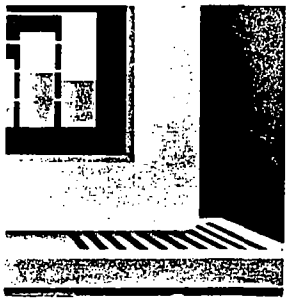
CALL FOR PROPOSALS:

Tim W.
6 pages



Changes In Health Care Financing And Organization 1996

THE
ROBERT WOOD JOHNSON
FOUNDATION

Purpose

The Robert Wood Johnson Foundation is requesting proposals for research, demonstration, and evaluation projects examining major changes in health care financing with implications for current public policy issues. This call for proposals is intended to stimulate projects that: 1) examine the effects of current mechanisms for — and proposed major changes in — the financing of health services on health care costs, access, and quality; and 2) develop and test new ways to finance care that have the potential to improve access to more affordable health services. Up to $15 million has been made available for this initiative for four years. Ultimately, we hope the results of these projects will be timely and useful for policymakers, both public and private.

Background

In its seventh year, the Changes in Health Care Financing and Organization (HCFO) initiative continues to encourage federal, state, and local officials — as well as private-sector decision makers — to collaborate with health services researchers and providers on research, demonstration, and evaluation projects. Providing policy leaders with timely information on health care policy and market developments is a primary objective. In fact, the many studies already funded under this initiative have informed a wide variety of public policy issues, including helping public and private employer groups to develop and implement risk adjustment tools and assessing the factors influencing whether individual employers form purchasing coalitions and how health insurance purchasing decisions are made. Many of the projects currently underway are exploring the changing dynamics of the health care market, evaluating alternative approaches to financing health care, and examining the structural strengths and weaknesses in the organization of the health care system. (Projects funded under the HCFO initiative to date are listed at the end of this brochure.)

In addition to grantee-initiated publications and presentations, information on new grants awarded and interim project findings is disseminated through a newsletter, HCFO News and Progress, and through periodic nontechnical reports. The initiative also supports a series of large invitational conferences designed to bring together key public and private players involved in the policy process and in the health care market to broaden the common understanding of topics of particular policy interest. These conferences also serve to highlight many of the research projects supported under the initiative, as well as to surface new issues worthy of further exploration. Conferences have focused on administrative costs in the health care system, competition in the health care market, and risk selection, among others. In addition, the program periodically convenes HCFO grantees and other experts working on similar topic areas to synthesize findings or advance the state-of-the-art in the field through a facilitated discussion format.

The program

Three types of projects will be considered for funding under this solicitation. In each of the categories the emphasis is on ways that current public and private mechanisms for, or proposed major changes in, financing health care affect costs, access, or quality:

- research to design and analyze major health care financing strategies, including strategies where financing and organization are integrally related;
- demonstrations to test new strategies; and
- evaluations of major strategies already in place.

No particular interventions or issues are prescribed. Proposals will be evaluated on their potential to inform health care policy. We are interested especially in proposals directed at examining the profound changes currently taking place in the health care market, as well as proposals to examine the implications of those changes on health care purchasing by employers and consumers. We also are interested in a better understanding of the relationships among the various actors, i.e., health plans, hospitals, physicians, employers, consumers, and government, in the health care market. Examples of the types of issues that projects might address are: assessment of the structure and behavior of the health care market, particularly in response to changing rules and regulations; analyses of the impact of managed care, such as on the development, adoption, and utilization of technology; examination of the implications of new contracting arrangements between payers and providers for costs, quality, access to care, and consumer choice; evaluation of the effectiveness of applied risk adjustment, including monitoring the resulting response from health plans, providers, and the impact on consumers; and evaluation of national and state demonstrations, such as those taking place under Medicaid and Medicare waivers.

Health services researchers and providers are encouraged to work collaboratively with policymakers in both the public and private sectors on projects that provide timely information on changes in health care financing and delivery systems. This suggestion is not intended to signal a restriction in the types of projects that will be funded under HCFO, but to emphasize the importance of relating research results to key current public policy issues.

Periodically, special solicitations on specific topics of particular interest will be issued under this initiative. Proposals addressing the topics in the special solicitations will compete for funding with other proposals submitted under the HCFO program and will be reviewed using the same criteria.

Eligibility and selection criteria

To be considered favorably under this solicitation, proposals must have the clear objective of examining major issues in health care financing and their effects on costs, access, or quality.

