

# Transforming Health and Health Care: Focus on Florida

An AcademyHealth Symposium Exploring the Role of Health Services Research in State and Local Policy and Practice

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AcademyHealth

### Introduction

The U.S. health care system faces unprecedented challenges. America has the most advanced and innovative medical care system in the world, but the demand for health care and health care costs are skyrocketing. In 2010, national health expenditures—hospital care, physician and clinical services, dental care, retail sales of drugs, long-term care, etc.—grew 4 percent to \$2.6 trillion, or \$8,402 per person, accounting for 17.9 percent of gross domestic product. The ever-rising costs are making health insurance coverage increasingly unaffordable for employers and individuals, and escalating Medicare and Medicaid expenditures are becoming ever larger shares of federal and state budgets. As a result, curbing the growth in health care costs and ensuring that the highest value is obtained for health care dollars spent has become a major policy priority.

The United States spends 53 percent more *per capita* on health care than any other nation in the developed world, yet it lags behind many other industrialized countries in terms of health indicators such as life expectancy. According to the UnitedHealth Foundation ([www.americashealthrankings.org](http://www.americashealthrankings.org)), chronic diseases such as heart disease, stroke, lung disease, cancer, and diabetes—many of which are associated with obesity—are responsible for 7 of 10 deaths among Americans each year and account for 75 percent of the nation's health spending. Moreover, the U.S. health care system is starting to be hit with a tsunami of 78 million baby boomers, who are now entering their retirement years. An aging population and increase in the prevalence of chronic conditions will compound the strains on a health care system that is already struggling to provide affordable care.

The good news is that many leaders in the public and private sectors realize that the U.S. health care system is on an unsustainable path and are introducing innovations intended to deliver the best possible care, with the greatest value, and with the best outcomes. Many public and private health care purchasers are moving away from fee-for-service payment, which gives providers financial incentives to provide additional services, toward value-based purchasing and pay-for-performance initiatives. Innovations in the organization and delivery of care abound—ranging from the application of principles developed in manufacturing to improve processes and focusing on population health and wellness, to changes in health care payment and delivery authorized by the Affordable Care Act of 2010. Moreover, the Veterans Health Administration (VHA) and some state Medicaid programs are innovating in the area of long-term care.

### Overview of the Symposium

AcademyHealth is a national organization of health services and policy researchers whose vision is to improve health care and health by generating new knowledge and moving knowledge into action. Its three current areas of strategic focus are (1) delivery system transformation; (2) health care cost and value; and (3) public and population health. Recognizing the importance of local and regional action to transform care, AcademyHealth is partnering with leaders around the country to foster shared learning and exchange between actors in the local policy environments and delivery systems and researchers studying many of the challenges they face and evaluating innovations they are implementing.

On June 22, 2012, AcademyHealth convened a day-long invitational symposium, “Transforming Health and Health Care: Focus on Florida,” at the University of Central Florida’s (UCF) College of Medicine in Orlando, Florida, two days before the start of AcademyHealth’s 2012 Annual Research Meeting in the same city. The day-long symposium brought together national health policy and research experts with leaders and stakeholders in Florida with two major objectives:

1. To discuss what is being learned from research and innovation that can inform health policy and health care delivery in Florida and elsewhere
2. To encourage discussions and foster collaborations among health policy and services researchers and health care leaders and stakeholders to inform future policy and practice

Reflecting the growing importance of health services research in informing policy and practice at the state and local level, the symposium was made possible with the support of the Blue Cross Blue Shield of Florida Foundation (BCBSF Foundation), Nemours, UnitedHealth Group, the UCF College of Medicine, and the Winter Park Foundation.

Eighty-nine participants attended the June 22<sup>nd</sup> “Transforming Health and Health Care: Focus on Florida” symposium in Orlando. Keynote talks were given by Deborah German, M.D., the dean of the UCF College of Medicine, and Carolyn Clancy, director of the federal Agency for Healthcare Research and Quality (AHRQ) within the U.S. Department of Health and Human Services. In addition, five panels, each comprising speakers from inside and outside of Florida, stimulated discussion of the evidence pertaining to the following topics: (1) economic and clinical integration among

local health care providers; (2) initiatives by employers and health plans to promote wellness and drive value; (3) community-based innovations to promote prevention and population health; (4) transforming care via patient-centered medical homes (PCMHs), health information technologies, and efficiency-finding techniques; and (5) improving wellness and the continuum of care for an aging population.

Some of the key themes that emerged in the presentations and discussions at the symposium are summarized below. Appendices present the meeting agenda and a list of participants.

### Major Themes

Although participants at the “Transforming Health and Health Care: Focus on Florida” symposium provided insights into specific trends and innovations in Florida, a more general set of themes also emerged. Key themes resonating beyond the state of Florida included the following:

1. Diverse partnerships and collaborative efforts, including those involving researchers and practitioners, are essential in transforming the delivery of care.
2. Many uncertainties remain about how new financial and structural relationships among providers — especially between hospitals and physicians — will affect health care costs, quality, and access. Similarly, despite extensive activity, much remains to be learned about how the effectiveness of new models of care, especially patient-centered medical homes (PCMHs), will impact these various dimensions of care. New efforts to document innovations and measure their impact are key.
3. Wellness, prevention, health promotion, and the health of populations are increasingly the focus of stakeholders other than the traditional governmental public health community—including foundations, government payers, hospitals, employers, commercial health plans, and community-level collaborations involving health care providers and other stakeholders.
4. Tools originally developed outside the health care sector, most especially industrial efficiency-finding techniques and information technology, are increasingly being used to create more value for health and health care investments.

