RECENT EVENTS: 42nd Annual Conference – Moving Forward in 2022

Building onto a Strong Foundation: Strategies for Taking Health Care Purchasing to the Next Level (May 11, 2022)

Employer purchasers have a serious track record of making health care better, said Suzanne Delbanco, PhD, Executive Director, Catalyst for Payment Reform (CPR). During the past two decades, employer groups have called for standard measurement, public reporting, payment tied to performance, price transparency, and multi-payer databases. Furthermore, they have fought against providers' anticompetitive behaviors.

Delbanco said she was impressed by the longevity of LVBCH, calling it a "unicorn among coalitions." Many similar employer coalitions have folded because of an inability to find shared goals. CPR is an independent non-profit corporation working to catalyze employers, public purchasers, and others to implement strategies that produce higher-value health care and improve the functioning of the health care marketplace.

The health care system isn't functioning well. It is too complex for most consumers to understand, with no relationship between price and quality. Prices continue to rise even faster than increases in college costs. Besides managing health plans, employer groups should consider reforms of delivery systems, payment, benefit design, transparency, and health policy.

Delivery system reforms include onsite/near-site clinics with increased use of telehealth visits. Nearly a third of employers with 5,000 or more employers offer a primary care clinic to their employees. Smaller employers are more likely to share a clinic. More than half of clinics require no co-payment. When available, 40% of employees selected employer-sponsored clinics.

Ensuring that employees receive care in the most appropriate site, meaning the site with the lowest acuity level as possible for the patient's need, can improve access and reduce costs. Plan design can encourage employees and their dependents to receive care in lower-cost alternatives to hospitals – such as urgent care centers, outpatient and retail client centers, and ambulatory surgery centers – by paying the same amount regardless of the setting.

Employers should support the use of palliative care, which focuses on symptom relief. Regardless of the diagnosis, the use of palliative care resulted in fewer readmissions, lower hospitalizations, and emergency

room visits. Benefit design also affects costs and quality. Employers need to build plans that encourage employees and their dependents to get the services the employer wants them to have. Employees should not have to pay deductible or co-pays for routine screenings and maintenance care of chronic illnesses.

Health policy reform could also improve the health care system. Legislation could ban anticompetitive contracting practices, contain consolidation, regulate costs and prices, and build oversight competition.

SUZANNE F. DELBANCO – Executive Director, Catalyst for Payment Reform
Suzanne F. Delbanco is the executive director of Catalyst for Payment Reform, an independent, non-profit corporation working to catalyze employers, public purchasers and others to implement strategies that produce higher-value health care and improve the functioning of the health care marketplace. Suzanne also serves on the advisory board of the Source on Healthcare Price and Competition at UC Hastings. Previously, Suzanne was the founding CEO of The Leapfrog Group. Suzanne holds a Ph.D. in Public Policy from the Goldman School of Public Policy and a M.P.H. from the School of Public Health at the University of California, Berkeley.

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