

# Group Points to Disparities as Reform Argument

*There is a fivefold difference in performance between the highest- and lowest-ranked states.*

BY ALICIA AULT

A continued wide disparity in access to and quality of care across the United States argues strongly for a national health reform plan, according to executives at the Commonwealth Fund, who released a state-by-state survey of 38 health indicators.

According to the Commonwealth Fund survey, there is a fivefold difference in performance on the indicators between the highest-ranked states and the lowest. "The differences we see among the states translate to real lives and real dollars," Karen Davis, president of the Commonwealth Fund, said at a press conference. "In the richest country in the world, there is no justification for any state to be far below the best state for quality and access to health care."

Health reform legislation under consideration in Congress would go a long way toward improving access and coverage, and that would increase quality overall, Ms. Davis said.

This is the second time the nonprofit group has taken a microscopic look at issues of cost, quality, and access in each state and the District of Columbia. Since

the first report card in 2007, the number of uninsured adults has risen—and this survey was done on the eve of the recession, so the "worst is yet to come," according to Cathy Schoen, senior vice president of the Commonwealth Fund.

Coverage for children, however, has remained steady or improved, thanks to the federally supported Children's Health Insurance Program (CHIP), Ms. Schoen said.

States in the top quartile have been top performers in previous scorecards and have higher rates of insured adults and children, better access to primary care, and lower mortality from preventable diseases, among other indicators. The top quartile comprises Connecticut, Hawaii, Iowa, Maine, Massachusetts, Minnesota, Nebraska, New Hampshire, North Dakota, Rhode Island, South Dakota, Vermont, and Wisconsin.

Ten of the 13 states in the lowest quartile—Alabama, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Nevada, Oklahoma, Tennessee, and Texas—also ranked at the bottom on the previous 2007 report. Illinois, New Mexico, and

North Carolina dropped into the lowest quartile since the last survey, while California, Georgia, and West Virginia moved up out of the last quartile in this most recent report. The lower-performing states had rates of uninsured adults and children that were double those in the top quartile.

The uninsured and those with low incomes tended to have poorer access to

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care and to receive a lower quality of care, Ms. Schoen said.

The report also reflected some bright spots: The quality of hospital care for heart attack, heart failure, pneumonia, and the prevention of surgical complications improved dramatically for all states, as did the quality of nursing home care. The Commonwealth Fund attributed the improvements to the increasing national efforts to measure and benchmark performance, including Medicare's Hospital Compare and Nursing Home Compare Web sites.

Conversely, data on ambulatory care quality is sorely lacking, Ms. Schoen said.

From what can be gleaned, states' performance on preventive care stayed the same or declined. And poor coordination of care is resulting in continued high—and increasing—rates of hospital readmissions, according to the scorecard.

Ms. Davis touted the patient-centered medical home as a way to improve performance in preventive care, ambulatory care, and hospital readmissions. She said that 31 states are sponsoring medical home projects, and that the Commonwealth Fund is supporting efforts in Colorado, Idaho, Massachusetts, Oregon, and Pennsylvania to help safety net clinics become medical homes.

According to Ms. Davis and her colleagues, if the lower-performing states were helped to reach the levels of the higher-performing states, 29 million more people would be insured; 78,000 fewer adults and children would die prematurely each year from preventable conditions; 9 million more adults aged 50 years and older would receive recommended preventive care; and almost 800,000 more children would receive key vaccinations.

The organization also said that the nation could realize \$5 billion in savings a year by avoiding preventable admissions and readmissions. ■

## Test Aims to Cut Cost, Hassles of Accessing Insurance Data

BY MARY ELLEN SCHNEIDER

This month, physicians in Ohio and New Jersey will begin to test a single, online portal through which they can access health insurance eligibility and benefits information for most of their privately insured patients.

Physicians and their staffs in those states will have access to data on copayments, deductibles, in-network and out-of-network coverage, and the status of claims from multiple plans in one place. They will also be able to submit referrals, pre-authorization requests, and claims under a test project spearheaded nationally by America's Health Insurance Plans and the Blue Cross and Blue Shield Association.

Ultimately, the initiative will be rolled out across the country, AHIP President and CEO Karen Ignagni said during a press conference.

"It's a step that will ultimately transform our system to one that takes advantage of technology to the benefits of clinicians and their patients," she said.

The changes are significant, Ms. Ignagni said, and are akin to what the banks did when they first allowed consumers to withdraw money from any ATM around the world.

The initiative is expected to decrease hassles for physicians and significantly reduce costs for both physicians and health plans. Ms. Ignagni estimated that the entire health system could see savings of

hundreds of billions of dollars once these administrative simplification tools are available around the country, based on estimates of savings automating administrative tasks and implementing consistent business practices.

The announcement comes as Congress debates comprehensive health reform, including tighter regulation of the insurance industry. Ms. Ignagni said AHIP has been exploring projects to simplify insurance administration over the last year and has kept the Obama administration and congressional leaders apprised of their progress. Some simplifications are already part of health reform proposals circulating in Congress, she said.

"As Congress considers health care reform, I think all of us believe that it's critical that we bend the cost curve," Ms. Ignagni said. "Most policymakers understand that health reform that doesn't address the cost of care will fail."

She added that projects like the ones in Ohio and New Jersey have "great potential to slow the growth in the cost of care and contribute to savings needed nationally for reform."

Although this type of Web-based tool has been possible for years, the standards for sharing information across multiple health plans were only recently completed, Ms. Ignagni said. With the standards in place, the state-level pilot projects will focus on making sure the Web portal is user friendly for physicians and learning which functions are most

helpful. The project will begin with physicians and will be extended to hospitals later, according to AHIP.

The initiative was praised by physician organizations that are working on the project in Ohio, where eight health plans representing 91% of privately insured residents will participate in the Web portal. Mark Jarvis, senior director of practice economics at the Ohio State Medical Association, said the ability to access insurance information through one online source will make administrative tasks easier, faster, and more accurate.

This type of tool is critical, he said, because it allows the physician's staff to let

patients know up front what their coverage is and how much they will end up paying. "If you can have that conversation before the encounter, the transaction works much better and [is] less confusing than if you're trying to chase it after."

Mr. Jarvis estimated that the average physician spends 3-4 hours a week on administrative dealings with insurance companies, while his or her staff spends another 58 hours on insurance-related administration in a given week. Creating a one-stop shop for insurance information is a great "first step" to try to reduce the administrative burden on physician practices, he said. ■

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