

Article published November 1, 2010

Reform catalysts

Health foundations can offer money, expertise toward implementing reform law

By Karen Feinstein

Posted: November 1, 2010 - 12:01 am ET



Karen Feinstein

The Patient Protection and Affordable Care Act is the most significant domestic policy legislation of the past 40 years. The new law extends far beyond coverage and access provisions; it will catalyze innovations in how healthcare services are delivered and paid for, consumer information about quality and safety, healthcare workforce development and much more. In doing so, it also creates new opportunities for the philanthropic world, which spawned many of the innovations the new law now seeks to refine and take to scale.

The Affordable Care Act touches every health funder's agenda. Moreover, successful implementation of key provisions of the new health reform law may depend on health funders undertaking new roles and commitments.

Driving the need for foundations' involvement is the rapid devolution of responsibility for reform from Washington to the states and local communities. The scope of the new programs and responsibilities being passed on to the states is unprecedented, and these new responsibilities are coming at a particularly challenging time. Not only are state and local governments coping with significant financial stresses, impending elections will usher in changes in many states' political leadership.

Informal talks among health foundation leaders about implementing reform morphed into a formal gathering this August at the Heller School for Social Policy and Management at Brandeis University that brought together 70 foundation leaders.

These leaders took their cue from Atul Gawande's address to the conference. The well-known physician argued that instead of a one-size-fits-all solution dictated from Washington, individual communities should become laboratories for development of value-driven models, based on local needs and market circumstances. Needless to say, this view found a receptive audience.

There was surprising convergence of issues and concerns among the participants. All recognized that their individual states need help with grant-writing, technical assistance, strategic planning and stakeholder convening, and coalition-building. Jim Knickman,

president and CEO of the New York State Health Foundation, summed up the opportunity—and the imperative—for health foundations to act: “Philanthropy can be more nimble than state government—foundations can fund key players without the long lead times involved with state procurement. Because we don't have a ‘dog in the fight,’ we can credibly bring together the various actors that need to be involved: consumers, employers, health plans and government.”

Notwithstanding differences about other aspects of the health reform law, those present agreed that supporters and opponents should work to implement initiatives that have the potential to bend two critical curves: flattening the skyrocketing trajectory of healthcare costs and turning the arc of quality improvement steeply upward.

Here are the most promising issues and opportunities that emerged.

Delivery and payment system reform. Hospital care is the biggest component of healthcare spending. Elimination of preventable hospitalizations, especially readmissions within 30 days, is, therefore, a major focus of delivery and payment reform. Effectively coordinated care can significantly reduce hospital readmissions: timely communication among providers, standardized medication review, patient self-management and education while hospitalized, well-planned transitions of care and post-discharge follow-up.

Congress has appropriated billions of dollars to underwrite development of complementary new payment approaches that will eliminate rewards for inconsistent care and offer incentives for care coordination across settings (e.g., accountable care organizations, medical homes). New models of delivery and payment will be tested in local markets, where foundations can play important roles as conveners, grant-writers, technical resources and seed funders.

Medicaid, CHIP and the Safety Net. Assuring healthcare coverage for tens of millions of underinsured and medically underserved Americans will put unprecedented demands on safety net providers—in particular on federally qualified health centers (FQHC) and other similar organizations. Foundations can support FQHCs to become patient-centered medical homes and encourage them to act as comprehensive primary-care service centers for small primary-care practices.

Workforce. Shortages in high-demand and newly emerging occupations are widespread: physician assistants and nurse practitioners, care managers, dental hygienists, medical technologists and assistants, behavioral health specialists, health information technology professionals and healthcare educators. Foundations can help with obtaining federal grants to extend recruitment, training and education; stimulate continuing education in quality improvement; and advocate for expanded licensing for para-professionals.

Consumer education. Bending the curve on cost begins with the patient. Health funders can assist employers and local and state government agencies to engage

patients in healthy behaviors, encourage them to comply with treatment plans, and respond to exacerbations of chronic conditions and illnesses in ways that avert ER visits.

The discussions at Brandeis were a call to action, driving home the importance of foundation support for carrying out health reform in communities and states.

Karen Feinstein is president and CEO of the Pittsburgh Regional Health Initiative, an independent catalyst for improving healthcare safety and quality in southwestern Pennsylvania.