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COLLABORATION HEALTH CARE

ALIGNING COMPASSIONATE HEALTH CARE WITH AN INFORMED MARKET TO IMPROVE HEALTH CARE TODAY



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The Song Remains the Same

With the changes that will likely occur in our political decision-making as a result of last week's election in Massachusetts, all sides are taking a "regrouping moment" to determine the direction and impact this event will have on reforming the health care system in our country. The media, scholars, academics, and pundits are spending a lot of time to figure out "what happened?" What were the issues or sequence of events to result in the election of a Republican candidate in a state that is typically very pro-Democrat? Was it a vote against health care reform? Was it a vote against the Obama Administration? Was it a vote against the broader Democratic platform? Or, was it a vote for a qualified candidate who was able to connect and communicate more effectively with the citizens of the state in relation to what they want, and nothing more. Or, was it something else entirely?

For whatever reason, the most immediate and visible outcome of the Massachusetts Senate election has been putting the brakes on the health care legislation that was barreling toward the finish line. There will be many other outcomes as a result of the Massachusetts election, health care reform is just the most visible one today. Whether we liked the product that was produced as a result of this legislative process or not, we were heading toward a significant restructuring of our health care system primarily through a reallocation of the funding of health care, not by restructuring the inefficiencies and relationships that exist today.

It now looks as if the attempt primarily designed by the Democratic majority, may be heading in the same direction so many efforts ended-up before them- from Teddy Roosevelt in the past to Barrack Obama today. Maybe the idea put forward by T.R. Reid in his book *The Healing of America* explains this event best, ". . . *the business of providing and paying for Americans' medical care is so complex and involves so much money that significant change is politically hopeless.*" The political carnage that was created along the way has led citizens to trust the health care system even less than they did before and politicians even less than that. The problem we were facing in the beginning still exists. The costs of the health care system we have today are unsustainable for the future.

We have said all along that regardless of the legislation finally approved by Congress, our health care system has already started to change. The system has largely reacted in anticipation of or in response to federal or state regulations; not to a universal mission of improving the health, healthcare, and quality of life of our population. These changes are occurring sporadically- not universally; and the individual self-interest relationships and conflicting incentives that have become a part of the patchwork system we have today still remain.

And it's the relationships that need to change.

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A Compassionate Health Care System?

The past 10 months of debate have provided proof to the individual consumer just how fragmented, inefficient, and costly our health care system has become. If they weren't aware before, most consumers now know that 16% of our GDP is spent on health care and that number is going to increase. And, while they may trust their individual provider they don't trust much else. The consumer is now aware that while technology is certainly improving care delivery in some respects, the cost we pay doesn't balance with the results we receive in many areas of cost, quality, or outcomes. Most continue to agree that we need to change the structure of health care delivery in this country.

Our health care system is now in limbo. Whether we liked it or not, Congress was playing the leadership role in revamping the costly system we have today. Congress (and the Obama Administration) assumed the role of establishing the goals and brokering the deals to keep the process moving forward. Unfortunately, the process was ugly, costly, and turned partisan very quickly. While a "commonality of context" was temporarily established at the White House "Kumbaya Meeting" last March, those relationships gradually fell apart simply due to the competing self-interests that are part of this delivery structure. Our health care system showed its true colors to the American people.

So, who is going to pick-up the leadership role to reform our health care system now? Will it be the hospitals, physicians, and other allied health professionals? Will it be the health plans and delivery systems? Will it be the employers? Will it be the individual consumers? We honestly don't know. We've heard loud and clear throughout the debate that the government should take a much lower-profile role than it has. So, we would ask, who's going to step up to the plate next to get this done- the right way?

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We'd love to hear from you. Let us know your thoughts, your feedback, and other ideas.

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Compassionate Health Care? (con't)

The Deloitte Center for Health Solutions determined six possible conclusions from the vote that took place in Massachusetts:

1. *Independents are gaining momentum in health care reform.* We've said this for quite awhile. It's not only health care reform where Independents will have influence- it's in everything.
2. *While most agree that access is important, paying for it is equally important.* Massachusetts has already begun many of the initiatives included in the federal legislation. While access has improved, costs have skyrocketed as well.
3. *We are not satisfied with the status quo.*
4. *Once again, we made our complex system even more confusing and frightening.* (Comparative Effectiveness became Death Panels; End-of-Life Counseling became Killing Grandma)
5. *Health reform is secondary to economic recovery.* We would argue that you cannot separate the two despite the consumer perception. Economic recovery is synonymous to creating jobs and value in the mind of the consumer- reforming our health care system will be required to get that done over the long-run.

