

## Minnesota Health Reform Overview



Carol Backstrom  
Minnesota Department of Health  
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## Minnesota's Vision for a Better State of Health

- Our goals for health reform (IHI):
  - Improve the overall health of the population
  - Improve the patient experience
  - Improve the affordability of health care

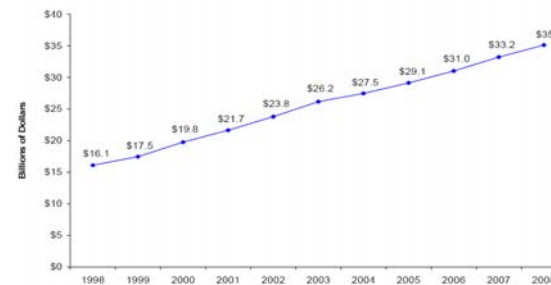


## Minnesota Starts from a Good Place



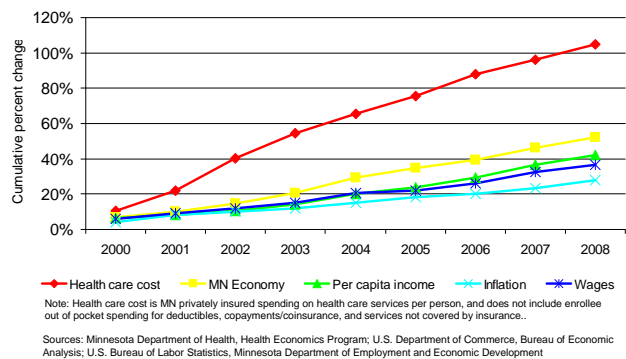
## Minnesota Faces Challenges: Rising Health Care Costs

Ten Year Trend in Minnesota Health Care Spending

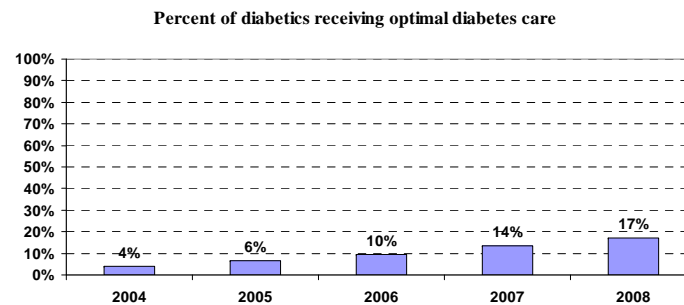


Source: MDH, Health Economics Program

### Minnesota Faces Challenges: Rising Health Care Costs (cont)



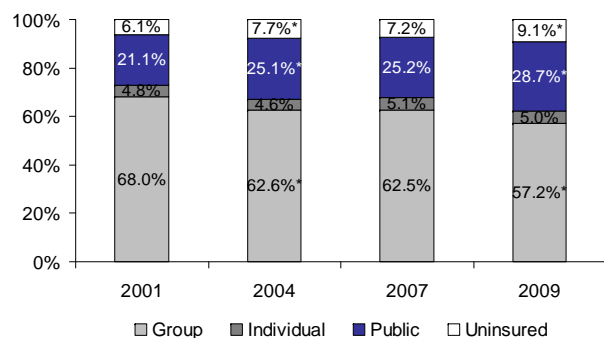
### Minnesota Still Faces Challenges: Quality is Improving, but Uneven



Source: Minnesota Community Measurement Health Care Quality Report



### Trends in Coverage and Uninsured



Source: Minnesota Health Access Surveys, 2001 to 2009  
\* Indicates statistically significant difference from previous year shown (95% confidence level).



### Minnesota's Vision: Nation-leading Reforms



- In 2008 we passed health reform legislation that takes a comprehensive approach.
- Public health investment
- Market transparency
- Care redesign and payment reform
- Consumer engagement



## Minnesota's Vision: Public Health

The goal of investing in population health is to help Minnesotans live longer, better, healthier lives by reducing the burden of chronic disease.



## Minnesota's Vision: Public Health

Statewide Health Improvement Program provides funding to help communities across MN reduce obesity and tobacco use

- \$47 million earmarked for community-based policy, system and environmental changes
- Builds on current CDC-funded pilots
- Emphasis on system & environmental changes that “normalize” healthy behaviors



## Minnesota's Vision: Market Transparency

The goal of market transparency is to provide public reporting of health care cost and quality information that will allow providers, purchasers, and policy makers to make better decisions about health and health care delivery.



## Minnesota's Vision: Market Transparency



- Provider Peer Grouping
  - Compares providers based on both quality and risk-adjusted cost.
  - More comprehensive information for consumers, providers, health plans and employers.
- Statewide Quality Reporting System
  - Aligns efforts and creates mechanism for development of new measures.
  - Less administrative burden on providers.



## Minnesota's Vision: Care Redesign & Payment Reform

The goal of care redesign and payment reforms in law is to promote quality outcomes, better management of chronic disease and more efficient resource use.



## Minnesota's Vision: Care Redesign & Payment Reform



- Health Care Homes (aka Medical Homes)
  - Redesign of primary care that puts patient and family at the center of care
  - Reimbursement for care coordination – something that is not paid for now
- Baskets of Care
  - Episodes of care/bundled services
  - Different way to pay for and deliver care



## Minnesota's Vision: Consumer Engagement

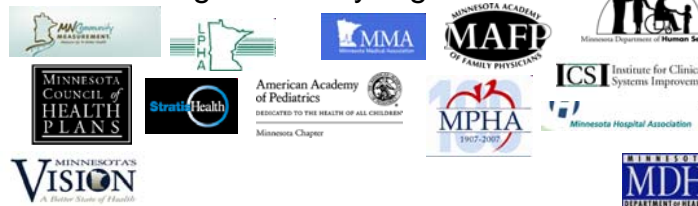


- The legislation requires that MDH develop strategies to engage consumers around the issues of cost and quality in health care.
- Looking at ways to connect with and advance existing initiatives.



## Many Partners Involved in First Year of Implementation

- Broad stakeholder process
  - Development of health care homes, baskets of care, provider peer grouping system all include public and private sector participation.
- Partnering with many organizations



## Putting the Vision Together

The 2008 reforms that make up Minnesota's Vision are foundational for further reform



Using the “building blocks” already in place – the next phase of health reform is further care redesign and payment reform:

- Global payment arrangements
- Accountable Care Organizations



[www.health.state.mn.us/healthreform](http://www.health.state.mn.us/healthreform)

