

**02/28/13
PRESENTA-
TION:
ALASKA
HEALTH
CARE
COMMISSION**

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ALASKA HEALTH CARE
COMMISSION</SUBJECT><COMM>HHSS28</COMM></TARGET>



Alaska Health Care Commission

Presentation to the House Health & Social Services Committee

Ward Hurlburt, MD, MPH, Commission Chair

Deborah Erickson, Executive Director

February 28, 2013

Statutory Authority

- ▶ “ The purpose of the commission is to provide recommendations for and foster the development of a statewide plan to address the quality, accessibility and availability of health care for all citizens of the state.” AS 18.09.010
- Temporary body 2009; Statute enacted 2010
- Advisory in nature
- 14 members; appointed by Governor (except for 2 legislators)
- Policy recommendations due annually (January 15) to Governor and Legislature

Membership (seats designated in statute)

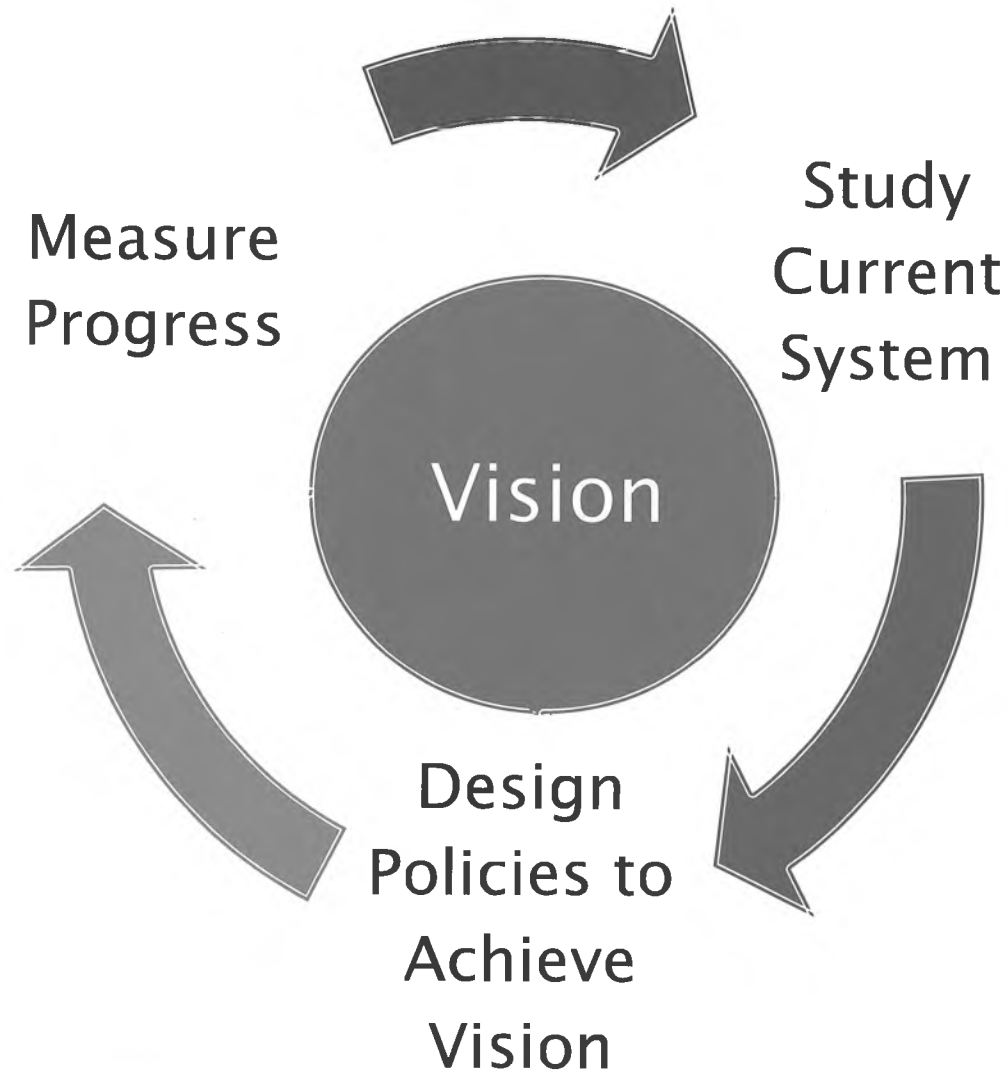
▶ Voting Members

- **Ward Hurlburt, MD, MPH:** DHSS Chief Medical Officer (designated Chair)
- **C. Keith Campbell:** Health care consumer
- **Valerie Davidson:** Tribal health community
- **Jeffrey Davis:** Health insurance industry
- **Emily Ennis:** Alaska Mental Health Trust Authority
- **Col. Thomas Harrell, MD:** U.S. Dept. of Veterans' Affairs health care
- **Allen Hippler:** Statewide chamber of commerce
- **Patrick Branco:** Alaska State Hospital & Nursing Home Association
- **Lawrence Stinson, MD:** Health care provider
- **Robert Urata, MD:** Primary care physician
- **David Morgan:** Community health centers

▶ 3 Ex-Officio Members

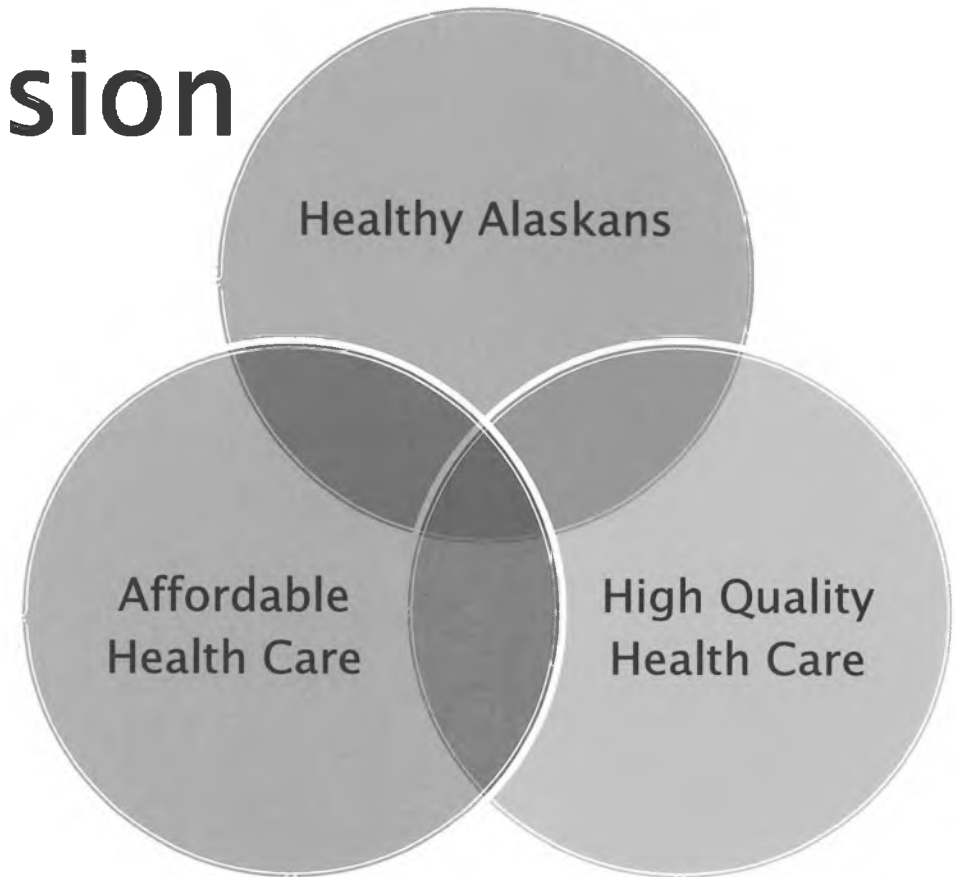
- **Wes Keller:** House of Representatives
- **Donny Olson, MD:** Senate
- **Jim Puckett:** Office of the Governor

Planning Process



Commission's Vision

By 2025 Alaskans will be the healthiest people in the nation and have access to the highest quality most affordable health care.



We will know we attained this vision when, compared to the other 49 states, Alaskans have:

1. The highest life expectancy (currently 29th)
2. The highest percentage population with access to primary care (27th)
3. The lowest per capita health care spending (49th)



Commission Studies of Alaska's Current Health Care System

Study	Consultants	Annual Report
Description of health care system structure & financing	AK DHSS Staff	2009
Discussion of current health care system challenges	AK DHSS Staff	2009
Overview of Affordable Care Act	AK DHSS Staff	2010
Impact of Affordable Care Act on Alaska	ISER/MAFA	2010
Economic analysis of health care spending and cost drivers	ISER/MAFA	2011
Actuarial analysis of physician, hospital, and durable medical equipment prices compared to other states and between payers; cost drivers of price differentials (3 reports)	Milliman, Inc.	2011
Actuarial analysis of prescription drug prices compared to other states and between payers	Milliman, Inc.	2012
Impact of malpractice reforms enacted to-date	Expert Witnesses	2012
Government regulation of the health care industry	AK DHSS Staff	2012
Business use case analysis of an All-Payer Claims Database	Freedman Healthcare	2013 in progress

