

# Moderating Health Costs through Prevention

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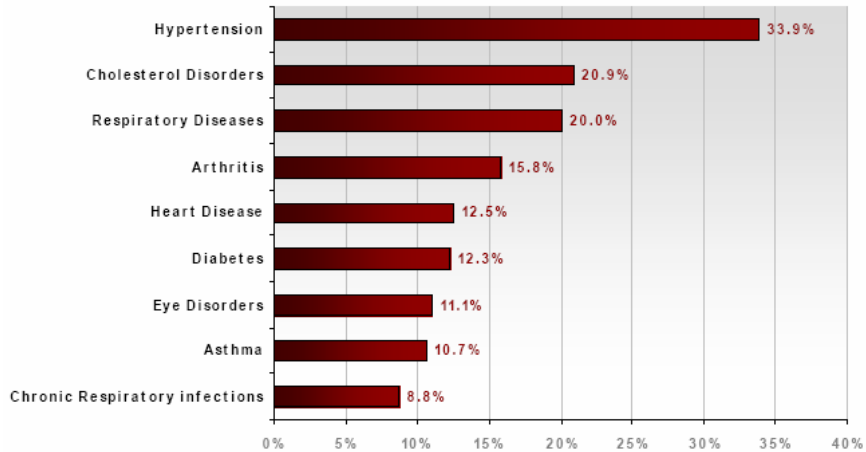
**Can We Afford Our Health Care? – July 24, 2008**  
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## State Strategies for Moderating Health Costs

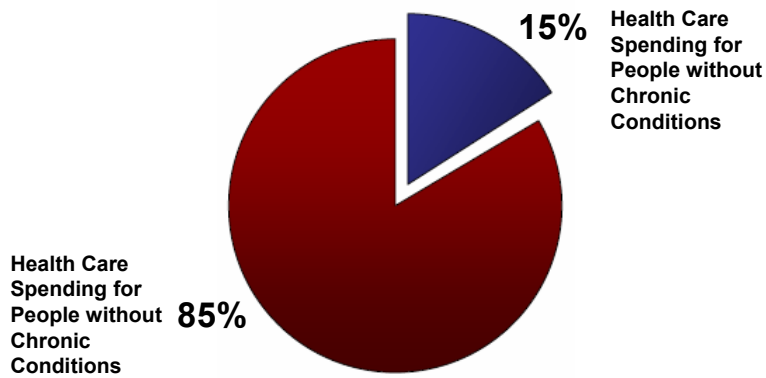
- Focus on wellness and prevention
- Evidence-based practices
  - Use objective science to link quality and cost effectiveness
- Value-based benefit designs

## Most common Chronic Conditions (across all ages)



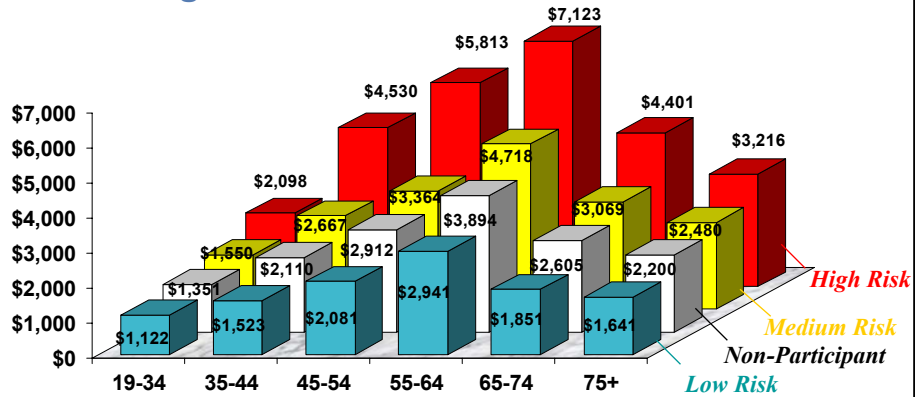
Source: Medical Expenditure Panel Survey, 2004

## People with Chronic Conditions Accounted for 85 Percent of All Health Care Spending in 2004



Source: Medical Expenditure Panel Survey, 2004

## Costs Associated with Medical Risks Costs x Age x Risk



Edington. Am J Health Promotion 15(5):341-349, 2001

## The Current State of Health Care

The single greatest, positive impact you can have on the system is by looking at health care benefits in a more integrated manner.



## Improving the Quality and Quantity of Clinical Preventive Services Delivered

- High value preventive services should be part of any standard benefit package

## Prevention Improves Health at a Good Value

SHORT NAME	CPB	CE	TOTAL
Discuss Daily Aspirin Use	5	5	10
Childhood Vaccination Series	5	5	10
Tobacco Cessation Counseling	5	5	10
Problem Drinking Screening & Brief Counseling	4	5	9
Colorectal Cancer Screening	4	4	8
Hypertension Screening	5	3	8
Influenza Immunization – adults	4	4	8
Pneumococcal Immunization – adults	3	4	7

clinically preventable burden (CPB)  
cost effectiveness (CE)

## Improving the Quality and Quantity of Clinical Preventive Services Delivered

- High value preventive services should be part of any standard benefit package
- First dollar coverage should be provided for preventive services to eliminate financial barriers to their use
- Healthy Indiana Plan:
  - Promotes access, prevention, personal responsibility, transparency, and quality
  - Two participating insurers (Anthem BCBS and MDwise with Americhoice) are providing **free unlimited preventive care services**
- Cover Tennessee:
  - Key components of the plan are affordability, portability, and providing basic health benefits, **focusing on first dollar coverage of preventive care.**

## Improving the Quality and Quantity of Community Preventive Services

- Many of the highest value preventive strategies are put into action in community settings
- Many population-wide services and policies to improve health are in fact cost-saving
- Vermont's commitment to improving the community's health
  - Increased tobacco state excise tax by \$.60 in 2006, and another \$.20 this year (total of 67% increase)
  - All recommended immunizations are provided at no cost to all Vermonters
  - Coordinated Healthy Activity, Motivation and Prevention Program – community grants to promote healthy behavior and disease prevention

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