

HS 200B
Health Care Organization and Financing

Monday, Wednesday & Friday
2:00 PM – 3:50 PM
Room 33-105 CHS

Instructor

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INTRODUCTION

This course is the second of a two course sequence required of all students in the Department of Health Services. The sequence is structured as follows:

HS 200A: Understanding the Organization and Financing of the Health Services System

HS 200B: Assessing the Key Problems and Efforts to Reform the Health Services System.

In HS 200B, faculty from the Department of Health Services and select health policy makers and administrators will discuss applied health services topics that are central to their teaching, research, or managerial interests. Students are expected to gain basic competencies in the topics covered and to use the required sequence of courses as a basis to select additional courses which emphasize topics and skills they wish to study in greater depth.

KNOWLEDGE AND SKILL OBJECTIVES

HS200B is intended to focus on major problems facing the health care system and possible solutions to these problems. The course will emphasize how problems come to be recognized and defined, their characteristics and magnitude, and plans and programs to alleviate them.

Upon completion of the course students should:

- (1) understand current approaches to increase access, achieve greater efficiencies, and improve quality and understand the interactions and trade-offs involved in striving to attain these objectives;
- (2) be able to define vulnerable subgroups or target groups for the health care system, and their specific characteristics and the most pressing needs and demands, and potential strategies and challenges in improving their care; and

- (3) recognize some generic approaches to system reform and reflect on useful frameworks, towards a more ideal health care system, that can be used to assess progress of ongoing system, institutional, and professional reforms; and
- (4) understand central objectives of the U.S. health care system and how these objectives and the organization and financing of care compare to other countries.

COURSE REQUIREMENTS

- (1) Written papers showing understanding and ability to write a concise policy analysis memo;
- (2) An individual final paper; and
- (3) Class participation.

STUDENT EVALUATION

Course requirements will be weighted according to the following:

<u>Requirement</u>	<u>Weight</u>
First policy memo	25
Second policy memo	25
Final paper	40
Class participation	10
TOTAL	100 POINTS

CLASS PROCEDURES

Lecture sessions will generally be conducted on Mondays and Wednesdays. Due to scheduling of guest speakers, lectures will occasionally take place on Fridays.

READINGS

- 1. The **textbooks** for the class will be the same as last quarter (Introduction to Health Services by Stephen Williams and Paul Torrens, and Changing the U.S. Health Care System: Key Issues in Health Services Policy and Management by Ronald M. Andersen, Thomas H. Rice and Gerald F. Kominski).
- 2. The **syllabus** includes a reading list for the lecture topics. These readings are available through the UCLA Biomedical Library and on-line. Several additional readings will be provided via email.

LECTURE SCHEDULE

Date	Module	Session	Presenter	Due
1/8 Mon	Introduction	Introduction to 200B	Inkelas	
1/10 Wed	Part VI Policy Analysis and Public Health Planning	Policy Analysis	Needleman	
1/12 Fri		No class		
1/15 Mon		No class (Martin Luther King Jr. Day)		
1/17 Wed		Lab: Discussion of policy memo		
1/19 Fri		The 3 rd Era of Public Health: Implications for Public Health Practice	Breslow	
1/22 Mon	Part VII Health Care Quality	Quality for Accountability: Current Issues	Inkelas	
1/24 Wed		Quality Improvement: Current Issues	Inkelas	
1/26 Fri		No class		
1/29 Mon	Part VIII Applications of Health Services	Latino Health	Morales	
1/31 Wed		Special Populations in Managed Care: Individuals with Disabilities	Batchlor	
2/2 Fri		No class		
2/5 Mon		Health Services for Children	Inkelas	Policy memo due
2/7 Wed		Special Populations in Managed Care: Culture and Linguistics	Cho	
2/9 Fri		No class		
2/12 Mon		Mental Health Policy	Ettner	
2/14 Wed		Mental Health Disparities	Miranda	
2/16 Fri		Lab: Discussion of final paper		

2/19 Mon		No class (President's Day)		
2/21 Wed		HIV/AIDS	Cunningham	Policy memo due
2/23 Fri		Health care for American Indians	Hodge	
2/26 Mon		No class		
2/28 Wed		Veterans	Yano	Outlines due
3/2 Fri		Homeless	Gelberg	
3/5 Mon		No class		
3/7 Wed	Part IX International Comparisons	Comparison and determinants of international health systems	Eggleston	
3/9 Fri		No class		
3/12 Mon		International health systems and transition economies	Eggleston	
3/14 Wed		International models of primary care	Inkelas	