5. Innovative approaches are emerging for the financing and delivery of the continuum of care — including acute care, chronic care, long-term care, and end-of-life care — required by the aging U.S. population.

### Theme 1: The Importance of Collaboration in Transforming Health Systems

A resounding theme at “Transforming Health and Health Care: Focus on Florida” was the value of diverse partnerships in transforming health systems at the local, state, and national levels. The meeting also highlighted the value of collaboration between health services researchers and those on the “front lines” of the health care and public health systems.

In her opening remarks, Deborah German, underscored the importance of partnerships in UCF’s innovative approach to medical education. Her vision is for the brand-new, state-of-the-art UCF medical school in the emerging Medical City development at Lake Nona in Orlando, Florida, to anchor local efforts to transform health care in the Orlando region. The UCF College of Medicine, rather than being an “ivory tower” to educate new clinicians, is using its affiliations with 24 other organizations in central Florida to develop and introduce innovations in the provision of care throughout the area. The UCF medical school exposes all of its students to the research process in recognition of their future role in implementing the findings from such investigation. Local partnerships led to the development of the UCF medical school itself, and Dr. German believes that partnerships can make “magic” happen.

In her keynote address, Carolyn Clancy, director of the federal Agency for Healthcare Research and Quality (AHRQ) also stressed the role of partnerships involving health care providers, researchers, and policymakers in improving health care. She noted that the first-ever National Quality Strategy delivered to Congress in March 2011, is based on principles developed with input from a broad range of public and private health care stakeholders, including patients, provider organizations, employers, businesses, local communities, and government agencies.

The 2011 National Quality Strategy, which is expected to serve as an evolving blueprint for public and private entities engaged in transforming health care, calls for substantial changes in the U.S. health care system to promote three aims: Better Care, Healthy People/Healthy Communities, and Affordable Care (Figure 1). To advance these aims, the National Quality Strategy calls for an initial focus on six priority areas:

1. Making care safer by reducing harm caused in the delivery of care.
2. Ensuring that each person and family are engaged as partners in their care.
3. Promoting effective communication and coordination of care.
4. Promoting the most effective prevention and treatment practices for the leading causes of mortality, starting with cardiovascular disease.
5. Working with communities to promote wide use of best practices to enable healthy living.
6. Making quality care more affordable for individuals, families, employers, and governments by developing and spreading new health care delivery models.

Dr. Clancy underscored the value of collaboration between health services researchers and those on the “front lines” of the health care and public health systems, observing that health services researchers have much to learn from initiatives undertaken by employers, health plans, and health care providers. Moreover, health care purchasers and policymakers need access to the best research evidence about which reform initiatives work as intended and can be replicated so that money is not wasted on programs and services that are ineffective.

AHRQ’s ACTION (Accelerating Change and Transformation in Organizations and Networks) network involves 15 large partnerships and collaborating organizations in field-based research designed to promote innovation in health care delivery by accelerating the diffusion of research into practice. In addition, Dr. Clancy reported, AHRQ’s Health Care Innovations Exchange, created to speed the implementation of new and better ways of delivering health care and reducing health disparities, has received several submissions from entities in Florida.

Numerous other speakers at the Florida symposium reported that diverse collaborations of patients, health care providers, commercial health plans, employers, foundations, clinical and health services researchers, local community leaders and organizations, and state and federal agencies are collaborating on the development, implementation, and evaluation of innovations in health care payment and delivery. A few examples of the partnerships that were discussed are shown in Box 1.

### Theme 2: Uncertainties Surrounding New Models of Health Care

A second theme that emerged at “Transforming Health and Health Care: Focus on Florida” was the need for health services and policy researchers to continue to conduct research to resolve uncertainties about how major innovations in health care payment and delivery affect health care quality, costs, and access, and research. In particular, research is needed on (1) the vertical integration of hospitals and other health care providers; and (2) the patient-centered medical home (PCMH) model of primary care. While rigorous investigation to support causal inferences is important, provider and payer representatives at the meeting also called for better, and more practical, descriptive, and robust qualitative research to document current experiments/innovations. Participants stressed the

### Figure 1: National Quality Strategy: Three Broad Aims

Created Under the Affordable Care Act



#### Better Care

Improve the overall quality, by making health care more patient-centered, reliable, accessible and safe

#### Healthy People/ Healthy Communities

Improve the health of the U.S. population by supporting proven interventions to address behavioral, social and environmental determinants of health, in addition to delivering higher-quality care

#### Affordable Care

Reduce the cost of quality health care for individuals, families, employers and government.

