



## **HHS Secretary Recognizes Puget Sound Health Alliance as First 'Community Leader' in National Network**

State of Washington, Microsoft, Starbucks and Other Employers Signal Support for Value Driven Health Care Initiative

WASHINGTON, Jan. 3 /PRNewswire-USNewswire/ -- HHS Secretary Mike Leavitt today issued formal recognition of the Puget Sound Health Alliance as part of an expanded network of region-based organizations focused on improving the quality of health care while reducing health care cost inflation.

The Secretary also announced that several Washington state employers, the State of Washington, Microsoft, Starbucks, Aetna, Premera Blue Cross, Group Health Cooperative, Alaska Airlines, Horizon Airlines and organizations including the Association of Washington Business and Washington Roundtable have committed to these goals as well. King County, the first county in the nation, signed an executive order agreeing to the principles.

The Seattle-based Alliance -- which includes health care providers, payers, patient representatives and others -- is the first organization designated by the HHS Secretary as a Community Leader for Value-Driven Health Care. As a "Community Leader" organization, it will support four key national health care goals and work to achieve the four goals at the local and regional level.

Recognition of the Alliance represents a new step in building a national network of regional organizations that bring together local stakeholders to improve health care while holding costs down. In addition to the new "Community Leader" category, six regional pilot projects were established last year under the Better Quality Information for Medicare Beneficiaries (BQIMB) project, in Massachusetts, Indiana, Wisconsin, Minnesota, Arizona and California. These organizations also support the four national goals, referred to by Secretary Leavitt as "cornerstones" for improving health care value.

"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 in working to bring about high quality care and better value for the citizens of this region. 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."

The four national "cornerstone" goals identified by the Secretary are: public reporting of quality of care, public reporting of the cost of health services, interoperable health information technology, and incentives for achieving better value in health care. To help achieve these goals, the

regional groups bring together local stakeholders.

As a Community Leader organization, the Puget Sound Alliance will expand its efforts to bring together regional health care providers, health plans, payers and employers, as well as consumers, employee organizations and other stakeholders to reach agreement on approaches for achieving better quality and value in health care. The Alliance is already an established collaborative, with support from the Robert Wood Johnson Foundation's "Aligning Forces for Quality" project, which also supports regional efforts.

In particular, the alliance approach brings together stakeholders to concur on "evidence-based" care, where best practices for treatment and care have been shown. With agreement on best practices, physicians, hospitals and other providers can identify processes to measure quality of care, aiming toward public reporting of performance by individual providers. At the same time, stakeholders can work together to examine cost implications. Better quality care can often be more cost-effective than lower-quality care, especially by avoiding costly medical errors or unnecessary duplication of care.

Secretary Leavitt's Value-Driven Health Care Initiative aims at better value in health care through action across the spectrum of the U.S. economy. This includes commitment to the four "cornerstone" goals by private and public employers and health plans, by state Medicaid programs, and by consumer and employee organizations.

President Bush already committed federal health programs to the four "cornerstone" goals through an Executive Order last August. This commitment alone affects more than 50 million enrollees in Medicare, the Veterans Affairs Department, the Department of Defense and the Federal Employees Health Benefits program. Several states and more than 100 leading employers have also made the commitment so far.

As Secretary Leavitt named the Puget Sound Alliance as the first Community Leader organization, he also outlined plans for further developing a network of regional organizations. In addition to the initial pilot projects, the emerging network will include organizations designated as Community Leaders. Local organizations at various stages of development may apply to be designated as Community Leaders. Designation may be especially helpful to organizations seeking to broaden their membership or technical capacities. Criteria for Secretarial designation as Community Leaders are available at <http://www.hhs.gov/transparency>.

In addition, Secretary Leavitt announced that early this year, HHS will create a process for designating a further class of organizations in the network, to be known as Value Exchanges. Criteria for Value Exchanges are now being developed, including the legal and technical standards for regional organizations to benefit from access to Medicare program data. HHS is working with national consensus organizations including the Ambulatory Care Quality Alliance and the Hospital Quality Alliance in creating the structure of a public-private network of region-based collaboratives.

"Achieving high quality and value in our health care system is one of the most important challenges facing our nation today," Secretary Leavitt said. "Everyone in our health care system recognizes that we need to do better. We need to work together toward common goals, and at the same time we need local collaboration to achieve value-driven health care. We are undertaking at a years-long process of hard work and collaboration. And we are committing to a continual process of developing evidence-based quality standards and measurement to achieve better care and lower cost inflation."

For more information about this initiative, go to: <http://www.hhs.gov/transparency>.

Note: All HHS press releases, fact sheets and other press materials are available at <http://www.hhs.gov/news>.