



# Health Value -- A Policymaker's Perspective

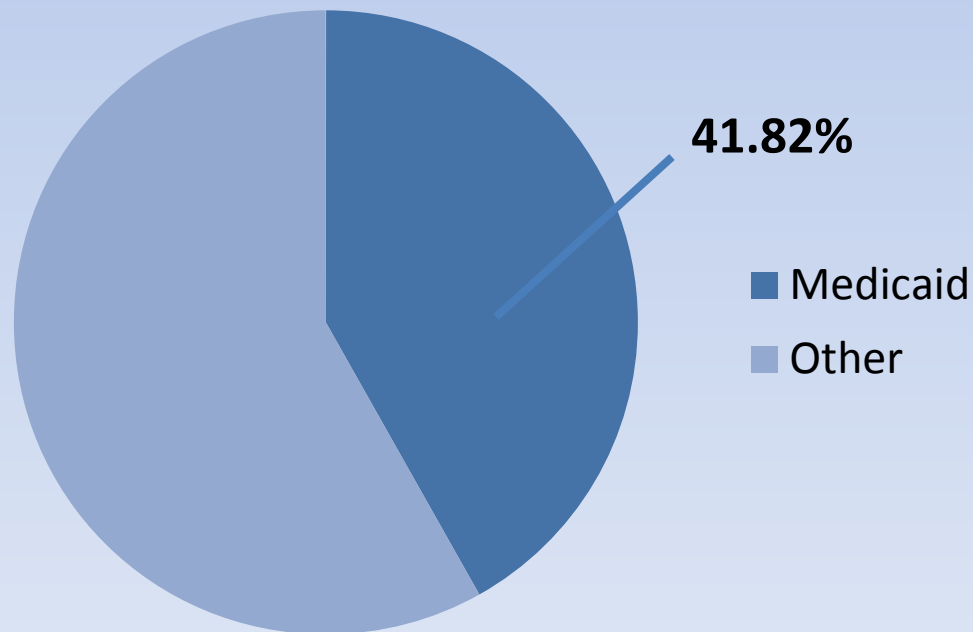
State Senator Shannon Jones  
Ohio's 7<sup>th</sup> District

Chair, Senate Health & Human Services Committee

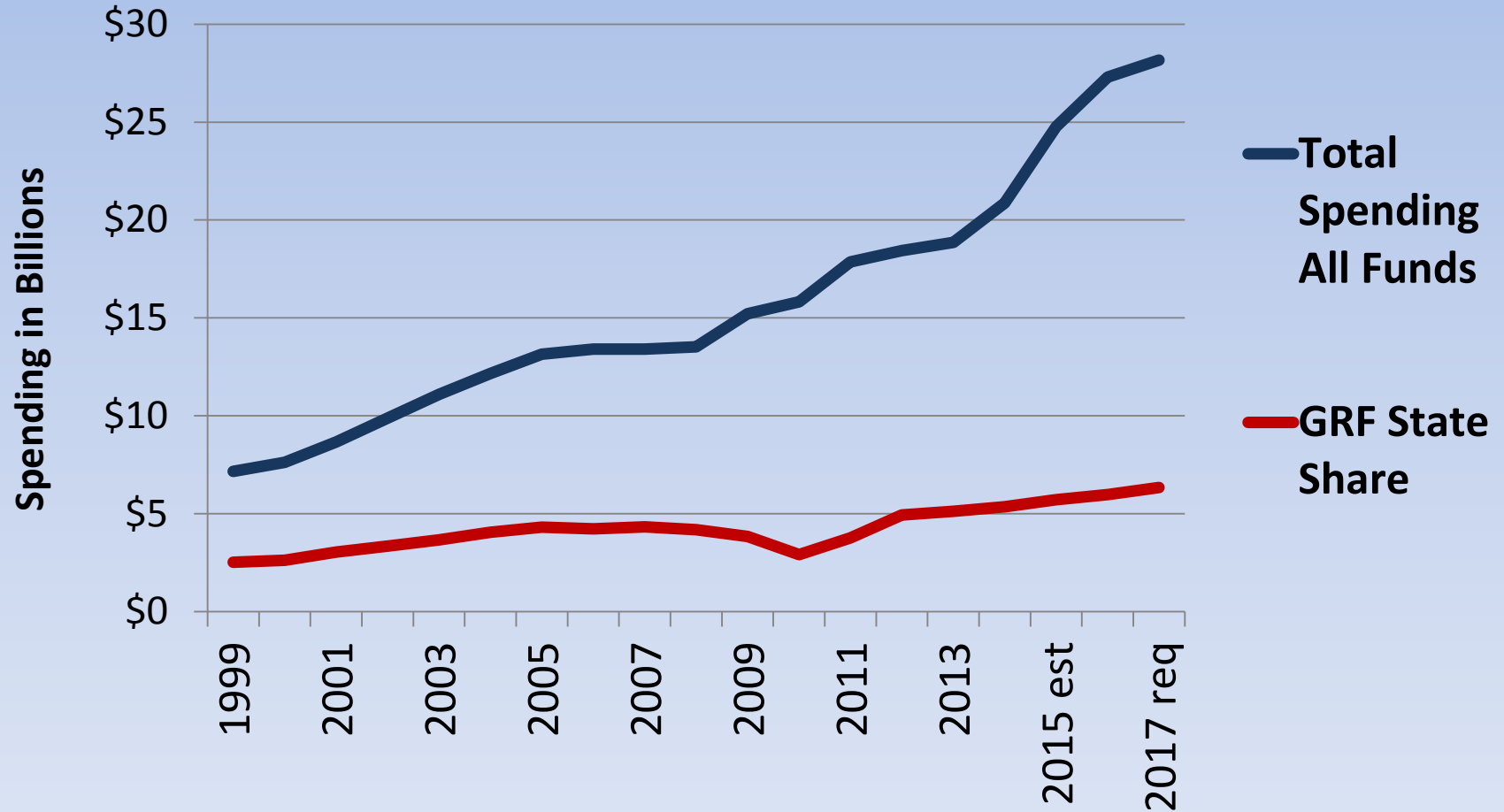
# Ohio Spends a lot of Money on Healthcare

