Choosing Healthplans All Together

United States
Marion Danis

Project Summary

Elevator Pitch

Concise Summary: Help us pitch this solution! Provide an explanation within 3-4 short sentences.

The main focus of our innovation is a decision tool called ‘CHAT’ which stands for Choosing Healthplans All Together.’ The decision tool was created to engage the public in designing affordable health care that meets their needs. Primary beneficiaries are communities and health care organizations, providers and payers but especially consumers in the public and private sector. The CHAT exercise makes health care more affordable by allowing the public to use a unique simulation exercise to select those services that they value most within a given budget. The CHAT exercise differs from the current market place in several ways: 1) it helps people understand that tradeoffs are necessary to have affordable care for everyone; 2) it engages the public in decisions that are usually left to policy experts, employers and health administrators; 3) the simulation and feedback mechanisms make complicated decisions more accessible by taking expert information and presenting it in a way that people without extensive education can understand.

CHAT has been used in many communities, states and countries, with people participating from many walks of life and levels of education and sophistication. You can see a brief video of people using the CHAT exercise in a resource poor community in India at: http://www.microhealthinsurance-india.org/content/e14/e1043/index_eng.html

Your idea

Focus of activity
Policy/institutional change

Year the initiative began (yyyy)
1998

Positioning of your initiative on the mosaic diagram

Which of these barriers is the primary focus of your work?
Complex, expensive medicine

Which of the principles is the primary focus of your work?
Center consumers in business model

If you believe some other barrier or principle should be included in the mosaic, please describe it and how it would affect the positioning of your initiative in the mosaic:
This field has not been completed

Innovation

Define the innovation

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Context for Disruption:
The CHAT exercise is making it possible to get public input into the design of affordable health care in various places around the globe. It has been used in a substantial way in numerous US states including California, Hawaii, Oklahoma, Maine, Minnesota, and North Carolina. An NGO in California, Sacramento Healthcare Decisions, has conducted 3 CHAT projects funded by the California Health Care Foundation: one to engage public and private employees in the design of affordable employer-sponsored health insurance; one to inform the California legislature about the coverage preferences of disabled Medi-Cal enrollees as the program faces cuts; and one to define a basic benefit package for uninsured Californians. It has also been used in New Zealand by one if its district health boards to incorporate public opinion into the health board’s priorities. It is being used in India to design micro health insurance for poor communities that do not have health insurance. Several smaller communities (e.g., Galveston, TX and Pueblo, CO) have used CHAT to design a package of essential health services for the low-income uninsured, and the state of Oklahoma has just begun a statewide project to get public priorities for health insurance that will be linked to 2008 legislation.

Delivery Model
Most people hear about CHAT by word of mouth, or through professional and trade publications. We have a website where people can try an online demonstration of the CHAT exercise and learn more about it: http://healthmedia.umich.edu/chat/index2.html. We have published articles about the CHAT exercise and its use in a number of professional journals including Health Affairs, the Journal of General Internal Medicine, Social Science and Medicine, the Journal of Health Politics Policy and Law, the Journal of Health Care for the Poor and Underserved, and Family Focus Forum. Projects (see attached list of publications). Reports of the projects that have been conducted by Sacramento Healthcare Decisions (SHD) are available on the SHD website at www.sachealthdecisions.org and on the website of the California Health Care Foundation at http://www.chcf.org. We have been invited to demonstrate the exercise to the Health Policy Interest Group of the Institute of Medicine, the Robert Wood Johnson Health Policy Fellows program, and the American Association of Retired Persons. We happily accept invitations to demonstrate the exercise to those who are interested. The CHAT CD is available to those who wish to license it from the Technology Transfer Office at the University of Michigan by contacting Kristen McLeod (kmcleod@umich.edu).

Key Operational Partnerships
The team that initially created the CHAT exercise included myself (Marion Danis – National Institutes of Health Department of Bioethics), Susan Goold (University of Michigan Bioethics Program) Richard Duke and Charles Hal (both formerly of the University of Michigan and Multilogue, a game design company). The Center for Health Communications Research at the University of Michigan helped us create an electronic (software) version of the CHAT exercise (the CHAT CD) and later the online version. Marge Ginsburg at Sacramento Healthcare Decisions has been a remarkable champion of the CHAT exercise and has made herself available to demonstrate the exercise and train others to use the exercise in various states around the US. Cirdan, a health consulting firm in Minnesota, was another “early adopter” of the tool and used it with a variety of audiences and venues, including ‘Cover the Uninsured week in Cincinnati and the National Education Association. David Dror, Ral Radmacher, Ruth Koren and colleagues invited us to partner in the project, “Strengthening Micro Health Insurance Units for the Poor in India.” This project was jointly implemented by the Institute for Health Policy and Management at the Erasmus University Rotterdam (Netherlands), the Federation of Indian Chambers of Commerce and Industry-FICCI (India) and the University of Cologne (Germany). Funding was provided by a grant from the European Commission through the EU-India Economic Cross Cultural Programme (ECCP).

