



# ALL ABOARD! DESTINATION: HEALTH REFORM

THE NATIONAL ACADEMY FOR STATE HEALTH POLICY 22ND ANNUAL STATE HEALTH POLICY CONFERENCE

OCTOBER 5-7, 2009 / LONG BEACH, CALIFORNIA

NATIONAL ACADEMY  
*for* STATE HEALTH POLICY

# Overview

- **State Health Care Reform**
  - Problem statement and drivers
  - Why focus on care variation and patient decision aids
- **Patient Decision Aids and Shared Decision Making**
  - Definition: The information prescription
- **Activity in WA**
  - Public – Private Collaborative
  - Demonstration Projects

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# WA State Health Care Authority

- **Health Care Authority Environment**
  - 300 employee Cabinet level agency
  - Administers WA public employee and retiree benefits and state low income health coverage
  - 3 Billion annual health care expenditures
  - 450,000 beneficiaries
    - Approximately 200,000 self-insured
    - Three insured plans serve remaining 250,000

HCA Website: <http://www.hca.wa.gov>

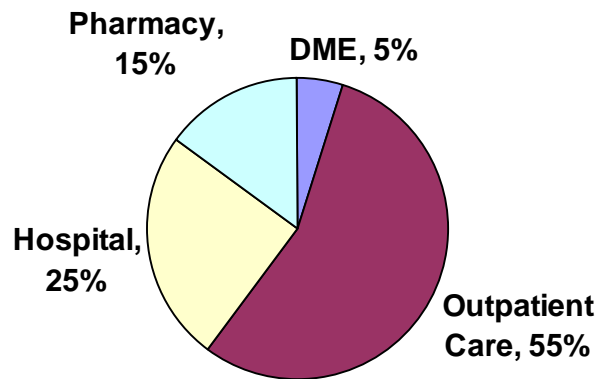
# Problem: Low Access, Highest cost, Low Quality, Waste

(2007 WA Blue Ribbon Comm.)

- 593,000 Washingtonians (inc. 73,000 children) without health care
- The state spends \$4.5 billion on health care, up from \$2.7 billion in 2000. This is increase from 22% in 2000 to 28% in 2007
  - US spends more, but ranks lower on performance and health outcomes
- 20-30% of current health expenditures do not improve or extend life. (also recommended care received only 55% of time)
- **WA's Answer:** Gov and Legislature
  - **use evidence based medicine** to reduce waste, increase quality, and get better value (one of five point strategy)
- **Commonwealth's Bending the Cost Curve (#1 answer)**
  - **Comparative Effectiveness Research** - save \$368 billion over 10 yrs by using relative clinical and cost-effectiveness treatment information

# Reduce Variation

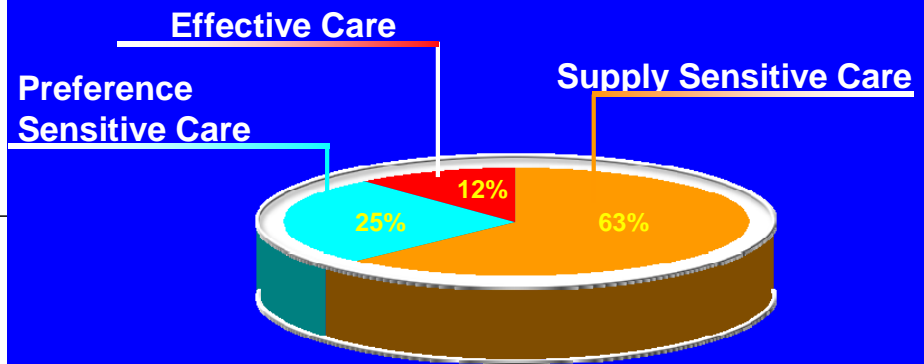
## Agency Spending Categories



WA direct purchased care: 2.9 Billion

Population: 773,000

## Proportion of Medicare Spending Attributed to Each Category of Unwarranted Variation



Wennberg, et al. [http://www.dartmouthatlas.org/atlasses/Unwarranted\\_Variations.pdf](http://www.dartmouthatlas.org/atlasses/Unwarranted_Variations.pdf)

