

# THE HEALTH INDUSTRY FORUM

2010 ANNUAL REPORT



THE HEALTH INDUSTRY  
**Forum**

*Informing innovative health care policy and practice*

## CHAIRMAN'S LETTER

# TO OUR MEMBERS



STUART ALTMAN, PhD  
Chairman and professor,  
Brandeis University

The national health care reform debate brought a new level of excitement and urgency to the Health Industry Forum in 2010 as Congress debated and then passed the Patient Protection and Affordable Care Act. Over the course of the year the Forum engaged federal officials, industry leaders and policy experts in debate and analysis of critical policy issues such as the Center for Medicare and Medicaid Innovation, accountable care organizations and the Patient Centered Outcomes Research Institute.

Also in 2010, the Department of Health and Human Services issued final regulations for implementing the meaningful use provisions of the American Recovery and Reinvestment Act. To help assess the implications of meaningful use for its members, the Forum held a series of meetings with National Health IT Coordinator David Blumenthal. There, we discussed the new rules and evaluated the opportunities for insurers, delivery systems, pharmaceutical firms and other key stakeholders to align their activities with federal meaningful use initiatives.

We were fortunate that many senior leaders from the Centers for Medicare & Medicaid Services (CMS), Food and Drug Administration (FDA) and Agency for Healthcare Research and Quality (AHRQ) agreed to participate in our meetings this year. These included CMS Administrator Donald Berwick; CMS Deputy Administrators Marilyn Tavenner, Jonathan Blum and Anthony Rodgers; FDA Center for Drug Evaluation and Research Director Janet Woodcock; and AHRQ Director Carolyn Clancy.

Successful health care reform and, indeed, ensuring a sustainable long-term path for the U.S. health care system will require significant contributions from the private sector. In keeping with this notion, the Forum highlighted the work of leading private-sector innovators in areas such as payment reform, delivery system restructuring, consumer engagement and comparative effectiveness research. This continues our successful approach of bringing public- and private-sector leaders together to promote debate, collaboration and mutual learning. We are grateful to the Forum's members for their many contributions to this endeavor.



# I FORUMS

These invitation-only meetings provide an ideal venue for dialogue among diverse stakeholders and experts. We structure agendas to create time for open, interactive discussions. We are able to put together forums quickly in response to fast-breaking issues, in time to inform key policy debates. We also serve as a resource to federal officials by convening groups of industry leaders that provide informal feedback and discussion on key initiatives.

## **Building Accountable Care Organizations** (April 16, 2010)

*Cosponsored by the Aetna Foundation and the Kaiser Permanente Institute for Health Policy*

This meeting examined case studies of three organizations aspiring to operate as accountable care organizations (ACOs): an independent practice association, a community hospital with aligned medical group, and an integrated delivery system. Participants discussed opportunities and challenges for each model and public policies that would support ACO development. CMS Deputy Administrator Anthony Rogers also discussed the new Center for Medicare and Medicaid Innovation with forum participants.

## **Examining End-of-Life Care: Creating Sensible Policies for Patients, Providers and Payers**

*(May 19–20, 2010) Cosponsored by the Council on Health Care Economics*

Medicare beneficiaries are living longer with chronic diseases, blurring the boundary between curative and end-of-life care. This meeting examined how chronic disease and dying in the United States have changed, and it discussed policy options that address variations in care and patient preferences through both an economic and ethical decision-making framework.

## **Shaping Convergent Strategies in Comparative Effectiveness Research** (June 24, 2010)

*Cosponsored by the National Pharmaceutical Council, America's Health Insurance Plans and Blue Cross Blue Shield Association*

The Patient Protection and Affordable Care Act created a new national comparative effectiveness research institute. This meeting examined implications for pharmaceutical firms, health plans, delivery systems and consumers, and it explored strategies for ensuring that new research is effectively targeted, methodologically sound and actionable for decision makers.

## **Advancing Electronic Health Records Adoption and Meaningful Use** (Aug. 5, 2010)

*Cosponsored by Health Affairs*

The Health Industry Forum hosted this event with Health Affairs to examine opportunities for the private sector to advance the goals set forth in the recently released regulations defining meaningful use of electronic health records. The meeting was keynoted by National Health IT chief David Blumenthal and Marilyn Tavenner, principal deputy administrator at

the CMS. Stuart Altman and Susan Dentzer, Health Affairs editor in chief, moderated panels of payers, provider organizations, and physician certification and licensure groups detailing the steps they are taking to help providers meet recently issued federal regulations outlining “meaningful use” of health IT. A video of this event is available on the Health Affairs website: <http://healthaffairs.org/blog>.

