

Evolution of Health Care

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Disclosures

- No financial disclosures
- Employed by Metro Health Hospital, these are my views and not the views of the organization

Ok, Show Of Hands.. Who's Tired Of Snow



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What I Would Like To Be
I would like to be a doctor.

Because he does lots surgery,

19 10 110
14 2 89
27

Changes in Medicine

“Over the past quarter century, and especially in the last 10 years, doctors have seen their autonomy eroded, their future earnings potential jeopardized, their prestige reduced and their competence challenged by everyone from oversight boards to hostile, litigious patients.”

“The image of the dedicated physician toiling long hours for the good of his patients is fading fast replace by the salaried doctors who work 9 to 5.”

Altman, L.K. & Rosenthal, E., *Changes in Medicine Bring Pain to the Healing Profession*” The New York Times

Name the Year??????

1980

1990

2000

2010

2016

Changes in Health Care over the last 6 decades

- Hospital- Health System
 - Physicians
 - Patient Perspective
 - Medical Education
-
- <http://www.pbs.org/healthcarecrisis/history.htm>

Health Systems

- 1980's – introduction of DRGs and PPS, commonly known as birth of managed care
- 1990's - Health Care Costs rise at double the rate of inflation
- 2000's
 - Payments linked to outcomes
 - Advertising direct to consumer for pharmaceuticals and medical devices on the rise
 - Electronic Medical Record (EMR)

Health Systems

2010's

- Affordable Care Act – March 2010 for full implementation 2014
- Accountable Care Organizations
- Health care spending 17.6% of GDP -2013
- Further development of EMR - Meaningful Use
- Patient interactions via EMR Portals

Hospital Systems

- 2016-.....
- Accountable Care Organization prompts health system consolidation
 - Hospital mergers, hospital-business partnerships, integrated systems with PHOs
- Reimbursement for systems and providers based on outcomes
- Clinically Integrated Networks

Physicians

- 1980's –
 - Capitation payments to physicians become more common as Insurance companies complain about Fee For Service (FFS)
 - Physicians in solo practice: 54% (Rappleye, 2015)
- 1990's - Physicians coping with HMOs, group practices for efficiencies and hospital employment

Physicians

- 2000's
 - Physician Shortage is looming
 - Emergence of EMR



Physician Workforce

- The AAMC completed a study which predicts the physician shortage in the United States will range between 46,000-90,000 physicians by the year 2025 (AAMC, 2015)

Physicians

- 2010 - 2016
 - Solo practices at 17% (Rappleye, 2015)
 - Today, Physicians are primarily in group practices or employed by hospitals

Physicians

2016 – Beyond

- Physicians are aligned with the patient centered medical home
- Population health
- Clinically integrated networks
- Physicians aligning with systems

Beyond 2016.....

- Currently over 30% of practicing physicians are over 60 years of age and soon to retire (Young, et al, 2015)
- Retaining Physician Workforce
- Physician Wellness and Burnout