# Health Care Reform for Washington

**Use state purchasing to lead reduction in wasteful spending** – expands access; raises quality; lowers cost growth

## **WA Reform Efforts – Reduction in Variation**

- **Increase effective Care (12% of waste)**
  - High priority conditions – health coaching and care management
  - Puget Sound Health Alliance Collaboration
- **Reduce Overuse of Supply Sensitive Care (63% of waste)**
  - PDP, HTA, AIM, Evidence Guidelines – Apply unbiased science to manage growth/capacity of new, unproven value technology
  - Medical Homes, Wellness and Health Risk Assessments promote organized, primary care
  - Variation Research to identify high cost, low quality
- **Reduce Misuse of Preference Sensitive Care (25% of waste)**
  - **Patient decision aid/Shared Decision Making pilot**

# Shared Decision Making – Patient Decision Aids

## What is it?

- Shared Decision Making: Process involving both health care provider and patient/representative in exploring options; identifying values; and making decision
- Patient Decision Aids: tools that provide evidence based information on tradeoffs, including outcomes and rates of benefits and harms for different treatment options
  - Often includes patient statements that have chosen each option and why
  - Includes information about outcomes that patients find important
  - Does not advocate for any one option

# Shared Decision Making – Patient Decision Aids

When do you use?

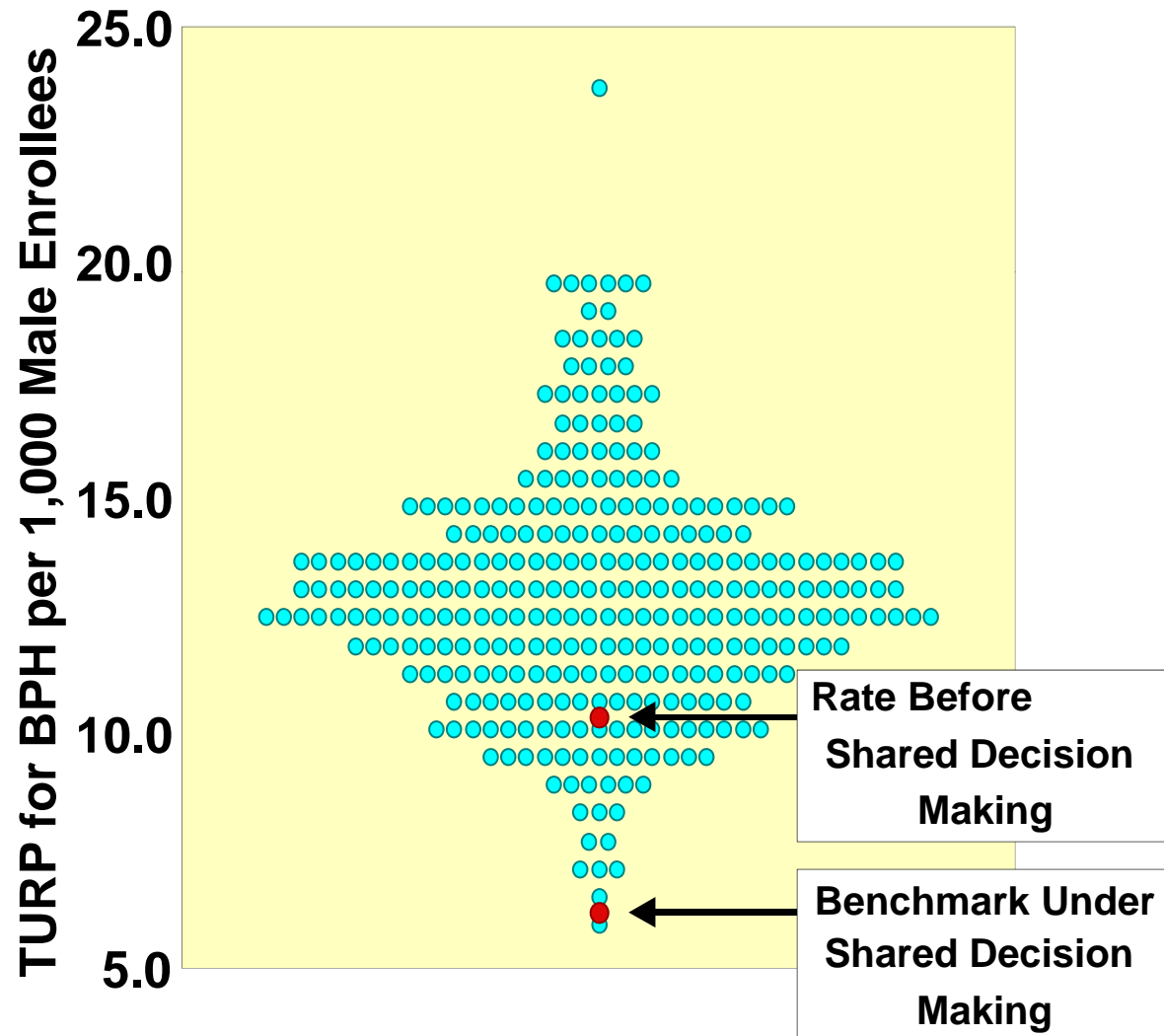
- Preference Sensitive Conditions where treatment choices with multiple options; involves tradeoffs
  - Involves tradeoffs -- more than one treatment exists and the some outcomes are different
  - Scientific evidence re: outcomes sometimes good, sometimes not
  - Decisions should be based on the patient's own preferences **But Provider Opinion Often Determines Which Treatment is Used**

