



CATALYST  
FOR  
PAYMENT  
REFORM

# What does it mean to be a CPR Purchaser?



“As an individual health care purchaser, no matter how big you are, you need more leverage in the health care system to get better value for your health care dollar. By becoming a part of Catalyst for Payment Reform, you can help drive to a future health care payment system that promotes high quality and cost-effective care. Put your hands on the steering wheel.”

— Sally Welborn, Senior Vice President, Global Benefits, Wal-Mart Stores, Inc.

## Payment Reform By the Numbers

**7%** the annual increase in health care costs anticipated by employers next year

**>90%** the amount of health care payments that are fee-for-service today

**1-15%** the potential range of savings for employers from replacing FFS with value-oriented payment models for specific services or populations

**1-3%** the proportion of payments today that are tied to performance

**20%** By 2020, the proportion of payments CPR is aiming to have tied to performance or designed to cut waste

The costs of health care continue to rise at an unsustainable rate with limited to no indication of commensurate improvements in quality. Our current health care payment system—paying for volume—does little to enhance the value of the care we buy. No one feels the sting of this current system more than those who use and pay for care. Now, with costs at an all-time high, the passage of the Affordable Care Act, and a struggling economy, we have a historical window of opportunity to change how we pay for care in this country.

Catalyst for Payment Reform (CPR) was created to shine light on the urgency for payment reform and to work toward a system in which payments to doctors and hospitals reflect the value of the care they provide—not just the volume. Recent health reform legislation begins to address this for Medicare. CPR stepped in to provide thought leadership to large private and public-sector purchasers of health care outside of Medicare. The only nationwide purchaser coalition focused on payment reform, CPR helps purchasers identify the greatest opportunities for payment reform, send powerful, uniform signals to the market about their shared agenda, and implement change in collaboration with their contracted health plans.

# CPR allows your company or organization to lead the way to a payment system that works —purchasers can be the catalyst!

“More than ever, all of us feel the urgency to contain costs and are acutely aware of the health system’s failings in safety and quality. Our approach to how we pay doctors and hospitals is a critical lever we can use to create better care and better value. CPR provides thought leadership to and coordination among large health care purchasers who want to shape a more sustainable health care system. Come work with us and chart the path forward.”

—Suzanne Delbanco,  
Executive Director, CPR

“The collective employer voice that CPR has harnessed has had a significant impact on the way Dow Chemical thinks about payment reform and how we can work with health plans in an effective and positive way.”

—Steven R. Morgenstern,  
North America Health and Insurance  
Team Leader, The Dow Chemical Company

## PARTICIPATING IN CPR

By joining in CPR’s efforts, you will be able to:

- Enhance your leverage with health plans by working with other purchasers—implement a shared purchaser agenda by using consistent sourcing tools, like standard RFI questions and contract language, and participate in CPR moderated health plan user groups, to accelerate the implementation of payment reforms;
- Use CPR’s Market Assessment Tool to inform your decisions about approaches to provider payment that work to improve value in the markets where you operate;
- Set the pace for payment reform by working with other purchasers to implement innovative practices in the private sector—such as recalibrating maternity care payment or reference and value pricing; and,
- Benefit from cross fertilization and alignment between public and private purchasers, including state employee, retiree and Medicaid agencies and large private employers participating as CPR purchasers.

As CPR represents the voice and the interests of the users and payers of care, participating purchasers agree to take the following actions:

- Support CPR’s mission and principles for payment reform through participation;
- Be vocal about the need to reform payment in public forums and discussions with health plans;
- Send consistent signals about the importance of payment reform to improve the quality and cost of care by using CPR’s suggested RFI and contract language as possible; and,
- List your company’s name on CPR’s website as an active supporter of its mission.

## CONTACT INFORMATION

Suzanne Delbanco, Ph.D., Executive Director  
sdelbanco@catalyzepaymentreform.org  
510-435-2364  
www.catalyzepaymentreform.org

### About Catalyst for Payment Reform

Catalyst for Payment Reform is an independent, non-profit corporation working on behalf of large employers to catalyze improvements to how we pay for health services and to promote better and higher-value care in the U.S. For a list of CPR’s participating purchasers, visit: [www.catalyzepaymentreform.org/About\\_Us.html](http://www.catalyzepaymentreform.org/About_Us.html).