

HEALTH CARE IN THE U.S.:

Where it should be
Where it is
Where it is going



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Where it should be...

What are our goals for health care?

1. For the people: ~~access to~~ affordable, adequate health care coverage
 - Coverage
 - 100% of Americans have health insurance – private or public
 - Guaranteed safety net – Community clinics + “Anchor” hospitals
 - Affordable
 - 5% of income for \$30,000 (barber/hairdresser)
 - Current \$6449 (22% of income)
 - Adequate
 - Some patients want less care than prescribed – especially at end of life

Where it should be...

What are our goals for health care?

2. For providers: less hassles

- Insurers required to spend 80-85% of premium on medical care
- Current family physician: 55% of time in direct care
- Care in integrated health systems (e.g. Accountable Care Organizations)
 - Permits well-functioning Electronic Health Record
 - Salaried physicians

Where it should be...

What are our goals for health care?

3. For US Health Care System: Improved quality and cost

- Attack chronic disease

- 50% of middle-aged have 1 chronic disease
25% have 2 or more
- 2/3 of >65 have 2 or more chronic diseases
 - >40% have Obesity, hypertension, hyperlipidemia,
 - >25% have Coronary artery disease, Arthritis, Diabetes
 - >10% have Heart failure, Depression, Kidney disease, COPD, Alzheimer's
 - Cancer 8%

- Improve life expectancy – US is #____

Where it should be...

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- Improve life expectancy – US is # 43

Where it is...

What did we learn from the ACHA?

1. Almost all Republican members of the House would have voted for:
 - Obamacare \$190 bn to \$30 bn
→ 24 million lose coverage
 - The tax credit discussion seemed unrelated to trying to make coverage “affordable” (\$2,000-\$4,000)
 - 5% of income for \$30,000 (barber/hairdresser) = \$1,500
 - ACHA would require to pay an additional \$2500 per year (total 13% of income)
 - Eliminates mandates – replace with 30% fine

Where it is...

What did we learn from the ACHA?

2. Few spoke out to save the huge cuts to Medicaid
 - 48% of those covered by Medicaid expansion permanently disabled
 - Of the other half 62% already working or in school
3. Original CBO \$337 bn reduction in deficit
 - Last minute chopped this in half – little argument
4. Requirements for what should be in health plans (e.g. maternity) thrown out
 - Watch for the plans to emerge “so riddled with gotchas they wont come close to covering expenses – like \$1,000 in hospital costs/year” [Consumer Reports]

Where it is going...

“It’s the cost, stupid!”

- We waste ____% of our 3 trillion dollars spent on health care

Where it is going...

“It’s the cost, stupid!”

➤ We waste 1/3 of our health care dollars

Failures of care delivery	\$128 billion
Failures of care coordination	\$35 billion
Overtreatment	\$192 billion
Administrative complexity	\$248 billion
Pricing failures	\$131 billion
Fraud and abuse	<u>\$177 billion</u>
TOTAL	\$910 billion

Berwick, JAMA, 2012

Where it is going...

“It’s the cost, stupid!”

- Republicans and Democrats can BOTH get what they want
 - Republicans: less entitlements
 - Democrats: more health insurance coverage

but must cut cost ...how?

1. “Value-based care”

- Capitation
- Bundles

EMPLOYERS CAN TAKE THE LEAD

Where it is going...

“It’s the cost, stupid!”

- Republicans and Democrats can BOTH get what they want but must cut cost..how?
 2. Salary physicians + bonus for quality
 3. Examine top 20 cost procedures and tests
 4. Low-deductible catastrophic plan – healthy buy-in
 5. Permit use of cost in decision of what to cover (!)
“cost-effectiveness”
 - Federal and state insurance mandates
 - Medicaid mandates
 - Permit Medicare to negotiate for drug prices
 6. Be careful what you wish for: “per-capita-CAPS” or block grants
 - Develop new program for low-income exchanges + Medicaid

Where it is going...

“It’s the cost, stupid!”

