



MCHB/DCAFH
June 2006 Webcast

“Partnering to Pay for MCH”





**Partnering to Pay
for MCH**

Webcast
June 6, 2006

Audrey M. Yowell, Ph.D, MSSS

U.S. Department of Health and Human Services (HHS)
Health Resources and Services Administration (HRSA)
Maternal and Child Health Bureau (MCHB)





The AIM Program

- Alliance for Information on MCH
- Grantee collaborative





Participants

- National membership organizations
- Members include decision-makers in:
 - State and local government
 - MCH professions
 - Foundations
 - Health insurance industry
 - Business
 - Family advocates





Purpose

- Help members make well informed decisions
- Public health policies and programs for women, children and families.
- Alert the MCHB to emerging issues





The Collaborative

Grantees under two MCHB programs

- Partnerships to Promote Maternal and Child Health (PPMCH)
 - Members focused on MCH
- Improving Understanding of Maternal and Child Health (IUMCH)
 - MCH as one of many areas of concern





AIM Partners

- American Academy of Pediatrics (AAP)
- American Academy of Pediatric Dentistry (AAPD)
- American Bar Association (ABA)
- Association of Maternal and Child Health Programs (AMCHP)
- Association of State and Territorial Health Officials (ASTHO)
- CityMatch (University of Nebraska)
- Grantmakers for Children, Youth & Families (GCYF)
- Family Voices
- Grantmakers in Health (GIH)
- National Association of County and City Health Officials (NACCHO)
- National Business Group on Health (NBGH)
- National Conference of State Legislators (NCSL)
- National Conference of State Legislators Consortium (with NGA, ASTHO, AMCHP)
- National Governors Association (NGA)
- National Healthy Start Association
- National Institute for Health Care Management (NIHCM)
- Today's Child
- -----
- MCHB

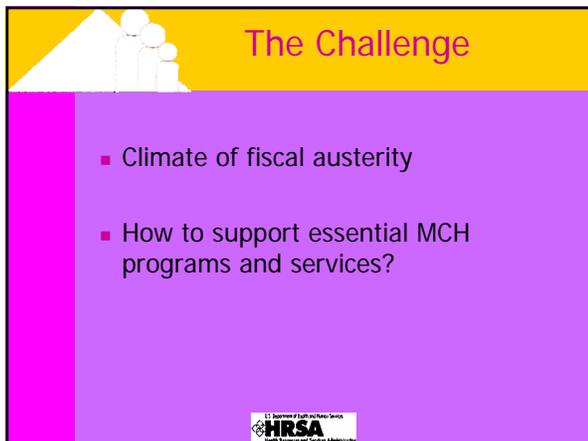




Value Added

- Different perspectives
- Share expertise
- Educate each other and MCHB about MCH issues and practices





The Challenge

- Climate of fiscal austerity
- How to support essential MCH programs and services?



Two AIM Webcasts

- Varied perspectives:
 - Business, health insurance, philanthropy (today)
 - State and local government (September)



For more information:

Audrey M. Yowell, Ph.D., MSSS
301-443-4292
ayowell@hrsa.gov



"Partnering to Pay for MCH."

By
Ron Finch, EdD
Vice President
National Business Group on Health
June 6, 2006



National Business Group on Health



- National Voice of Large Employers
- Practical Business Solutions
- Innovative Strategies
- Share Best Practices
- Influence Policy Consistent with Solutions

National Business Group on Health



- 245 members
- 62 of Fortune 100
- Provide health coverage to over 50 million workers, retirees and family members
- 17 million of the beneficiaries are children and adolescents
- Founded in 1974

The Employer Problem



- Rising health care costs and uneven quality
- Costs have doubled in past 6 years
- Retiree medical costs worse due to prescription drugs
- Obesity epidemic the tsunami of health care
- No end in sight

Problems in Health Care Quality

- US health care system is the most expensive in the world.
- Yet, it is “too tolerant of mismatches between knowledge and action.”
- The IOM reports 44,000-98,000 people die each year in hospitals due to preventable mistakes.
- Few incentives for efficiency and medically appropriate utilization.

Problems in Health Care Quality

- Pay the same for poor quality as excellent care. Waste \$500 million per year on inappropriate antibiotic prescribing.
- Only about half the time are health services provided according to recommended, evidence-based medical care.

