Systematic Access to Data is the Essential Foundation for Health Care Reform

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Health care costs continue to explode.
Employers cannot afford the premium increases -- Government health care programs are facing a major budget crisis -- eligibility, cutbacks.
Something has to give.
What Are the Options?

1. Cost shifts to patients
2. Cutbacks in coverage and in covered lives
3. Governmental intervention
4. Smarter, more efficient care
Why Are Costs Going Up?

1. Aging population
2. Obese, inert population
3. Health care worker shortage
4. New drugs, new technology, new treatments
5. Massive inefficiency, redundancy, lack of focus
Health care quality is inconsistent, often idiosyncratic, and too often dangerous.
135 Doctors
1 Patient
82 Treatments

Source: Journal of the American Board of Family Practices, September/October 1991
Imagine This Headline:

“400 Americans Are Killed Each Day by Unsafe Restaurant Food”
Imagine This Response:

“The Restaurant Industry Promises Some Review of Incomplete Data and Possible Future Response – Says Most Americans Eat Well and are Not Damaged by Restaurant Food.”
More Than One Half of America’s diabetics receive inadequate care.

(Asthmatics, heart patients and other chronic care patients have similar levels of problematic care).

Source: RAND Study, New England Journal of Medicine, June 26 2003
Who is using health care dollars?
Cost Distribution of Care

% of Healthcare Costs

Source: Milliman USA Health Cost Guidelines – 2001 Claim Probability Distribution
So What Opportunities Does That Data Point to?

1. Systematic, high-leverage interventions
2. Systematic best care
Some people say, “Patients need skin in the game.”

Does shifting costs to consumers create better care?

Or lower overall costs?
Cost Distribution of Care

Source: Milliman USA Health Cost Guidelines – 2001 Claim Probability Distribution
So what is possible?
• CQI
• Systematic Quality Improvement
• Six Sigma applied to health care
✓ **Six Sigma** - - less than four errors per million

✓ **Health Care Gold Standard** - - 90% compliance rate - - 100,000 errors per million
How do other industries achieve Six Sigma?
Systematically… not just by working harder.
GE - - Master of Six Sigma - -
Uses a four step process:
Four MAIC Steps: 

1. Measure 
2. Analyze 
3. Improve 
4. Control

SOURCE: "Jack Welch and the GE Way", Robert Slater, 1999
What is step one?

Data.
What does health care lack?

Data.
GE could not do Six Sigma without data.
Health care needs data - - superior, available, consistent, comprehensive data.
The only possible source of that data is the computer.
The gold standard for health care data now is the medical record.
Paper Medical Record:

- Unavailable
- Incomplete
- Often illegible
- Non-interactive
- Obsolete – an anachronism

SOURCE: "Jack Welch and the GE Way", Robert Slater, 1999
What is needed is computerized physician support tools -- an electronic medical record with care support capabilities.
There is no other way to achieve anything resembling Six Sigma in health care.
• 20,000 medical journals
• Five years for 50% uptake
• No sense of accountability or actual outcomes
What can result from an AMR?

Massive administrative cost savings.
Far better health care research.

(Vioxx)
What happens when care is systematically supported?
Kaiser Permanente Pilots:

• Ohio drop in heart-related deaths (30%)
• Southern CA drop in kidney failure (31%)
• Colorado drop in bleeding complications (79%)
Massive improvements in care are possible, but they need systematic support.
It’s time to wire U.S. health care.
Infrastructure Investment Successes

- GI Bill
- Federal-Aid Highway Act (Interstate Highways)
- Rural Electrification Administration
- Hill-Burton
Diabetics spend 25% of Medicare dollars - - A 10% improvement in care would allow for a 2.5 % allocation to a Hill Burton for health data support.
Let’s have a new national agenda - - giving ourselves a chance to fix care - - not ration it.
Think systems… let’s know exactly what is happening in health care and let’s systematically improve health care performance.
Computerized data is the obvious next step in health care reform.