It's Time to Get On With the Work at Hand

William Petasnick, FACHE, president and CEO of Froedtert Health, Milwaukee, and past chair of the American Hospital Association

"Trouble is only opportunity in work clothes."
-Henry J. Kaiser

No one's sure what health reform will bring. But the time for providers to get agile is now" (Deloitte 2010). As an active participant in the national healthcare reform debate for the past several years, I have been troubled by the continued lack of a meaningful dialogue about healthcare in this country. A great deal has been written about the challenges presented by the sweeping healthcare reforms included in the Affordable Care Act (ACA). The document is remarkably long and complex and almost maddeningly vague in some parts. Taken in total, the ACA looks like a version of Clint Eastwood's legendary film The Good, the Bad and the Ugly. The good is the expanded coverage and insurance reforms; the bad is the payment reductions and uncertain cost; and the ugly is the political process used to enact the law.

The components, requirements, and timelines can easily become overwhelming, and the ongoing political and legal wrangling distracting – whether it occurs in Congress, at the state level, or through the courts. Efforts to repeal the landmark legislation (or significant portions of it) heighten the rhetoric and position us to miss opportunities to begin critical reforms to the broken healthcare system in the months ahead. As a past chair of the American Hospital Association (AHA), I know full well the efforts of the board of trustees to address systematic change in healthcare reform discussions. The AHA's Health for Life: Better Health Care initiative (2011a) described a meaningful framework for expanding coverage, improving quality and care coordination, rewarding effective and efficient care, and controlling cost through an emphasis on prevention and alignment of incentives.

Expanding coverage is a critical component of bringing about systematic change. As noted by the Congressional Budget Office (CBO), if the effort to enact House Resolution 2 became successful – an unlikely scenario with the Democrats in control of the Senate and President Obama in possession of the veto – an additional 32 million nonelderly Americans would be counted in the ranks of the uninsured in 2019 (CBO 2011). In other words, only 83 percent of legal nonelderly residents would have insurance coverage in 2019, 11 percent fewer than the 94 percent who will be covered by 2019 under the current law. The impact of repeal on the nation's deficit is equally troubling. The CBO score noted that a repeal of ACA would increase the federal budget deficit by about $145 billion in the years 2012 to 2019.

The need for real systematic change in the organization and delivery of health services in this country has never been greater. Like most health system CEOs, I realized a long time ago that legislation and regulations originating in Washington seldom offer holistic solutions and often continue to perpetuate the fragmentation that prevents meaningful, systemic reform. This concept is not an absolute: positive changes can and will occur as a result of the specifics of the health reform law. However, the ACA's most important benefit will be as a catalyst for change that extends beyond its specific provisions.

DOING LESS WITH LESS

While specific provisions and timelines will change as the ACA is implemented, the overarching themes and directional changes will remain. Care will need to be more coordinated across the
continuum and managed more carefully, and reimbursements will be lower. In the transition from volume-based to value-based reimbursement, the new mantra for health system leaders must be "doing less with less." Using these principles, we can begin to work aggressively to implement the systemic changes that we have contemplated for years.

The six aims of the Institute of Medicine (2001) and the Institute for Healthcare Improvement's Triple Aim Initiative (IHI 2011) can still guide our work. Further, the American Hospital Association has developed Hospitals in Pursuit of Excellence (HPOE 2011), a strategic platform to accelerate performance improvement and support healthcare reform implementation in the nation's hospitals and health systems. This initiative includes evidence-based tools and guides and leadership development and fosters hospitals' engagement in national improvement projects. HPOE aggregates and shares important information about proven practices to help hospitals improve and to support hospitals as they implement healthcare reform.

It is time to start worrying less about what is happening in Washington and more about what is happening in the health systems we lead. All of us face similar challenges, such as these:

- Reimbursement constraints
- Alignment issues
- Physician relationships
- Access to capital
- Implementing performance improvements
- Rebuilding our balance sheets
- Creating a safe environment for patients

At Froedtert Health we have identified the following "key musts" as our strategic focus to effectively respond to these and other challenges:

- Physician-hospital alignment: create common goals and effective governance
- Population management and care coordination: optimize investments in information technologies
- Cost management: eliminate redundancy through process improvement and broadly applying Lean methods throughout the organization
- Quality improvement infrastructure: reduce variation through greater adherence to clinical guidelines and standardization
- Scale: expand geographic reach through clinical integration

**CLINICAL INTEGRATION: THE REAL KEY TO REFORM**

My involvement with the AHA's Task Force on Delivery System Fragmentation (AHA 2004) revealed the power of clinical integration as an effective tool for promoting innovation, enhancing quality, and aligning incentives. Clinicians and policymakers have drafted several definitions of clinical integration (AHA 2004). In our health system, clinical integration has become a core component of our strategy as we partner with other independent health systems to achieve significant improvements in the quality of care and address issues of cost and access.

Clinical integration can take several forms, but a key component involves greater information sharing across providers (AHA 2011 b). For example, different provider groups may collaborate to tackle a single condition like diabetes or to build a common framework for the management of critically ill patients. At Froedtert Health we have partnered with like-minded organizations such as Bellin Health in Green Bay, Wisconsin, to operate jointly a virtual ICU using the technologies of the eICU (see Cer6n 2007).

Like other innovations, the most important benefit of the eICU partnership was its effect on our thinking. Successful creation of this unique arrangement made it easier to advance and enact other novel ideas. More recently, we have created an entity called Quality Health Solutions (QHS), which is a joint structure sponsored by five separate health systems in Wisconsin – Froedtert Health, Columbia St. Mary's in Milwaukee, Agnesian HealthCare in Fond du Lac, Bellin Health in Green Bay, and Aspirus in Wausau.
We have created an innovative vehicle for connecting independent associates to share data and partner on pilot projects including accountable care initiatives. We expect these efforts to similarly spark other alternatives to advance our partnerships and enhance our opportunity to learn from each other.

These steps all fall along a continuum that includes clinical integration and the development of an accountable care organization. While we hope that regulatory barriers to clinical integration will be lowered, and while we wait for clarity on the critical elements of an accountable care organization, we can leverage these related activities and build the important relationships that will help us move quickly in response to policy and regulatory guidance.

CORE COMPETENCIES IN THE NEW ERA: A FINAL REFLECTION

Healthcare reform has set the stage for the development of innovative approaches to improve the organization and delivery of health services at local and regional levels. Healthcare reform also brings significant uncertainty. Do not wait for clarity around the new legislation and related regulation and policies; waiting dramatically increases the risk of failure.

Health systems that excel in this emerging environment will be those that focus on quality and enhancing the patient care experience, are clinical innovators, have the ability to integrate care across the continuum, and are fiscally sound. As providers, we place a high value on technical expertise and standard protocols. To succeed in the future, we need to similarly embrace creative solutions that expand and improve our ability to share expertise and protocols. Successful healthcare systems need to continually evolve and relearn in response to our dynamic environment.

Universally recognized truths remain amid the uncertainty. Payments will decrease; we can and should manage costs down and restructure care delivery, even without knowledge of the exact amount and timing of payment cuts. Tolerance for fragmentation of care will continue to fall; we should build collaborative partnerships inside and outside of our organizations now to support the enhanced communication and coordination necessary to serve patients in the future. We don't need the federal government to tell us that fragmentation is detrimental; we know it from our own experience as patients. Adjusting to regulatory details will be easier if we are already moving forward. It's time to get going.

REFERENCES

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For more information on the concepts in this column, please contact Mr. Petasnick at WPETASNIl@froedterthealth.org.