

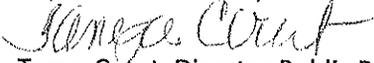
The Business Council of Fairfield County

Strengthening Businesses. Strengthening Communities.

March 7, 2008

TO: Public Health Committee

Senator Mary Ann Handley, Co-Chair
Representative Peggy Sayers, Co-Chair
Senator Gayle S. Slossberg, Vice-Chair
Representative Elizabeth Ritter, Vice-Chair
Senator Andrew Roraback, Ranking Member
Representative Mary Ann Carson, Ranking Member


From: Tanya Court, Director Public Policy and Programs

RE: H.B. Number 5539- An Act Concerning the Establishment of the Connecticut Health Quality Partnership

The Business Council of Fairfield County supports the intent of H.B. 5539 which is to:

1. Assess the quality of care delivered in the state against national standards;
2. Generate reports to health care providers and consumers on provider performance; and
3. Formulate quality improvement recommendations that shall be communicated to health insurers, physicians, and other health care providers. Such recommendations shall be communicated to consumers, in a format to be determined by the partnership, in order to promote health care quality improvement initiatives and enhance consumer health care choices.

Health care consumers want and should have an open and transparent system that will provide quality and price information sufficient to make an informed decision when choosing a health care provider, health plan, or treatment. Connecticut does not have an adequate system for providing this information to consumers. Connecticut's medical error reporting system appears to understate the number of medical errors and does not provide hospital specific information. A healthcare associated infection (HAI) reporting system is just getting underway but will only deal with a limited number of HAI. A robust system that reports facility and doctor specific information is needed to assist consumers in making informed decisions.

Connecticut needs to develop a robust statewide reporting system for quality and patient safety including adverse events, healthcare associated infection rates, volume of procedures and outcomes, etc. that are provider specific. Deficits in health care quality pose a serious threat to the health of Connecticut's residents and come with a huge price tag, adding billions in unnecessary health care expenditures.

We do question the need for creation of a nonprofit entity to develop and implement a plan for the collection of administrative data from each health care insurer licensed to operate in the state. We believe that this function should be within the purview of existing state agencies such as the Office of Health Care Access or the Connecticut Health Information Network (CHIN). Examples of best practices include:

1. The Pennsylvania Health Care Cost Containment Council that is is an independent state agency responsible for addressing the problem of escalating health costs, ensuring the quality of health care and increasing access for all citizens regardless of ability to pay.
2. Florida's Agency for Health Care Administration website FloridaHealthFinder.gov that provides information to help consumers compare hospitals, ambulatory surgery centers, health plans, nursing homes, and prescription drugs. The website also lists Florida health care facilities; information on health insurance; medical care resources for the uninsured; resources for seniors; and much more.

Individuals represented on the Health Quality Partnership could form the basis of an advisory committee to either OHCA or CHIN. Additionally, we believe that health care consumers and patient safety advocates should serve on the advisory committee in addition to employers representing employers who have 50 or more employees and those under 50 employees.

Additionally, data produced should not be subject to subpoena or discovery or introduced into evidence in any judicial or administrative proceeding except as otherwise specifically provided by law.

Thank you for the opportunity to comment.

Attachment: Connecticut Health Scorecard Executive Summary

Connecticut Health Scorecard



December 18, 2007

The Business Council of Fairfield County
One Landmark Square, Suite 300
Stamford, CT 06901-2696

Connecticut Health Scorecard

EXECUTIVE SUMMARY

The enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being without distinction of race, religion, political belief, economic or social condition. (World Health Organization Constitution)

The failure of the federal government to enact comprehensive health care reform has forced states to experiment with a variety of health care reform strategies. Without doubt, health care has emerged as a top issue in Connecticut. During the 2007 session, the Connecticut legislature created two new health-related planning entities: (1) HealthFirst Connecticut Authority to recommend alternatives for affordable quality health care coverage for un- and underinsured people, and cost containment measures and insurance financing mechanisms; and (2) Statewide Primary Care Authority, to develop a universal system for providing primary care services, including prescription drugs, to all Connecticut residents. Both panels will be issuing their reports in December 2008.

