Value   1

Running Head: VALUE

Value in Health Care

.

In their analysis of the broken infrastructure of the American health care system, Michael E. Porter and Elizabeth Olmsted Teisberg posits that value-driven health care focusing on excellent customer care and results-based operations, will create a healthy competition which will ultimately reward physicians, nurse practitioners and patients alike. Porter and Olmsted Teisberg define value in health care as "the health outcome per dollar of cost expended" (2006). Stated another way, value is high-quality, efficient care with reasonable expense. This begs the question "What is reasonable expense in health care services?" The answer leads to another barrier in health care – the lack of transparency in costs. Consumers are rarely aware of how much their trip to the doctor's or nurse practitioner's office will cost.

CREATING A COST-CONTROL STRATEGY

Every business or organization needs a guiding philosophy on what they aspire to achieve and what their purpose is. Given the complexity of all that is involved in health care delivery, it is important for health care practices to assess many areas of the delivery system in order to create a successful practice. Imagine a start-up clinic run by a physician and nurse practitioner. The overarching goal would include providing cost-effective, excellent patient care. The physician and nurse practitioner would have to closely examine exactly what is cost-effective, excellent patient care.

Cost-effectiveness amounts to more than getting the most "bang for your buck". It entails what services should be offered to enhance patient care. For example, is it cost-effective for a patient to be examined, sent to a lab in a different facility for routine blood work only to come back in a couple weeks to discuss the results? Perhaps it

would be a cost savings to the patient to have blood drawn and results ready when the patient is present at an annual physical examination. The practitioner would then be able to view, for example, an elevated hemoglobin A-1C value and discuss a treatment plan for better diabetes control with the patient. Most practices currently examine the patient, order labs to be drawn and then call the patient for a follow-up visit to discuss the labs. Costs in this scenario would be saved by the patient who only had to make one visit to the practitioner which would involve a routine physical exam, laboratory analysis, treatment planning, and diabetes control education.

Completely addressing all areas of patient concerns in one visit provides benefit to the patient by allowing the patient the sense of being listened to and cared for holistically. Routine annual exams should address all major physiologic systems as well as mental health and well-being, environmental risks, screening for diseases the patient may be at risk for, family planning, diet and exercise education, and treatment planning. The discourse should allow for the patient feeling open to asking questions and obtaining resources.

Comprehensive exams such as these would be cost-effective to the patient who can address all areas of health concerns in one visit. This would also serve the practitioner well by educating the patient on how to maintain a healthy lifestyle which ultimately would lead to a healthier patient and a success for the practitioner.

CREATING A RESULTS-DRIVEN CLINIC

A results-driven practice is essential in creating a sense of value in health care. Without detailed results measurement, the practitioner does not know if he/she is

providing quality care or not. Health care providers in the primary care setting must collect, analyze and disseminate results information such as smoking cessation, hypertension control, glucose control, and weight loss. Many practices across the country are participating in pilot programs which expose the results of specific care practices. For example, the Wisconsin Collaborative for Healthcare Quality (WCHQ) website ranks performance and progress reports by physician group, hospital, or health plan in relation to afflictions such as high blood pressure control, getting care quickly, and communicating with doctors. The website is easy to use and can be narrowed down by region or clinical topics such as access to care, cost-effectiveness, patient-centeredness, and more (WCHQ, 2008).

The WCHQ is a pilot program under the Center for Medicare and Medicaid Services (CMS) 2008 Physician Quality Reporting Initiative (PQRI). The PQRI offers financial incentive to health care practices and institutions who report outcomes of their Medicaid patients (WCHQ, 2008). The program benefits the practitioner by creating self-motivation to improve their results and trying to out-perform their competitors' outcome scores. PQRI attempts to create a space for health care practices to reveal their outcomes in order for consumers to decide for themselves which practices will offer them the best care for the best value.

TRANSPARENCY IN INFORMATION

The PQRI program creates a forum where health care practice information no longer is a mystery. Consumers can research if hospital A or hospital B had better results in post-operative infections after CABG surgery. Consumers can make

educated decisions on which hospital to have a CABG surgery at based upon this information. In reality, this level of consumer choice and education exists for a consumer in the market for a DVD player but not for the person who needs a CABG. Increasing the level of transparency in costs, results, and quality in health care not only educates the consumer, gives the consumer decision-making options, but it drives up the level of quality in competing hospitals and practices. Ultimately, this creates a win-win situation for both consumer and practitioner.

COMMITTING TO QUALITY

An over reliance on volume-based practices in health care has led to a decrease in quality care. Too often are doctors scheduling up to four patients in one fifteen minute time slot which leads to hurried assessments and diagnoses as well as poor practitioner to patient communication. Long waiting room times have become status quo and cause frustration to patients as well as the perception of feeling unimportant to the physician. Practitioners can easily overcome this problem in health care delivery by scheduling patients in a reasonable fashion. Fifteen to thirty minutes per patient would allow for a comprehensive exam and facilitate improved communication.