READING ASSIGNMENTS

SESSION	READER
1/10 Needleman	<ul style="list-style-type: none"> • Weimber DL, Vining AR. 2005. Chapter 2, What is policy analysis. In <i>Policy Analysis: Concepts and Practice</i>, 4th edition. Upper Saddle River, NJ: Pearson Education, Inc. • Stokey E and Zeckhauser R. 1978. Chapter 15, Putting analysis to work. In <i>A Primer for Policy Analysis</i>. New York: WW Norton. • Schick A. 1991. Informed legislation: Policy research versus ordinary knowledge. In <i>Knowledge, Power and the Congress</i>. (William H. Robinson and Clay H. Wellborn, eds.) <i>Congressional Quarterly</i>. • Nancy Shulock, “The Paradox of Policy Analysis: If It Is Not Used, Why Do We Produce So Much ...” <i>Journal of Policy Analysis and Management</i>, 18:2 (1999) p. 226. (Please read pages 226-229). • (Example of policy analysis: Please skim the report.) Congressional Budget Office. January 2000. Increasing small-firm health insurance coverage through association health plans and HealthMarts. Congressional Budget Office. http://www.cbo.gov/ftpdocs/18xx/doc1815/healthins.pdf
1/19 Breslow	<ul style="list-style-type: none"> • Williams & Torrens, Ch 8 • Andersen, Rice & Kominski, Ch 18 • EL Baker, Jr. and JP Koplan (2002). Strengthening the nation's public health infrastructure: historic challenge, unprecedented opportunity. <i>Health Aff (Millwood)</i>. 21, 15-27. • E Fee and TM Brown (2002). The unfulfilled promise of public health: deja vu all over again. <i>Health Aff (Millwood)</i>. 21, 31-43. • Breslow (1999). From disease prevention to health promotion. <i>JAMA</i>. 281(11):1030-3. • Breslow (2006). Health measurement in the third era of health. <i>American Journal of Public Health</i>. 96(1):17-19.
1/22 Inkelas	<ul style="list-style-type: none"> • Williams & Torrens, Ch 16 • JP Newhouse (2002). Why is there a quality chasm? <i>Health Aff (Millwood)</i>. 21, 13-25. • J Wennberg and A Gittelsohn (1982). Variations in medical care among small areas. <i>Sci Am</i>. 246, 120-34. • DB Reuben, PG Shekelle and NS Wenger (2003). Quality of care for older persons at the dawn of the third millennium. <i>J Am Geriatr Soc</i>. 51, S346-50.
1/24 Inkelas	<ul style="list-style-type: none"> • Andersen, Rice & Kominski, Ch 6-7 • DM Berwick (2003). Disseminating innovations in health care. <i>JAMA</i>. 289(15):1969-1975. • Leatherman S, Berwick D, Iles D et al (2003). The business case for quality: Case studies and an analysis. <i>Health Affairs</i>. 22(2):17-30. • Murray M, Berwick DM (2003). Advanced access: Reducing waiting and delays in primary care. <i>JAMA</i>. 289(8):1035-1040.
1/29 Morales	TBA

