

Dear Community Member,

Due to the dedication of many local physicians, consumers, employer leaders and others working together, the Puget Sound Health Alliance is making steady progress toward improving local health care quality and cost-effectiveness. As you'll read in this Update, two of the Clinical Improvement Teams have completed their initial work, which is an important step toward the Health Alliance producing a report to the public comparing quality, cost-of-care and patient experience in health care across the region. Based on opinion research results (also described in this Update), most area employees don't have access to useful quality comparison information and, if they did, nearly all say that they would use a regional quality comparison report when making health care decisions.

After you read this Update, please share it with your co-workers, friends and family to help spread the word. The only way that we as a community are able to make this kind of progress is through continued widespread participation and support across the region. To learn more about how you can help, go to www.pugetsoundhealthalliance.org.

Margaret Stanley
Executive Director

General Update

Health Alliance Welcomes New Participants

Twelve new organizations and individuals have recently joined the Health Alliance. We now have over 90 participating organizations, plus individuals. Welcome everyone!

- Stevens Hospital
- Nurse Practitioner Wellness Alliance
- Rialto Communications, LLC
- Kathleen O'Connor
- Sharon McCallum
- Jonathan Bell
- Western WA Medical Group
- Outcome Concept Systems, Inc.
- Byram Healthcare
- Aukema & Associates
- Sharon MacTavish
- Alison Lowe

Interested in joining the Health Alliance? Contact us for more information.

Opinions and Interest in Health Care Comparison Information

The Health Alliance recently completed opinion research regarding local health care. Questions explored views on: needed changes; health care quality and value; and level of awareness of the Health Alliance. More than 2,800 employed individuals in the five-

county area completed our online survey, and we had a good showing of physicians, hospital leaders and employers who shared their views via our surveys, focus groups, and interviews. Among local consumers, there is strong interest in getting a comparison report on health care quality: 95% said that an unbiased comparison of clinics or hospitals would likely influence their choice of health care provider. Currently only about half said that they have useful information for how to find the best doctors or hospitals in the area. Just about every person (99%) noted that “lowering the cost of health care” is one of the most important changes needed. More than 500 people wrote in substantive comments, the main themes being: improving coverage for preventive and alternative care; expanding access for people living in poverty; concern about prescription drug prices and the power of pharmaceutical companies; and, concern about affordable care during retirement.

Clinical Improvement Teams

Heart Disease and Diabetes – The Heart Disease and Diabetes Clinical Improvement Teams have each completed their work, adopting two sets of evidence-based clinical guidelines, related performance measures, and recommended strategies to improve the quality of care in these two areas. This work is an important part of the foundation for the regional reports that the Health Alliance will produce for the public, comparing the quality of care based on these clinical guidelines and measures.

Pharmaceuticals (Rx) – The team working on pharmaceutical drug issues is following an ambitious schedule to address some of the most widely recognized issues associated with the quality of care and costs associated with prescription drugs. The Rx team has decided to focus on five categories of drugs: cholesterol lowering agents; antidepressants; gastric acid secretion reducers; non-steroidal anti-inflammatory drugs; and, antibiotics. The team is also exploring patient education issues and incentives for physicians to increase the use of generics (instead of costlier brand-name drugs) and improve advice given to patients on the medication they are taking.

Back Pain and Depression - The Clinical Improvement Teams who are working on quality improvement in the treatment of back pain and depression have begun their work. The back pain team is focusing on non-specific (i.e., not related to fracture, cancer, etc.) acute and chronic lower back pain in working age adults. They will address unnecessary imaging and surgery, keeping acute back pain from becoming chronic, and aligning incentives around preferred treatment methods. The team working on guidelines for treatment of depression is focusing on mild to severe depression in working age adults receiving outpatient care. They will focus primarily on adherence to treatment and effectiveness of treatment, including both medication therapy and psychotherapy.

Want to Get Involved or Simply Attend Health Alliance Meetings? Join Us!