Physician Payment Methods

Fee For
Service

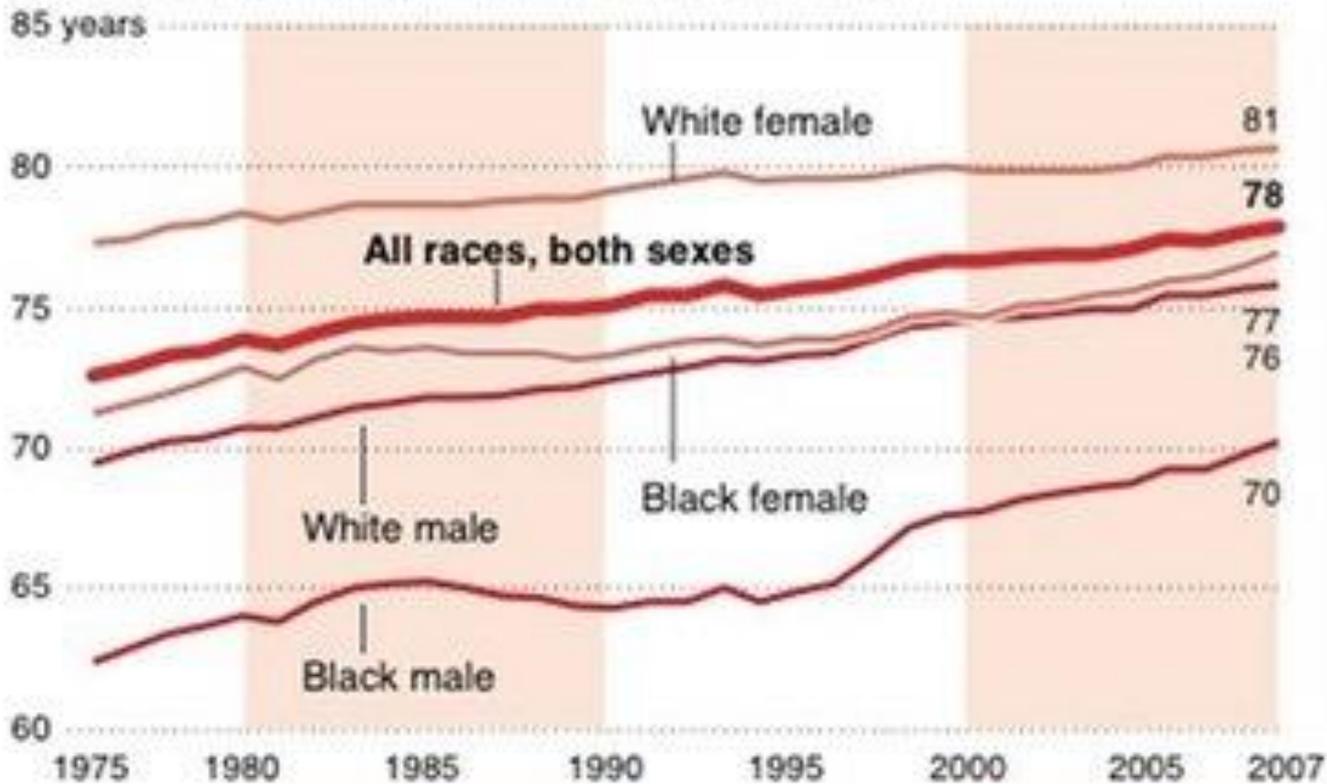
Production
Approach

Value
Based
Approach

U.S. life expectancy up

Life expectancy at birth has risen to a new high, now standing at nearly 78 years. The increase is due mainly to falling rates in almost all the leading causes of death.

U.S. life expectancy 1975-2007 (preliminary)



SOURCE: Centers for Disease Control and Prevention

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Patients

- Prior to the 1980s - Doctor patient relationship somewhat paternalistic, expected and received the best care available and choice was always an option
- 1980s –
- Managed care – choices were limited, not everything was necessarily covered
- Health Disparities developing

Patients

1990's –

- More patients uninsured, underinsured, unable to afford cost
- Health savings accounts
- Limited choice
- Higher out of pocket

Patients

2000's

- Technology changes patient experience
- Development of the EMR
- Patient use of the internet
- Direct advertising to patients from pharmaceuticals and medical devices
- Patient portals

Patients

2010-present

- Patients as partners
- Technology – telemedicine, device transport of medical data, online health care management, patients emailing their doctors

Medical Education

- Prior to 1965 with the implementation of the Medicare program, GME was funded by the hospitals
- After 1965, Medicare cost reimbursed hospitals for GME programs up until the 80's in which IME payments were established and Congress became involved in defining GME payments

Medical Education

- 1990s –
 - Balanced Budget Act 1997- established the residency cap, started limiting payments, specifically the IME payments
 - Average Medical School Debt - \$50,000 (Altman & Rosenthal, 1990)
- 2000s – Hospitals starting training above the cap; the physician shortage is looming; continued reductions and proposed bills to reduce funding

