“21st Century Medicine – A Team Sport.”

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Potential Conflict of Interest:

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U.S. Health Care

- Most expensive in the World by any parameter
- 17.6% of GDP
- 1 ½ - 2 X Other OECD Countries
U.S. Health Cost Drivers

- Fee for Service
- Third Party payment system
- Technology
- Chronic illnesses
- Aging population
- Fragmentation of Care
- Defensive medicine??

Health OUTCOMES

- Life Expectancy At Birth
  78.3 years
  36th in the world
  Tied with Denmark and Cuba
- Infant Mortality
  Deaths - 6.3/1000 Live Births
  33rd in the world
- Under Five Mortality
  Deaths – 7.8/1000 Live Births
  32nd in the world

United Nations Population Division

Systems Characteristics

- Population Based/Patient Centered
- Continuity of Care 24/7
- Team Care-Multiple Players
- Realigned Incentives
- Outcomes vs. Processes
- Quality Measures
- Technology
- Evidence Based
Aligning Incentives

• Alternatives to fee-for-service reimbursement
  ▪ Capitation – full or partial
  ▪ Bundled/Episode Payment
  ▪ Gain Sharing and Shared Savings
  ▪ Pay for Performance Incentives
  ▪ Decreased/No Pay for Preventable Events
    – Birth trauma/injury; pre-term inductions, cesareans
    – Hospital Acquired Conditions and Infections
    – Admissions for Ambulatory Sensitive Conditions
    – Readmissions

Imperatives for Change

• Delivery Systems
• Reimbursement Methodology
• Moving From Processes to Outcomes
• Paying too much for too little health

Opportunities

• Health Homes
• Accountable Care Organizations
• Bundling
• Gain Sharing
• Time/Effort Reporting
• Systems Engineering
• Outcomes
• Comparative Effectiveness Research
Increased Chronic Care Needs

- About 100 million people (40% of population) have one or more chronic conditions

- Chronic conditions account for more than two-thirds of health care expenditures (Robert Wood Johnson Foundation, 1996)

- 80/20 Rule: Limited number of conditions account for most of these health care expenditures (Ray et al., 2000)

Systems of Care

- Our healthcare system is not a system
  - Physician practice as a cottage industry
  - Burdened by myth of the doctor-patient relationship (in 15 minutes?)
  - Fragmented, siloed, contradictory, causing harm

- Goals for a high performance healthcare system
  - Improve the patient’s care experience
  - Improve health for the community population
  - Reduce the cost of care

- Systems thinking is the critical innovation
  - The human body is a system of systems, so too the healthcare system

Chronic Care Delivery Models

- Planned, systematic approach
- Attention to information and self-management needs of patients
- Multi-disciplinary teams
- Extensive coordination required across settings and clinicians, and over time
- Unfettered and timely access to clinical information is critical
Value Definition

The relationship between cost and the quality of care provided.

cost / outcomes

process

UT’s Success Stories

- Clinical Safety & Effectiveness Program
- Patient Safety Grants
- HIT grants focus on applications to improve care
- Meaningful Use as a path for Clinical Quality Reporting Initiative
- Bundled payment developments
  - Begin with analysis of patient-centered outcomes
  - Refine protocols, processes to increase reliability and control risk
  - Analyze costs, set a price
- Systems Engineering Initiative

Systems Approaches

- Emergency Room Care
- Operating Rooms
- Perinatal Care
- Clinic Functions
- Care Models – health homes, ACOs
- Reimbursement Model
Education Implications

- Multidisciplinary Learning
- Effective use of IT
- Continuous Quality Improvement
- Joint Problem Solving
- Team Management
- Understand the “10 Rules”

Autonomy
Solo Practice
Continuous Learning
Blame / Shame
Knowledge

Teamwork
Systems
Continuous Improvement
Problem Solving
Change