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### **SCDHHS joins national payment reform effort**

**COLUMBIA, S.C.** — The South Carolina Department of Health and Human Services (SCDHHS) announced Monday that it has joined forces with several of the nation’s largest employers and other health care purchasers in an initiative to create more value in today’s health care system by improving how health care providers are paid.

Catalyst for Payment Reform (CPR) is an independent, national non-profit organization that leverages the collective strength of private- and public-sector health care purchasers to achieve better value and quality in health care. Existing participants include Boeing, Xerox, 3M, Wal-Mart, General Electric and Verizon. Ohio was the first Medicaid program to join the effort and the SCDHHS is the second. Many of the CPR purchasers have significant employee presence in both Ohio and South Carolina, and nationwide CPR members have responsibility for over 8 million covered lives.

“As an agency, we identified early-on that changing how we pay health care providers in South Carolina is key to improving health, not just blindly paying for more and more services,” said SCDHHS Director Anthony Keck who recently returned from a CPR meeting in Chicago hosted by Boeing. “By participating in CPR we not only have a stronger voice in creating change, but we have access to some of the best thinking and experience related to payment reform in the nation.”

CPR participants work collaboratively to ensure that their health plans are implementing effective provider payment strategies. In particular, CPR purchasers agree to use CPR’s model health-plan contract language on payment reform to drive higher quality and better value for consumers. In addition, CPR purchasers have identified special initiatives such as improving maternity care and improving price transparency.

“A health care system that produces better value for everyone’s health care dollar will only evolve if both public and private sector health care purchasers work together around a shared agenda for payment reform,” said Suzanne Delbanco, executive director of CPR. “South Carolina’s leadership in involving its Medicaid program in CPR’s efforts will enhance alignment across sectors and put the state on a path to higher-quality and more cost-effective health care for all.”

SCDHHS is currently working with local stakeholder leadership through its Coordinated Care Improvement Initiative to redesign how the state improves health through its Medicaid managed care organizations and Medical Homes Networks. As a participant in CPR’s effort, the SCDHHS will join in regular meetings between corporate benefit managers and national health plans, and will have access to CPR implementation materials and staff with expertise in benefits management and payment reform.

These combined efforts should result in radically improved outcomes, patient satisfaction and cost management within South Carolina Medicaid.

“Even as our health gets worse compared to the rest of the world, we end up spending more and more of our paychecks and tax dollars on health care,” Keck said. “This uncontrolled growth puts strains on family budgets, depresses job growth and crowds out other important investments such as education. By working with South Carolina employers, providers, consumers and our health plans, we believe all of us can get more health for our money.”

*SCDHHS serves more than 1 million low-income, elderly and individuals with disabilities each year through the state’s Medicaid program. The mission of the Department is to purchase the most health for residents in need at the least cost to taxpayers.*

*Founded in 2009, CPR is an independent, non-profit corporation working on behalf of large health care purchasers to catalyze improvements to how we pay for health services and to promote better and higher-value care in the U.S. CPR received input on the model health plan contract language from health care payment experts, employers and health plans.*

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