



NC IOM 2019 Annual Meeting
Transforming Medicaid in North Carolina

**A National Perspective on the Evolution of the Health Care Movement:
The Transformation Imperative**

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Frederick Isasi, J.D. MPH
Executive Director



*Our vision is a nation where the best health and health care
are equally accessible and affordable to all*

- About Families USA
- The Rapidly-evolving Health Care Movement:
the Transformation Imperative
- Health Transformation in Action

Families USA's Mission and Focus Areas

Families USA, a leading national voice for health care consumers, is dedicated to the achievement of high-quality, affordable health care and improved health for all. We advance our mission through public policy analysis, advocacy, and collaboration with partners to promote a patient-and community centered health system.

Working at the national, state and community level for over 35 years



COVERAGE



HEALTH CARE
VALUE

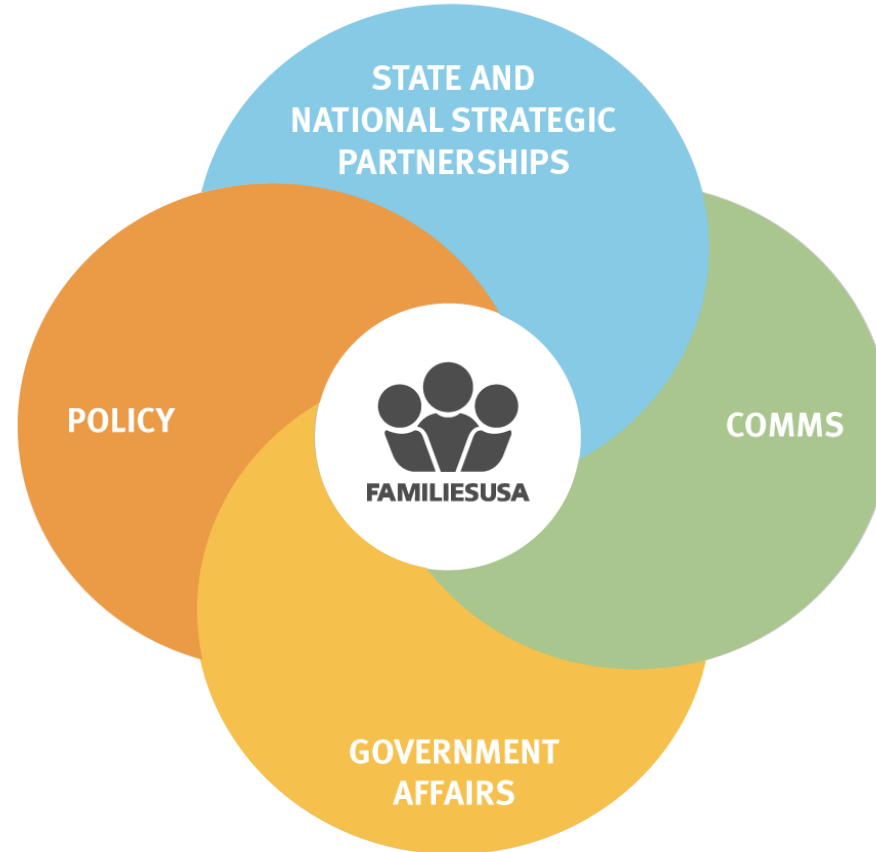


HEALTH EQUITY

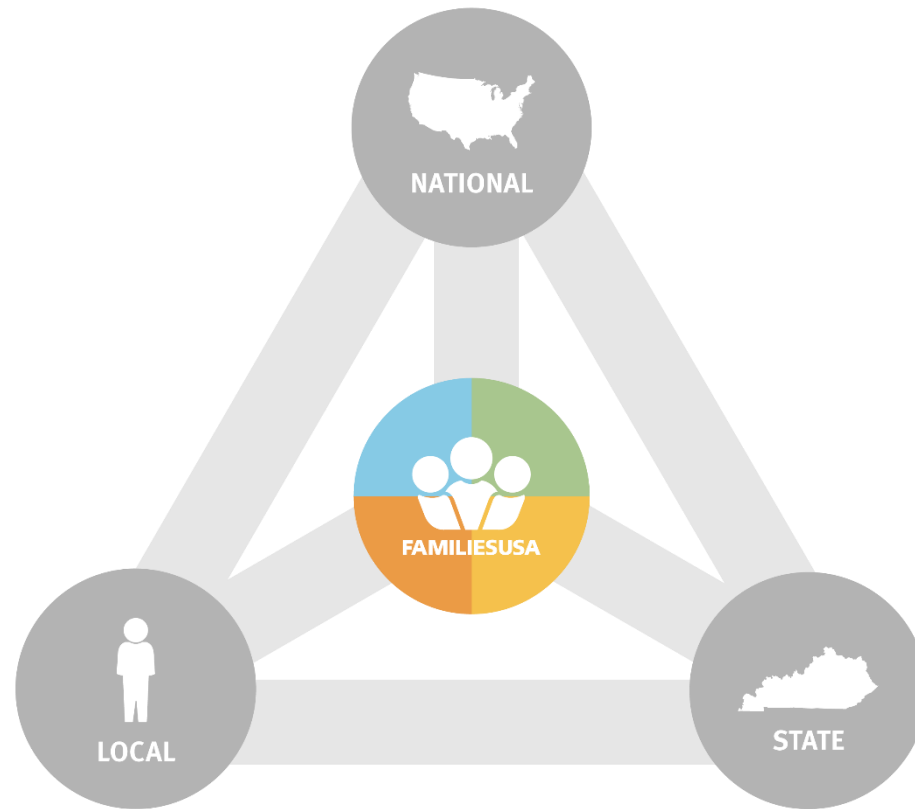


CONSUMER
ENGAGEMENT

Families USA's Core Capabilities



Families USA's Work on the National, State and Local Levels



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Health Care As a Rapidly Evolving National Movement...

