January 24, 2012

The Honorable Stephen Walsh
House Chair, Joint Committee on Health Care Financing
State House, Room 236
Boston, MA 02133

Dear Chairman Walsh:

Over the past year, you have been among the key legislative leaders working to bring the Commonwealth forward through reforming our system of health care payment. We appreciate the level of care and deliberation you have demonstrated, ensuring that the House has a thorough and forward-looking approach to addressing the unsustainable rise in healthcare costs. We know that you have been working to include policies that promote cost-effective public health and preventive measures so that prevention can play a significant role in the next phase of health reform. As you continue to move forward in crafting payment reform legislation, we respectfully request that you include a stable and robust funding stream to support evidence-based prevention strategies, so that the policies that promote prevention can actively and substantially reduce the number of people who develop costly health conditions.

As you know, Massachusetts spends more than $60 billion annually on health care costs. Investments in proven disease prevention strategies will complement the reform of our payment system – and is essential to our goal of reducing overall costs. A recent report from Trust for America's Health and The Urban Institute indicates that in order to have an impact on overall health care costs, prevention strategies must be implemented at a sufficient scale. Based on a review of the research, they estimate that an investment of approximately $10/person at a population level could lead to meaningful reductions in type II diabetes and high blood pressure within 1-2 years and heart disease, kidney disease, and stroke within 5 years. The authors estimate that in Massachusetts, a $10 per person investment in proven prevention strategies would result in a return on investment (ROI) of 1.5 in the first 1-2 years, 7.4 at 5 years, and 8.23 at 10-20 years. We cannot afford to continue treating costly health conditions that we know how to prevent.

This means that if Massachusetts invested $50 million annually, we could impact 5 million residents, and could result in savings of $75 million in health care costs within 1-2 years and savings of $370 million within 5 years. While ROI would likely decrease if the funding level is reduced, it is likely we would see significant savings even at lower levels of investment. Using these same ROI estimates, a $10 million/year investment could impact 1 million residents and could result in savings of up to $15 million/year within 1-2 years, increasing to savings of $74 million/year within 5 years. The amount of
funds dedicated to implement prevention strategies would determine the reach, and ultimately the return on investment. These are savings we cannot afford to pass up.

With more than $60 billion in our healthcare financing system – nearly all spent on treatment – we have the opportunity now to devote a substantial amount to increased evidence-based prevention strategies that can help us reduce the number of people who develop costly health conditions in the first place.

To demonstrate what could be accomplished with a greater investment in prevention, type II diabetes provides a useful illustration. Type II diabetes afflicts an estimated 380,000 Massachusetts residents, an increase of 75% since 1994. People of color and individuals with low educational attainment have significantly higher rates of diabetes than the state average. At an average of roughly $6,000 per year for every diabetic, the cost of treating diabetes is tremendous. The good news is that numerous studies have shown that the development of diabetes can be prevented by very modest changes in daily behavior. Many community interventions have shown significant results – things such as providing additional coupons for healthy food to WIC recipients, improving healthy options in school meals, creating safe walking routes to schools, improving access to safe places for active recreation for both kids and adults, and supporting corner stores to sell healthy foods. In one study, a group that implemented lifestyle changes developed diabetes at a 58% lower rate than a group with no interventions. Even better, many of these community and lifestyle changes don’t just impact diabetes; they also help prevent or control heart disease, stroke, hypertension, asthma, and some cancers. By targeting these strategies to the communities with the highest burdens of diabetes, we can also make significant progress to reduce our state’s unacceptable health disparities.

We can help Massachusetts residents lead healthier lives while reducing health care costs, but only if we pair meaningful prevention strategies with reforms to our payment system.

Thank you again for your leadership on the next phase of health reform. We look forward to working together with you to achieve “common health” for the Commonwealth.

Sincerely,

Jason Lewis
31st Middlesex

Stephen Kulik
1st Franklin

Gailanne Carridi
1st Berkshire

Peter Kocot
1st Hampshire

Charles Murphy
21st Middlesex

Tricia Farley-Bouvier
3rd Berkshire
Paul McMurtry
11th Norfolk

Jonathan Hecht
29th Middlesex

William Brownsberger
24th Middlesex

Denise Provost
27th Middlesex

John Scibak
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8th Essex

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23rd Middlesex

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Benjamin Swan
11th Hampden

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11th Middlesex

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6th Suffolk

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15th Middlesex

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Stephen Stat Smith
28th Middlesex

Alice Wolf
25th Middlesex

James Cantwell
4th Plymouth

Cory Atkins
14th Middlesex

Marcos Devers
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