[www.healthcare.gov/center/reports/quality03212011a.html](http://www.healthcare.gov/center/reports/quality03212011a.html)

## Box 1. Examples of Partnerships in Transforming Health Care

The importance of diverse partnerships and collaborative efforts, including between researchers and practitioners, in transforming the delivery of health care, was a recurring theme at the “Transforming Health and Health Care: Focus on Florida” symposium. Among the partnerships mentioned at the symposium were the following:

- Florida’s health care providers and patients are the beneficiaries of substantial federal investments under the American Recovery and Reinvestment Act of 2009. As of November 2011, investments in Florida under that act included \$5.3 billion extra investment in Medicaid; \$2,349.4 million for health information technology (a critical enabler of transformation); \$227.7 million in scientific research and facilities; \$88.6 million for the construction of community health centers; and \$5.7 million to support National Health Service Corps in shortage areas.
- The federal Center for Medicare & Medicaid Innovation (the CMS Innovation Center) is fostering care transformation by finding new ways to pay for and deliver care that improve care and population health outcomes while lowering costs, recently announced eight projects in Florida.
- Funded with \$60 million of city, state, federal, and private funds, New York City’s Primary Care Information Project (PCIP) is using electronic health records and other health information technology to improve the delivery of clinical preventive services and population health in disadvantaged city neighborhoods.
- The health plan Florida Blue is working with employers in Florida to develop wellness initiatives. Florida Blue retail centers being opened across the state now not only sell health insurance but also provide biometric screening, care navigation services, health coaching, and wellness programs for large employers, small employers, and even individuals.
- The BCBSF Foundation is working with researchers and reaching out to local communities in its Embrace a Healthy Florida initiative to help prevent childhood obesity.
- Nemours is partnering with Winter Park Health Foundation on establishing healthy habits early in life. They are working to spread science informed healthy eating and physical activity in child care centers through a variety of tools and on-the-ground technical assistance including train-the-training workshops. This work serves to integrate two different sectors, health care and early childhood education, to change child care environments to focus on health and well-being.
- The Adventist Health System’s flagship hospital—Florida Hospital—is partnering with the Primary Care Access Network (PCAN) supported by Orange County government to improve population health by giving all uninsured and underinsured residents in the county access to health care through medical homes. Florida Hospital and others in central Florida are partnering with Bithlo, an impoverished, neglected community on the east side of Orange County, to identify and address the health needs of the population.
- In October 2008, Walt Disney Parks and Resorts opened an onsite health and wellness center for Disney World’s employees and their dependents in Orlando, Florida. The center is operated by Take Care Health Systems (the company that runs pharmacy-based clinics throughout the country for Walgreens) in collaboration with Cigna, Quest Diagnostics, and Orlando Behavioral Health.
- The Villages, a private development in central Florida for active, healthy retirees that is expected to have 120,000 residents, is developing wellness strategies for its residents in collaboration with researchers from the University of South Florida.
- The Veterans Health Administration (VHA) is encouraging local VHA facilities to partner with national, state, and local community service agencies to meet military veterans’ needs for long-term care.

value of timely, easy, searchable access to information that emphasizes the facts of what is occurring in various settings and what is being learned in these settings, even if that information is not based on the more traditional academic and hypothesis-testing approach favored by researchers and the major funders of research.

### ***Uncertainties About the Vertical Integration of Health Care***

**Providers.** In recent years, there has been a marked increase in vertical consolidation arrangements involving health care providers such as hospitals and physicians. This trend has been manifested in the form of increasing hospital ownership of physician practices and/or employment of physicians in response to market forces, as well in the creation of accountable care organizations (ACOs), including Medicare ACOs authorized by the Affordable Care Act of 2010.

The vertical integration of health care providers has implications for ownership, governance, and who bears risk. It also affects market dynamics and who has power in the health care market, thereby affecting access to and cost of care. The health market in Orlando, Florida, is currently dominated by two large, integrated health systems: the

Adventist Health System/Florida Hospital Healthcare System and Orlando Health. Vertical integration among health care providers in Florida is occurring in response to several market forces, and negotiations between integrated health systems and health plans throughout Florida are extremely intense and expected to remain that way.

Although economic theory predicts a range of causes and effects of the vertical consolidation arrangements involving hospitals and physicians, there is little empirical information about how such integration affects health care quality, costs, prices, and access. According to economic theory, vertical consolidation arrangements have the potential to improve efficiency and quality of care, but they also have the potential to harm competition and consumers by increasing prices. One thing that differentiates the vertical integration of hospitals and physicians today from the vertical integration that occurred in the 1990s is that this is a period of intense payment innovation. Another thing that differentiates vertical integration today is the growing use of electronic health records (EHRs) and interoperable health information technology.

In part because conducting studies of the effects of vertical integration is quite challenging, few studies have been performed to-date. One speaker at the symposium discussed a study based on 2010 data from the 12 nationally representative, large metropolitan communities in the ongoing Community Tracking Study by the Center for Studying Health System Change.<sup>1</sup> The study suggests that dominant integrated hospital systems are gaining leverage in their negotiations with health plans and that their growing clout has the potential to increase health care costs and premiums; however, the causes and effects of the vertical consolidation of hospitals and physicians seem to vary within and across metropolitan areas.