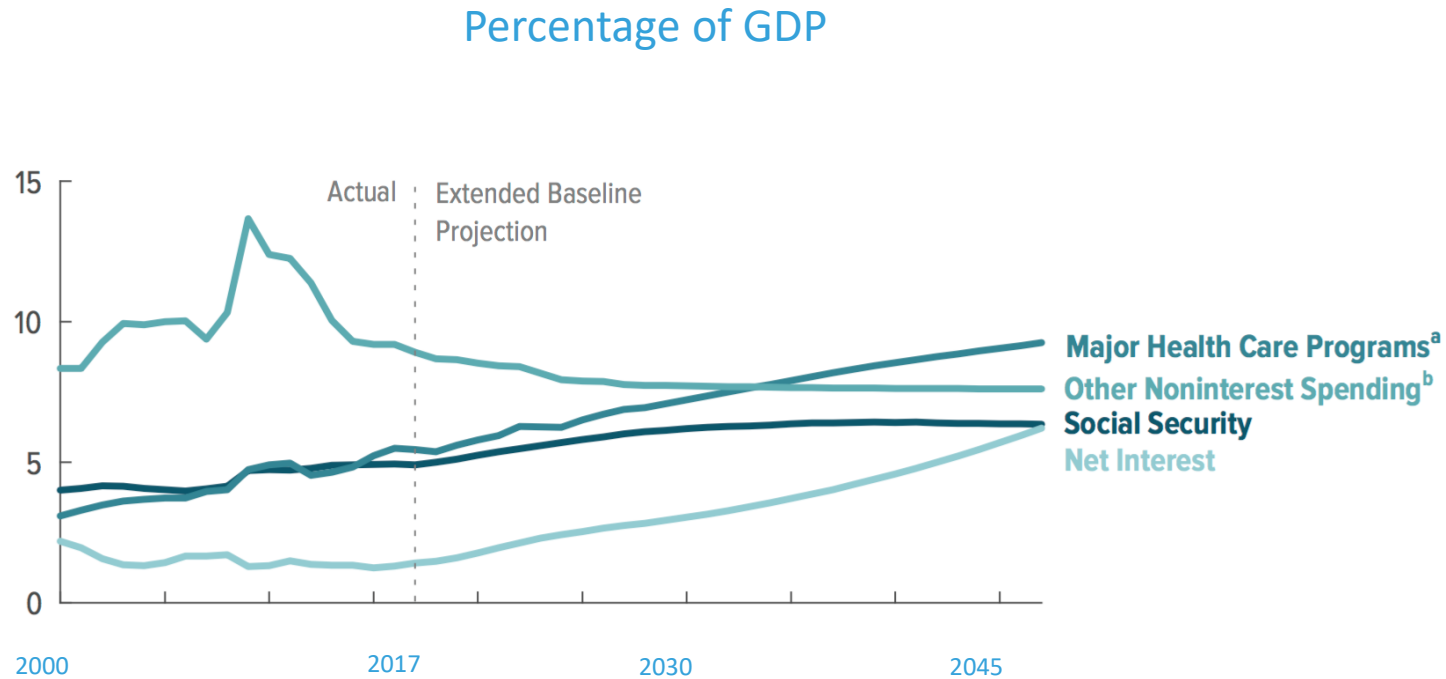


Increasing Health Care Costs: The Greatest Threat to Coverage and Access

A Movement is Building Around Health Care Cost: It is too expensive and of low quality

- 44 percent of public didn't go see a doctor when they needed to because of cost (NORC)
- 30 percent report medical care interferes with their basic needs (food, housing, heat, etc.) (NORC)
- 74 percent of the public feel that we do not get good value from the U.S. health care system (NORC)
- 78 percent of Americans think the government should help make sure everyone has access to affordable, quality health care (Consumers Reports)
- In the 2018 Election, 40 percent of voters selected health care as their most important issue (CNN/NBC poll)

Federal Health Care Spending to Consume Larger Portion of Federal Resources



Source: Congressional Budget Office, 2017 Long Term Budget Outlook.

The extended baseline generally reflects current law, following CBO's 10-year baseline budget projections through 2027 and then extending most of the concepts underlying those baseline projections for the rest of the long-term projection period.

GDP = gross domestic product.