Value in Alaska's Health System

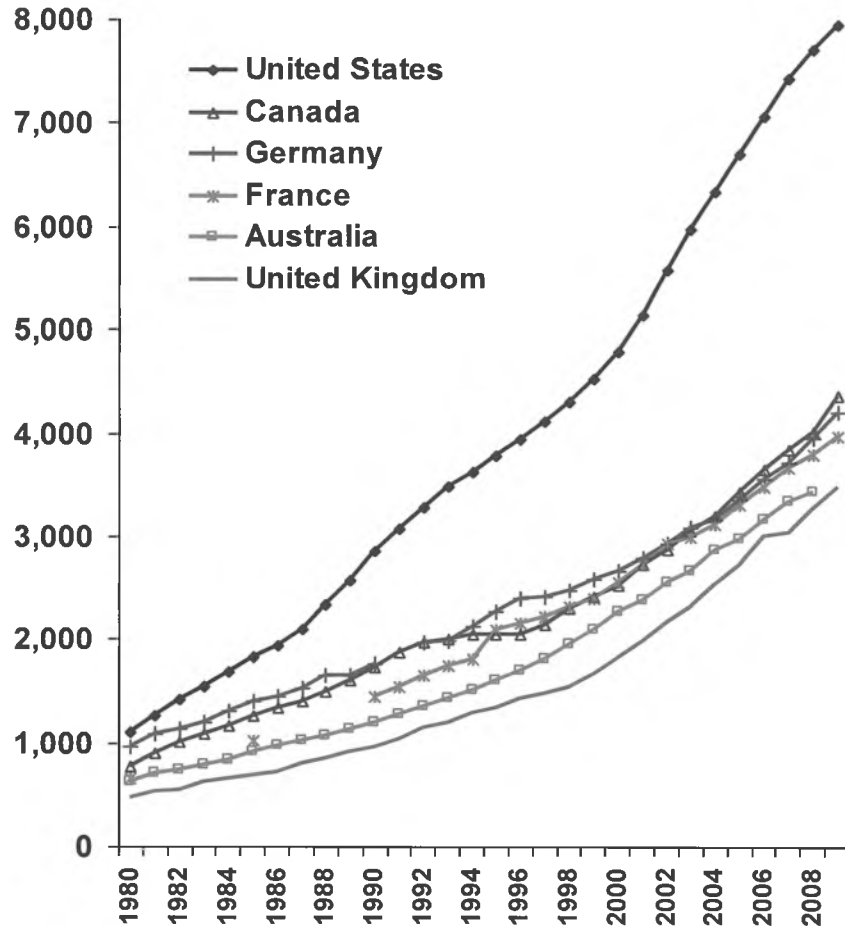
State Ranking:

- ▶ **Coverage:** 39th at 18% uninsured¹ (24th at 14%)
- ▶ **Costs:** 49th for lowest per capita expenditures²
- ▶ **Quality:** 38th for health care quality³
- ▶ **Outcomes:** 34th for health outcomes⁴

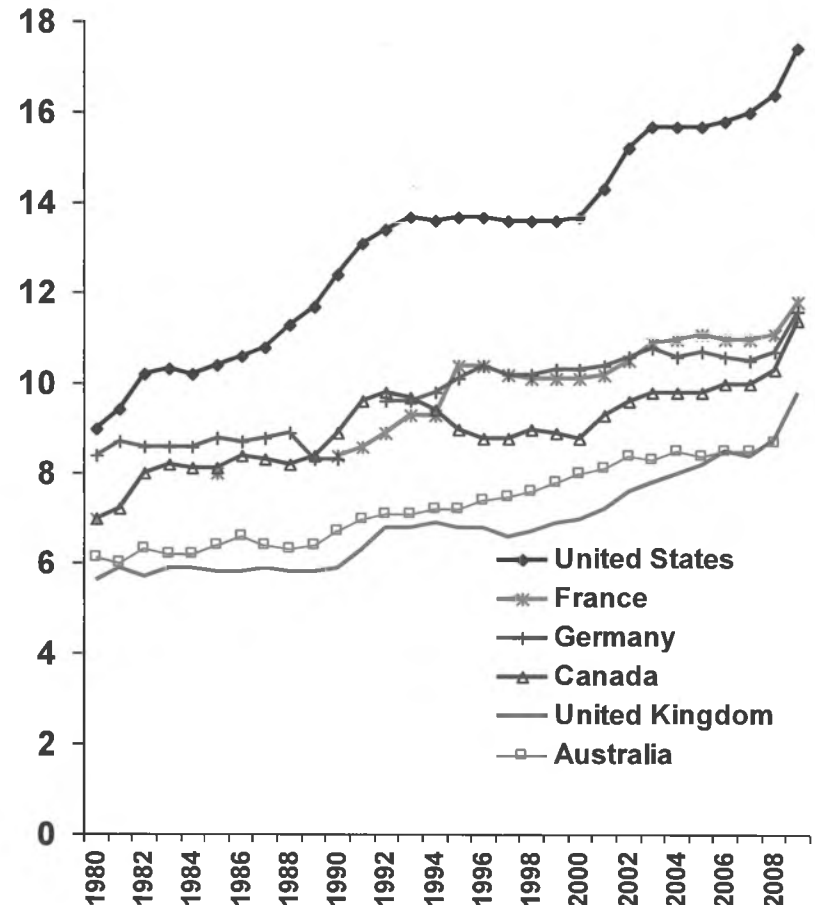
1. Varies dependent on whether IHS beneficiaries without 3rd party coverage are included in the uninsured count or not
2. CMS Personal Health Expenditure Data
3. 2011 US DHHS Agency for Healthcare Research & Quality State Dashboard on Health Care Quality
4. 2012 United Health Foundation America's Health Rankings (Health Outcomes Rank)

International Comparison of Spending on Health, 1980–2009

Average spending on health per capita (\$US PPP*)



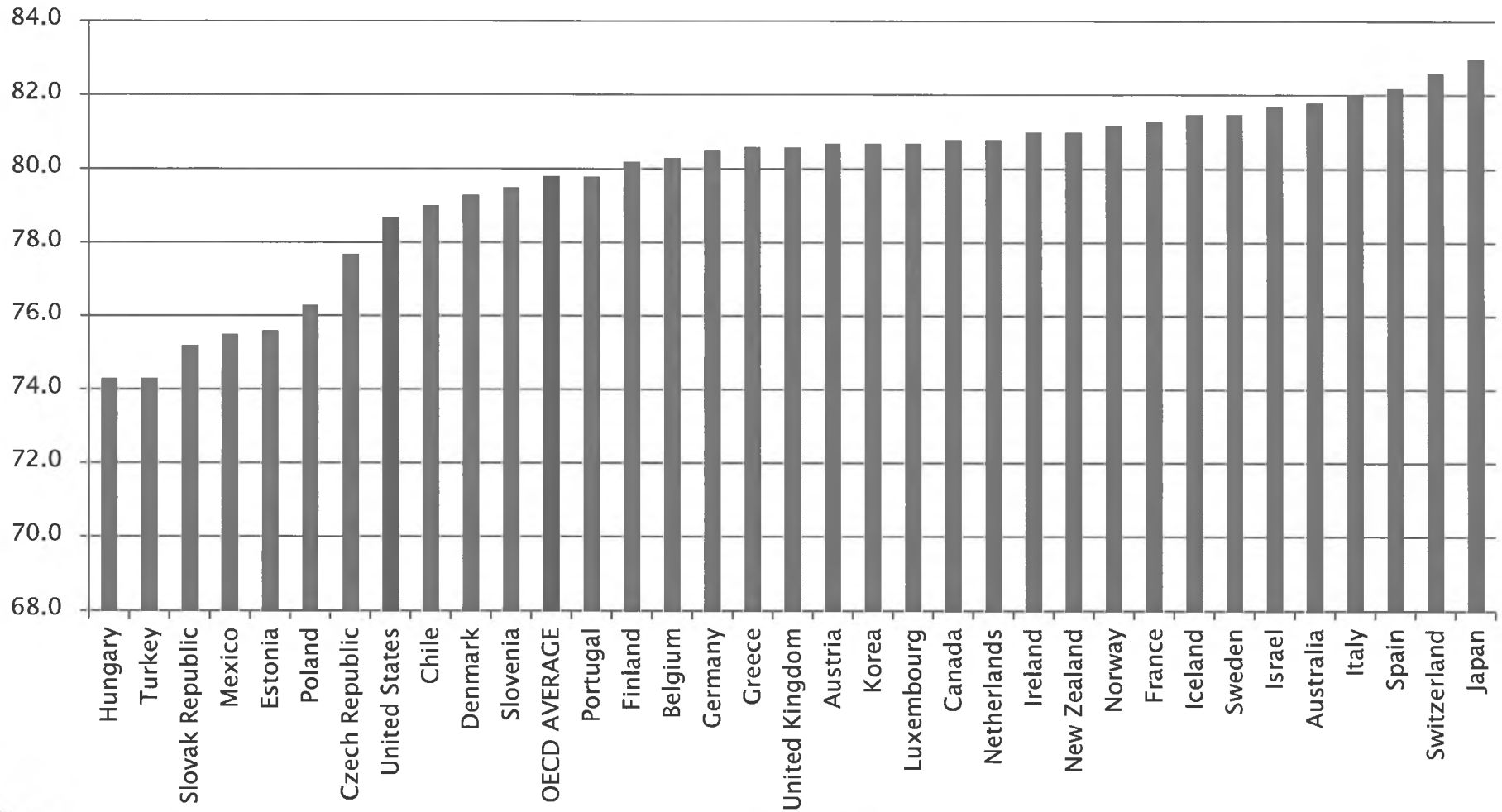
Total expenditures on health as percent of GDP



* PPP= Purchasing Power Parity.

Data: OECD Health Data 2011 (database), version 6/2011.