The Problem
RAND Study Confirms Continued Quality Gap

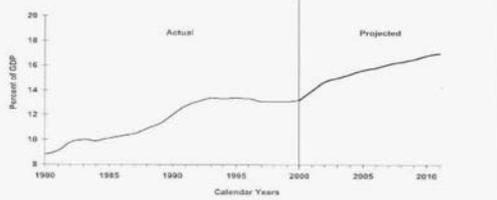
Condition	Percentage of Recommended Care Received
Low back pain	68.5
Coronary artery disease	68.0
Hypertension	64.7
Depression	57.7
Orthopedic conditions	57.2
Colorectal cancer	53.9
Asthma	53.5
Benign prostatic hyperplasia	53.0
Hyperlipidemia	48.6
Diabetes mellitus	45.4
Headaches	45.2
Urinary tract infection	40.7
Hip fracture	22.8
Alcohol dependence	10.5

National Health Care as a Share of GDP



National Health Expenditures as a Share of Gross Domestic Product (GDP)

Between 2001 and 2011, health spending is projected to grow 2.5 percent per year faster than GDP, so that by 2011 it will constitute 17 percent of GDP.



Source: CMS, Office of the Actuary, National Health Statistics Group
June 2002 Edition Centers for Medicare & Medicaid Services Section 1, Page 24

The Benefits Problem



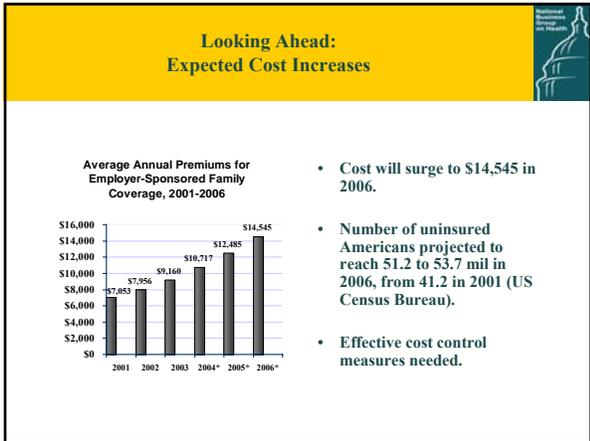
Employers' most serious, immediate benefits problems continue to be rising health care costs and uneven quality.

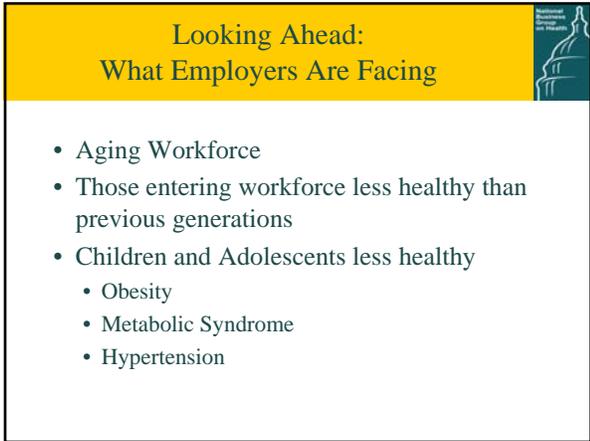
- Costs up 50% in the past five years; including 14% in 2003; 14% in 2004; 10% in 2005.
- Medicare coverage will cap retiree medical liability for shrinking number of employers providing retiree benefits, but costs are still high.
- No end in sight.
- Medicare costs will explode

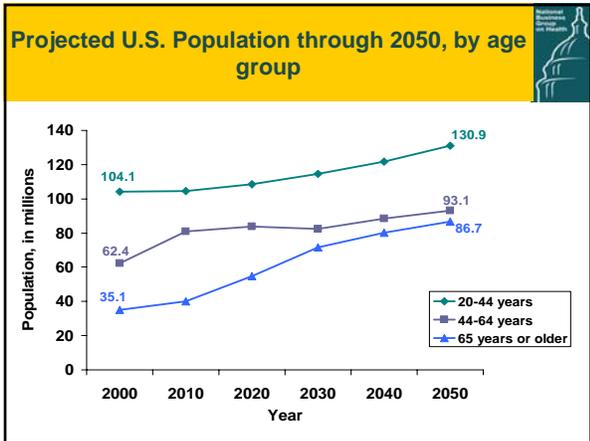
High Costs, Uncertain Economic Growth Hurt Economy/Living Standard



- Recession with earnings losses, drop in consumer confidence, market cap decline, and 9/11 exacerbated cost challenges.
- Economy lost 2 million jobs in past 2 years.
- Weak recovery, will help, but costs are way out of whack with all other economic indicators.
- Proportion of total pay package for health care increasing sharply while pay packages are nearly flat.







