

A New Marketplace Emerges

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The Imperatives for Change Are Not Just Financial

- We have a crisis in the reliability and the coordination of care -- throughout the world
- Irresistible drivers of change include:
 - Medical progress
 - Aging population
 - Global economy
- Challenges for providers and patients:
 - Too many people involved, too much to do, no one with all the information, no one with full accountability
 - Result: Chaos → gaps in quality and safety, inefficiency
 - Patients are afraid not just of their diseases, but of lack of coordination

Question: If somehow, magically, health care costs were not a problem, would you say that health care is working just fine?

Our Idealistic Aspirations and Our Business Imperatives Are Converging

- Until recently, providers could get by with hard work and a good brand
 - Get patients in the door
 - Negotiate “cost-plus” contracts
- Today, that approach is a strategy of trying to be the last iceberg to melt



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We are entering a new health care marketplace driven by competition on the “right things”:

- *Meeting patients’ needs*
- *Doing so as efficiently as possible*

It’s challenging ... but it is better than the alternatives, and it feels right.

An Overall Strategic Framework

HBR.ORG

Harvard Business Review



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REPRINT R1310B

THE BIG IDEA

The Strategy That Will Fix Health Care

**Providers must lead the way in making value
the overarching goal** by *Michael E. Porter
and Thomas H. Lee*

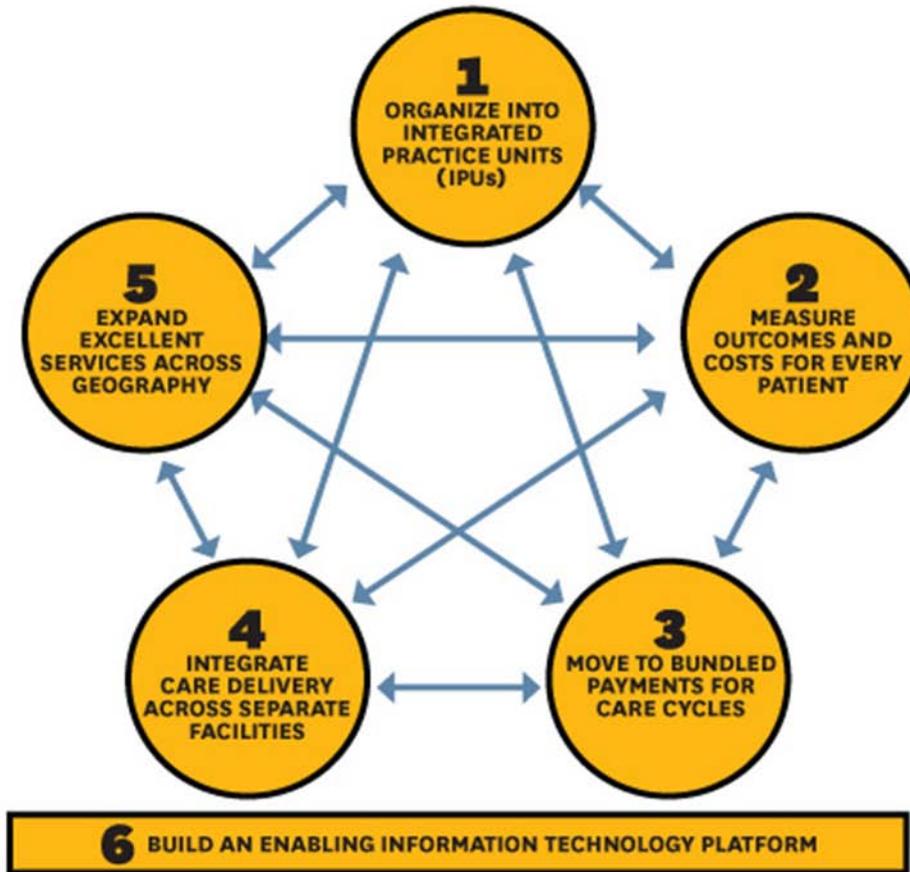
What Is Strategy? And What Should It Be?

- Strategy boils down to two questions:
 - What are you trying to do for whom?
 - How are you going to be different?
 - *If you are trying to do the same thing for everyone, and do it the same way as everyone else, you will be competing on price alone.*
- Our take:
 - With mixed payment models, you need a strategy that transcends payment model.
 - In health care, the overarching goal should be improving *value* for *patients*.
 - Organizations can be *different* by segmenting patients, and organizing to meet their needs effectively and efficiently.
 - *The heterogeneity of patients' needs paralyzes organizations, and causes them to focus on short-term financial considerations only.*

A Six Component Framework

THE VALUE-BASED SYSTEM

The strategic agenda for moving to a high-value delivery system has six interdependent elements.



SOURCE MICHAEL E. PORTER

HBR.ORG

And Now for the Hard Part ...



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Toby Cosgrove, MD, is the CEO of the Cleveland Clinic.

Engaging Doctors in the Health Care Revolution

by *Thomas H. Lee*
and *Toby Cosgrove*

Despite wondrous advances in medicine and technology, health care regularly fails at the fundamental job of any business: to reliably deliver what its customers need. In the face of ever-increasing complexity, the hard work and best intentions of individual physicians can no longer guarantee efficient, high-quality care. Fixing health care will require a radical transformation, moving from a system organized around individual physicians to a team-based approach focused on patients. Doctors, of course, must

Transparency: Screen Shot From University of Utah Find-a-Doctor Site

Likelihood of recommending care provider

4.8 

My confidence in care provider

4.8 

Time care provider spent with me

4.5 

Care provider spoke using clear language

4.8 

Care provider's effort to include me in decisions

4.7 

Care provider's concern for questions & worries

4.7 

Care provider's explanation of condition/problem

4.8 

Wait time at clinic

3.6 

Care provider's friendliness and courtesy

4.9 

Patient Comments

Patient comments are gathered from our Press Ganey Patient Satisfaction Survey and displayed in their entirety. Patients are de-identified for confidentiality and patient privacy.

