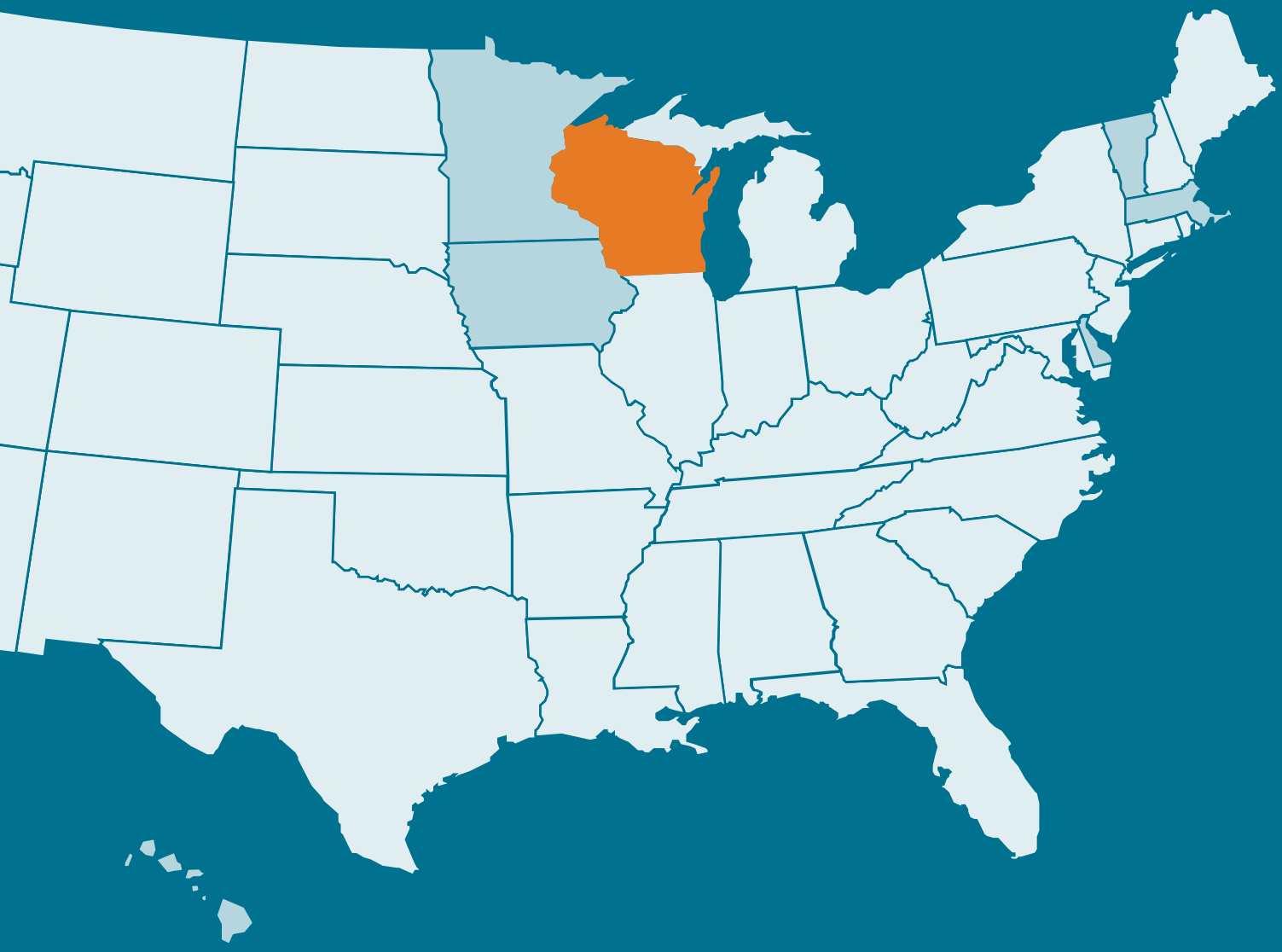
AIMING HIGHER FOR HEALTH SYSTEM PERFORMANCE

A Profile of Seven States That Perform Well on the Commonwealth Fund's 2009 State Scorecard: Wisconsin



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THE COMMONWEALTH FUND

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Aiming Higher for Health System Performance:

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Greg Moody and Sharon Silow-Carroll
Health Management Associates

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Wisconsin: Bridging the Gap Between Medicaid and Private Insurance

Wisconsin was among the first states to separate Medicaid from welfare, and increase coverage for working families. Today, Wisconsin's publicly funded health care coverage programs look and function like private health insurance, and are driven by a moral imperative that Wisconsin residents not forgo care. The state has made significant gains on *State Scorecard* measures related to access and healthy lives (Table 11). These gains were achieved, say Wisconsin health experts, through a long history and culture of collaboration among key actors in health care. A significant proportion of the physicians in Wisconsin belong to large, well-organized group practices that are aligned or integrated with a tertiary-level hospital. These health organizations and systems have made transparency and data reporting a priority and, with support from Wisconsin's employers and health plans, have achieved consistently high national rankings for quality.[56] The state participates alongside the private sector in quality initiatives and keeps everyone focused on access and coverage. In February 2008, Wisconsin launched additional health reforms to provide universal coverage for children, simplify existing programs, and remove other barriers to stable coverage for families.

Coverage

Wisconsin ranks fourth among states in the percent of insured nonelderly adults and among the top quartile of states in coverage for children. Wisconsin's overall access ranking (ninth) is pulled down somewhat by a low percentage of at-risk adults who visited a doctor for a routine checkup, but the state has recently achieved substantial improvement on this measure, in contrast to the national trend which went in the opposite direction.

Wisconsin was an early leader in welfare reform, with numerous initiatives between 1987 and 1997 to strengthen families by promoting self-sufficiency and independence through work. As a safeguard against families losing access to health coverage as they moved from welfare to work, the state created a health coverage program called BadgerCare in 1997 to bridge the gap between Medicaid and private insurance. BadgerCare extended Medicaid benefits to

Table 11. State Scorecard on Health System Performance: Wisconsin

	Overall and Dimension Rankings		Number of 2009 Indicators in:		Number of Indicators That Improved by 5% or More
	Revised 2007 Scorecard	2009 Scorecard	Top Quartile of States	Top 5 States	
OVERALL	11	10	15	5	14
Access	13	9	3	2	0
Prevention & Treatment	9	13	6	2	8
Avoidable Hospital Use & Costs of Care	14	16	3	0	1
Equity	13	18	*	*	*
Healthy Lives	21	8	3	1	5

Note: Data were available to rank Wisconsin on all 38 *State Scorecard* indicators in 2009. Trend data were available for 35 indicators.
* The equity dimension was ranked based on gaps between the most vulnerable group and the U.S. national average for selected indicators; thus, it is not included in indicator counts.
Source: The Commonwealth Fund, Oct. 2009.

all children and adults in uninsured families with incomes below 185 percent of the federal poverty level and, once enrolled, allowed them to remain in BadgerCare until family income exceeded 200 percent of poverty.

The state expanded BadgerCare several times, most recently in 2008. The purpose of the program is no longer defined in relationship to welfare but, under Gov. Jim Doyle's (D) administration, connected to the idea that access to health care is a right that the state has a role in protecting. "We operate under a moral imperative that Wisconsin residents not forgo care," says Jason Helgerson, Wisconsin Medicaid Director. "We push ourselves to expand access, but also do our best to balance what beneficiaries and taxpayers want from our programs," he says. These values are at work in the 2008 expansion, called BadgerCare Plus.

BadgerCare Plus

BadgerCare Plus provides health insurance to Wisconsin residents through one comprehensive program that consolidates family Medicaid, the Children's Health Insurance Program (CHIP), and Healthy Start under one umbrella. BadgerCare Plus includes a standard plan that provides the same benefits as Medicaid's existing Medicaid program, and a new benchmark plan that is based on the benefit package provided by Wisconsin's largest low-cost commercial health plan.[57] The standard plan is available to families up to 200 percent of the federal poverty level, and those at higher incomes may participate in the benchmark plan. Children may participate in BadgerCare Plus at any income level, with those in families above 200 percent of poverty contributing to monthly premiums on a sliding scale. Parents and caretaker relatives with incomes up to 200 percent of poverty and pregnant women up to 300 percent of poverty also can enroll in BadgerCare Plus. There is also a new "core plan" that began enrolling childless adults with income up to 200 percent of poverty in June 2009. Nearly all BadgerCare Plus beneficiaries receive standard, benchmark, and core plan services through managed care.

