

# The Role of States and Regions in Health Reform: Going Forward Panel

MAY 26, 2016

THE 23<sup>RD</sup> PRINCETON CONFERENCE

PRINCETON, NEW JERSEY

---

DENNIS P. SCANLON, PH.D.

PROFESSOR OF HEALTH POLICY & ADMINISTRATION

DIRECTOR, CENTER FOR HEALTH CARE POLICY RESEARCH

THE PENNSYLVANIA STATE UNIVERSITY

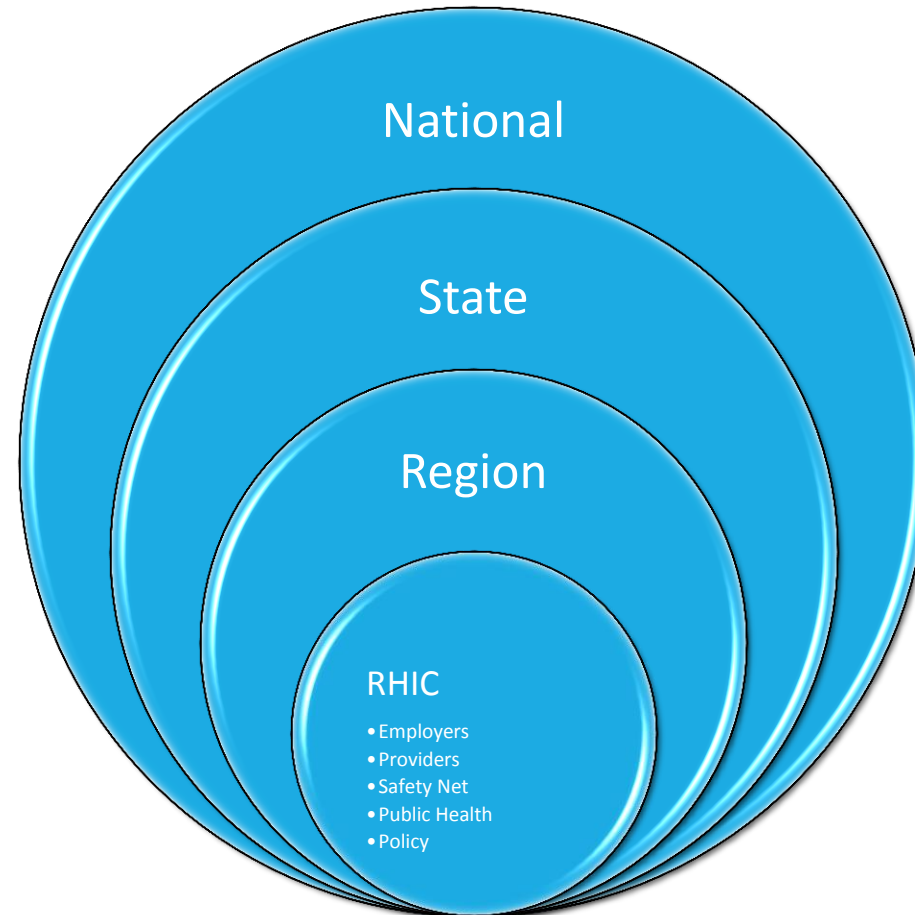
UNIVERSITY PARK, PENNSYLVANIA



# “Most Health Care is Local – But Who Represents the Locals”

## RHICs Operate within Nested Layers of Context

---



# Regional Health Improvement Collaboratives (RHICS)

---

- RHICs are independent, non-profit organizations comprised of multiple stakeholders who voluntarily come together to improve health and healthcare.
- RHICs do not provide healthcare or pay for healthcare. They convene those who do – and the people and the communities they serve – to identify ways to catalyze change for better outcomes and lower cost.
- RHICs lend a neutral voice and meaningful information to the discussion on how to make care better and to achieve value.

