Can Anyone Fix Health Care?

Indiana University-Purdue University
Indianapolis

Center for Teaching and Learning Winter Lecture Series

Darrell G. Kirch, M.D.
President and CEO, AAMC
December 1, 2011
The Legacy of Abraham Flexner for Medical Education
The Culture of the University
The Legacy of James B. Wyngaarden, M.D. for Biomedical Research
The Culture of Biomedical Research
The Legacy of Lyndon B. Johnson for Health Care
The Culture of Health Care
Academia as a Major Provider of Health Care

AAMC-member teaching hospitals represent 6% of all hospitals

Their work represents:

- 40% of all Medicare inpatient days
- 22% of all Medicaid inpatient days
- 40% of all hospital charity care

They provide:

- 79% of all burn center beds
- 40% of neonatal intensive care beds
- 83% of all ACS-verified Level 1 regional trauma centers

Overall, AAMC-member teaching hospitals provide 20% of all hospital care
Medical School Revenue by Source
126 Fully Accredited Medical Schools, FY2010

Total Revenue: $87 B
Median Revenue: $491 M

- Faculty Practice Plans: 37%
- Hospitals & Medical School Programs: 16%
- Other Grants & Contracts: 10%
- Federal Grants & Contracts: 20%
- Government & Parent Support: 6%
- Tuition & Fees: 3%
- Gifts & Endowments: 4%
- Miscellaneous: 4%

Source: LCME Part I-A, Annual Financial Questionnaire, FY2010
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Our national political reality!
A Bipartisan Moment...
Followed by a Partisan Statement...

112th Congress  
1st Session

H. R. 2

To repeal the job-killing health care law and health care-related provisions in the Health Care and Education Reconciliation Act of 2010.
...Followed by Conflict at the State Level...
...Followed by the Summer Debt Ceiling Debacle...
...Followed by “Super Failure”...
...Followed by ???...
Our national economic reality!
THE NATIONAL COMMISSION ON FISCAL RESPONSIBILITY AND REFORM

The Moment of Truth

DECEMBER 2010

Living Within Our Means and Investing in the Future
The President’s Plan for Economic Growth and Deficit Reduction

September 2011

OFFICE OF MANAGEMENT AND BUDGET
BUDGET.GOV

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The End of the Third Bubble

Neal C. Hogan, PhD

BDC Advisors
Leading Constructive Change
Our national health care reality!
Health Care Spending

National Health Expenditures % of GDP

Source: CMS National Health Expenditure Data
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International Comparison of Spending on Health

Average spending on health per capita ($US PPP)

Note: $US PPP = purchasing power parity.
Deficits in Insurance Coverage

Number of Uninsured Children and Non-Elderly Adults: 2004 to 2010


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Deficits in Access
Medically Underserved Areas – MUAs and Medically Underserved Populations – MUPs
Designated Type

Source: Health Resources and Services Administration – HRSA,
Bureau of Health Professionals; October 4, 2010
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Deficits in Outcomes

U.S. Comparison to Developed Nations

2009 Life Expectancy
Bottom Third
(78.2 yrs compared to Japan at 83)

2008 Infant Mortality
4th Highest
(6.5% compared to average 4.6%)

2008 Adult Obesity*
1st
(Over 1/3 of U.S. population)

*Only 7 nations reported data on this indicator
Source: OECD Health Data 2011, June 2011
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## Indiana Health Status

<table>
<thead>
<tr>
<th></th>
<th>Indiana</th>
<th>U.S. average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life expectancy</td>
<td>77.7 years</td>
<td>78.6 years</td>
</tr>
<tr>
<td>Infant mortality rate</td>
<td>7.8</td>
<td>6.8</td>
</tr>
<tr>
<td>(per 1,000 live births)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heart disease rate</td>
<td>203.0</td>
<td>190.9</td>
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<tr>
<td>(per 100,000)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diabetes rate</td>
<td>8.0</td>
<td>5.5</td>
</tr>
<tr>
<td>(per 100 adults)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overweight/obese adults</td>
<td>66.4%</td>
<td>63.8%</td>
</tr>
</tbody>
</table>

Source: statehealthfacts.org
In the face of these realities, have we really “reformed” health care?
Can We All Commit to “Fixing” Health Care?
Can We All Commit to “Fixing” Health Care?