### ***Uncertainties About Patient-Centered Medical Homes (PCMHs).***

Many health care purchasers, third-party payers, physicians, and patient-advocacy groups are enthusiastic about the potential of the PCMH model of primary care, which emphasizes team-based, care coordination, and arranging for appropriate care from other qualified providers as needed. PCMHs are one tool by which Medicare ACOs hope to achieve the goal of coordinating across the entire continuum of care. Ultimately, proponents of the PCMH model hope that such coordination can both improve health care outcomes and lower health care costs, especially for patients with chronic conditions.

One speaker at the Florida symposium reported on a review of the evidence on PCMHs published by AHRQ in February 2012.<sup>2</sup> That review found that the evidence base regarding the effects of PCMH model on health care outcomes (including patient experiences) and costs is very weak, in part because of a the lack of consensus on the definition of a PCMH or the key components that are needed to achieve desired outcomes. There is some evidence that PCMHs improve the patient and family's experience of care, but most PCMH evaluations are inconclusive with respect to impacts related to quality, costs, and professional experience. Moreover, there is an incomplete understanding of how the PCMH model affects the overall need for primary care and other providers either at the national level, in specific geographic areas, or among particular patient populations.

Another symposium speaker's report on the experience of one community health center participating in the Primary Care Access Network (PCAN) funded by Orange County suggests the subtleties and practical realities of making the PCMH model work for all populations (Box 2). These complexities and the incomplete current evidence base underscore the need for ongoing monitoring and evaluation of the PCMH model to understand if and how it can best achieve its intended goals.

### **Box 2. The Challenges of Making the PCMH Model Work**

Community Health Centers, Inc., is a safety net provider that operates 12 neighborhood clinics in Florida's Orange and Lake Counties for more than 50,000 poor and uninsured patients. More than 25 percent of its patients do not speak English, do not understand the U.S. health care system, and tend to be self-reliant.

Community Health Centers belongs to a collaborative of safety net providers known as the Primary Care Access Network (PCAN) funded by Orange County whose mission is to find a medical home and provide health care for all of the uninsured and underinsured people in the county.

Barbara Snell, the president and CEO of Community Health Centers, says that being a PCMH fits in with what Community Health Centers wants to do; however, many clients will not take advantage of the PCMH because it takes too much paperwork to enroll or because they are distrustful of "care management services."

### **Theme 3: New Interest in Wellness, Prevention, and the Health of Populations**

A third theme that emerged at "Transforming Health and Health Care: Focus on Florida" was that employers, health plans, foundations, hospitals, and other entities are launching new initiatives related to wellness, disease prevention, health promotion, and the health of populations (as opposed to individual patients). Although such initiatives have traditionally been under the purview of the governmental public health community, a 2012 Institute of Medicine study entitled "The Integration of Public Health and Primary Care" reported that the separation between primary health care providers and public health professionals is impeding success in ensuring the health of populations. The experiences discussed at the Orlando symposium suggest growing collaborations between public health organizations and the health care system.

***Interest Among Foundations.*** Foundations such as Nemours and the BCBSF Foundation are among the entities spearheading initiatives related to preventing obesity. Nemours is one of the largest nonprofit organizations devoted to children's health and health care in the United States. It operates the Alfred I. duPont Hospital for Children, outpatient facilities in the Delaware Valley moreover, specialty care services in northern/central Florida and is building a state-of-the-art Children's Hospital in the Medical City at Lake Nona in Orlando. Nemours describes itself as engaging in prevention, research, education, advocacy, and family-centered care to "fulfill the promise of a healthier tomorrow for all children," even those to whom they do not provide direct care. Its concept is "360 degrees of health promotion" that involves getting every part of where a child lives, works, or plays — the family, schools, the built environment, primary care, child care, and youth services — focused on children's health.

To spread policy and practice changes related to its childhood obesity prevention initiative in Delaware, Nemours plans to rely on a population health-focused model, social marketing, strategic partnerships, and the “5-2-1-Almost None” prescription that encourages at least five servings of fruits and vegetables per day, no more than two hours in front of a screen, at least one hour of physical activity, and almost no sugary drinks. In Florida, one out of every three children is overweight or obese, and among low-income and minority children, the proportion is higher. Nemours is also focused on obesity prevention in Florida, where it works in partnership with the Coalition to Reduce Child Obesity in Central Florida Kids (ROCK), the BCBSF Foundation, Winter Park Health Foundation and other community partners.

For its part, the BCBSF Foundation’s Embrace a Healthy Florida initiative complements the research it funds on childhood obesity with \$6 million grants to six distinct Florida communities for interventions to prevent childhood obesity. In each of these communities, the foundation has funded a coalition of leaders including teachers, doctors, and lawyers to develop a community plan identifying specific actions. To help assure the ability of each community to implement its plan, the BCBSF Foundation has also provided capacity-building grants to each locale. Both the BCBSF Foundation and Nemours noted their emphases on measuring outcomes and evaluating the interventions they are funding.