International Comparison of Health Status: Life Expectancy at Birth, 2010



Comparative Health Outcomes

United States

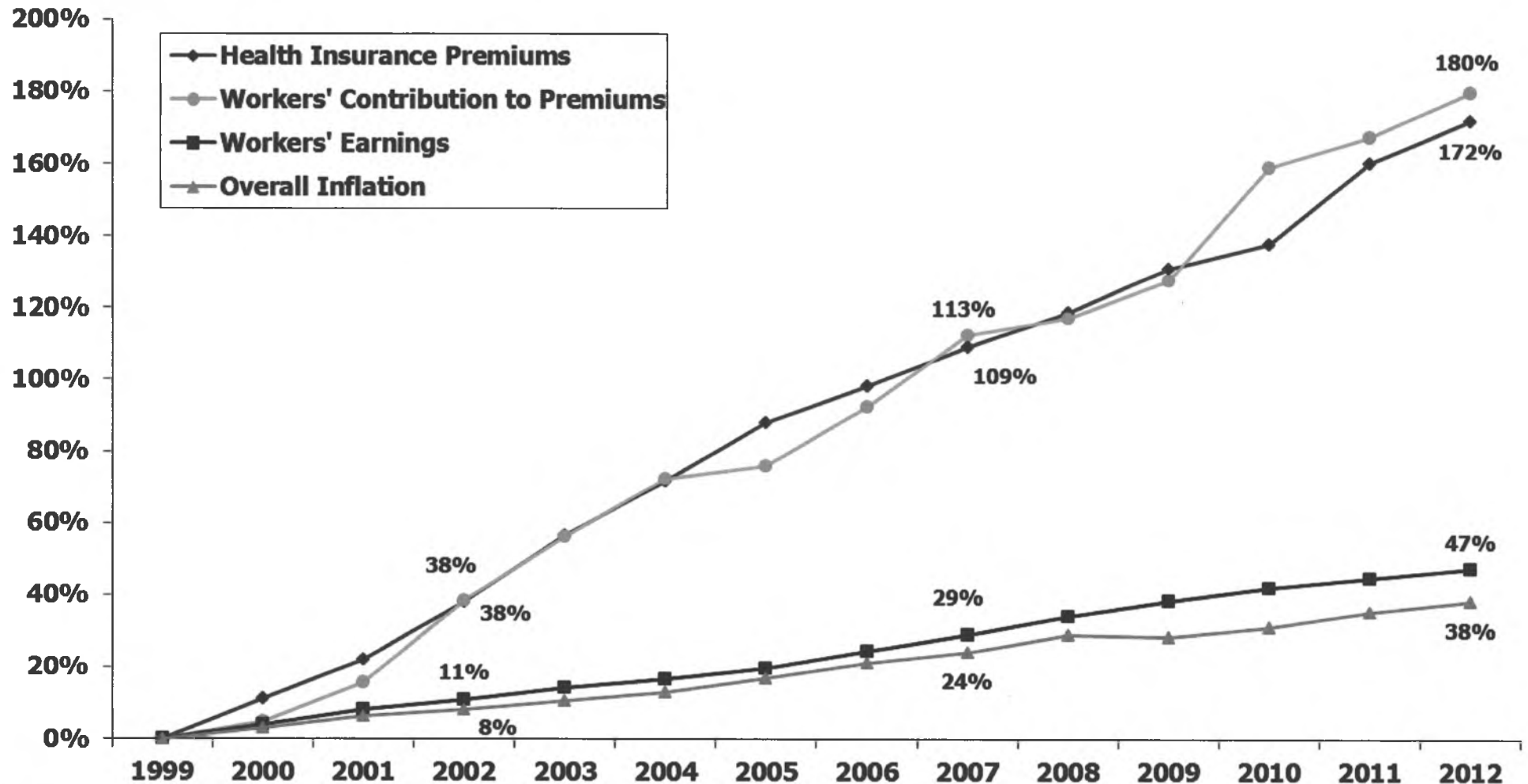
- ▶ Infant mortality 6.1 per 1 000 live births
- ▶ Average life expectancy 78.7 years
- ▶ Even after reaching age 65 in the USA we don't live as long

Other Industrialized Countries

- ▶ Switzerland: 3.8
- ▶ Japan: 2.3
- ▶ Switzerland: 82.6
- ▶ UK: 80.6
- ▶ Germany: 80.5
- ▶ Japan: 83.0



Affordability – U.S. Cost vs. Inflation, Earnings



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999–2012. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999–2012; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999–2012 (April to April).



-AND-



Affordability - U.S. Families

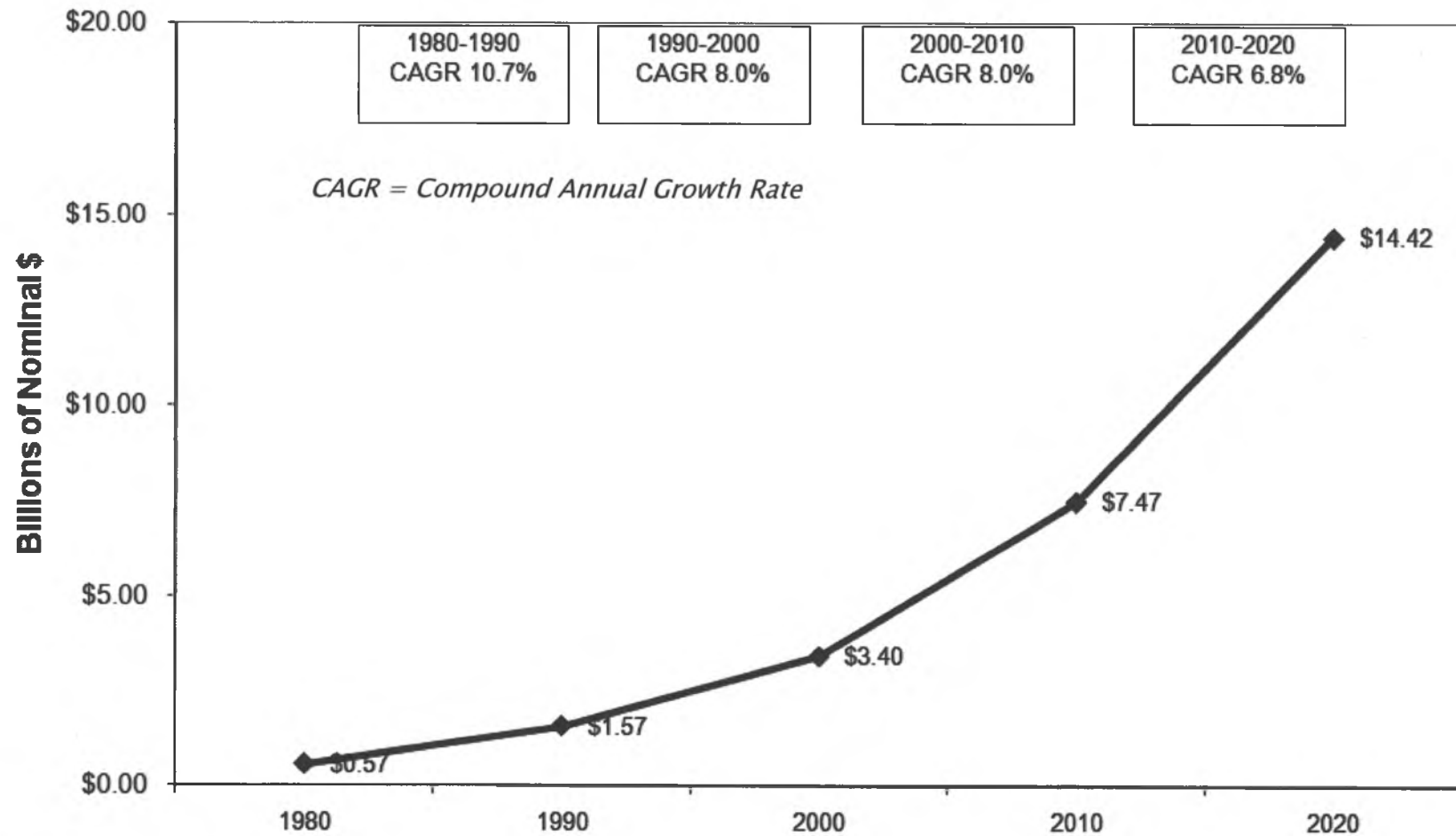
- ▶ *“By 2037, health insurance will swallow your entire paycheck.”*
 - “If health insurance premiums and national wages continue to grow at recent rates and the U.S. health system makes no major structural changes, the average cost of a family health insurance premium will equal 50% of household income by the year 2021 and surpass the average household income by the year 2033. If out of pocket costs are added the 50% threshold is crossed by 2018 and exceeds household income by 2030.”



The Washington Post, March 14, 2012

Cost of Health Care in Alaska

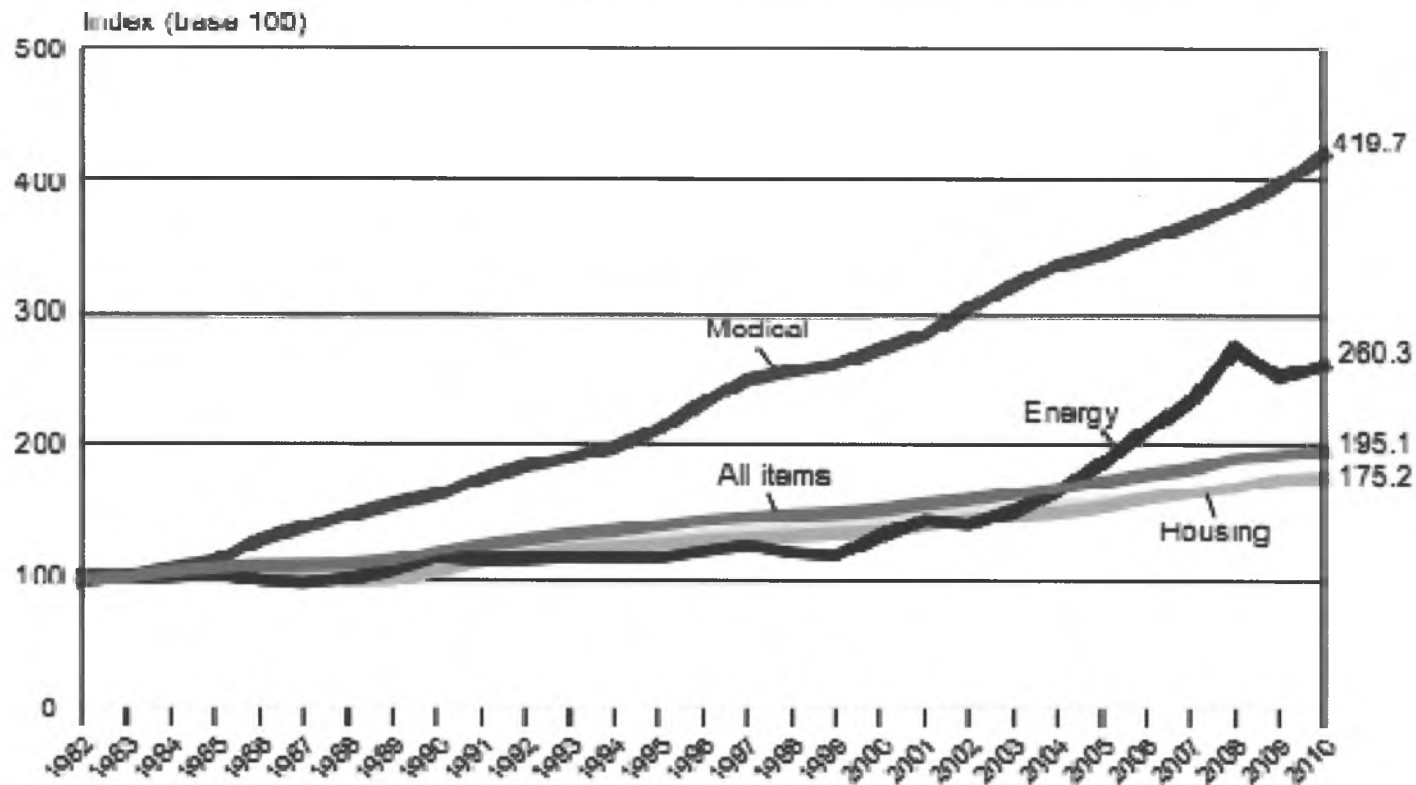
Alaska Health Care Expenditures History & Outlook