Quality care in a practitioner's office should entail thorough understanding of the patient's perceived problem, comprehensive assessment, thoughtful diagnosis, treatment plan, and education. Education should be emphasized in clinic visits. Barriers to learning and a variety of educational tools should be available, including brochures, CD-ROMs, DVDs, and demonstration – return demonstration techniques.

The patient should feel as if he is the primary focus of the practitioner's attention when receiving care.

CONFORMING TO INFORMATION TECHNOLOGY STANDARDS

The U.S. Department of Health and Human Services (HHS) has developed Four Cornerstones to Value-Driven Health Care. The cornerstones promote interoperable health care technology, measuring and publishing quality information, measuring and publishing price information, and promoting quality and efficiency of care (HHS, 2008). Interoperable health care technology entails the use of health care records which all medical professionals could have access to. Electronic medical records would save time and money and reduce medical errors.

Electronic medical records would allow practitioners to view a client's medical history obtained by a specialist, or view a recent emergency center visit or double check allergies before prescribing a medication all within minutes. Phone calls between offices to obtain specialist's reports, carrying charts or records back and forth between offices and thousands of photocopies and faxes of medical records would be greatly reduced with the implementation of electronic medical records. Laboratory information would be available immediately and vaccination information would be at the practitioner's fingertips for referral. Nearly two dozen electronic medical record software programs are currently available with more in development.

CONSUMER MEASUREMENT

Consumers who are empowered with better information regarding prospective care from practitioners and hospitals will accept more responsibility for their health care

choices (Porter & Olmstead Teisberg, 2006). Too often the focus of contemporary medicine is the reactive treatment of the patient. The normal situation is for a patient to consciously make poor health decisions and visit a doctor to correct the results of those decisions. For example, a patient with high cholesterol will seek medication to control his or her problem, instead of working with the doctor to reduce the contributing factors.

A consumer who is made to feel part of a team that is working to prevent an action may take on additional responsibility willingly. Unfortunately, the contemporary practice leads the patient to be aware, but likely uneducated about their health care choices and view doctors as an agent to undo the damage. The physician or nurse practitioner who implements a goal-based approach that provides the patient with reasonable, simple steps that can be monitored by both the patient and the doctor provides the patient with a tool to participate in their own success. This is also an opportunity to implement better IT practices by using a website for the purpose of tracking these goals. The physician or nurse practitioner's actual role could be limited to implementing the measurement practice with the patient and making a follow up phone call to review progress. This has the dual benefit to the doctor of shifting significant responsibility to the patient and alleviating the need for as frequent office visits.

OUTCOMES-BASED PRACTICE

An educated patient is an asset to a physician. By keeping track of outcomes of various conditions and posting those results on a website for all consumers to see, the doctor enables consumers to educate themselves on effectiveness of treatment options.

Value   8

An example of this practice can be found at the Minnesota Community Measurement website (MN Community Measurement, 2008).

The MN Community Measurement website allows the consumer to look up clinical practices by city or county or by ranking in disease outcomes. The outcomes measurement for type 1 and 2 diabetes is based upon five treatment goals to reduce the risk of cardiovascular disease. The goals are: (1) Hemoglobin A1c (HbA1c) level less than 7%; (2) Blood Pressure less than 130/80 mmHg; (3) LDL-C control less than 100 mg/dl; (4) Daily aspirin use for diabetes patients ages 41-75; and (5) Documented as tobacco free in medical record (MN Community Measurement, 2008).

Incorporating these types of goals within a business practice gives a guiding strategy for practitioners. Vigilant collecting and disseminating of this data gives the consumer an idea of what to expect when they walk into a practitioner's office. The consumer has an idea of the value of health care delivery from the particular practitioner.

Beyond just adding value to the patient, the physician or nurse practitioner will benefit by providing information on the outcomes of treatment procedures. Doctors, like all businesses, must market their product. Providing their existing and potential customers with proper education of treatment results should create a strong reputation for credibility and expertise. It also serves to distinguish one doctor from another. A patient whose doctor has informed them of the relative merits of treatment options will likely relay this information to friends and family. If a publicly accessible website is used to provide this information, then those friends and family will have the same access. The patients of doctors who do not provide this service may perceive a loss of credibility in

their doctor and consider moving to a practice that is concerned with providing such information.

