IMPLEMENTING HEALTH REFORM

New Center to Be Launched

Next year, the federal government will launch the Center for Medicare and Medicaid Innovation, a new department to oversee the portfolio of payment pilot projects called for under the Affordable Care Act. As part of its charge, the innovation center will develop and evaluate pilot projects for new and old payment ideas that include accountable care organizations, patient-centered medical homes, bundled payments, and capitated payments. Officials at the new center, one of the Centers for Medicare and Medicaid Services (CMS), will be able to extend or expand projects that improve quality or cut costs.

Stuart Guterman, who studies payment policies for the Commonwealth Fund, explains the potential and the challenges for officials leading the new innovation center.

Ob.Gyn. News: Why did lawmakers create this innovation center as part of the Affordable Care Act? Is it necessary?

Mr. Guterman: I think it is necessary. I think, in fact, it may turn out to be one of the most important provisions in the law. It focuses the attention of the CMS, which runs the two biggest health programs in the country, on the notion of innovation. It emphasizes the need to try new approaches to both payment and delivery of health care to get out off the path that we're on, which is leading to ever-growing costs and more pressure on the health care system.

We already spend 50% more than any other country in the world on health care. Everybody points to the amount of waste in the system. But it's harder to identify ways of actually getting rid of it and making the health care system work better for people. That's what this innovation center was intended to do – to focus the attention of the federal government on that issue and to bring in the other parts of the health care sector to collaborate on better ways of providing care and better ways of paying for care.

Ob.Gyn. News: Some of the concepts – such as medical homes and capitated payments – have been tested before. What makes this effort different?

Mr. Guterman: Capitation was tried in the 1990s, but the world was a different place then. In the 1990s, we didn't have the kinds of measures of health system performance that we have now. Also, the notion of capitating payments so that you provided a strong incentive to reduce costs got separated from the notion of providing care in an effective, efficient way. So we started out with a managed care movement that was focused on providing coordinated care for patients and we ended up with a movement that was focused primarily on reducing the costs, sometimes in arbitrary ways. Today, I think we have the tools to avoid going off that track. We may not get all the way to capitation, but there are bundled payments and other strategies that get us away from fee for service.

In terms of the medical home, models are being tested by various private payers, Medicare is developing a demonstration project, and Medicaid is testing several models. But those efforts are fragmented, just like the rest of our health care delivery and financing systems. If we conduct these pilots individually, they are much less effective than if they can be coordinated and focused, using the same kinds of measures.

Ob.Gyn. News: What are the keys to making the innovation center successful?

Mr. Guterman: We need to bring together all of the health care system's stakeholders. We are currently projected to spend between $30 trillion and $35 trillion on health care over the next 10 years. The issue is not what to cut, it's how to use some reasonable amount of money to buy the kind of health care we think our system should produce. That requires the involvement of everyone – providers, patients, and public and private payers.

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MR. GUTERMAN

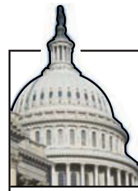
Ob.Gyn. News: What challenges will officials at the innovation center face in rapidly testing new payment concepts?

Mr. Guterman: It's easy to say that everyone ought to be involved, but right now people tend to look at change as something that threatens them. We need to overcome that. We also need to have patience. A lot of these projects will take time to develop and implement, and to adjust as they go along. Congress and the American public need realize these strategies will take awhile to unfold.

Ob.Gyn. News: Is the innovation center's work likely to have a significant impact on lowering costs?

Mr. Guterman: Yes, though it's hard to predict just how much. You've got a system now that pays for more care, more complicated care, and more invasive care, but not more appropriate and efficient care. So you've got to figure that if you change the focus from more to better and from more invasive to more appropriate, that you can make some difference in lowering costs. ■

Stuart Guterman is vice president for payment and system reform at the Commonwealth Fund in Washington, D.C. The Commonwealth Fund is a private foundation that supports research on the health care system.



