



King County

Ron Sims

King County Executive

516 Third Avenue, Room 400
Seattle, WA 98104-3271

206-296-4040 206-296-0194 Fax

TTY Relay: 711

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ATTACHMENT 1

RECEIVED
2005 SEP -1 AM 10:34
CLERK
KING COUNTY COUNCIL

September 1, 2005

The Honorable Larry Phillips
Chair, King County Council
Room 1200
COURTHOUSE

Dear Councilmember Phillips:

I am pleased to transmit to the King County Council the enclosed consultant report entitled "King County Health Reform Initiative—Measurement & Evaluation Design" prepared by Clegg and Associates, Inc. with assistance from Calculated Risk, Inc. and Creative Health Care Solutions.

This consultant report was prepared in response to Motion 12131 which states in part the following requirement:

By September 1, 2005, the executive is requested to provide a program evaluation plan for the King County Health Reform Initiative. The plan shall be prepared by a consulting firm and concurrently submitted to council and the Health Reform Initiative policy oversight steering committee. The plan shall include a description of the research design and performance measures that will be used to evaluate the contribution of each program towards the county's overall goals of improving employee health and reducing employee health benefit costs. The plan shall include baseline county employee benefit costs, the approach to data collection and analysis, and the proposed timeline for reporting on achievement of annual targets for the four-year period 2006-2009. If a new evaluation and reporting unit is proposed by the executive and approved by the council, a revised King County Health Reform Initiative Program Charter reflecting this change shall be submitted to council. The program evaluation plan must be filed with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the labor, operations and technology committee and the budget and fiscal management committee.



The Honorable Larry Phillips

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My office and the Council are receiving this report directly from the consultant as requested by Motion 12131. The purpose of this letter is to provide the Council with background information on the process employed to deliver this plan. The process took advantage of the consultants' and staff's knowledge and expertise to provide a strong foundation for the measurement and evaluation of the King County Health Reform Initiative.

To ensure a high quality evaluation design and work product, the consultant team worked with the recently formed HRI Measurement and Evaluation Steering Committee comprised of key staff from the Department of Executive Services (DES), Department of Public Health (DPH), the Office of Management and Budget (OMB), and the King County Council. The committee met with the consultants between May and August 2005 to develop the evaluation framework and to recommend the data collection sources and methodologies related to the analysis of claims-related data sources. A separate work group with membership from DES and OMB worked with the consultant team to develop the evaluation design for the health promotion and consumer education components of the HRI. The products from these efforts were combined into the final report by the consultant team.

In their initial work, the committee and consultant team focused on confirming the programs that comprise the HRI and identifying the intended outcome of each program. Other initial key questions included: what measures should be used to indicate success in achieving desired outcomes and what kinds of data were available to develop these measures? This baseline information was then organized into a series of matrices that staff will use to assess the effectiveness of each intervention.

The consultant team and County staff discussed how the availability of data and the nature of the HRI programs impact the schedule for reporting on the progress of the HRI to meet stated goals. The consultants concluded that there will be an interval between the initiation of HRI interventions and the ability to make definitive statements regarding their effectiveness. While complete evaluation results will not be available immediately, the process will yield important information that policy makers and program staff can use to make adjustments. Analysis will yield indicative findings in 2006, directional guidance in 2007, early trends in 2008, and program trends in 2009-2010.

The evaluation process will produce annual reports for program managers and policy makers during August of each year. This time frame is dictated by the significant lag between the close of the reporting period and when claims information will be available for analysis, as well as the time evaluation staff will need to conduct data analysis and to prepare this annual report. It is important to understand that moving the delivery date of the annual report forward, especially in the first few years of this new measurement and evaluation effort, would leave staff with inadequate time to ensure data are complete and accurate for the previous year.

