

Summit

The Business of Healthcare

Final Report

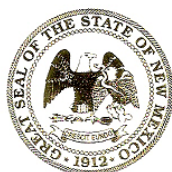
- November 21, 2008
- CNM Workforce Training Center
- Albuquerque

Convener

Representative Tom Taylor
New Mexico House of Representatives

Organizer

New Mexico First



THOMAS C. TAYLOR



NEW MEXICO FIRST

People. Ideas. Progress. 20 Years.

Copyright 2008

New Mexico First
320 Gold Avenue SW, Suite 300
Albuquerque, New Mexico 87102
Phone: 505-241-4813
Website: www.nmfirst.org

Permission is typically granted to reproduce all or part of this document for educational purposes provided that **New Mexico First** has provided consent. Contact us at 505-241-4813 for reproduction authorization.

Table of Contents

Introduction	4
Summit Convener	4
Summit Organizer	4
Hospital Administrators.....	5
Vision for the Healthcare Industry	5
Possible Healthcare Reforms.....	5
Possible Healthcare Legislative Reforms.....	6
Support Needed from Other Stakeholders.....	7
Physicians and Nurses.....	8
Vision for the Healthcare Industry	8
Possible Healthcare Reforms.....	8
Possible Healthcare Legislative Reforms.....	9
Support Needed from Other Stakeholders.....	10
Auxiliary Clinical and Policy Staff	11
Vision for the Healthcare Industry	11
Possible Healthcare Reforms.....	11
Possible Healthcare Legislative Reforms.....	12
Health Insurers	15
Vision for the Healthcare Industry	15
Possible Healthcare Reforms.....	15
Possible Healthcare Legislative Reforms.....	16
Support Needed from Other Stakeholders.....	18
Appendix: Summit Attendees	19
Participants	19
Leadership Team	20
New Mexico First Staff	20

Introduction

Over the last year there has been a great effort in the state of New Mexico to address the problems of healthcare and achieve universal coverage. Some healthcare professionals are frustrated by the body of laws, rules, and regulations that they feel only hinder affordable and practical results. This report summarizes the results from a one-day summit, *The Business of Healthcare*, held in Albuquerque, New Mexico on November 21, 2008. The focus of this summit was to conceive of strategies that healthcare providers and administrators can implement without legislation and to identify where it is possible to eliminate, remodel, and reform regulation to fit the solution.

The 43 New Mexicans who participated in the summit represented four key stakeholder groups in the healthcare system:

- Hospital administrators
- Physicians and nurses
- Auxiliary clinical staff and policy analysts
- Health insurers

Collectively these groups expressed a need for continued collaboration to review healthcare processes, practices, procedures, and regulations to find ways to:

- Be more patient-centered when addressing health needs
- Educate consumers regarding prevention and wellness
- Increase the use of technology and information sharing in order to increase transparency and reduce duplication and cost
- Align incentives to all stakeholders to increase the efficiency and effectiveness of the healthcare system
- Reform those rules and regulations which add cost to the system

The proposals from each stakeholder group are presented in greater detail in the full report that follows. They will form the basis for finding areas of commonality and areas of conflict that will ultimately help focus attention on ways to create consensus. These creative ideas will be further developed and promoted. The results will be shared with other stakeholders in the healthcare system for their consideration and will provide a platform to create, amend, or influence legislation in order to accomplish the reforms suggested.

Summit Convener

The convener of the summit is Thomas C. Taylor, a member of the New Mexico House of Representatives and Minority Leader. He represents District One.

Representative Taylor has made a commitment to review the summit proposals with city, county, state, and industry leaders. These ideas will be used for the purpose of finding common ground in reforming the system.

Summit Organizer

New Mexico First is a nonpartisan, nonprofit organization that engages citizens in public policy. Co-founded in 1986 by U.S. Senators Pete Domenici (R-NM) and Jeff Bingaman (D-NM), **New Mexico First** conducts three major types of activities: an annual statewide town hall focusing on a critical issue facing the state; specialized forums for communities and institutions that need consensus feedback; and smaller consensus facilitations such as strategic planning sessions.

Hospital Administrators Recommend

Vision for the Healthcare Industry

All New Mexicans have access to affordable, quality healthcare which includes a patient-centered, team approach with a focus on wellness and prevention. This approach encourages personal accountability for behavioral and lifestyle choices and provides the education and knowledge necessary to make those choices.