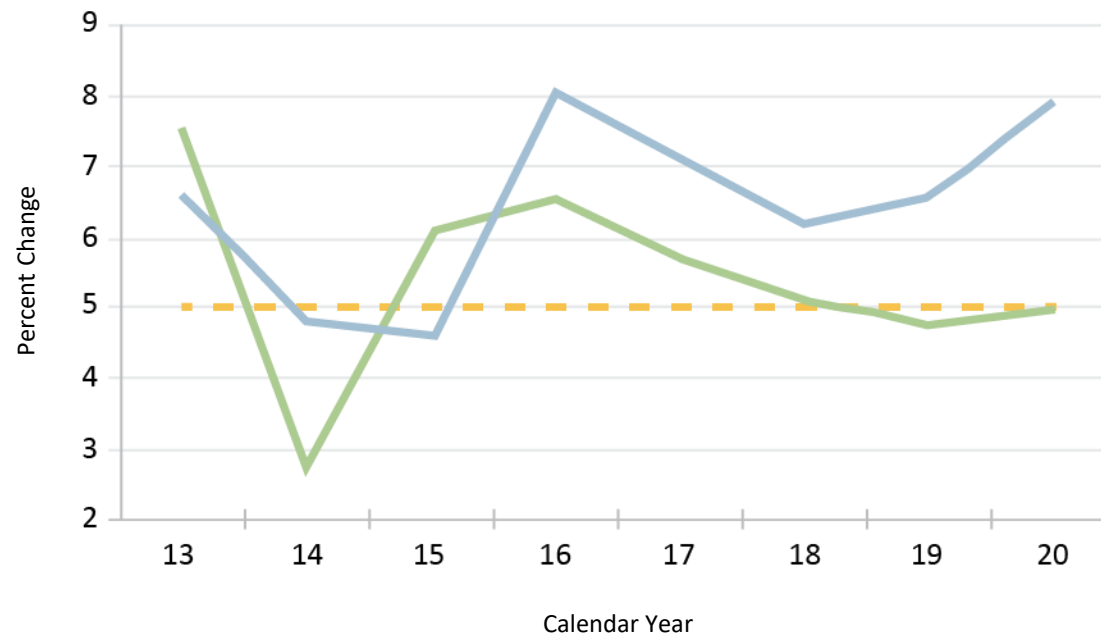
a. Consists of spending for Medicare (net of premiums and other offsetting receipts), Medicaid, and the Children's Health Insurance Program, as well as outlays to subsidize health insurance purchased through the marketplaces established under the Affordable Care Act and related spending.

b. Consists of all federal spending other than that for Social Security, the major health care programs, and net interest.



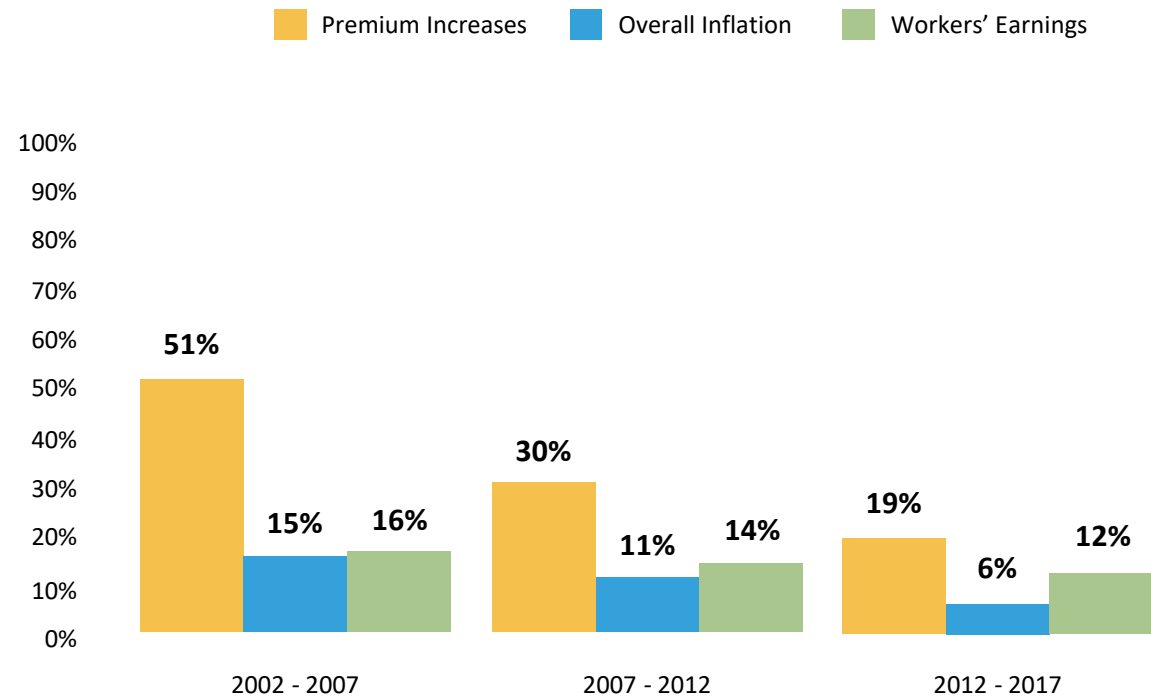
State's Face Similar Dilemma: Medicaid Spending Likely to Outpace Growth in State Tax Revenue

■ CMS state Medicaid spending forecast ■ Avg. state tax growth since 1986 ■ Moody's Analytics state tax revenue forecast