Ohio's Total FY 2016-17 Budget: \$130.03 BILLION

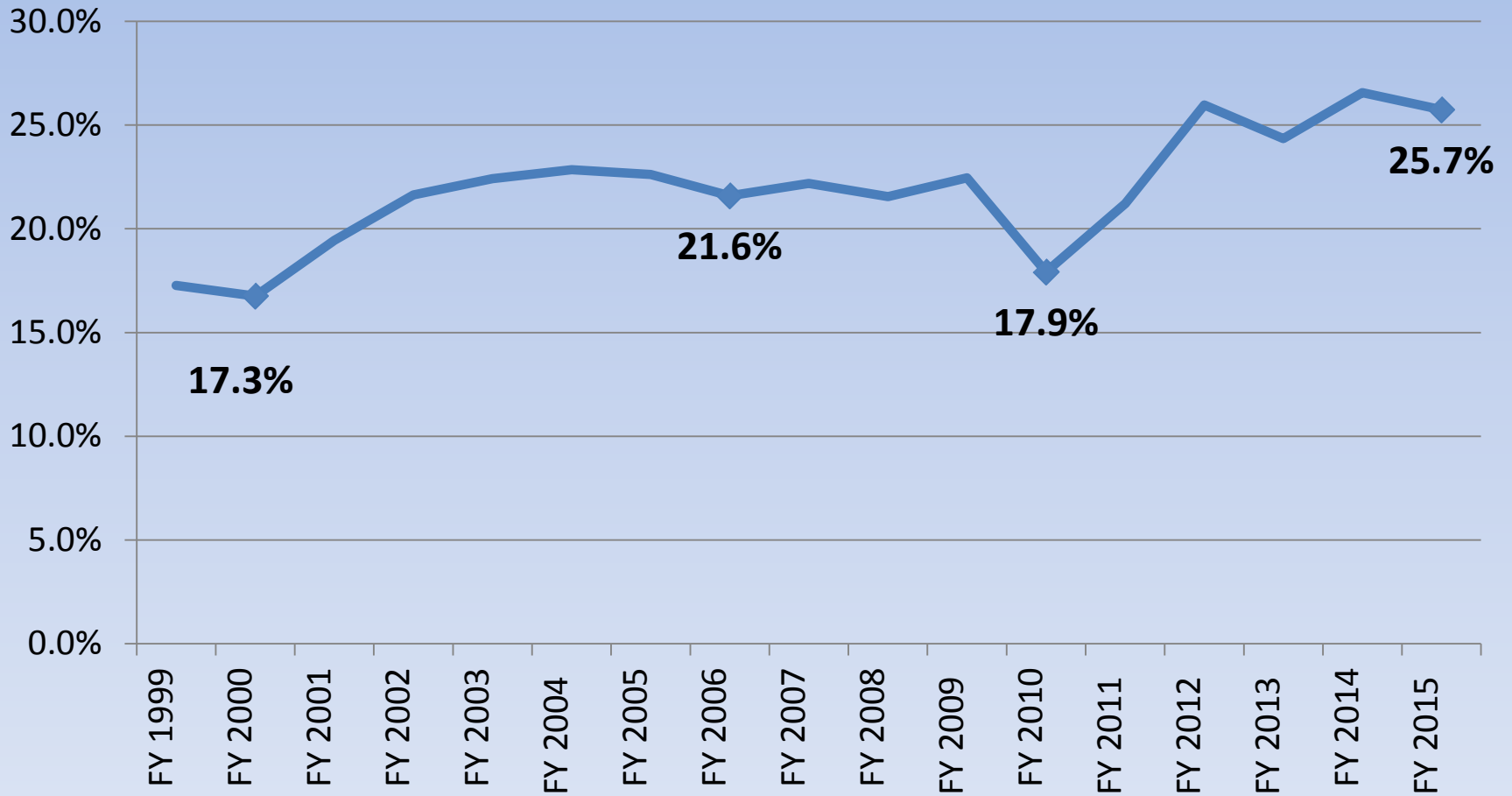
Medicaid Portion of Budget: **\$54.38** BILLION



