



## NEWS RELEASE

**Embargoed for release:  
12:01 a.m. ET  
Thursday, October 8, 2009**

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### **NEW STATE HEALTH CARE SCORECARD FINDS WIDE DIFFERENCES IN ACCESS, QUALITY, AVOIDABLE HOSPITALIZATION AND COST ACROSS STATES; PERSISTENT, GROWING DISPARITIES UNDERSCORE NEED FOR NATIONAL REFORM**

#### ***Second Commonwealth Fund State-By-State Analysis Finds Nationwide Declines In Health Care Coverage For Adults and Rising Costs; National Efforts to Insure Children and Improve Quality Showing Results***

New York, NY, October 8, 2009— The cost and quality of health care, as well as access to care and health outcomes, continue to vary widely among states, according to the Commonwealth Fund Commission on a High Performance Health System’s second state scorecard report released today. The states that led in the 2007 state scorecard generally continued to lead, often setting new benchmarks and widening the gap between leading and lagging states. Across states, health insurance coverage for adults declined, health care costs rose, and quality improved in areas where outcomes were reported to the public. According to the report, the continuing and growing disparities in state performance point to the urgent need for comprehensive national health system reform.

Health insurance coverage for adults declined in a majority of states since the first state scorecard was released in 2007. In contrast, the majority of states made gains in health coverage for children due to federal and state support for the Children’s Health Insurance Program (CHIP). In addition, national efforts to publicly report performance and improve care have led to dramatic improvements in some measures of quality of care in hospitals and nursing homes, demonstrating the impact federal action and collaborative improvement efforts can have on state health care systems, the report found.

The report, *Aiming Higher: Results from the 2009 State Scorecard on Health System Performance*, is a follow-up to the Commission’s 2007 State Scorecard report; it ranks states on 38 indicators in the areas of access, prevention/treatment quality, avoidable hospital use and costs, healthy lives, and equity. In 2009, Vermont, Hawaii, Iowa, Minnesota, Maine, and New Hampshire lead the nation as top performers on a majority of scorecard indicators. Leading states set new, higher benchmarks on a majority of indicators. Conversely, states in the lowest quartile often lag the leaders on multiple areas and the gaps have grown wider in multiple areas.

“Leading states have raised the bar for better access, quality of care, and reducing disparities,” said Commonwealth Fund Senior Vice President and study co-author Cathy

Schoen. “Where you live in the U.S. matters in terms of your health care, and it shouldn’t. These wide and persistent gaps among states highlight the need for national reforms and federal action to support states. National leadership has been critical for children—particularly for states with historically high rates of children uninsured— so we know that strong national efforts can make a real difference even in struggling states.”

The sharp variation across states spans access, quality of care, costs, and lives. For example, rates of hospital readmissions (within 30 days of a previous hospital stay) among Medicare beneficiaries ranged from a high of 23 percent of hospital admissions in Nevada to a low of 13 percent in Oregon. The percent of adult diabetics getting recommended preventive care ranged from a low of 33 percent in Mississippi to a high of 67 percent in Minnesota as of 2006-07, a new high. On these and other measures, the lowest ranked states would have to improve 40 percent to 100 percent on average to achieve the performance of top ranking states.

The scorecard points to substantial opportunities to improve. If all states could reach the level achieved by the top performing states:

- Twenty-nine million more people would have health insurance—cutting the number of uninsured by more than half;
- Nearly 78,000 fewer adults and children would die prematurely every year from conditions that could have been prevented with timely and effective health care;
- Nine million more adults age 50 and older would receive recommended preventive care, and almost 800,000 more children would receive key vaccinations;
- Five billion dollars could be saved annually by avoiding preventable hospital admissions and readmissions for vulnerable elderly and disabled residents.

### **Promising Quality Improvements**

The report found that national efforts to measure, benchmark, and publicly report performance had a marked effect on quality improvements at the state level. Following a national effort to track and report hospital treatment data, nearly all states improved on measures of treatment for heart attack, heart failure, pneumonia, and prevention of surgical complications. In some instances, the lowest state rate now exceeds the average three years ago. In addition, most states improved significantly on several measures of the quality of care in nursing homes (reductions in pressure sores, pain, and use of restraints) following a national effort to make that data publicly available.

“The differences we see among the states translate to real lives and dollars,” said Commonwealth Fund President Karen Davis. “If we can enact health reforms that give all states the opportunity to do as well as the best states we will save lives, improve quality, and cut costs. And, the good news is that these aren’t pie in the sky goals—we know they are attainable because we see it happening in the states at the top of the pack.”

### **Coverage Erodes for Adults, Expands or Holds Steady for Children**

The report examines health insurance coverage trends across states since the beginning of the decade and finds a decline in health insurance coverage for adults—in 1999-2000 there were only two states with 23 percent or more of adults uninsured, by 2007-2008 there were

nine. In 1999-2000, 22 states had less than 14 percent of adults uninsured; by 2007-2008 the number dropped to only 11 states. Children fared much better—due in large part to the CHIP program. The number of states with 16 percent or more of children uninsured dropped from nine to three between 1999-2000 and 2007-2008.

Gaps in coverage between states were particularly stark, with 32 percent of working-age adults uninsured in Texas compared to only 7 percent in Massachusetts as of 2007-2008. Several states stood out in terms of health insurance coverage expansions, as part of comprehensive reforms. Massachusetts, which had only begun to implement its universal health insurance program during the period covered by the State Scorecard, had the greatest increase in coverage for adults and gains in coverage for children. The reforms passed by Vermont in 2006 to cover the uninsured and establish a “blueprint for health” focused on preventing and controlling chronic disease are providing a new model for other states. And, Minnesota has achieved high rates of adult coverage and better preventive care through public-private collaboration.

### **Additional Opportunities to Improve**

Poorly coordinated care and inefficient use of resources continue to undermine care and drive up costs in many state health care systems, according to the report. States with higher medical costs tend to have higher rates of readmissions to the hospital and potentially preventable hospital admissions for chronic conditions like asthma and diabetes.

The report finds that several states in the Upper Midwest—Iowa, Minnesota, Nebraska, North Dakota, and South Dakota—were all providing high quality care at lower cost. Their examples suggest that better coordinated care and more efficient use of resources could improve the quality of care people receive while keeping cost in check.

### **Moving Forward**

The State Scorecard’s overall findings of eroding coverage and rising costs, and concerns about poorly coordinated care, underscore the need for comprehensive national reforms that can expand health insurance coverage, improve quality, and control costs. The report points to the uneven performance or failure to improve on many scorecard indicators as further evidence of the pressing need for coordinated national action. The authors conclude that federal action is needed to raise the floor on performance levels across all states and create a supportive climate for state innovation. If the health care system continues on its current course of rising costs and declining health insurance coverage, states will have an increasingly difficult time going it alone on providing access to affordable, quality health care.

An interactive map that allows users to look at and download individual state information and compare states on various measures is available at [www.commonwealthfund.org](http://www.commonwealthfund.org).

#### **Methodology**

The 2009 state scorecard includes 38 indicators grouped into five dimensions of performance—access, prevention/treatment quality, avoidable hospital use and costs, equity, and healthy lives. The analysis ranks states on each indicator and then averages the indicator ranks to determine the dimension rank. Dimension scores determine the overall rank. Equity measures the gaps in performance between vulnerable groups and the national average.

**The Commonwealth Fund is a private foundation supporting independent research on health policy reform and a high performance health system.**