Family Premiums Increasing Faster than Pay or Inflation

Cumulative Premium Increases for Covered Workers with Family Coverage, 2002-2017



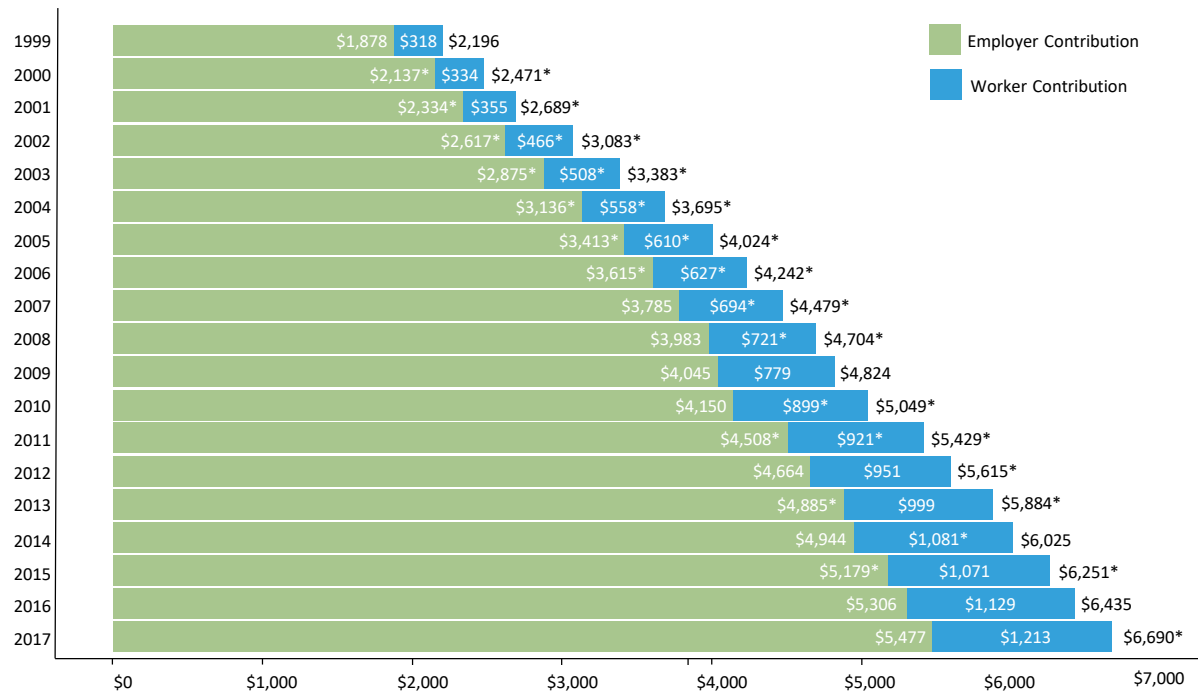
*Percentage change in family premium is statistically different from previous five year period shown ($p < .05$).

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2002-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City/Average of Annual Inflation (April to April), 2002-2017; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2002-2017 (April to April).



Businesses' and Employees' Income Being Consumed by Health Care Spending

Cost Tripling in 20 Years and Families' Cost Increasing Fastest



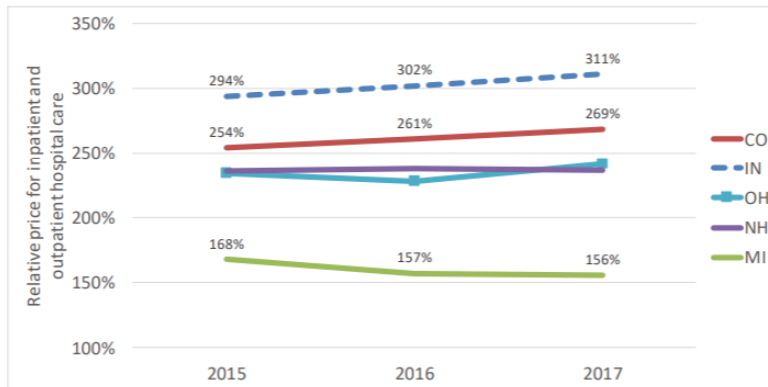
*Estimate is statistically different from estimate for the previous year shown (p < .05).
 Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017.



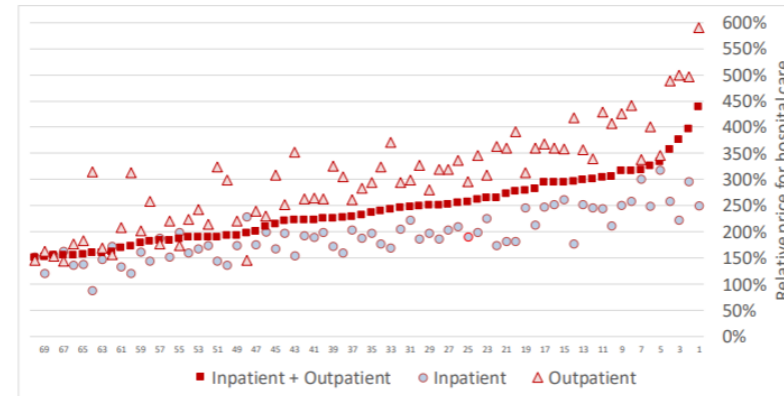
Increasing Health Care Costs: The Greatest Threat to Coverage and Access