SESSION	READER
1/31 Batchlor	<ul style="list-style-type: none"> • Bodenheimer T, Wagner EH, Grumbach K. 2002. Improving primary care for patients with chronic illness. <i>JAMA</i>. 288 (15), 1909-1914. • Berenson RA, Horvath J. 2003. Confronting the barriers to chronic care management in Medicare. <i>Health Affairs</i>. W 3:37-53. • Medi-Cal beneficiaries with disabilities: Comparing managed care with fee-for-service systems. California HealthCare Foundation. August 2005. http://www.chcf.org/documents/policy/MediCalDisabilitiesMMCvsFFS.pdf
2/5 Inkelas	<ul style="list-style-type: none"> • Andersen, Rice & Kominski, Ch 11
2/7 Cho	<ul style="list-style-type: none"> • Betancourt JR, Green AR, Carrillo EJ, Park ER. Cultural competence and health care disparities: Key perspectives and trends. <i>Health Affairs</i>. 24(2):499-505.
2/12 Ettner	<ul style="list-style-type: none"> • Andersen, Rice & Kominski, Ch 12 • Williams & Torrens, Ch 12 • Barry CL, JR Gabel, RG Frank, S Hawkins, HH Whitmore and JD Pickreign (2003). Design of mental health benefits: still unequal after all these years. <i>Health Aff (Millwood)</i>. 22, 127-37. • Mechanic D (2003). Is the prevalence of mental disorders a good measure of the need for services? <i>Health Aff (Millwood)</i>. 22, 8-20. • Zuvekas SH, DA Regier, DS Rae, A Rupp and WE Narrow (2002). The impacts of mental health parity and managed care in one large employer group. <i>Health Aff (Millwood)</i>. 21, 148-59.
2/14 Miranda	<ul style="list-style-type: none"> • Miranda J, Duan N, Sherbourne C et al. (2003). Improving care for minorities: Can quality improvement interventions improve care and outcomes for depressed minorities? Results of a randomized, controlled trial. <i>Health Services Research</i>. 38(2):613-30. • Miranda J, Schoenbaum M, Sherbourne C et al. (2004). <i>Arch Gen Psychiatry</i>. 61:827-34. • Miranda J, Bernal G, Lau A, et al. (2005). State of the science on psychosocial interventions for ethnic minorities. <i>Annu. Rev. Clin. Psychol.</i> 1:113-42. • Miranda J, Chung JY, Green BL, et al. (2003). Treating depression in predominantly low-income young minority women: A randomized controlled trial. <i>JAMA</i>. 290:57-65.
2/21 Cunningham	<ul style="list-style-type: none"> • Cunningham WE, Hays RD, Duan N, Andersen RM, Nakazono TT, Bozzette SA, Shapiro MF. (2005). The effect of socioeconomic status on the survival of persons receiving care for HIV infection in the United States. <i>Journal of Health Care for the Poor and Underserved</i>. 16:655-676.
2/23 Hodge	<ul style="list-style-type: none"> • Hodge FS, Fredericks L, Rodriguez B. American Indian women's talking circle. A cervical cancer screening and prevention project. <i>Cancer</i>. 1996. Oct 1;78(7 Suppl):1592-7. • Joe, J. "The rationing of health care and health disparity for the American Indians/Alaska Natives." In <i>Unequal Treatment: Confronting Racial and Ethnic Disparities in Health Care</i>. 2002. Board on Health Sciences Policy, Institute of Medicine. National Academies Press. p 310-329 http://books.nap.edu/books/030908265X/html/528.html • Sandefur GD, Rindfuss RR, Cohen B, eds. <i>Changing numbers, changing needs: American Indian demography and public health</i>. 1996. Commission on Behavioral and

SESSION	READER
	Social Sciences and Education. National Academies Press. (Chapter 13) http://orsted.nap.edu/books/0309055482/html
2/28 Yano	<ul style="list-style-type: none"> • Ashton CM, J Soucek, NJ Petersen, TJ Menke, TC Collins, KW Kizer, SM Wright and NP Wray (2003). Hospital use and survival among Veterans Affairs beneficiaries. <i>N Engl J Med.</i> 349, 1637-46. • Fisher ES. (2003). Medical care--is more always better? <i>N Engl J Med.</i> 349, 1665-7. • Jha AK, JB Perlin, KW Kizer and RA Dudley (2003). Effect of the transformation of the Veterans Affairs Health Care System on the quality of care. <i>N Engl J Med.</i> 348, 2218-27. • Yano EM, DL Washington, C Goldzweig, C Caffrey and C Turner (2003). The organization and delivery of women's health care in Department of Veterans Affairs Medical Center. <i>Womens Health Issues.</i> 13, 55-61. • Lomas J (2003). Health services research. <i>BMJ.</i> 327, 1301-2.
3/2 Gelberg	<ul style="list-style-type: none"> • Andersen, Rice & Kominski, Ch 14
3/7, 3/12 Eggleston	<ul style="list-style-type: none"> • Davis, K. 1999. International health policy: common problems, alternative strategies. <i>Health Aff (Millwood)</i> 18 (3):135-43. • Evans, RG. (2005). Fellow travels on a contested path: Power, purpose, and the evolution of European health care systems. <i>Journal of Health Politics, Policy and Law.</i> 30(1-2):1-5. February-April. 277-93. • Deaton, A. 2004. "Health in an age of globalization." <i>Brookings Trade Forum 2004.</i> 83-110. • Blumenthal D, Hsiao W. (2005). Privatization and its discontents—The evolving Chinese health care system. <i>NEJM.</i> 353;11:1165-70. http://content.nejm.org/cgi/reprint/353/11/1165.pdf • Eggleston K, Ling L, Qingyue M, et al. (2006). Health service delivery in China: A literature review. World Bank Policy Research Working Paper 3978. http://www.wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2006/08/01/000016406_20060801114229/Rendered/PDF/wps3978.pdf • Technological Change in Health Care (TECH) Research Network. (2001). "Technological change around the world: Evidence from heart attack care." 20(3):25-42. • McClellan M, Kessler. (1999). "A global analysis of technological change in health care: The case of heart attacks." 18(3):250-55.

