A ccompanying this issue of the Journal is a supplement entitled “Prevention in Managed Care: Joining Forces for Value and Quality.”

This supplement presents the proceedings of the second annual CDC conference of the same title held in January 1996 in Atlanta, Georgia. The CDC has played an important leadership role in bringing together members of the public health and managed-care communities at their national conferences. In addition, the CDC has also formed partnerships with the American Association of Health Plans and The HMO Group, which have served to further heighten the managed-care community’s interest in public health and preventive medicine.

The CDC’s interest in bringing together the worlds of public health and managed care comes, in large measure, as the result of the rapid growth of managed care, in particular the recent conversion of state Medicaid plans to managed care. While many public health professionals see the growing dominance of managed-care organizations as a potential threat, there is an equally strong, positive view of managed care organizations as potential partners to public health with opportunities for increasing the integration of preventive medicine and health promotion into the U.S. health care system. For example, managed-care organizations routinely provide clinical preventive services as covered benefits, while many indemnity plans still do not. There is also evidence that the increased ambulatory visit rate in managed care results in more clinical preventive services being provided than is the case in indemnity plans. Many of the HMO report card measures—for example, the Health Plan and Employer Data and Information Set (HEDIS) quality measures—focus on preventive services, including mammography, Pap smears, childhood immunizations, cholesterol screening, and prenatal care. In general, what gets measured gets done. There is even the opportunity for both public and private purchasers to build economic incentives into their contracts with managed-care organizations to encourage increased provision of clinical preventive services up to recommended levels.

There is growing evidence that health departments and managed-care organizations have begun to develop meaningful and supportive partnerships to promote the public’s health at the state level. Many of the different types of partnerships that are possible are illustrated in the supplement through the development and implementation of guidelines or protocols for clinical preventive services, collaboration in designing and implementing community health promotion interventions, collecting or tracking data, and measuring health plan performance. The potential substantive areas for collaboration are enormous and include disease management for diabetes, asthma, and hypertension; primary prevention including immunizations; targeting the major behavioral risk factors of smoking, diet, exercise, and substance abuse; preventive screening for cancer and heart disease; and jointly pursuing Healthy People 2000 goals.

However, much fear and trembling regarding managed-care organizations also occurs in state and local public health departments. Those health departments that have, over the years, focused their efforts primarily on providing direct patient care to the poor and uninsured individuals are the most concerned. These health departments have relied on Medicaid as a major funding stream to support their programs. As Medicaid funding moves out of health departments and into private managed-care organizations, and the patients follow, how will public health departments continue to provide care for the uninsured or be able to shift their activities to provide the “core public health” functions of assurance, assessment, and policy? Health departments that have staff to provide direct patient care are ill-prepared to provide core public health functions. In contrast, health departments that have been less involved in direct patient care and that have begun to make the transition to core public health functions within the last 5 years are obviously in a better position to survive and to join with managed care to achieve shared goals of population health improvement and disease prevention. However, even these health departments are also rightly concerned that some of their public health functions may be lost to managed care.

The number of uninsured in the nation continues to climb. While comprehensive health system reform is off the table, efforts are being made at the national and state levels to increase health insurance coverage for poor children not previously eligible for Medicaid, to increase portability of insurance when people change jobs, and to require health plans to issue and renew insurance to all individuals. However, these reforms do not guarantee universal access, and there is still a
pressing need to confront the issue of who will care for the individuals who remain uninsured. If we expect our health departments to do so, then from where will the funding come to cover them? No longer can health departments cross-subsidize uninsured primary and preventive care with Medicaid dollars. If health departments get out of the indigent-care business, who will assume this responsibility? This question is among the most difficult we have to address as a nation, but we seem, at best, reluctant to do so. This is compounded by the implementation of welfare reform and the decoupling of access to health insurance for low-income persons from cash-assistance welfare.

Health departments also resent the “dumping” of some services, which are covered under private managed care, to the health department, which receives no reimbursement. For example, some managed-care plans may send their members to the health department’s immunization clinic without reimbursing the health department, even when provision of immunizations is a covered benefit included in the capitation payment made to the private managed-care plan. It is critical that health departments begin to sort through which functions they will continue to perform and which functions might be handled more efficiently or effectively by managed-care organizations, and to seek reimbursement from private managed care for those services that are covered benefits.

Finally, there are also many services that will require coordination across public health departments and managed-care organizations. For example, if managed-care companies send laboratory specimens to out-of-state labs, how will state reporting of notifiable diseases be maintained? Who will take responsibility for the provision of such traditional public health functions as directly observed therapy or STD contact tracing? How will responsibilities be divided when a child is identified with an elevated lead level?

As we think about these problems and opportunities, there are several watchwords. First is the importance of initiating and maintaining an ongoing dialogue between managed care and public health at the national, state, and local levels. We commend the CDC for its efforts to initiate this dialogue at the national level. However, health, like politics, is local. It is imperative for health departments at the state and local levels to design an approach on how they will work with managed care and initiate partnerships for collaborative efforts that will serve the patients’ and public’s best interests. Second, health departments need to work with managed-care organizations to help them understand and appreciate the value of core public health functions. Both the public, and certainly managed-care organizations, have increasingly appreciated the importance of clinical preventive services. However, we suspect that there is not the same level of understanding or appreciation for population-based, public health services. As a concomitant of that, there must be the recognition that these core public health functions will require new sources of support.

In the context of all of this change, it is critical that health departments clarify their roles and responsibilities as they relate to managed care. Specifically:

- What functions and responsibilities is it essential that public health departments continue to perform?
- What role should public health departments play in coordinating their activities with managed-care organizations—leader, initiator, partner, service provider, regulator?
- What role should public health departments play in assisting managed care in integrating preventive medicine and health promotion into their products and programs?
- What strategies are most successful for public health departments in collaborating with managed-care organizations to achieve shared goals of population health?

Addressing these questions will be key to the success of coordinating the efforts of managed care and public health to assure the health of the population. We encourage the CDC to continue to provide leadership in this important arena.

References