Breaking News on Private Payments for Health Care

Trends in Relative Prices for Selected States, 2015–2017

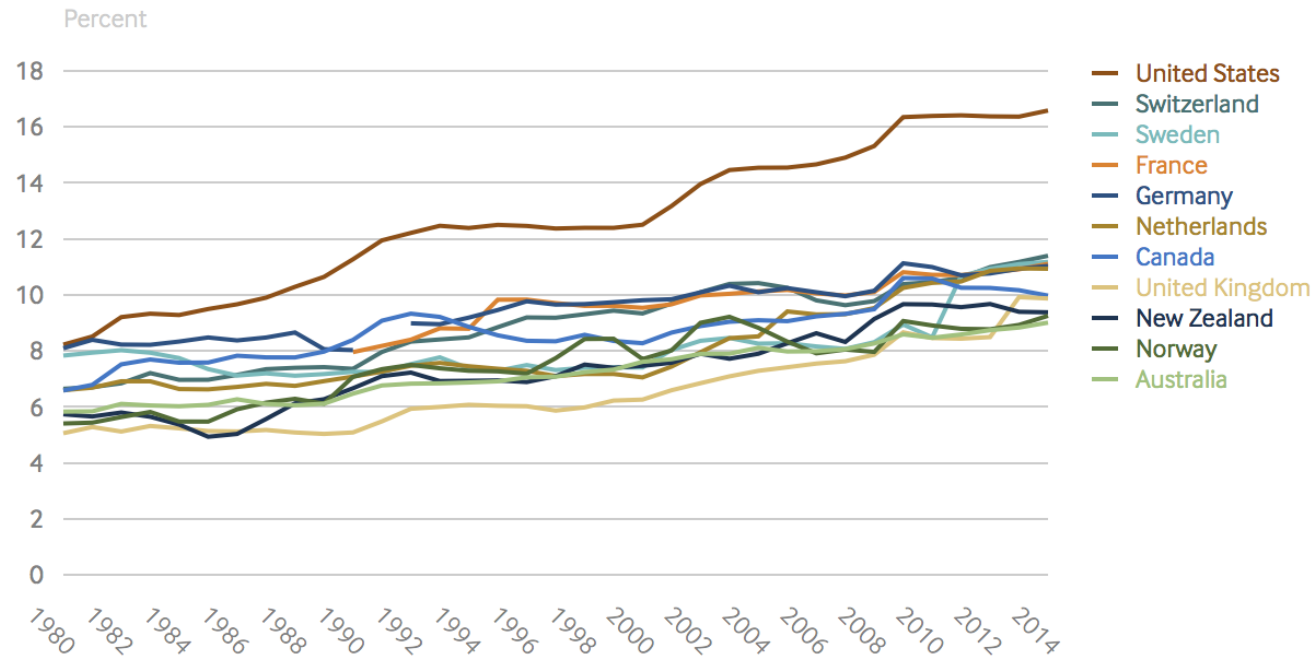


Relative Prices of Hospital Systems in 25 States, 2015–2017



U.S. Has Very High Relative Per Capita Spending

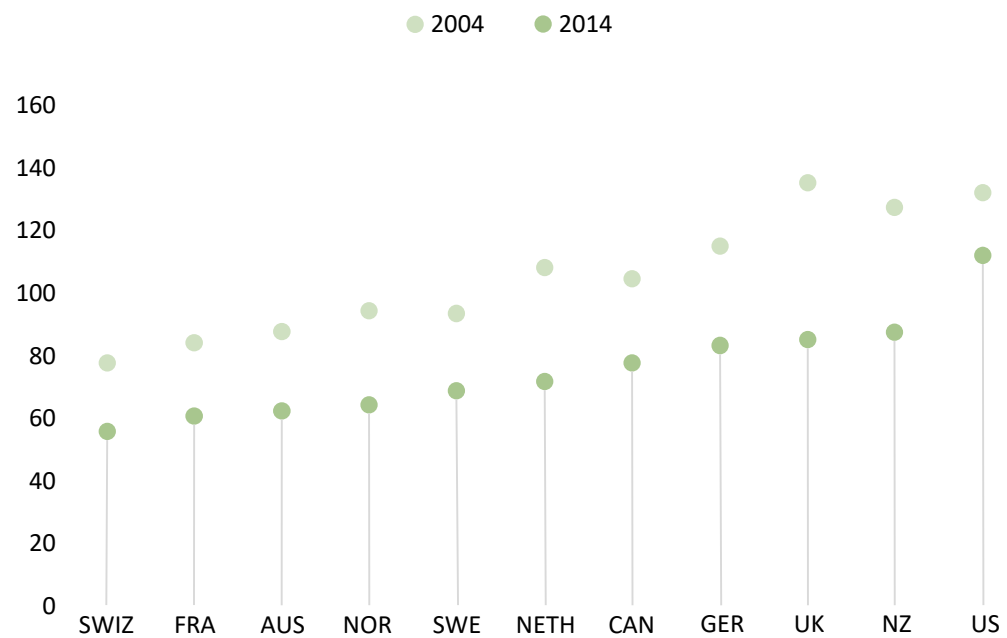
Health Care Spending as a Percentage of GDP, 1980–2014



Notes: GDP refers to gross domestic product. Source: OECD Health Data 2016. Data are for current spending only, and exclude spending on capital formation of health care providers.

For All of this Spending, Quality Lagging...