# What Are We Spending on Medicaid?

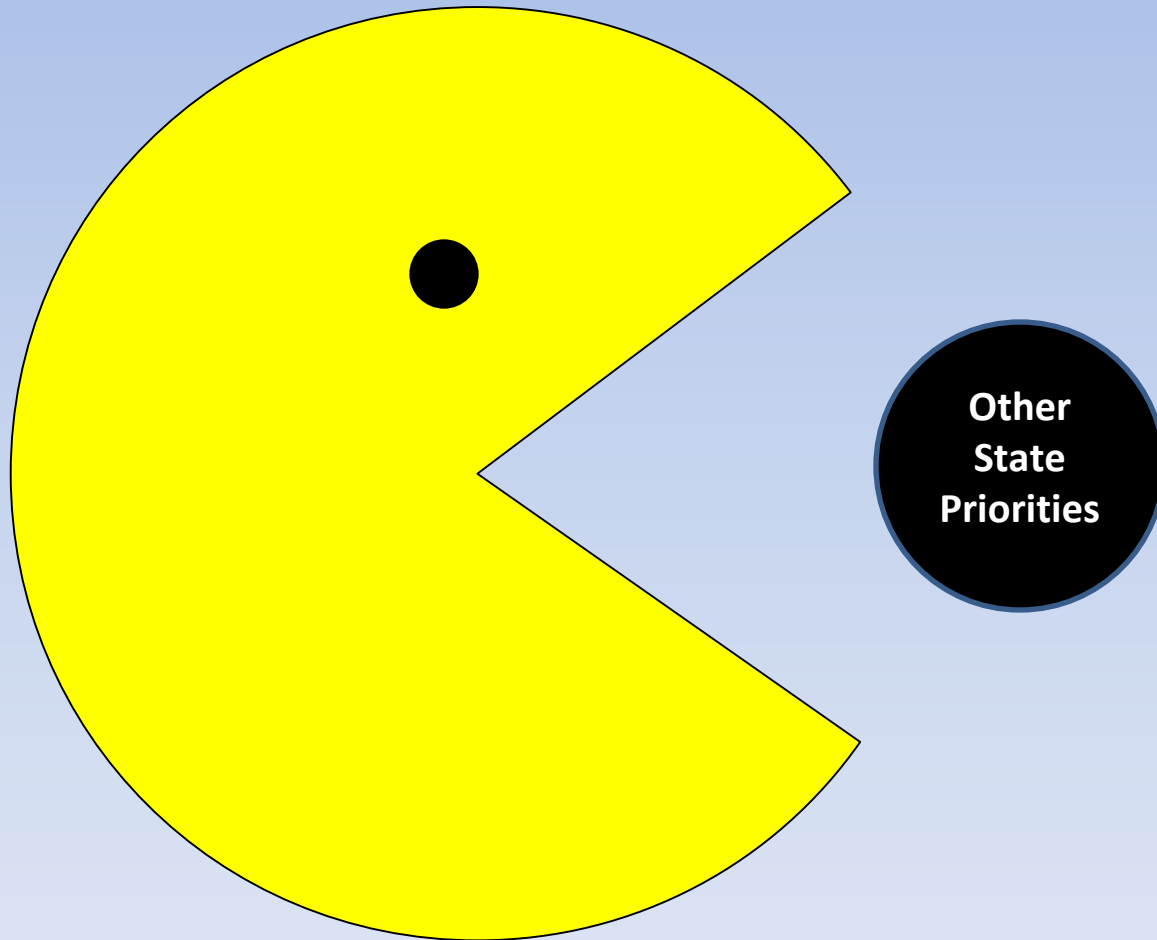


# State Share GRF Spending for Medicaid Grows as a Share of State Tax Receipts

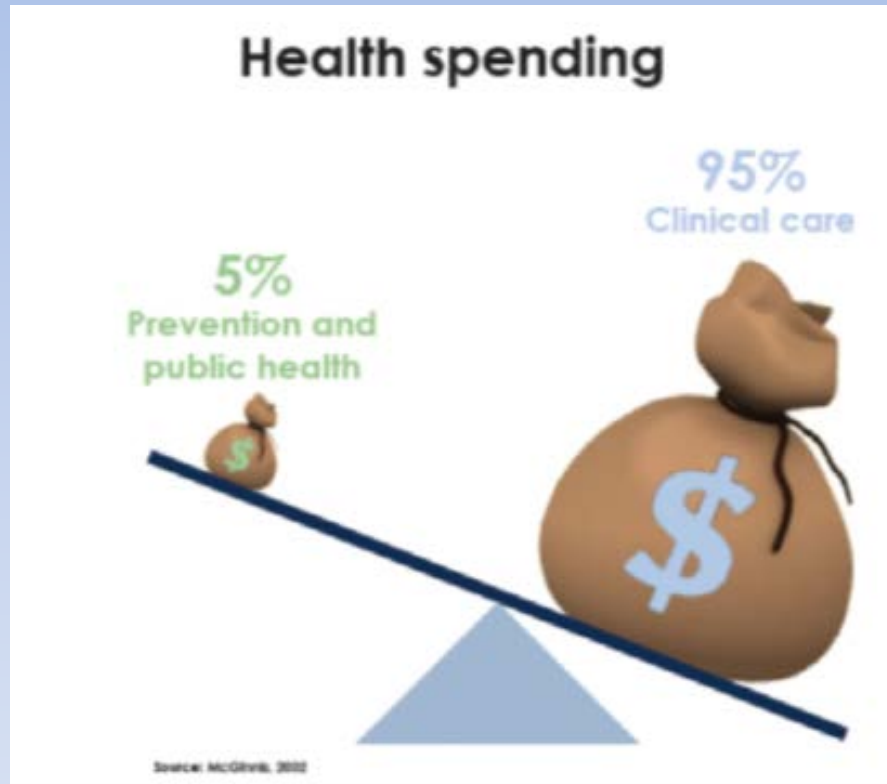


