

COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Report to the Office of Governor Bill Ritter, Jr.
Establishing the Center for Improving Value in Health Care

December 15, 2008



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EXECUTIVE SUMMARY

In February of 2008 Colorado Governor Bill Ritter issued an executive order establishing the Center for Improving Value in Health Care (CIVHC). CIVHC was created in response to the need, as identified by the Colorado Blue Ribbon Commission for Health Care Reform, to develop a multi-disciplinary group to facilitate and implement strategies to improve quality and contain costs. The executive order charged the Executive Director of the Department of Health Care Policy and Financing (the Department), in collaboration with the Governor's Office of Policy and Initiatives, with defining the blueprint for CIVHC. The order established a planning committee to assist the Department in identifying the initial structure and scope for CIVHC. This report is respectfully submitted to the Office of Governor Bill Ritter, Jr. as required by Executive Order D 005 08, to deliver the recommendations of that committee.

A planning committee of public and private stakeholders was convened to develop recommendations on the structure and scope of the center. Committee members included those named in the executive order (representatives of the Department of Public Health and Environment; the Division of Insurance; the Division of Human Resources in the Department of Personnel and Administration; health care consumer groups, including business groups; health care providers; health insurance carriers; health care organizations and the Office of the Governor) and additional representatives identified by the Department and planning committee members.

In April of 2008 the Department of Health Care Policy and Financing received funding from The Colorado Trust to initiate a contract with JSI Research and Training, Inc. of Denver to assist the planning committee by facilitating monthly meetings, working with the Department's designee on the agenda and minutes and assist the Department in identifying grant funding appropriate for the start-up of CIVHC.

Under the leadership of the Department and with the support of JSI, the planning committee has worked to identify existing programs in Colorado dedicated to the improvement of quality and cost containment; research quality forums and councils in other states and analyze best practices regarding governance structure, funding, roles and responsibilities and engagement of the private sector; and examine general trends in the private sector that relate to quality improvement and cost management.

The recommendations presented below pertain to the initial structure and scope for CIVHC. The planning committee recognized that CIVHC's structure must leverage the commitment of high-level decision makers in the public and private sectors, and also facilitate discussion among stakeholders on very specific details regarding implementation of specific initiatives. The planning committee has proposed a structure in which health care, civic and business leaders set the strategic path for CIVHC, while work groups engage a broader group of stakeholders to implement specific strategies.

VISION

The vision for CIVHC is to optimize the health care system by “improving the individual experience of care; improving the health of populations; and reducing the per capita costs of care for populations,” as identified by the Triple Aim initiative created by the Institute for Healthcare Improvement.

MISSION

- Bring existing activities/organizations together as a high-level integrator of their work
- Provide vision for health system reform and well-functioning care
- Conduct measurement/assessment regarding the efficiency of care provided
- Foster comprehensive improvement in the health care delivery system
- Ensure evaluation of system reform efforts to measure their impact

ROLES AND PRIORITIES

- Provide leadership and vision around health care system reform
- Actively participate in policy discussions related to health care reform/expansion, etc.
- Act as a champion of current efforts that support CIVHC’s mission, and support further development of those efforts.
- Implement specific strategies for increasing value in health care if there are no existing vehicles for implementation
- Develop a short-term (1 to 3 year) strategy and work plan to move toward the vision of CIVHC

STRUCTURE

Steering Committee: The CIVHC steering committee shall consist of 7-15 members who are highly influential in the business, civic and health care communities, are passionate about improving value in health care, and possess a strategic perspective. The members of the steering committee will be appointed by the Governor. The CIVHC steering committee will set the strategic direction, vision and policy initiatives for CIVHC. It will advise the state on strategies to improve the health care system, leverage commitment from the public and private sectors, and integrate the work of other public and private entities in the state.

Work Groups: Four work groups have been established for the purpose of carrying out the four following strategies for regional quality improvement: aligning benefits and finances; sharing data for performance measures; consumer engagement; and improving health care delivery. The functions of the work groups are to:

- develop specific strategies, objectives and action steps to attain CIVHC goals;
- identify and involve appropriate technical experts and stakeholders to ensure successful implementation; and
- advise the steering committee on strategic direction and policy initiatives.

Staffing: It is recommended that the initial CIVHC structure add 1.5 dedicated FTE to the staff time already involved. The 1.5 FTE will include a .5 FTE director and a 1.0 FTE support/program staff position. The director of CIVHC, housed within the Department, will oversee CIVHC day-to-day operations and communications, and

supervise CIVHC staff. The director and staff will support the steering committee and work groups.

FUNDING

CIVHC should continue to pursue funding opportunities that allow it to build its infrastructure. Approval for base funding from a source such as the state legislature would help ensure sustainability for CIVHC's core functions. CIVHC should also pursue funding from statewide and national health foundations, and explore the degree to which initiatives and pilot programs sponsored by national quality organizations and government entities could help support specific CIVHC activities.

AUTHORITY

CIVHC should continue to be housed within the Department, with the director of CIVHC reporting to the executive director of the Department. However, the steering committee should have the authority to pursue a different relationship to state government in the future if necessary to accomplish its mission. In order to ensure long-term sustainability and elevate its status as the state's convening authority on health care quality improvement, CIVHC should seek authorization by the legislature, thus ensuring support of both the executive and legislative branches of government.

INTRODUCTION

Every year Colorado businesses, consumers, health care providers and government spend in aggregate more than \$30 billion on health care. Yet an examination of various quality measures shows Colorado falling short when it comes to cost-effective outcomes of care. Last year, the Commonwealth Fund ranked Colorado 30th among the states for quality of care; the Agency for Healthcare Research and Quality (AHRQ) ranked the overall quality of health care in Colorado as “average,” down from a recent rating of “strong.” The 2008 America’s Health Ranking, a report recently published by the United Health Foundation, showed Colorado slipping from the 16th to the 19th healthiest state in one year.

As Colorado works toward the goal of creating a stronger health care system, we must slow and ultimately reverse the trend of increased spending and decreased quality of care. We are fortunate to have a number of government programs and non-governmental organizations dedicated to the improvement of quality and cost containment in health care (Appendix B). These groups are making important contributions independently, but could make an even greater impact if they worked collaboratively toward the same goals. It is evident that we need to develop a structured, coordinated approach to improving quality, containing costs, and protecting consumers in health care.

In 2006, the Colorado General Assembly passed legislation to create the Blue Ribbon Commission for Health Care Reform. The charge of the commission was to identify strategies to expand health care coverage and reduce health care costs for Coloradans. On January 31, 2008, the commission submitted a package of recommendations to reform health care in Colorado. One recommendation was to create a permanent multi-stakeholder authority to improve value in health care by addressing issues such as administrative costs, improving preventive care, and expanding consumer information and choice.