Possible Healthcare Reforms

The following are healthcare reforms that could be implemented without a change in legislation:

Consumers:

1. Promote the importance of quality of life and health using regulatory or non-monetary incentives such as altruism, team building, social status, pride in work/profession, ownership of change for the better, reallocating existing dollars, etc.
2. Provide wellness and prevention education and outreach throughout the community (e.g. schools, sports teams, churches, clubs, employers, etc.).
3. Provide education on advanced directives and end-of-life and palliative care.
4. Emphasize financial and public health impact of unhealthy lifestyle choices.
5. Combine monetary incentives and non-monetary incentives to change unhealthy behaviors.

Healthcare Providers and Institutions:

6. Reinforce why people entered the healthcare profession in the first place, thus changing the culture of needing money or regulations to change behavior.

7. Promote full utilization of all levels of providers to improve and increase access to healthcare services.
8. Promote cultural competence among providers.
9. Improve integration of systems to support better coordination of care.

Stakeholder Collaboration:

10. Cultivate and mobilize leadership from existing organizations and all stakeholders in the community.
11. Create healthcare programs that promote volunteerism and create effective partnerships among community organizations, businesses, and healthcare providers.
12. Provide on-site intervention through employers such as Don Chalmers emphasizing cost savings and economic value.
13. Promote smoke-free campuses to promote wellness.
14. Use existing programs and the savings gained from improved wellness for healthcare services in other areas.
15. Conduct a social dialogue about what consumers are willing to pay for and prioritize these services with the understanding that rational rationing versus irrational rationing (e.g., diseases caused by unhealthy behaviors such as smoking, drinking, obesity, etc.) is an inherent part of the process.

Culture:

16. Change level of value and importance given to prevention and wellness.
17. Change view of death in our culture and among providers.

Possible Healthcare Legislative Reforms Proposed by Hospital Administrators

Summit participants were asked to identify existing barriers to reforming the healthcare system and suggest possible solutions.

Existing Barriers	Possible Reforms
<p>1. Health Insurance Portability and Accountability Act (HIPAA) rules and regulations (i.e., Fear of non-compliance creates transparency problems and misinformation or lack of information that is crucial to quality treatment between healthcare practitioners and between healthcare office-to-office communication.)</p>	<ul style="list-style-type: none"> ▪ Stop interpreting treatment information between healthcare practitioners and offices as a tort/prima facie issue. ▪ Allow for “provider intent” in communication between providers before resorting to punitive measures. ▪ Loosen restrictions on the sharing of information between providers for routine treatment to provide continuity of care. ▪ Continue to use the full extent of the law for those who intend to use information improperly.
<p>2. Centers for Medicare and Medicaid Services (CMS) rules and regulations</p>	<ul style="list-style-type: none"> ▪ Reform the patient grievance process so that it is more consistent with current workload but still responsive to patient needs. ▪ Adjust timing requirement of notice of potential discharge (i.e., require at point of admission). ▪ Eliminate Recovery Audit Contractor (RAC). ▪ Simplify Conditions of Participation (CoPs) and create a transparent process for developing CoPs. ▪ Simplify survey process and make it more equitable including making the survey process more consistent from facility to facility. ▪ Change nature of program from “gotcha” mentality to education on working together towards compliance. ▪ Improve relationship between the Joint Commission on Medicare and CMS.
<p>3. Government rules and regulations that create unintended consequences and additional expense</p>	<ul style="list-style-type: none"> ▪ See reforms suggested for Existing Barriers #1 and #2 above. ▪ Review and eliminate unfunded mandates. ▪ Institute sunset reviews for regulations and laws. ▪ Develop a process to reconcile intent versus outcomes of proposed regulations and laws.
<p>4. Medical malpractice for all providers</p>	<ul style="list-style-type: none"> ▪ Implement tort reform and limits on liability for all providers.
<p>5. Tax laws and gross receipts taxes (GRT)</p>	<ul style="list-style-type: none"> ▪ Phase out GRT for all healthcare providers. ▪ Determine a way to hold cities and municipalities harmless.
<p>6. New Mexico laws that protect medical information from disclosure (e.g., substance abuse, mental health, and HIV status)</p>	<ul style="list-style-type: none"> ▪ Refer to reforms suggested for Existing Barriers #1.

Existing Barriers, cont'd.	Possible Reforms, cont'd.
7. Laws making it difficult to aggregate and use healthcare data	<ul style="list-style-type: none"> ▪ Revise use of state Health Information System Act data.
8. Laws regarding mandatory coverage (e.g., "drive by deliveries")	<ul style="list-style-type: none"> ▪ Review and revise as appropriate.
9. Reimbursement rates	<ul style="list-style-type: none"> ▪ Provide market-driven reimbursement rates. ▪ Provide equity in reimbursements (e.g., primary versus specialty care).
10. Licensing and credentialing	<ul style="list-style-type: none"> ▪ Standardize credentialing. ▪ Streamline licensing process. ▪ Create common market licensing.