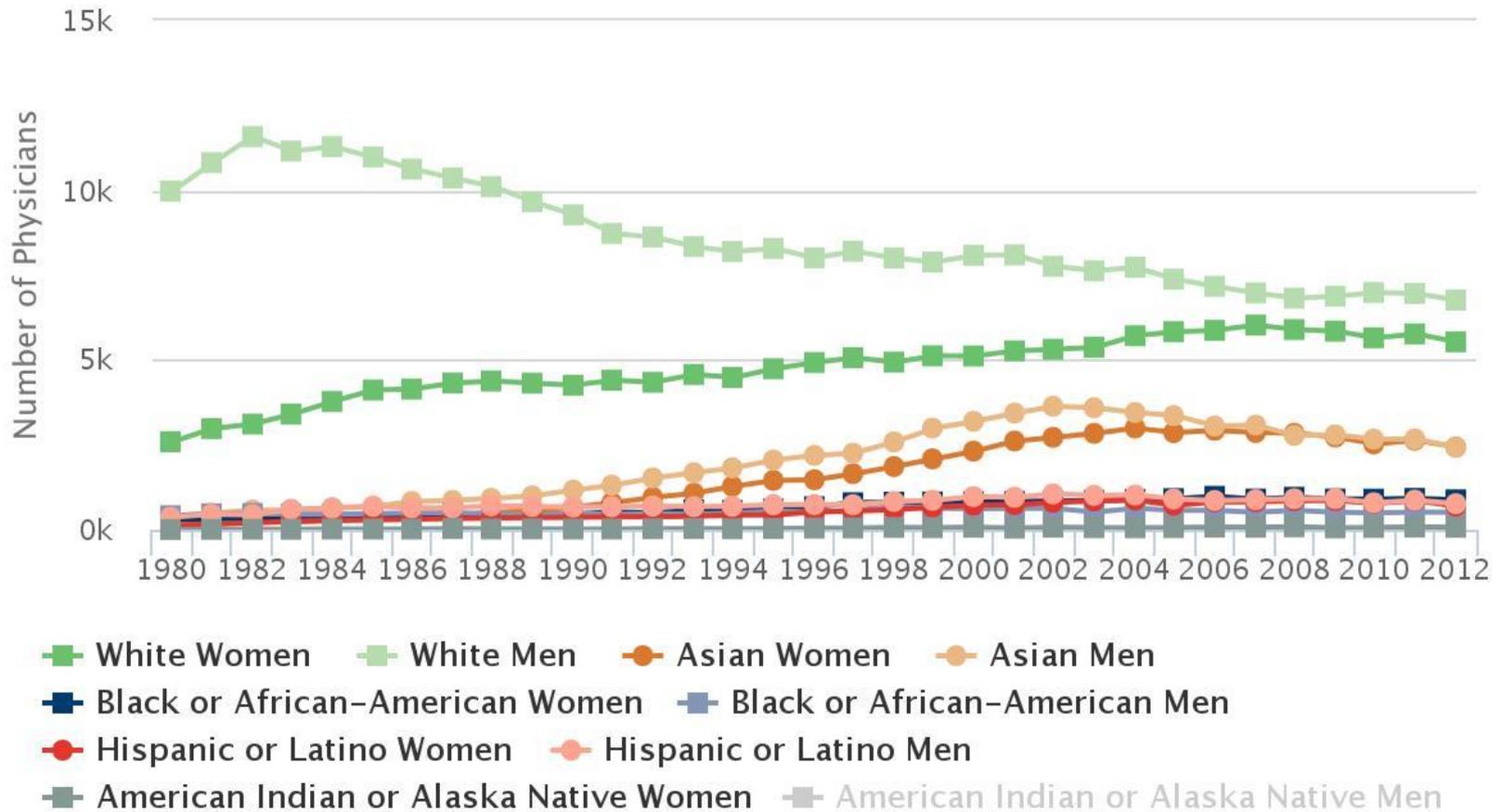
Medical Education

2010 – 2016

Number of graduating medical students increasing more rapidly than post graduate training (Sondheimer, 2010)

- Hospitals training 6,000 more resident than Medicare supports (Quinn, 2010)
- Average Medical Student Debt – 2010 - \$160,000
- Decreased IME reimbursement
- Call for outcomes measure – IOM Report
- Single Accreditation System

Figure 10: U.S. Physicians by Graduation Year, Race, Ethnicity, and Sex, 1980-2012



AAMC, (2014)

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Millennial Agenda

Is there an App for that?

- 71% of millennials interested in app to manage healthcare, appts, etc
- 50% of millennials and 52% Gen-Xers researched information online about insurance options
- 54% of millennials and 53% of Gen-Xers delayed or avoided treatment due to cost

(PNC Healthcare Survey, 2015)

Millennial Agenda

- 34 % millennials prefer retail clinics, while 24% prefer acute care clinics
- 24% of millennials rate healthcare as one of the priorities for the next president
- 61% of millennials visit primary care physicians compared to 80% of boomers and 85% in seniors

(PNC Healthcare Survey, 2015)

Millennial Agenda

- 63% of millennials interested in providing health data from a WiFi or wearable device to health care provider
- 41% more cost-conscious, and likely to request and estimate prior to treatment
- 50% rely on online word of mouth such as Health Grades when shopping for a provider

(PNC Healthcare Survey, 2015)

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The best way to predict
the future is to invent it.

Alan Kay

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