In response to the recommendations of the commission, Executive Order D 005 08, establishing the Center for Improving Value in Health Care (CIVHC), was signed by Governor Ritter on February 13, 2008 as part of the “Building Blocks to Health Care Reform” plan. The Center was created to establish an interdisciplinary, multi-stakeholder entity to identify and pursue strategies for quality improvement and cost containment. Led by Joan Henneberry, Executive Director of the Colorado Department of Health Care Policy and Financing, the center was created to bring consumers, businesses, health care providers, insurance companies, and state agencies together to develop long-term strategies to identify, implement, and evaluate quality improvement strategies to ensure a better value for the care we receive in Colorado.

PROGRESS

In early 2008 the Department of Health Care Policy and Financing convened a planning committee of public and private stakeholders to develop recommendations on the structure and scope of the Center. Committee members included those named in the executive order (representatives of the Department of Public Health and Environment; the Division of Insurance; the Division of Human Resources in the Department of

Personnel and Administration; health care consumer groups, including business groups; health care providers; health insurance carriers; health care organizations and the Office of the Governor) and additional representatives identified by the Department and planning committee members.

In April of 2008 the Department of Health Care Policy and Financing received funding from The Colorado Trust to initiate a contract with JSI Research and Training, Inc. of Denver to assist the planning committee by facilitating monthly meetings, working with the Department's designee on the agenda and minutes and assisting the Department in identifying grant funding appropriate for the start-up of CIVHC.

Under the leadership of the Department and with the support of JSI, the planning committee has worked to identify existing programs in Colorado dedicated to the improvement of quality and cost containment; research quality forums and councils in other states and analyze best practices regarding governance structure, funding, roles and responsibilities and engagement of the private sector; and examine general trends in the private sector that relate to quality improvement and cost management.

During the planning process, four work groups were created for the purpose of developing the priorities, goals and strategies for CIVHC. The structural framework the planning committee used to organize its work groups is taken from the report, "It Takes a Region: Creating a Framework to Improve Chronic Disease Care."¹ The report discusses how to build an effective collaboration to improve health care and reduce costs. It also presents a "Framework for Creating a Regional Health Care System." This framework identifies four essential strategies: sharing data to measure performance, engaging customers, supporting delivery system improvement, and aligning benefits and finances. The work groups that were created were built around these four elements. They include the Data Sharing for Performance Measurement Work Group, Consumer Engagement Work Group, Improving Health Care Delivery Work Group and the Aligning Benefits and Finances Work Group. In recent months, the work groups have developed and initiated the implementation of specific strategies, chosen areas for combined effort and intend to have results to report by May, 2009.

In the upcoming months, the Department plans to hire a director for CIVHC. The planning committee will establish the permanent governance structure for the Center; appoint a high-level, formal steering committee of business and community leaders; carry out the projects developed by the work groups to improve care quality, advance coordination and efficiency; and secure long-term funding.

STATE QUALITY IMPROVEMENT INSTITUTE

Early in the CIVHC planning process, Colorado was one of nine states selected to participate in the State Quality Improvement Institute, an initiative developed by the

¹ Ed Wagner, Brian Austin, and Catherine Coleman, "It Takes a Region: Creating a Framework to Improve Chronic Disease Care" (Oakland, Ca: California Health Care Foundation, November 2006), <http://www.chcf.org/documents/chronicdisease/CreatingAFrameworkToImproveChronicDiseaseCare.pdf>

Commonwealth Fund and AcademyHealth. The Institute is an intensive, competitively-selected effort to help states plan and implement concrete action plans to improve performance across targeted quality indicators. These states were selected for the Institute through a competitive process designed to identify states with the commitment, leadership, and resources necessary to build on previous success and conceptualize and implement substantive new quality improvement efforts. Participation in this program has provided the planning committee with even more tools, resources and knowledge as the recommendations for the priorities, goals, and strategies of CIVHC have been developed.

RECOMMENDATIONS

The planning committee was keenly aware that the structure that best facilitates CIVHC's initial activities may not lend itself to long-term sustainability. For that reason, the planning committee recommends that CIVHC's initial structure be reviewed at the end of its first full year of operation, and that CIVHC's permanent structure be revisited at that time, or at the same time as enabling legislation for CIVHC is prepared.

The recommendations presented below pertain to the initial structure and scope for CIVHC. The planning committee recognized that CIVHC's structure must leverage the commitment of high-level decision makers in the public and private sectors, and also facilitate discussion among stakeholders on very specific details regarding implementation of specific initiatives. The planning committee has proposed a structure in which health and business leaders set the strategic path for CIVHC, while work groups engage a broader group of stakeholders to implement specific strategies. The proposed initial structure for CIVHC is described below and presented in diagram form in Appendix C.

VISION

The Triple Aim initiative, as defined by the Institute for Healthcare Improvement, shall serve as the conceptual model for CIVHC. The Triple Aim initiative proposes that the health system will be optimized by "improving the individual experience of care; improving the health of populations; and reducing the per capita costs of care for populations²." The Triple Aim initiative shall guide CIVHC's strategic direction and priorities.

MISSION

CIVHC's mission shall be to:

- Bring existing activities/organizations together as a high-level integrator of their work
- Provide vision for health system reform and well-functioning care
- Conduct measurement/assessment regarding the efficiency of care provided
- Foster comprehensive improvement in the health care delivery system, guided by the Triple Aim framework
- Ensure evaluation of system reform efforts to measure their impact

2 Institute for Healthcare Improvement. Triple Aim – Concept Design; April 4, 2008. Available at: <http://www.ihi.org/NR/rdonlyres/F8599725-ABEA-49FA-AD63-BD3DEFBA835A/0/IHITripleAimConceptDesignApr08.pdf>. Accessed 10/01/2008.

ROLES AND PRIORITIES

As discussed above, CIVHC will pursue its work utilizing the framework presented in the report “It Takes a Region: Creating a Framework to Improve Chronic Disease.” Within this framework, CIVHC shall:

- Provide leadership and vision around health care system reform
- Actively participate in policy discussions related to health care reform/expansion, etc.
- Act as a champion of current efforts that support CIVHC’s mission, and support further development of those efforts.
- Implement specific strategies for increasing value in health care if there are no existing vehicles for implementation
- Develop a short-term (1 to 3 year) strategy and work plan to move toward its vision

STRUCTURE

Steering Committee

The CIVHC steering committee will set the strategic direction, vision and policy initiatives for CIVHC. It will advise the state on strategies to improve the health care system, leverage commitment from the public and private sectors, and integrate the work of other public and private entities in the state.

