The conversation between Dr. Elliott Fisher and his ill mother was difficult, Fisher said yesterday. But it was necessary. After a long conversation, Elliott’s mother explained that she’d rather live out the rest of her days at home with family, rather than in a hospital bed. And while tough, similar conversations need to take place between physicians, patients and the rest of the health care industry, Elliott said.

Communicating ways to reduce health care costs while providing better care is central to changing the national health care system, Elliott told an audience during a keynote luncheon address at The Council of State Governments Eastern Regional Conference’s 50th Annual Meeting and Regional Policy Forum. “It’s not about rationing care,” he said. “It’s about redesigning it. It’s about helping you get the care you want and need.”

Fisher is a professor of Medicine and Community and Family Medicine at Dartmouth Medical School, and director of Population Health and Policy at The Dartmouth Institute for Health Policy and Clinical Practice.

During an informative slideshow presentation, Fisher explained that the levels and the amount of care differ dramatically from one state to another—but that amount does not always result in better health care, he said.

For example, patients in Miami receive significantly more common cardiac surgeries than patients in Grand Junction, Colo., but don’t necessarily report better continuity of care. In addition, more specialists don’t always translate to more doctor visits from patients.

“More outcomes aren’t better,” Fisher said. Instead, the current fee-for-service system makes it easier for physicians and hospitals to charge for more services—costs that can eat into patients’ wallets and drive up costs. “There are some communities where that’s the culture,” he said.

He added: “Hospitals have to attract patients,” to keep up revenue. “We’ve created a medical arms race.”

So how can legislators help lower the cost of health care? Fisher suggested a value-based system that is accountable for medical aims and goals. In addition, he pushed for more transparent medical data that would support improvements and inform consumers.

He also advocated for clearer aims in health care, new payment models and “accountable care organizations” that would receive payment based on how well they improved health care.

“We have to rethink our incentives,” he said.

—Michael Jackson

“Hospitals have to attract patients ... we’ve created a medical arms race.”

—DR. ELLIOTT FISHER
Foreclosure Crisis Continues: States Pass Foreclosure Mediation Laws
Programs Facilitate Discussion for Best Possible Scenario for Lenders, Distressed Homeowners

Last year, there were 43,000 foreclosures in Maryland and it’s not over. Another wave is coming as five-year adjustable rate mortgages taken out in 2006 come due next year.

That’s according to Maryland Del. Doyle Niemann who authored a foreclosure mediation law in his state.

“A lot of people are stuck with big loans on overvalued houses that they can’t pay,” Niemann said.

The foreclosure mediation bill in Maryland, among other things, gave homeowners the right to have a face-to-face meeting with the lender (the mediation) to discuss options for their mortgage and also put a $300 fee on all foreclosure filings. That pool of money, generated by the filing fee, will go to fund the statewide foreclosure prevention program and its counselors, Niemann said.

“Our approach to this was not to stop foreclosures, not to keep people in houses who can’t pay … but to give homeowners notice and time to fix the problem,” Niemann said, “and to sort of encourage rational decision making by lenders.”

A similar program just launched statewide this January in Maine.

The program provides more counseling on the front end so people don’t get into foreclosure and also provides the mediation—or formal discussion meeting—that will help people get through the foreclosure process offering alternatives to losing their home, said Maine Rep. Sharon Treat, who authored the bill.

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But, the problem is always getting homeowners to participate in these potentially home-saving programs. Only 32 percent of the time did the mediation happen in Connecticut, she said. Maine and Maryland expect to face the same issue.

For now, the phone lines to the foreclosure hotline in Maine are busy—often the first step in accessing the state’s foreclosure mediation services. Every day the state’s hotline rings literally every 15 minutes, said William Lund, superintendent of Maine Bureau of Consumer Protection.

“The homeowners are emotional and desperate,” Lund said. “It is the most difficult but the most rewarding.”