Contributing Factors

- Lack of Standardization
 - Across Payers
 - Across Populations
- Lack of Integration
 - Horizontal
 - Vertical
- Result is fragmentation in care delivery
- Lack of Accountability

Why We Need MCHB

- Unifying force
 - No other single organization exists that focuses on maternal and child health that can bring together the providers from all payer sources
 - Result is Standards Care Delivery
 - Standardization and Integration of Care
 - Programs and Standards for Measurement and Evaluation

Why We Need MCHB (Con't)

- Promotes innovation
- Provide practical and usable solutions, programs and services for:
 - Health Care Benefit Design
 - Health Promotion Programs
 - Management of Employee Disability
 - Employee Assistance Programs



NIHCM
FOUNDATION

Partnering to Promote
Maternal and Child Health

Nancy Chockley, M.B.A.
President and CEO
National Institute for Health Care Management Foundation

Overview

- **What is NIHCM Foundation and our commitment to maternal and child health (MCH)?**
- What are the key health care trends facing the public and private sectors?
- What are health plans doing to address the needs of women and children?

What is the NIHCM Foundation?

- Nonprofit, nonpartisan organization based in Washington, DC created in 1993
- Our mission is to promote dialogue, cooperation and leadership between public and private health sectors in seeking workable and creative solutions to health system problems
- Governed by a Board of Directors that includes CEO's of 10 of the most innovative BCBS health plans and an Advisory Board of health policy experts

NIHCM Foundation

<u>Board Members</u>	<u>Advisory Board</u>
William Marino (Chair): Horizon BCBS of NJ	John Cogan, PhD
John Forsyth (Vice Chair): Wellmark, Inc.	Paul B. Ginsburg, PhD
H.R.B. Barlow: Premera BC	John K. Iglehart
Larry Glasscock: WellPoint, Inc.	James J. Mongan, MD
Robert Greczyn: BCBS of North Carolina	Uwe E. Reinhardt, PhD
Vicky Gregg: BCBS of Tennessee	Robert D. Reischauer, PhD
W. David Helms, PhD: AcademyHealth	James C. Robinson, PhD
Kenneth Melani, MD: Highmark Inc.	Leonard D. Schaeffer
Alphonso O'Neil-White: BCBS of Western NY	Gail Wilensky, PhD
M. Edward Sellers: BCBS of South Carolina	
Robert Shoptaw: Arkansas BCBS	

NIHCM Foundation has a long track record on maternal and child health matters

- **10 year partnership with HRSA's MCHB**
 - Foster public/private interchange & collaboration
 - Educate health plan members
 - Areas of focus have included:
 - Women's health
 - Children's mental health
 - Childhood obesity
 - Adolescent & Young Adult health
 - Bright Futures
 - Preventing Childhood Injuries
 - Chronically Ill Kids
 - Health care coverage for kids
 - Medicaid/SCHIP
 - Quality of care for kids
 - Current focus is on addressing disparities in children's health

Our work with MCHB has had an impact with health plans & others

- Raised the visibility of MCH issues with health plans
- Fostered adoption by health plans of specific programs highlighted at our forums, including Bright Futures, KidShape, others
- Leveraged our partnerships with MCHB, CDC & others to cost-effectively promote women's and children's health

NIHCM Foundation has also funded its own research

■ RAND series of studies looking at childhood overweight

□ Findings

- Increasing PE instruction in kindergarten and first grade by 1 hour/week could reduce the number of overweight 5- and 6-year-old girls by as much as 10%
- Providing every kindergarten and first grade student with 5 hours/week of PE instruction – close to the level recommended – could cut the number of overweight girls in those grades by 43%, and the number of girls in those grades at risk for being overweight by 60%

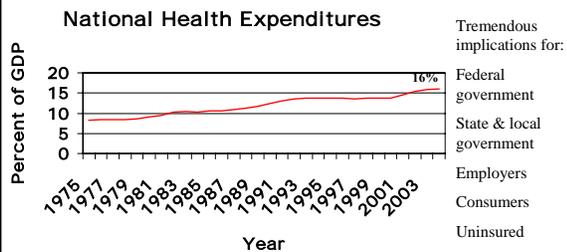
□ Results

- 3 peer-reviewed journal articles
- Media coverage including an AP story that was picked up by over 25 major newspapers

Overview

- What is NIHCM Foundation and our commitment to maternal and child health?
- What are the key health care trends facing the public and private sectors?
- What are health plans doing to address the needs of women and children?