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More C-Sections at For Profits

California women who gave birth at for-profit hospitals were 17% more likely to have a C-section than women who went to nonprofit hospitals, according to an analysis by California Watch. "This data is compelling and strongly suggests, as many childbirth advocates currently suspect, that there may be a provable connection between profit and the cesarean rate," Desirre Andrews, president of the International Cesarean Awareness Network, told the watchdog group. The analysis was based on state birthing records. Data and charts from the report are available at http://projects.californiawatch.org/c-sections.

Morning Sickness Doubts

A review of drugs and alternative therapies for morning sickness showed a lack of high-quality evidence to support advice on which treatment to use. Published by the Cochrane Library, the findings were based on an examination of 27 randomized controlled trials that included data on 4,041 women in early pregnancy. The review found that most of the studies had a high risk of bias and that they measured symptoms in several different ways. "Given the high prevalence of nausea and vomiting in early pregnancy," health professionals need systematically reviewed evidence by which to guide women, the authors said. However, they found "very little information on the effectiveness of treatments for improving women's quality of life."

Breastfeeding Rates Vary

Nearly 75% of babies born in the United States in 2007 were breastfed, according to the Centers for Disease Control and Prevention's 2010 Breastfeeding Report Card. However, that rate dropped to 43% by the time babies reached 6 months of age. Although the rate of women initiating breastfeeding in newborns has risen steadily, the proportion of babies being breastfed at 6 and 12 months remained stagnant for the third straight year, according to the report. Only 43% (1.8 million) of U.S. mothers were breastfeeding at 6 months and only 22% (fewer than 1 million) at 12 months, the researchers found. "We need to direct even more effort toward making sure mothers have the support they need in hospitals, workplaces, and communities to continue breastfeeding beyond the first few days of life," Dr. William Dietz, director of the CDC's division of nutrition, physical activity, and obesity, said in a statement.

Alternative Birthing Rooms Safe

Homelike birthing rooms within hospitals, including bed-free rooms, are as safe for healthy women in labor as are rooms with traditional hospital beds, according to another Cochrane Library report. After reviewing nine studies of more than 10,000 women, researchers found that alternative birthing rooms reduced use of epidural and other anesthesia by 18% and the need for oxytocin by 22%. The probability of mothers breastfeeding at 6-8 weeks increased by 4% among those using the alternative rooms. "Birth environment affects not only the women who are laboring but also the behavior of care providers," said lead author and registered nurse Ellen Hodnett, Ph.D., chair of perinatal nursing research at the University of Toronto, in a statement. "Providers should think creatively about how to use the environment that they have to promote the message that they want to send, and, hopefully, that message is that birth is a normal experience."

AMA Opposes Tax Change

The American Medical Association and 90 medical organizations, including the American Congress of Obstetricians and Gynecologists, have written to the Department of the Treasury urging it not to allow trial lawyers to deduct court costs and other expenses. Making such a change to tax law could encourage trial lawyers to file more claims, the organizations claimed. "Even though a substantial majority of claims are dropped or decided in favor of physicians, the cost of defending against meritless claims averages over $22,000," their letter said. The organizations urged the Treasury Department to reconsider rumored plans to change current policy, which does not allow such tax deductions.

Alaskans Vote for Prenotification

On the day Alaskan Republicans turned out incumbent Sen. Lisa Murkowski for Tea Party candidate Joe Miller, more than half of the primary voters said "yes" to a ballot measure that would require notification of parents or guardians before minors can receive an abortion. The 69,012 votes in favor of Ballot Measure 2 made up 56% of the turnout on the state's primary day, according to the National Partnership for Women and Families. The law would take effect 90 days after the election is certified, or about mid-December. If so, doctors who fail to comply could face felony charges and prison sentences of up to 5 years, according to the advocacy group. In a statement, it added that teens can circumvent the parental notification requirements if they appear before a judge or provide the abortion provider with a notarized statement attesting to abuse at home. Currently, 34 states require parental consent or notification before minors can obtain abortion services, according to the partnership.

—Naseem S. Miller