—Mikel Chavers

Payment Reform a Key Issue for Health Care
Fee-for-Service System is Broken

Developing national health care reform was a tough job. But establishing payment reform for health care could be even harder. That was the sentiment from two health care experts, who spoke during a health policy session yesterday at The Council of State Governments Eastern Regional Conference’s 50th Annual Meeting and Regional Policy Forum.

The current fee-for-service system for health care payments is no longer an effective way to pay for health care, said Massachusetts Sen. Richard Moore. Moore said Massachusetts is attempting to find ways to move away from the current system.

Under a fee-for-service system, doctors and hospitals are typically paid for each service, such as an office visit or medical test. The system can add to the high price for health care and can hit patients hard in out-of-pocket costs, critics say. More states are attempting to move away from the system.

“I think, to some degree, the federal reform helps to set the framework for us,” Moore said. “I think it’s a movement that has to come.”

Others agreed. Karenlee Harrington, executive director of the Dirigo Health Agency in Maine, said the state is also looking into ways to adopt a more global system for health payments.

Maine spends about $400 million in avoidable hospitalizations, Harrington said—costs that can be directed toward better service, for example. Maine contracted with a health care management company to determine where it spends its health care money.

“At the end of the day, we have a cost crisis,” Harrington said. “We will not be able to sustain it if we don’t do something different.”

—Michael Jackson
What's Going on in Maine?
Resolution Supports Electric Vehicles

Electric Vehicles Key to Reducing Reliance on Foreign Oil

The Council of State Governments Eastern Regional Conference’s Energy and Environment Committee passed a resolution during CSG/ERC’s 50th Annual Meeting to support a project to advance electric vehicle technology.

The coming influx of electric vehicles could offer significant opportunities for Northeastern states to meet renewable energy goals, as well as improve the reliability of power transmission along the electric grid and contribute to a reduced reliance on imported oil, energy experts said during two policy sessions at the annual meeting.

CSG/ERC’s Energy and Environment Committee members heard from experts who discussed efforts to meet immediate infrastructure needs for the electric vehicles. The committee passed the resolution during its Monday committee meeting.

The cars are expected to enter selected markets before the end of 2010. Presenters included Watson Collins of Northeast Utilities and the Connecticut’s EV Infrastructure Council, Ken Huber of PJM, the operator of the bulk power system for several mid-Atlantic states, MNA Stephanie Billette of Quebec and Andy Chu of A123 Systems, a battery manufacturer for electric vehicles and for stationary power storage.

The committee’s resolution would also help support the “near-term development of EV infrastructure and longer-term benefits that could be derived from the use of grid-enable technology.”

CSG/ERC staff and committee members will meet with policymakers and stakeholders to collect information about best practices and make this information available to all states.

— Eleanor Saunders

An Open Dialogue

New Hampshire Rep. Linda Foster brought up a good point during the “States Pioneer Successful Foreclosure Prevention Strategies” session Tuesday morning. Foster recognized the importance of foreclosure mediation programs but worried how they could be funded in such tight fiscal times.

Maine uses the real estate transfer tax to help pay for its foreclosure mediation program. Maryland uses foreclosure filing fees to fund its program—a $300 filing fee each—while foreclosure filing fees are $200 each in Maine.

Managing Your Time

3 TIPS FOR MANAGING TIME

Pam Vaccaro is turning the traditional to-do list on its head. Instead of giving state legislators at The Council of State Governments Eastern Regional Conference magic tips on how to squeeze more time out of an already packed schedule, she focuses on how to best use your time.

“We can get lost in e-mails,” Vaccaro said. “Five years ago I didn’t even mention e-mail in any of my programs. Things are changing.”

In interviewing government officials, Vaccaro said the number one thing they say about their life is they had no idea how imbalanced it would be. But she’s got some tips on how to make the most of your time. Here’s three of her tips:

1. Give yourself a break; cut yourself some slack. It’s not all about you.
2. Be in the moment. Be present. Manage your focus.