



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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March 30, 2009

Dear Members of the Strategic Health Planning Technical Advisory Committee (TAC):

Last month we alerted you to changes in the Office of Financial Management (OFM) staff who had been managing the strategic health planning effort directed by the 2007 Blue Ribbon Commission legislation (E2SSB 5930). As you know, Wolfgang Opitz, Project Sponsor, and Cherie Berthon, Project Manager, have accepted other positions in state government.

Their departure and our current state budget challenges have led us to streamline our efforts. However, we are working to ensure that key products expected from the Strategic Health Planning Office (SHPO) are delivered, and that we are positioned to resume the full effort when the budget situation improves. In the short term, we have asked staff to focus on specific products, as described in the attached update, to provide the health resources plan in 2010 as required in statute, and to maintain contact with you by phone and e-mail until the committee can meet again this fall.

**Dr. Irv Lefberg**, Assistant Director of the Forecasting Division, which provides all technical support for the strategic health planning project, and **Dr. Carole Holland**, Senior Budget Advisor for Human Services in the Budget Division, which oversees the budgets of state-supported health care and insurance programs, have stepped up to jointly direct the project. Many of you know Carole and Irv and are aware that both have been heavily involved in SHPO activities and have a long history of professional experience in health care research and policy. They both continue to work closely with Christina Hulet and Jonathan Seib in the Governor's Executive Policy Office. Dr. Harold Nelson, Jenny Hamilton, and Dr. Wei Yen will provide day-to-day staff support and pick up many of Cherie's duties.

This approach will also enable a much closer connection between the work of the SHPO and the core functions of OFM, as the central budget agency, to help contain costs in state-administered health care programs, while still addressing critical quality issues.

We remain strongly committed to the ongoing strategic health planning effort envisioned by the Legislature. Your advice and counsel will continue to be immensely valuable as we move forward. Attached is a short update on our current and planned efforts, with a request for your general feedback and your specific comments on the Health Care Resources Finder now on the OFM website.

Sincerely,

Victor A. Moore  
Director

Enclosure

cc: Lance Heineccius, TAC Meeting Facilitator  
Irv Lefberg, OFM Forecasting  
Carole Holland, OFM Budget  
Jonathan Seib, Governor's Executive Policy Office  
Christina Hulet, Governor's Executive Policy Office

<p><b>Why this update?</b></p>	<p>This short overview is to bring the Technical Advisory Committee (TAC) and other interested parties up-to-date on the work directed by the 2007 Legislature<sup>1</sup> to support strategic planning for Washington’s health care resources. It focuses on specific products <i>on which we’d like your feedback</i>, and highlights upcoming products that are designed to make information on Washington’s current health resources more readily available.</p>
<p><b>We’d like your feedback on our current products</b></p>	<p>The January update announced the uncertainty of resources for future committee meetings. We now expect the TAC will not meet again formally as a group until Fall 2009, but will remain connected regularly in less formal ways. For example, through this update <b>we’re asking for your candid feedback on two products:</b></p> <ol style="list-style-type: none"> <li>1. The <i>first phase</i> of our effort to understand the <i>regional distribution of health facilities</i> is complete. Data from a variety of publicly available sources have been compiled and made viewable on the OFM website (<a href="http://www.ofm.wa.gov/shpo/deliverysystem/default.asp">http://www.ofm.wa.gov/shpo/deliverysystem/default.asp</a>). Washington hospitals, ambulatory surgery centers, trauma centers, nursing homes, kidney dialysis centers, and diagnostic imaging centers are included. Other facilities will be added.<sup>2</sup> Although we verify the existence of facilities through a process of internet searching and/or direct phone calls, we’ve found that classifications vary among data sources; no data source includes all locations of a specific type of facility; and important data elements are not available or vary among sources. Please alert us to any omissions or errors you notice in the information.</li> <li>2. To streamline access to information on Washington’s health system, we’ve also reorganized and added features to our health care information website (<a href="http://www.ofm.wa.gov/shpo/">http://www.ofm.wa.gov/shpo/</a>). This is an evolving “information clearinghouse” that will support strategic health planning.</li> </ol>
<p><b>Our Immediate research focus</b></p>	<p>There are four linked components to our framework for understanding Washington’s health care resources – <i>health facilities infrastructure, health provider workforce, population health, and consumption of health services</i>. As our strategic health planning work has progressed, we’ve been guided by TAC recommendations to “<b>focus and leverage available resources.</b>”</p> <p>Our current work targets an expansion of information on geographic variations (e.g., statewide, regional, county, legislative district, and zip code) in the:</p> <ul style="list-style-type: none"> <li>• Availability of healthcare resources (e.g., where are different facility types located and what is their capacity for providing services?); and</li> <li>• Use of healthcare resources (e.g., what are the patterns of health care spending and use and can they be explained by illness severity, access to care, or informed patient preference?)</li> </ul> <p><i>Unwarranted</i> variation suggests opportunities to improve healthcare resources planning and achieve savings in health care costs without compromising health care quality and outcomes. We’re now looking to public program data sources to expand our analysis and help identify areas where more efficient and effective use of health system resources may be possible. The body of Washington and national research on geographic practice variation is growing (see <a href="http://www.ofm.wa.gov/shpo/quality/default.asp">http://www.ofm.wa.gov/shpo/quality/default.asp</a>).</p>
<p><b>Who to contact?</b></p>	<p><b>Please send feedback on the health facilities web system and any other comments to:</b>  <a href="mailto:Harold.Nelson@OFM.WA.GOV">Harold.Nelson@OFM.WA.GOV</a> and/or <a href="mailto:Jenny.Hamilton@OFM.WA.GOV">Jenny.Hamilton@OFM.WA.GOV</a>          (360) 902-0603 (360) 902-0634</p>

<sup>1</sup> In sections 50-57 of E2SSB 5930, the 2007 Legislature created the Office of Strategic Health Planning within OFM to (a) develop a statewide health resources strategy by January 2010, *establishing health planning policies and goals that relate to the regional availability of health care facilities and services, quality of care and cost of care*; and (b) serve as a coordinating body for public and private efforts to improve quality in health care, promote cost-effectiveness in health care and plan health facility and health service availability. This included a directive to facilitate access to health care data.

<sup>2</sup> An inventory of pharmacies is nearing completion. Further facility inventories directed in statute or representing sites where a substantial volume of services are delivered (e.g., primary care clinics) may be possible in 2009 but are not yet planned.