Source: The Network for Regional Health Improvement (<http://www.nrhi.org>)

# 3 Key Characteristics of RHICS

---

- 1) Non-profit organizations based in a specific geographic region of the country (i.e., a metropolitan region, municipality, or state)
  - There are over 40 RHICs in the county.
  - Many formed relatively recently, but some have been in existence for 15 years or longer.
  - Recent dramatic growth in RHICs due to proactive efforts of RWJF (i.e. the AF4Q program) and HHS (e.g., Beacon, CMMI Pilots, Chartered Value Exchange program)
  - The leading RHICs are members of NRHI, with service areas collectively covering over 35% of the U.S. population.
  - Joint projects and learning (CHT, Choosing Wisely, others)

<http://www.nrhi.org/about-collaboratives/>

# 3 Key Characteristics of RHICS

---

2) Governed by a multi-stakeholder board composed of:

- **Providers** of health care (both physicians and hospitals);
- **Payers** (health insurance plans and government health coverage programs);
- **Purchasers** of health care (employers, unions, retirement funds, and government); and
- **Consumers** of health care (including organizations representing their interest)



<http://www.nrhi.org/about-collaboratives/>

# 3 Key Characteristics of RHICS

- 3) Help the stakeholders in their community identify opportunities for improving the health and health care of the community, and facilitate planning and implementation of strategies for addressing those opportunities.



<http://www.nrhi.org/work/>

# Examples of RHICS

---



CENTER FOR IMPROVING  
**VALUE** IN HEALTH CARE



Our Work

Publications

Collaboratives

About

News

Contact Us



### Meet our Members

#### Jeff Biehl

President, Healthcare Collaborative of Greater Columbus

"Regional Healthcare Improvement Collaboratives provide an innovative environment for leaders from business, government, healthcare, and the social sector. A collaborative process is key to designing and implementing innovations to improve the value of healthcare."

## Collaborative Health Network

### What is the Collaborative Health Network?

The Collaborative Health Network provides trusted peer-to-peer forums and programming to support "HealthDoers" working to improve community health and healthcare. The Robert Wood Johnson Foundation selected the Network for Regional Healthcare Improvement to launch this initiative to ensure that a broader network of individuals and organizations learn about and apply the multi-stakeholder approach. The online and in-person offerings of the Collaborative Health Network are designed to rapidly identify and spread what works, foster meaningful connections, and incorporate participant feedback to set priorities. Join the Collaborative Health Network by visiting [www.healthdoers.org](http://www.healthdoers.org) and follow #healthdoers on twitter.





# What We Have Learned About RHICS from Research

---

- Providing a “Public Good” is Hard Work
  - Balancing the Role of “Neutral Convener” While Addressing the Tough Issues (e.g., payment reform or limiting hospital expansion and consolidation)
- Free Rider Problem (e.g., employer participation)
- Sustainable funding sources
  - Expectations tied to funding (autonomy vs. project work)
    - ACA era has provided lots of opportunities (ONC, HHS/CMS, AHRQ, RWJF)
  - Rochester experience in late 80’s and 90’s
- Relationships with state government can be highly productive (e.g., SIM)
- Governance Matters - Historical Roots Often Dictate Agenda
- Leadership Matters
  - Avoiding competition among ‘neutral conveners’