The CIVHC steering committee should consist of 7-15 members who are highly influential in the business, civic and health care communities, are passionate about improving value in health care, and possess a strategic perspective. The members of the steering committee will be appointed by the Governor. While the role of the steering committee members will be to forward the vision and mission of CIVHC, the overall membership shall include individuals who also have the following perspectives:

- Patient and/or consumer
- Health care provider
- Health care purchaser
- Health care payer (public and private)
- Government
- Legislature
- Rural

The initial steering committee appointees should begin their terms in 2009 and serve through 2010. The initial steering committee should determine the optimal length of terms for future staggered terms. The terms for any state agency heads should be the term of their appointment. Decision-making of the steering committee shall be by consensus.

Work Groups

Four work groups have been established for the purpose of carrying out the strategies for regional quality improvement identified in “It Takes A Region.” The work groups are: Aligning Benefits and Finances; Shared Data/Performance Measures; Consumer Engagement; and Improving Health Care Delivery. It has been recommended these groups should continue. The functions of the work groups are to:

- develop specific strategies, objectives and action steps to attain CIVHC goals;
- identify and involve appropriate technical experts and stakeholders to ensure successful implementation; and
- advise the steering committee on strategic direction and policy initiatives.

Work group chairs will serve as ex-officio members of the steering committee in order to facilitate communication and alignment between the steering committee and the work groups, and among the work groups themselves.

Work group members are technical experts and stakeholders recruited from the broader community by work group chairs and approved by steering committee leaders. Members will include representatives of regional system reform initiatives. Work group chairs will be elected by committee members. Member terms will be determined by the committee. The work group chair and steering committee will have the discretion to limit work group membership to maintain an effective size.

Staffing

CIVHC shall have a director, housed within the Department, who reports directly to the Executive Director of the Department. The director will be responsible for implementing the goals established by the steering committee, overseeing CIVHC day-to-day operations and communications, and supervising CIVHC staff. The director and staff will support the steering committee and work groups.

Given the current economic climate, it is recommended that the initial CIVHC structure add 1.5 dedicated FTE to the staff time already involved. The 1.5 FTE will include a .5 FTE director and a 1.0 FTE support/program staff position. This lean staffing structure is based on the premise that CIVHC will leverage other resources to provide support and collaboration to the work being conducted by other organizations rather than bringing those functions within CIVHC. CIVHC should also utilize staff time donated from participating organizations.

The director should be a health care leader who can engage partners and steering committee members, and serve as the primary liaison with the steering committee and the larger health care community. The support/program staff should be a content area expert who is able to staff the work groups and support the development of a work plan for CIVHC's initial activities. Once CIVHC has developed an initial work plan and timeline, staffing needs should be reassessed.

FUNDING

Funding for the initial CIVHC structure should be sufficient to support the staff recommended above, to facilitate work group and steering committee activities, and to support the development of an initial work plan. CIVHC should continue to pursue funding opportunities that allow it to build its infrastructure. Approval for state funding from the legislature would help ensure sustainability for CIVHC's core functions. CIVHC should also pursue funding from statewide and national health foundations, and explore the degree to which initiatives and pilot programs sponsored by national quality

organizations and government entities such as the Centers for Medicare and Medicaid services could help support specific CIVHC activities.

Aligning Forces for Quality

In November of 2008, on behalf of CIVHC, the Department submitted an application to participate in the Robert Wood Johnson Foundation (RWJF) *Aligning Forces for Quality* initiative. This initiative seeks to help communities across the country set and achieve goals to improve the quality of health care. The goal of *Aligning Forces* is to build on RWJF's past and current investments in improving health care and partner with communities that are trying to promote substantial and meaningful change. Communities participating in the program focus on three core activities: improving measurement of care and public reporting of those measures; increasing consumer engagement; and enhancing community support for physicians, hospitals and clinics in their efforts to improve.

The selection process for participation in *Aligning Forces* takes place in two steps. First, after receiving responses to the initial solicitation, RWJF will conduct a limited, invitation-only competition for up to four planning phase grants. Provided the four selected communities that participate in that planning phase successfully complete that work, they are then invited to submit proposals for the four remaining *Aligning Forces* slots. Up to four communities will be selected to receive planning phase grants of up to \$200,000 each for a six-month period. Successful selected communities will be invited to submit full proposals for participation in *Aligning Forces*. The Department is hopeful that participation in *Aligning Forces* will position CIVHC for an opportunity to obtain substantial funding and support from RWJF to develop a long-term funding strategy.

CIVHC AND STATE GOVERNMENT

CIVHC should continue to be housed within the Department, with the director of CIVHC reporting to the executive director of the Department. However, the steering committee should have the authority to pursue a different relationship to state government in the future if necessary to accomplish its vision and mission.

Rule Making Authority

In order to ensure long-term sustainability and elevate its status as the state's convening authority on health care quality improvement, CIVHC should seek authorization by the legislature, thus ensuring support of both the executive and legislative branches of government and also to elevate CIVHC's position as the central authority for health care quality improvement in Colorado. At this time it is anticipated that CIVHC will be able to leverage the rule-making authority of the entities participating in the steering committee and work groups, and does not need independent rule-making authority. However, CIVHC should regularly monitor the need for independent rule making authority over the first few years of its existence.

GOALS AND STRATEGIES

Establishing the Center

The Center for Improving Value in Health Care will have in place, by mid-2009, the leadership, governance structure, staffing, financing, public and private support, and level of stakeholder involvement necessary to achieve the goal of a high-performing Colorado health system.

Strategies:

1. Secure bridge funding to hire a director for the Center on contract until such time as funds for this position are appropriated by the legislature. (A grant proposal for this funding has been submitted to Caring for Colorado Foundation.) Obtain legislative approval to fund the position full-time, beginning July, 2009.
2. Hire the Center director.
3. Identify and secure the participation of a select group of business and community leaders to serve on the formal steering committee for the Center. Initiate regular meetings.
4. Ensure the work groups maintain the active involvement of key stakeholders and complete their initial foundation projects by mid-2009.
5. Write and get required approvals for a long-term business/strategic plan for the Center.
6. Conduct regular briefings and seek the ongoing input and support of the business community, insurance industry, consumer and provider groups, policymakers, local public health officials and others.
7. Create and maintain a Web site for the Center. Develop and implement a communications/media strategy to keep the general public and key stakeholders informed about the work of the Center.
8. Secure additional funding that may be needed to implement specific projects of the Center.