- Reduce unnecessary admissions
- Reduce readmissions
- Reduce unnecessary Emergency Dept visits
- Improve medication adherence

Grand+Aides®



The “people + technology”
answer to improve population
health with better outcomes,
lower costs and satisfied patients

One person at a time

Arthur Garson, Jr., MD, MPH, MACC

Chairman
Grand-Aides USA and International



Grand+Aides®



Address the highest utilizers of care

- 50-100 highest expense
- Emergency Dept hyper-utilizers
- Admission / Readmission hyper-utilizers
- Not taking medication properly

One person at a time



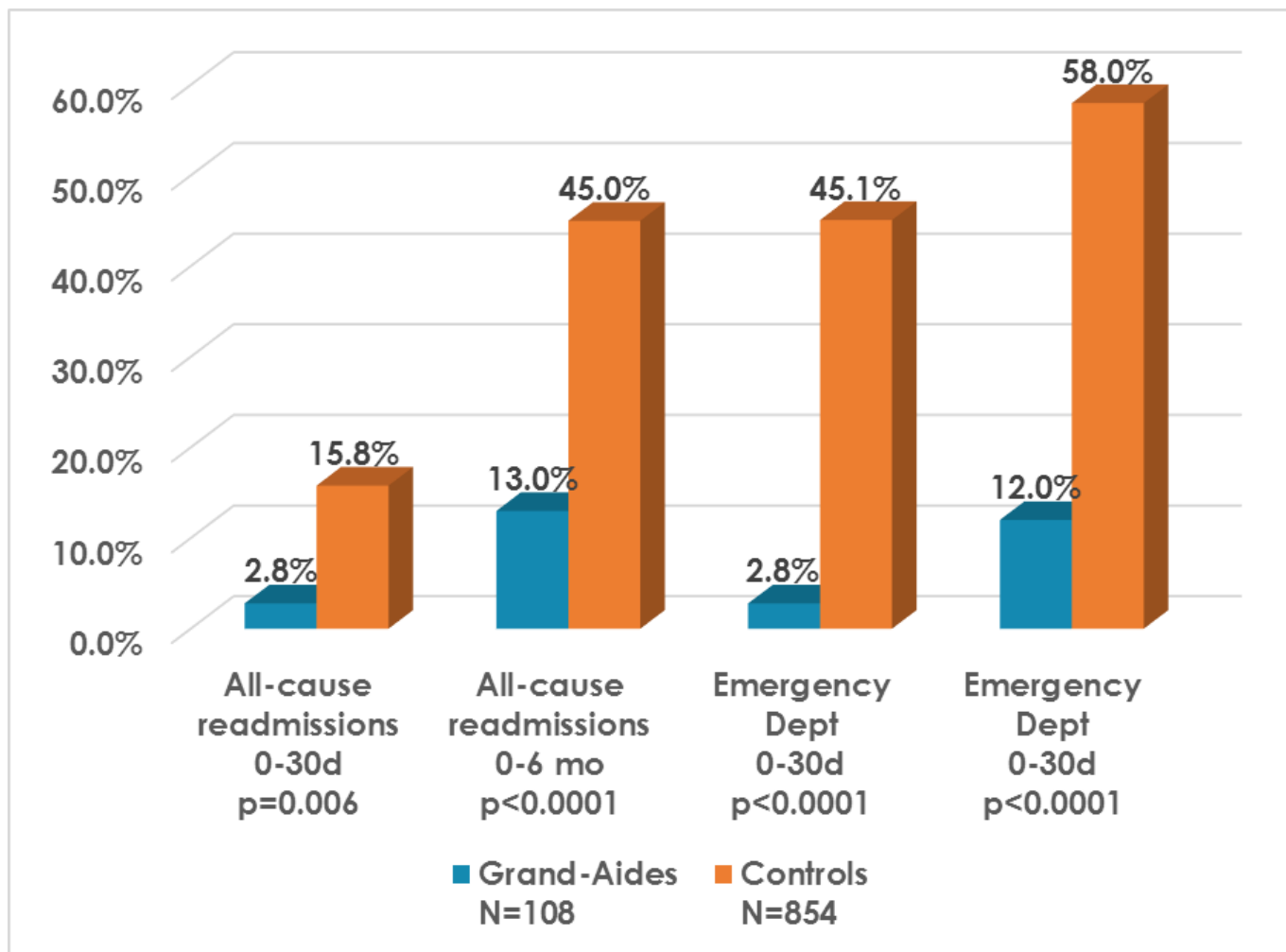
Grand-Aides[®]



