

Focus on Value

Over the past several decades, we've seen the cost of health care steadily climb. Public, private and employer-funded health care and consumer out-of-pocket expenses are increasingly burdensome.

At the Blue Cross Blue Shield of Michigan Foundation we understand that, like a good education, good health care has value far beyond its cost in dollars. Our investment in top-notch health care research is paying significant dividends for the people of Michigan.

A growing body of evidence links higher quality care to lower long-term costs. It is this relationship the Blue Cross Blue Shield of Michigan Foundation is targeting for support — improving the quality of health care while containing costs.

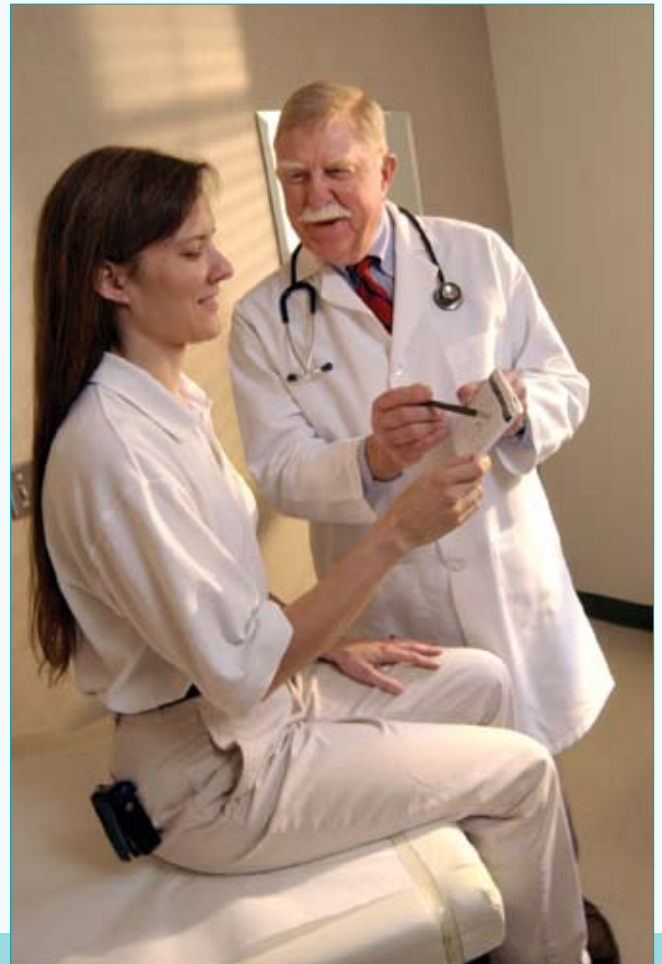
Our grant-making strategy includes efforts to modify lifestyle behavior, increase early detection, develop quality innovations, and validate and implement clinical guidelines. Each of these efforts has been shown to improve health while ultimately containing costs.

Modify lifestyle behavior

One of our funded projects addressed diabetes. Effective self-management of diabetes requires a rigorous regimen of meal planning, physical activity, blood glucose self-monitoring, management of complications and lifestyle adjustments. Improved blood glucose control significantly reduces the risk of patients developing diabetes-related complications.

At Michigan State University's College of Nursing, William Corser, R.N., Ph.D., implemented and evaluated a self-management program for patients with type 2 diabetes, based on shared decision-making during routine primary care office visits.

Corser's BCBSM Foundation-funded program taught patients to use a decision-making support approach for each physician visit and instructed physicians on how to coach patients in goal-setting and self-monitoring. Study results indicate such a shared decision-making program may help most patients set realistic diabetes management goals.



Our Mission

The Blue Cross Blue Shield of Michigan Foundation is dedicated to improving the health of Michigan residents through the support of research and innovative programs.

Our Vision

We will significantly contribute to health care knowledge and its application by supporting research and effective demonstration and evaluation projects as well as innovative and socially responsive health initiatives.