Improving Health Care Delivery

The goal of this work group is to develop and promote a minimum set of rules for communications between providers regarding patient referral. In order to enable care coordination, medical home, or care transition models of care, more effective communication between providers must be established. Currently, there are undefined, tacit rules for referrals from the referring provider and undefined, tacit rules from the referred provider back to referring provider. Provider compacts have been developed in Massachusetts and in the United Kingdom to make these rules explicit and have been shown to improve coordinated care.

In Grand Junction, Quality Health Network has led an effort to develop provider compacts and has operationalized the rule sets in their trading network. The system has had wide participation with extremely positive feedback from providers on improved clinical transitions of care. Key learning from Quality Health Network and from published literature highlights the importance of culture change.

Strategies:

1. Discussion of whether to replicate Grand Junction model of facilitating local definitions of provider compacts versus doing centrally as a statewide effort
2. Discussion of whether to focus on hospital discharge to primary care or focus on a community of providers
3. Meeting with Jack Silversin, national expert on provider compacts, to hear more about his experience and to obtain guidance
4. Consideration of several pilot sites
5. Discussion of next steps from Colorado 5 Million Lives Campaign

Aligning Benefits and Finances

“The goal of this strategy is to create incentives for consumers to seek, and providers to deliver, the most cost-effective care by devising supportive health insurance benefits for consumers and payment mechanisms for providers.” This is the purpose outlined in “It Takes a Region” for work that involved benefit redesign and payment reform. The Aligning Benefits work group has adopted this purpose as their current working definition.

Strategies:

1. Adopt a statewide “Never Events” policy for non-payment to hospitals of those events as abstracted by HCPF from Centers for Medicare and Medicaid Services and National Quality Forum definitions. This work group reviewed policies from other health plans, other states, and the Colorado Hospital Association’s current voluntary policy on never events. The Department intends to request a policy change for Medicaid and CHP+ through an executive order.
2. Expand the “Never Events” policy to other settings and providers. The work group believes this will be a longer term process, as less precedent for this currently exists. They are currently exploring what would be necessary to establish this policy for physicians who participated in Never Events, and how the policy might be spread to Ambulatory Surgery Centers or other outpatient settings.
3. Make necessary changes in patient benefits and/or provider payment to incent the use of *transition coaching* and *handover management* during critical clinical events, transitions from a hospital inpatient setting to outpatient and vice versa. This is consistent with Recommendation 8 from the final report of the Colorado Blue Ribbon Commission for Health Care Reform, to establish medical homes capable of coordinating care, and assuring “healthy handoffs”. The work group currently plans to study the effects such payment reforms on *re-admission* rates first, on end of life care second, and prevention of primary admission for those with chronic disease that predispose them to hospitalization third. The basis of this work is a pilot from the Colorado Foundation for Medical Care, the state’s health care quality improvement organization, which has demonstrated a 50%

reduction in re-admission rate at 60 days post hospitalization for those patients who received transition coaching vs. those who received usual care.

Consumer Engagement

The goal of this work group according to, “It Takes a Region” is to produce informed, activated consumers who will understand, demand and choose higher quality health care. The purpose of this work group is to identify ways that can enhance this goal.

Strategies:

1. Contribute and collaborate with the data-sharing group by researching and identify websites that will engage consumers.
2. Collaborate to create a website in which all Colorado consumers may access to make informed decisions regarding their healthcare and as a result enhance their ability to choose quality.
3. To collaborate with the Colorado Patient Safety Coalition through attendance of its conference in the spring of 2009 and invite a member to sit on the sub-committee.
4. Identify and create patient decision aides, which will enhance consumer choice of higher quality health care.
5. Identify ways to reach consumers and engage those consumers in collaboration with both the Data Sharing and Aligning Benefits work groups.

Data Sharing for Performance Measurement

The goal of this work group is to create the process by which health care performance data are collected, standardized, evaluated and made publicly available. The work group will pursue a staged approach to its planning efforts, focusing first on short-term priorities that can serve as models for expansion into broader delivery system data sharing, measurement and improvement. The following outlines a step-wise process that will be used by the work group.

Strategies:

1. Identify the current state and breadth of existing data by conducting a gap analysis to identify and classify what data and performance measures currently exist for priority areas. Identify data and measures that are missing.
2. Assess the value, consistency and clinical relevance of existing data to determine the extent to which they address the quality and performance of system providers.
3. Determine the utility of quality measures to end users by conducting a pilot or series of pilot projects to aggregate, analyze and report quality indicators using agreed upon evidence-based standards/criteria for quality improvement purposes.
4. Determine the appropriate format to publish/disseminate the data by identifying and assessing existing dissemination tools and develop or modify existing tools to move toward a unified, consensus-based quality reporting agenda for all segments of the health care delivery system in Colorado including hospitals, physicians and health plans.

NEXT STEPS

CIVHC's initial activities shall build on the efforts already undertaken by the steering committee and work groups, and include the development of a detailed work plan and timeline, including the identification of specific value-based strategies to be pursued in the long and short term.

By 2010, the CIVHC director and steering committee should complete business and strategic plans, and make recommendations about a permanent structure and focus for CIVHC, including any needed statutory changes or authority.

The next year will be critical for CIVHC as it implements the proposed structure, and identifies a set of strategic steps to achieve its mission. The experience of quality and cost councils in other states provides some insight into specific issues that should be further addressed in order to secure early successes and ensure long-term viability. These include the following:

- Creating Partnerships
CIVHC should define specific priorities and goals around which public and private sector entities can coalesce. As identified by the planning committee, the most important task for CIVHC's first year will be to initiate a work plan to achieve its identified priorities and goals. The process of forming the work groups and identifying goals in these areas has allowed CIVHC to engage a broad group of stakeholders and establish the work groups that will be critical to its success. CIVHC should establish overarching priorities and goals that build on this initial work, provide strategic direction for the next 2-5 years, and substantively engage public and private partners.
- Building Infrastructure
Colorado is fortunate to have a number of entities conducting aspects of the work needed to move toward a more value-based health care system. The lean staffing model identified by the planning committee will only be effective if major aspects of implementation - including delivery system redesign and data gathering and analysis - are carried out by its partner organizations. The scope of CIVHC's mission will require increasing the scale and intensity of current efforts. As CIVHC defines more specific goals and objectives, it should also assess with these entities the degree to which their existing capacity is sufficient to support new areas of focus, and whether additional resources (within partner organizations or within CIVHC) are needed to support the existing infrastructure and attain identified goals. Thoughtful delineation of roles, and ongoing dialogue between CIVHC and its partners will help develop sustainable models of collaboration.
- Leveraging Resources
CIVHC can benefit from the technical assistance and resources available from national system redesign and reform initiatives. These include initiatives from national foundations and quality organizations, and pilot projects of entities such

as the Centers for Medicare and Medicaid Services. As with the State Quality Improvement Institute, participation in other national initiatives can provide momentum and core support for CIVHC's work.