The U.S. health care system is one of the costliest in the world and has serious gaps in quality. Further, too many Americans lack access to appropriate health care due to the lack of health insurance. The Business Council believes that quality, cost, and access are interrelated and that all three factors must be addressed in Connecticut's health care reform strategy.

The purpose of our health care system is to reduce continually the burden of illness, injury, and disability, and to improve the health status and functioning of the people of the United States.¹ Expanding access to a system that does not deliver necessary services will not result in the optimal health outcomes which should be our primary goal. Recent studies indicate that U.S. adults currently receive half of the recommended services.² Similar results were reported for our nation's youngest citizens.³ The status quo is no longer acceptable or sustainable – and some frequently proposed changes may well make the situation worse.

In 2006, The Business Council of Fairfield County issued the first *Connecticut Health Scorecard*. The Scorecard measured 26 indicators of Connecticut's health and offered a set of action recommendations. The Scorecard demonstrated that there are areas where Connecticut excels, but, more importantly, it revealed many more areas where Connecticut lags, and in some cases, ranks in the bottom 50 percent of states. The Scorecard identified a number of troubling factors, such as personal behaviors, risk factors, and health policies that threaten to undermine the health of Connecticut's residents and workforce.

¹ Institute of Medicine, *To Err is Human: Building a Safer Health Care System*, November 1999, <http://www.iom.edu/file.asp?id=4117>

² Rand Health, *The First National Report Card on Health in America*, 2006, Santa Monica, CA, www.rand.org

³ Mangione-Smith, Rita, et al., *The Quality of Ambulatory Care Delivered to Children in the United States*, *The New England Journal of Medicine*, 357:15, October 11, 2007, www.NEJM.org.

The new Scorecard reports on areas where Connecticut has made progress as well as areas where additional interventions are needed. Here are our key findings:

- **Premiums for employer sponsored health insurance in Connecticut are among the highest in the nation.** Cost is the major reason why employers and employees do not have health insurance. Connecticut health insurance premiums for single coverage are the fifth costliest in the nation at \$4,390 per year. Premiums for family coverage are the 3rd costliest in the nation at \$11,717.
- **Too many Connecticut residents do not have access to appropriate health care due to the lack of health insurance.** Simply put, not having health insurance is bad for your health.
 - Health insurance is a major factor affecting access to the nation's health care system. Those without health insurance are less likely to have a regular source of health care than their insured counterparts. The uninsured are less likely to receive preventative care, more likely to be hospitalized for avoidable health problems, and are more likely to be diagnosed in late stages of disease. Some 325,000 persons in Connecticut lack health insurance. It is unacceptable that anyone should lack health insurance.
 - When the uninsured are unable to pay their medical expenses, those costs are passed on to others in the form of higher fees.
- **The rising prevalence of chronic disease contributes to increased health care costs and demand for services.**
 - Connecticut ranks 40th in the nation in cancer incidence per 100,000 people, 40th in adult asthma, and 25th in childhood asthma.
 - Connecticut, like the rest of the nation, faces an obesity epidemic. More than 1 out of 5 adults in Connecticut are classified as obese and nearly 6 out of 10 adults are overweight or obese. Obesity has serious health consequences for children and adults and comes with some staggering health costs.
 - Mental illness is a major source of disability, distress, and social burden. Frequent mental distress is a proxy for depression and anxiety disorders. Approximately nine percent of Connecticut adults suffer from frequent mental distress.
 - Over one-fourth (27.8 percent) of Connecticut High School students engaged in episodic heavy drinking in 2005. Research is showing that alcohol consumption has detrimental affects on the developing brain.
- **Connecticut has one of the highest average medical malpractice claims paid out, ranking 48th in the nation.**
 - High malpractice awards are believed to be one of the factors that have contributed to the high cost of medical malpractice insurance. While the issue of medical malpractice tort reform is a contentious one, the escalating cost of medical malpractice insurance premiums and the departure of many insurance companies from the medical malpractice marketplace have created an affordability and availability crisis in certain areas of the United States. Both the Connecticut Insurance Department and the Program Review and Investigations Committee agree that the medical malpractice insurance market in Connecticut is not competitive.
 - The high cost of medical malpractice insurance is especially a concern in Connecticut because physicians and surgeons are among the seven categories of practitioners who must maintain insurance coverage if they provide direct patient care.