Increase early detection

As they strive to continue providing health benefits for employees, U.S. businesses participate in the search for solutions to the problem of escalating health care costs.

Hypertension represents an alarmingly high proportion of costs, with more than \$100 billion spent annually on treatment. The negative consequences of hypertension make it a chronic condition worthy of broad screening. Because worksite screening is easy and relatively quick, it offers a critical opportunity to reduce hypertension by identifying it in the early stages.

The BCBSM Foundation is currently supporting the Corporation for a Skilled Workforce's Tatiana Bailey, Ph.D., as she implements and evaluates a worksite screening program for hypertension. The program offers education about the importance of screening and prevention to all employees and gives baseline screening and assessment of height, weight and blood pressure to participating employees.

Bailey's program is examining the impact of her intervention on blood pressure, body mass index, exercise, diet and self-efficacy and is also assessing the impact on costs, absenteeism and disability days. A cost-benefit analysis will determine financial benefits of the program.

The expected outcome is that all participants will gain knowledge about prevention and treatment of hypertension and those with hypertension will seek appropriate treatment from their physicians. The Corporation for a Skilled Workforce will share findings with members of the Southeast Michigan Sustainable Business Forum and other interested parties across the state.

Develop quality innovations

We also funded University of Michigan's Duane Kirking, Pharm.D., Ph.D., as he evaluated issues related to generic prescription medication use. The generic medication market developed gradually over the past half century, influenced by economic, political, scientific and regulatory issues and differing views of health care, professional and consumer groups. Kirking examined these factors to assess market



development and explain why the use of generic drugs is growing at a slower rate than expected. He concluded with multiple recommendations for system and policy changes to improve cost savings through generic substitution. His study resulted in seven peer-reviewed published articles.

The BCBSM Foundation also funded a study led by U-M's Darryl Campbell, M.D., to examine the relationship between cost and clinical quality as measured by the National Surgical Quality Improvement Program. Considered the gold standard for measuring quality, NSQIP enables comparison among hospitals. Quality problems are typically associated with high costs.

Study results determined the costs attributable to well-defined complications in surgical patients. Along with the frequency of complications, this information enables a focused and logical approach to areas that need improvement. Members of the Michigan Surgical Quality Consortium, a multi-institutional group of 20 Michigan hospitals, are assessing approaches based on this study. Blue plans in Maryland, North Carolina, New York and Tennessee have initiated similar initiatives in their regions. Campbell's study resulted in articles published in multiple peer-reviewed journals.

In another Foundation-funded study, Constance Currier, Dr.P.H., M.P.H., while a student working on her doctorate at Michigan State University, investigated the effects of being in a preferred provider organization on the incidence and costs of hysterectomy.

PPOs seek to increase their share of the insurance market by demonstrating they can achieve more

appropriate levels of utilization and lower costs than traditional fee-for-service plans. Little was known about the degree to which PPO cost savings are attributable primarily to a PPO's ability to negotiate price reductions for procedures, or to their ability to reduce utilization by preventing unnecessary procedures. Study results show PPOs reduced unnecessary hysterectomies, resulting in utilization rates that are about 12 percent lower than fee-for-service plans. Study results were published in the January/February 2006 issue of *Nursing Economics*.

Validate and implement clinical guidelines

One way to increase value in health care is to implement valid clinical guidelines. The American College of Cardiology and the American Heart Association published recommendations for cardiac assessment of patients undergoing noncardiac surgery. The intent is to ensure evidence-based, efficient preoperative screening to identify patients at risk for cardiac complications after surgery and to manage this risk.