CONCLUSION

The Center for Improving Value in Health Care represents an important long-term investment by the State of Colorado in improving the quality of health care systems, containing costs, and promoting patient safety. As illustrated in this report, the planning committee for CIVHC has carefully considered how to best apply the current knowledge and experience related to value-based health care strategies to Colorado's unique atmosphere of health care delivery. CIVHC's leadership is critical to ensuring that all citizens effectively engage in achieving a higher quality of care for Coloradans.

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Bill Ritter, Jr.
Governor

D 005 08

EXECUTIVE ORDER

Establishing the Center for Improving Value in Health Care

Pursuant to the authority vested in the Office of the Governor of the State of Colorado, I, Bill Ritter, Jr., Governor of the State of Colorado, hereby issue this Executive Order establishing the Center for Improving Value in Health Care.

I. Background and Purpose

The Blue Ribbon Commission on Health Care Reform found that Colorado businesses, consumers, health care providers and the state spend in aggregate more than \$30 billion a year on health care. That is a 77% increase over health care spending in 2000. Despite this significant investment, the federal Agency for Healthcare Research and Quality ranks the overall quality of health care in Colorado as "average," down from a recent rating of "strong."

In order to achieve our goal of creating a stronger health care system for Colorado, we must slow and reverse the trend of increased spending and decreased quality of care. We are fortunate in the State of Colorado to have a number of government programs and non-governmental organizations dedicated to the improvement of quality and cost containment in health care. These groups are making important contributions independently, but could make an even greater impact if they worked collaboratively toward the same goals.

In Colorado, there is an evident need to develop a structured, well-coordinated approach to improving quality, containing costs, and protecting consumers in health care. One health care reform strategy pursued in other states and recommended by the Blue Ribbon Commission on Health Care Reform is the creation of an inter-agency, multi-disciplinary group to facilitate and implement strategies to improve quality and contain costs. The State would greatly benefit from the establishment of such a center.

II. Directives

The Center for Improving Value in Health Care (the "Center") is hereby created. The Executive Director of the Colorado Department of Health Care Policy and Financing, in collaboration with the Governor's Office of Policy Initiatives, shall be responsible for providing the blueprint for the Center.

The initial tasks of the Center shall include the following:

- A. Convene a health care quality steering committee of relevant state departments, health care stakeholder organizations and individuals. The Steering Committee shall include leaders from the following:
 - 1. The Department of Public Health and Environment;
 - 2. The Division of Insurance;
 - 3. The Division of Human Resources in the Department of Personnel and Administration;
 - 4. Health care consumer groups, including business groups;
 - 5. Health care providers;
 - 6. Health insurance carriers;
 - 7. Health care organizations; and
 - 8. The Office of the Governor.
- B. Establish priorities, develop strategies, coordinate existing efforts and begin implementing strategies to improve health care quality and manage the growth of health care costs.
- C. Research quality forums or councils in other states, including best practices on governance structure, funding, roles and responsibilities and engagement of the private sector.
- D. Identify strategies for tying quality measurement to rate setting methodologies and payment structures for providers in public insurance programs. Research general trends in the private sector that relate to quality improvement and cost management.

III. Deliverables

Based on the above outlined directives, the Executive Director of the Colorado Department of Health Care Policy and Financing shall deliver a report to the Governor's Office no later than December 15, 2008, which shall include the following:

- A. A summary of all existing government programs and non-governmental organizations in Colorado dedicated to the improvement of quality and

cost containment in health care and the plan for better coordination and collaboration of these efforts.

- B. A set of identified priorities and strategies for improving quality and containing growing costs in health care.
- C. An update on the Center's progress and recommendations for formalized governance structure, funding and sustainability plans for the Center.
- D. Recommendations for any legislation needed to support the work of the Center.

IV. Staffing and Resources

The Colorado Department of Health Care Policy and Financing shall provide the Center with necessary administrative support, information, and data. The Center shall have the power to accept money and in-kind contributions from private entities and persons to the extent such donations are necessary to cover its expenses. Any money contributed to the Center shall be directed to the Office of the Governor and deposited with the Treasurer of the State of Colorado in an account within the Office of the Governor's budget.

V. Duration

This Executive Order shall remain in force until modified or rescinded by future Executive Order of the Governor.



GIVEN under my hand and the Executive Seal of the State of Colorado this thirteenth day of February, 2008.


Bill Ritter, Jr.
Governor

COLORADO HEALTH QUALITY AND SAFETY IMPROVEMENT AGENCIES AND ORGANIZATIONS

COLORADO BUSINESS GROUP ON HEALTH (CBGH)

Colorado Business Group on Health is a non-profit statewide coalition representing large purchasers of health care services.

Bridges to Excellence - Colorado Lead

Bridges to Excellence is a national program with a standard data exchange platform and performance measurements to provide incentives that reward physicians and practices for adopting better systems of care that result in physician practice reengineering, the adoption of health information technology and delivering good outcomes to patients.

Activities

Promote provider rewards and recognition in the area of diabetes treatment, using NCQA's diabetes and cardiac/stroke performance assessment program. This initiative is part of a general push for pay-for-performance incentives

Target Audience

Physicians in the Front Range

eValue8 - Colorado Lead

eValue8 is an evidence-based request for information tool used by business health coalitions, their purchaser members and national employers to assess and manage the quality of their health care vendors.

Activities

- Collect performance information from health plans
- Provides logistical and informational support to participants
- Promote the Institute of Healthcare Improvement national campaign to use of evidence-based policies and procedures to increase patient safety
- Encourage the exchange of ideas and best practices
- Foster partnership between health plans and employers
- Report plan performance indicators to members for plan comparison

Target Audience

Employer members and general public

Four Leapfrog Leaps to Quality - Colorado Lead

A range of hospital quality and safety practices are the focus of Leapfrog's hospital ratings via the Leapfrog Hospital Quality and Safety Survey, as well as our hospital recognition and reward programs. Endorsed by the National Quality Forum (NQF), the practices are: computer physician order entry; evidence-based hospital referral; intensive

care unit (ICU) staffing by physicians experienced in critical care medicine; and the Leapfrog Safe Practices Score.

Activities

Survey hospitals for adherence to evidence-based practice; assess survey results for evidence of high patient safety standards; publish survey results annually in *Health Matters Hospital and Provider Quality Report*, newsletters, and on CBGH website

Target Audiences

Employees of member organizations and hospitals by communicating consumer wants and needs

Colorado Value Exchange (CVE) - Colorado Lead

A multi-stakeholder collaborative, selected by the U.S. Department of Health and Human Services, that is taking specific action in Colorado to convene community purchasers, health plans, providers, and consumers to advance the DHHS four cornerstones of Value-Driven Health Care.