Support Needed from Other Stakeholders

Summit participants from the hospital administrator stakeholder group were asked to recommend how other healthcare stakeholders could support their vision for the healthcare industry.

Consumers:

1. Take a more active role in own healthcare.

Employers:

2. Provide incentives to employees for healthy behaviors.

Insurers:

3. Provide incentives to members for healthy behaviors.
4. Provide incentives to hospitals to keep people well via prevention and wellness.
5. Liberalize use of gainsharing (i.e., cutting costs and sharing savings with physicians) in quality and efficiency.
6. Streamline the approval process.
7. Initiate common methodologies for approval and denial.
8. Examine what drives the system (i.e., with volume-driven provision of services, insurance payment drives practice); insured population gets too much care, uninsured gets too little care (20% of the patients account for 80% of healthcare costs).

Healthcare Providers and Institutions:

9. Revise charge masters so that a bill "means something;" give rationale for realistic charges.
10. Adopt Electronic Health Records (EHR) and health information exchange technologies to create and maintain seamless and transparent healthcare delivery and improve quality through risk-adjusted measurement.
11. Participate in best practices to reduce variation; apply evidence-based medicine universally.
12. Limit physician self-referrals, as they can create overuse of services when physicians own their own ancillary businesses.

Pharmaceutical Companies:

13. Educate providers and consumers simultaneously.
14. Streamline and reduce cost of FDA approval for specific-use drugs and incorporate drug studies from other countries.
15. Conduct FDA post-market monitoring of drugs.

Physicians and Nurses Recommend

Vision for the Healthcare Industry

All New Mexicans have access to integrated, patient-centered healthcare and healthcare financing that promotes and rewards measurable, healthy behaviors while allowing choice for both patients and providers. The healthcare system attracts and retains providers and uses integrated information technology to improve outcomes and accessibility. It also allows physicians and healthcare providers to take over direction for their own futures. There are redirected subsidies from our current financing system for all stakeholders, both taxes and excessive profits, which should be used to fairly pay our healthcare workers in the provision of high-value care in all settings.

Possible Healthcare Reforms

The following are healthcare reforms that could be implemented without a change in legislation:

Employers:

1. Promote and reward healthy behavior through healthcare workshops and literacy to reduce healthcare costs.

Communities:

2. Identify citizens and fund entry into a healthcare provider network.
3. Stimulate the economic development interests of communities to come together to fix the healthcare and healthcare financing in their own communities.

Educators:

4. Increase the capacity for and number of healthcare instructors and students to meet the needs of the healthcare consumer.

Insurers:

5. Compensate provider groups for appropriate processes that would allow patients to achieve better outcomes, rather than developing insurance-directed disease management.
6. Encourage the health insurance industry to make affordable individual policies available.
7. Restructure the industry's role to achieve a consumer-oriented system, more efficient health insurance information exchange, competitive pricing, patient-choice, and employer health management.

Healthcare Providers and Institutions:

8. Have physicians make medical recommendations to their patients, rather than lawyers.
9. Integrate more complimentary providers into traditional healthcare models.
10. Encourage healthcare providers and systems to assume community health leadership roles.

Stakeholder Collaboration:

11. Work with private foundations to finance pilot projects and grant awards that fulfill the vision of promoting and rewarding healthy behaviors and measurable outcomes.
12. Promote health literacy (i.e., wellness and prevention programs) through private enterprise, K-12 educational system, and Department of Health along with additional healthcare trainers.
13. Promote broader participation of individual providers in the public health system's programs regarding prevention and wellness for the population.

Possible Healthcare Legislative Reforms Proposed by Physicians and Nurses

Summit participants were asked to identify existing barriers to reforming the healthcare system and suggest possible solutions.