Proposals will be assessed using the following criteria:

- the policy significance of the health care financing mechanism being evaluated or tested;
- the timeliness of the project for informing policy or practice;
- the quality and availability of data to be used and the strength of the proposed methodology (depending on the focus of the project, primary data collection may be supported or the use of secondary data may be acceptable);
- the uniqueness of the project; and
- the applicant's experience and qualifications for conducting the proposed project and the time commitment of key project staff who have the skills and experience to perform the various operations and analytic tasks required.

Preference will be given to applicants that are public agencies or are tax-exempt under Section 501(c)(3) of the Internal Revenue Code and are not private foundations as defined under Section 509(a).

Use of grant funds

Grant funds may be used to support project staff salaries, consultant fees, data processing, supplies, and other direct expenses, including a limited amount of equipment essential to the proposed project. In keeping with Foundation policy, grant funds may not be used to subsidize individuals for the cost of health care, to construct or renovate facilities, for lobbying, or as a substitute for funds currently being used to support similar activities.

Grant periods are flexible. Generally, they will not exceed three years. Project funding will be commensurate with the size and scope of the proposed activity. Proposals for planning or pilot-testing multiphase projects will be considered when such activities critically affect the design of the entire project. Each phase of multiphase projects should be described carefully.

Grantees will be expected to meet Foundation requirements for the submission of annual and final narrative and financial reports. Project directors may be asked to attend periodic meetings and to give progress reports on their grants. At the close of each grant, project directors are expected to provide a written report on the project and its findings suitable for wide dissemination.

Program direction

Overall direction and technical assistance for the program will be provided by the Alpha Center in Washington, D.C. by Anne K. Gauthier, program director, and Deborah L. Rogal, deputy director. Foundation staff responsible for the program are Nancy L. Barrand, senior program officer; James R. Knickman, PhD, vice president; Charlotte L. Hallacher, program assistant; and Rona S. Henry, financial officer.

How to apply

Institutions wishing to apply for funds under this program should submit four copies of a letter of intent rather than a fully developed proposal. This minimizes the demand on the applicant's time, yet helps the Foundation determine whether a proposed project falls within the initiative's objectives. Such a letter should be no more than four double-spaced pages, typed on the applicant institution's letterhead, and addressed to:

Alpha Center
Attn: HCFO
Suite 1100
1350 Connecticut Avenue, N.W.
Washington, DC 20036
Phone: 202/296-1818
Fax: 202/296-1825
E-mail: HCFO@ac.org
http://www.ac.org

The letter of intent should contain the following information about the proposed project:

- a brief description of the topic to be addressed and its significance;
- a statement of the project's principal objectives;
- a description of the research or evaluation methodology (or demonstration approach) to be used;
- a description of how the project findings would complement related work already completed or currently underway;
- dissemination plans, including target audiences;
- an estimated timetable and budget for completion of the project;
- the qualifications of the applicant and key project staff; and
- the name of the primary contact person.

Based on a review of the information in the letter of intent, a full proposal may be requested, usually within two months of receiving the letter. If so, instructions will be provided at that time regarding what information to include and how to present it. Full proposals will be reviewed by several technical reviewers, and site visits may be made to institutions proposing demonstration projects. For all proposals, the quality, clarity, and completeness of the application are crucial. The Foundation does not provide critiques of individual project proposals that are turned down.

The HCFO initiative was announced originally in 1989 and authorized at $12 million. In 1992 it was reauthorized for an additional $12 million. In 1995 the authorization again was renewed for $15 million over four years. Letters of intent will be accepted under this solicitation until further notice.

