

Saving Lives, Improving Health Care Quality and Increasing Value: AHRQ Research at Work

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Health Care at GM

America's largest private health care purchaser.

\$4.6 billion in annual health care expense.

\$1.3 billion on prescription drugs alone.

1.2 million covered lives.

2.3 retirees for every one employee.



Purchasers as Drivers

Large public and private purchasers engaged in dramatic national partnerships to improve quality.

Purchasers – like GM, other Fortune 500s, CMS, DoD, OPM, and states – are the major drivers and implementers of change.

GM and other purchasers have long, successful history of partnering with AHRQ.

We use AHRQ's work every day to improve quality.



AHRQ in Action....Some Examples

Consumer Assessment of Health Plans (CAHPS).

Assessments of value-based purchasing techniques.

Catalyst for patient safety initiatives by employers.

Techniques to negotiate quality issues with health plans.

Evaluation of quality initiatives programs.

Factors to consider in selecting performance measures.

Risk adjustment to address adverse selection.

Patient Safety Program Evaluation Center.



Critical Need for Knowledge and Tools

Most purchasers focus on cost – that's where they have the most data. And they must contend with rhetoric and push back. The emergence of good quality data requires the tools and skill to use it.

Purchasers - public and private - desperately need health services research and evidence to support their decision making and concentrate on quality and value.

AHRQ's work is key to purchasers improving care and leveraging the nation's \$26 billion annual investment in NIH bio-medical research.



Example 1: Prescription Drugs

GM's top legislative priorities are Hatch – Waxman reform and a comprehensive Medicare prescription drug benefit.

The prescription drug issue has enormous implications. Crosses the entire spectrum of access, cost, and quality:

- Huge, unsustainable cost increases.
- Major access problems for America's seniors.
- Life-threatening, system-wide quality problems.
- Discerning what works and what doesn't from among old and new drugs.
- Understand and take advantage of the value of drugs.



Medicare Principles

1. Universal coverage for all Medicare beneficiaries.
- 2. Meaningful and affordable to both beneficiaries and taxpayers.**
- 3. Designed to achieve positive medical outcomes and value.**
4. Should not penalize employers that already provide drug benefit.



Key Roles for AHRQ on Prescription Drugs

AHRQ research is critically needed to:

- Move issue from rhetoric to science and from cost to quality and value.
- Continuously assess a Medicare drug benefit and identify modifications to maximize value and quality.
- Give purchasers credible, scientifically sound information to base Rx coverage decisions.
- Identify practices to drive better, safer outcomes.

Prescription drug issue is just one example where expanded AHRQ research can have a tremendous ROI.



Example 2: Patient Safety

Every day about 1-2 GM beneficiaries die from preventable medical mistakes in hospitals alone!

Enormous concern for GM and our Leapfrog partners.

If implemented in all non-rural hospitals, Leapfrog safety standards would save about 60,000 lives a year.

Preventable medical mistakes in hospitals are just one part of America's costly and deadly quality problem.



Key Roles for AHRQ on Patient Safety

Continue as active partner, convening purchasers and researchers in problem solving

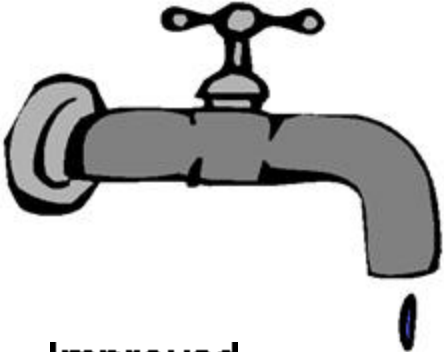
New standards and measures of provider performance – quality, safety, disparities.

Tools to increase physician use of evidenced-based medicine.

Methods to increase transparency to empower consumers and help us create a truly consumer-driven health care system.



Pipeline of Investment



Improved Outcomes

Better Quality

Appropriate Cost & Use

Greater Access

John M. Eisenberg, MD, *Health Services Research*, July 2001