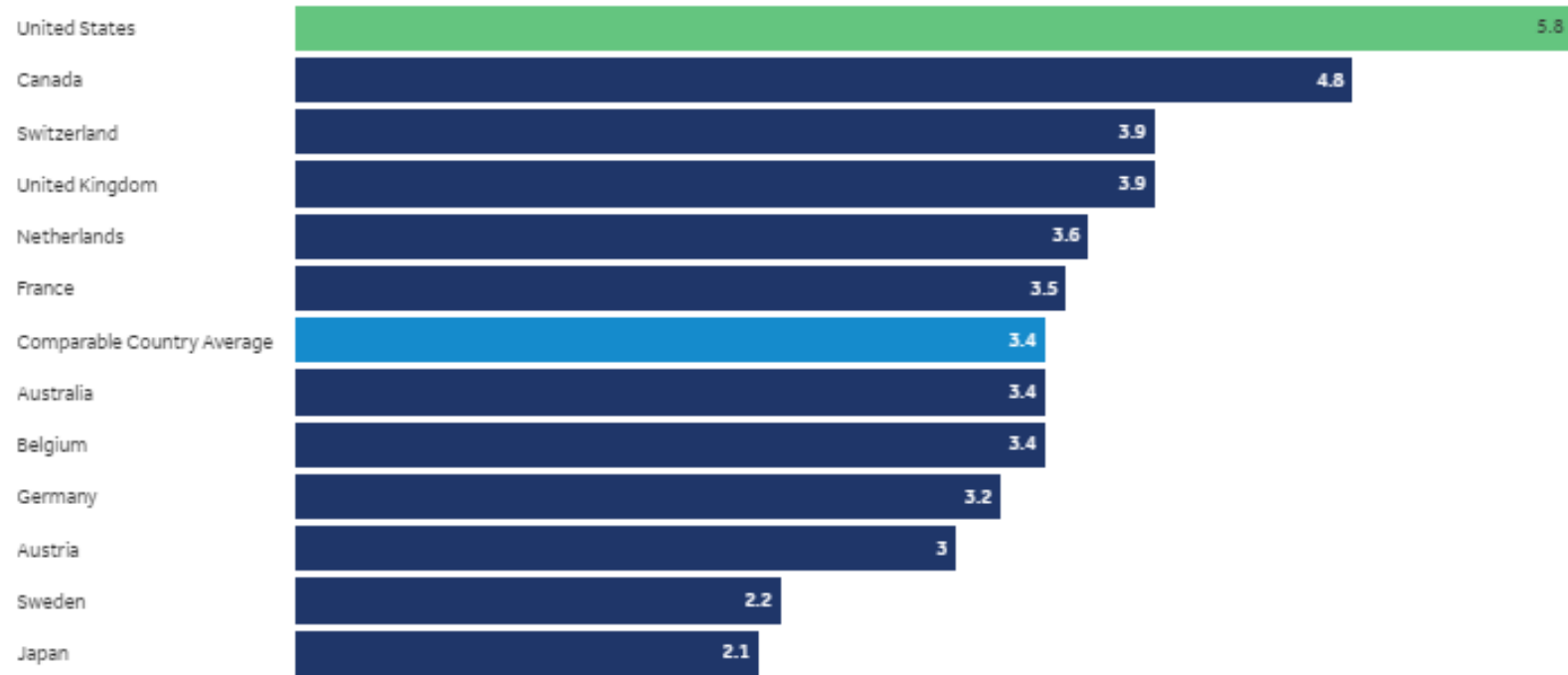
Mortality Amenable to Health Care, 2004 and 2014
Deaths per 100,000 population



For All of this Spending, Quality Lagging...

Infant mortality is higher in the U.S. than in comparable countries

Infant mortality per 1,000 live births, 2014



Comparable countries are defined as those with above median GDP and above median GDP per capita in at least one of the past 10 years. Canada data estimated from 2012.

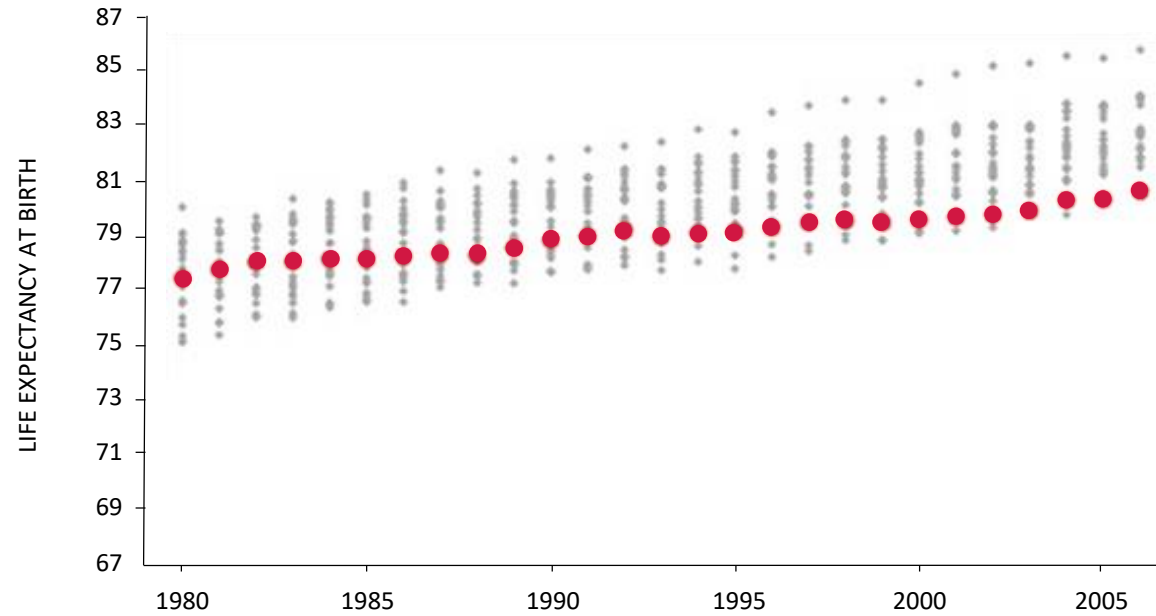
Source: Kaiser Family Foundation analysis of data from OECD (2017), "OECD Health Data: Health status: Health status indicators", OECD Health Statistics database. (Accessed on July 5, 2017) • [Get the data](#) • [PNG](#)

Peterson-Kaiser
Health System Tracker



For All of this Spending, Quality Lagging...