Wisconsin markets BadgerCare Plus as an insurance program, not a public welfare benefit. The state emphasizes that all children can sign up for BadgerCare, which eliminates uncertainty about who qualifies. Adults and children sign up through the same program, so it is easier for the state to reach out to families and make sure everyone in the family has coverage. In addition to its own outreach activities and county-based offices, the state provides training and incentives for community organizations to identify and enroll eligible individuals (one program provided $50 per new enrollment). The state also makes the application process as simple as possible, including an online tool called ACCESS, which screens eligibility for health care, food stamps, tax credits, and other benefits. ACCESS is popular among consumers: 82 percent of core plan applications have been submitted via the Web site.

As a result of the 2008 coverage expansion and aggressive outreach, the state has enrolled an additional 182,776 residents in BadgerCare Plus programs (Table 12). More than 100,000 children and 80,000 adults gained coverage as a result of the BadgerCare Plus expansion.[58]

Wisconsin is financing the BadgerCare Plus coverage expansion with a variety of strategies, including premiums and cost-sharing for enrollees above 150 percent of poverty (above 200 percent for children), a hospital assessment that increases the federal funding available for Medicaid in the state, increased efficiencies in prescription drug purchasing, and a $1 increase in the cigarette tax. The state covers 40

Table 12. Wisconsin's BadgerCare Plus Enrollment

	Enrollment Before BadgerCare Plus	July 2009 Enrollment	Increased Enrollment
Standard Plan	483,919	639,617	155,698
Benchmark Plan	0	12,942	12,942
Core Plan	0	14,136	14,136
Total	**483,919**	**666,695**	**182,776**

Source: Wisconsin Department of Health Services, "BadgerCare Plus Statewide Enrollment" (Aug. 10, 2009).

percent of program costs and 60 percent is covered by the federal government. BadgerCare was so innovative when it was first created that it required a Medicaid 1115 waiver to operate, but now the programs for children and families mostly function under Wisconsin's Medicaid State Plan, which means there is no federal cap on enrollment. A second 1115 waiver was approved in 2008 to cover childless adults and, because the waiver caps federal financial participation, the core plan is limited to 50,000 enrollees. The state covers its share of the 2008 expansion with a portion of its annual disproportionate share hospital (DSH) allotment.

BadgerCare Plus also expanded the state's premium assistance program that pays an employee's share of employer-sponsored health insurance. Premium assistance is available to Wisconsin residents at the same income eligibility levels that are used for BadgerCare Plus programs. In addition to subsidizing an employee's monthly premium, coinsurance and deductibles, the premium assistance plan also pays for any BadgerCare Plus-covered services that are not included in the private insurance plan.

Quality, Healthy Lives, and Costs

Wisconsin's performance improved modestly on most State Scorecard *measures of quality from 2007 to 2009, but the state was among the most improved on healthy lives, with substantial reductions in mortality amenable to health care, the percentage of adults who smoke and, counter to the national trend, the percentage of children who are overweight or obese. Although health insurance premiums for single employees in Wisconsin are more expensive than the national average, Medicare costs per beneficiary are lower than the average.*

Wisconsin has a long history and rich tradition of collaborative relationships among key actors in health care, representing both providers and purchasers. The health care delivery system is characterized by a relatively large number of well-organized systems of care and large group practices. For example, approximately 50 percent of the state's licensed physicians are in 18 medical groups, and most are completely integrated or closely aligned with a hospital.[59] Physician leaders like John Toussaint, M.D., president and CEO of ThedaCare Center for Healthcare Value, were early advocates for a systematic approach to improving patient safety and quality, and reducing costs.[60] They took the initiative to convene policymakers to collaborate on quality measurement and improvement. In addition, the Wisconsin Hospital Association provided early leadership to make transparency and data reporting a priority. The business community was equally engaged, through business coalitions and individual employers. These groups and others leveraged their commitment to reform

into multi-stakeholder initiatives like the Wisconsin Collaborative for Healthcare Quality and the Wisconsin Health Information Organization.