Institute for Social & Economic Research (ISER)
at UAA with Mark A Foster & Associates; 2010

Affordability – Alaskan Families & Employers

Housing Rises Slowly, But Medical Costs Soar
Select Anchorage CPI components, 1982 to 2010



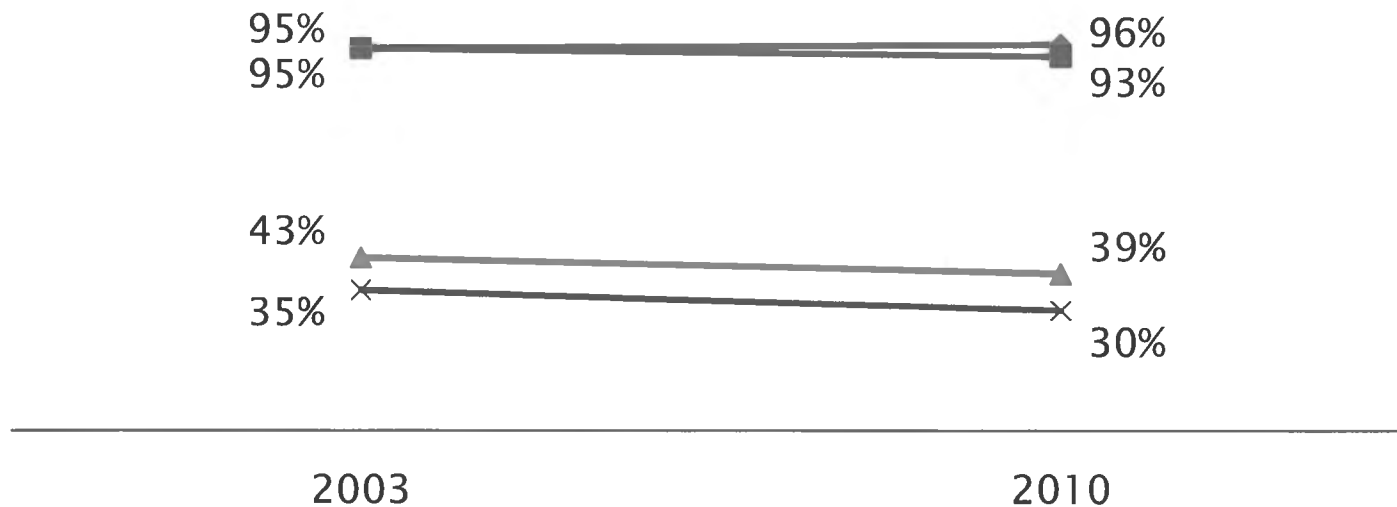
Source: U.S. Department of Labor, Bureau of Labor Statistics

Over the past decade, medical costs in Anchorage increased by 46% compared to 27% nationwide

Affordability – Alaskan Employers

Percentage of Private Firms Offering Health Insurance

- ◆ U.S. Large Employers
- ▲ U.S. Small Employers
- Alaska Large Employers
- × Alaska Small Employers



Alaska's average employee health benefits costs were the highest in the nation in 2010

Sample comparisons between States:

Average commercial insurance payment for physician services

(highest cost for each procedure highlighted red; lowest cost green)

Description/ Code	AK	ID	ND	OR	WA	WY
Office/outpatient visit (99214)	194.83	133.62	140.11	164.90	140.23	117.70
Obstetrical care (59400)	4704.80	2457.25	2500.69	3183.41	2601.20	3061.87
Tissue exam by pathgst (88305)	226.49	72.40	65.94	77.08	64.43	127.60
Ultrasound therapy (97035)	43.54	14.27	17.48	18.59	13.73	27.93
Routine venipuncture (36415)	18.08	9.10	6.81	6.34	5.69	14.42
Insert intracoronary stent 92980	4486.68	1391.33	1524.52	1555.88	1331.22	2496.38

Milliman, Inc., November 2011
Report for the Alaska Health Care Commission

Sample comparisons between States:

Average commercial insurance payment for physician services

Description/ Code	AK	ID	ND	OR	WA	WY
Total knee arthroplasty (27447)	7264.91	2566.63	2269.14	2461.07	2288.07	5406.51
Total hip arthroplasty (27130)	10557.38	2266.18	2175.36	2390.15	2263.44	3343.42
Frag. Kidney stone (50590)	4714.96	1227.63	1058.97	1344.22	1127.18	3548.51
Diagnostic colonoscopy 45378	1199.45	618.32	399.59	587.87	448.27	772.43
Lap cholecystectomy (47562)	4012.25	1433.64	1057.07	1253.79	1186.86	2588.80
Left heart cath (93510)	2203.48	389.01	416.15	453.32	389.54	605.25

Milliman, Inc., November 2011
Report for the Alaska Health Care Commission

Sample comparisons within Alaska: By Payer

Description / Code	Commercial	Medicare	TRICARE	VA	Medicaid	Work Comp
Office/outpatient visit (99214)	194.83	130.96	182.64	150.83	163.18	216.25
Obstetrical care (59400)	4704.80	2354.90	3181.81	4231.13	2821.81	5274.96
Tissue exam by pathgst (88305)	226.49	49.95	72.48	111.69	64.94	259.83
Ultrasound therapy (97035)	43.54	15.75	22.79	31.84	20.26	58.27
Routine venipuncture (36415)	18.08	3.00	3.00	11.76	3.00	29.03
Insert intracoronary stent 92980	4486.68	1110.09	1626.42	3639.24	1398.93	5295.65

Milliman, Inc., November 2011
Report for the Alaska Health Care Commission

Sample comparisons within Alaska: By Payer

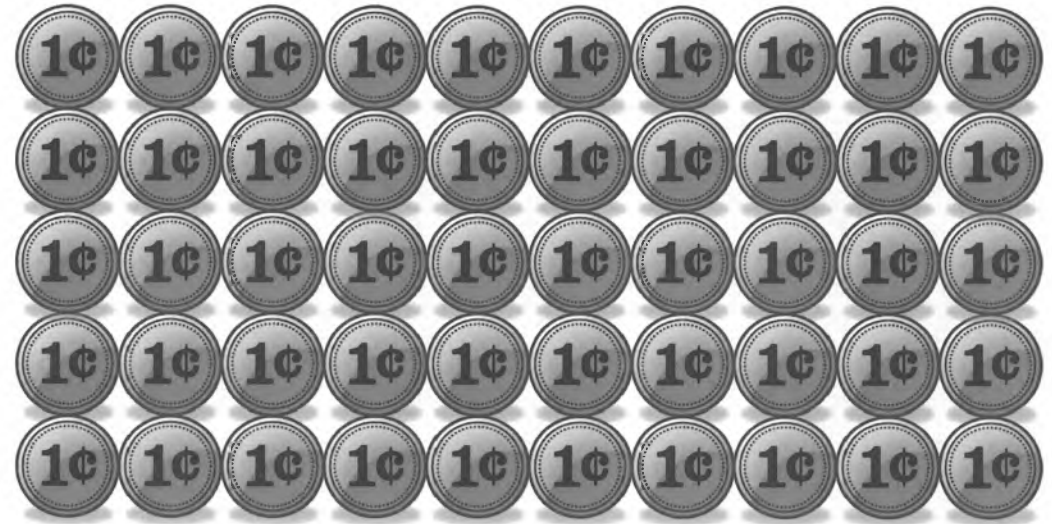
Description/ Code	Commercial	Medicare	TRICARE	VA	Medicaid	Work Comp
Total knee arthroplasty (27447)	7264.91	1934.46	2713.06	3832.63	2410.07	9278.23
Total hip arthroplasty (27130)	10557.38	1810.11	2537.88	3560.16	2254.09	12671.59
Frag. Kidney stone (50590)	4714.96	1087.25	1650.32	2000.26	1468.81	5015.77
Diagnostic colonoscopy 45378	1199.45	474.49	651.17	978.47	579.70	1494.59
Lap cholecystectomy (47562)	4012.25	924.42	1297.66	1663.71	1152.54	5566.71
Left heart cath (93510)	2203.48	n/a	471.79	603.85	n/a	5657.83

Milliman, Inc., November 2011
Report for the Alaska Health Care Commission



Solutions focused on Value and Health

5% of the U.S. population required 50% of health care spending in 2009*



50% of the population required 3% of health care spending in that same year



* U.S. Agency for Healthcare Research & Quality/DHHS, January 2012

Focus on Health & Value

Provide high quality, evidence-based efficient, effective care; prevent conditions from worsening and prevent hospitalizations if possible