Existing Barriers	Possible Reforms
1. Healthcare liability costs	<ul style="list-style-type: none"> ▪ Provide access to the Federal Torts Claim Act for providers who have private coverage.
2. Inability to purchase healthcare outside federal programs if consumer is federally insured	<ul style="list-style-type: none"> ▪ Use Federal Torts Claim Act as a risk equalizer to purchase healthcare outside federal coverage.
3. Current medical liability system and licensure system	<ul style="list-style-type: none"> ▪ Retain current cap or no-fault insurance system. ▪ Eliminate inept providers before malpractice occurs via improved enforcement standards. ▪ Strengthen use of New Mexico medical licensure board.
4. Medicare advantage plans	<ul style="list-style-type: none"> ▪ Eliminate practice of putting patients into the Medicare advantage plan and not giving them the option of keeping both the Medicare and Medicaid plans.
5. No (or limited) contracted oxygen carriers in rural areas that will accept Medicare and Medicaid patients	<ul style="list-style-type: none"> ▪ Price the service correctly.
6. Limited drug formularies which change monthly without sufficient communication for Medicaid and Medicare patients	<ul style="list-style-type: none"> ▪ Provide universal formulary with limited changes for all plans.
7. Exclusive networks by payers limit access to providers and force patients to change providers if they change insurers	<ul style="list-style-type: none"> ▪ Pass any willing provider legislation (i.e., meaning anyone willing to accept payment from the payer can provide care to the patient).
8. Medicaid federal rules and regulations which affect state rules and regulations	<ul style="list-style-type: none"> ▪ Change from Medicaid mentality to private insurance, state waivers (e.g., 1115), and premium assistance. ▪ Move from defined benefit to a defined contribution plan which allows for Health Savings Accounts.
9. Limited education capacity and low compensation for instructors (e.g., legislature determines salaries; community colleges pay less than universities, etc.)	<ul style="list-style-type: none"> ▪ Increase funding for healthcare education.
10. Medicare Part D medication coverage does not allow negotiation for lower prices	<ul style="list-style-type: none"> ▪ Use same system as Veterans Administration.
11. Restriction of compensable procedures within a provider's scope of practice (e.g., provider can get reimbursed for a procedure, but not for the procedure that can determine if a procedure is needed or is safe)	<ul style="list-style-type: none"> ▪ Remove restrictions.
12. Rules restricting who pays for information technology (e.g., hospitals cannot provide technology to providers)	<ul style="list-style-type: none"> ▪ Relax rules or create "safe harbor" rules.
13. Broken and overwhelmed Indian Health Services system	<ul style="list-style-type: none"> ▪ Increase funding from both tribes and federal government.
14. Experience-driven, insurance rating system doesn't allow for rewarding individuals who practice preventive health	<ul style="list-style-type: none"> ▪ Allow group insurance model to be modified to reward healthy behaviors (i.e., similar to "good driver" car insurance discount; risk pool management, etc.). ▪ Institute community rating instead of individual or small group rating. ▪ Allow forward funding of Health Savings Accounts (i.e., discretionary funding should be immediately available).

Existing Barriers, cont'd.	Possible Reforms, cont'd.
15. Rising health insurance costs	<ul style="list-style-type: none"> ▪ Create legislation where mandated benefits are costed and fully funded.
16. Lack of competitive health insurance costs	<ul style="list-style-type: none"> ▪ Recommend health insurers provide a more competitive, low-cost product. ▪ Revise minimum health protection act that allows for a more competitive, low-cost product without mandates.
17. Lack of transparency in insurance premiums and provider healthcare costs	<ul style="list-style-type: none"> ▪ Pass legislation requiring transparency.
18. No clear definition of basic healthcare coverage	<ul style="list-style-type: none"> ▪ Define basic healthcare.
19. New Mexico's competition with other states	<ul style="list-style-type: none"> ▪ Allow recruitment incentives.

Support Needed from Other Stakeholders

Summit participants from the physicians/nurses stakeholder group were asked to recommend how other healthcare stakeholders could support their vision for the healthcare industry.

Consumers:

1. Band together to advocate for healthcare transparency and full disclosure.

Employers:

2. Provide initiatives for healthcare educators and workshops.

Insurers:

3. Maximize healthcare dollars spent on direct patient care.
4. Reduce/eliminate prior authorizations for medications and radiological procedures.

Healthcare Providers and Institutions:

5. Provide more bilingual providers to accommodate local languages and dialects.
6. Fund nursing programs.

Pharmaceutical Companies:

7. Eliminate direct consumer advertising (i.e., no more "pretty purple pill" ads).
8. Collaborate with other healthcare educators to provide more direct healthcare education.

Governments:

9. Maximize healthcare dollars spent on direct patient care.
10. Create more innovative funding for healthcare education debt (e.g., forward funding). Offer more assistance such as increased salaries, loan forgiveness for nurses after practicing first year so students aren't lured to other states, pay tuition with restrictions (e.g., If you enroll under state funding, you repay the tuition if you leave the state or you pay a rate similar to private school tuition.).
11. Abolish state income tax so New Mexico will not lose providers to income tax-free states like Texas.
12. Provide tax credits for those who continue in primary practice or practice in rural, federally underserved areas.
13. Refine tax credits and address issue of disincentives income tax system in order to attract providers to New Mexico.