The BCBSM Foundation supported a team of U-M internal medicine physicians including Sean Kesterson, M.D., and Kim Eagle, M.D., to assess the impact of guideline implementation in a general medicine clinic. The study found guideline implementation resulted in a low rate of cardiac complications after surgery and shorter hospital stays. Study findings were published in an article

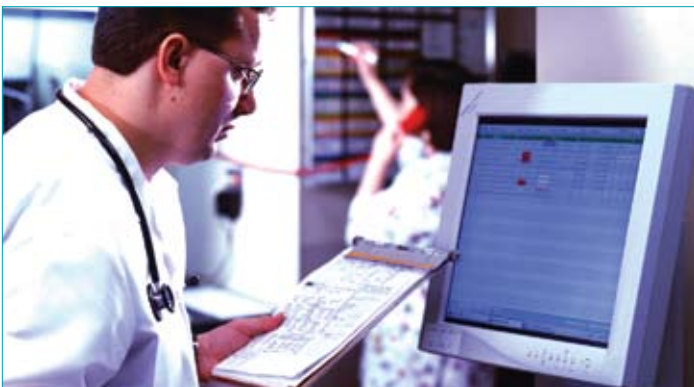


titled "Implementation of the ACC/AHA guidelines for preoperative cardiac risk assessment in a general medicine preoperative clinic: Improving efficiency and preserving outcomes" (*Cardiology*. 2005;103:24-29).

We funded a project conducted by Mohamad Fakh, M.D., of St. John Hospital & Medical Center, that investigated the use of clinical guidelines for prescribing antibiotics. Current antibiotic resistance rates in Michigan range from 20 to 40 percent. Each course of antibiotic therapy prescribed for any reason may contribute to the proliferation of antibiotic-resistant strains.

Fakh assessed adherence to national guidelines for the diagnosis and treatment of pharyngitis, a respiratory condition commonly seen in hospital emergency departments. Study results published in the March 2006 issue of *Infectious Diseases in Clinical Practice* indicate physicians' limited compliance with pharyngitis treatment guidelines results in inappropriate use of antibiotics. Findings suggest a need for interventions to improve physicians' knowledge and practice when treating pharyngitis in emergency departments.

The Blue Cross Blue Shield of Michigan Foundation strives to enhance health care quality and value for all Michigan residents. Our grants support research, demonstration and evaluation projects that provide solid evidence to determine effective and efficient care practices that will continue to improve health and contain costs.



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BCBSM Foundation Spotlight



Willard S. Stawski, M.D., F.A.C.S., has served on the BCBSM Foundation's board since 1996 and was named chairman of the foundation's grants committee in January 2005.

A board-certified surgeon on staff at Spectrum Health, partner with HealthQuest Surgical Associates, and member of the AMA's House of Delegates, Stawski is a past president of the Kent County Medical Society Foundation, a former MSMS board member, and a past governor of the American College of Surgeons.

Stawski received undergraduate and medical degrees from University of Michigan and did surgical residencies at the University of Washington Medical Center in Seattle and Blodgett Memorial Medical Center in Grand Rapids.

"This is an important time to be involved in health care research," Stawski says. "One trend is the use of combined funding with other granting agencies from the nonprofit and government sectors to address specific issues of common concern. The most important thing to remember about health care research is that in the end it all comes down to practical implementation. You might have the greatest research results in the world, but you still have to devise effective ways to employ those findings to improve health outcomes. This is the key challenge for us as we move forward."

The Blue Cross Blue Shield of Michigan Foundation is dedicated to improving the health of Michigan residents by supporting health care research and innovative health programs. The foundation's grant programs are conducted in Michigan by Michigan-based researchers and nonprofit community health care organizations.

Over the past 25 years, the BCBSM Foundation has contributed approximately \$20 million in grants for research and \$5 million for community health programs. This funding has resulted in enhancements to quality, patient safety and access to care for the people of Michigan. The foundation also supports efforts to control the rising costs of health care through research, demonstration and evaluation projects.

The BCBSM Foundation is the philanthropic affiliate of Blue Cross Blue Shield of Michigan. The foundation is a 501(c)(3) nonprofit organization and an independent licensee of the Blue Cross and Blue Shield Association. For more information, visit bcbsm.com/foundation.

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Mail Code X520
600 E. Lafayette Blvd.
Detroit, MI 48226-2998



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