Health care costs are going up rapidly and everyone is feeling it



Source: Centers for Medicare and Medicaid Services (CMS), Office of the Actuary; Data from the National Health Statistics Group

Key Drivers of Increased Health Care Costs

- Increasing prevalence & treatment of chronic diseases (asthma, diabetes, obesity-related diseases)
- Aging population
- Advancing technology & new drugs
- Market changes/consolidation/reduced competition

Source: "Will the real 'Cost Drivers' Please Stand Up: The Problem of Identification," Douglas Hall for New Hampshire Center for Public Policy Studies, November 2004

One of the key drivers health plans are addressing is chronic conditions

- 80 percent of health care spending is associated with chronic conditions¹
- Increase in prevalence of obesity accounts for 27 percent of the growth in health care spending²



- We need to do a better job preventing & treating chronic conditions
- **Health plans are responding with:**
 - Wellness programs
 - Disease management
 - Pay for Performance
 - Early identification
 - Community-based programs

Source: ¹Agency for Healthcare Research and Quality (AHRQ), Medical Expenditure Panel Survey, 1996

²Kenneth E. Thorpe, Curtis S. Florence, David H. Howard, and Peter Joski. "Trends: The Impact Of Obesity On Rising

Medical Spending." *Health Affairs* Web Exclusive, October 20, 2004

Who is paying for health care is changing

	1975	2005	Δ
Private Insurance	22.8%	35%	12.25%
Out of pocket	27.8%	12.5%	(15.3%)
Other private	7.2%	7.5%	.3%
State & Local	15%	13%	(2%)
Federal	27.2%	32%	4.8%



Out of pocket costs, however, are going up in absolute \$ and consumers are feeling that.

Source: Centers for Medicare and Medicaid Services (CMS), Office of the Actuary: Data from the National Health Statistics Group

Women are critical to the consumption & delivery of health care

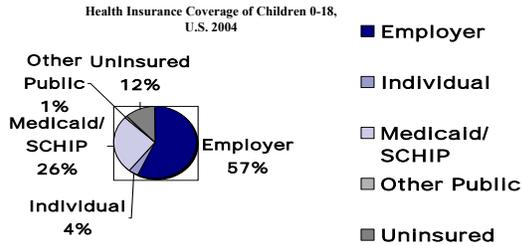
■ Consumption:

- Women are the key health care decision makers for themselves and their families

■ Delivery:

- Women will make up more than 50% of entering medical school students in 2006
- The vast majority of nurses, nurse practitioners, midwives and hospital aides are women

How are children accessing health insurance coverage?



Source: Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on the Census Bureau's March 2004 and 2005 Current Population Survey (CPS: Annual Social and Economic Supplements).

U.S. population becoming more diverse, and the private & public health care sector must respond

- Nearly half of the nation's children under 5 are racial or ethnic minorities.¹
- People of color² make up **nearly a third of the U.S. population**.
- By the year 2050, the U.S. Census estimates that **nearly half of the U.S. population** will be made up of people of color.²



■ Implications for health plans:

- Working to understand and eliminate disparities in care
- Make the health care system more culturally competent
- Designing & marketing affordable products to increase minorities access to coverage

¹U.S. Census Bureau, July 1, 2005 National Characteristics Population Estimates.

²Latinos, African Americans, Asian/Pacific Islanders, and American Indian/Alaska Natives

³Agency for Healthcare Research and Quality, "2005 National Healthcare Disparities Report" December 2005.