Projects Funded Under HCFO Initiative

Title	*Institution*	*Principal Investigator(s)*	*Amount*
RESEARCH			
The Rise in Employer Health Care Costs	*University of California, Irvine*	*Paul J. Feldstein, Ph.D.* *Thomas M. Wickizer, Ph.D.*	**$428,442**
Does Managed Care Work? An Empirical Study of Corporate Health Care Cost Containment Initiatives	*University of North Carolina, Chapel Hill, School of Public Health*	*James S. Hahn* *Kenneth E. Thorpe, Ph.D.* *Ann M. Hendricks, Ph.D.* *Deborah W. Garnick, Sc.D.*	**$362,039**
Californians' Health Insurance Coverage: Research for Public Policy Making and Planning	*University of California, Los Angeles School of Public Health*	*E. Richard Brown,* Ph.D.	**$128,137**
Impact of Various Health System Reform Options on the Distribution of Health Care Costs Across All Payers	*The Urban Institute*	*John F. Holahan, Ph.D.* *Sheila R. Zedlewski*	**$458,288**
Effects of Competition and Rate Regulation on Access to Physician Services and Uncompensated Care	*University of California, Los Angeles, Western Consortium of Public Health*	*Glenn A. Melnick, Ph.D.* *Joyce M. Mann, Ph.D.*	**$394,461**
The Dynamics of Spells Without Health Insurance	*The Urban Institute*	*B. Katherine Swartz, Ph.D.* *Timothy D. McBride, Ph.D.*	**$188,204**
Comparison of the Health Care Utilization of Newly-Insured Low-Income Employees of Small Firms With Those Already Insured in the Same Plans — a Feasibility Study	*University of Southern Maine, Human Services Development Institute*	*Andrew F. Coburn, Ph.D.* *Elizabeth H. Kilbreth*	**$ 62,353**
An Analysis of the Effects of Medical Underwriting	*University of Colorado Health Sciences Center*	*William R. Braithwaite,* M.D., Ph.D. *Judith E. Glazner*	**$238,684**
A Comparative Analysis of Small and Large Group Health Care Utilization and Costs, 1988-1990	*Pittsburgh Research Institute*	*Wanda W. Young, Sc.D.* *Neil Hollander*	**$569,647**
Trauma System Structure and Performance	*Hospital Research and Educational Trust*	*Gloria J. Bazzoli,* Ph.D. *Ellen J. MacKenzie, Ph.D.*	**$398,433**
Health Care Utilization Among the Previously Uninsured	*University of Southern Maine Human Services Development Institute*	*Elizabeth H. Kilbreth* *Andrew F. Coburn, Ph.D.*	**$540,393**
Evaluation of State Risk Pools: The Current and Potential Experience	*University of North Carolina, Chapel Hill, School of Public Health*	*Kenneth E. Thorpe, Ph.D.* *Sally C. Stoner*	
CCRCs: An Efficient Alternative for Long-Term Care	*Duke University*		

