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COMMISSION OF LEADING EXPERTS UNVEILS PLAN TO IMPROVE CARE FOR CHRONICALLY ILL PATIENTS AND REDUCE HEALTH SPENDING BY \$184 BILLION OVER THE NEXT DECADE

Commonwealth Fund Commission Sees Unprecedented Opportunity for Public and Private Stakeholders to Support Community Progress Toward a High Performance Health System, Thanks to Affordable Care Act and Other Laws

April 26, 2012, New York, NY—Noting the “unprecedented opportunity” provided under the Affordable Care Act, the Health Information Technology for Economic and Clinical Health (HITECH) Act, and other recently enacted federal laws, the Commonwealth Fund Commission on a High Performance Health System today unveiled a community-based plan to enhance health and reduce spending by improving care for chronically ill patients and targeting quality improvement efforts to conditions that can yield the greatest benefit in a relatively short time. The “Health Improvement Community” initiative proposed by the Commission has the potential to help those who most need more coordinated care and save \$184 billion in health spending over the next 10 years.

In a new report, *The Performance Improvement Imperative: Utilizing a Coordinated, Community-Based Approach to Enhance Care and Lower Costs for Chronically Ill Patients*, the 17-member Commission of leading health care and health policy experts proposes that the U.S. Department of Health and Human Services (DHHS) and the Centers for Medicare and Medicaid Services use their new authority over the next 12 months to launch the initiative in 50 to 100 communities around the U.S. that have significant concentrations of patients with multiple chronic conditions and high medical costs, with the aim of improving their care and lowering the costs of care. Each community—defined as a city, a county, a hospital referral region, a neighborhood, or a state—would participate voluntarily.

In a Perspectives article about the plan appearing online April 25 in the *New England Journal of Medicine*, David Blumenthal, M.D., the Samuel O. Thier Professor of Medicine at Harvard Medical School, and Commission chair writes, “For decades the United States has seemed powerless to curb excessive health care spending and improve quality of care. It is powerless no longer.” Although the tools to achieve fundamental reform are now available, Blumenthal notes that the federal government needs “a comprehensive, disciplined implementation plan for health system improvement that takes full, thoughtful advantage of its new authorities and opportunities.”

Moving Aggressively to Improve Quality and Control Costs

As a first step, the new report says, the nation should start with a vision and specific targets for improving the health of the population and patients' experiences with care, while lowering the growth in health care costs. One such target would be doubling to 4.6 percent the median annual rate of improvement in quality metrics tracked by the Agency for Healthcare Research and Quality by 2016, focusing on areas with the greatest potential to improve health and safety, such as preventable complications from asthma and diabetes.

The report also recommends that the nation aim to reduce the increase in per capita health care spending to the annual projected growth of the gross domestic product (GDP) plus 0.5 percentage points, or 4.4 percent, by 2016, a rate it should maintain through 2021. This would save \$893 billion over the next decade.

Focusing on Chronically Ill Patients

The report notes that focusing on improving care for patients with multiple chronic conditions, such as those with coronary artery disease, diabetes, and asthma, provides substantial opportunity to improve quality of care, as these patients are more vulnerable to safety problems such as adverse drug interactions and medical mistakes. Promoting wider use of primary care, better payment incentives, and increased use of health information technology are among the tools that can be used to achieve the quality improvement and spending targets outlined in the report.

The Commission report notes that improving care for chronically ill patients is just one of many steps required to curb national health spending and foster changes in the way health care is organized and provided. Moving ahead now with this strategy "promises significant quality and efficiency gains within a short period of time...with the enactment of health reform, DHHS for the first time in its history, has the tools to promote large-scale performance improvement and to do it fast."

"The tools in the Affordable Care Act, including new ways to pay for and deliver care, and provisions that reward health care organizations for achieving better outcomes, higher quality, and lower costs, provide us with a historic opportunity to finally move the U.S. to a high performance health system," said Commonwealth Fund President Karen Davis. "By focusing on areas where there is the greatest need we can have the greatest impact."

The report and link to the *New England Journal of Medicine* article will be available on the Commonwealth Fund Web site on April 26, 2012, at:

<http://www.commonwealthfund.org/Publications/Fund-Reports/2012/Apr/Performance-Improvement-Imperative.aspx>.

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