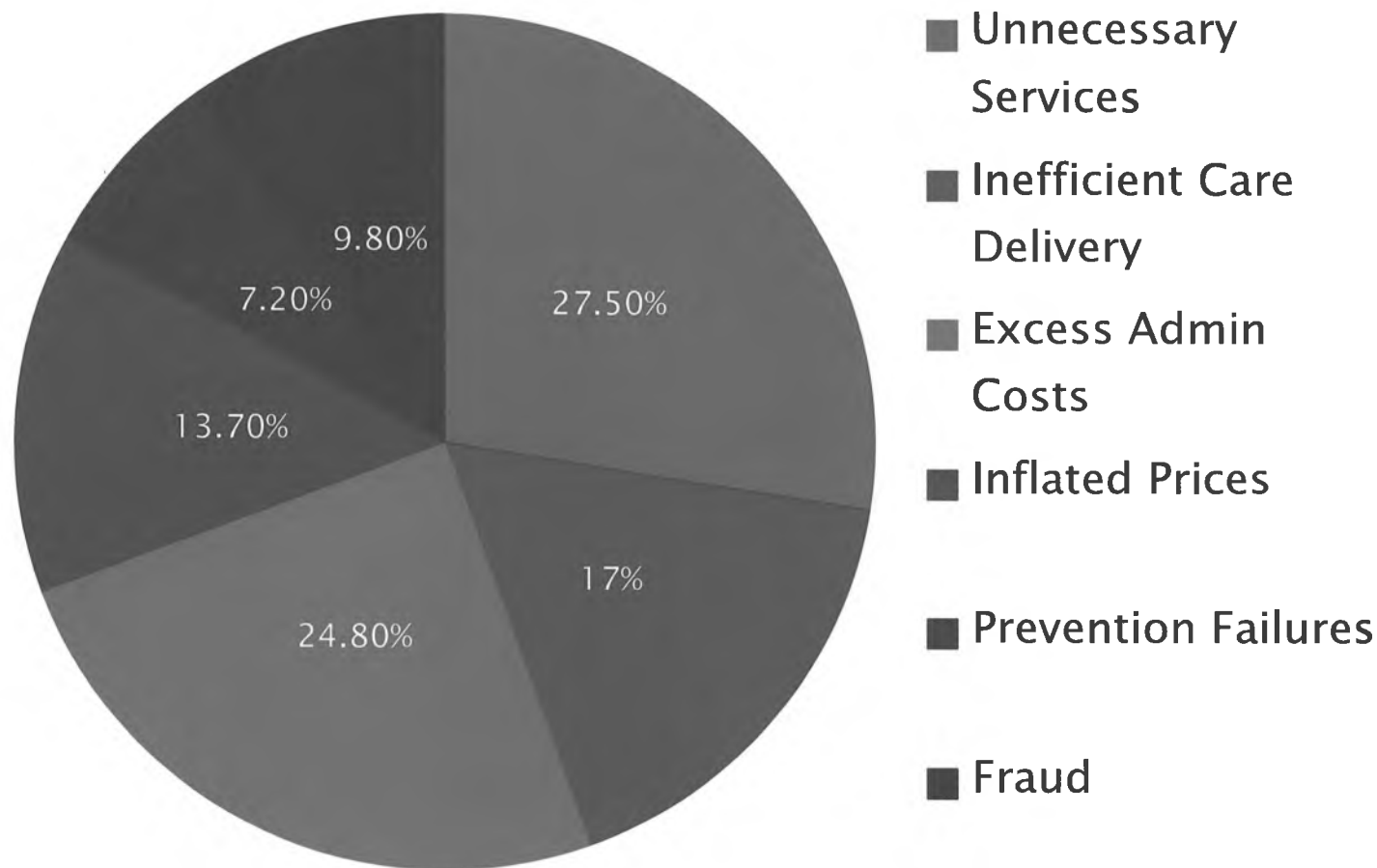
Complex Conditions

Provide Care Coordination; Care Management; other needed Supports

Mild to Moderate Illness & Conditions

Healthy Population
Focus on Prevention

Sources of \$750 Billion Annual Waste in U.S. Health Care System



Institute of Medicine, 2012

Best Care at Lower Cost: The Path to Continuously Learning Health Care in America, September 6, 2012



Recommended Strategies

- I. Ensure the best available evidence is used for making decisions
- II. Increase price and quality transparency
- III. Pay for value
- IV. Engage employers to improve health plans and employee wellness
- V. Enhance quality and efficiency of care on the front-end
- VI. Increase dignity and quality of care for seriously and terminally ill patients
- VII. Focus on prevention
- VIII. Build the foundation of a sustainable health care system



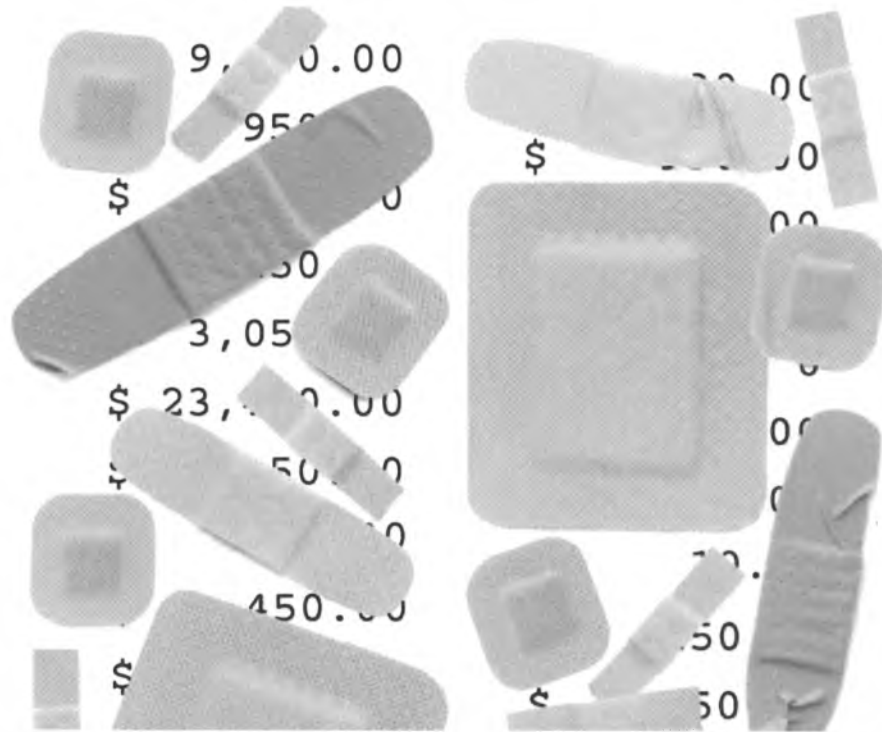
I. Ensure the best available evidence is used for making decisions

- ▶ Encourage, support and coordinate health care program application of evidence-based medicine principles to health benefit design and provider payment





II. Increase price and quality transparency



- ▶ Investigate and support mechanisms for providing the public with information on price and quality of health care services
- ▶ Encourage full participation in the Hospital Discharge Database
- ▶ Study the need and feasibility of an All-Payer Claims Database



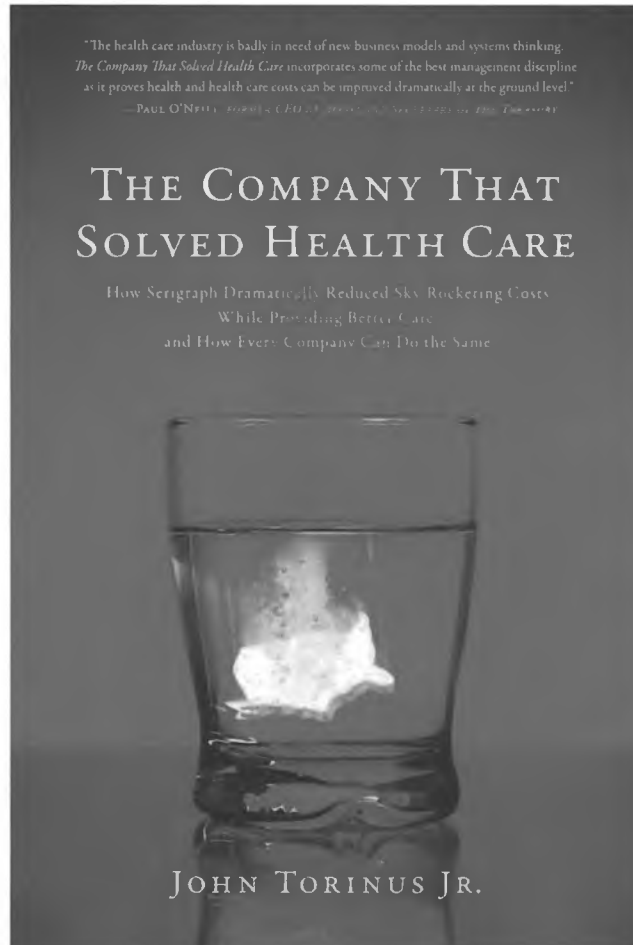
III. Pay for Value

- ▶ Redesign payment structures to incentivize quality, efficiency and effectiveness; move away from fee for service payment
- ▶ Take a phased approach; start with primary care payment enhancement
- ▶ Develop health data and analytics needed for design and negotiation of payment reform initiatives
- ▶ Support state health program collaboration in multi-payer payment reform efforts





IV. Engage employers to improve health plans and employee wellness



- ▶ Investigate and support mechanisms for providing the public with information on price and quality of health care services
- ▶ Provide leadership for Alaskan employers
- ▶ Include essential elements of successful employee health management programs:
 - Price sensitivity
 - Price and quality transparency
 - Pro-active primary care
 - Healthy lifestyle support



V. Enhance quality and efficiency of care on the front end

- ▶ Recognize value of primary care through appropriate reimbursement
- ▶ Promote patient-clinician relationships
- ▶ Support state health programs to implement patient-centric primary care models
- ▶ Support high quality, comprehensive, coordinated trauma care system





VI. Increase dignity and quality of care for seriously and terminally ill patients



- ▶ Support communication and education regarding end-of-life planning and resources
- ▶ Require continuing education in palliative care and pain management for clinicians
- ▶ Encourage clinical training programs to address death and dying
- ▶ Evolve Comfort One program to include POLST (Physician Orders for Life Sustaining Treatment)
- ▶ Create electronic registry for directives
- ▶ Pilot:
 - Tele-palliative care
 - Payment Structures



VII. Focus on Prevention

- ▶ Implement obesity prevention programs
- ▶ Insure adequate funding and support for immunization program
- ▶ Integrate behavioral health and primary care services



- ▶ Support screening for
 - History of adverse childhood events
 - Substance abuse
 - depression

Get out and Play. Every day.



