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HEALTH CARE SOLUTIONS GROUP CONVENES AT FIRST SUMMIT

Emerging Policy Group Tackles Shortcomings of Pay for Performance Models; Set to Release Full Report

NASHVILLE, TN – A group of key health care industry leaders from across the country convened in Nashville for the first summit of the Health Care Solutions Group, a new “think and act” tank formed to address the nation’s growing health care crisis.

Based on input from health care leaders, policy experts and government leaders across the country, The Group focused its first Summit meeting on the impact of current “pay for performance models” have on health care quality and costs. An emerging idea in health care reform, pay for performance reimbursement models link health care performance and quality to provider payments and reimbursement.

Key findings from the summit include the conclusion that most pay for performance models under development by private insurers, employers and CMS, while promising, are too inadequate and too incomplete to truly impact the issues plaguing our nation’s health care system. The Group is slated to issue a report on its findings in coming weeks.

“We can all agree that performance needs to change,” says Harry Jacobson, Vice Chancellor for Health Affairs at Vanderbilt University Medical Center.

“The question is what do we pay for: the infrastructure or the outcome? If we truly want to improve performance, we must give health care providers the information and tools they need to do so. Financial incentives alone have never proven to be long-term, effective solutions to health care reform. Changing the actual behavior of physicians and other providers, on the other hand, is and we must find a way to do that.”

Changes to payment systems alone, without addressing the systemic problems associated with delivering care, are unlikely to impact the gap between the performance of our current health care system and its potential performance in terms of quality, cost and access, The Group concluded. Further, the modest improvements generated from pay for

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performance models would likely prove short-term and difficult to sustain.

Additionally, The Group identified and began planning two demonstration projects to test new approaches to improving health care system performance, and gained agreement by several institutions to participate in the projects. The Group's advisory board will begin charting the best course for those projects to launch into action.

Consistent with its mission of identifying practical solutions for health care reform, The Group will emerge as a clearinghouse for the latest information and data on health care issues such as cost, quality and utilization.

"Access to accurate, timely information is key to creating change. We need to know and share what works and what does not," Jacobson says. "The goal is to not only develop, but also test real world solutions that produce results."

Founded in November of 2005 with the goal of providing and testing "real world" solutions to the health care challenges, The Group is distinguished by its unique blend of CEOs from among the nation's largest health care businesses and top minds in U.S. health care policy.

The Health Care Solutions Group advisory board members include:

Jack Bovender, Jr.; Chairman and CEO, HCA
Tom Cigarran; Chairman, Healthways
Jim Cooper; U.S. House of Representatives
Janet Corrigan; President and CEO, National Committee for Quality Health Care
Mac Crawford; Chairman and CEO, Caremark Rx
Nancy-Ann DeParle; Senior Advisor, JPMorgan Partners
Robert Galvin, M.D., Director, Global Health, General Electric
Jane Henney, M.D.; Senior VP/Provost for Health Affairs, University of Cincinnati
Harry Jacobson, M.D.; Vice Chancellor for Health Affairs, Vanderbilt University
Ken Melkus; Senior Advisor, Welsh, Carson, Anderson & Stowe
Bill McGuire; CEO, UnitedHealth Group
Uwe Reinhardt, Ph.D.; Professor of Economics and Public Affairs, Princeton University
Bill Stead, M.D.; Associate Vice Chancellor, Vanderbilt University Medical Center
John E. Wennberg, M.D., Director, Center for the Evaluative Clinical Sciences; Professor, Dartmouth Medical School

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About The Health Care Solutions Group

Founded by Vanderbilt University Medical Center and The Nashville Health Care Council, The Health Care Solutions Group is an action-oriented policy group marked by a rare blend of key business and policy leaders from across the U.S. Vanderbilt Medical Center is a nationally recognized leader in health care information technology, while the Nashville Health Care Council represents key organizations of a more than \$18 billion health care economy in Middle Tennessee. More information on the group can be found at www.healthcaresolutionsgroup.net.