**Interest Among Government Agencies.** One speaker at the Florida symposium reported on the Centers for Disease Control and Prevention’s (CDC) new Office of Prevention Through Healthcare in CDC’s Office of the Associate Director for Policy. This new office, which is the brainchild of CDC’s Director Thomas Frieden, is supporting initiatives to infuse prevention into the clinical dimensions of the health system and to integrate the clinical and public health services. As an example, the new office sponsored a 2012 Institute of Medicine study on this subject. CDC’s Office of Prevention Through Healthcare is also providing not-for-profit hospitals with guidance on the new requirement in the U.S. tax code—namely, section 501(r) of the tax code—that requires each not-for-profit hospital seeking to qualify for federal tax exemption to conduct a community health needs assessment every three years and report benefit to the community in meeting those needs.

### **Interest Among Employers and Commercial Health Plans.**

Employers across the United States are increasingly investing in health promotion and disease prevention initiatives for employees. Such initiatives run the gamut from advising employees to “take the stairs” to comprehensive population health programs. Two large employers that gave presentations at the Florida symposium were Walt Disney Parks and Resorts and Target.

In October 2008, Walt Disney Parks and Resorts, a major employer in Florida, opened a 15,000 square-foot onsite health and wellness center in Orlando for Disney World employees and their dependents. The center is operated by Take Care Health Systems (the company that runs pharmacy-based clinics throughout the country for Walgreens) in collaboration with Cigna, Quest Diagnostics, and Orlando Behavioral Health. It offers primary care, pharmacy, lab and basic radiology services, has condition management nurses, health/wellness nurse educators, and behavioral health counselors and is open 365 days a year. The Accreditation Association for Ambulatory Health Care designated Disney’s health and wellness center as a PCMH in October 2011, and the hope is that the PCMH can be leveraged to drive improvements in population health and reduce medical expenditures on chronic conditions such as diabetes and heart-related conditions.

Another large employer that is committed to the health and well-being of its employees is Target. Unlike Disney, Target is a nationwide employer with 1,752 stores across the United States (in every state but Vermont) with 39 distribution centers, 9 headquarter locations, and 29 international locations. Target’s leaders believe that employees who are happy at work have reduced absenteeism and do a better job of serving customers. For that reason, Target has made the health and well-being of its employees across the country a top priority. Target’s goals are “to reduce health care costs for [employees] and for Target” and “to improve [employee] health and productivity.” Target’s strategy for achieving these goals is to create a corporate culture of wellness and well-being that meets the needs of diverse employees and includes primary prevention for healthy people, secondary prevention to slow the progression of diagnosed disease, and tertiary prevention to help people manage complicated, long-term chronic conditions. Beyond offering a variety of health benefits, the company is implementing policy and environmental changes that make improving health the default option. The company also gives 5 percent—about \$3 million—of its income to local communities each week.

Mark Fendrick, from the University of Michigan’s Center for Value-Based Insurance Design discussed the potential synergies between employee wellness programs and value-based insurance design. Dr. Fendrick’s review of the national experience to date suggests that employers should offer benefits that encourage employees to use preventive and other services with the greatest value and adopt a combination of carrots and sticks to get employees to make desired behavioral changes. In addressing employers’ desire for a return on their investments in employee health initiatives, Dr. Fendrick suggested that employers should take into account the benefits of having a healthier workforce above and beyond any immediate health care savings.

The health plan Florida Blue considers consumer engagement and wellness as two of its biggest opportunities going forward. With a new mission of helping people and communities achieve better health, Florida Blue is working with large, medium-sized, and small employers across the state to develop wellness initiatives. Moreover, the carrier's growing chain of retail "store fronts" through Florida not only sell health insurance but also provide biometric screening, care navigation services, health coaching, and wellness programs for the insureds they serve in both the employer and individual markets.

***Interest Among Community-Level Collaborations Involving Health Care Providers.*** Several speakers at the Florida symposium described community-level collaborations involving hospitals and other health care providers in improving health at the local community level. The U.S. tax code now requires each hospital seeking to qualify for federal tax exemption to conduct a community health needs assessment every three years and report benefit to the community in meeting those needs. This new requirement has given the Adventist Health System and Florida Hospital a nudge to augment their community-level population health initiatives. Adventist Health System's flagship hospital—Florida Hospital—is partnering with the Primary Care Access Network (PCAN) supported by Orange County government to improve population health by giving all uninsured and underinsured residents in the county access to health care through medical homes. Florida Hospital and others in central Florida are also partnering with Bithlo, an impoverished, neglected community on the east side of Orange County, to identify and address the health needs of the population.

A prime example of the increasing role of primary care providers in meeting not only preventive and population health goals but also in carrying out some traditional public health functions that was discussed at the Florida symposium is the Primary Care Information Project (PCIP) in New York City. The PCIP, funded with \$60 million of city, state, federal, and private funds, has helped more than 7,000 primary care providers in 662 practices in communities where health disparities are greatest—East and Central Harlem, the South Bronx, and Central Brooklyn—adopt and use electronic health records (EHRs) linked to a common data hub. The PCIP gives primary care providers confidential monthly feedback on key measurement areas to increase the use of key clinical preventive services known to reduce death and illness. In addition, the PCIP has developed a community-based, health information network that links data from the 7,000 primary care providers, 52 community health centers, and 8 hospitals for about 2.5 million New York City residents, and 400,000 encounters per

month. This makes it possible to use aggregated data from EHRs to monitor population health trends in chronic conditions, as well as disease outbreaks.