*Raising healthy kids
in Alaska!*



VIII. Build the foundation of a sustainable health care system



Alaska Native Tribal Health Consortium Telemedicine Cart

- ▶ **Health Information Infrastructure**
 - Support Electronic Health Records & Health Information Exchange
 - Foster Telemedicine
 - Encourage Hospital Discharge Data
 - Study All-Payer Claims Data

- ▶ **Health Workforce**
 - Support workforce innovation and adaptation as care models evolve
 - Target public investment to primary care workforce development



1st Graduating Class of Alaska Community Health Aides and their instructor (1968)



Update on Affordable Care Act

Included as Appendix C in the Commission's
2012 Annual Report



NEXT STEPS

▶ Commission's 2013 Plans

- Continue learning about current challenges
 - Health Insurance Costs & Cost Drivers
 - Health Care Accounting & Pricing 101
 - Hospital Readmission Rates (quality metrics; Pay-for-Performance)
 - Oral Health & Dental Services
 - Track Federal Health Care Reform
- Strategies for further recommendations
 - Evidence-Based Medicine
 - Price & Quality Transparency
 - Employer Engagement



Thank You!



NEXT MEETING: March 7–8, 2013

**For more information, visit the
Commission's website at:**

<http://dhss.alaska.gov/ahcc/>

**For periodic updates, join the
Commission's listserve via our website**

Alaska Health Care Commission

The Alaska Health Care Commission was established by the legislature in 2010 (AS 18.09.010) to advise the Governor and legislature on policies for improving health and health care in Alaska. The Commission has been focused on studying factors contributing to the high cost of health care in Alaska, and will present to the Committee findings and recommendations to-date, and issues and potential strategies currently under review.

Presenters:

Ward Hurlburt, MD, MPH, Chair of the Alaska Health Care Commission, and Chief Medical Officer, Alaska Department of Health & Social Services
Deborah Erickson, Executive Director, Alaska Health Care Commission



Transforming Health Care in Alaska Core Strategies & Policy Recommendations

Core Strategies for Health Care Transformation

January 2013

Alaskan Solutions for Better Health and Health Care

The Alaska Health Care Commission was established by the Legislature in 2010 to advise the State on policies for improving health and health care for all Alaskans. Commission members are appointed by the Governor.

VISION

By 2025 Alaskans will be the healthiest people in the nation and have access to the highest quality, most affordable health care.

We will know we have attained this vision when, compared to the other 49 states, Alaskans have:

1. The highest life expectancy
2. The highest percentage population with access to primary care
3. The lowest per capita health care spending level

APPROACH

Design policies that **enhance the consumer's role in health and health care** through:

- A) Innovations in patient-centric health care; and,
- B) Support for healthy lifestyles

For more information visit the Commission's web site at:
<http://dhss.alaska.gov/ahcc/>

I. Ensure the best available evidence is used for making decisions

Support clinicians and patients to make clinical decisions based on high grade medical evidence regarding effectiveness and efficiency of testing and treatment options. Apply evidence-based principles in the design of health insurance plans and benefits.

II. Increase price and quality transparency

Provide Alaskans with information on how much their health care costs and how outcomes compare so they can become informed consumers and make informed choices. Provide clinicians, payers and policy makers with information needed to make informed health care decisions.

III. Pay for value

Redesign payment structures to incentivize quality, efficiency and effectiveness. Support multi-payer payment reform initiatives to improve purchasing power for the consumer and minimize the burden on health care providers.

IV. Engage employers to improve health plans and employee wellness

Support employers to adopt employee health and health insurance plan improvement as a business strategy. Start with price and quality transparency, and leadership by the State Department of Administration.

V. Enhance quality and efficiency of care on the front-end

Strengthen the role of primary care providers, and give patients and their clinicians better tools for making health care decisions. Improve coordination of care for patients with multiple providers, and care management for patients with chronic health conditions. Improve Alaska's Trauma system.

VI. Increase dignity and quality of care for seriously/terminally ill patients

Support Alaskans to plan in advance to ensure health care and other end of life decisions are honored. Provide secure electronic access to advance directives. Encourage provider training and education in end-of-life care. Establish a process that engages seriously and terminally ill patients in shared treatment decision-making with their clinicians. Use telehealth and redesign reimbursement methods to improve access to palliative care.

VII. Focus on prevention

Create the conditions that support Alaskans to exercise personal responsibility for living healthy lifestyles. High priorities include reducing obesity rates, increasing immunization rates, and improving behavioral health status.

VIII. Build the foundation of a sustainable health care system

Create the information infrastructure required for maintaining and sharing electronic health information and for analysis of health care data to drive improved quality, cost and outcomes. Support an appropriate supply and distribution of health care workers. Provide statewide leadership to facilitate health care system transformation.

Priorities, Core Strategies, and Desired Outcomes

PRIORITY A. High Quality, Affordable Health Care

CORE STRATEGY I Ensure the best available evidence is used for making decisions

- Outcome 1:** Clinicians understand and apply grades of evidence in clinical decision-making
- Outcome 2:** Patients and their clinicians partner in a shared decision-making model on clinical decisions
- Outcome 3:** Payers apply evidence-based medicine principals in health plan design and management

CORE STRATEGY II Increase price and quality transparency

- Outcome 1:** Alaskans can easily access and compare prices charged by providers and reimbursable by payers
- Outcome 2:** Alaskans can easily access and compare clinical quality and outcome of providers
- Outcome 3:** Financial performance of corporate health care entities is reported to the public on an annual basis

CORE STRATEGY III Design payment structures to incentivize quality, efficiency, effectiveness

- Outcome 1:** State agencies that purchase health care work together to align payment strategies
- Outcome 2:** Health care payers partner together and with providers to test innovative payment models
- Outcome 3:** Health care payment structures evolve away from payment for individual services to pay for outcomes

CORE STRATEGY IV Engage employers to improve health plans and employee wellness

- Outcome 1:** Alaskan employers adopt health improvement and health care value as a business strategy
- Outcome 2:** Employers increase health care price sensitivity, transparency, primary care, & healthy lifestyle support
- Outcome 3:** Employees participate as active partners in health care decisions and living healthy lifestyles

PRIORITY B. Accessible, Innovative, Patient-Driven Care

CORE STRATEGY V Enhance quality and efficiency of care on the front-end

- Outcome 1:** All Alaskans have regular and ongoing access to a primary care provider
- Outcome 2:** Alaskans coordinate their health care needs through their primary care provider
- Outcome 3:** Primary care providers are appropriately reimbursed for complex care management and coordination
- Outcome 4:** Behavioral health and primary care services are integrated and available in either setting
- Outcome 5:** Alaskans have access to high quality, comprehensive, coordinated trauma care

CORE STRATEGY VI Increase dignity and quality of care for seriously and terminally ill patients

- Outcome 1:** Alaskans plan in advance to ensure health care and other end of life decisions are honored
- Outcome 2:** Palliative care is available to every patient from the time of diagnosis of a serious illness or injury
- Outcome 3:** Clinicians and seriously ill patients use a standard form for documenting shared treatment decisions
- Outcome 4:** Patients and providers have access to information and resources on end-of-life care

PRIORITY C. Healthy Alaskans

CORE STRATEGY VII Focus on prevention

- Outcome 1:** Alaskans are a healthy weight
- Outcome 2:** Children and seniors are appropriately immunized against vaccine preventable diseases
- Outcome 3:** Behavioral health and primary care needs can be addressed in either clinical setting
- Outcome 4:** Providers screen patients for depression, alcohol/substance abuse, and adverse childhood events
- Outcome 5:** Employers facilitate employees' ability to make healthy lifestyle choices

PRIORITY D. Sustainable, Efficient, Effective Health Care System

CORE STRATEGY VIII Build the foundation of a sustainable health care system

- Outcome 1:** Health data is maintained in private, secure electronic form to facilitate proper access to information
- Outcome 2:** Telehealth technologies are used to facilitate access to and quality of health care
- Outcome 3:** Real-time electronic reporting is used for rapid identification of public health threats
- Outcome 4:** Health data is used to improve quality, efficiency, and effectiveness of health care, and public health
- Outcome 5:** Communities have the telecommunications infrastructure necessary to optimize telehealth technologies
- Outcome 6:** There is an appropriate distribution and supply of qualified health care workers available to Alaskans
- Outcome 7:** Statewide health policy development is evidence-based and coordinated

Commission Recommendations

Following is a compilation of all recommendations made by the Commission since its earlier inception in 2009 under a Governor's Administrative Order. The recommendations are grouped around the most relevant core strategy, and may be repeated if they directly impact more than one strategy. The year each recommendation was made is noted in parenthesis. For the findings supporting each recommendation please see the Commission's annual report for that year.