U.S. Female Life Expectancy at Birth Relative to 21 Other High-Income Countries 1980-2006



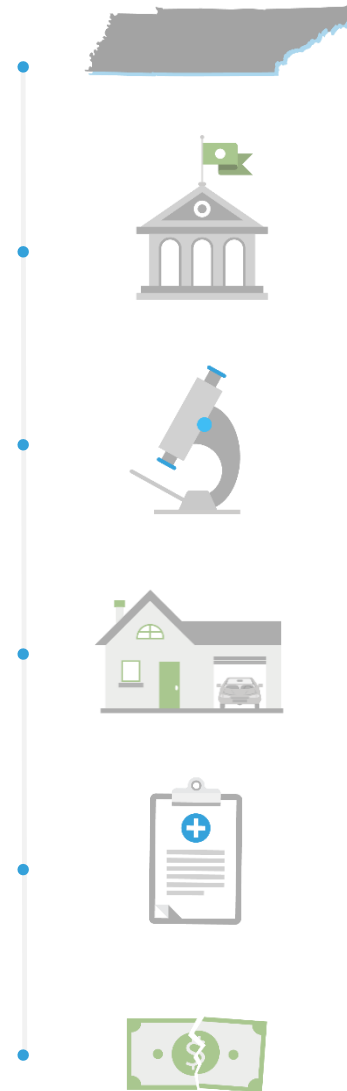
Notes: Red circles depict newborn life expectancy in the United States. Grey circles depict life expectancy values for Australia, Austria, Belgium, Canada, Denmark, Finland, France, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom and West Germany.

Source: National Research Council (2011, Figure 1-4).

Each of Our Futures Hangs in the Balance; Each of Us Could be Debra...



Debra



The Health Transformation Movement Presents a Critical Leverage Point for Equity



The Facts About Health Equity

The Data are clear. Good health and health care are not equally available to all in our nation, particularly, racial and ethnic minorities. For example:

- Cardiovascular disease is the leading cause of death in the United States. Non-Hispanic black adults are at least 50% more likely to die of heart disease or stroke prematurely (i.e., before age 75 years) than their non-Hispanic white counterparts¹
- The infant mortality rate for non-Hispanic blacks is more than double the rate for non-Hispanic whites¹
- Fewer than one-third of adults of color with a mental illness receive treatment, compared to half of White adults²

Health is not a Level-playing Field in the United States:

- Blacks experienced poorer health than Whites on 24 out of 29 measures
- Native Americans experienced poorer health on 20 measures
- Hispanics/Latinos experienced poorer health on 13 measures
- 9% of nonelderly adult Whites in the U.S. report being in fair or poor health, compared to 11% of Hispanics/Latinos, 15% of Blacks, and 17% of Native Americans.

What's at Stake

Cost of Health Inequities

- Moral Cost = 3.5 million lost life years.
- Health Care System Cost = \$93 billion.
- Economic Costs = \$135 billion.

Demographic Imperative

- 2011: Majority of births of color
- TODAY: Majority of kids under ten are of color
- 2020: 18 and under
- 2045: Entire nation

Sources: Compiled from the following sources: Ani Turner, The Business Case for Racial Equity: A Strategy for Growth (Battle Creek, MI: W.K. Kellogg Foundation, 2018) available online at <http://www.businesscaseforracialequity.org/>]; More than 200 black people die daily because of disparities. More than a 727 crashing every day. Source; David Williams, Why Discrimination is a Health Issue (Princeton, NJ: RWJF, 2017) available online at <https://www.rwjf.org/en/blog/2017/10/discrimination-is-a-health-issue.html>.]; "Minorities will be the source of all of the growth in the nation's youth and working age population, most of the growth in its voters, and much of the growth in its consumers and tax base as far into the future as we can see. " [Source: William Frey, The US will become 'minority white' in 2045, Census projects: Youthful minorities are the engine of future growth (Washington, DC: Brookings, 2018)]

Spectrum of Determinants of Health

Economic Stability	Neighborhood and Physical Environment	Education	Physical Sustenance	Community and Social Context	Health Care System
Employment Income Expenses Debt Medical Bills Support	Housing Transportation Safety Parks Playgrounds Walkability	Literacy Language Early Childhood Education Vocational Training Higher Education	Hunger Access to Healthy Option Clean Air Clean Water	Social Integration Support Systems Community Engagement Community Engagement	Health Coverage Provider Availability Provider Linguistic and Cultural Competency Quality of Care