Activities

- Bring together all Colorado stakeholders to utilize Medicare data and to provide a venue for the discussion and reporting of physician and hospital data.
- Participate in a nationwide learning network sponsored by the Agency for Healthcare Research and Quality (AHRQ). Members will share experience and strategic successes with other value exchanges throughout the country and continually work to refine efforts, processes, and deliverables.

Target Audience

All Colorado stakeholders

COLORADO CLINICAL GUIDELINES COLLABORATIVE (CCGC)

CCGC is a non-profit coalition of health plans, physicians, hospitals, employers, government agencies, quality improvement organizations, and other entities working together to implement systems and processes, using evidence-based clinical guidelines, to improve healthcare in Colorado.

Improving Performance in Practice (IPIP)

IPIP, a national program convened in Colorado by CCGC, is designed to give primary care practices the tools, systems and support they need to redesign their infrastructure to enable them to efficiently and effectively implement evidence based guidelines for chronic conditions and preventive care.

Activities

IPIP provides both in-office coaching and technology, a web-based software tool to facilitate care management (registry), coordination of care among multiple providers and families, and patient engagement. IPIP efforts are focused on implementing change at

the point of care, including improved communication among providers to coordinate care and between patient and provider to engage patients in their care.

Target Audience

Primary care practices

Patient Centered Medical Home (PCMH) Pilot - Colorado Lead

The PCMH is an approach to providing continuous, coordinated, comprehensive care, with a partnership between patients and their personal health care team. The Medical Home re-emphasizes the centrality of primary care which has the ability to manage the “whole person” and coordinate care between multiple entities (as part of a “Medical Neighborhood”).

Activities

The Colorado PCMH Pilot will test this model in 15 -18 practices across the Front Range. The pilot practices will be offered technical assistance that will include in-office coaching (using the IPIP model) and innovative technology which includes a patient portal to engage patients in their care, a secure email communication system to coordinate care between multiple providers, and a registry to help manage patient care plans.

Target Audience

Primary care physicians

Tobacco Program

CCGC is the lead agency for Colorado provider tobacco education. This initiative promotes use of guidelines and best practices to reduce the health effects of tobacco.

Activities

1. Serve as clinical experts in tobacco control to educate the Colorado medical community using a standard set of Colorado-focused tools and resources based on the Treating Tobacco Use and Dependence Clinical Guideline and other evidence;
2. Work with individual clinical practices to educate providers on the tobacco guideline (5 A's), resources, and assist them in a multi-step long-term process of redesigning their practices to incorporate the 5 A's and tobacco identification and reporting systems; and,
3. Provide technical assistance and funding to organizations that have access to networks of clinics and can facilitate the change necessary within these unique networks to identify tobacco users at each patient encounter and provide counseling/referrals on a routine basis.

Target Audience

Primary care providers

COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT (CDPHE)

Activities

- Colorado Hospital Report Card
- Health Facility Acquired Infections Report
- QMAP
- Promotion of hemoglobin A1c testing
- Sponsor smoking cessation efforts
- Facility surveys
- Promotion of best practices

Target Audience

Citizens of Colorado

COLORADO FOUNDATION FOR MEDICAL CARE (CFMC)

CFMC has served as the official quality improvement organization (QIO) for the State of Colorado since 1974. CFMC offers services to help its clients contain health care costs, improve quality of care, and assure that health care dollars are spent on medically necessary and appropriate services. The company's clients include the Medicaid and Medicare programs, hospitals, managed care organizations, insurance companies, academic institutions, and other QIOs.

Review Services

Activities

- Identify patient safety concerns as part of the medical review process
- Assist with development of quality improvement efforts as required
- Provide individualized quality improvement support

Target Audiences

Providers and practitioners

Colorado 5 Million Lives Campaign – Colorado Lead

This statewide campaign is part of a nationwide undertaking to protect patients from five million incidents of medical harm over a two year period. Developed by the Institute for Healthcare Improvement, the 5 Million Lives Campaign builds on the success of its 100k Lives Campaign, a national effort to save 100,000 lives over an 18-month period by instituting six quality improvement practices within hospitals.

Activities

- Promote the Institute of Healthcare Improvement (IHI) national Campaign
- Provide technical support to participating facilities
- Facilitate hospital exchange of ideas and best practices
- Encourage hospitals to submit data to IHI

Target Audience

Acute care hospitals in Colorado

Transitions of Care Program

The Centers for Medicare and Medicaid (CMS) Care Transitions theme aims to improve care coordination across the continuum of care. Colorado Foundation for Medical Care (CFMC) will work with a community of providers in the Northwest Denver metro area (our ‘target community’) to reduce unnecessary hospital readmissions, improve information transfer between providers and increase patient satisfaction.

Activities

Implementation of improvements that address medication management, post-discharge follow-up and patient-centered plans of care, improving information transfer between provider to provider and provider to patient based on data discovery of the drivers for readmission in the target community.

Target Audience

- Health care providers involved in the transition and discharge of patients
- Patients being transferred across settings upon discharge from the hospital

COLORADO HOSPITAL ASSOCIATION

Colorado Hospital Association represents all types of hospitals throughout Colorado: private and government-operated, metropolitan and rural, investor-owned and not-for-profit.

Colorado Hospital Report Card

The Colorado Hospital Report Card has the primary purpose of ensuring that statewide hospital data and clinical outcomes are made available to the general public in a clear and usable manner. The Colorado Hospital Report Card utilizes standardized quality and clinical outcome measures that are endorsed by national organizations, with established standards to measure the performance of healthcare providers and hospitals.

Activities

The CHA Hospital Report Card Implementation Committee is primarily responsible for identifying and recommending the necessary elements of the Colorado Hospital Report Card. This committee meets on a monthly basis to evaluate the overall effectiveness of the report card, and assesses and recommends new measures for inclusion in the report card on an annual basis.

Target Audience

General public, Colorado hospitals and other health care providers, health care purchasers, health care policy makers, and public health officials.

COLORADO MEDICAL SOCIETY

Colorado Medical Society is the largest organization of physicians in the State of Colorado. This membership organization is comprised of physicians, residents and medical students.

