

2019 Healthcare That Works for All

This paper is one of a series describing what a decade of successful change in healthcare could look like in 2019. Each paper focuses on one aspect of healthcare. To see the other papers for a comprehensive view of systems change, go to http://www.altfutures.com/2019_Healthcare_That_Works_For_All.

Healthcare Delivery in 2019

A Healthcare Delivery System That Works for All

Creating healthy citizens in a healthy society requires:

1. Affordable health insurance for all Americans
2. A 'HEALTH HOME' that provides individuals continuity of care services to effectively forecast, prevent and preemptively treat health threats to keep them physically and psychologically healthy
3. A health system that is patient-centered, effective, high quality, equitable and efficient

Achieving such a health system requires a significant mind change in the activities, professional roles, structures and incentives of the entire healthcare sector

How Effective Is Our Current Healthcare System?

The American healthcare system is failing our country in many ways. We spend 16.5% of our economy on healthcare (an estimated \$2.4 TRILLION in 2008) which equates to twice as much per capita as other industrialized nations. Yet we rank at the bottom compared to our peers in terms of measures of quality and outcomes. Almost 47 million do not have health insurance and at least 16 million are underinsured. There are wide variations in safety, costs, errors and outcomes between geographic areas. We are not getting good value for our money.

By 2015 the rapid rise in body fat will result in 41% of all adults being obese. This trend will cause almost a 50% increase in people who have diabetes and face serious health problems, early disability and shorter lives. Since health costs are increasing 2-3 times faster than inflation, many employers are dropping insurance coverage for their employees. Medicare is projected to be bankrupt in 11 years if something isn't done to control spending.

There are three underlying problems to address. (1) Too many Americans do not have access to health coverage and accessible medical care. (2) Our health system is not focused on prevention and effective coordinated interventions for chronic diseases. (3) Neither we as citizens nor the healthcare industry

are incentivized to wisely use our money and make appropriate allocations among the competing needs of society.

All these issues are solvable and we can design a healthcare system worth creating for the 21st century. But stakeholders must understand the issues, design a set of guiding principles of what America needs and demand change that is aligned to those societal values. This will require a mind change, which will be a colossal challenge for our giant free market healthcare industry and for our desire as individuals to receive every therapy we feel we might need while assuming that someone else will pay.

A Successful Health System In 2019

The healthcare system of 2019 is centered on the '**Health Home**,' a collaborative team of health professionals led by a primary care specialist (family physician, internist, pediatrician or advanced practice nurse) with special training. This team focuses on long-term, coordinated, comprehensive care which addresses all health risks (including stress, social determinants of health, etc.) and diagnosed medical problems. This team also educates, coaches and supports the patient and family to take charge in managing his or her health.

Compassion, caring and 'doing the right thing for the patient' are values of the culture of the Health Home team. The team identifies health risks and intervenes early. The patient's health team leader takes responsibility to assure that all health issues are appropriately addressed and that the patient successfully navigates care interventions from multiple providers and payment systems. Chronic diseases are managed in a systematic, evidence-based way to maintain healthy quality of life and prevent complications. Care is equitable, culturally sensitive and customized to the patient's needs and values.

Thoughtful continuous process improvement by the entire care system ensures safety, quality and value. Prospective aggressive management with the needs of both the patient and society in mind reduce disease, prevent complications and minimize waste so overall costs are held in check (or even lowered) while providing superior outcomes. The basic tier of health coverage has limits and patients must pay out of pocket for things not covered. Therefore, the health team, patient and family work together to not perform unnecessary care or inappropriate end-of-life interventions while ensuring compassionate support is provided.

This health vision required a dramatic shift in health delivery paradigms and a carefully designed plan with a shift in incentives to achieve it. To be able to provide a Health Home for all Americans, a large number of primary care professionals had to be recruited and trained, requiring shifts in educational capacities and financial incentives to make these career choices appealing. The single comprehensive annual reimbursement for each enrolled patient paid to the Health Home is based on each patient's diseases and health risks. There are also team and patient incentive rewards for achieving objective health outcomes. Focused research defined effective practice processes for continuity of management, methods to help patients change their behavior, and ways to efficiently utilize resources. An outline of

pragmatic steps to achieve the Health Home is listed below. [See Appendix A for Principles of a delivery system worth creating in 2019 and Appendix B for New ways of thinking about healthcare delivery]