PRESENTERS

Elaine Batchlor, MD
Chief Medical Officer
L.A. Care Health Plan

Lester Breslow, MD
Professor Emeritus
Department of Health Services

Jennifer Cho
Culture & Linguistics Department
L.A. Care Health Plan

William Cunningham, MD, MPH
Professor
Med-GIM & Health Services

Karen Eggleston
Assistant Professor
Department of Economics, Tufts University
Global Fellow, UCLA International Institute

Susan Ettner, PhD
Professor
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Chair, American Indian Studies
Director, Center for American Indian/Indigenous
Research & Education
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Jeanne Miranda
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Leo Morales, MD, PhD, MPH
Associate Professor
Med-GIM, Health Services, Chicano Studies

Jack Needleman, PhD
Associate Professor
Department of Health Services

Elizabeth Yano, PhD
Associate Director
HSR & D Center of Excellence
VA Greater LA Healthcare System
Adjunct Assistant Professor
Department of Health Services

POLICY ANALYSIS MEMO #1

This policy analysis allows you to apply class material to a practical problem while synthesizing ideas and thoughts into cogent written arguments.

A health plan CEO is thinking of paying primary care physicians an annual bonus of 10% that is tied to the quality care they provide. You may suggest an incentive that applies to all primary care providers or to those caring for a target population (e.g., elderly, children, plan members with a disability). Others in the health plan are not sure how this bonus can be implemented equitably or effectively (i.e., achieving desired results).

The senior managers of the health plan are sensitive to the needs and concerns of its provider network, which includes but is not limited to safety net providers, including public clinics. They would prefer not to be surprised by any opposition. As a result, they want to understand the potential barriers to achieving their goal within the current system. The health plan management is also concerned about the implications of any changes for existing disparities. They would like an incentive scheme that will (1) improve the average level of care (and outcomes) and (2) reduce variation in care (and outcomes).

Unsure of how to proceed, the health plan has hired you as a consultant for advice. The deliverable for this project is a memo that the senior health plan management will use to decide how to implement this financial incentive. Your memo will help them to understand what consequences they should anticipate, and what information they will need to make the best implementation decisions and to monitor the impact of the policy, with the goal of achieving the underlying goal of the policy. As a result it will be important to think of multiple perspectives on this issue.

In this memo, please describe the pros and cons of the incentive approach that you propose, provide detail on the measures you think the health plan should use to monitor impact, and outline possible consequences that the senior managers should anticipate as well as how the health plan should monitor and respond to these consequences. You may recommend some conditions for moving forward based on current information limitations or other criteria.

Remember that the goal of this memo is to communicate key information to the senior managers of a health plan. They have decided on a course of action but want a succinct and realistic analysis of the issues they should consider and anticipate.

The memo is due in class on Monday, February 5. It should be:

- between 8-10 pages (double spaced, 1" margins, 12 point font);
- turned in with student ID numbers and NOT your name.

POLICY ANALYSIS MEMO #2

Officials at CMS recently read the Leatherman et al. article (*Sheila Leatherman, Donald Berwick, Debra Iles, Lawrence Lewin, Frank Davidoff, Thomas Nolan and Maureen Bisognano. "The Business Case for Quality: Case Studies and an Analysis" Health Affairs 2003; 22(3): 17-30*) and think that all sound like promising ways of improving health care and health status. They are also inspired by Dr. Breslow's "third era in health" concept. The CMS officials are interested in greater involvement of business in improving medical care and promoting health.

