

## VIEWPOINT

# State Health System Performance

## A Scorecard

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**In the United States**, where a person lives determines the kind of health care available and the length and quality of life a person is likely to enjoy. The 2014 edition of The Commonwealth Fund's Scorecard on State Health System Performance<sup>1</sup> documents persistently wide geographic disparities, with some states consistently performing better than others on the scorecard's 42 indicators of health care access, quality, efficiency, and outcomes (eFigure 1 in Supplement shows the 50 states and the District of Columbia ranked by quartile on a composite score aggregated from the 42 indicators of health system performance, using the most recently available data typically representing the year 2011 or 2012, or both). The scorecard reveals that performance either declined or failed to improve during the 5 years up to 2012 in the majority of states on two-thirds of the 34 indicators with trend data (eFigure 2 in Supplement shows the number of states and the District of Columbia in which performance improved, stayed the same, or worsened over a 4- to 5-year time span for each of the 34 trending indicators). The findings are sobering in their portrayal of a geographic divide among state health systems. No state is making widespread progress toward the achievable outcomes that all individuals should expect considering the substantial and increasing resources devoted to health care in the United States.

Notably, however, among the handful of indicators for which improvements (eg, immunizations for children, safer prescribing of medications for the elderly, patient-centered care in the hospital, avoidable hospital admissions and readmissions, and cancer-related deaths) occurred in a majority of states, there was often concerted, coordinated attention to improvement at federal, state, and local levels. These successes suggest an opportunity for physicians to join with others to exert leadership in both medical practice and the policy arena so that such gains become the norm in coming years. With new resources and tools provided by national reforms, this opportunity extends across all states. Although lagging states exhibit the greatest need for improvement, even leading states (eg, Minnesota, Massachusetts, New Hampshire, Vermont, and Hawaii) have opportunity to improve.

### Strategic Public and Private Action to Reinforce and Accelerate Improvement

States can play many critical roles in health systems as purchasers, regulators, strategy setters, and, increasingly, conveners or collaborators with other health care stakeholders. State and national policies can reinforce each other to spur and support improvement by physicians and local care systems. Federal policies and programs can stimulate the diffusion of improvements

across states through incentives, example, and accountability, laying a foundation on which states and local health systems can build through cooperative or complementary action. The fact that variation persists among states on indicators that rely on Medicare data demonstrates that state policies and local norms and practices—many of which are amenable to physician influence—can make a difference.

For example, the scorecard finds that rates of hospitalizations that can often be avoided with good ambulatory care (eg, complications of diabetes) and rates of 30-day readmissions per 1000 Medicare beneficiaries declined substantially in three-quarters of the states between 2008 and 2012. These positive trends likely reflect a confluence of actions, including collaborative quality improvement efforts spurred by the federal Partnership for Patients initiative, better control of chronic diseases supported by Medicare prescription drug coverage, and local delivery system changes made in anticipation of federal value-based payment incentives and financial penalties for excess readmissions, which started October 2012.

In ambulatory care, the partnership among federal, state, and local agencies on the Vaccines for Children Program in combination with state immunization registries and local outreach efforts have promoted widespread vaccination, particularly among low-income children. Vaccination rates among young children increased across all states from 2009 to 2012, recovering from a shortage in one vaccine, even as a new vaccine was added to the schedule. There was similar widespread improvement across states in reducing the share of elderly Medicare beneficiaries who were prescribed a high-risk medicine that should be avoided in the elderly. Medicare and Medicaid medication therapy management programs may have played a role, together with accountability for performance through Medicare's star ratings of prescription drug plans, as well as increased use of electronically assisted prescribing and better clinical decision support. However, the lack of improvement in a companion indicator that measures contraindicated use of medicines for older patients with specific conditions points to the need for more consistent attention to patient safety.

Innovative local or state actions also can inform national policy. For example, denying payment to hospitals when so-called never events that harm patients occur (eg, surgery on the wrong body part) began with a health plan in Minnesota, which became the first state to require that hospitals publicly report such events.<sup>2</sup> Medicare's adoption of a nonpayment policy for serious preventable events and complications

spread this innovation nationally. Similar reinforcing, synergistic actions can be seen in efforts to spread patient-centered medical homes and accountable care models in Medicare, Medicaid, and the private sector.

### Improving Performance Through Supportive Policy and Best Practice

Although the 2014 scorecard measures a period preceding recent coverage expansions under the Affordable Care Act (ACA), it captures the effect of earlier federal and state policy action to expand coverage for children through the State Children's Health Insurance Program. Between 2007-2008 and 2011-2012, a time of severe recession, 17 states experienced at least a 2 percentage point decrease in rates of uninsured children. In contrast, despite a decline in uninsured young adults who can now continue to receive coverage through their parent's insurance policies as a result of the ACA,<sup>3,4</sup> the scorecard finds coverage and access deteriorated for adults overall, underscoring the importance of 2014 coverage expansions to increase access to care in states.

However, 23 states have not yet decided to participate in receiving additional federal funds made available by the ACA to expand their Medicaid programs.<sup>5</sup> Sixteen of these states ranked

in the bottom half of overall performance on the scorecard. Many have notably high rates of uninsured individuals. Expanding Medicaid would benefit the poorest families in these states and reduce the burden of uncompensated care for hospitals and physicians while supporting efforts to improve primary care and lower hospital emergency department use in their communities. This could benefit all areas of a state by using resources well and particularly help lower-income areas by supporting a healthier workforce and stimulating economic opportunity. If all states participate in Medicaid expansions, the geographic divide documented by the scorecard might narrow; however, if many states do not, the divide could widen in the future.

The stagnation and declines documented by the report up to 2012 are a rallying call for states and local care systems to aim higher to benefit the people they serve. Medical leadership can provide the critical catalyst to spread innovation and foster targeted action at the state and local health care system level. By enacting supportive policies, states have the potential of accelerating the kinds of gains in health seen during the decades following the enactment of Medicaid and Medicaid in 1965.<sup>6</sup> There are many ways for states to reach this goal and the scorecard illustrates the enormous potential benefit on health if all states reached the level of the best.

#### ARTICLE INFORMATION

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