### **Theme 4: The Emergence of Tools from Outside of Health Care**

A fourth theme that emerged at the June 22<sup>nd</sup> symposium in Florida was the application by health care providers and others of tools borrowed from industries beyond health care—including the use of efficiency-finding techniques adopted from the manufacturing sector and the application of information technology—to improve health care and health.

***Applying "Lean Methodology" to Eliminate Waste in Health Care.*** Hospitals and other health care institutions have realized significant savings and improved quality of care by using a process originally developed for manufacturing firms to identify waste and implement efficiencies. Denver Health—a safety net provider that includes a 477-bed hospital, 8 neighborhood primary care clinics and 13 school-based clinics, as well as 911 and a paramedic system—is one such institution. Denver Health began applying the Lean techniques developed by W. Edwards Deming in partnership with Toyota to eliminate eight types of waste (unused human talent, waiting time, inventory, transportation, defects, motion, overproduction, and processing waste) with seed money from AHRQ in 2006. It has since managed to save nearly \$165 million while improving the quality of care for patients.

***Using Electronic Information Technology to Improve Health Care Delivery.*** Dr. Clancy and many other speakers at the June 22<sup>nd</sup> symposium suggested that new information technology has enormous potential as an enabler of the transformation of health care at the local, state, and national levels. Drawing on her experience in Florida, Jeanette Schreiber, associate vice president for medical affairs and chief legal officer at the UCF College of Medicine, said that she believes health information technology is the bedrock for transforming health care—offering new possibilities for care coordination, measuring outcomes and comparative effectiveness, avoiding duplication, facilitating PCMHs and ACOs, supporting improvements in population health/public health, offering opportunities for new research/data mining, and engaging patients in taking responsibility for their own health.

Emerging health information technologies, including EHRs, and health information technology networks that facilitate the exchange of electronic patient information among providers, have demonstrated their ability to generate the evidence about the quality, safety, and value of health care required to transform

health care. Examples of initiatives involving the use of health information technology to improve health and health care that were reported on at the June 22<sup>nd</sup> symposium are cited in Box 3.

### Theme 5: Innovations in Care and Financing for an Aging Population

A fifth theme that emerged at “Transforming Health and Health Care: Focus on Florida” was the importance of innovations in payment and delivery to ensure the availability of the health and other supportive services needed by the growing population of people age 65+. A “silver tsunami” of 78 million baby boomers born between 1946 and 1964 has begun hitting the United States, and Florida will be one of the states most affected. Currently, most elders have relatively good health insurance, thanks to Medicare, but even well-insured elders spend on average \$5,000 a year out-of-pocket on medical care. Most Americans age 65+ live in urban settings, but the most vulnerable among them reside in rural settings. About half of expenditures for medical care occur in the last one-tenth of life, and many expenditures for frail elders are not covered by health insurance.

Innovations that work for young and/or relatively healthy populations will not meet all the needs of sicker, older populations that need a range of health and social services, including end-of-life care. Many states in the south, including Florida, will experience growth in the 85+ population of between 50 percent and 90 percent from 2010 to 2030. In the past several years, consumer demand has led to the proliferation of alternatives to nursing homes, including home- and community-based services and assisted living residences in communities. At the same time, efforts to reduce the length of time Medicare and other patients spend in hospitals have led to the proliferation of skilled nursing homes to care for patients at the time of their discharge, and nursing homes are increasingly starting to look like “mini-hospitals.” The lack of integration and coordination of care provided in different settings remains a serious problem.

As the U.S. population ages, the demand for acute and chronic disease management, long-term care services for frail elders with debilitating, terminal conditions such as dementia, emphysema, cancer, or heart failure, and end-of-life care will increase. Speakers at the Florida symposium reported that the VHA and Florida Medicaid program are introducing innovations in health care delivery and payment to provide a full continuum of health care and supportive services for the aging population.

**Integrated Services for Elderly Veterans in Florida.** The Veterans Integrated Service Network 8 (VISN 8)—the VA Sunshine Health Network—serves 1.6 million veterans in Florida, south Georgia, Puerto Rico, and the Caribbean, and more than 700,000 of them