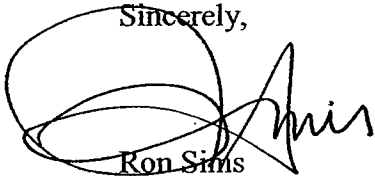
The Honorable Larry Phillips
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The next steps for this project involve completing a charter for the HRI measurement and evaluation effort and developing a workload management strategy and a proposed budget for 2006. A charter will be transmitted to the Council next week. The consultant team was asked to prepare an implementation plan for our joint consideration in the upcoming 2006 budget process. The completion of these tasks will provide the County with a complete system for measuring the effectiveness of the HRI in achieving its critical health improvement and cost containment goals.

I appreciate the Council's interest in the critically important measurement and evaluation component for the HRI program. With the help of this consultant report, the County has the opportunity to undertake an HRI measurement and evaluation effort that meets state-of-the-art standards for analyzing innovative health care programs. Using such standards is critical to determine whether our current approach is working or whether course corrections are needed to refocus our efforts.

I look forward to discussing this program with you in the upcoming budget process. If you have any questions, please call Karleen Sakumoto, HRI Program Director, at 296-8579.

Sincerely,



Ron Sims
King County Executive

Enclosures

cc: King County Council Members
 ATTN: Scott White, Chief of Staff
 Shelley Sutton, Policy Staff Director
 Rebecha Cusack, Lead Staff, BFM Committee
 Anne Noris, Clerk of the Council
Kurt Triplett, Chief of Staff, Executive Office
Paul Tanaka, County Administrative Officer, Department of Executive Services (DES)
HRI Policy Committee Members
 ATTN: Karleen Sakumoto, HRI Program Director

1932 First Avenue, Suite 403, Seattle, WA 98101-2442
Phone: 206.448.0878 Fax: 206.448.0997
www.cleggassociates.com
Email: CLEGG@cleggassociates.com

September 1, 2005

The Honorable Ron Sims
King County Executive

The Honorable Larry Phillips
Chairperson, King County Council

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CLEGG
KING COUNTY COUNCIL

RE: Council Motion 12131: Health Reform Initiative Measurement and Evaluation

Dear Executive Sims and Chairperson Phillips:

I am pleased to present a Measurement and Evaluation Design which will enable King County to assess the success of the Health Reform Initiative (HRI) in achieving its intended results. This Design, called for by Council Motion 12131, provides a comprehensive approach to addressing the HRI's effectiveness in impacting the fiscal and programmatic issues of greatest concern to the County:

- The rate of growth of medical care costs for employees and their dependents; and
- The health of employees and their dependents.

The Design, developed in collaboration with Executive and Council staff, includes all of the components necessary to determine the impact of the HRI over the 2005-2009 time period, including:

- A description of the research design, including performance measures (outputs, outcomes, indicators) for each HRI program (referred to as interventions in the report);
- The data collection approaches, including data sources and data analysis methods for each HRI intervention;
- The methodology for estimating the contribution of each intervention to the achievement of the overall fiscal and health status goals;
- The medical care cost baseline from which to measure cost increases over time; and

- The timeline for reporting on the measurement and evaluation results during the 2005-2009 time period.

Each component reflects state-of-the-art approaches to measurement and evaluation in the medical care field. In addition, the Design provides customized methodologies to assess the effectiveness of the wide range of interventions the HRI is implementing. This combination of features ensures that the Design will provide the County with the information it needs to understand the effects of the HRI over time.

It is important to note that the magnitude of the changes the County intends to achieve through the HRI will take time to become evident. For this reason, it is important to be cautious in drawing conclusions from the early evaluation results, particularly the 2006 through 2008 findings. The full impact of the HRI will become clearer during 2009 and 2010.

I would be pleased to present the Measurement and Evaluation Design and answer any questions you may have. You can reach me at 206-448-0878 or by e-mail jclegg@cleggassociates.com.

Sincerely,



Judith Clegg
President

CC: Karleen Sakumoto, Project Director, Health Reform Initiative