American Attitudes

Care Model ↔ Professional Issues

Care Model

Health Insurance for All

Institutional Culture

Rational Payment System

Economic Model

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Can We All Commit to “Fixing” Health Care?

American Attitudes

Care Model

Professional Issues

Economic Model

Institutional Culture

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Can We All Commit to “Fixing” Health Care?

Economic Model

Confronting Workforce Shortages

Professional Issues

Institutional Culture

Creating True Teams

American Attitudes
Can We All Commit to “Fixing” Health Care?

American Attitudes

Care Model

Professional Issues

Economic Model

Institutional Culture
Can We All Commit to “Fixing” Health Care?

American Attitudes

Changing the Focus From “Sickness” to “Wellness”

Creating True “Medical Homes”

Institutional Culture
Can We All Commit to “Fixing” Health Care?

American Attitudes

Care Model ↔ Professional Issues

Economic Model

Institutional Culture

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Can We All Commit to “Fixing” Health Care?

American Attitudes

Care Model — Professional Issues

Economic Model

Institutional Culture
What Americans Want From Health Care

- I want it now!
- I want someone else to pay the bill!
- I want to prolong life as long as possible!
- If anything goes wrong, I want to sue someone!
- I want the latest in health care!

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Can We All Commit to “Fixing” Health Care?

American Attitudes

Care Model

Professional Issues

Economic Model

Institutional Culture

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An Emerging Culture for Health Care

Hierarchical → Collaborative
Autonomous → Team-based
Competitive → Service-based
Individualistic → Mutually accountable
Expert-centered → Patient-centered
Will we be able to form the enduring partnerships needed for this new health care world?
Will we have the health care professions workforce to take care of us?
Rising to the Challenge of Workforce Shortages

Projections prepared by the Lewin Group for the AAMC

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First-Year Medical School Enrollment Projections

- **Existing + New Schools**
- **Existing Schools**

- **16,488**

Source: AAMC Annual Survey of Medical School Expansion Plans

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Will we create a true continuum of medical education?
Can We Rethink Our Approach to the Medical Education Continuum?
Creating a True Continuum of Medical Education

A continuum guided by core competencies!
Will biomedical research connect more directly with improving the health of the population?
Rethinking Our Approach to the Full Continuum of Research

- Basic Research
- Clinical Research
- Implementation Research
- Community & Population Engaged Research
- Evidence-based Health, Health Care, and Prevention of Disease
- Care Delivery Research
In the end, is this all just a matter of politics?
The Ethical Foundation of American Medicine
In Search of Social Justice

Darrell G. Kirch, MD
David J. Vernon, BA

Following a historic electoral transition accompanied by an economic downturn unprecedented in the lives of most US residents, attention has once again turned to improving the cost and effectiveness of health care in the United States. While many have described the dysfunctional aspects of the US health care system, the focus has prioritized issues of payment systems and delivery models over a fundamental underlying ethical conflict. Within an ethical context, it is important to discuss how the commercialization of medicine has fostered a distortion of emphasis among the basic tenets of medical ethics, and how this unbalanced emphasis has created serious barriers to improving the health care system.

privileges that others do not have because it is assumed that unless physicians hold these rights and responsibilities, the health of society will be compromised. This social contract is at the heart of the medical profession. Physicians must use their best informed judgment when caring for individuals who need assistance and in return, physicians must be given appropriate freedom to do so.

In the current system, however, and in the face of the powerful commercial forces at work in health care, the expression of physician autonomy at times appears to have become more aligned with independence of practice, especially fiscal independence and the right to enhance physician revenue (eg, through physician-owned hospitals and imaging centers). In a market-driven environment, fiscal independence seems to have become as important as autonomous decision making in practice, and concomitantly, attention to social justice may be decreased.