Safe Practice Promotion

Activities

- Support of organizations promoting patient safety
 - Facilitating cooperation and information exchange
 - Administrative services for the Colorado Patient Safety Coalition

- Patient safety brochure for health care providers
- Advocate for policy improvements
 - Physicians' Congress for Health Care Reform
 - Blue Ribbon Commission for Health Care Reform
 - Promoting comprehensive health care reform
 - Work on specific proposals for patient safety being advanced including:
 - Implement the Patient Safety and Quality Improvement Act in Colorado
 - Ensure appropriate medical professional discipline and accountability
 - Develop targeted education campaigns for physicians
 - Position papers consistent with improved patient safety
- CME credit for continuing education
- Support of local medical societies

Target Audiences

Colorado physicians, patients, policy makers

COLORADO PATIENT SAFETY COALITION

The Colorado Patient Safety Coalition (CPSC) is a 501(c)3 non-profit corporation with the following major goals: education, communication, promoting collaboration, and encouraging best practices regarding patient safety.

Safe Practice Promotion

Activities

- Foster a culture of safety through conferences, listserv, and word-of-mouth
- Identify and share successful patient safety improvement strategies
 - Focus on methods of sustainable improvements
 - Encourage use of best practices
- Make resources readily available through website
- Promote collaborative efforts
- Advocate for legislation supportive of a patient safety organization (PSO)
 - Facilitate open discussion between all interested parties

- Funding
- Services required
- Barriers to success
- Infrastructure requirements
- Identify and promote an initiative around which the entire community could rally
 - Potential project areas include continuum of care records

Target Audience

Providers and consumers of health care, media

COLORADO REGIONAL HEALTH INFORMATION ORGANIZATION (CORHIO)

CORHIO is a state-wide not-for-profit organization facilitating health information exchange to improve care for all Coloradans.

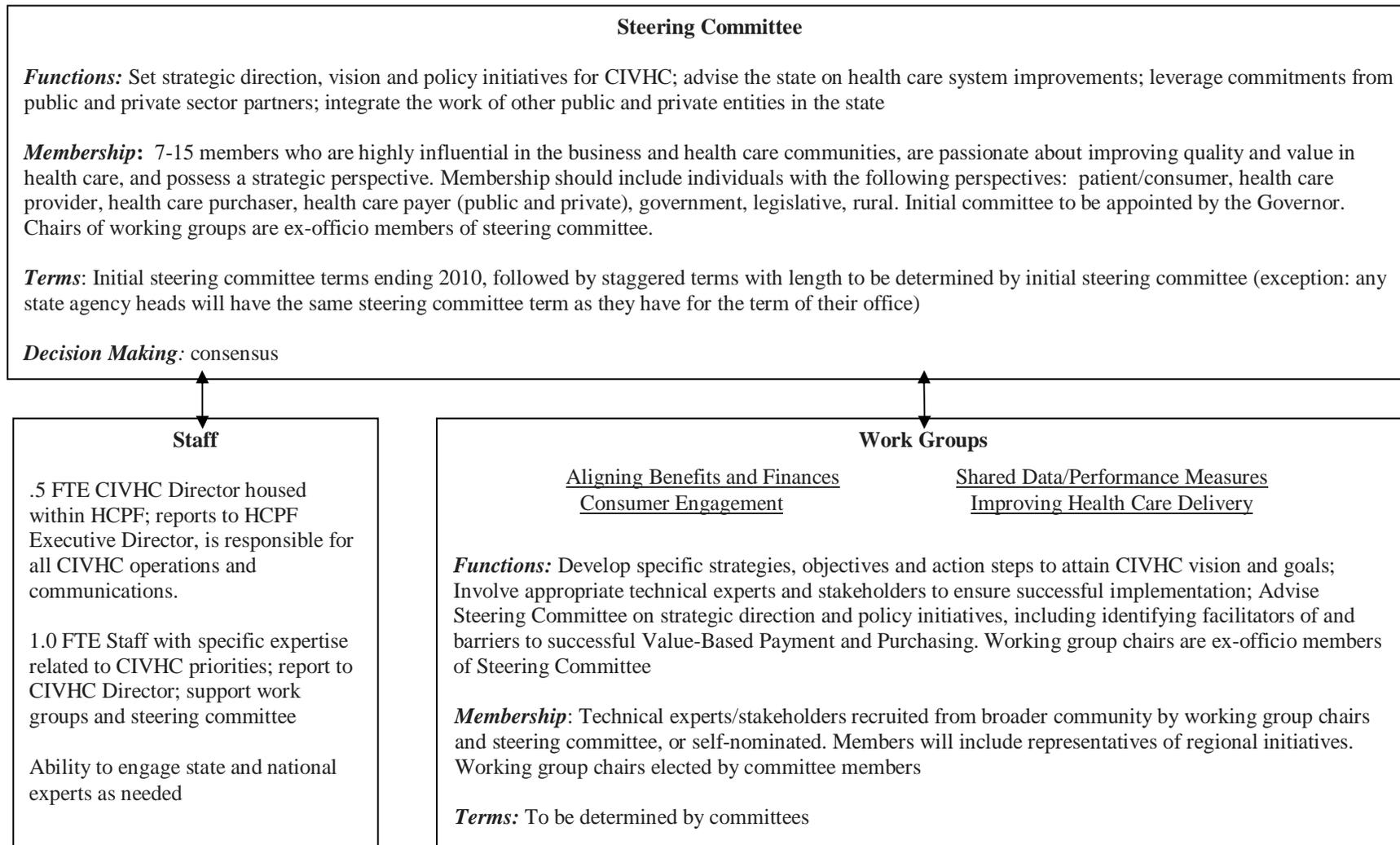
Activities

- Developed a secure health information exchange system across The Children’s Hospital, Denver Health & Hospital Authority, Kaiser Permanente Colorado and University of Colorado Hospital for 500 emergency department clinicians.
- Assisting the Colorado Department of Public Health and the Environment to improve the information exchange capabilities of the Colorado Immunization Registry
- Developing, with health care providers in the San Luis Valley, a road map for health information exchange within the San Luis Valley
- Providing collaborator/convener support across Colorado to improve and support local health information exchanges, as well as offer technical services where needed
- Identify and resolve data exchange concerns including technical standards & protocols, as well as business and legal issues.

Target Audience

All Coloradans including consumers, policy makers, health care providers, employers and health care payers.