Source: LSC, GRF Revenue History, Historic State Share GRF Medicaid Spending

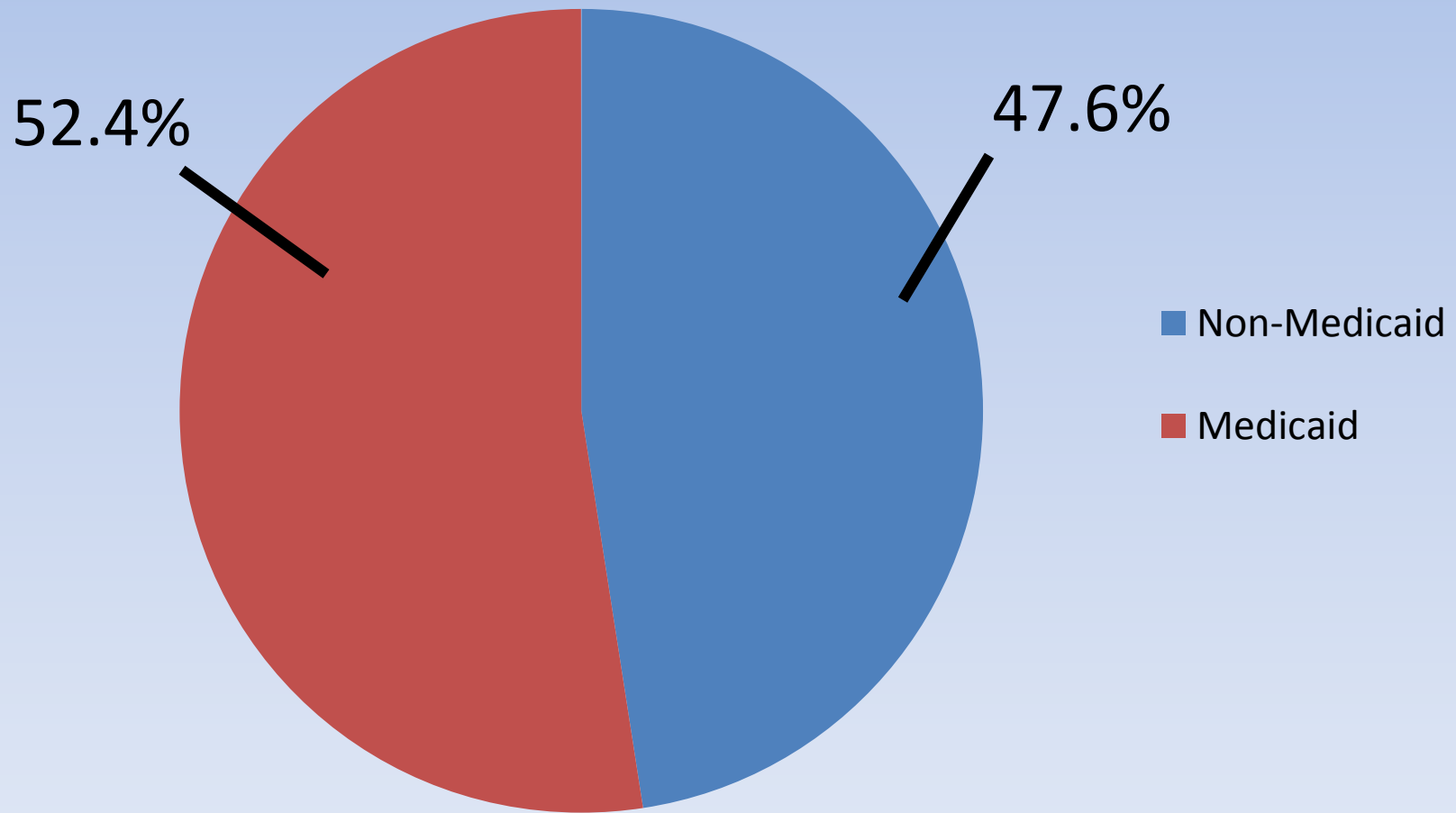
# What Some Policymakers Think of Medicaid...