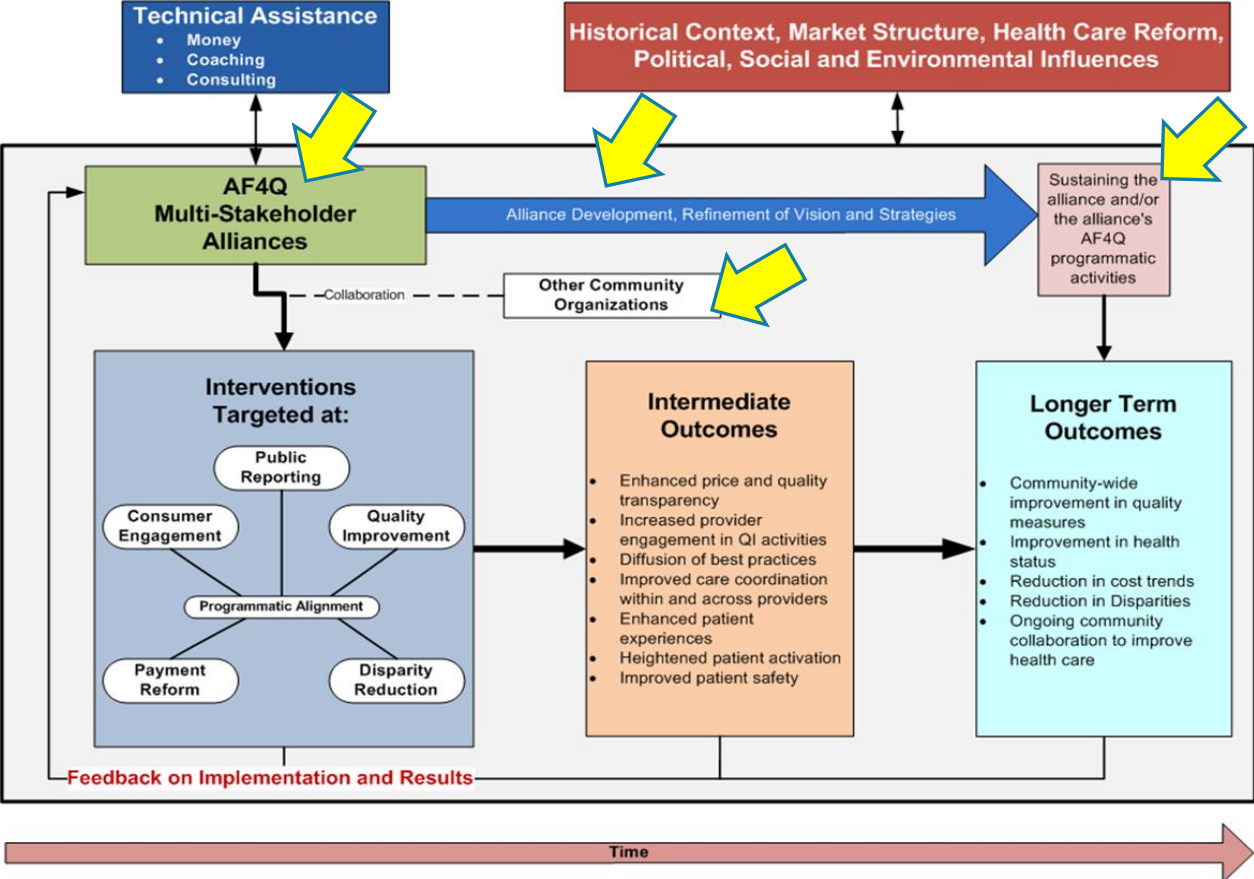


# Competitors or Collaborators?

---

KANSAS CITY	Mission/Vision
<b>Kansas City Quality Improvement Consortium (AF4Q grantee)</b>	<p>Purpose: A forum for collaboration that provides leadership and influence to encourage best practices in health care.</p> <p>Vision: Kansas City area residents will have quality health care systems.</p> <p>Mission: Promote quality health care through collaboration and by providing strategic leadership, education, information and tools.</p>
<b>Mid-America Coalition on Health Care</b>	<p>Description from MACHC's website: The Coalition is the principal organization in the bi-state region bringing together major employers and all healthcare delivery stakeholders (physicians and medical societies, health plans, hospitals, unions, pharmaceutical companies, academic institutions, public health, and bi-state governmental units) to address the rising costs of health care and improve the health and well-being current and future employees and their families in the greater Kansas City area.</p>