Outside of the comprehensive Health Home, indicated specialized care and surgical procedures are also paid for with single comprehensive fees for everything. For instance, the standardized surgical procedure fee is based on the diagnoses and procedures required. It covers all providers such as anesthesiologists, surgeons, nurses and technicians, all required lab tests and images, all drugs and all hospital or clinic services (in other words, every reimbursement). Similarly, specialty care for a disease entity like rheumatoid arthritis or lung cancer is paid for by a single comprehensive fee for a defined period of time, such as 6 months. It covers all costs associated with management of that disease under control of a responsible specialist. This dramatic change in reimbursement forces providers and hospitals to form collaborations to successfully manage within a fixed fee. In most cases team members eventually became part of integrated health systems. They work together to assess and standardize processes to make them efficient and high quality. With the focus on getting the most health for the resources there are dramatic improvements in outcomes with cost savings. Systems compete on the basis of quality and offer extra features or reduced total fees for some diagnosis-treatment combinations.

Pragmatic Steps To Achieve This Vision Of A Better Future

- A. Provide healthcare access for all – a societal consensus turned into reality
- B. Change incentives so professionals will go into primary care and time-intensive team interventions are appropriately compensated
- C. Change systems to create connectivity for responsible seamless care in Health Homes and specialty care settings
- D. Increase educational capacity and recruit and train enough of the right primary care professionals with the appropriate level of education for the job
- E. Maximize limited resources to get the most effective health for the money of a global budget payment system [see *2019 Payment Systems in Healthcare that Works for All*]
- F. Focus proactively on R&D to develop knowledge of what works and create empowering technologies (e.g. electronic health records, simple diagnostics and targeted therapies, and better ability to leverage behavior)
- G. Align all changes with values that are transparent and create a mechanism so the public can demand accountability

What Would Happen If We Fail To Change?

America has been spending over \$2 trillion a year in the healthcare sector of our economy because we have been affluent enough to do it. But insatiable desires for the latest technical advances, a powerful healthcare industry driving increasing demand and trillions of dollars of future unfunded Medicare growth to care for aging baby boomers are rapidly making this impossible to sustain. Unless there is a fundamental change soon to control healthcare costs, employers will decide they can no longer cover

their workers and many more millions will be unable to obtain insurance. Medicare and Medicaid costs will drive out other government spending and ultimately result in significant increases in taxes and dramatic cuts in benefits. Declining health of our citizens will result in unhealthy communities and our industries will not be competitive in the global economy. Because everything is interconnected and interdependent, our great country will be trapped in a reinforcing downward spiral.

Crisis Is A Powerful Catalyst For Change

Unsustainable costs are the most likely catalyst for change, but it is equally important for any changes in healthcare to increase the value for resources spent and increase the health of all Americans. Credible studies show that increasing access reduces cost and increasing quality and safety reduces cost. So the only way to get access, quality or reduced cost is to design a system that achieves all three. Improving health may not reduce costs over the long run, but the improved quality of life, increased productivity and longer length of resultant employment created by better health should more than offset the cost to achieve it, if our healthcare dollars are spent wisely. And if we appropriately allocate society's resources between healthcare and other important priorities we will have a successful, happy and resilient nation for generations to come.

Appendix A

Principles For A Delivery System Worth Creating In 2019

- System delivers effective prevention and chronic disease management
- Continuity of integrated and coordinated care supported by electronic health records
- Provided by collaborative team of providers
- Empowered patient in partnership
- Evidence-based interventions
- Safety and quality
- Equity – fair and culturally sensitive for all
- Constant learning for increased effectiveness
- Value for the resources
- Financial incentives to promote all the above

Appendix B

New Ways Of Thinking About Healthcare Delivery

From	To
Fragmented care	Integrated care
System designed for disease	System designed for health
Episodic testing	Extensive use of biomonitoring
Reactionary – engage when symptomatic	Proactive prevention and care
Focus on current medical problem	Focus on all risks
Primary care physician	Cooperative team of providers
Care based on periodic visits	Continuous healing relationship
Short visits with little information	Emphasis on education & coaching
Decisions by clinical autonomy	Evidence-based decisions
Information restricted	Electronic information flows freely
One size fits all	Care customized to needs and values
Patient a passive participant	Patient/family active participants
Unaffordable – spending out of control	Affordable – money wisely spent for value
Unsafe	Continuous improvement