# What Are We Buying with Our Healthcare Dollars?



# Taxpayers Are Footing the Bill for Ohio's Births



# Yet Ohioans Are Still Very Sick

40

### Population health

**Ohioans are less healthy than people in most other states.**

Ohio ranks 40th on a composite measure of population health. Thirty nine states are healthier. This overall rank is based on Ohio's rank in the following areas\*:

- 38 Overall health and wellbeing** Length and quality of life
- 49 Health behaviors** Tobacco, alcohol, physical activity
- 41 Conditions and diseases** Physical, mental and oral health

Health

47

### Health value in Ohio

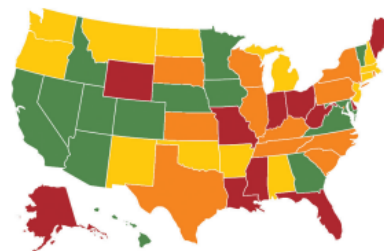
**We are not getting good value for our healthcare dollar.**

Ohio ranks 47th on a composite measure of health value—the combination of healthcare costs and population health, weighted equally.

Value

### Health + Cost = Value

Where states rank in health value...



- Top quartile** of the 50 states and the District of Columbia.
- Second quartile** of the 50 states and the District of Columbia.
- Third quartile** of the 50 states and the District of Columbia.
- Bottom quartile** of the 50 states and the District of Columbia.

40

### Healthcare costs

**Ohio spends more than most other states on health care.**

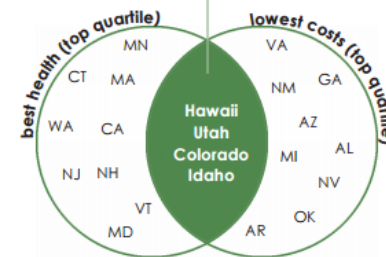
Ohio ranks 40th on a composite measure of healthcare costs. Thirty nine states spend less. This overall rank is based on Ohio's rank in the following areas\*:

- 35 Total spending** Overall healthcare spending per capita and spending growth
- 32 Employer costs** Average premiums for single adults and families
- 23 Consumer costs** Commercial health spending per enrollee and out of pocket spending
- 49 Medicare spending** Spending per enrollee and spending growth

Cost

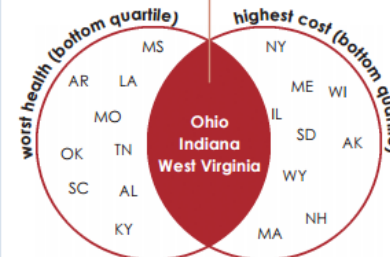
### Highest value states

States in the top quartile for both population health and healthcare costs



### Lowest value states

States in the bottom quartile for both population health and healthcare costs



Note: Rankings for the above domains are based on most-recently available data from 2008 to 2013. A ranking of 1 is the best and 51 is the worst.

\*The overall domain rank (e.g. healthcare costs) is the composite of the sub-domain ranks (e.g. total and employer). The subdomain ranks are the composite of the ranks for the individual metrics (e.g. healthcare spending per capita).



# Why does Ohio rank so poorly on health value?

December 2014

In order to improve health value, Ohio must address the many factors that impact population health outcomes and healthcare costs. Public health and prevention and the healthcare system in Ohio face significant challenges. Ohio also struggles when it comes to the physical, social and economic environments that impact health.

## 25 Access

- 15 Affordability and coverage** uninsured, employer-sponsored health insurance coverage, affordability of care
- 20 Primary care access** usual source of care, routine checkup, medical homes
- 42 Behavioral health** unmet mental health and illicit drug use treatment need
- 21 Oral Health** dental care, dental emergency department visits

## 34 Physical environment

- 36 Air, water and toxic substances** pollution, secondhand smoke, drinking water, fluoridation, lead poisoning
- 32 Food access and food insecurity** access to grocery stores, limited or uncertain access to adequate food
- 22 Housing, built environment and access to physical activity** housing problems, access to exercise opportunities, biking/walking to work, safe routes to school programs, complete streets policies, neighborhood safety

## 29 Social and economic environment

- 27 Education** preschool enrollment, fourth-grade reading, high school graduation, educational attainment
- 35 Employment and poverty** unemployment, child and adult poverty
- 29 Family and social support** single-parent households, teen births, social-emotional support, social cohesion
- 33 Trauma, toxic stress and violence** child abuse and neglect, adverse childhood experiences, violent crime
- 28 Income inequality**