Financial Model
The development of the CHAT exercise was initially funded by the Department of Bioethics at the National Institutes of Health Clinical Center and a grant to Dr. Susan Goold from the Robert Wood Johnson Foundation. CHAT projects and further development of the tool have been subsequently funded by the Department of Bioethics at the National Institutes of Health, the University of Michigan and a number of foundations including the Allina Foundation in Minnesota, the California Healthcare Foundation in California, the Kevaar Foundation in Colorado, as well as the European Union - India Economic Cross Cultural Programme (ECCP) in India. Gross revenue from licenses (including evaluation licenses sent with CHAT software) over the past seven years has been $42,500. Susan Goold intermittently earns consultation fees when advising about the CHAT exercise. As a federal employee I do not charge for my services and advice about the CHAT exercise. Although licensing revenue supports some limited ongoing investment in making CHAT more widely known and easily adopted, we also make the tool available at minimal to no cost for educators, researchers and those community-based organizations using it to develop basic benefits plans for the uninsured, and we would like to continue this pricing structure. Furthermore, the costs of using CHAT on a broad scale, as has been done in California and is planned in Oklahoma, is beyond the reach of many organizations that would like to do so. Some up front funds to package, market and adapt CHAT to make it more readily used by non-experts could both enhance license revenues and achieve our other goal of promoting access for all people to a decent minimum of health care.

We plan to continue licensing CHAT, provide advice and support to those interested in using CHAT, and, most importantly, improve its “out of the box” usability for community-based organizations, government leaders, and others.

What is your annual operating budget?
$70,000

What are your current sources of revenue? (please list any sources that are foundation grants)
The current source of revenue is licensing fees received from the CHAT exercise. Marion Danis and a research assistant also have salary support for research through the Department of Bioethics at the National Institutes of Health Clinical Center. About one third of Marion Danis’s research time is devoted to research regarding CHAT. Other sources of support include funds received from several foundations that are currently supporting CHAT projects including the California Healthcare Foundation, the Colorado Health Foundation, and the Kevaar Foundation.

Effectiveness
To date thousands of individuals have participated in CHAT exercises. Participants, including hard-to-reach populations such as the poor, find
CHAT understandable, informative and easy to do. They find the group process fair and say they would be willing to abide by the decisions made by their groups. They gain an understanding of the reality of limited resources and tradeoffs among competing needs. The exercise leads to change in the choices they make for themselves and their families as they gain insight into the consequences of their choices. While these outcomes show promise, the link to policy decisions (in private firms or public bodies) has been slower to develop and is just now blossoming. Projects now going on in Pueblo, Colorado will be used to design a program to deliver health services to uninsured persons in the community. Oklahoma’s Department of Insurance has committed to engaging citizens throughout the state in thirty-seven communities, using CHAT, in dialogue about what should be included in a basic benefits package beginning in August 2007. Results will be used to inform legislation planned for early 2008.

Which element of the program proved itself most effective?
The CHAT tool itself seems most effective. It seems to captivate people’s interest and help them easily gain insight into the need and feasibility of putting limits on health care. It engages and empowers them in a way they appreciate.

Number of clients in the last year?
In the last year (July 2006-July 2007) we have had new or ongoing licensing agreements with 8 organizations, and we have had 15 inquiries about licensing CHAT. We have done CHAT demonstrations with 21 organizations including community coalitions, leadership training programs, healthcare-related organizations, as well as state and national organizations. The exercise is also used as a teaching tool in several health professional schools around the US.

What is the potential demand?
We believe there is potentially widespread interest among a large number of users like those we have currently. This would include additional community coalitions, leadership training programs, healthcare-related organizations, as well as state and national organizations. In the past year we have demonstrated the exercise at the Institute of Medicine Health Policy Fellows program, the American Association of Retired Persons, the National Association of Insurance Commissioners which we anticipate may lead to additional visibility and potential demand. Our experience with the use of CHAT in India and New Zealand suggests the possibility of future interest internationally both in developed and resource-poor countries.

Scaling up Strategy
Our priorities are two-fold: first, to increase awareness and use of the CHAT exercise; and second to increase translation of the results of public participation in CHAT exercises into health policies and health insurance packages that bring affordable health care to more people.