- **Many Connecticut residents are not getting recommended preventive services, indicating gaps in the quality of care.** Immunization of children and adults against life-threatening diseases represents one of the greatest triumphs of the public health system in the United States, and one of the best bargains in medicine in terms of cost effectiveness. Connecticut falls short on many national goals for immunization and preventive screenings. Once a leader in childhood immunizations, Connecticut now ranks 6th nationally. Connecticut adult immunization lags behind childhood immunization, leaving many adults unprotected from influenza and pneumonia. The national goal is to raise immunization coverage to 90 percent. More than one out of ten mothers did not receive early prenatal care. Prenatal care is more likely to be effective if women begin receiving care early in pregnancy.
- **Health disparities are prevalent.** The Black and Hispanic population generally fare worse on most health indicators and health outcome measures.
- **Connecticut's spending on prevention is sub-optimal.** While a number of measures have been introduced to curb smoking and exposure to second hand smoke since the 1964 Surgeon General's first report on smoking, too many individuals continue to smoke, putting their lives and those around them at risk for serious disease.
 - In Connecticut, 17 percent of adults aged 18 and over smoke, up in 2007 up from 16.5% the previous year.
 - Despite receiving funding from tobacco revenues and the state tobacco lawsuit settlement, Connecticut invests only minimal funding to prevent or reduce tobacco use. Connecticut's FY07 tobacco prevention spending is \$2 million or about 9.4% of the recommended CDC funding level of \$21.2 million, earning Connecticut the rank of 36 nationally. Annual tobacco industry marketing is estimated at \$13.4 billion, with an estimated \$121.1 million spent in Connecticut!
- **Assuring an adequate health care workforce is an essential public health service.** Connecticut does not have a good system for tracking the available health care workforce in Connecticut. Connecticut's data system only reports the number of licenses issued; it does not indicate whether or not a licensee is currently practicing, caring for patients, or specialty areas. Since many individuals hold more than one license, the figures appear to overstate the number of potential health care providers. Connecticut's readiness to face issues ranging from the impending wave of provider retirements to a pandemic is compromised by its lack of workforce data.
- **Consumers want and should have an open and transparent system that will provide quality and price information sufficient to make an informed decision when choosing a health care provider, health plan, or treatment.** Connecticut does not have an adequate system for providing this information to consumers. Connecticut's medical error reporting system appears to understate the number of medical errors and does not provide hospital specific information. A healthcare associated infection (HAI) reporting system is just getting underway but will only deal with a limited number of HAI. A robust system that reports facility and doctor specific information is needed to assist consumers in making informed decisions.

RECOMMENDATIONS

As the Health First Connecticut Authority and the Statewide Primary Care Authority begin their important work, we offer the following policy recommendations for their consideration:

- 1. First, make Health our top priority.** Our overarching goal should be a commitment to health and well-being. Connecticut should commit to the following goal:
"Connecticut will be the healthiest state in the nation, with individuals accepting responsibility for healthy living and high quality health care delivered by the most effective, efficient, safe, timely, patient centered and equitable health care system. All residents will have access to health coverage that is universal, continuous, affordable to individuals and families, affordable and sustainable for the state and its employers, and that enhances health and well being."
- 2. All elements of the health care system should be aligned to reduce continually the burden of illness, injury and disability and to improve the health status of Connecticut's residents.** Individuals, providers, health insurers, employers, and governments all have a role in the health care system and therefore should be working in concert to improve THE health status of the population and to reduce the burden of disease. Elimination of health disparities must be an objective of our efforts.
 - a. The State of Connecticut** should undertake a dispassionate, careful, and transparent examination of health insurance benefit mandates. A qualified consultant should be retained to undertake this review. A broad-based stakeholder steering committee, including clinicians, insurers, health care advocates, bioethicists, employers and consumers, should be created to guide the work with the consultant. The primary outcome of this effort will be to ensure that insurance coverage will provide access to care that will reduce the burden of illness, injury, and disability and improve the health status of the individual, not to merely develop affordable, limited-benefit plans. The study should also include recommendations for a credible on-going mechanism to evaluate health benefits that may be proposed in the future.
 - b. Individuals** should be encouraged to be responsible for their own health, to purchase health insurance, and to be actively engaged in their own health care. Coverage should provide incentives that encourage individuals to be health, cost, and quality conscious in their health and health care decisions.
 - c. Employers** should promote health and wellness at their worksites. They should:
 - Encourage employees to take an active role in improving their health.
 - Empower employees with evidence-based tools to more actively participate in decisions concerning their health and health care.
 - Purchase health care that enhances health and well being by promoting access to high quality care that is effective, efficient, safe, timely, patient centered and equitable.
 - d. Insurers** should be required to provide coverage to anyone in the individual market independent of their medical conditions (guaranteed issue) who applies and pays the premium. Strong protections should be instituted prohibiting insurers from charging excessive premiums, limiting benefits, or refusing to renew coverage.
 - e. Health care providers** should be responsible for providing only high quality evidence based care as cost effectively and efficiently as possible. They must be fairly reimbursed for their services, including time spent educating and coaching

patients. The unintended consequences of the "fee for service" payment system need to be re-evaluated. Payment systems need to reward doctors who consistently deliver evidence-based care and are more cost effective.

3. Connecticut must focus efforts on all three levels of disease prevention.

Prevention and chronic disease management should be a priority. Over 75 percent of health care spending is on chronic diseases that are largely preventable. As a first step, Connecticut should increase its investment in programs to prevent and reduce tobacco use and obesity and to increase immunization rates of children and adults.

Each state and municipal agency and department should identify how it can contribute to improved health status and quality of life for all of Connecticut residents and align their policies and programs accordingly. The nation's disease prevention and health promotion agenda, Healthy People 2010, provides a framework for each state and municipal agency and department to follow. State officials need to track population health data and outcomes and use this data to make fact-based decisions that will drive performance of the entire health care system. Results based accountability needs to be institutionalized within the executive branch of government with the Office of Policy and Management being designated as the lead agency. Performance information should be posted on a Health Information Portal so that progress can be tracked.

4. Improve the efficiency of the health care system. Incentives need to be provided to avoid wasting health care resources. Connecticut should encourage adoption of health information technology, including electronic medical records, Computerized Physician Order Entry system (CPOE), etc. The New England Journal of Medicine and McKinsey report high administrative expenses associated with the U.S. health care system. A detailed analysis of administrative expenses should be undertaken relative to our multi-payer system to more fully understand where efficiencies can be achieved.

5. Connecticut should become a national leader in the information it provides to public and private sector leaders, policy makers, and consumers to improve community and individual health. We need an open and transparent system that provides consumers and purchasers of health care with cost and quality information in order to make better decisions when selecting a health plan, hospital, clinical practice, or treatment plan. During the past session, the Legislature authorized the Connecticut Department of Public Health and UConn Health Center to develop a Connecticut Health Information Network plan. The first order of business should be to develop a Health Information Portal that provides cost and quality information to consumers and purchasers of health care.