Wisconsin Collaborative for Healthcare Quality

The Wisconsin Collaborative for Healthcare Quality (WCHQ) was established in 2003 by physician groups, hospitals, health plans, employers, and labor organizations that wanted to enhance transparency, promote improved quality, and reduce costs in Wisconsin's health care system. WCHQ publicly reports physician-level comparative information on its member physician practices, hospitals, and health plans through an interactive Web-based tool. Comparisons are organized into a range of conditions and quality dimensions such as diabetes management, hypertension, postpartum care, cancer screening, access to care, and patient experience. This approach is a model for other states.

"The Collaborative established significant credibility from the very beginning," says Chris Queram, president and CEO of WCHQ. "Its broad membership and technical expertise created a constructive tension around measurement that pushed everyone to improve system performance," he says. In addition to data collection and public reporting, the WCHQ provides a hub of activity for quality improvement, and brings multiple provider groups together in one place to focus on common objectives and develop strategies that embrace emerging best practices.

Wisconsin Health Information Organization

The Wisconsin Health Information Organization (WHIO) is another multi-stakeholder quality initiative, organized as a nonprofit collaboration of managed care companies and insurers, employer groups, health plans, WCHQ, physician associations, hospitals, and state agencies. WHIO was established in 2005 to build a statewide, centralized multipayer health data repository based on voluntary reporting of private health insurance claims. The initial database includes health care claims as well as pharmacy and lab data from insurers and health plans; subsequent versions of the database will include additional health plans as well as Medicaid data. Beginning in early 2010, information in the database will be used to develop reports on the costs and quality of care in ambulatory settings. WHIO is funded with contributions by each member group, along with funds contributed by the state that are generated through a physician assessment.

Hospital CheckPoint and PricePoint

The Wisconsin Hospital Association (WHA) created the CheckPoint program to compare quality and error prevention measures among hospitals. The public information on the CheckPoint Web site (www.wicheckpoint.org) allows health care consumers and purchasers to see how virtually every hospital compares with others in the state and with national and state benchmarks on select measures of health care quality. CheckPoint reports data from 128 hospitals, covering 99 percent of admitted patients. The WHA also supports a Web-based program called PricePoint (www.wipricepoint.org) that allows consumers to compare costs at different hospitals. PricePoint shows the average discounts that hospitals allow for services under Medicare, Medicaid, and private insurance.

Conclusion

Health system performance in Wisconsin is driven by collaboration among providers with active participation across public and private sectors. Most physicians belong to large group practices that provide the infrastructure and technical assistance required to adopt evidence-based best practices, and hospitals have made transparency and data reporting a priority. These groups have aligned their quality-improvement activities through several multi-stakeholder organizations that place a very high priority on data transparency and public reporting. "Our experience to date has shown that performance measurement is not a threat to Wisconsin's providers," says Chris Queram. "In fact, it is embraced as the foundation for quality improvement." The state is an active participant in these activities, and additionally keeps everyone focused on access and coverage. Recent public health insurance reforms have made coverage virtually universal for children, and continue the state's long tradition of working to bridge the gap between Medicaid coverage and private insurance.

Notes

[56] Wisconsin has more than 20 health maintenance organizations operating in the state's private insurance market, five of which were ranked among the 40 highest-quality plans in the nation by the U.S. Agency for Healthcare Research and Quality (AHRQ) and *U.S. News and World Report* in 2008.

[57] Wisconsin created its benchmark plan using the flexibility to vary Medicaid benefit packages provided in the federal Deficit Reduction Act of 2005 (DRA).

[58] State of Wisconsin BadgerCare Plus enrollment reports: http://dhs.wisconsin.gov/badgercareplus/enrollmentdata/BCStateuly09.pdf.

[59] For two examples, see: S. Klein and D. McCarthy, *Gundersen Lutheran Health System: Performance Improvement Through Partnership* (New York: The Commonwealth Fund, Aug. 2009); and D. McCarthy, K. Mueller, and S. Klein, *Marshfield Clinic: Health Information Technology Paves the Way for Population Health Management* (New York: The Commonwealth Fund, Aug. 2009).

[60] J. Toussaint, "Writing the New Playbook for U.S. Health Care: Lessons from Wisconsin," *Health Affairs,* Sept./Oct. 2009 28(5):1343–50.

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