Executive Summit 2018

Transforming care delivery: Disrupting the status quo

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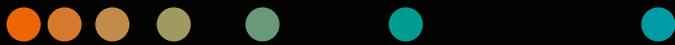
Healthcare delivery will be increasingly organized around the patient's medical condition. Costs can be reduced with no sacrifice in outcomes. To make this transformation, many institutions will need to change their business models.

Since the inception of modern medicine, healthcare has been based on the centralized treatment of acute problems – often with a fee for-service revenue model and individual physicians at the core of the system. Changes in demographics, the economy, society, and technology are gradually decentralizing traditional infrastructures and ways of thinking, ushering in a new era of patient-centric care. Health professionals are beginning to work in multidisciplinary teams, covering the entire cycle of care when and where needed by patients. Decisions are increasingly backed by digitalized data. The healthcare business model is changing to a capitated approach where providers are paid for keeping people healthy instead of for treating them when they get sick.

During the session on the transformation of care delivery, participants at the Siemens Healthineers' Executive Summit, which brought together over 100 leaders of the global healthcare community, learnt how high-value care is delivered in diverse environments, ranging from communities in Chicago to the entire nation of India.

Standing on the shoulders of healthcare's Steve Jobs

Kaiser Permanente's integrated system pioneered the approach of managing a person's "total health" decades ago. "If you are rewarded for performing procedures, that's what you'll get. If you are rewarded for keeping people healthy, that's what you'll get, too," said John Mattison, the company's Chief Health Information Officer.

Founded in 1945, Kaiser Permanente might be the first major healthcare institution to emphasize what Mattison called "a healthy life." He noted the visionary leadership of physician Sidney Garfield, who co-founded Kaiser Permanente with industrialist Henry Kaiser. "It's important to recognize that we stand on the shoulders of the great Sidney Garfield," he said. "I call him the Steve Jobs of healthcare."

Girdhar Gyani,
Randall Moore,
Griffin Myers,
John Mattison,
and moderator
Ghada Trotabas

Doctors, nurses, pharmacists, and other practitioners coordinate efforts to "do what's best for the patient," Mattison said. If specialists disagree, "the captain of the ship is the designated primary provider."

All staff at Kaiser Permanente contribute to the smooth and efficient coordination of people's care. Mattison told the story of how a receptionist helped a woman catch breast cancer at an early stage by insisting that she schedule a mammogram when she went in for an unrelated visit. The receptionist noticed the issue because she had access to a comprehensive health record.

Like many institutions, Kaiser Permanente is keen on reducing unwarranted variation. "We have clinical core pathways," Mattison said. "They are individualized. Not rigid. Every team is responsible for its own outcome." Data analysis helps identify problems and best practices. Workflow specialists take the latter and "replicate them throughout the system."

Social factors are often the real determinants of health

Sometimes referred to as "Kaiser Permanente without hospitals," Oak Street Health relies heavily on improving a person's "social determinants" (e.g., diet, clean water, stable housing, and exposure to violence) to give high-value care, said Griffin Myers, Oak Street's Chief Medical Officer. Its customers are over the age of 65, often poor, and likely to suffer from chronic conditions. Oak Street Health's goals are to keep people "happy, engaged, and out of the hospital," as Myers put it.

Myers and others founded Oak Street Health six years ago. Its model was inspired by the work of Steven A. Schroeder, Professor of Health and Health Care at the University of California, San Francisco. Myers explained that, in Schroeder's view, "of all morbidity, only 20 percent has to do with the health system. The other 80 percent is rooted in social determinants."

Oak Street Health aims to provide "personal, evidence-based, and equitable" care. Another keyword is "accountable," Myers said. "We thrive only when the patient does."

Oak Street Health "captures value" by taking the full premium of a patient's health coverage and assuming all "downstream costs," Myers said. "If they need surgery, we pay the bill." If patients don't have transportation to get to an appointment, "we pay for it."

Value is created for patients by "inverting the social determinants," he said. This involves putting health centers in neighborhoods instead of next to hospitals. It includes having those outlets double as community centers "to make a link with people's real lives."

While Oak Street Health is making a difference in the lives of the people it serves, it is also relieving the pressure on hospital services. Oak Street Health has demonstrated a 40-percent reduction in the use of the hospital system in its local areas. Its net promotor score, an instrument used to measure customer satisfaction, stands at 98 percent. That's in contrast to 3 percent overall for healthcare in the United States, according to Myers.

Virtually keeping people out of the hospital

Randall Moore, former President of Mercy Virtual, described his experience of helping to shape the world's first virtual healthcare center. Enabled by technology, Mercy improved patient outcomes and kept people away from hospitals, thereby reducing costs. "Are we in the business of sickness care?" asked Moore. "We have to be, but we also need to be in the business of health optimization."

The pilot program was integrated with Mercy Health's hospitals, but it was designed to "take power from the hospital, to go from patient-centric care to person-centric care," he said. "Most of us do not want to be patients." Patients with chronic problems were given 24/7 access to experts. Hospital use and emergency room visits were reduced by 50 percent and costs by 30 percent with what Moore called "better outcomes."

If expanded quickly, such an initiative could pose a clear threat to an institution that depends on the fee-for-service model, Moore noted. Accounting systems need to be adjusted, for example by providing budget credits when cost savings are identified.

Expanding primary care and prevention in India

In India, building on pilot projects in a few states, the government plans to provide healthcare for millions of under-served citizens. It will mainly be driven by 150,000 health centers that will focus on primary care and prevention, according to Girdhar Gyani, Director General of the Association of Healthcare Providers. "This has been the weakest link in India," he said. "The burden on hospitals will decrease."

Private investment will be encouraged in smaller towns that are more accessible to the rural population. The training of physicians and nurses will be ramped up. Community health workers, called Accredited Social Health Activists, will continue to play a major role in remote villages. ●

Conclusion

"Big systems are slow to change," noted Moore. The examples outlined during the panel discussion show that it is possible to make this transformation and to improve outcomes while sustaining a viable and thriving health system.

Takeaways

- The right incentives will encourage health systems and practitioners to focus on their patients' wellness rather than on procedures.
- People-centric care needs to become the norm.
- Reducing unwarranted variations and waste in care delivery is vital.
- A person's social determinants are responsible for most health problems in the long term; addressing them can generate savings for everyone involved in care delivery and provide better outcomes with the right model.
- Technology can help keep people out of the hospital, improve their lives, and reduce costs.
- Primary care and prevention should be expanded, especially in rural areas.

"We thrive only when the patient does."

Griffin Myers, Chief Medical Officer of Oak Street Health

Speakers

- Randall S Moore, MD, former President, Mercy Virtual, Chesterfield, Missouri, United States
- Griffin Myers, MD, Chief Medical Officer, Oak Street Health, Chicago, Illinois, United States
- John Mattison, MD, Chief Health Information Officer, Kaiser Permanente, Oakland, California, United States
- Girdhar Gyani, PhD, Director General, Association of Healthcare Providers, New Delhi, India