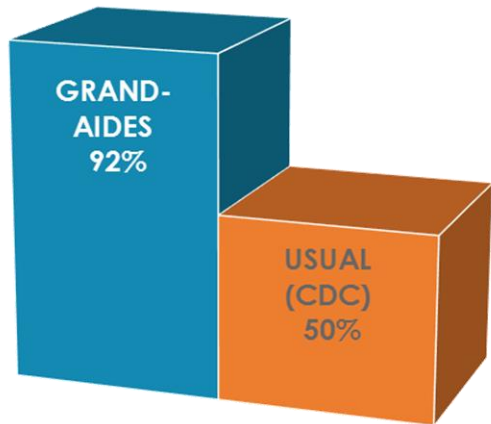
- Grand-Aide is a nurse aide supervised by a nurse and the patient's physician
- Patients offered Grand-Aide on admission or from the clinic
- Each visit Grand-Aides stress adherence with management – especially medications
 - Every visit video with nurse
- 3 visits first week, then decreasing visits over first month
 - Monthly visits, increase as needed
 - Average 6 months



Heart failure patients with Grand-Aides have significantly fewer all-cause readmissions and Emergency Dept visits



Patients with Grand-Aides had extremely high....



Medication adherence

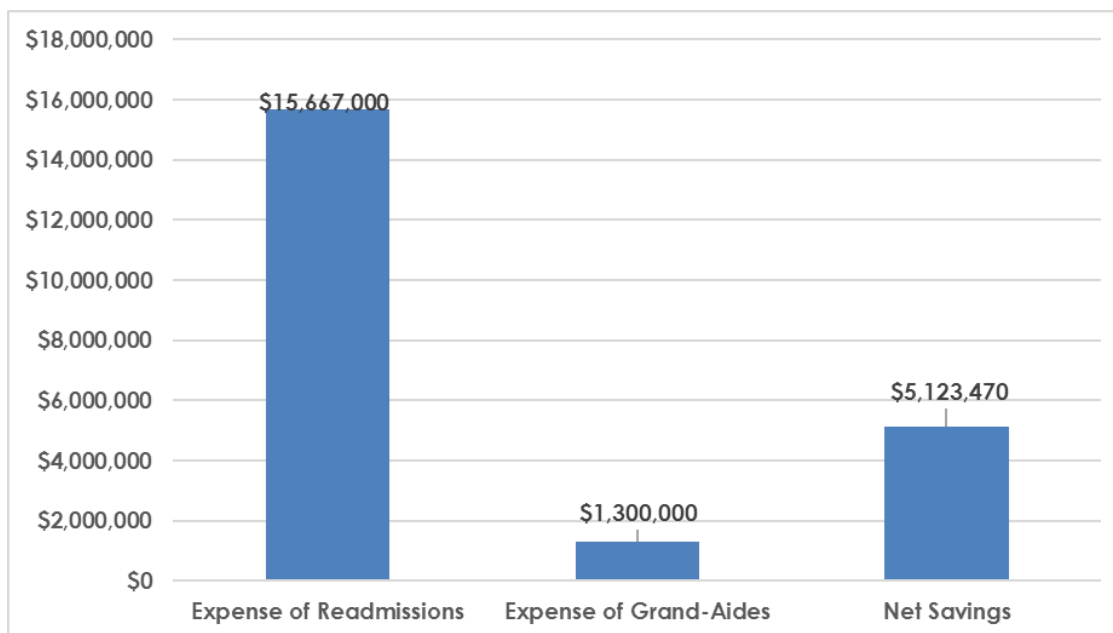
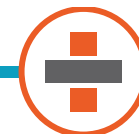
University of Virginia 2017



Press Ganey Satisfaction

Houston Methodist 2017

The Grand-Aides program for readmissions has an ROI = 3.9X



FOR 1,000 HIGH-RISK PATIENTS

READMISSIONS		GRAND-AIDES EXPENSE		NET SAVINGS / ROI	
Expense / readmission (CMS)	\$15,667	Expense per Grand-Aide	\$130,000	Net savings per Grand-Aide	\$512,347
Readmissions per year (1,000 pts)	\$15,667,000				
Reduction in readmissions	41%			Net savings per 10 Grand-Aides	\$5,123,470
Gross savings	\$ 6,423,470	Expense 10 Grand-Aides	\$1,300,000	ROI (Net savings/expense)	3.9

What can employers do?

Work closely with an evidence-based agent, TPA, insurer

- Compare Houston with other markets and adopt if applicable
 - Capitation
- Cardiac Arrhythmia Suppression Trial (CAST)
- Wellness programs
 - “Well-being” (Gallup)
 - Purpose, social, financial, community, physical
 - Corporate wellness programs – 24% of employees participate
 - RAND: Lifestyle management for \$1 invested, return \$0.50
 - Disease management for \$1 invested, return \$3.80
- Identify and test new ideas for cost and quality
 - Choice of physicians
 - Grand-Aides