



Health Care Reform

Minnesota is consistently ranked as one of the healthiest states in the country. We have one of the highest rates of residents with health insurance. And, Minnesota's hospitals are nationally recognized as high-quality, low-cost providers.

It is on this foundation of success that Minnesota continues to work on health care reform efforts that could serve as a model for other states.

Health Care Reform in Minnesota

While much of the health care community's attention turns to national reform and crushing state budget shortfalls, Minnesota hospitals are also pressing forward with initiatives to further state-level health care reform.

Unlike other states that often limit their health care agenda to insurance reforms, Minnesota's hospitals and elected officials continue to look at a deeper, more fundamental need: payment reform.

Last year, Minnesota enacted a health care reform law calling for the certification of health care homes that deliver enhanced primary care and care coordination services; the defining of seven "baskets of care" to begin bundling payments for certain treatments so episodes of care involving multiple providers are better coordinated; the funding of grants to local communities to reduce tobacco use and obesity; and the creation of a standard, statewide set of quality measures and associated quality payment incentives. Proposals similar to these provisions are now being widely discussed for inclusion in national reform efforts.

Federal Action Requested:

- National health care reform efforts should support, advance and enhance the foundation of Minnesota's health care delivery system and its reform efforts.

Price and Quality Transparency

Minnesota's hospitals are continuing their commitment to increased price and quality transparency as demonstrated by the Minnesota Hospital Association's Web sites (www.mnhospitalpricecheck.org and www.mnhospitalquality.org) that report the charges for the most common inpatient and outpatient hospital services; quality measures consistent with those collected nationally by the Centers for Medicare and Medicaid Services; compliance with infection-control procedures; and our nation-leading annual adverse health events report. (See Patient Safety and Quality fact sheet).

Administrative Simplification

Minnesota hospitals are pursuing cost reductions that do not diminish the quality or accessibility of care for our residents. In 2007, Minnesota hospitals and health plans successfully led a bipartisan, collaborative effort to wring unnecessary administrative expenses and transaction costs out of our health care system. State law now requires

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a single, uniform standard for billing, eligibility determinations and claims adjudication for all providers and payers. Although it is unclear how much money will be saved overall, this initiative could save millions of dollars without any impact to the quality of patient care.

National Health Care Reform

As Minnesota continues on the path of health care reform, it is imperative that we are not penalized at the federal level for being one of the first states to tackle some of these issues.

In the past, Minnesota led the nation by making sure that children from low-income families obtained health insurance. This program was a model for the State Children's Health Insurance Program (SCHIP), but because Minnesota was proactive and ahead of the national curve, it was not eligible for some of the federal government's financial support of the insurance provided to those children. States serving as innovators and incubators for national reform should not be at a disadvantage when federal programs are later implemented.