2009 benefit plans called Healthy Incentives

Goals of 2007-09 Benefit Plan

- Improve the health of county employees and their families
- Reduce the rate of growth of medical plan costs by 1/3
- Allow flexibility to address emerging innovations in either vendor or community-based programs

Healthy Incentives: Incentive Design Framework

- Concept: Encourage employees and partners to participate in health improvement programs through benefit design incentives
- Goal: Improve the health status of County employees and therefore, reduce the rate of increase in health care costs through positive personal behavior changes
- Principle: If 10% of those "at risk" adults improve healthy behaviors the County and its employees will realize the promise of the various health improvement programs and approaches envisioned

Healthy Incentives: Incentive Design Framework

- In 2006 employees and partners can earn eligibility for bronze, silver or gold out-of-pocket expense levels by completing a wellness assessment and participating in health improvement programs
- Actions taken in 2006 determine eligibility for gold, silver or bronze out-of-pocket expense levels in 2007

Healthy Incentives: Program Components

Two Benefit Plans. Each has three out-of-pocket expense levels

- KingCare (Preferred Provider Organization Option)
- Group Health (Health Maintenance Organization Option)

Healthy Incentives Program

Objective: Maximize participation in wellness assessment process and improve/maintain healthy behaviors to substantially achieve desired trend reduction

Take wellness assessment +
follow personal action plan

Take wellness assessment

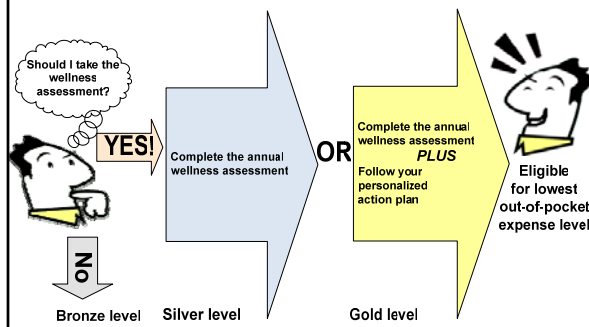
Take no action

Gold
out-of-pocket
expense level

Silver
out-of-pocket
expense level

Bronze
out-of-pocket
expense level

How Healthy Incentives works



Creating a Health Conscious Organization

Change the workplace culture to support health and healthy employees

Health Promotion Strategy

- o Strategy is:
 - Tailored to the unique needs and culture of King County
 - Based on research and proven change management theory
 - Data driven
 - Validated by Dr. Jeff Harris of the University of Washington Health Promotion Research Center

One Goal, Two Approaches

- o **Organizational alignment.** Changing the culture to support healthy employees
- o **Worksite health promotion.** Support positive behavior change by improving access to focused programming

Organizational Alignment

- o Energize leaders and managers
- o Provide workshops and toolkits to front-line managers and supervisors
- o Healthy Workplace Funding Initiative
 - funding to tailor programming to meet the unique needs of diverse work groups

Worksite Health Promotion

- o Focused programming:
 - Eat smart
 - Move more
 - Quit tobacco
- o County-wide programming as well as programming tailored to specific worksites and/or work groups

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