Work in the Health Alliance is moving forward on many fronts. If you or others from your organization would like to get involved, or simply attend one or more meetings of Health Alliance work groups, committees, clinical teams, the Board or our special 'All Alliance' gatherings – then join the Health Alliance to become a participant. Nationally recognized speakers at our All Alliance meetings address important issues in health care quality, cost reduction and transparency. François de Brantes, National Coordinator for Bridges To Excellence (BTE) which is a national program focused on rewarding physicians for better quality care, is our featured speaker in May. He will discuss BTE and how it is being implemented in different regions in the country. Anyone who has joined the Health Alliance is welcome to attend these meetings. To join, go to <http://www.pugetsoundhealthalliance.org/join/joinnow.cfm> or contact Sean at 206.448.2570 ext. 113 or sean@pugetsoundhealthalliance.org.

Noteworthy Health Care News

\$1.5M saved by individual consumers and \$22M saved in health coverage costs by eliminating co-payments on generic drugs.

Blue Cross of North Carolina eliminated the \$10 co-payment on generic drugs to make medicine more affordable. Now individuals are more likely to take their prescriptions, helping prevent long-term problems (e.g., complications from chronic conditions like diabetes) and lowering treatment costs. The insurer also notified members who use brand-name drugs about the availability of generic equivalents. That led to a 50% conversion rate, for a \$1.5m savings to individuals. In addition to the benefits and cost savings for individuals, the program resulted in a net savings of \$22M last year. Twenty-two percent of eligible members using brand-name drugs switched to generics, and the percent using generics went up to 53% from 47%. In comparison to no co-pay for generics, the insurer requires co-pays for brand name drugs of \$25, \$40 or \$45.

Generic drugs are equivalent to corresponding brand-name drugs in terms of chemical composition and performance, but generally cost 30% to 70% less. When a company develops a drug, a patent can protect it for 20 years, allowing aggressive marketing to recover the high research and development expenses. When the patent expires, others can produce and repackage the drug under a generic name. Because of competition and lower overhead, generic drug makers don't have the same costs to consider so the price of a drug drops. In 2006, two commonly prescribed drugs will become available as generics: Zocor, which lowers cholesterol, and Zoloft, to treat depression. On rare occasions, a patient can't tolerate a generic drug and must continue to take the brand name drug. (source: *Blue Cross suspends co-payments on generic drugs*, Charlotte Business Journal, 3/10/06)

Hospital Infections Increase Patients Deaths and Costs.

Hospital patients who contracted a hospital-acquired infection in 2004 accrued costs seven times higher and were seven times more likely to die than patients who did not acquire infections. For 2004, researchers found: for the 180 Pennsylvania hospitals studied, insurers paid hospitals an average of \$60,678 for patients with hospital-acquired infections, compared with \$8,078 for patients without infections; average length of stay for patients with infections was 21.2 days, compared with 3.4 days for patients without infections; and, 10.7 percent of patients with infections died, compared with 0.7 percent of patients without infections. Nationwide, hospital-acquired infections increased health care costs by an estimated \$25 billion for 2005. (source: *Infections Take Heavy Toll on Patients, Profit Hospitals Urged to Boost Prevention*, Washington Post, 3/29/06)

To Avoid Layoffs and Insurance Cuts: Health Care System Must Offer Price & Quality Information, Use Technology and Increase Collaboration.

By 2020, more than \$1 out of every \$5 spent in the U.S. will go to health care, which could lead to cuts in local jobs and health insurance. Globally, the U.S. spends the most on health care but gets only average results. How much health care spending can the American economy absorb? Recommended strategies to cut health care costs include: (1) Consumer control: consumers are paying more of their bills so patients will ask more about health care price and quality, using guides to help them comparison shop; (2) Technology: Computerization including electronic medical records will help provide better care for lower costs; and (3) Collaboration: No industry has as many "silos" as health care – hospitals, doctors, laboratories, researchers and others need to work together to save money and improve care. (Source: *\$1 of every \$5 for health care? Survey gives grim prognosis*, Arizona Republic, 3/30/06)

Other Items of Interest

Scribner Courage in Health Care Award Nominate a health care professional who has made an extraordinary contribution to the health of people of the State of Washington through the exhibition of personal courage, within or outside of traditional "systems." Emphasis is given to extraordinary service, innovation and professional courage that has resulted in meaningful improvement in health care. The deadline for nominations is June 20, 2006. Send nominations to: First Choice Health, Attention Dr. Ze'ev Young, 600 University Street #1400, Seattle, WA 98101. For more information, call (206)268-2430 or e-mail breyolds@fchn.com.

