Impact 2011

In 2011 the Pacific Business Group on Health made a significant difference in the lives of consumers throughout California and across the country as we began to realize our 2015 vision: A health care system transparent about the quality, cost and outcomes of care, where consumers are motivated to seek the right care at the right price and providers are incentivized to offer better quality, more affordable care. The following are a few examples of our impact in 2011.
Engaging Consumers

PBGH works to both inform and empower health care consumers by providing them with the information they need to choose the right care and treatment options. PBGH also partners with health care providers and plans to ensure care is patient-centered. In 2011, PBGH:

- Provided over 100,000 individuals with decision-support tools to choose the right health plan to best meet their needs.
- Collected performance information on over 15,000 physicians in California, the largest data collection effort of its kind, while also collecting feedback from over 60,000 California patients about their care.
- Provided federal Health and Human Services officials and state leaders with important information about how they can best support decision-making for the 24 million consumers who will be asked to select their health coverage through the new state insurance exchanges come 2014.
- Designed the first online resource where patients can choose a doctor based on both quality ratings and patient-generated reviews.

Paying for Value

PBGH works to ensure that a higher proportion of provider payments are based on quality and efficiency, in pursuit of our goal to bend the rising health care cost trend. In 2011, PBGH:

- Implemented a new model of care in Humboldt County, California, that will ultimately reduce health care costs 20 percent for participating patients with serious chronic conditions. Other regions will adopt the model.
- Designed a new health care benefits offering that allows consumers to choose among competing care systems based on cost and quality information so they can get high value care.
- PBGH’s partner organization, Catalyst for Payment Reform, created critical Requests for Information (RFIs) that employers and other purchasers can use to query health plans about their payment practices as well as a market assessment tool and model contract language. Taken together, these tools help employers work toward a health care system that pays for care based on value, not volume.

PBGH is a critical bridge between purchasers and consumers, recognizing their shared interests in high-quality and affordable health care, and fostering collaboration in the ongoing efforts to make meaningful cost and quality information available to all.

— Debra L. Ness, President, National Partnership for Women & Families
Redesigning Care Delivery

PBGH aims to improve the percentage of patients getting the right care, while reducing preventable hospital and ER admissions. When more patients get the right care, including preventive services, this also helps bend the health care cost trend. In 2011:

- The California Quality Collaborative, supported by PBGH, continued its march to reduce avoidable emergency room visits by 5 percent for one million California patients by 2014, and its work to reduce the cost of care by 15 percent for 50,000 medically complex patients by 2014.
- Under PBGH management, the California Joint Replacement Registry became the first of its kind to collect information on devices, surgical approaches and patient outcomes on joint replacement surgeries, helping measure and improve the effectiveness of costly joint replacements. More than 770,000 Americans who have hip and knee replacements each year.
- PBGH is supporting efforts in Shared Decision Making programs for patients with advanced osteoarthritis of the hip and knee. These cutting edge programs engage patients and providers, so they can work together to choose the right treatment option for the patient, based on the patient’s preferences.
- PBGH sponsored and advised the formation of the California Maternal Data Center, a cutting edge data project that will collect and deliver quality information about both babies and mothers to the physicians and hospitals who treat them. The data will help ensure appropriate use of costly and higher risk strategies like c-sections and early inductions, improving care quality and reducing costs. PBGH estimates that between $80 million and $441.5 million a year can be saved by reducing unwarranted c-section surgeries in California.

Advancing Value Based Policy

PBGH is a leading voice for large employers and other health care purchasers at the federal and state levels, working to ensure health care reform continues to be implemented in ways that enhance the quality and affordability of care for patients and purchasers. In 2011:

- PBGH and its members served as a valuable source of information for the Department of Health and Human Services as HHS grappled with the question of how to create insurance exchanges that work well for consumers and employers. PBGH helped HHS understand how to create exchanges that promote affordable and high quality care by publishing meaningful and useful information about health plans and their affiliated provider networks, providing tools for consumer decision making, and using proven value-based purchasing strategies. PBGH also shared insights with government and industry leaders in a wide variety of forums based on its past experience operating exchanges.
- The Consumer-Purchaser Disclosure Project, which is co-chaired by PBGH, continued to be a powerful voice for purchasers and consumers, rallying its members to support federal 2011 regulations designed to enhance the value of care and improve the health care experience for patients. The Consumer-Purchaser Disclosure Project had a major influence on key regulations, including Medicare’s Hospital Value-Based Purchasing program, and the release of Medicare data, by uniting a wide variety of purchaser, consumer and labor organizations across the country.

“Fantasy baseball managers have far more data to evaluate players for their teams than patients and referring doctors have in matters affecting life and death,” explains PBGH Medical Director Dr. Arnie Milstein, writing for the Wall Street Journal. PBGH advocated strongly for the release of Medicare data.
PBGH greatly appreciates the following organizations who have graciously supported the work of PBGH and our partner the California Quality Collaborative in 2011:

AARP
Aerojet
Aetna
Aetna Foundation
Anthem Blue Cross
Blue Shield of California
Boehringer Ingelheim
The California Endowment
The California HealthCare Foundation
The California Office of the Patient Advocate
Cigna
The Commonwealth Fund
Gordon and Betty Moore Foundation
Health Net of California
Kaiser Permanente
Merck
The National Quality Forum
Novo Nordisk
The Robert Wood Johnson Foundation
SCAN Health Plan
United Health Care
Varian Medical Systems
Western Health Advantage
And the Members of PBGH:
➤ AAA Northern California, Utah and Nevada Insurance Exchange
➤ Bechtel Corporation
➤ Boeing Company
➤ California Public Employees’ Retirement System
➤ Chevron Corporation
➤ Cisco Systems
➤ Clorox Company
➤ Del Monte Foods
➤ Disney Company
➤ General Electric Company
➤ Greenbrier Companies, Inc.
➤ Intel
➤ McKesson Corporation
➤ Pacific Gas and Electric Company
➤ Pitney Bowes
➤ Safeway Inc.
➤ Silicon Valley Employers Forum
➤ Southern California Edison
➤ Stanford University
➤ Target Corporation
➤ TriZetto Group
➤ Union Bank of California
➤ University of California
➤ Verizon Communications
➤ Wal-Mart Stores, Inc.
➤ Wells Fargo

About the Pacific Business Group on Health

Founded in 1989, Pacific Business Group on Health (PBGH) is one of the nation’s leading non-profit business coalitions focused on health care. We help leverage the power of our 50 large purchaser members who spend 12 billion dollars annually to provide health care coverage to more than 3 million employees, retirees and dependents in California alone. PBGH works on many fronts to improve the quality and affordability of health care, often in close partnership with health insurance plans, physician groups, consumer organizations, and others concerned about our health care system. To learn more please visit www.pbgh.org.