Auxiliary Clinical and Policy Staff Recommend

Vision for the Healthcare Industry

A holistic, interdisciplinary approach based on health promotion and disease prevention to ensure quality health outcomes where healthcare is accessible and available for all in a timely and affordable manner. Health education occurs for families and children at an early age, and the system promotes responsibility and participation in one's own health.

Possible Healthcare Reforms

The following are healthcare reforms that could be implemented without a change in legislation.

Communities:

1. Encourage workforce development and realignment locally, (i.e., establishing a UNM College of Pharmacy in southern New Mexico and/or developing students in southern New Mexico).
2. Provide a basic database through which connections can be made (e.g. Medline Plus Go Local).

Educators:

3. Create a health education curriculum by finding willing academics to create and provide the training or to "train the trainer" on a local level.
4. Integrate healthcare education curriculum and health careers awareness objectives into already existing education programs.
5. Retrain those wishing to embark upon second careers in healthcare.

Insurers:

6. Encourage insurance companies to invest in healthcare curriculum or projects.
7. Open up the preferred provider panels to all licensed healthcare providers so that anyone can have access.

Healthcare Providers and Institutions:

8. Use volunteer (at first) healthcare professionals at the schools to expose children to health careers and build career awareness. Provide CEUs for the volunteers.
9. Encourage partnerships between alternative healers with western medical practitioners.
10. Encourage community outreach and service learning.
11. For any kind of chronic disability situation, re-implement ongoing care for patients (e.g., time in treatment) and increase resources for group homes, outpatient centers, etc.

Stakeholder Collaboration:

12. Encourage greater partnership between philanthropic organizations and community organizations or other entities already in existence.
13. Tap into larger, private sources of money such as private foundations, corporations, and business leaders.
14. Conduct interdisciplinary forums to promote respect and awareness of existing resources and possible funding sources.

Possible Healthcare Legislative Reforms Proposed by Auxiliary Clinical and Policy Staff

Summit participants were asked to identify existing barriers to reforming the healthcare system and suggest possible solutions.

Existing Barriers	Possible Reforms
1. Lack of reciprocity in licensing	<ul style="list-style-type: none"> ▪ Establish a national group and standard. ▪ Enhance reciprocity through state boards. ▪ Create a web portal to share information on licensing.
2. Resistance to change and a climate not conducive to change	<ul style="list-style-type: none"> ▪ Advocate to legislature representatives. ▪ Teach creative thinking in schools. ▪ Provide access to information via advertising, forums, social marketing, databases, etc.
3. Attitudes towards alternative medicine are not progressive; lack of appreciation for the model of holistic care; lack of training in regards to the "whole"	<ul style="list-style-type: none"> ▪ Demonstrate evidence-based outcomes. ▪ Reimburse for alternative therapies. ▪ Conduct more research on the efficacy of integrative therapies. ▪ Review research done by correctional facilities.
4. Lack of shared priorities and teams to provide holistic care	<ul style="list-style-type: none"> ▪ Provide interdisciplinary training. ▪ Create teams that work with a patient to create one diagnosis. Those already using this model should publish their results. ▪ Eliminate any drug-branded paraphernalia in healthcare institutions. ▪ Self monitoring by the drug companies. ▪ Close loop holes that allow physicians to receive perks from drug companies. ▪ Strengthen ethics rules in regard to conflict of interest.
5. American tendency to overindulge (e.g., supersize option has to be made as socially unacceptable as smoking)	<ul style="list-style-type: none"> ▪ Institute a social campaign targeting children and sponsored by physical therapist groups that is similar to the no smoking campaigns sponsored by the American Cancer Society. ▪ Eliminate items in school vending machines that contain over 20 grams of sugar.
6. High malpractice premiums due to risk and liability limits access to healthcare	<ul style="list-style-type: none"> ▪ Cover Medicare and Medicaid physicians under the Federal Torts Claims Act. (NB: There is the perception that in order to prevent malpractice claims, physicians often order a battery of unnecessary and often expensive tests in order to rule out potential litigation, especially in cases where a diagnosis is missed due to lack of testing. Conversely, some patients, especially those with a restrictive managed care plan, often experience difficulty getting approval for basic testing.) ▪ Reform state tort.