# Learning from the AF4Q Experience



Rev: 2-20-12

# Variation on Select AF4Q Alliance Characteristics

	Characteristic	#	Examples
<b>Alliance creation</b>	Existed prior to AF4Q	10	Detroit, Cincinnati, Wisconsin
	Established for AF4Q	6	Cleveland, Maine, Humboldt
<b>Structure</b>	Single organization	11	Memphis, Wisconsin, Oregon
	Sub-organization	2	SCPA, New Mexico
	Partnership	3	Maine, Minnesota, Humboldt
<b>Formalization</b>	Independent 501(c)(3)	11	Washington, West Michigan
	Other	5	SCPA, Minnesota, New Mexico
<b>Dominant Stakeholder Group (2013)</b>	Purchasers	2	Washington, Memphis
	Providers	6	Wisconsin, SCPA, Cleveland
	Mixed	8	Cincinnati, Maine, Western NY
<b>Population Served</b>	< 1 million	4	Memphis, Humboldt, SCPA
	1-2 million	6	Kansas City, Maine, Western NY
	2-4 million	3	Boston, Cincinnati, Oregon
	>4 million	4	Detroit, Wisconsin, Minnesota

# Variation on Select AF4Q Alliance Characteristics\*

Characteristic			#	Example Sites
<b>Staff Size (2013)</b>	Single Organization Alliances	Small (<6)	1	Kansas City
		Medium (6-10)	6	Detroit, Washington, Wisconsin
		Large (11+)	4	Memphis, Oregon, Western NY
	Partnership & Sub-Org. Alliances	Small (<6)	3	New Mexico, Humboldt, SCPA
		Medium (6-10)	1	Maine
		Large (11+)	1	Minnesota
<b>Annual Revenue† (2012)</b>	Single Organization Alliances	< \$1.5 million	3	West Michigan, Cleveland, KC
		\$1.5 – \$2 million	5	Cincinnati, Memphis, Wisconsin
		> \$2 million	3	Boston, Washington, Western NY
	Partnership & Sub-Org. Alliances	< \$1.5 million	2	New Mexico, South Central PA
		\$1.5 – \$2 million	1	Humboldt County
		> \$2 million	2	Maine, Minnesota

† These groupings are approximations since alliances use different fiscal years and accounting practices.

\* Compiled, in part, from data gathered by Community Wealth Partners

# The Life Cycle of Alliances & Implications for Governance

---

## **Emergence**

- Establish initial governance structure
- Recruit “those who can make things happen”

## **Transition**

- Review and modify initial structure
- Establish linkages with key constituencies

## **Maturity**

- Increase diversity of participation
- Deepen involvement in governance

## **Critical Crossroads**

- Establish future structure and composition
- “Institutionalize” (embed) alliance

# Thinking More Broadly About Health: Social Determinants & the Culture of Health

---

Advancing a broader vision of health will require effective and productive multistakeholder collaboratives in order to successfully navigate cross-sector relationships (e.g., medical care, transportation, housing, food, etc.)

- CMMI's Accountable Health Communities Model as an Example
  - Why should social service providers trust the health care delivery system (e.g., the delivery system creates some of the problems social service providers try to solve)?
  - Why assume there is excess capacity for community based social services (e.g., identify needs but be unable to serve them)?
  - What are the parameters for sharing information between medical care and community based social services (e.g., a new definition of meaningful use)?
  - What is a sustainable funding model (e.g., shared savings from medical spend under a population risk based payment, reallocating state/federal investments in social services to reap Medicaid/Medicare spend benefits, etc.)

Decisions about selecting leaders and conveners within communities, strategies to bring and keep partners to the table, policies for governing these relationships and measures for tracking success, and long term planning for sustainability will be important.

# The Role of RHICS Post ACA/Obama

---

- ◆ RHICS have benefited from health reform implementation but what does the future hold?



# Elinor Ostrom – Institutions for Governing the Commons

- Nobel prize winner in economics for studying ‘common resource pool problems’
  - Water use rights in CA
  - Fishing in villages in various countries
  - Forestry harvesting in communities around the world
- Eight principles for “governing the commons”
  - Define Clear Group Boundaries
  - Develop rules to match local needs and conditions
  - Allow those affected by rules to participate in their development
  - Outside authorities respect local rules
  - Develop a local monitoring system to enforce rules
  - Graduated sanctions for infractions
  - Mechanisms for dispute resolution
  - Build enforcement from local community up
- Differences from governing health/medical care institutions and programs