CCRCs: An Efficient Alternative for Long-Term Care Provision and Financing?	*Duke University*	*Frances Stoller Phillips*	$300,442
The Effects of PPOs on Health Care Use and Costs	*University of Michigan, School of Public Health*	*Dean G. Smith, Ph.D.*	**$200,185**
Hospital Response to Competitive and Regulatory Pressures: The Role of Organizational Form in Changing Markets	*Harvard University, John F. Kennedy School of Government*	*Richard J. Zeckhauser, Ph.D.* *Jayendu Patel, Ph.D.* *Jack Needleman, Ph.D.*	**$398,733**
A Randomized Trial of Collaborative Care: An Alternative Model for Organizing Health Care Delivery in Teaching Hospitals	*University Hospitals of Cleveland*	*Gary E. Rosenthal, M.D.* *C. Seth Landefeld, M.D.* *Patricia Flatley Brennan, Ph.D.*	**$509,891**
Analysis of Data on Health Insurance Purchasing Cooperatives	*University of Minnesota, School of Public Health*	*Bryan E. Dowd, Ph.D.* *Roger D. Feldman, Ph.D.*	**$237,891**
Analysis of Trends and Public Policy Issues of HMO Mergers	*University of Minnesota, School of Public Health*	*Roger D. Feldman, Ph.D.* *Jon B. Christianson, Ph.D.*	**$174,891**
Effects of Different Mechanisms on Pharmaceutical Use and Cost	*University of Pennsylvania, Office of Research Administration*	*Alan L. Hillman, M.D.*	**$368,381**
Evaluate Selective Contracting for Tertiary Care Services by Managed Care Organizations	*Georgetown University*	*Jack Hadley, Ph.D.*	**$623,482**
Exploration of Market-Based Risk Adjustments for Adverse Selection in Health Insurance	*Harvard University, School of Public Health*	*Katherine Swartz, Ph.D.*	**$ 29,818**
Hospital Mergers and Health Reform: Decreased Competition Versus Community Benefit	*California Office of Statewide Planning and Development*	*Lisa S. Simonson, Ph.D.* *Mark W. Legnini, Dr.P.H.*	**$ 34,944**
Effects of Physician Compensation Method on Physician Behavior and Satisfaction in Managed Care Organizations	*University of Washington*	*Douglas A. Conrad, Ph.D.*	**$624,228**
Research on Governance and Management of Collective Purchasing Arrangements Under Managed Competition	*JSI Research and Training Institute, Inc.*	*James H. Maxwell, Ph.D.* *Stephen M. Davidson, Ph.D.*	**$ 99,123**
Study of How Managed Care Organizations Affect the Use of Technology	*Project HOPE*	*Curt D. Mueller, Ph.D.*	**$ 374,625**
Physician-Organization Arrangements: Impact on Integration and Managed Care	*Hospital Research and Educational Trust*	*Gloria J. Bazzoli, Ph.D.* *Lawton R. Burns, Ph.D.* *Robert H. Miller, Ph.D.*	**$232,394**
Changes in Hospital Configurations Between 1980 and 1995 in Urban America	*Boston University, School of Public Health*	*Alan Sager, Ph.D.*	**$153,911**
Older American's Health Insurance: Emerging Concerns	*The Urban Institute*	*Sheila R. Zedlewski* *Pamela J. Loprest, Ph.D.*	**$ 174,396**
Hospital Contracting Under Managed Care	*University of Alabama at Birmingham*	*Michael A. Morrisey, Ph.D.* *Mahmud Hassen, Ph.D.*	**$ 421,487**
DEMONSTRATION			
Demonstration of the Subacute Care Alternative for Provision of Post-Hospital Care	*Economic and Social Research Institute*	*Jack A. Meyer, Ph.D.*	**$968,141**
Arkansas School Health Insurance Project (ASHIP)	*Arkansas Children's Hospital*	*Robert Fiser, M.D.* *Charles Feild, M.D.*	**$204,699**
Regional Demonstration of All-Payer On-Line Electronic Billing, Claims Processing and Payment System to Test Feasibility of New York's Single Payer Authority Concept	*Health Research, Inc./State of New York, Department of Health*	*Dan E. Beauchamp, Ph.D.* *Raymond Sweeney*	**$600,000**
Alternative Models for Ensuring Access to Primary Medical Care in Nursing Facilities	*Health Research, Inc./State of New York, Department of Health*	*Suzanne Moore, Ph.D.* *Raymond Sweeney*	**$441,495**
Long Term Care Options Project	*State of Minnesota, Department of Human Services*	*Pamela J. Parker*	**$ 70,100**
Developing Practical Risk Assessment Tools for Large Employers and Testing Risk Adjustment Approaches in Health Care Purchasing	*The Pacific Business Group on Health*	*Patricia E. Powers*	**$614,326**
Developing Equitable Medical Risk Distribution Among Competing Health Plans in Washington State	*University of Washington, School of Public Health & Community Medicine*	*Carolyn W. Madden, Ph.D.* *Margaret Stanley*	**$625,536**
Global Budgeting Projects in New York State	*Health Research, Inc./State of New York, Department of Health*	*Suzanne Moore, Ph.D.* *Aviva Goldstein*	**$1,243,824**
HIPC Health Risk Adjusters Project	*California Managed Risk Medical Insurance Board (MRMIB)*	*Sandra Shewry* *John Bertko*	**$487,582**
Implementation of the Medical Risk Distribution Model Among Competing Health Plans	*University of Washington, School of Public Health & Community Medicine*	*Carolyn W. Madden, Ph.D.* *Gary L. Christenson*	**$1,031,851**
EVALUATION			
Effects of a Statewide Perinatal Program for the Uninsured	*Harvard University, School of Medicine*	*Arnold M. Epstein, M.D.* *Jennifer S. Haas, M.D.*	**$178,315**

(Continued, overleaf)