# Shared Decision Making – Patient Decision Aids

- **Orthopedic Programs**  
Treatment Choices for Hip Osteoarthritis  
Treatment Choices for Knee Osteoarthritis
- **Heart Disease Programs**  
Treatment Choices for Coronary Artery Disease
- **Prostate Programs**  
Treatment Choices for Benign Prostatic Hyperplasia  
Treatment Choices for Prostate Cancer
- **Women's Health Programs**  
Treatment Choices for Uterine Fibroids  
Treatment Choices for Abnormal Uterine Bleeding
- **Breast Cancer Programs**  
Early Stage Breast Cancer: Choosing Your Surgery  
Breast Reconstruction: Is It Right for You?  
Ductal Carcinoma In Situ: Choosing Your Treatment
- **Back Care Programs**  
Treatment Choices for Low Back Pain: Spinal Stenosis  
Treatment Choices for Low Back Pain: Herniated Disc

## Why Use PDA? - Informed Patient Choice; Reduce Variation; “Right Rate”

TURP for BPH Among Hospital Referral Regions (1992-93) Compared to Shared Decision Making Benchmark in Two Group Model HMOs



# Shared Decision Making - PDA

## WA Legislative Background

- Senator Pflug sponsored legislation
- **“Just do it” – and measure results**
  - A multi-site, coordinated demonstration project and evaluation of the use of decision aids for elective surgeries, focused on state purchased healthcare and coordinated through state agency.
- **Raise the bar on informed consent**
  - A change in the state’s informed consent laws to recognize that prevailing community practice patterns may not always be the “right” benchmark when it comes to informed patient choice.
- Included in 2007 Blue Ribbon Commission law
  - Increase the extent to which patients make ***genuinely informed***, preference-based treatment decisions

# Shared Decision Making WA Efforts

- **Individual Efforts** (Provider/PSHA)
  - Group Health Demonstration project
  - PSHA Patient Engagement
- **Demonstration Project**
  - UW Dept. of Health Services
- **Expert Consultation**
  - Dr. Jack Wennberg, Dartmouth
  - Dr. Richard Wexler, Foundation for Informed Decision Making
  - David Veroff, Health Dialog

# WA Collaborative Overview

- Demonstration Purpose- move PDA/SDM into routine clinical practice
- Focus on high variation preference sensitive areas
- Target practice sites of one or more multi-specialty group practices, preferably with supportive HIT
- Include ongoing training and support of involved practitioners and practice teams
- Evaluation –
  - rates of use of preference sensitive interventions & expenditures
  - impact on patient understanding and concordance with values
  - patient and practitioner satisfaction
  - Health outcomes

# WA Collaborative - Outcomes

**Participants:** WA HCA; WSMA; PSHA; GHC; UW  
VMHC; Everett Clinic; Multicare; Carol Milgard Breast  
Center;

- **June 2007 to July 2008 – Learning and Planning**
  - Identify interested participants and current WA activity
  - Research SDM/PDA and identify expert contacts
  - Prioritize activities
  - Develop Collaborative and charter
- **July 2008 – July 2009 – Development**
  - Define demonstration benefits and participation criteria
  - Engage practice sites
  - Develop evaluation
  - Identify potential partners, resources, funding, reimbursement
  - Convene forum on SDM/PDA and Unwarranted variation



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