

**D 005 08**

**EXECUTIVE ORDER**

**Establishing the Center for Improving Value in Health Care**

Pursuant to the authority vested in the Office of the Governor of the State of Colorado, I, Bill Ritter, Jr., Governor of the State of Colorado, hereby issue this Executive Order establishing the Center for Improving Value in Health Care.

I. Background and Purpose

The Blue Ribbon Commission on Health Care Reform found that Colorado businesses, consumers, health care providers and the state spend in aggregate more than \$30 billion a year on health care. That is a 77% increase over health care spending in 2000. Despite this significant investment, the federal Agency for Healthcare Research and Quality ranks the overall quality of health care in Colorado as “average,” down from a recent rating of “strong.”

In order to achieve our goal of creating a stronger health care system for Colorado, we must slow and reverse the trend of increased spending and decreased quality of care. We are fortunate in the State of Colorado to have a number of government programs and non-governmental organizations dedicated to the improvement of quality and cost containment in health care. These groups are making important contributions independently, but could make an even greater impact if they worked collaboratively toward the same goals.

In Colorado, there is an evident need to develop a structured, well-coordinated approach to improving quality, containing costs, and protecting consumers in health care. One health care reform strategy pursued in other states and recommended by the Blue Ribbon Commission on Health Care Reform is the creation of an inter-agency, multi-disciplinary group to facilitate and implement strategies to improve quality and contain costs. The State would greatly benefit from the establishment of such a center.

## II. Directives

The Center for Improving Value in Health Care (the “Center”) is hereby created. The Executive Director of the Colorado Department of Health Care Policy and Financing, in collaboration with the Governor’s Office of Policy Initiatives, shall be responsible for providing the blueprint for the Center.

The initial tasks of the Center shall include the following:

- A. Convene a health care quality steering committee of relevant state departments, health care stakeholder organizations and individuals. The Steering Committee shall include leaders from the following:
  1. The Department of Public Health and Environment;
  2. The Division of Insurance;
  3. The Division of Human Resources in the Department of Personnel and Administration;
  4. Health care consumer groups, including business groups;
  5. Health care providers;
  6. Health insurance carriers;
  7. Health care organizations; and
  8. The Office of the Governor.
- B. Establish priorities, develop strategies, coordinate existing efforts and begin implementing strategies to improve health care quality and manage the growth of health care costs.
- C. Research quality forums or councils in other states, including best practices on governance structure, funding, roles and responsibilities and engagement of the private sector.
- D. Identify strategies for tying quality measurement to rate setting methodologies and payment structures for providers in public insurance programs. Research general trends in the private sector that relate to quality improvement and cost management.

## III. Deliverables

Based on the above outlined directives, the Executive Director of the Colorado Department of Health Care Policy and Financing shall deliver a report to the Governor’s Office no later than December 15, 2008, which shall include the following:

- A. A summary of all existing government programs and non-governmental organizations in Colorado dedicated to the improvement of quality and

cost containment in health care and the plan for better coordination and collaboration of these efforts.

- B. A set of identified priorities and strategies for improving quality and containing growing costs in health care.
- C. An update on the Center's progress and recommendations for formalized governance structure, funding and sustainability plans for the Center.
- D. Recommendations for any legislation needed to support the work of the Center.

IV. Staffing and Resources

The Colorado Department of Health Care Policy and Financing shall provide the Center with necessary administrative support, information, and data. The Center shall have the power to accept money and in-kind contributions from private entities and persons to the extent such donations are necessary to cover its expenses. Any money contributed to the Center shall be directed to the Office of the Governor and deposited with the Treasurer of the State of Colorado in an account within the Office of the Governor's budget.

V. Duration

This Executive Order shall remain in force until modified or rescinded by future Executive Order of the Governor.

GIVEN under my hand and the  
Executive Seal of the State of  
Colorado this thirteenth day of  
February, 2008.

Bill Ritter, Jr.  
Governor