UofU Patient August 31, 2014

Dr Aoki was excellent made us feel very comfortable and confident in the procedure that needed to take place. I would recommend him.

UofU Patient August 28, 2014

My boyfriend and I liked Dr. Aoki regarding his manner. Dr. Aoki approach to only doing a revision after further diagnostic injection has been done. Dr. Aoki explanation that he could go in but it is more difficult if not a clearer picture of what is causing pain. Explained hip replacement there is no going back. Dr. Aoki was very humble. Not jumping on doing surgery until further testing which I had already had scheduled from another doctor. Dr. Aoki was very respectful regarding other physician I have seen regarding hip issue. Only huge frustration is Dr. Aoki follow up schedule is so far out. Five weeks until I see him.

UofU Patient August 25, 2014

Dr. Aoki was one of the best physician's I have worked w/ in regard to my daughter. He went above what I expected, waiting for records, keeping us informed and also explaining things in a way that were easily understood. Exceptional physician.

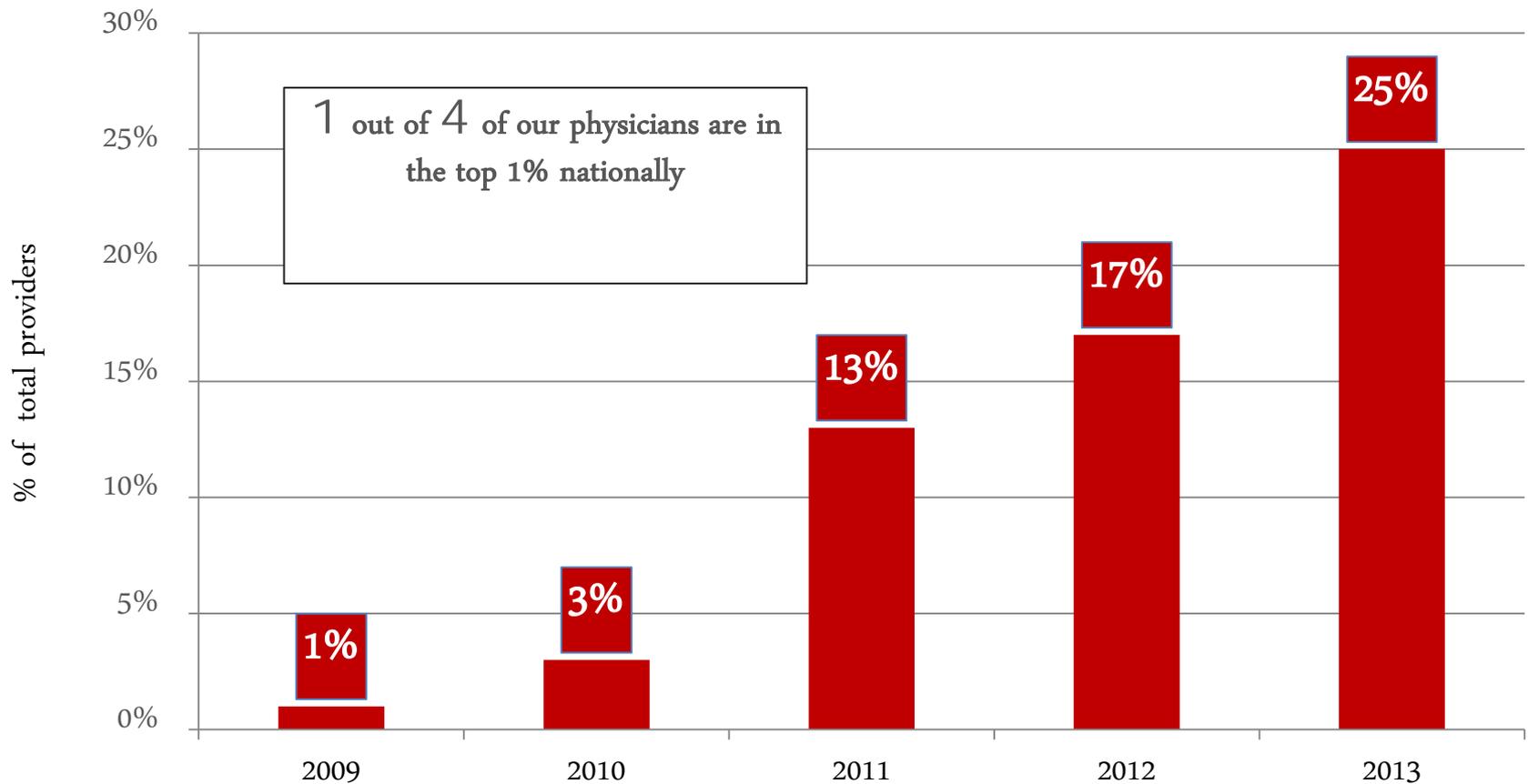
UofU Patient August 10, 2014

Brilliant, kind doctor

UofU Patient August 10, 2014

Delay in treatment will be lengthy due to my Ins isn't contract. I am pleased they will make an exception and are will to take me to LDS Hospital. I am grateful

Exceptional Patient Experience



Medical Practice Survey – providers must have n=30 returned in calendar year
 National Rank – compared against the Press Ganey National Database: 128,705 physicians

Something to Keep in Mind as We Develop New Incentive Systems

And the number of dollars that U of Utah physicians have in incentives for improving patient experience is ...

\$0