## 51 Public health and prevention

- 41 Workforce and accreditation** state and local public health workforce, accreditation of local health departments
- 48 Communicable disease control and environmental health** chlamydia, foodborne illness monitoring, child immunizations
- 44 Emergency preparedness** emergency preparedness funding
- 40 Health promotion and prevention** prevention of chronic disease, infant mortality and injuries

## 39 Healthcare system

- 35 Preventive services** breastfeeding support, flu immunization, diabetes management
- 42 Hospital utilization** heart failure readmissions, emergency department visits
- 31 Timeliness, effectiveness and quality of care** healthcare-associated infections, stroke care, nursing home care, patient experience, mortality amenable to health care

Our social, economic and physical environments —where we live, work, learn and play — have a significant impact on our overall health.<sup>1</sup>

Clinical care received within the healthcare system accounts for the majority of our healthcare costs. Fewer of our healthcare dollars are spent on public health and prevention.<sup>2</sup>

### KEY

- Top quartile of the 50 states and the District of Columbia.
- Second quartile of the 50 states and the District of Columbia.
- Third quartile of the 50 states and the District of Columbia.
- Bottom quartile of the 50 states and the District of Columbia.

For methodology and sources, see appendix or view the Health Value Dashboard online at: [www.healthpolicyohio.org/2014-health-value-dashboard](http://www.healthpolicyohio.org/2014-health-value-dashboard)

**Note:** Rankings for the above domains are based on most-recently available data from 2006 to 2014.

1. McGovern, et al. "The relative contribution of multiple determinants to health outcomes," Health Affairs, 2014.

2. McGinnis, et al. "The case for more active policy attention to health promotion," Health Affairs, 2002.

# Ohio Ranks 47<sup>th</sup> in Health Value

## Ohio's greatest health challenges

Ohio ranks in the bottom quartile among U.S. states and Washington D.C. for the following metrics...

Domain	Indicator	Ohio's rank	Most recent data	Best state
Population health	<b>Adult smoking</b> Percent of adults who are current smokers	44	23.4%	10.3% UT
	<b>Adult diabetes</b> Percent of adults diagnosed with diabetes	46	11.7%	7% AK
	<b>Infant mortality</b> Infant deaths per 100,000 population	47	7.69	3.8 AK
Healthcare system	<b>Avoidable emergency department visits for Medicare beneficiaries</b> Potentially avoidable emergency department visits among Medicare beneficiaries, per 1,000 beneficiaries	44	215	129 HI
Public health and prevention	<b>State public health workforce</b> Number of state public health agency staff FTEs per 100,000 population	44	9.9	250.7 WY
	<b>Emergency preparedness funding</b> Median per capita funding for emergency preparedness	44	\$1.50	\$9.93 DC
	<b>Tobacco prevention spending</b> Tobacco prevention and control spending, as percent of the CDC-recommended level	46	4.4%	114.8% ND
	<b>Child immunization</b> Percentage of children ages 19 to 35 months who have received vaccinations	48	61.7%	82.1% RI
Healthcare costs	<b>Medicare spending growth per enrollee</b> Average annual percent growth in Medicare spending per enrollee	45	5.2%	1.4% ND
Access	<b>Unmet need for illicit drug use treatment</b> Percent of individuals ages 12 and older needing but not receiving treatment for illicit drug use in the past year	43	2.6%	1.9% HI
Physical environment	<b>Food insecurity</b> Percent of households with uncertain access to adequate food	40	16.1%	8.7% ND
	<b>Outdoor air quality</b> Average exposure of the general public to particulate matter of 2.5 microns or less in size	47	11.6	5.3 WY
	<b>Secondhand smoke</b> Percent of children who live in home where someone uses tobacco or smokes inside home	49	10.3%	0.4% CA

# A Closer Look at Infant Mortality

Ohio ranks **47<sup>th</sup>**  
in infant  
mortality and  
**50<sup>th</sup>** for black  
babies