PATIENT PARTICIPATION

Health care practitioners must encourage patient participation in their evaluation of care. A patient must be made to feel part of the process and not simply buying a service like a tire rotation. The patient is the best source for information on the need for and effectiveness of care. Ignoring or marginalizing this information source does a disservice to the overall goal of effective health care. With the implementation of quality, comprehensive health care from practitioners, public display of practices' health outcomes, and dissemination of more patient education, patients will be equipped with the tools to be actively involved in their own health care and disease management rather than solely rely on the practitioner.

Seeking medical information is already the third most common search on the Internet (Potter & Olmstead Teisberg, 2006). With growing numbers of health care practices and hospitals posting their results data, the patient has the potential to become an informed consumer. An educated patient is more likely to make good health care decisions and is more likely to comply with their treatment plan (Potter & Olmstead Teisberg, 2006).

CHECKS AND BALANCES

Using a database that double checks allergies or contraindications for written orders would provide great value to the consumer. An IT based platform that enables a physician or nurse practitioner to cross reference the potential interactions of prescribed medications is invaluable to the consumer. Many consumers are not informed

Value 10

consumers and may not know the impacts of one prescription or over the counter drug on another. Further, the consumer may not even know why they are taking one drug at all. Leaving the determination of drug reactions and interactions to a patient is ill advised and potentially dangerous.

This practice enables a patient to confidently take medications knowing that the medication will not cause allergic reaction, interfere with the effectiveness of another drug, or result in serious side effects. The physician or nurse practitioner benefits by having ready access to all medications being taken which may benefit in diagnosis and treatment of certain conditions, as well as enable the doctor reduce the time spent in follow up phone calls, phone calls to pharmacies prescribing new medications, and follow up appointments for prescription management.

TRANSPARENCY IN PRICING

The cost to the patient in the practice of medicine lacks transparency. The average patient does not enter a doctor's office with any idea how much the total cost is going to be. This is a problematic practice because it provides the customer with no gauge to determine the relative value of the experience, but it also serves to prevent patients from seeking effective treatment, particularly the uninsured. A patient who knows that a $25 co-pay awaits them at the end of the visit is likely undeterred by the cost of the visit. That is not to say the patient has any idea what the visit will actually cost, only that they are aware of the actual out-of-pocket expense to them. Conversely, an uninsured patient will likely be very cost sensitive. An uninsured patient suffering from a serious and persistent back injury will likely fear a trip to doctor because they will

not know what the cost for the office visit, follow up testing, or a treatment program. A patient has no access to cost information may perceive the worst.

The availability of information related to cost may make significant difference in the uninsured and insured patients' decision making about treatment. An uninsured patient may feel more confident seeking care if the costs are known going into it, while an insured patient may be responsive to the perceived value placed on the overall cost of the care. Just because an insured patient is not responsible for the amount exceeding the co-pay does not necessarily mean that the total cost is irrelevant. The insured patient may recognize that the health care premium they pay is related to total cost expended for care. The insured patient may view the care they receive as overpriced and seek comparable care at a reduced price.

<div align="center">CONCLUSION</div>

An increased focus on providing value to the patient will likely achieve the goal of effective health care. The patient will play a more prominent role in the determination and execution of treatment. This allows the patient to feel that the physician or nurse practitioner's focus is entirely on them even the patient is actually taking on a larger role in their own treatment. The patient will be making effective decisions regarding their treatment based on better education and a sense of team work with the physician or nurse practitioner.

The physician or nurse practitioner in turn benefits from the patients increased education and autonomy. At first, it would appear that the increased autonomy of the patient would diminish the physician or nurse practitioner's role in the patient's treatment. However, the physician or nurse practitioner who effectively implements the

suggested methods of increasing value to patients provides excellent costumer service.

This costumer service serves as a marketing strategy and tool to increase the

practitioner's business with new clientele to enhance revenue streams. Business could

expand because a practitioner previously spending time providing maintenance via

patients' phone calls may now fill that time with new client appointments.

.

References

Diabetes by the MN Community Measurement. (2008). Retrieved October 12, 2008,

      from http://www.mnhealthcare.org/~Display.cfm.

Compare hospitals and research doctors on Humana.com. (2008). Retrieved October

      7, 2008, from http://apps.humana.com/egroups/misc/transdemo/index.htm#.

Four cornerstones: *Value-driven health care by the U.S. Department of Health & Human*

      Services. (2008). Retrieved October 12, 2008 from

      http://www.hhs.gov/valuedriven/fourcornerstones/index.html.

Porter, M.E. & Olmsted Teisberg, E. (2006). *Redefining health care*. Boston: Harvard

      Business School Press /fourcornerstones/index.html.

Value-driven health care by the U.S. Department of Health & Human Services. (2008).

      Retrieved October 7, 2008, from http://www.hhs.gov/valuedriven/index.html.

View our reports by the Wisconsin Collaborative for Healthcare Quality. (2008).

      Retrieved October 12, 2008 from http://www.wchq.org/reporting/.