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**Federal Government Selects Puget Sound Health Alliance As Nation's
First Community Leader for Value-driven Health Care**

Local business and health care leaders back Secretary Leavitt's call for 'value-driven' health care system in America

SEATTLE, January 3, 2007 – Secretary Mike Leavitt of the U.S. Department of Health and Human Services (HHS) today announced the Puget Sound Health Alliance as the first organization in the nation to be designated as a Community Leader for Value-driven Health Care, a prerequisite to gaining access to Medicare data for use in public reporting of health care performance.

The Health Alliance is on track to produce a public report comparing the quality of care provided by local clinics and hospitals. Being able to include Medicare data will allow the Health Alliance to greatly expand the report documenting health care quality and efficiency in the Puget Sound region.

Leavitt announced that HHS has awarded the Puget Sound Health Alliance the first such designation in the nation, putting the Alliance on the path to join a national network of sites also working on performance reporting. Once criteria for access to Medicare data are established, Alliance representatives said they were very interested in pursuing the next steps to get access to Medicare data for use in the organization's performance reporting efforts.

King County Executive Ron Sims, chair of the Health Alliance, and Governor Chris Gregoire joined Secretary Leavitt at the Starbucks Center, where Secretary Leavitt made the announcement before a standing-room only crowd of about 150 Northwest business and health care leaders.

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Several of those leaders, including top officials from the Starbucks Coffee Co. (NASDAQ: SBUX); Alaska Airlines and Horizon Air (NYSE: ALK), Microsoft (NASDAQ: MSFT); Premera Blue Cross; Aetna (NYSE: AET); Group Health; the Washington Roundtable; the Association of Washington Business; and Symetra signed a “Statement of Support” in which they pledged their organizations to:

- Support new information technology to enhance the exchange of health care data;
- Provide information on the quality of care delivered by health care providers;
- Provide information on the cost of health care; and,
- Promote high-quality and cost-effective health care.

Secretary Leavitt called those goals “the four cornerstones” of a value-driven health care system in America (for additional information or to sign on, go to www.hhs.gov/transparency).

Secretary Leavitt lauded the efforts of the Puget Sound Health Alliance, whose nearly 130 participants have agreed to use evidence to identify and measure quality health care, then produce publicly-available comparison reports designed for use in health-care decision-making. Data from the federal Medicare program is now within closer reach for use by the Health Alliance in the health care quality reports to the public.

“All health care is local, and we need cooperative local action just as we need common national goals,” Secretary Leavitt said. “The Puget Sound Health Alliance has demonstrated outstanding leadership, and I’m proud to recognize this organization as a pioneer organization in the nationwide network that we are building. Our aim together is nothing less than value-driven health care based on quality improvement, cost awareness and collaborative action.”

Executive Sims, who has chaired the Board of the Health Alliance since it was formed two years ago, called the additional information that will be available through Medicare key to producing a comparison report on health care practices that will be useful to consumers in King, Pierce, Snohomish, Kitsap and Thurston counties.

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“We must break out of the downward spiral of cost-shifting and benefit cuts that have become common in this era of double-digit annual health care cost increases, and which will ultimately lead us to what I call 'equality of non-coverage'," Sims said. “The Puget Sound Health Alliance represents the sort of comprehensive market-driven, evidence-based reform that will provide a quantum leap forward towards the day when we can truly say that quality health care coverage is a basic right of every American.”

The Puget Sound Health Alliance has already begun to pull together a large quantity of data from health care insurers and self-insured employers in the region, and expects to produce the first comparison reports this year.

“When we are able to add Medicare data to the report too, the results will reflect even more comprehensive information, enriching its usefulness for clinics, hospitals and individual physicians,” said Margaret Stanley, Health Alliance executive director. “Patients also benefit from having the most complete view possible of the quality and efficiency of local health care.”

Reports measuring the quality of care provided in Puget Sound clinics and hospitals, along with useful informational tools, can help improve health care decision-making. Examples include identifying effective approaches to treatment and best practices, choosing or designing health benefit plans, deciding which doctor to see, knowing what questions to ask your doctor, and understanding what we each can do to improve our own health.

The Health Alliance is a regional partnership involving employers, physicians, hospitals, patients, health plans, and others working together to improve quality and efficiency while reducing the rate of health care cost growth in the Puget Sound region.

Governor Gregoire told business and health care leaders that her proposed 2007-2009 State budget will also include support for efforts by the Puget Sound Health Alliance. The Governor is calling for a \$2 million dollar appropriation to help the Alliance expand its public reporting and other quality improvement work statewide.

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“Transparency gives consumers real data so they can compare health care providers and make good choices,” said Governor Gregoire. “Together, the State of Washington, the federal government and the Puget Sound Health Alliance are leading the way to make quality health care more accessible and affordable.”

Business and health care leaders who joined in the signing of Secretary Leavitt’s statement of support said increasing value while bringing health care costs under control must be a top priority at all levels. The public sharing of quality and efficiency information, use of new health information technologies, and promoting improvement in health care quality and efficiency is essential, they said.

“Affordable health care for our partners (employees) is a long-standing, top priority for Starbucks,” said Jim Donald, Starbucks president and CEO. “We have initiated many innovative programs to help ensure our partners have access to affordable healthcare and we applaud the Secretary’s efforts to encourage this approach more broadly.”

“As both a health care provider and health plan, Group Health strongly supports the effort to create comparative reports so that physicians can identify best practices and improve patient care,” said Hugh Straley, MD, Medical Director for Group Health Cooperative. “This is a critical foundation to the success of the Alliance and for quality improvement and cost savings for health care in the Puget Sound Region.”

The Puget Sound Health Alliance (www.pugetsoundhealthalliance.org) is a private, non-profit organization – a team effort of those who provide, pay for and use health care services, working together to improve the quality of patient care for a healthier community, at a price more people can afford.

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