Existing Barriers, cont'd.	Possible Reforms, cont'd.
7. Culture of entitlement versus equitable contributions to coverage by everyone	<ul style="list-style-type: none"> ▪ Mandate individual contribution towards health coverage like auto insurance. Every individual pays for coverage through a portion of income tax. ▪ Require parents to provide healthcare coverage for their children. ▪ Establish sliding fee scales. ▪ Allow Medicaid buy-in. ▪ Change the plans available (e.g., higher premiums, catastrophic plans, etc.)
8. Limits on healthcare benefits (e.g., most coverage is intended for disease management, not prevention)	<ul style="list-style-type: none"> ▪ Provide incentives for being and staying healthy (e.g. sign up for health plan and receive a free gym membership which should include measurable outcomes). ▪ Repeal or revise Employee Retirement Income Security Act (ERISA).
9. Prior approval rules and regulations procedures	<ul style="list-style-type: none"> ▪ Demonstrate why these regulations are not necessary by showing less cost per episode of care. ▪ Care managers should not deny care and should not be responsible for health of patient.
10. Lack of funding for early health education and interventions and home visiting	<ul style="list-style-type: none"> ▪ Provide a standard model for home visiting in New Mexico. ▪ Centers of Medicare and Medicaid Services (CMS) should approve home visiting for Medicaid children. ▪ Legislature should create permanent funding stream.
11. Federal pension fund laws that discourage re-entering the workforce	<ul style="list-style-type: none"> ▪ Revise federal pension laws. ▪ Provide incentives to re-enter the workforce.
12. Associated Health Plan laws do not allow pooling	<ul style="list-style-type: none"> ▪ Institute pooling and assure quality benefit packages. ▪ Revise association laws.
13. No mechanism to negotiate costs with an array of providers to achieve a less expensive and more cost efficient system	<ul style="list-style-type: none"> ▪ Create a way to negotiate costs as a group with all the providers – single care.
14. Employee Retirement Income Security Act (ERISA) prevents states from regulating certain employee benefit plans	<ul style="list-style-type: none"> ▪ Repeal or revise ERISA.
15. Lack of resources (e.g., providers, facilities, and money) in rural areas	<ul style="list-style-type: none"> ▪ Increase service learning and community outreach from all departments. ▪ Use telemedicine. ▪ Create partnerships to promote community health worker models. ▪ Develop better relations with community partners via field trips. ▪ Create awareness of existing tax credits.

Existing Barriers, cont'd.	Possible Reforms, cont'd.
16. Employment policies do not support health	<ul style="list-style-type: none"> ▪ Revise Employee Retirement Income Security Act (ERISA). ▪ Reduce work week to 35 hours. ▪ Create a campaign aimed towards employers showing that a happy and healthy workforce is more productive.
17. Rules and regulations that prevent practitioners from treating the whole person	Please note that #17-22 Possible Reforms was not completed by this group due to time constraints.
18. Absence of state law which would require diagnostic testing of school children	
19. Federal funding rules from Centers of Medicare and Medicaid Services (CMS) (e.g., patients paying extra co-pays)	
20. Increased burden on schools	
21. Cap on in-state students, cap on faculty, and limited spaces in medical school due to funding policy	
22. Graduates leave the state	

Support Needed from Other Stakeholders

Please note that this section was not completed by this group due to time constraints.

Health Insurers Recommend

Vision for the Healthcare Industry

Through a public/private partnership model, New Mexico's healthcare system would provide universal access and coverage to consumers throughout the state and provide open choice and access to an adequate number of quality credentialed providers. All stakeholders would collaborate to share and disclose information with each other and optimize patient care through the use of a waste reducing, universal electronic medical record system. So that individuals can take accountability for their own health, consumers would be educated about evidence-based practices, providers and facilities, nutrition, healthy lifestyles, and costs.

Possible Healthcare Reforms

The following are healthcare reforms that could be implemented without a change in legislation.

Healthcare Providers and Institutions:

1. Utilize the services of dentists to provide health assessments and referrals to primary healthcare physicians based on blood pressure readings and saliva swab or brush biopsy test results as an indicator for linkage of oral and total health.¹

Insurers:

2. Eliminate commission-based approach to compensating brokers and override contingencies (i.e., incentives to place insurance at particular carriers) and institute fee-for-services compensation.
3. Implement a universal, electronic medical record system that has an e-prescribing function; includes oral, vision, auxiliary, and mental health information; and involves experts in educating consumers on healthy life style choices.
4. Establish collaboration between credentialing organizations to share non-competitive information.
5. Utilize the brokerage community to educate consumers on choices that are available in the

private and public arenas by converting them to educational foundations.

