

## Regional Health Improvement Collaboratives (RHIC)—a Key Mechanism to Higher Value Healthcare

One of the greatest challenges facing the nation is how to make the American healthcare system more affordable while maintaining and improving its quality. Although many people believe costs cannot be reduced without rationing care, healthcare costs can be significantly reduced while improving quality. Through the prevention of illnesses; avoiding unnecessary and potentially harmful tests, interventions, and medications; eliminating harmful and expensive infections and medication errors; and educating patients with chronic disease about how to manage their conditions and prevent the need for costly hospitalizations, tremendous cost savings can occur.

However, there are also many barriers that have prevented these opportunities for reducing costs and improving quality from being realized. For example:

- **Patients** (and healthcare providers who are trying to advise them) cannot get the data on quality and costs that they need to choose the highest-quality, highest-value providers and services;
- **Doctors, nurses, and other healthcare professionals** typically do not have the kind of training or experience needed to redesign care processes in order to improve quality and reduce costs;

- **Health plans and government programs** fail to pay for many high-value services and often financially penalize physicians, hospitals, and other healthcare providers for reducing infections, errors, complications, and unnecessary services;
- The **fragmented structure of healthcare providers** and the lack of efficient methods of sharing information among them makes it difficult to coordinate care for patients; and
- **Health plan benefits** are often not structured in ways that enable and encourage consumers to improve their health, adhere to treatment plans, etc.

Clearly, if our healthcare system is going to transform, multi-faceted approaches will be needed to overcome all of these barriers in a coordinated way. These approaches will, by necessity, be different in different parts of the country since there are significant variations in the structure of healthcare and in the specific types of cost and quality problems in each community. These factors make it highly unlikely that any one-size-fits-all national solution will work.

Moreover, since all of the healthcare stakeholders in a community—consumers, physicians, hospitals, health plans, businesses, government, etc.—will be affected in important ways, each stakeholder needs to be involved in planning and implementing changes. In many communities, there is considerable distrust between different stakeholder groups pointing to the need of a neutral facilitator to help design “win-win” solutions.

Many communities across the country recognize that RHICs are an ideal mechanism for developing coordinated, multi-stakeholder solutions for their healthcare cost and quality problems. A RHIC does not deliver healthcare services directly or pay for such services; rather, it provides a neutral, trusted mechanism through which the community can plan, facilitate, and coordinate the many different activities required for successful transformation of its healthcare system.

RHICs have three key characteristics:

1. They are non-profit organizations based in a specific geographic region of the country (i.e., a metropolitan region or state);
2. They are governed by a multi-stakeholder board comprised of healthcare providers (both physicians and hospitals), payers (health insurance plans and government health coverage programs), purchasers of healthcare (employers, unions, retirement funds, and government), and consumers; and
3. They help the stakeholders in their community identify opportunities for improving the health and healthcare of the community, and facilitate planning and implementation of strategies for addressing those opportunities.



In 2014, there were more than 30 RHICs in the country. Many were formed relatively recently, but some have been in existence for 15 to 20 years, or longer. There has been a dramatic growth in the number of RHICs in recent years, partly due to the growing concern about healthcare costs and quality across the country, and the proactive efforts by the Robert Wood Johnson Foundation (through the Aligning Forces for Quality program) and the U.S. Department of Health and Human Services (through the Beacon and Chartered Value Exchange programs) to foster the creation of such entities.

The leading RHICs are members of the Network for Regional Healthcare Improvement (NRHI), which is the national membership organization. For more information about RHICs or to find or form one in your region, please visit [www.nrhi.org](http://www.nrhi.org).