Title	Institution	Principal Investigator(s)	Amount
Evaluation of New York City Model to Provide Home Care Services: The Cluster Care Demonstration	*Harvard University, School of Public Health*	*Penny H. Feldman, Ph.D.*	**$301,159**
Impact of Increasing Medicaid Payment on Access to Perinatal Care	*State of Maryland Department of Health and Mental Hygiene*	*Michael H. Fox, Sc.D.*	**$ 58,849**
Assessment of Quality of Care Under PPS By Examining Patient Functional Status Through Post-Hospital Period — a Feasibility Study	*Rutgers University, Institute for Health, Health Care Policy, and Aging Research*	*Louise B. Russell, Ph.D.*	**$ 71,093**
Impact of Medicare Payment Reductions For "Overpriced" Surgical Procedures on Utilization and Access	*Center for Health Economics Research*	*Janet Mitchell, Ph.D.*	**$195,745**
Efficiency/Quality/Outcome Trade-Offs in Medicare's Prospective Payment System	*Georgetown University*	*Jack Hadley, Ph.D.* *Lisa I. Iezzoni, M.D.* *Stephen Zuckerman, Ph.D.*	**$623,482**
Medicaid Eligibility Expansions for Pregnant Women, 1986-1990: Evaluating the Aggressiveness of States' Implementation	*The Alan Guttmacher Institute*	*Jacqueline Darroch Forrest, Ph.D.*	**$245,799**
Evaluation of the Medicare Supplementary Insurance Reform Legislation of 1990	*PDF Incorporated*	*Peter D. Fox, Ph.D.*	**$384,425**
Broadening Access to Prenatal Care Through Medicaid Expansions: The Impact on Prenatal Care Use and Infant Mortality	*The Urban Institute*	*Genevieve M. Kenney, Ph.D.* *Lisa C. Dubay*	**$508,291**
Evaluation of the Impact of the Resource Utilization Groups II Medicaid Payment System on Long-Term Care Facilities in New York	*Greater New York Hospital Foundation, Inc. (GNYHF)*	*Barry M. Schultz, M.D.*	**$256,612**
The Effect of Expanding Medicaid Coverage to Poor Uninsured Women on Maternal and Infant Health Outcomes	*Harvard University, School of Medicine*	*Arnold M. Epstein, M.D.* *Joseph P. Newhouse, Ph.D.*	**$482,425**
Evaluating a Payment System for Psychiatric Discharges in New Hampshire Medicaid	*Boston University*	*Thomas G. McGuire, Ph.D.*	**$197,221**
Physician Response to Medicare Payment Reductions: Impacts on the Public and Private Sectors	*University of California, Los Angeles, School of Public Health*	*Thomas H. Rice, Ph.D.*	**$296,945**
Evaluation of State Initiatives to Expand Health Insurance Among Small Businesses	*Wayne State University, Institute of Gerontology*	*Gail A. Jensen, Ph.D.* *Michael A. Morrissey, Ph.D.*	**$213,720**
Changing Medicaid Physician Fees: Effects on Access and Total Cost	*RAND*	*Stephen H. Long, Ph.D.* *M. Susan Marquis, Ph.D.*	**$499,896**
Evaluation of a Natural Experiment to Raise Medicaid Fees for Physicians	*Harvard University, School of Medicine*	*Joseph P. Newhouse, Ph.D.* *Jonathan Gruber, Ph.D.*	**$219,927**
Monitoring and Evaluation of Massachusetts' Chapter 495	*Massachusetts Health Research Institute*	*Nancy M. Kane, D.B.A.*	**$176,280**
The Effect of Physician Gatekeeper on the Cost of, Access to, and Quality of Care in an Employed Population	*Massachusetts General Hospital, Health Care Policy Research & Development Unit*	*David Blumenthal, M.D.*	**$490,559**
Evaluation of Business Initiatives in Health Care Purchasing	*Economic and Social Research Institute*	*Jack A. Meyer, Ph.D.* Sharon Silow-Carroll	**$299,090**
Evaluation of Reforms of the Market for Individual Insurance Coverage in New Jersey	*Harvard University School of Public Health*	*B. Katherine Swartz, Ph.D.*	**$274,644**
The Effects of Managed Care on MRI Adoption and Use	*Stanford University*	*Laurence C. Baker, Ph.D.*	**$183,865**
Evaluation of Baltimore's Capitation Program	*The Johns Hopkins University*	*William R. Breakey, M.B., F.R.C. Psych.* *Donald M. Steinwachs, Ph.D.*	**$365,863**
Evaluation of the TennCare Health Reform Plan	*Duke University*	*Frank A. Sloan, Ph.D.*	**$306,442**
The Effects of Any Willing Provider Laws	*University of Alabama at Birmingham*	*Michael A. Morrisey, Ph.D.* *Robert Ohsfeldt, Ph.D.* *Gail A. Jensen, Ph.D.*	**$366,142**
Survey to Begin Assessment of the HIPC Risk Adjustment Mechanism	*Stanford University*	*Alain C. Enthoven, Ph.D.*	**$56,517**
An Evaluation of the Current and Potential Impact on Consumer Survey-based Report Cards on the Health Care Market Place	*Health System Minnesota, Institute for Research and Education*	*Jinnet Fowles, Ph.D.* *David J. Knutson*	**$113,672**