Connecticut needs to develop a robust statewide reporting system for quality and patient safety including adverse events, healthcare associated infection rates, etc. that are provider specific. Deficits in health care quality pose a serious threat to the health of Connecticut's residents and come with a huge price tag, adding billions in unnecessary health care expenditures.

6. Study feasibility and effectiveness of alternative injury compensation systems that are patient-centered and focused on safety. The study should include an analysis of policies requiring immediate and open disclosure and apology to patients when medical care goes wrong (e.g. the consensus statement of Harvard Hospital), health courts, and "no fault medical compensation boards" (e.g. New Zealand Accident Compensation Corporation).

- 7. Stop paying for poor quality of care.** Reform the payment system to improve safety and quality of care and to reduce errors. Health care providers should waive costs associated with National Quality Forum's List of Never Events and not seek reimbursement from the patient or third party payers. These events include surgery on the wrong body part; surgery performed on the wrong patient; incorrect surgery performed on a patient; retention of a foreign object inside a patient after surgery; and death during or immediately after surgery.
- 8. Proactively address any potential conflict of interests in the health care system.** A recent study by McKinsey & Company found that physicians frequently co-own outpatient facilities and diagnostic testing and procedure laboratories and receive a share of profits from these facilities.⁴ Other sources of potential conflict of interest are the relationship between private industry and the medical community. A study in the *New England Journal of Medicine* reported that virtually all physicians (94%) had some type of relationship with private industry.⁵ Most commonly, physicians report receiving food and beverages in the workplace (83%) or being given drug samples by a manufacturer's representative (78%). More than one third of physicians (35%) receive reimbursement for costs associated with professional meetings or continuing medical education, and more than one quarter (28%) receive payments for consulting, speaking, or enrolling patients in trials.⁶ Private industry's relationship is not limited to just individual physicians. A recent study reported in the *Journal of the American Medical Association* indicated that almost two thirds of the Department Chairs at medical academic institutions had some form of personal relationships with private industry⁷.

Some states have implemented disclosure laws related to payments made to physicians by pharmaceutical and medical device providers. The Pharma Voluntary Code on Interactions with Healthcare Professionals could serve as a basis for legislative action.

- 9. Connecticut must ensure an adequate supply of qualified allied health professionals.** Demographics assure that Connecticut will face increased demand for health care while nurses and allied health professionals leave the workforce at record rates. A comprehensive plan to address the looming crisis would begin with an on-line licensing system that would generate extensive information on the current healthcare workforce. Using this data, Connecticut must increase the supply of nursing and allied health care professionals. Higher education must develop the infrastructure to graduate more health care professionals, while the health care industry needs to develop more effective retention-in-profession strategies. State government needs to provide incentives to encourage more individuals to enter healthcare professions. Connecticut should consider joining the Nurse Licensure Compact which allows a nurse to have one license (in his or her state of residency) and to practice in other states (both physical and electronic), subject to each state's practice law and regulation.
- 10. Connecticut must do a better job addressing substance abuse.** The State of Connecticut should retain a consultant under the auspices of the Connecticut Office of Policy and Management to develop a plan to address this serious issue. A broad-based stakeholder steering committee should be created to work with the consultant.

⁴ McKinsey & Company, *Accounting for the Cost of Health Care in the United States*, January 2007, www.mckinsey.com/mgi.

⁵ Eric G. Campbell, Ph.D, *Doctors and Drug Companies-Scrutinizing Influential Relationships*, *New England Journal of Medicine* 357:18, <http://content.nejm.org/cgi/content/full/357/18/1796>

⁶ *Ibid.*

⁷ Eric G. Campbell, Ph.D, et al., *Institutional Academic-Industry Relationships*, *JAMA*. 2007;298:1779-1786, <http://jama.ama-assn.org/cgi/content/abstract/298/15/1779>