**Accountable Care Organizations: Implications for Consumers** (Oct. 14, 2010)

*Cosponsored by the Aetna Foundation and America’s Health Insurance Plans*

The movement toward ACOs will create many changes for health care consumers. A core issue will be how to strike an appropriate balance between the broad level of choice that consumers have come to expect and the mandate for ACOs to coordinate care and manage expenditures within delivery networks. This meeting explored potential changes in insurance benefit and network design to align consumer incentives with accountable care, and it examined strategies for hospitals, physicians and employers to more effectively engage patients in decision making and improving their own health. The forum included a keynote address by CMS administrator Donald Berwick on the role of ACOs in improving the value of health care services for Medicare beneficiaries.



THE HEALTH INDUSTRY

# Forum

BRANDEIS UNIVERSITY / THE HELLER SCHOOL FOR SOCIAL POLICY AND MANAGEMENT

## II SENIOR POLICY ROUNDTABLES

In addition to its regular meetings, the Health Industry Forum hosts small senior policy roundtables in which our advisory board and charter members meet with senior government officials to discuss key policy issues informally. We held three such roundtables during 2010.

### **Jump-Starting the Medicare Innovation Center (Jan. 14, 2010)**

The Center for Medicare and Medicaid Innovation is charged with testing innovative payment and service delivery models to reduce program expenditures while preserving or enhancing the quality of care. This meeting explored how CMS could accelerate the cycle time required for pilot program development, implementation, evaluation and expansion of successful approaches into the broader Medicare program. We published a New England Journal of Medicine perspectives article based on themes discussed in this meeting on March 4, 2010.

### **How Can the Private Sector Advance Meaningful Use? (July 8, 2010)**

As the federal government implements the health IT provisions of the American Recovery and Reinvestment Act, it is essential that IT investments align with broader efforts to establish new payment and care delivery models. This meeting was an informal roundtable with National Health IT Coordinator David Blumenthal to discuss the goals of meaningful use and examine opportunities for private insurers, pharmaceutical firms and other key stakeholders to undertake activities that will reinforce federal meaningful use initiatives.

### **Strategies for Optimizing Secondary Use of Data Through Health Information Exchange (Sept. 20, 2010)**

Federal stimulus funding is accelerating adoption of electronic medical records and investment in regional health information exchanges. These efforts will create a vast array of new electronic health data that could support clinical research, care coordination, public health surveillance, safety monitoring and public policy. Nevertheless, paving a path for secondary uses of electronic health data will require resolving policy issues around interoperability standards, data sharing rules and privacy protections. In this roundtable, David Blumenthal and colleagues from the Office of the National Health IT Coordinator discussed strategies for accelerating health information exchange and enabling future secondary use initiatives with representatives from pharmaceutical firms, health insurance plans and health care delivery systems.







## III PUBLICATIONS

Forum staff members prepared policy briefs and conference reports for our 2010 events that were distributed to our mailing list of more than 1,200 individuals. In addition, our staff had the following publications appear in peer-reviewed journals.

Robert Mechanic and Stuart Altman, “Medicare’s Opportunity to Encourage Innovation in Health Care Delivery,” *New England Journal of Medicine*; 362:772–774 (March 4, 2010).

Rob Mechanic and Darren Zinner, editors, “Moving Toward a Robust Comparative Effectiveness Research Enterprise,” published online at Health Affairs blog, <http://healthaffairs.org/blog/2010/03/30/moving-toward-a-robust-comparative-effectiveness-research-enterprise> (March 31, 2010).

DesRoches, C.M., Zinner, D.E., Rao, S.R., Iezzoni, L.I., Campbell, E.G., “Activities, Productivity and Compensation of Men and Women in the Life Sciences,” *Academic Medicine*; 85(4): 631–639 (April 2010).

Campbell, Eric G., and Zinner, Darren E., “Disclosing Industry Relationships — Toward an Improved Federal Research Policy,” *New England Journal of Medicine*; 363(7): 604–606 (Aug. 12, 2010).

Zinner, Darren E., DesRoches, Catherine M., Bristol, Stephanie J., Clarridge, Brian, Campbell, Eric G., “Tightening Conflict-of-Interest Policies: The Impact of the 2005 Ethics Rules at the NIH,” *Academic Medicine* 2010 (Nov. 2010).

S. Altman, C. Tompkins, S. Wallack and M. Doonan, “New Approaches for Paying Providers Will Change the Organization of Health Care Services,” *FutureScan 2010: Health Care Trends and Implications 2010–2015* (American Hospital Association); 11–15 (2010).

## IV PRESENTATIONS

Health Industry Forum staff members engaged health policy leaders on a range of issues, including comparative effectiveness research, payment policy, health care spending and national health reform, in conferences and other venues. Selected presentations included the following.