Only responsible for 10-20% of health

DISCRIMINATION & BIAS

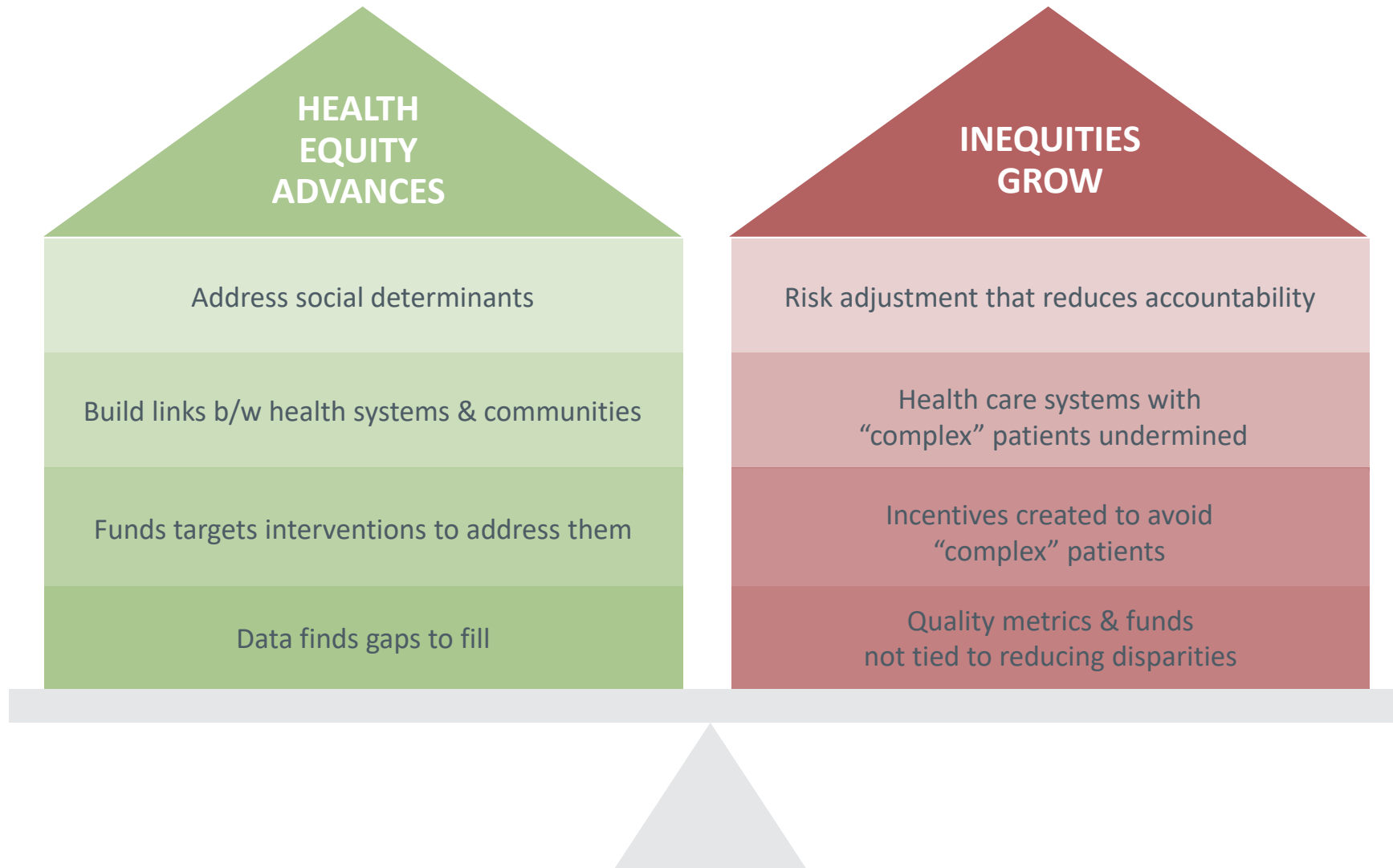
Health Outcomes

Mortality, Morbidity, Life Expectancy, Health Care Expenditures, Health Status, Functional Limitations

Divergent Paths: Help or Hurt?



Payment & Delivery Reform: Promise vs. Pitfalls



There are Powerful Interventions that We Know Can Change the System and our Society



Five Transformational Strategies that are Working

Empowering primary care providers

Behavioral health integration

Addressing drivers of emergency department utilization (and related reforms)

Evidence-based housing interventions for complex patient populations

Coordinating transitions in care

Five Transformational Strategies that are Working

Empowering primary care providers	Vermont Blueprint for Health Patient-Centered Medical Home shows significantly lower cost and cost growth over 6 years—saving over \$500 per person per year while also improving access to social services, access to chronic care management, and Medication Assisted Treatment for Opioid disorder.
Behavioral health integration	Collaborative Care Model—more than 70 randomized controlled trials have shown collaborative care for common mental disorders such as depression to be more effective and cost-effective than usual care, across diverse practice settings and patient. And both consumers and providers loved it.
Addressing drivers of emergency department utilization (and related reforms)	In first year of Washington State ER is for Emergencies program, Medicaid ED costs fell by nearly \$34 million through a reduction in ED visits. ED visits by Medicaid patients declined by nearly 10 percent, with rates of visits by high utilizers (5+ visits/year) declining by approximately 11 percent.
Evidence-based housing interventions for complex patient populations	2016 study of Housing-First intervention in Oregon demonstrated significantly improved access to primary care and self-reported health outcomes as well as \$8,724 per person savings to state Medicaid program
Coordinating transitions in care	North Carolina Community Care program, 1 readmission was averted for every 3 of the highest-risk patients, overall NCCC credited with a 9 percent savings to the Medicaid program (2009) and \$382 million savings to Medicaid from 2007-2010.

It's time for Consumers to Join Forces with Transformational Visionaries!



Together we will transform the workforce, guide, and employ the next generation of our nation!

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THANK YOU!

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