Overview

- What is NIHCM Foundation and our commitment to maternal and child health?
- What are the key health care trends facing the public and private sectors?
- **What are health plans doing to address the needs of women and children?**

Health plans address the needs of women & children through programs:

- Serving their general members
 - Commercial
 - Medicaid
 - Medicare
- Developing programs specifically for women & children
- Funding community-based programs affecting women & children

Promoting wellness

- **Health plans & employers are doing more to promote wellness within their memberships**
- **Examples of promoting wellness:**
 - Recognizing that implementing programs in schools is key in controlling the obesity epidemic, **Highmark** implemented "Challenge for Healthier Schools," which provides resources that support and enhance school efforts to fight childhood obesity, including a web-based portal, funding for programs in schools and is partnering to form an active recreation program.
 - Wellmark Blue Cross Blue Shield** offers the Better Beginnings program, a preconception and prenatal program focused on each individual pregnancy and baby, and helps identify prenatal health complications.
 - Horizon BCBSNJ** sends out a quarterly women's health newsletter, bi-lingual reminders for annual exams, and utilizes ELIZA - a telephonic reminder for Breast Cancer screening, Cervical Cancer screening, Post-Partum checkup, and Chlamydia screening.

Treating & preventing chronic conditions

- **Through disease management & other programs, health plans are addressing the needs of women & children with chronic conditions**

- **Examples of treating/preventing chronic illness:**

- Microsoft worked with **Premera Blue Cross** and became one of the first companies in the nation to offer insurance coverage for Applied Behavioral Analysis, an intensive therapy that helps draw autistic children out of their isolation.
- **Anthem Blue Cross Blue Shield of Maine** created the AH! Asthma Health Program, a chronic disease management program designed to improve the care of children with asthma, through a collaboration with Main Health, the Maine Medical Center and the American Lung Association of Maine.
- More than one half of Americans with diabetes in the U.S. are women, and health plans, such as **Blue Cross Blue Shield of Georgia**, have implemented disease management programs to help empower women to take an active role in self-managing their condition.

Increasing access to coverage

- **Examples of increasing access to coverage:**

- **WellPoint** developed TONIK, an affordable insurance product focused on addressing the needs of the 19 to 29 year old segment, who are the most likely to be uninsured.
 - *During the past two years, WellPoint companies have provided new individual policies to an estimated 753,000 people who had previously been uninsured.*
- To increase access and enrollment in California's Healthy Families Program (the state's low-cost health program for kids), **Blue Cross of California** launched a mobile outreach program offering application assistance for children.

Community programs

- **Health plans have created foundations to finance community programs for vulnerable populations including women and children**

- **Examples of community programs receiving funding:**

- **Highmark Foundation** awarded \$50,000 to fund the second year of "The Birth Circle," a support and education system for pregnant women at the East Liberty Family Health Care Center (ELFHCC).
- **BCBS North Carolina** awards grants to support Be Active Kids, a program that focuses on teaching pre-school children about the importance of nutrition and physical activity to prevent obesity (new grants will fund 5 grantees for 3 years at \$40,000/year).
- In Wisconsin, the **WellPoint Foundation** funded a \$500,000 Insuring Healthy Futures grant initiative, which funds community organizations that develop innovative ways to enroll Wisconsin's 150,000 low-income, uninsured children and adults who are eligible for Medicaid or BadgerCare.

Health Plan Foundations

- **Blue Cross Blue Shield of North Carolina Foundation:**
<http://www.bcbsnc.com/foundation/index.html>
- **Blue Cross Blue Shield of South Carolina Foundation:**
http://www.southcarolinablues.com/bcbs/bcbs_member1.nsf/PGS/about_BICrbsBISh_AbthFndtn_1
- **Blue & You Foundation Arkansas:** <http://www.blueandyoufoundationarkansas.org/>
- **Highmark Foundation:**
<https://www.highmark.com/hmk2/community/hmfoundation/index.shtml>
- **Highmark Caring Foundation:**
<https://www.highmark.com/hmk2/community/caringfoundation/index.shtml>
- **The Horizon Foundation for NJ:** http://www.horizon-bcbsnj.com/community_foundation.asp
- **BlueCross BlueShield of Tennessee Community Trust:**
<http://www.bcbst.com/about/community/communitytrust.shtml>
- **BlueCross BlueShield of Tennessee Health Foundation, Inc.:**
<http://www.bcbst.com/about/community/TNHealthFoundation.shtml>
- **Wellmark Foundation:**
http://www.wellmark.com/community/wellmark_foundation/wellmark_foundation.htm
- **WellPoint Foundation:** <http://www.wellpointfoundation.org/>

Conclusions

- Health care costs are increasing rapidly
- Both public and private sectors are responding but more needs to be done
- Reducing desperately needed dollars to the most vulnerable populations serves no one and only leads to cost shifting to the insured population and increased costs for all
- We must all make the case for continued funding for MCH services going forward
- Health plans are an important partner in serving women & children

Thank you!