In January 2010, Stuart Altman moderated the Brookings Institution meeting on “Health Care Reform and Older Americans: Achieving Better Chronic Care at Lower Costs” in Washington, D.C.

From March 16–18, 2010, Stuart Altman participated as both an expert witness and a moderator in public hearings on health care cost trends sponsored by the Massachusetts Department of Health and Human Services. The Division of Health Care Finance & Policy, in collaboration with the Office of the Attorney General, held these hearings on provider and insurer costs and strategies to mitigate current cost trends.

On April 20, 2010, Rob Mechanic presented “Health Care Payment Reform Options” at the Center for Health Care Strategies’ Roundtable on Payment Reform and Medicaid in Washington, D.C.

On April 23, 2010, Darren E. Zinner presented “Effects of Scale, Scope and Team Structure on the Productivity of Academic Labs” at the First Annual International Science of Team Science Conference run by Northwestern University Clinical and Translational Sciences Institute in Chicago, Ill.

On April 29, 2010, Rob Mechanic presented “Implementing Health Care Reform: Lessons from Massachusetts” at the Kentucky Institute of Medicine annual meeting.

On May 12, 2010, Rob Mechanic discussed “Health Reform, Payment Reform and Integrated Care” at an international health care conference held by Cornell University in New York, N.Y.

On June 29, 2010, Rob Mechanic presented “Using Observational Data to Support Health Care Decision Making” at the AcademyHealth annual research meeting in Boston, Mass.

On July 27, 2010, Stuart Altman and Rob Mechanic presented “Health Reform, Payment Reform and Integrated Care: Early Lessons from Massachusetts” to the Geisinger Health System Executive Forum in Danville, Pa.

On Aug. 10, 2010, Darren E. Zinner presented “The Knowledge Factory: Organizational Determinants of Academic Lab Productivity” at the 2010 Academy of Management annual meeting in Montreal, Canada.



## V NEWS AND EVENTS

The Health Industry Forum and its staff received media attention for its timely forums and expert opinions on current events. Selected events included the following.

On March 13, 2010, a Minneapolis-St. Paul's StarTribune editorial quoted the March 4, 2010, New England Journal of Medicine article by Rob Mechanic and Stuart Altman. The editorial contends that "because of its size, it makes sense for Medicare to pioneer reimbursement changes." It quotes the authors writing, "the long-term effect on the U.S. health care system could be priceless."

On March 23, 2010, Stuart Altman was interviewed about health care reform by National Public Radio (NPR) on WBUR. The subsequent article and live interview discussed how Massachusetts residents will see little change under national health plan reform.

In the April 5, 2010, edition of Modern Healthcare, Stuart Altman was named as one of the 100 Most Powerful People in Health Care for 2010.

In its April 6, 2010, cover story the Congressional Quarterly Weekly quoted Rob Mechanic on the impact of the new Center for Medicare and Medicaid Innovation.

WBUR interviewed Stuart Altman for its April 7, 2010, story, "Rising Medical Costs at Heart of Insurance Stand-Off" about the rate dispute between health insurers and Mass. Gov. Deval Patrick's administration. The interview also was quoted in a story on NPR's health blog on April 8, 2010.

An article on the website EvaluatePharma, published on June 2, 2010, quoted Rob Mechanic about the new Patient Centered Outcomes Research Institute for comparative effectiveness research.

In Modern Healthcare's June 14, 2010, cover story, Rob Mechanic discussed the new Center for Medicare and Medicaid Innovation.

On Aug. 5, 2010, the Health Affairs blog posted video from the Health Industry Forum's meeting on "Advancing Electronic Health Records Adoption and Meaningful Use." It also published blog posts from several Health Industry Forum members, including Highmark Chief Medical Officer Donald Fischer and Partners Healthcare's Network President Thomas Lee.

On Aug. 26, 2010, HHS Secretary Kathleen Sebelius wrote a column about the new momentum behind electronic health records that highlighted the Health Industry Forum's Aug. 5 meeting with Health Affairs.







## VI MEMBERSHIP

We are delighted to welcome the North Texas Specialty Physicians as our newest member. We are also pleased to welcome Lynda Bryant-Comstock of GlaxoSmithKline to the Health Industry Forum's Advisory Board.



## MEMBERSHIP

### CHARTER MEMBERS

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Blue Shield Association

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# Forum

**BRANDEIS UNIVERSITY**

The Heller School for Social Policy and Management  
415 South Street  
Waltham, MA 02453

781-736-3903  
781-736-3306 Fax  
healthforum@brandeis.edu

[www.healthforum.brandeis.edu](http://www.healthforum.brandeis.edu)