6. Provide ongoing evaluation about waste in the healthcare system, best use of resources, administrative functions; entering referrals versus case coordinating or case management, etc.
7. Provide an electronic consumer portal that gives consistent and uniform information to enable educated healthcare decisions.
8. Pool all insurance information.
9. Provide education on healthy lifestyles, nutrition, and exercise and expand options to members to create incentives for participation.
10. Provide incentives to healthcare providers to support both quality and cost-efficient services.
11. Continue to do outreach to students in middle schools to encourage them to focus on math and science programs.
12. Sponsor collaborative, industry-wide, community-based, biometric screening events to inform consumers of their "key health numbers" and educate consumers on wellness and exercise.
13. Sponsor a health and physical education program in every New Mexico school starting in first grade and implemented by brokers, whose fee-for-service would be paid by the insurers using monies from consumer premiums.
14. Provide seed money for programs to support alternative forms of healthcare (i.e. use of "Health Commons" model, promotoras, and hospitalization-at-home).
15. Educate the public and other healthcare stakeholders on what is done with the insurance dollars spent.

Stakeholder Collaboration:

16. Utilize health plan administrators, hospital administrators, and healthcare providers to educate children in schools about healthy lifestyles, nutrition, exercise, etc.
17. Take advantage of existing systems to provide timely care (e.g., school-based health centers).
18. Promote a state, strategic, health prevention plan.

¹ Saliva swab would not be used for DNA testing.

Possible Healthcare Legislative Reforms Proposed by Health Insurers

Summit participants were asked to identify existing barriers to reforming the healthcare system and suggest possible solutions.

Existing Barriers	Possible Reforms
1. Lack of Electronic Medical Records (EMRs)	<ul style="list-style-type: none"> ▪ Establish private/public funding for electronic health records in all disciplines. ▪ Make the system nationwide and standardize software and hardware requirements. ▪ Collaborate on the federal level (i.e., healthcare facilities and providers with experts in information technology security and electronic infrastructure) and establish one organization as a national clearing house of medical records. ▪ Develop an educational component to the system to encourage usage by paper-based providers. ▪ Allow access to medical records regardless of precondition or diagnosis. ▪ Provide each consumer with a card similar to a credit card with the safety features of a credit card (e.g., password to access information, cancel and get new card if lost, etc.) as well as payment features of a debit/credit card (e.g., generate invoice to be sent to payer). The card has each consumer's personal medical information which is transportable anywhere eliminating the need for healthcare providers to keep records. Providers, labs, pharmacists, medical imaging houses, and medical suppliers can write information to the card. Enable a search function for easy viewing of pertinent medical records by providers.
2. Gross receipts tax (GRT) on providers	<ul style="list-style-type: none"> ▪ Eliminate gross receipts. ▪ Provide a tax rebate to providers if: 1) use evidence-based quality measures, 2) provide after-hours clinical services, 3) work in rural areas, 4) invest in an electronic medical records system, 5) demonstrate staff retention, 6) willing to accept Medicaid patients, 7) provide for oral and mental health patients, 8) engage in community outreach to schools, 9) participate in education, 10) staff school-based healthcare centers.
3. Privacy regulations are an impediment to sharing information	<ul style="list-style-type: none"> ▪ Resist making state privacy regulations more onerous than the federal regulations in the Health Insurance Portability and Accountability Act (HIPAA).

Existing Barriers, cont'd.	Possible Reforms, cont'd.
4. State mandates of services not found to be evidence-based	<ul style="list-style-type: none"> ▪ Develop a <u>basic</u> healthcare coverage program with everything else as an add-on by choice, not by mandate (e.g., temporomandibular joint disorder, early intervention screening for infants, dental anesthesia facility coverage, etc.). ▪ Create an employer coalition to advocate for fewer mandated benefits.
5. Government. regulations regarding administrative functions, communications with members, reporting, disclosure, etc.	<ul style="list-style-type: none"> ▪ Evaluate state level regulations for value and overhaul to eliminate waste (e.g., approximately 400 Medicaid reports which could be consolidated to reports that are mutually useful.). ▪ Evaluate all state administrative functions, reporting requirements, disclosure rules, etc.
6. Non-alignment of incentives between stakeholders	<ul style="list-style-type: none"> ▪ Build incentives to: 1) allow for a longer patient appointment if provider agrees to review the records ahead of time, 2) order only the tests that are not indicated in the record, 3) eliminate duplication of tests, 4) use distance learning, virtual clinics, and telehealth, etc. ▪ Identify physicians who create the best outcomes and make that information available. ▪ Align incentives to all providers, not just physicians, to make the system less fragmented and more holistic. ▪ Provide access to Extension for Community Healthcare Outcomes project (ECHO).
7. No standardized formats for data and information	<ul style="list-style-type: none"> ▪ Develop standardized format to collect and chart data and information

Support Needed from Other Stakeholders

Summit participants from the health insurer stakeholder group were asked to recommend how other healthcare stakeholders could support their vision for the healthcare industry.

Consumers:

1. Preventative care should become the “mantra” for all stakeholders. Consumers that have poor life style habits should pay more.