You have been asked to provide a realistic assessment of opportunities and feasibility of business sector involvement, drawing from the Leatherman et al. article as well from your own analytical skills. The authors of the paper identified four case studies of innovative programs. CMS officials are intrigued but have some doubts about the particular analyses that are presented in this article. They would like you to craft a memo that addresses their key questions, which are:

- a) The analysis that Leatherman et al. summarize in Exhibit 1 suggests that wellness programs would be favorably viewed by all stakeholders. However, CMS policy analysts are well aware that many companies do not in fact have very active or comprehensive wellness programs. What's been missed in the paper's analysis that could account for the checkered implementation of work-site based programs? (You can briefly summarize the reasons that the authors do provide.)
- b) The paper suggests that a number of quality improvements would be viewed "unfavorably" by health care providers. What has gone wrong with our norms of health care professionalism or the incentives through which we pay providers that would position them against strategies to improve quality of care?
- c) The paper seems to suggest (again see Exhibit 1) that the incentives for individual patients and for society as a whole are perfectly aligned – that initiatives that would seem favorable to individuals will be the same as those favored from a societal perspective. Your CMS informants have their doubts about this. Do you share these doubts? If you do, can you identify circumstances in which the interests of the individual patient are likely to diverge from those of society as a whole? (If not, explain why not.)
- d) The authors propose (see Exhibit 2) a number of strategies for better aligning incentives and enhancing health (care). In your assessment, are the strategies that are likely to be most effective at improving quality of care the same as those that will prove most effective at encouraging health promotion initiatives? If not, are there some systematic differences between the two types of reforms that need to be considered more carefully in this sort of analysis?

Remember that the goal of this memo is to communicate key information to the CMS officials. They would like a succinct and realistic analysis of the issues they raised.

The memo is due in class on Wednesday, February 21. It should be:

- between 8-10 pages (double spaced, 1" margins, 12 point font);
- turned in with student ID numbers and NOT your name.

FINAL PAPER

A Pragmatic Vision for an Improved Health Care System

The final course paper on a pragmatic vision for an improved health care system is an opportunity to integrate information from class sessions and readings. This paper will be due on **Wednesday, March 21, 2007.**

A presidential candidate is planning ahead for the 2008 election. The candidate is seeking to develop a pragmatic health reform plan that is ambitious and visionary and also has a good chance of being accepted on a bipartisan basis. This is a good opportunity to reflect on your own priorities for the nation's health system so you have decided to help with a position paper on a reform package.

This candidate pays attention to health reform issues and is aware of the outcome of the Clinton reform plan and is closely watching reaction to (and fiscal impact of) the Medicare Prescription Drug benefit bill. This candidate is looking for health issues where reforms could make a positive difference. The candidate has contacted several health care policy experts (including yourself) across the country to get ideas on what the plan should include. The candidate is leaving it up to you to recommend the marketplace and the particular population group or subgroup. You may also target your recommendations towards the U.S. population as a whole.

The candidate wants to understand your vision for improvement and wants to be convinced that there are some pragmatic strategies associated with your ideas. The candidate will need advice on framing as well as the vision and strategies. Why is your platform compelling and feasible? You should ground your recommendations in the current literature and are welcome to cite the ideas of others and evidence from studies that were influential in your decisions. Remember that they are primarily interested in your ideas and how you structure them. Also remember that the candidate is receiving ideas from a number of expert advisors who may use facts and figures to support their own viewpoints. As such, the candidate may be confused by conflicting statistics so it is important to provide a well-balanced assessment of the facts and the available options and their pros and cons.

Your position paper should include an assessment of the likelihood of your vision and specific recommendations being implemented in light of the current political or economic forces. You should spell out your assumptions regarding feasibility using the tools of effective policy analysis.

Several elements to include in your plan are as follows:

Methods of priority-setting, planning, evaluating, and improving performance:

- What is the rationale for proposing the health problem(s) that need attention from the proposed health care system reforms? How can strategies or programs be developed to meet these high priority needs? How will we know if the desired outcomes are being achieved? How will we gather information program quality and program effectiveness over time? How can the recommendations be implemented with some flexibility to make

adjustments to policy based on evaluation of outcomes? How will providers and targeted populations respond to the proposed changes?

Methods of financing the system :

- How will the proposal(s) be financed (e.g. general taxes, insurance premiums, direct payments by patients, subsidies, etc.) In addition, please outline the funding and compensation plans regarding providers of services.

Methods of providing services:

- How will personal services be delivered to people under your proposed ideas? What kinds of services will be included? How will they be organized? How will individual people go about getting access to these services? What types of organizations will be necessary to provide/coordinate/integrate whatever personal health care services are included in the plan?

Your papers should be succinct enough for this pair to read and digest. Please ensure that the paper is 15-20 double spaced pages in length with 1" margins and a 12 point font. Any tables, appendices, references, etc. are not included in this total.