Diagram of Initial CIVHC Structure



Appendix D

Center for Improving Value in Health Care Steering Committee

NAME	ORGANIZATION
Arja Adair	President/CEO, Colorado Foundation for Medical Care
Phyllis Albritton	Interim Executive Director, Colorado Regional Health Information Organization (CORHIO)
John Bartholomew	Director, Budget Division, Colorado Department of Health Care Policy and Financing
Cody Belzley	Senior Policy Analyst for Health Care, Office of Governor Bill Ritter, Jr.
Maureen Bertram	Quality Improvement Coordinator, Veterans Affairs, Eastern Colorado Health Care System
Crystal Berumen	Director of Patient Safety Initiatives, Colorado Hospital Association
Vinita Biddle	Benefits Program Supervisor, Department of Personnel and Administration - Division of Human Resources
Ned Calonge	Chief Medical Officer, Colorado Department of Public Health and Environment
Edward Dauer	Executive Director, Colorado Patient Safety Coalition
Jo Donlin	Director of External Affairs, Colorado Department of Regulatory Agencies - Division of Insurance
LeAnn Donovan	Executive Director of Managed Care, Denver Health Medical Center
David Downs	President, Colorado Medical Society
Pamela Hanes	President/CEO, Colorado Health Institute
Marjie Harbrecht	Medical Director/Executive Director, Colorado Clinical Guidelines Collaborative
Joan Henneberry	Executive Director, Colorado Department of Health Care Policy and Financing
Susan Hill	Vice President of Programs, Caring for Colorado Foundation
Michael Huotari	VP Legal and Government Affairs, Rocky Mountain Health Plans
David Kaye	Director, Colorado Department of Personnel and Administration - Division of Human Resources
Annette Kowal	CEO, Colorado Community Health Network
Donna Marshall	Executive Director, Colorado Business Group on Health
Lorez Meinhold	Senior Program Officer, The Colorado Health Foundation
Alethia Morgan	Physician Risk Manager, COPIC
Jenny Nate	Health Policy Analyst, Colorado Dept of Health Care Policy and Financing
Laurel Petralia	Program Officer, The Colorado Trust
John Steiner	Director, Colorado Health Outcomes Project, University of Colorado Health Sciences Center
Dick Thompson	Executive Director, Quality Health Network
Dan Tuteur	Director, Colorado Community Managed Care Network
Sandeep Wadhwa	Medicaid Director/Chief Medical Officer, Colorado Department of Health Care Policy and Financing
Jay Want	President/CEO, Physician Health Partners
Lou Ann Wilroy	Executive Director, Colorado Rural Health Center
Barbara Yondorf	Consultant to Rose Community Foundation

**Center for Improving Value in Health Care
Work Groups**

DATA SHARING FOR PERFORMANCE MEASUREMENT	
Phyllis Albritton	Executive Director, Colorado Regional Health Information Organization (CORHIO)
Lalit Bajaj	Director of Evidence Based Health, The Children’s Hospital Research Director, Section of Emergency Medicine, Department of Pediatrics, University of Colorado School of Medicine
Crystal Beruman	Director of Patient Safety Initiatives, Colorado Hospital Association
Ned Calonge	Chief Medical Officer, Colorado Department of Public Health and Environment
KaraAnn Donovan	Survey Director, Colorado Dept of Health Care Policy and Financing
Pamela Hanes	President/CEO, Colorado Health Institute
Michael Kahn	Director of Clinical Informatics, The Children’s Hospital
Gabriel Kaplan	Epidemiology, Planning and Evaluation Branch Director, Prevention Services Division, Colorado Dept of Public Health and Environment
CT Lin	Chief Medical Information Officer, UCHSC
Lee Morgan	Physician Risk Manager, COPIC
Chet Seward	Director of the Division of Health Care Policy, Colorado Medical Society
Alyson Shupe	Chief, Health Statistics Section, Colorado Dept of Public Health and Environment
Tara Trujillo	Health Initiatives Director, Colorado Children’s Campaign
Dan Tuteur	Director, Colorado Community Managed Care Network

CONSUMER ENGAGEMENT	
Edward Dauer	Executive Director, Colorado Patient Safety Coalition
Maureen Bertram	Quality Improvement Coordinator, Veterans Affairs, Eastern Colorado Health Care System
Mike Bloom	President/CEO, North Colorado Health Alliance

Dede de Percin	Executive Director, Colorado Consumer Health Initiative
Jo Donlin	Director of External Affairs, Department of Regulatory Agencies - Division of Insurance
Carrie Nolan	Chapter President, National MS Society-Colorado Chapter
Lesley Reeder	Quality Improvement Specialist, Colorado Dept of Health Care Policy and Financing
Alok Sarwal	Executive Director, Colorado Asian Health Education and Promotion
Barbara Yondorf	Consultant to Rose Community Foundation

IMPROVING HEALTH CARE DELIVERY	
Christy Blakely	Director, Family Voices
Jane Brock	Clinical Coordinator, Colorado Foundation for Medical Care
Frank DeGruy	Chair, Department of Family Medicine, University of Colorado
George DelGrosso	Executive Director, Colorado Behavioral Healthcare Council
David Downs	President, Colorado Medical Society
Cari Fouts	Program Director, Colorado Rural Health Center
Marjie Harbrecht	Medical Director/Executive Director, Colorado Clinical Guidelines Collaborative
Susan Hill	Vice President of Programs, Caring for Colorado Foundation
Steve Holloway	Director-Primary Care Office, Colorado Dept of Public Health and Environment
David Kaye	Director, Colorado Dept of Personnel and Administration - Division of Human Resources
Annette Kowal	CEO, Colorado Community Health Network
Jay Krakovitz	CMO, Physician Health Partners
Mark Levine	Chief Medical Officer, Centers for Medicare and Medicaid Services Region 8
Lee Morgan	Physician Risk Manager, COPIC

Laurel Petralia	Program Officer, The Colorado Trust
Beth Powell	Pharmacy Policy Specialist, Colorado Dept of Health Care Policy and Financing
John Steiner	Director, Colorado Health Outcomes Project, University of Colorado
Dick Thompson	Executive Director, Quality Health Network
Sandeep Wadhwa	Medicaid Director/Chief Medical Officer, Colorado Dept of Health Care Policy and Financing
Lou Ann Wilroy	Executive Director, Colorado Rural Health Center

ALIGNING BENEFITS AND FINANCES	
Arja Adair	President/CEO, Colorado Foundation for Medical Care
John Bartholomew	Budget Division Director, Colorado Dept of Health Care Policy and Financing
Vinita Biddle	Benefits Program Supervisor, Colorado Dept of Personnel and Administration - Div of Human Resources
Suzanne Bragg-Gamble	Executive Director, Cover Colorado
Whitney Connor	Health Program Officer, Rose Community Foundation
LeAnn Donovan	Executive Director of Managed Care, Denver Health Medical Center
Michael Huotari	VP Legal and Government Affairs, Rocky Mountain Health Plans
Donna Marshall	Executive Director, Colorado Business Group on Health
Lorez Meinhold	Senior Program Officer, The Colorado Health Foundation
John Santisteven	VP of Operations and Finance, Salud Family Health Services
Cassidy Smith	Special Assistant to the State Medicaid Director, Colorado Dept of Health Care Policy and Financing
Jay Want	President/CEO, Physician Health Partners