I. Ensure the best available evidence is used for making decisions.

Evidence-Based Medicine

1. The Commission recommends that the Governor and Alaska Legislature encourage and support State health care programs to engage in the application of high grade evidence-based medicine in making determinations about benefit design (covered services, prior authorization requirements, patient cost-sharing differentials) and provider payment methods. (2010)
2. The Commission recommends that the Governor require State health care programs to coordinate development and application of evidence-based medicine policies to create a consistent approach to supporting improved quality and efficiency in Alaska's health care system. (2010)
3. The Commission recommends that the Governor require State health care programs to involve health care providers and consumers in decision making related to the application of evidence-based medicine to public policy. The purpose of such involvement is to support a transparent process leading to policies that avoid restricting access to appropriate treatment and that foster informed discussions between patients and clinicians in which individualized, evidence-based choices improve the quality of health care. (2010)
4. The Commission recommends that the Governor direct State health care programs to seek to incorporate data on patient compliance in developing new provider payment methods and benefit design. (2010)
5. The Commission recommends that the Alaska Department of Health & Social Services implement a web-based data system for public health information. (2010)

II. Increase price and quality transparency

1. The Alaska Health Care Commission recommends the State of Alaska encourage full participation in the Hospital Discharge Database by Alaska's hospitals. (2011)
2. The Alaska Health Care Commission recommends the State of Alaska study the need for and feasibility of an All-Payers Claims Database. (2011)
3. The Alaska Health Care Commission recommends the Department of Health & Social Services investigate and the legislature support implementation of a mechanism for providing the public with information on prices for health care services offered in the state, including information on how quality and outcomes compare, so Alaskans can make informed choices as engaged consumers. *Note: This recommendation is included under the employer engagement strategy as well.* (2012)

III. Pay for Value: Design payment structures to incentivize quality, efficiency and effectiveness

1. The Alaska Health Care Commission recommends the State of Alaska utilize payment policies for improving the value of health care spending – for driving improved quality, efficiency and outcomes for each health care dollar spent in Alaska – recognizing that:
 - a. Local payment reform solutions are required for Alaska’s health care markets
 - b. Payment reform may not result in immediate cost savings, but efforts must begin immediately
 - c. Payment reform is not the magic bullet for health care reform, but is one essential element in transforming Alaska’s health care system so that it better serves patients, and delivers better value for payers and purchasers. (2011)
2. The Alaska Health Care Commission recommends the State of Alaska take a phased approach to payment reform, revising payment structures to support primary care transformation as a first step in utilizing payment policies for improving value in Alaska’s health care system. (2011)
3. The Alaska Health Care Commission recommends the State of Alaska develop health data collection and analysis capacity as a tool for quality improvement and payment reform. Data collection, analysis and use decisions should involve clinicians, payers, and patients. (2011)
4. The Alaska Health Care Commission recommends the State of Alaska support efforts by state officials responsible for purchasing health care services with public funds to collaborate on the development of common purchasing policies. These collaborative efforts should include key stakeholders, and should be used as leverage to drive improved quality, effectiveness, efficiency and cost of care in Alaska’s health care system. These efforts should endeavor to engage commercial payers and federal health care programs in alignment of payment policies in a multi-payer approach to minimize the burden on health care providers. (2011)

IV. Engage employers in health and health care improvement

1. The Alaska Health Care Commission recommends the Department of Health & Social Services investigate and the legislature support implementation of a mechanism for providing the public with information on prices for health care services offered in the state, including information on how quality and outcomes compare, so Alaskans can make informed choices as engaged consumers. *Note: This recommendation is also under the price and quality transparency strategy.* (2012)
2. The Alaska Health Care Commission recommends the State of Alaska, as a major employer in the state, play a leadership role for all Alaskan employers by continuing to develop and share strategies already underway to improve employee health and productivity and increase health care value. The Commission recommends the Department of Administration take a comprehensive approach by including all the essential elements of a successful employee health management program: Price sensitivity, price and quality transparency, pro-active primary care, and healthy life-style support for employees. (2012)

V. Enhance quality and efficiency of care on the front-end

Primary Care Innovation

- The Commission recommends that the Governor and Alaska Legislature aggressively pursue development of patient-centric care models through payment reform, removal of statutory and regulatory barriers, and implementation of pilot projects. Development of pilot projects should include definition of the patient-centric model, identification of performance standards and measures, and payment models that are outcome-based. (2009)

Patient-Centered Primary Care

1. The Alaska Health Care Commission recommends the State of Alaska recognize the value of a strong patient-centered primary care system by supporting appropriate reimbursement for primary care services. (2011)
2. The Alaska Health Care Commission recommends the State of Alaska support state policies that promote the central tenet of patient-centered primary care – that it is a model of care based on a continuous healing relationship between the clinical team and the patient. (2011)
3. The Alaska Health Care Commission recommends the State of Alaska and other entities planning a patient-centered primary care transformation initiative incorporate the following strategies the Commission found to be common to start-up of successful programs studied as models. These successful models started with:
 - a) Financial investment by the initiating payer organization (whether public or private).
 - b) Strong medical leadership and management involved in planning and development.
 - c) A collaborative partnership between the payers and clinical providers.
 - d) A vision concerned with improving patient care, followed by identification of principles, definitions, criteria for participation, and tools and measures.
 - e) A focus on local (i.e., practice-level) flexibility and empowerment.
 - f) A phased approach to implementation.
 - g) A tiered approach to managing patient populations. (2011)
4. The Alaska Health Care Commission recommends the State of Alaska and other entities implementing a patient-centered primary care transformation initiative include the following attributes the Commission found to be common to successful programs studied as models:
 - a) **Resources** provided to primary care practices to support improved access and care coordination capabilities.
 - b) **New tools and skill development opportunities** provided to primary care practices to support culture and practice transformation.
 - c) **Shared learning environments** for clinical teams to support development of emergent knowledge through practice and dissemination of new knowledge.
 - d) **Timely data** provided to primary care practices to support patient population management and clinical quality improvement, including centralized analytical and reporting capability and capacity.
 - e) **Infrastructure support** for medical guidance, including a medical director for clinical management and improvement, case managers, pharmacists, and behavioral health clinicians.
 - f) **A system of review** that includes both implementation monitoring by initiative partners and evaluation of initiative outcomes by an independent third-party. (2011)

5. The Alaska Health Care Commission recommends the State of Alaska support a patient-centered medical home (PCMH) initiative, recognizing:
 - a) Front-end investment will be required for implementation, and it may take two to three years before a return on investment will be realized;
 - b) Collaboration between State programs that pay for health care, other health care payers and the primary care clinicians who will be responsible for implementing this model is essential to success; and,
 - c) Patient-centered primary care development is not the magic bullet for health care reform, but is an essential element in transforming Alaska's health care system so that it better serves patients, better supports providers, and delivers better value. (2011)

6. The Alaska Health Care Commission recommends the State of Alaska support efforts to foster development of patient centered primary care models in Alaska that:
 - Integrate behavioral health services with primary physical health care services in common settings appropriate to the patient population.
 - Assure coordination between primary care and higher level behavioral health services.
 - Include screening for the patient population using evidence-based tools to screen for
 - A history of adverse childhood events
 - Substance abuse
 - Depression

Also included under Focus on Prevention (2011)

Alaska's Trauma System

1. The Alaska Health Care Commission recommends the State of Alaska support a strong trauma system for Alaska that:
 - Is comprehensive and coordinated, including:
 - Public health system capacity for
 - studying the burden of injury in the local population
 - designing and implementing injury prevention programs
 - supporting the development and exercise of local and statewide emergency preparedness and response plans
 - Emergency medical service capacity for effective pre-hospital care for triage, stabilization and coordination of safe transportation of critically injured patients
 - Trauma center care for treatment of critically injured patients
 - Rehabilitation services for optimizing recovery from injuries
 - Disability services to support life management for individuals left with a permanent disability due to an injury
 - Is integrated, aligning existing resources to efficiently and effectively achieve improved patient outcomes.
 - Is designed to meet the unique requirements of the population served.
 - Provides evidence-based medical care to achieve the best possible outcomes for the patient.
 - Provides seamless transition for the patient between the different phases of care. (2011)

2. The Alaska Health Care Commission recommends the State of Alaska support continued implementation of the recommendations contained in the 2008 consultation report by the American College of Surgeons Committee on Trauma, including achievement and maintenance of certification of trauma center status of Alaskan hospitals. (2011)

VI. Increase choice, dignity and quality of care for seriously and terminally ill patients.

1. The Alaska Health Care Commission recommends the Governor or legislature foster communication and education regarding end-of-life planning and health care for seriously and terminally ill patients by supporting a program to:
 - a. Sponsor an on-going statewide public education campaign regarding the value of end-of-life planning; and,
 - b. Establish and maintain a website for end-of-life planning and palliative care resources, including Alaska-specific information, planning guides, clinical best practices and practice guidelines, and educational opportunities for the general public and for clinicians and other community-based service providers. (2012)
2. The Alaska Health Care Commission recommends the Department of Commerce, Community, and Economic Development require within current continuing medical education guidelines education in end-of-life care, palliative care, and pain management for physicians and other state-licensed clinicians as a condition of licensure renewal. (2012)
3. The Alaska Health Care Commission recommends the University of Alaska ensure end-of-life care is included within the curriculum of health practitioner training programs. (2012)
4. The Alaska Health Care Commission recommends the Department of Health & Social Services fund a process to investigate evolving the Comfort One program to a POLST/MOST program (Physician Orders for Life Sustaining Treatment/Medical Orders for Scope of Treatment). (2012)
5. The Alaska Health Care Commission recommends the legislature establish a secure electronic registry aligned with the Statewide Health Information Exchange as a place for Alaskans to securely store directives associated with end-of-life and advanced health care plans online and to give authorized health care providers immediate access to them. (2012)
6. The Alaska Health Care Commission recommends the State of Alaska partner with other payers and providers to demonstrate:
 - a. The use of telehealth technologies for delivering hospice and other palliative care services to rural and underserved urban Alaskans; and
 - b. The design of new reimbursement methodologies that improve the value equation in financing of end-of-life services. (2012)

VII. Focus on Prevention

Healthy Lifestyles

- The Commission recommends that the Governor and Alaska Legislature investigate and support additional strategies to encourage and support healthy lifestyles, including strategies to create cultures of wellness in any setting. (2009)

