

WISCONSIN HEALTH CARE

Ahead of the Curve

An initiative of the Wisconsin Hospital Association

EMPLOYER PERSPECTIVES

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WISCONSIN RANKS THIRD NATIONALLY IN HEALTH CARE EFFICIENCY

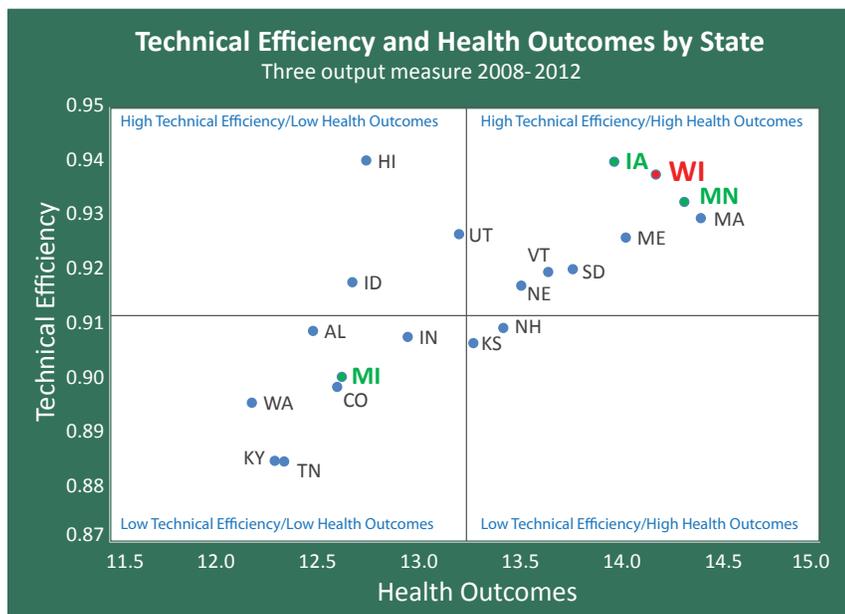
Wisconsin ranks third best in the nation for health care efficiency, according to a new study. This finding is good news for Wisconsin employers, as efficiency is tied to better outcomes, lower costs and higher quality care.

Since employers pay a portion of employees' premiums, improvements in how efficiently resources are used impact overall health care costs. Inputs such as cost are only half of the challenge in creating efficient health care systems. Good health outcomes are the key output, and help ensure that employees return to

work and productivity sooner. Efficiently delivered care, coupled with superior outcomes, means better value for Wisconsin health care dollars.

Integrated Health Care Drives Efficiency

Wisconsin has a national reputation for its high-quality patient care. Improving quality and sustaining those improvements over time is possible only when members of the health care team are working together in both the clinical settings and in the community to ensure patients receive the right care, at the right time, in the right place.



Wisconsin and states in the upper Midwest score extremely well in rankings that consider both quality and efficiency.

State	Technical Efficiency 2012 Rank
Hawaii	1
Iowa	2
Wisconsin	3
Minnesota	4
Massachusetts	5

Source: UW Whitewater, Kashian, "Technical Efficiency and Cost-Ratios of State Health Care," June 2015.

While Hawaii ranks higher in technical efficiency, Wisconsin has higher quality, better outcomes and higher patient satisfaction.

Health care is highly integrated in Wisconsin, which means hospitals, physicians and other health care organizations are aligned to ensure care is coordinated for the patient during each step of their treatment and recovery. That saves employers money and gets employees back to work sooner.

Wisconsin Health Care: A Recruitment Advantage

Employers are competing for a shrinking pool of skilled workers. In this highly-competitive job market, basing a new operation or expanding an existing business in a state that has a reputation for efficiently-delivered, high-quality care is an asset that boosts recruitment and retention of valued employees.

Inside the Research

Dr. Kashian used financial and human resources as inputs with the outputs being health outcomes, patient satisfaction and access to care over the five-year period of 2008-2012. The study found Wisconsin's health care delivery system uses resources more efficiently than all but two states—Hawaii and Iowa. Wisconsin patients also had better outcomes, were more satisfied with the care they received and care is more accessible in all parts of Wisconsin compared to almost all other states.

Health Care Efficiency Model

The Wisconsin Hospital Association asked economist Russell Kashian, PhD, University of Wisconsin-Whitewater, to compare the efficiency of health care delivery systems in all 50 states. The analysis was designed to provide employers a better perspective on value to determine if the dollars spent on health care provide a good return on their workforce investment in Wisconsin. Why is efficiency important? It is closely tied to quality and better outcomes. Highly-coordinated care, which is common in Wisconsin, is correlated to higher patient satisfaction, better care and lower costs by reducing readmissions and utilization.



The full report is [here](#).