Take the Group Health Commute Challenge Group Health challenges you and your organization to join the 2006 Group Health Commute Challenge. Improve health and reduce stress (and traffic congestion) by encouraging your peers to form teams and sign up now. Teams must commute at least five round trips in May. Each team elects a captain to track progress at www.cbcef.org/commuting_btwwc.html. For more information, go to www.ghc.org/cycling/index.jhtml

Health Alliance Participating Organizations

Over 90 organizations, plus individual members now participate in the Health Alliance! Please encourage others who have an interest in improving the quality and affordability in health care to join the Health Alliance.

Employers and Other Purchasers

- The Boeing Company
- CitiesCities: Everett and Seattle
- Counties: King and Pierce
- Fisher Communications
- Seattle Chamber of Commerce
- Port Blakely Companies
- Porter Novelli
- Puget Sound Energy
- Puget Sound Regional Council
- Recreational Equipment Inc./REI
- Snohomish County
- Starbucks
- UFCW/Teamsters Taft-Hartley Trusts
- Washington Mutual Bank
- WA State Health Care Authority

Health & Dental Plans, Networks, TPAs

- Aetna Health Plans of WA
- Community Health Plan of WA
- First Choice Health Network
- Group Health Cooperative
- KPS Health Plan
- LifeWise Health Plan of WA
- PacifiCare Health Systems
- Premera Blue Cross
- Regence BlueShield
- Uniprise (United Health Group)
- Washington Dental Service

Individuals

- Bell, Jonathan
- Feld, Ron RN
- Kievel, Patti
- Lowe, Alison
- MacTavish, Sharon
- McCallum, Sharon
- O'Connor, Kathleen

Doctors, Hospitals and other Providers

- Bastyr University
- Children's Hospital Regional MedCtr
- Chiropractic Wellness Centers
- DaVita, Inc.
- East Main Family Medicine
- The Everett Clinic
- Evergreen Healthcare
- Harrison Medical Center
- Minor & James Clinic
- Northwest Kidney Centers
- Northwest Physicians Network
- Optimal Health Foundation
- Overlake Surgery Center
- Pacific Medical Centers
- The Polyclinic
- Providence Health System - WA
- Puget Sound Family Physicians
- Seattle Primary Physicians
- Seattle Surgery Center
- Stevens Hospital
- Swedish Medical Center
- UW Medicine
- Virginia Mason Medical Center
- Visiting Nurse Services of the NW
- Washington Managed Imaging
- Western WA Medical Group
- Woodinville Pediatrics

Other Health Related Organizations

- American Cancer Society
- American Heart Association and American Stroke Association
- American Lung Assn of WA
- Assn of WA Healthcare Plans
- Byram Healthcare
- Caremark
- Community Health Innovations

- Freestanding Ambulatory Surgery Center of WA State
- Foundation for Health Care Quality
- Free & Clear
- HealthTrans
- Home Care Association of WA
- Hope Heart Institute
- Inland Northwest Health Services
- King County Medical Society
- Milliman
- Nurse Practitioner Wellness Alliance
- OneHealthPort
- Outcome Concept Systems, Inc.
- Pacific Hospital Preservation & Development Authority
- Physical Therapy Assn of WA
- Qualis Health
- Quest Diagnostics
- Rialto Communications, LLC
- Snohomish County Medical Society

- WA Academy of Family Physicians
- WA Assn of Naturopathic Physicians
- WA Biotechnology/Biomedical Assn
- Washington Health Care Forum
- Washington Health Foundation
- WA State Hospital Association
- WA State Medical Association
- WA State Pharmacy Association

Pharmaceutical Manufacturers

- AstraZeneca LLC
- GlaxoSmithKline
- Johnson & Johnson Health Care Systems Inc.
- Novo Nordisk Inc.
- Sanofi-Aventis

If you have questions or suggestions about the content of these Health Alliance Updates, contact Diane Giese at (206) 448-2570 ext 117 or diane@pugetsoundhealthalliance.org

This is sent to community members to share news about recent developments at the Health Alliance and other items of interest to people who want to improve health care quality and affordability in the Puget Sound region. To be removed from this list, contact Sean at sean@pugetsoundhealthalliance.org