### Box 3. Examples of the Use of Health Information Technology in Transforming Health Care

- The Veterans Health Administration (VHA), a part of the U.S. Department of Veterans Affairs, has many years of experience in using a robust EHR and considers it essential to managing health care and improving health care quality. The VHA also has a very successful telehealth program for rural and other veterans and wants its telehealth network to reach 50 percent of enrolled veterans across the country by some form of telehealth or secure messaging (email) by 2014.
- One state at the forefront of the use of health information technology to improve health and health care is New York.
  - New York City’s Primary Care Information Project (PCIP) is using innovative health information technology to improve the delivery of clinical preventive services and improve population health in the city’s disadvantaged communities, as well as to monitor trends in chronic diseases and to perform “syndromic surveillance.”
  - The New York State government is developing a common Statewide Health Information Network for New York (SHIN-NY), which will involve several Regional Health Information Organizations (RHIOs) and will enable interoperable health information exchange among physicians, hospitals, long-term care and home care providers, patients, insurers, health care purchasers, and government agencies.
- According to several speakers at the symposium, the adoption and use of health information technology is also gaining ground in Florida.
  - Four federally funded Health Information Technology Regional Extension Centers are providing vendor-neutral support to help primary care physicians in Florida qualify for supplemental Medicare and Medicaid payments for their “meaningful use” of EHRs: (1) The Center for the Advancement of Health IT; (2) PaperFree Florida; (3) the UCF College of Medicine Regional Extension Center; and (4) the South Florida Regional Extension Center.
  - The Villages, a large, private development for active, healthy retirees located about an hour north of Orlando, is working with PaperFree Florida to deploy EHRs in its new medical home centers and is also working with the firm American Well to develop a highly accessible telemedicine network for its expected 120,000 residents.
  - Two Florida hospital systems, with early funding and support from the Winter Park Health Foundation, have pioneered the development of the Central Florida RHIO, which now collects data from primary care physicians, pharmacists, and hospitals. The RHIO is preparing to add safety net providers, beginning to work with health plans, and exploring linking with consumer portals, specialists, employer-operated clinics, etc. The RHIO is already resulting in less duplication of services (i.e., fewer lab and imaging tests). Moreover, the RHIO’s data repository will facilitate research and interventions pertaining to population and public health.

are age 65+. VISN 8 operates outpatient clinics, hospitals, medical centers, and long-term care facilities, and a new VA hospital is expected to open in the Medical City at Lake Nona in Orlando in 2014. The VHA and VISN 8 offer a range of institutional, noninstitutional, and other services (e.g., veteran directed home- and community-based services, home telehealth, medical foster home program, caregiver support, home-based primary care services in rural areas) to keep veterans as independent as possible and living in the community for as long as possible. In addition, the VHA is encouraging local facilities to partner with national, state, and local community service agencies to meet veterans' needs for long-term care.

***Managed Care Services for Elderly Medicaid Beneficiaries in Florida.*** Florida's Medicaid program serves 3.2 million people, including more than 530,000 beneficiaries age 60+ and more than 230,000 beneficiaries age 75+. Aged, blind, and disabled beneficiaries, who now constitute about 30 percent of the Florida Medicaid program's beneficiaries, account for about 60 percent of the program's expenditures. Medicaid pays for 59 percent of nursing facility days of care in the state. In 2010, Florida's legislature authorized a new Statewide Medicaid Managed Care Program. The long-term care component of the program is designed to coordinate fully integrated long-term health care and health care in different settings, implement innovations in reimbursement methodologies, and emphasize patient-centered care. Required services range from home-delivered meals and homemaker services to hospice care. The payment model is full-risk capitation, although some managed care plans can opt to receive fee-for-service payment in the early years of the program. The implementation of the long-term care component of Florida's Statewide Medicaid Managed Care Program will begin in August 2013 and continue through April 2014.

***A New Model of Integrated Health Care for a Planned Retirement Community.*** Florida's large population of older people also provides opportunities for innovative care delivery outside the Medicaid and Veterans' systems. One example is The Villages, a master-planned private development in central Florida with over 51,000 residents in 2010 and expected to grow to 120,000 active, healthy retirees. Its amenities include town squares, 170 retail stores, over 90 restaurants, 34 neighborhood recreation centers, 39 golf courses, 76 tennis courts, 60 swimming pools, and thousands of resident-organized clubs. The Villages is currently collaborating with the University of South Florida to design, build, and staff eight patient-centric, primary care, medical home centers for residents. PaperFree Florida in Tampa, a health information

Regional Extension Center, established with a \$5 million federal grant from the Office of the National Coordinator for Health Information Technology, is helping The Villages deploy EHRs in its eight medical home centers. The telehealth company American Well is working with The Villages to develop an integrated, highly accessible telemedicine network for residents. The plan is to offer residents of The Villages aggressive, patient-centered, health education, promotion, and wellness strategies that are designed in collaboration with residents. The combination of the EHR and collaboration with University of South Florida are expected to generate unique opportunities for clinical, population health, and health services research.

### Closing Observations

The value of diverse and collaborative efforts, including collaborations involving researchers and practitioners, in transforming health systems at the local, state, and national levels was made apparent at the June 22, 2012 symposium "Transforming Health and Health Care: Focus on Florida". Throughout the day, state and local practitioners from Florida were updated on the evidence base of what works, while researchers were exposed to some of the context, subtleties, and practical realities of trying to innovate at the point of service. According to the written evaluations of the meeting solicited from all participants, one of the greatest benefits of the symposium was the opportunity for researchers and practitioners to meet each other and interact. Moreover, AcademyHealth has received several requests to organize follow-on activities for researchers and practitioners to deepen the connections they made at the Florida symposium.