NIHCM Foundation
<http://www.nihcm.org>
nihcm@nihcm.org
(202) 296-4426

Nancy Chockley, President and CEO
Kathryn Kushner, IUMCH Project Director

Partnering to Pay for MCH

Elise Desjardins
Grantmakers In Health

June 6, 2006



Agenda

- Philanthropy: An Overview
- The Case for Collaboration
- Important Grants and Initiatives



Philanthropy: An Overview



What is a Foundation?

A **foundation** is an entity that is established as a nonprofit corporation or a charitable trust, with a principal purpose of **making grants** to unrelated organizations or institutions or to individuals for scientific, educational, cultural, religious, or other **charitable purposes**.



Types of Foundations

1. Independent foundations
2. Corporate foundations
3. Operating foundations
4. Community foundations



The Diverse Field of Philanthropy

- Foundation type
- Source of funds
- Size (assets, staff)
- Age
- Geographic area served
- Mission
- Focus of grantmaking
- Priorities
- Strategies
- Flexibility
- Types of support

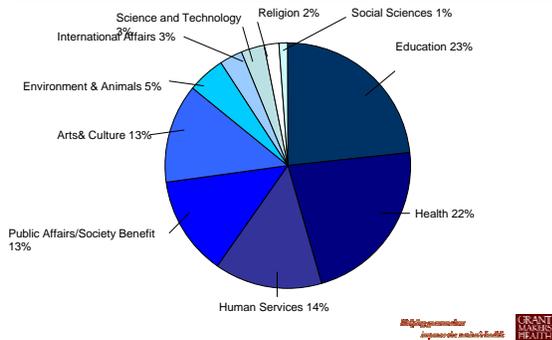


Health Funding Trends, 2004

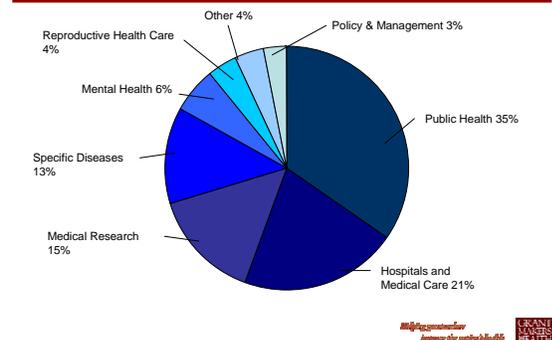
- Record high in 2004
- High percentage of total foundation giving
- Small percentage of national spending on health care



Grant Dollars by Subject Focus, 2004



Major Subcategories of Health Funding, 2004



The Case for Collaboration



Funders' Thoughts

- More than check-signers
- Mission restrictions
- Difficult decisions



Barriers to Collaboration

- Misperceptions of :
 - Ability
 - Risk
 - Culture



Opportunities for Collaboration

- Access
- Delivery system
- Learning
- Policy analysis
- Direct support



Important Grants and Initiatives



A Commitment to MCH

- Access
- Delivery system
- Evaluation



Conclusion

- Partnership is essential to improving health
- Patience is a virtue
- Be flexible



Public/Private Partnerships: Emerging Lessons from Grantmakers

Dr. Stephanie McGencey
Grantmakers for Children, Youth & Families
Executive Director

Grantmakers for Children, Youth & Families (GCYF)

- GCYF is membership association of grantmaking institutions
- GCYF is not a grantmaking organization
- Our mission is to increase the ability of organized philanthropy to improve the well-being of children, youth and families

More about GCYF...

- Serve as a forum to:
 - Educate grantmakers on issues
 - Review and analyze grantmaking strategies
 - Exchange information about effective programs
 - Facilitate partnerships that leverage scarce resources
 - Examine public policy developments
 - Maintain ongoing discussions with national leaders

Children, Youth & Family Philanthropy

- Fastest growing area of philanthropy
- Children and youth accounted for the largest share of grants in 2004 (22% of all grants)
- \$2.6 billion in grant awards
- 1 in 3 grant dollars supports economically disadvantaged children
- 1 in 8 supports ethnic or racial minority children

Foundation Center

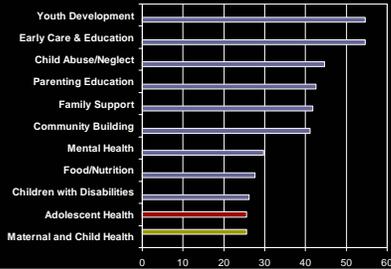
Common Goals of Public Health & Philanthropy

- Strengthening families and neighborhoods
- Building resiliency of children
- Youth development - building skills and abilities to make sound decisions and meet the challenges of adult life
- Connecting families to resources and services in their communities

Why Is GCYF Interested in Maternal and Child Health?