Employers:

2. Advocate against mandated benefits.

Healthcare Providers and Institutions:

3. Reduce waste in the delivery system by re-evaluating administrative and other procedures and by using technology.
4. Be willing to disclose and realistically share information (i.e., need to identify correct data sets for hospitals, insurance companies, etc. to increase transparency)

5. As technology is developed, be willing to use the new technology that will benefit everyone. Use the existing provider networks for training on site or for online training modules.
6. Look at the impact of competition (e.g., is competition driving costs up or down?).
7. Look at the dynamics of duplication and consolidation and choice. How do we increase overall the number of providers in a fair way? How do we develop a center of excellence for specific health conditions so there’s not undue duplication? How do we create more standardization for special and high cost health conditions?
8. Listen carefully to consumers/patients who have knowledge of their own condition.

Governments:

9. Understand the administrative burden and waste put on the providers and the impact on small businesses. Conduct needs assessment and cost/benefit analysis.

Appendix: Summit Attendees

Participants

Scott Baker
UNM Hospital
Albuquerque

Walter Bolic
Delta Dental of New Mexico
Albuquerque

Raul Burciaga
NM Legislative Council Service
Santa Fe

Jim Campbell
Wellness Improvement Experts
Albuquerque

Christine Child
Heel Inc
Albuquerque

Sonja Clark
Presbyterian Healthcare Services
Albuquerque

J.R. Damron
Santa Fe Radiology, P.C.
Santa Fe

Roberta Dillon
BCBS of New Mexico
Albuquerque

William Doggett
SunBear Chiropractic
Albuquerque

Jeff Dye
NM Hospital Association
Albuquerque

Mary Eden
Presbyterian Healthcare Services
Albuquerque

Loretta Esquibel
UNM Cancer Center
Albuquerque

RubyAnn Esquibel
NM Human Services Department
Santa Fe

Lisa Farrell
Presbyterian Health Plan
Albuquerque

Robert Garcia
Presbyterian Healthcare Services
Albuquerque

Keith Gardner
Sprint Sports Rehabilitation Clinic, Inc.
Roswell

Larry Georgopoulos
Presbyterian Healthcare Services
Albuquerque

Ann Greenberg
Lovelace Health Plan
Albuquerque

Troy Greer
Lovelace Westside Hospital
Albuquerque

Margaret Gunter
Lovelace Clinic Foundation
Albuquerque

Robin Hunn
Robin Hunn LLC
Albuquerque

Troy Jelinek, PhD
UnitedHealthcare
Albuquerque

Debbie Maestas-Traynor
Maestas Consulting
Albuquerque

Barbara McAneny
NM Oncology Hematology Consultants,
Albuquerque

Allen McCulloch
Adult & Pediatric Urology
Farmington

Gayla McCulloch
Adult & Pediatric Urology
Farmington

Jerry McLaughlin, MD
New Mexico Medical Society
Hobbs

Michael McMillan
Southwest Bone and Joint Institute
Silver City

Kevin McMullan
New Mexico Health Resources
Albuquerque

Joe Menapace
New Mexico Dental Association
Albuquerque

Mark Moores
New Mexico Dental Association
Albuquerque

Kim Osborne
Desert States Physical Therapy Ntwk
Albuquerque

Elizabeth Pelz
Aon
Albuquerque

Jane Pitts
Cibola General Hospital
Grants

Patricia Repar
University Hospitals
Albuquerque

Dianne Rivera
Con Alma Health Foundation
Santa Fe

Chris Snyder
Graduate Student
Albuquerque

Linda Thrower
Interim HealthCare
Clovis

Ron Trevino
NaviMedix
Santa Fe

Maria Van Gelder
New Mexico Homes, Inc
Albuquerque

Norman White
Presbyterian Health Plan
Albuquerque

Catherine Zaharko
San Juan Regional Medical Center
Farmington

Elizabeth Watrin
Blue Cross Blue Shield of New Mexico
Albuquerque

Leadership Team

Pamela Blackwell
Lynne Canning
Tracie O'Geary
Kathleen Oweegon
Charlotte Pollard
David River
Lucy River
Lisa Stuckey

New Mexico First Staff

Heather Balas
President and Executive Director

Russell Kieffer
Project Director

Krista Koppinger
Director of Events & Administration

Charlotte Pollard
Deputy Director

Brittney Tatum
Events & Database Coordinator



NEW MEXICO FIRST

People. Ideas. Progress. 20 Years.

New Mexico First
320 Gold SW, Suite 300
Albuquerque, NM 87102
505-241-4813
www.nmfirst.org
info@nmfirst.org