Obesity in Alaska

- The Alaska Health Care Commission recommends the State of Alaska implement evidence-based programs to address the growing rate of Alaskans who are overweight or obese. First efforts should focus on nutrition and physical activity for children and young people and raise public awareness of the health risks associated with being overweight and obese. (2011)

Immunization against Vaccine-Preventable Disease

- The Alaska Health Care Commission recommends the State of Alaska ensure the state's immunization program is adequately funded and supported, and that health care providers give priority to improving immunization rates in order to protect Alaskans from serious preventable diseases and their complications. (2011)

Population-based Prevention & Behavioral Health

1. The Alaska Health Care Commission recommends the State of Alaska support efforts to foster development of patient centered primary care models in Alaska that:
 - Integrate behavioral health services with primary physical health care services in common settings appropriate to the patient population.
 - Assure coordination between primary care and higher level behavioral health services.
 - Include screening for the patient population using evidence-based tools to screen for
 - A history of adverse childhood events
 - Substance abuse
 - Depression(2011)
2. The Alaska Health Care Commission recommends the State of Alaska develop with input from health care providers new payment methodologies for state-supported behavioral health services to facilitate integration of primary physical health care services with behavioral health care services. (2011)

VIII. Build the foundation of a sustainable health care system

A. Health Information Infrastructure

Health Information Technology – General

- The Commission recommends that the Governor and Alaska Legislature take an aggressive approach to supporting adoption, utilization, and potential funding of health information technology, including health information exchange, electronic health records and telemedicine/telehealth that promise to increase efficiency and protect privacy. (2009)

Health Information Technology – Health Information Exchange (HIE) & Electronic Health Records (EHRs)

1. The Commission recommends that the Governor direct the Department of Health & Social Services to explore options for assisting providers (particularly smaller primary care practices and individual primary care providers) with adoption of electronic health record systems. (2009)
2. The Commission recommends that the Governor ensure Alaska's statewide health information exchange supports providers who have not yet adopted their own electronic health record system by facilitating identification and purchase of systems that are interoperable with the state exchange. (2009)
3. The Commission recommends that the Governor ensure that HIT is utilized to protect the public's health. Alaska's health information exchange should connect with electronic public health reporting systems to enable real-time disease reporting and rapid identification of public health threats. (2009)
4. The Commission recommends that the Governor ensure that data available through the statewide health information exchange is utilized to identify opportunities for administrative efficiencies, coordination and optimization of care, and health care quality and safety improvement. (2009)
5. The Commission recommends that the 2010 Alaska Health Care Commission track the development of the Alaska Statewide Health Information Exchange, Alaska's new Medicaid Management Information System (MMIS), and the use of ARRA funds for electronic health record deployment; and the Commission should continue to identify current issues, policy choices and recommendations based on these developments. (2009)
6. The Commission recommends that the Governor designate a statewide entity with the responsibility for ensuring broad implementation of health information security and privacy protections. The entity should participate in on-going efforts at the national level to identify security and privacy standards, should oversee application of those standards to Alaska's statewide health information exchange, and should identify a process for Alaskan patients to opt out of participation in the health information exchange. (2009)

Health Information Technology – Telehealth/Telemedicine

1. The Commission recommends that the Governor and Alaska legislature work with federal and local partners to ensure all Alaskan communities have access to broadband telecommunications infrastructure that provides the connectivity and bandwidth necessary to optimize use of health information technologies. (2009)

2. The Commission recommends that the Governor direct the Alaska Department of Health & Social Services to investigate innovative reimbursement mechanisms for telemedicine-delivered services; test new payment methodologies through Medicaid, and work with other payers to encourage adoption of successful methodologies. (2009)
3. The Alaska Health Care Commission recommends the Department of Health & Social Services develop collaborative relationships across health care sectors and between payers and providers in existing telehealth initiatives to facilitate solutions to current access barriers. The Commission further recommends telehealth collaboratives:
 - Focus on increasing access to behavioral health and primary care services;
 - Target specific health conditions for which clinical improvement, health outcomes, costs and cost savings can be documented; and,
 - Include an evaluation plan and baseline measurements prior to implementation, measurable objectives and outcomes, and agreement between pilot partners on selected metrics. (2012)
4. The Alaska Health Care Commission recommends the Department of Health & Social Services develop a business use analysis for a private sector statewide brokered telehealth service including:
 - Compilation and maintenance of a directory of telehealth providers
 - Compilation and maintenance of a directory of telehealth equipment addresses
 - Coordination of telehealth session scheduling for providers and equipment
 - Facilitation of network connections for telehealth sessions
 - Provision of 24/7 technical support (2012)

Health Information Infrastructure – Health Data & Analytics

1. The Commission recommends that the Alaska Department of Health & Social Services implement a web-based data system for public health information. *Also under Evidence-based Medicine* (2010)
2. The Alaska Health Care Commission recommends the State of Alaska encourage full participation in the Hospital Discharge Database by Alaska’s hospitals. *Also under Transparency* (2011)
3. The Alaska Health Care Commission recommends the State of Alaska study the need for and feasibility of an All-Payers Claims Database. *Also under Transparency* (2011)
4. The Alaska Health Care Commission recommends the State of Alaska develop health data collection and analysis capacity as a tool for quality improvement and payment reform. Data collection, analysis and use decisions should involve clinicians, payers, and patients. *Pay for Value* (2011)

B. Health Workforce

Workforce - General

1. The Commission recommends that the Governor and Alaska Legislature maintain health care workforce development as a priority on Alaska’s health care reform and economic development agendas. (2009)
2. The Commission recommends that the Governor and Alaska Legislature explore strategies for strengthening the pipeline of potential future Alaska health care workers. (2009)
3. The Commission recommends that the Governor and Alaska Legislature explore strategies for ensuring Alaska’s health care workforce continues to be innovative and adaptive, and that it is responsive to emerging patient care models. (2009)

4. The Commission recommends that the Governor designate a single entity with the responsibility for coordinating all health care workforce development planning activities in and for Alaska. Coordination and collaboration of funders, policymakers and stakeholders in workforce planning and development efforts should be encouraged to the greatest extent possible. (2009)
5. The Commission recommends that the 2010 Alaska Health Care Commission continue studying health care workforce needs in coordination with other organizations and coalitions addressing this issue, and identify recommendations for additional improvements. (2009)

Workforce – Physician Supply

1. The Commission recommends that the Governor and Alaska Legislature target the state’s limited financial resources invested in physician workforce development to strengthening the supply of primary care physicians. (2009)
2. The Commission recommends that the Governor and Alaska Legislature support development and maintenance of an educational loan repayment and direct financial incentive program in support of recruitment and retention of primary care physicians and mid-level practitioners. (2009)
3. The Commission recommends that the Governor and Alaska Legislature support the continued expansion of the WWAMI program. Future expansion should be supported as resources allow. (2009)
4. The Commission recommends that the Governor and Alaska Legislature support graduate medical education for primary care and behavioral medicine. State financial support should continue for on-going operation of the Alaska Family Medicine Residency Program, and should be appropriated for the planning and development of in-state residency programs for pediatrics, psychiatry, and primary care internal medicine. (2009)
5. The Commission recommends that the Governor and Alaska Legislature ask Alaska’s congressional delegation to pursue federal policies to address equity in the allocation and distribution of Medicare Graduate Medical Education (GME) residency slots. The exclusion of new programs is not equitable, and there should be heavier weighting for primary care GME and for shortage areas. (2009)
6. The Commission recommends that the Governor and Alaska Legislature explore strategies for improving the primary care delivery model and utilizing “physician extender” occupations as an additional approach to addressing the primary care physician shortage. (2009)

C. Statewide Leadership

1. The Commission recommends that the Governor and Alaska Legislature invest in the state health policy infrastructure required to study, understand, and make recommendations to respond to the implications of national health care reform for Alaska. (2009)
2. The Commission recommends that the Alaska Legislature establish an Alaska Health Care Commission in statute, similar in size to the Commission established under Administrative Order #246, to provide a focal point for sustained and comprehensive planning and policy recommendations for health care delivery and financing reform, and to ensure transparency and accountability for the public in the process. (2009)

Access to Primary Care for Medicare Patients - 2009

The Health Care Commission originally convened in 2009 under Administrative Order #246 also addressed the problem experienced at the time by urban Alaskan seniors with access to primary care.

1. The Commission recommends that the Governor and Alaska Legislature improve the supply of primary care providers in order to enable increased access to care for Medicare patients by:
 - Supporting a student loan repayment and financial incentive program for primary care providers practicing in Alaska and serving Medicare patients (and including other service requirements deemed necessary to meet the needs of the underserved);
 - Supporting development of a primary care internal medicine residency program;
 - Supporting WWAMI program expansion as resources allow; and,
 - Supporting mid-level practitioner development.
2. The Commission recommends that the Governor and Alaska Legislature explore strategies for removing barriers to the development of designated Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs), facilitating development through state application for federal shortage designations for Medicare populations and supporting planning for new and expanded FQHCs/RHCs.
3. The Commission recommends that the Governor and Alaska Legislature work with Alaska's Congressional delegation to improve Medicare's reimbursement scheme to ensure the sustainability of care to Medicare patients.
4. The Commission recommends that the Governor and Alaska Legislature ask Alaska's congressional delegation to pursue federal policies to redesign the Medicare audit process so that it focuses more on identification and prosecution of fraudulent practices than on billing errors. Reported financial incentives for audit contractors should be eliminated and replaced with performance measures. Concern over billing errors should be addressed through provider training and performance reports, not through audit processes designed to weed out fraud and abuse.
5. The Commission recommends that the Governor and Alaska Legislature commission an analysis comparing Medicare to Medicaid and private insurance administrative requirements, including recommendations for streamlining public insurance administrative procedures to make them more user-friendly.
6. The Commission recommends that the Governor facilitate development of PACE programs in Alaska by directing the Department of Health & Social Services to submit a State Plan Amendment to the U.S. Centers for Medicare and Medicaid Services (CMS) to add PACE as a Medicaid service, and to identify and remove barriers to development of PACE programs.