- Decreasing public funding/services
- Growing numbers (and increasing severity) of children, youth and families in need
- Public health system plays a key role in lives of children, youth and families
- Private funding for children and youth is strong and increasing
- Philanthropy and public (health) programs often operating on parallel tracks in communities

Regularly Funded GCYF Member Issues/Programs



By Percentage of Grantmaking

GCYF As a New MCHB Grantee

- Improve and strengthen understanding of MCH and health care issues.
- Build and strengthen application of MCH evidence-based research and best practices into private philanthropic grantmaking for CYF.
- Build and strengthen public/private partnerships designed to enhance and promote collaborative knowledge transfer and application, and investments in MCH programming and policymaking.

Improving Understanding of MCH Issues Among Grantmakers

- Need for understanding the multiple public programs that intersect with their issues and populations
- Different language
- Public programs don't always shift quickly
- "Generally, foundations don't know that MCH block grants are any different from other health related block grants, or how federal funds are connected at the state level (ex: WIC and MCH)"

Philanthropy's Perceptions of MCH

- "I've been in early childhood work and grantmaking for 30 years and didn't realize the public resources going into it [public MCH programs]"
- "Foundations are frequently not invited to the table for strategic planning discussions."
- "MCH is almost too broad a term, foundation boards need concrete ideas, specifics..."

Challenge: Thinking of Grantmakers As Partners...

- How do you work together while respecting the individual identity, needs, expertise, and resources of each partner?
- What are the range of partnership opportunities where your interests/goals/objectives intersect?
- Where are opportunities to share data, community knowledge, and training opportunities?

The Foundation Context

- Philanthropy is changing (contexts)
- Grantmaking for children, youth and families continues to be a high priority (issues)
- Sustainability admonitions (reminders)
- Resources are available to help you (you can do it—and there are folks that can help!)

What do we mean when we say *Public/Private Partnership*?

- Do we understand each other, know each other?
- How does this actually work?
- What does public health know about grantmakers?
What do grantmakers know about public health?
- We want to maximize our resources, opportunities, but what does this mean, how does this happen?

Building Partnerships with Philanthropy

Funding is only one element of partnership

Building Partnerships with Philanthropy

- **Content Expertise: Advisory Groups, Planning Partners, Strategic Planning**
 - Nearly 20% of GCYF members have worked in philanthropy for more than 10 years, another 20% for more than 15 years
- **Data and Assessment**
 - About 20% of GCYF members are working/funding social reporting (Kids Count, other data initiatives)

Building Partnerships with Philanthropy

- **Direct Services**
 - About 60% of GCYF members are working with/funding direct services in communities
- **Identifying and Replicating Evidence-Based Programs**

Where Are Public Programs Partnering with Grantmakers?

Examples from early childhood:

- **Colorado Smart Start**
<http://www.smartstartcolorado.org/>
- **Funders' Collaborative on "Promoting the Health and Learning of Connecticut's Young Children"**
http://www.chdi.org/projects_hcs_1.htm
- **Michigan Early Childhood Investment Corporation**
<http://www.greatstartforkids.org/>
- **The Build Initiative**
<http://www.buildinitiative.org/>

Summary Comments

- No public program or philanthropy can do alone what needs to be done to serve children and families;
- Scale and sustainability are old challenges, but we have new and promising examples for addressing them; and
- Private funders have a growing interest in learning how to maximize the return on their investments by forming powerful partnerships with the public sector.

Resources to Help...

- Chronicle of Philanthropy
 - www.philanthropy.com
- Foundation News & Commentary
 - www.foundationnews.org
- The Foundation Center
 - www.fdncenter.org and their e-newsletter Philanthropy News Digest
- Philanthropy Journal
 - www.philanthropyjournal.org
- PNN Online
 - www.pnnonline.org

**“All things are difficult
before they are easy.”**

Thomas Fuller

Public-Private Partnerships