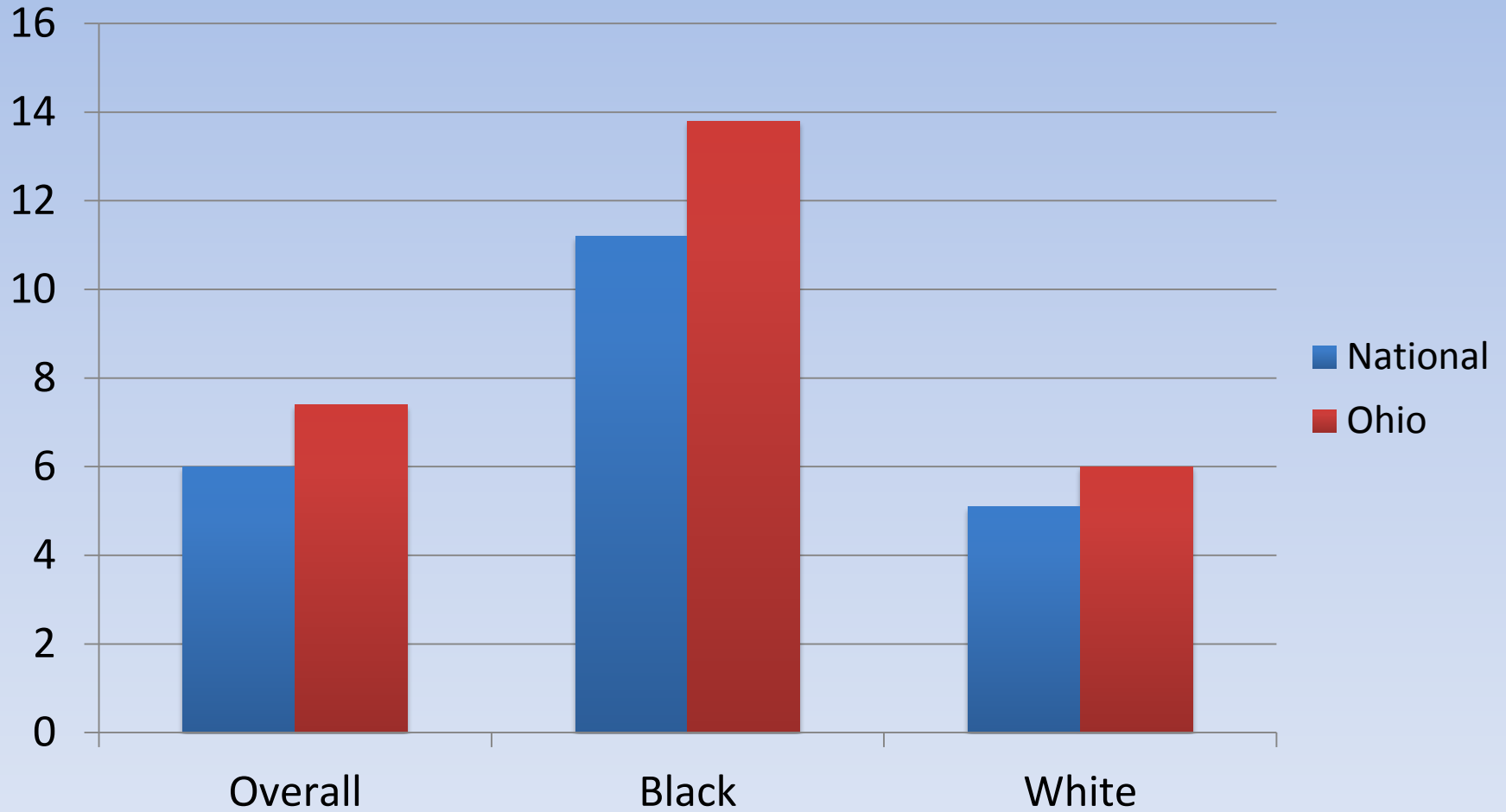
# 2013 Ohio Infant Mortality Data

In 2013, 1,024 infants in Ohio died before their 1st birthday, compared to 1,047 in 2012.