2007 Connecticut Health Scorecard – How are we doing?

	US	CT	State Ranking CT	Best	Fairfield County	National Goal	CT Score*
Health indicators							
■ Asthma							
□ Childhood	8.9%	8.7%	25	Idaho		No goal for these indicators	
□ Adult	8.5%	↑ 9.3%	40	Louisiana	8.7%		
■ Cancer incidence per 100,000	459.9	↓ 489.4	40	New Mexico		No goal for this indicator	
■ Diabetes	7.5%	↔ 6.4%	7	Colorado	5.9%	2.5%	
■ Hypertension	25.5%	↓ 23.8%	12	Utah	22.7%	14%	
■ Mental Health and Substance Abuse							
□ Mental Distress	10.0%	↔ 9.0%	18	North Dakota		No goal for these indicators	
□ Youth Episodic Heavy Drinking	25.5%	↔ 27.8%	24	Utah			
■ Obesity	25.1%	↔ 20.6%	3	Colorado	17.8%	15%	
■ Oral Health							
□ Dental visit in past 12 months	70.3%	↔ 80.5%	1	CT	80.4%	No goal for this indicator	
□ Had all teeth extracted (age 65+)	19.3%	↔ 12.8%	2	Hawaii	9.9%	22%	
Smokers	20.1%	↑ 17.0%	4	Utah	14.5%	12%	
Community Risk Factors						Safe, high quality health care.	
■ Medical errors							
■ Medical Malpractice Claims						Eliminate errors.	
□ Number per 1,000 active, nonfederal physicians	17.1	↓ 10.0	24	Alabama			
□ Average claim payments paid	\$308,593	↓ \$500,276	48	Nebraska			
Health Care Access						0% uninsured	
■ Uninsured (percent)	15.8%	↓ 9.4%	6	Rhode Island		Affordable, sustainable premiums.	
■ Health Insurance Premium							
□ Single coverage	\$3,991	↑ \$4,390	47	Hawaii			
□ Family coverage	\$10,728	↑ \$11,717	49	North Dakota			
■ Health Care Workforce						Competent, diverse to meet demand	
□ Physicians per 100,000 population	281	369	5	District of Columbia			
□ Nurses per 100,000 population	799	972	9	District of Columbia			
Health Policies							
■ Vaccination Rates							
□ Childhood vaccination	80.0%	↓ 85.0%	6	FL, MA		90%	
□ Adult flu shot	65.5%	↔ 71.1%	20	Minnesota	71.6%	90%	
□ Adult pneumococcal vaccination	64.5%	↓ 68.1%	22	North Dakota	67.1%	90%	
■ Early Prenatal Care (1st Trimester)	83.9%	↓ 87.2%	8	Rhode Island		90%	
■ Per capita public health spending	\$164	↑ \$173	18	Hawaii, Alaska		No goal for this indicator.	
Outcomes							
■ Heart Disease Deaths per 100,000 population	232.3	↓ 201.8	18	Minnesota		162.0	
■ Cancer Deaths per 100,000 population	190.1	↓ 182.1	15	Utah		158.6	
■ Infant Deaths per 1,000 live births	6.9	↓ 6.0	13	New Hampshire		4.5	

Notes: State rank of #1 is the best; rank of #51 is the worst. The National Goal is based upon Healthy People 2010 that is a comprehensive set of disease prevention and health promotion objectives for the nation to achieve over the first decade of the new century. There are 28 focus areas and measurable objectives. We did not include all measurable objectives.

↑ ↔ ↓ Indicates the direction of trend **Red** Indicates a worsening trend **Green** Indicates an improving trend **Blue** Indicates stable/no change



A question is assigned if data is inconclusive or limited.



A star is assigned if trend is improving or stable and state rank is 1-12.



Warning lights assigned if trend is worsening and state rank is 1-12 or state and is 13-38 with any trend.



An alarm is assigned if any trend and state rank is 39-50.

Source: The Business Council of Fairfield County, 2007 Connecticut Scorecard, November 2007.