



Contact Samantha Levine at 617-723-2277 ext. 211 or slevine@pioneerinstitute.org

An “Incomplete” Grade on Creating an Informed Marketplace: Health Care Reform Has Done Little to Provide Cost-Effective Quality

BOSTON – A new report from Pioneer Institute finds that there is little evidence that the 2006 Massachusetts Health Care Reform has done much to meet two core objectives set for the reform, namely, greater transparency of provider quality and cost data, and improvement in the quality of care provided. Although significant funding has been added to the overall health care system through this reform, the final chapter in the Institute’s [An Interim Report Card, Part 4: Cost-Effective Quality](#), gives the Commonwealth an “Incomplete” on improving the quality of care and informing patients and consumers about cost and quality.

Pioneer’s four-part *Interim Report Card Series* is authored by Amy Lischko. The fourth installment is co-authored by Kristin Manzolillo. The full set of reports on the 2006 Health Care Reform Act are set to be released later this year as a book to be distributed nationwide.

“The Patrick Administration has been AWOL in two key areas of the reform—meeting the needs of small business owners and now, as this report shows, ensuring that we use the reform to improve the quality of care and contain the cost of care,” says Jim Stergios, executive director of Pioneer Institute. “The lack of focus on providing good information to patients and consumers represents a lost opportunity to create an informed marketplace.”

“It’s really disappointing that more information on changes in the quality of health care service delivery is not available,” said Lischko. “We know that we’ve insured more people, but we do not know whether this insurance coverage has had an overall impact on the quality of care received.”

No new data collection was performed to conduct this evaluation. Rather, a systematic approach was taken to evaluate available data.

Lischko and Manzolillo used four metrics to assess cost-effective quality:

- Are health care quality and cost data available? Are they being used? To improve access to quality, affordable and accountable care, the Massachusetts reform established requirements to give health care consumers good and clear information on quality and cost. The report found the timely availability of and use by consumers of quality and cost information are at best substandard. **Grade = D**
- Has health care quality improved in Massachusetts due to the reform? How do our trends compare to those in other states over the same time period? Health Care Quality in Massachusetts was good before the reform and there are little available data for the post-reform period. No changes could be attributed to the health care reform law. **Grade = I**
- Has the reform improved the cost effectiveness of quality gains, as measured by the changes in overall costs and quality? Due to insufficient data, it has been difficult to document the effects of insurance alone on improvements in overall health care quality. **No Grade Assigned.**

- Has the reform reduced health care disparities between ethnic and racial groups? The 2006 legislation established the Health Disparities Council (HDC), which only in 2009 produced a framework for eliminating health disparities. There have been improved rates of insurance coverage by ethnicity, but only a few small improvements in screening rates for certain racial and ethnic groups could be documented. **Grade = B**

Overall, the [report](#) gives the impact of the reform on cost-effective quality an incomplete grade. The health care system in Massachusetts was of relatively high quality before implementation of the law. More information is needed to determine whether the reform had any impact on the overall quality of the health care system. Unsurprisingly, given that good data are not readily available for the proposed scorecard metrics, clear data to inform consumers is also sorely lacking. More data and time will be necessary to form final conclusions about the direct impact of the reform on the quality of health care delivered in Massachusetts.



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