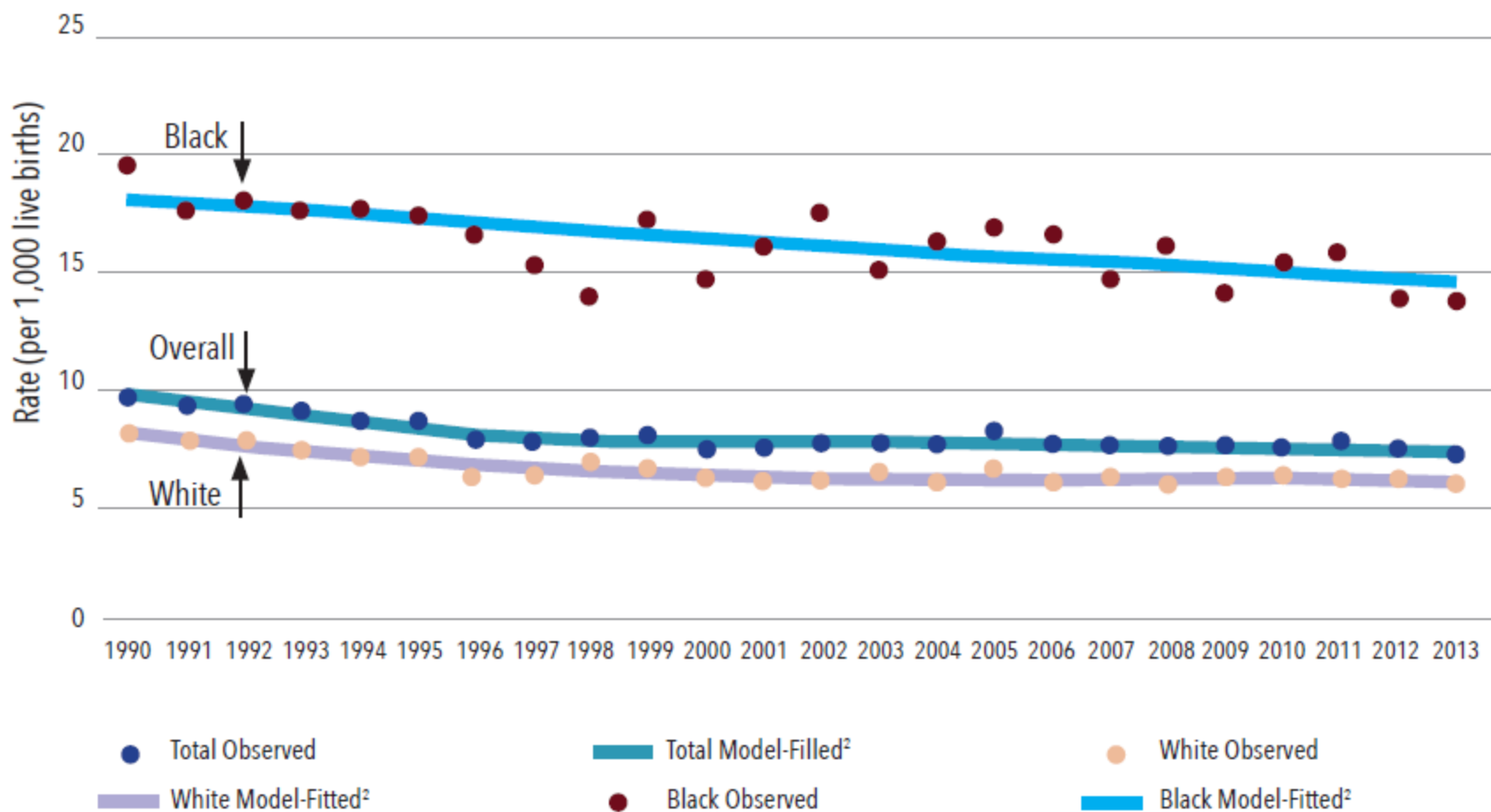
Ohio's Infant Mortality Rate based on 2013 data\*:

- Overall: 7.4 infant deaths per 1,000 live births
- White: 6.0 infant deaths per 1,000 live births
- Black: 13.8 infant deaths per 1,000 live births

# IM Rate per 1,000 Live Births



# Ohio Infant Mortality Rates, Overall and by Race (1990-2013)




Source: Vital Statistics birth and mortality files, Ohio Department of Health

# Opportunities To Do Better:


Preventing sickness is the key to saving money.

How can we improve outcomes and thus reduce spending?

# Full-Term Babies Save Money



Healthy full-term babies cost \$5,000 per delivery whereas pre-term babies cost **\$50,000** per delivery.



During the first year of life pre-term babies have **\$32,000** in medical expenses compared to \$3,300 for healthy full-term babies.



# Smoking Cessation and Prevention Saves Money



18% of pregnant women on Medicaid smoke during pregnancy while compared to 3% of non-Medicaid.\*



Smoking during pregnancy increase the chances of having a low-birth weight baby two fold.\*\*




Smoking during pregnancy contributes to five of the top 15 causes of infant mortality.\*\*


\*2014 Ohio Department of Medicaid Report on Pregnant Women, Infants and Children

\*\* 2014 Smoking and Pregnancy, Low-Birthweight Babies, and Infant Mortality – Cancer Action Network/American Heart Association/American Lung Association

# HUB Model of Care Saves Money



“If Ohio’s African American low birth weight was equal to the Northwest Ohio Pathways HUB’s, the state would save \$32 million annually in Medicaid costs alone.”\*



“Pathways Community HUBs in Michigan are showing a fifty percent reduction in per member per month costs for adults with two or more chronic conditions.”\*\*


\*Jan Ruma, Toledo/Lucas County HUB, Carenet

\*\* Dr. Sarah Redding, Mansfield HUB

# Other Strategies to Save Money



**Maternal Depression:** For every \$1 spent on treating maternal depression, \$5.31 in public dollars are saved.\*



**Centering Pregnancy:** “For every \$1 spent on prenatal care, \$2.57 is saved on medical care associated with low birth weight.\*\* This model of care can reduce the risk of premature birth by 33% compared to traditional care.\*\*\*”

\*Moving Beyond Depression: An Effective Program to Treat Maternal Depression in Home Visiting – Every Child Succeeds

\*\*Julie DiRossi-King, Ohio Association of Community Health Centers

\*\*\*Centering Healthcare Institute

- For more information call (614) 466-9737 or email [Jones@ohiosenate.gov](mailto:Jones@ohiosenate.gov) to be placed on our infant mortality newsletter distribution list.
- Follow me on social media for more updates



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