### About the Authors

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### About AcademyHealth

AcademyHealth is a leading national organization serving the fields of health services and policy research and the professionals who produce and use this important work. Together with our members, we offer programs and services that support the development and use of rigorous, relevant and timely evidence to increase the quality, accessibility, and value of health care, to reduce disparities, and to improve health. A trusted broker of information, AcademyHealth brings stakeholders together to address the current and future needs of an evolving health system, inform health policy, and translate evidence into action. For additional publications and resources, visit [www.academyhealth.org](http://www.academyhealth.org).

## Appendix A. Agenda for “Transforming Health and Health Care: Focus on Florida”

June 22, 2012

- 9:00—9:30 am      **Registration and Continental Breakfast**
- 9:30—10:00 am    **Welcome and Overview of UCF Medical School and the Lake Nona Medical City**
- Lisa Simpson, President and CEO, AcademyHealth
  - Deborah German, Vice President of Medical Affairs, and Dean of UCF College of Medicine
- 10:00—11:30 am   **Vertical Integration of the Provider Marketplace: Innovations in Organization and Payment Nationally and in Orlando**
- Moderator—Michael Gluck, AcademyHealth
  - Research Evidence on Costs, Quality, and Access—Deborah Haas-Wilson, Smith College
  - Provider versus Health Plan Power in the Local Marketplace—Tracy Yee, Center for Studying Health System Change
  - Local Trends—The Hospital/Health System Perspective—Kim Streit, Florida Hospital Association
  - Local Trends—Health Plan/Payer Perspective—Michael Garner, Florida Association of Health Plans
- 11:30—12:30 pm   **Employer and Health Plan Initiatives: Promoting Wellness and Driving Value**
- Moderator—Karen Van Caulil, Florida Health Care Coalition
  - What Does Research Tell Us About the Impact of Innovative Benefit Initiatives?—Mark Fendrick, University of Michigan
  - Wellness Initiatives: A National Employer’s Perspective—Cara McNulty, Target
  - Disney’s Employer Onsite Wellness Platform—Karl Miller, Disney
  - Health Plan Perspective –Jon Urbanek, Florida Blue
- 12:30—1:30 pm    **Lunch** (including 10 minute break)
- Carolyn Clancy, Director, U.S. Agency for Healthcare Research and Quality
- 1:30—3:00 pm     **Innovations in Prevention and Population Health: Partnerships to Transform Health in Communities**
- Moderator—Debbie Chang, Nemours
  - Federal Initiatives to Integrate Population Health and Health Care—Chesley Richards, U.S. Centers for Disease Control and Prevention
  - Partnering with Primary Care Providers to Use Electronic Health Records as a Tool for Population Health—Sarah Shih, New York City Department of Health and Mental Hygiene
  - Payers Partnering with Communities to Improve Health—Velma Monteiro-Tribble, Blue Cross Blue Shield of Florida Foundation
  - Innovative Public and Population Health Partnerships: Local Health System Perspective—Maureen Kersmarki, Adventist Health System
- 3:00—4:15 pm     **Transforming Care: What Are We Learning About Patient Centered Medical Homes, Health Information Technology and Finding Efficiencies?**
- Moderator—Lisa Simpson, President and CEO, AcademyHealth
  - Medical Home: Evidence on National Trends and Impact—Kelly Devers, Urban Institute
  - Application of Lean Techniques to Improve Value in Health Care—Edward Havranek, Denver Health
  - Innovations in Primary Care Delivery at an Orlando-Area Community Health Center—Barbara Snell, Community Health Centers Inc., a part of the Orange County Primary Care Access Network (PCAN)
  - HIT’s Role in Transforming Care in Florida—Jeanette Schreiber, UCF College of Medicine Regional Extension Center for Health IT

- 4:15—5:15 pm      **Facing the Silver Tsunami: Improving the Continuum of Care for Aging Populations**
- Moderator—R. Paul Duncan, University of Florida
  - A National Researcher’s Perspective on Long Term Care—Vince Mor, Brown University
  - Local Veterans Health Administration Perspective—Samer Z. Nasr, Veterans Health Administration
  - State Medicaid Perspective on Innovations in Financing Long-Term Care and Support Services—Beth Kidder, Florida Agency for Health Care Administration
  - New Approaches to Providing Retiree Health Care and Support Services: the University of South Florida/Villages Collaboration—Jay Wolfson, University of South Florida College of Public Health
- 5:15—5:30 pm      **Concluding Remarks**
- Lisa Simpson, AcademyHealth
- 5:30—6:30 pm      **Reception in the Medical Sciences Building Atrium**

### Endnotes

1. Berenson, R.A. et al. “The Growing Power of Some Providers to Win Steep Payment Increases From Insurers Suggests Policy Remedies May be Needed” Health Aff. 2012 May; 31(5): 973-81.
2. Peikes, D et al. Early Evidence on the Patient-Centered Medical Home. Princeton (NJ): Mathematica Policy Research; 2012 Feb. 50 p. AHRQ Publication No.: 12-0020-EF.

## Appendix B. Participants in “Transforming Health and Health Care: Focus on Florida”

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