

## 'Public plan' for reform



*Collegiality marks the Spring Conference.*

There might be some irony in the fact that Scottsdale Institute's 16<sup>th</sup> Annual Spring Conference, held April 29 to May 1, 2009, at the Camelback Inn in Scottsdale, Ariz., was titled "IT Business Case, Value and Cost." Good topics, covered well, as always, but the business-like title belied the sizzle of both messengers and message: healthcare reform—yes, payment reform—is imminent this summer.

The last-shall-come-first moment was Friday's compelling final session, "Healthcare Reform Town Hall," which featured a report from Beltway insiders Paul Keckley, PhD, executive director, Deloitte Center for Health Solutions, and Robert Kolodner, MD, former National Coordinator for Health Information Technology, HHS. David Classen, MD, VP at CSC, was again our stellar facilitator.

Keckley riveted the audience with front-line reportage—including descriptions of key committees and players—about the inexorable movement by the Obama Administration and Congress toward reforming the payment system to cover the uninsured and, in effect, disincentivize employers to use commercial insurers. The latter would eliminate tax breaks for companies that provide healthcare benefits to employees and inject a whopping \$450 billion into the Treasury to help pay for the new plan.

Several times during the conference we heard the phrase "the whole enchilada" to describe the Administration's intent to eschew partial solutions in favor of comprehensive reform. Keckley expects Congress to consolidate competing reform proposals into a single bill by mid-June that would provide coverage for a "pre-Medicare" population. Combined with coverage through SCHIP, existing health coverage for the military and federal employees, Medicare and Medicaid, as many as 180-million Americans would be covered by federal health insurance if the reform bill becomes law. "A public plan is a line in the sand," said Keckley, adding that it would likely shrink the commercial insurance sector by 15 percent.

### Burning national platform

Kolodner described how the VA overcame what seemed like impossible odds starting in the mid-1980s to become an IT-enabled "accountable care organization." Models used to predict the future are ephemeral, he said; no model in the mid-1990s predicted the Internet, for example. The leadership at the VA avoided the traps of conventional wisdom—and its own reputation for substandard care stemming from the Vietnam War era—and converted "169 hospitals with nothing" over to an integrated clinical information system in only three years.



*Rob Kolodner, MD, and Paul Keckley, PhD, collaborate on healthcare reform.*

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*Panelists James Dove, MD, Steve Shihadeh, Mary Brainerd, Dennis Dahlen and John Glaser.*

Today that system is widely recognized as a model of integrated, high-quality care on a global scale despite the fact that it has more patients and 10,000 fewer employees than it had 15 years ago. “Making changes, having data, feeding it back, holding people accountable,” notes Kolodner, are prerequisites to success. “It’s amazing what you can do if you’re on a burning platform.”

### **Chain-saw reaction**

John Glaser, veteran VP and CIO at Boston-based Partners HealthCare who is “on loan” to the Administration as an adviser on healthcare reform, moderated a panel titled “Where did all the IT Gains Go?” Determining the ROI of IT is akin to assessing the value of “an inert piece of iron,” he said. “What’s the ROI of chain saw?” he asked humorously to underscore the point that real ROI depends on what you do with a tool. Still, to the extent it’s possible to measure ROI, Glaser identified the Top 10 reasons why we fail at this task:

1. It’s not clear why we’re doing an IT initiative—“flabby goals;”
2. Didn’t do our homework regarding costs, our talent level or risk;
3. We don’t measure; how much will it improve care?
4. Nobody’s accountable for results; somebody must own the initiative, maybe two or three people;

5. We fall in love with technology—“advanced states of technical arousal;”
6. Failure to engage users;
7. Failure to make necessary process changes;
8. When implementation ends we think the work is done; but implementation never ends;
9. We make bad technology choices;
10. Poor project management, despite the fact it’s a well-understood discipline.

Mary Brainerd, president and CEO of Minneapolis-based HealthPartners, said her organization determines the value of IT from a comprehensive perspective. “We’re able to look at the total cost of care,” she said, including, for example, how IT investments have markedly increased the quality of care for chronic diseases like diabetes. Building better decision support into its Epic HIS has helped HealthPartners make better use of MRIs and CT scans and thereby reduce the cost of care. The organization is focused on achieving the IHI Triple Aims: Optimal Health; Optimal Experience; Lower Cost.

James Dove, MD, past president of the American College of Cardiology, envisioned future-state IT as a web-based system where data is automatically collected at the point of care. He warned, however, “Don’t substitute physician time for clerical time” in the conversion.



*David Classen, MD and Paul Keckley, PhD relax at the evening reception.*



*Keynote panelists Victor Trastek, MD, Rob Kolodner, MD, Stephen Hanson, Don Wegmiller, Joseph Swedish and Stan Nelson.*

### **'Swine flew'**

"Like quality, IT can be free," said Joe Swedish, president and CEO of Novi, Mich.-based Trinity Health, who keynoted the panel "Integrated Health Information: Outcomes and Implications." Trinity, well regarded for its Genesis initiative that has standardized a comprehensive EHR across a far-flung and diverse health system, has achieved \$1.5 billion to \$3 billion in clinical benefits from IT, he said. Those benefits have included a 45-percent reduction in pressure ulcers and a 31-percent reduction in patient falls.

"IT infrastructure will tell you how your organization makes decisions," said Swedish, and that's particularly true in organizations like Trinity that have aligned IT closely with organizational strategy. Later at Friday's Town Hall, Swedish generated perhaps the biggest laugh of the conference: "Everybody said pigs would fly before we achieved healthcare reform. Well guess what? Swine flew."

Victor Trastek, MD, CEO of Mayo Clinic Arizona and also a panel participant, said that ultimately "it's all about bringing value to patients" and that "collaborative leverage" may describe the endpoint at which successful health systems arrive. Richard Pettingill,



*Panelists standing: Ed Marx, Steve Heck; seated: Richard Pettingill, Michael Rowan and Robert Miller, PhD.*

president and CEO of Minneapolis-based Allina Hospitals and Clinics, announced two new Allina initiatives, 1) investment of \$100 million in a new Center for Innovation and 2) launching the Heart of New Ulm, an IT-enabled population-health program for this town of 17,000 in south central Minnesota. In summing up the role of IT, Ed Marx, Senior VP and CIO of Arlington, Texas-based Texas Health Resources, quoted Jim Collins' book "Good to Great": "IT is never the reason for an organization's success or failure, but can be the accelerator of either."



*Rob Kolodner, MD and John Glaser huddle at the break.*

**The complete audio presentations for the conference are available on the SI website at [www.scottsdaleinstitute.org](http://www.scottsdaleinstitute.org).**





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SCOTTSDALE INSTITUTE

*The Healthcare Executive Resource for Information Management*

Stanley R. Nelson, Chairman • Donald C. