



Payment Reform: 10 Patient Principles

The Massachusetts Campaign for Better Care joins consumer groups who are working together for comprehensive health care delivery system reform. We believe that Massachusetts can improve the health and economic security of all residents by reforming the health care system to provide care that is affordable, cost-effective, coordinated, equitable and high-quality.

A critical tool for improving care is payment reform. Re-orienting the way doctors, hospitals, and other providers are paid can align incentives to promote patient-centered care that focuses on health and disease prevention, lowering health care costs.

Improved quality of care must be paired with cost growth containment. Payment methodologies should simplify the health system process, promote primary and preventive care, encourage collaboration among providers and between providers and consumers, and include accountability for patient health. Payment systems must also take into account the role of public health, and payment reform financing should not supplant public health programs and the state's commitment to financing them. We must be mindful of the particular requirements of those with special needs, people with disabilities and chronic illness, immigrants, the homeless, people with low and moderate income, seniors and children. MassHealth and Medicare should be included in an all-payer system.

We urge a comprehensive approach to improving our health care quality and controlling costs. Since the most robust and reliable factor in cost containment is having healthy residents, payment reforms should be coordinated with broad steps to promote prevention and wellness, especially for the most medically and socially vulnerable residents.

Our recommendations include:

1. Patient-Centered Care: Payment reform legislation should align incentives so that patients are at the center of our health care system. The payment system should support teams that can deliver culturally-competent, coordinated preventive and primary care that focuses on the patient's physical and behavioral health. The system should encourage development of a robust primary care workforce.

2. Protection of Vulnerable Consumers: Payment policies should take into account the higher costs incurred by patients who experience barriers to care due to socio-economic status, language and other social/cultural factors. Patients with high medical utilization should be protected by outlier payments. The unique role of safety-net and disproportionate-share institutions should be recognized by the payment system.

3. Consumer Voice: Individual health care consumers are the heart of the care system, and must have a strong voice in the design and governance of the payment reform structures. Consumers should be represented on any state implementation board, as well as in the governance of Accountable Care Organizations (ACOs) and/or other payment intermediaries.

4. Patient Activation and Empowerment: Patient activation and patient empowerment methods result in better health outcomes, reduced costs, reduced disparities, and better satisfaction with one's health care. Practitioners, Department of Public Health, patients and community agencies all have a role in developing a system that gives patients confidence and tools to navigate a new system.

5. Promotion of Public and Community Health: Payment reform must be accompanied by a renewed commitment to funding public and community health. DPH, local health boards, community groups, and community health workers play an integral role in supporting a global payment system oriented towards wellness and prevention. New resources should be added to current public health spending for payment reform to be successful.

6. Shared Savings: As cost growth is contained, premium payers must share in the savings. The legislation should provide explicit methods to assure that savings created by payment reform get passed on to consumers and other payers.

7. Patient Choice and Accessibility: The payment system should preserve patients' provider choice. Patients must have access to caregivers with linguistic and cultural capacity to provide effective care within their geographic area. Payment systems should promote patients' continuity of care with their providers. Patients should have access to clinical trials and medically necessary out-of-network care, including out-of-state providers.

8. Consumer Protections: Current protections provided by the Office of Patient Protection and other managed care regulations must be maintained and extended to encompass ACOs, patient-centered primary care homes, and other payment reform entities.

9. Transparency: Measures of care and incentives built into the payment system must be transparent, accessible, and understandable by patients. All legislation should provide for an open process that provides full disclosure and explanation of all payment methods.

10. Evaluation and Monitoring: Payment reform should include independent, meaningful and frequent monitoring and evaluation of the payment system transition, focusing on quality of care and improvement impact on health outcomes, including patient satisfaction, and quality of life. The evaluation should be public. The transition strategy should permit adjustments to be made as implementation proceeds.