We anticipate that as state health reform continues to gain momentum, and it is likely that, if efforts like the one going on in Oklahoma successfully address insurance coverage using a deliberative, influential, publicly trusted process, other states (many of which already have experience with CHAT) may follow.

Stage of the initiative:
1.

Expansion plan:
We will make CHAT more widely known, simpler and more helpful to use and encourage the translation of results from CHAT exercises into actually available and affordable health insurance and care. To accomplish these goals we plan:

1. CHAT training workshops: We will contract with a ‘social entrepreneur’ to promote knowledge and facilitate use of the CHAT exercise, who will conduct CHAT training sessions with interested communities. We anticipate 4 consultations annually.
2. Creation of a library of affordable health insurance options: We will store all versions of health insurance options that have been created by prior CHAT users of the exercise along with associated information and costs to available as a resource to future CHAT users.
3. Actuarial updates: We will revise actuarial information in the CHAT exercise so that it can accurately reflect the costs of insuring currently uninsured populations in the US in year 1 and year 4.
4. Increasing accessibility: We will offer CHAT exercise to non-English speakers and disabled populations by translation of the CHAT CD into Spanish and purchase of MAGic Professional no speech software for low vision users.
5. Marketing and communications: We will offer Web hosting for online CHAT and hiring a communications and marketing consultant.
6. Technical support for CHAT software and web version
We will create new paper versions of the CHAT exercise for use by communities in resource poor settings.
7. Improvement of end-user experience
We will make the exercise easier to use by revising frequently asked questions (FAQs) on the CHAT CD and by, improving the web version of CHAT.
8. Consultation: We will consult with communities that want to translate the results of CHAT exercises into health policy.

Origin of the Initiative
I once had a patient who told me that he had had a terrible experience in the intensive care unit and did not want to ever return there. I wondered how common this reaction was. So I and my medical faculty colleagues surveyed intensive care patients to learn about their wishes for intensive care if they had to do it over again. To our surprise we found that people were extremely interested in receiving intensive care even if they were likely to survive for as little as one month. This finding was problematic because it is expensive to accommodate this wish. Ever since, I have wanted to let people participate in making health care decisions that were financially sound. That led to my interest in designing CHAT. Susan Goold also trained when “cost containment” first began to be widely discussed. She recognized the value of public deliberations about policy issues, and the difficulty of engaging the public in highly technical and intimidating discussions about health care and health costs. So we teamed up to create CHAT.
Our main challenges involve finding sustainable funding and avenues to widen knowledge and use of CHAT. Although UM has invested in CHAT to some degree, further investment without the possibility of an exclusive (and lucrative) license will not appeal to our institutions. Budget limits at the NIH also limit further growth. We would like to maintain and improve affordable access to this tool for public input and deliberation about an important and pressing policy issue. If we are able to increase awareness about CHAT, improve the tool’s “out of the box” usability, expand the population of potential end-users to include those whose primary language is Spanish and those with low vision, and provide easy, affordable access to experienced personnel, we will increase licensing revenues from clients who are able to afford them at the same time we improve the overall (not just licensing) affordability of the tool for all users. We anticipate that with increasing use, will come greater likelihood that the results will be translated into affordable health care for uninsured populations.

How did you hear about this contest and what is your main incentive to participate?

I heard about this contest from my departmental chair, Ezekiel Emanuel, and from my colleague, David Dror. My main motivation for participating is that we feel we have developed a valuable tool that could be useful to many financially pressed communities if they were aware of it. We don’t have the resources to foster this awareness and facilitate its use.

The Story

Do you have an annual financial statement?

The Technology Transfer Office at the University of Michigan keeps track of licensing revenues and expenses.

Do you currently have an annual financial statement that tracks profit/loss?

The Technology Transfer Office at the University of Michigan keeps track of licensing revenues and expenses.

Please describe the amount (and/or type) of funding you need to implement your initiative, at year 1 and at year 5.

We would like to request funds for the following activities:
1. CHAT training workshops: $64,400 in year 1 $72,482 in year 5
2. Creation of a library of affordable health insurance options $5,000 in year 1 $2,000 other years
3. Actuarial updates: $20,000 in year 1 $25,000 in year 4
4. Funds for increasing accessibility of the CHAT exercise to non-English speakers and disabled populations: $11,790 once
5. Marketing and communications $15,600 annually
6. Technical support $7,000 annually
7. Improved end-user experience $9,600 once
8. Salary support $21,000 in year 1 $23,645 in year 5

Total budget
Year 1 $153,400
Year 2 $112,562
Year 3 $115,186
Year 4 $142,858
Year 5 $120,717
All years $644,723

Source URL: https://www.changemakers.com/disruptive/entries/choosing-healthplans-all-together#comment-0