

# Maine Dirigo Health Reform Initiative

Dirigo Health Care Reform &dash; Quantifying savings from health care reform initiatives

## Situation

Many states have implemented health care reform initiatives in order to control rising costs or enhance access to coverage. Assessment of the true impact of these initiatives is not always performed, in part, because of the difficulties in quantifying the various initiatives. The Dirigo Health Agency (DHA) contracted with the srHS team to quantify the impact of multiple health care reform efforts in the state of Maine.

The srHS team was tasked with developing an aggregate impact calculation encompassing many different initiatives set forth in the state ranging from hospital cost containment to providing health insurance coverage for those previously underinsured or uninsured. As part of the process, the srHS team needed to explain and defend their calculations in a public hearing process.

## Solution

Over the last five years, the srHS team has worked with the DHA team to capture and quantify the various health care reform initiatives. Each year, we expanded the data sets, improved the methodologies, and quantified the savings used as part of the Savings Offset Payment process. Most recently, we developed a regression-based savings algorithm to quantify the impact of the various reform initiatives.

The regression methodology was chosen in order to isolate the true impact of reform in Maine by using other states as reference points for health care industry trends. The srHS team worked with national statistical experts to fine tune the data and the regression methodologies. After calculating the impact of the reform initiatives, srHS defended their calculations in a report and provided expert testimony in a public hearing process where the evidence of savings was validated.