Throughout the reform debates consumers were educated in the "transactional direction" our health care system has taken. To improve costs, we need to improve efficiency, and to improve efficiency, we need to lower the costs of producing our services and deliver more of them. The patient and consumer becomes a transaction- not necessarily a person.

We certainly agree that our system needs to become more efficient. We also believe that by changing the models and creating trust and relationships, you can engage the consumer to assist in creating these efficiencies far beyond their engagement today. The trust in certain segments (health plans, government, even employers to some extent) is at an all-time low for many individual consumers. The trust level needs to improve significantly before consumers will really engage.

While managing the transaction is important, maintaining the compassion in our health care system is equally important. A compassionate health care system does not allow a family to lose their home due to the medical bills of a child after the primary breadwinner loses their job. A compassionate health care system doesn't allow the life savings of an elderly couple to be wiped out at the end of life due to the medical expenses of an individual. A compassionate health care system doesn't allow individuals to be excluded from one program and shifted to another because they have a medical condition. A compassionate health care system doesn't allow individuals to be terminated from health coverage because they have become too expensive.

A compassionate health care system treats the individual as a person, not simply a transaction.

Johnson and Johnson put forward a bold statement in the "Promise of Health Care" that is part of their overall mission and vision. It reads, "*No matter how health care is delivered or who pays for it, the best and most compassionate health care systems are centered on the individual and offer access to some form of health care coverage for all.*" As a global organization, J&J knows compassion is a critical element to achieve better health and health care for people around the world.

The Kenneth B. Schwartz Center (Massachusetts General Hospital) strives to provide the processes and tools to allow "*caregivers, patients, and their families to relate to one another in a way that provides hope to the patient, support to the caregiver, and sustenance to the healing process.*"

The Bravewell Collaborative's "Declaration for A New Medicine" (the entire document is posted at www.collaborationhealthcare.com) states,

"We recognize the sacred and healing nature of the relationships between patients and health care providers and acknowledge that humanism, compassion, and caring are central to health and healing."

Some parts of our health care system are compassionate. When looking at it from a broader "system-wide" perspective most of it is not. Our system continues to concentrate on the transactions as opposed to the person. And, yet, we expect the person to be engaged and "trust us" to do the right thing.

Until all of the fragmented stakeholders begin to embrace the need for injecting some level of compassion into the health care experience, the individual consumers will not become engaged. No amount of compassion on one side will offset the reality of losing your home or your life-savings on the other as a result of a medical event. They all need to work together. And they don't work together well today.

Hopefully, we'll use the experiences of the past 10 months to reflect and define the health care system we hope to create as a country- not by a single political party. And, hopefully it will balance the needs for efficiency with those of compassion to create the type of system our country needs and deserves.

We can introduce more compassion into our health care system. Consumers want it. And, now we have the opportunity to do it.

What Will Happen Now?

Deloitte's Center for Health Solutions provided some predictions of the impact the current state of health care reform may have on specific stakeholder segments. We're including the list here- along with some of our own comments.

Physicians, Hospitals, and Allied Professionals- Will see a pressure to cut costs. The capital markets will focus resources toward high quality, low-cost options and will reward technology-based innovations that deliver higher value. This will be a tough time ahead- but a time of opportunity as well.

Life Sciences organizations (medical device, clinical innovation) - Will likely see some risk aversion from the investment community. Organizations will focus on core competencies and may be hesitant to introduce new innovations until things stabilize.

Commercial Health Plans- Will need to focus more on the consumer and try to regain some trust. Health plans will look for new product opportunities and distribution channels to improve their "consumer portfolio" and will need to overcome the tarnished brand that resulted from the reform debate.

State and Federal Government- "Transformation of the U.S. Health Care System requires transformational leadership and effective execution from its regulatory and legislative structure". Quite simply, we need better leaders and execution capabilities in our government structure. 2009 was an example of how not to lead.

Consumers- 2009 was Health Care Reform 1.0 for the consumer. They will now be entering Health Care Reform 2.0 as a more educated group of stakeholders than they were before. Organizations will begin to direct more attention and greater responsiveness to the needs of its most important constituents- the consumer. But as we said, they need to regain their trust first. That will take some time.

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