Let me begin by expressing my thanks and admiration for your willingness to volunteer for the Working Group, your willingness to come to Oregon, and your patience in hearing us this morning. When I worked for the state during Governor Kitzhaber’s administration my most pleasant task was to work with decision makers like you. I believe very strongly that the sentiments and suggestions people like you express are more likely to lead to real change than the suggestions of those who are currently paid to lead this industry. At the same time I can appreciate that many of you may be developing a view of health care similar to Woody Allen’s world view, “More than any other time in history, mankind faces a crossroads. One path leads to despair and utter hopelessness. The other, to total extinction. Let us pray we have the wisdom to choose correctly.”

While we have certainly had our share of setbacks in Oregon, a lot of us are not at this crossroads yet. What some Oregonians may be able to contribute to this next debate is some optimism and a rationale for that optimism. While that optimism has been challenged, there are institutional, political and social reminders all around us of Oregon’s ability to make difficult choices.

After this morning’s presentations I hope you have a sense that the OHP was a comprehensive set of reforms designed to reshape the entire health care system. Everyone had something to contribute and something to gain. What excited people then and what excites them now is not what OHP produced but what it stood for---a plan with a goal, delivered in a framework that made health care sense and was consistent with what health care should be about.
Leaders need a set of guiding and interacting principles—a framework—in order to achieve a goal effectively. The public needs to be able to understand the framework to ensure that their leaders are genuinely pursuing the goal and doing so in the best way possible. A framework that only emphasizes profit or competition provides neither inspiration nor boundaries. It is frustrating to hear so many say that health care in our country is now all about money. For 90% of us it is not about money. Unfortunately the other 10% seem to have taken control of the system. I hope you start a process that takes some of that control away from them.

Oregon succeeded in forcing health system and public leaders to focus on a much more challenging goal and do so in a framework that forced meaningful change. The Oregon Health Plan was really not about Medicaid, not about rationing, not even really about the uninsured. It was about looking at the health care world differently and acting on an alternative vision.

**The Goal.** Identifying a goal that genuinely represents the desired outcome is not as easy as it may seem. How many health care initiatives genuinely focus on health—rather than health services? Most focus on the process and payment of care and want you to assume health will be improved. Oregon’s goal was improving health---not just for each individual but for every individual as a member of an Oregon community. Reducing the number of uninsured was not the goal. It was just the most obvious way to improve health.

Focusing on health though is not what made Oregon unique. Moving the goal from money to health cannot be accomplished without a very effective framework for change. Changing the framework is what made Oregon a special place to be. Here is
where the OHP approach departed from any other efforts. OHP created a framework that ensured decision makers would have to face the reality of the goal. The framework made the goal possible.

**Framework.** The framework that OHP created for leaders was consistent throughout the process. The principles that make up this framework are as relevant today as they were then. The OHP framework emphasized a commitment to:

- **Equity.** We need to acknowledge that our current health care system falls far short of even reasonable equity. Many people have nothing, some people have everything and many of us receive our care in one of several tiers in between. These inequities have become intolerable and unbearable. Taxpayers would support improved equity especially if the resources to do so came from more careful spending. Improving equity by transferring resources better spent becomes a motivator, a reason to reallocate resources. How do we rationalize providing ineffective, futile or dangerous care in any circumstance when children with all their potential before them have no access to care? Yet the current system actually provides incentives for such care for some people. It is hard to argue that giving more health care to people who already have it, or more health care to people who do not need it, improves health more than giving some health care to people who have none.

- **Value.** There should be an explicit value determination for all important services. Value includes cost and benefits. Benefits include effectiveness, risk and importance. Reducing costs came into the process not as a goal but as part of the value determination. No community has limitless resources. Shared
resources (public dollars) are always limited. Cost becomes the major enemy of improvement in health especially for the vulnerable. Benefits are determined by evidence and the importance communities attach to benefits. If services or products have similar effectiveness and risk, competition can increase value. The health industry should be rewarded with profits by increasing value, not the reverse.

- Transparency. Health cannot be defined and administered behind closed doors if equity and value are true driving forces. The challenge is to engage individuals and communities. Individuals and communities deserve to know how the value determination weighs benefits and risks. The evidence about benefits and risks needs to be available for all—buyers, sellers, consumers, practitioners. Consumers deserve to know and agree when the forces of competition should shape their health care and when they should not. Consumers need to be responsible for their decisions in a transparent process but they also deserve to know about conflicts of interest, evidence and what the particulars are of their situation. More decisions need to be made with all involved confident that the information playing field is a level one.

- Explicit decision making. Incentives and disincentives encouraging or discouraging care need to be explicit for patients, practitioners and administrators. Key to explicit decision making is using evidence. Taxpayers and patients deserve to know whether there is evidence of effectiveness and risks and how the evidence for one option compares to another. Once the evidence is available it should be possible to “follow the money” in order to assure maximal
value is obtained and sustained. Patients often have no idea of the system incentives encouraging or discouraging care. We should stop drowning patients in glossy superficial information while we hide the most important information from them.

- Local control. Local communities should make decisions about health care. Communities can provide the missing link between decisions made by large organizations who finance and provide health care and decisions made in doctor’s offices by individual physicians and patients sometimes determined by the self interest of each. There are limits to the effectiveness and efficiency of health decisions being made in exam rooms with one physician and one patient involved. Our communities are filled with experienced practitioners and patients who are able to understand evidence and make good decisions for their communities. Health care should not be dominated by either individual patients or large organizations. Communities are very capable of making informed, transparent decisions that work for them if they are provided the tools to do so.

**Final thoughts** I hope, as I have recently learned in another group process, that you will take what has worked here in Oregon and leave the rest. I hope that includes a persistent reminder to our leaders that they need to listen to the public. I cannot put it any better than to share the words of Marthe Gold from her experiences listening to the conversations of British citizens about their health care system (Health Affairs, Jan/Feb 2005, page 234 to 239) “Our next great wave of empowerment will come when we begin to think at the population level by asking the public for its views on the health care
system: What should our country provide, and how should it be paid for? These are no less life and death decisions than those made at the bedside. Listening to public voices could help us move our stalled efforts at health care reform forward in a publicly responsive and responsible way. Maybe we'll even adopt the tradition of afternoon tea. Worse things could happen"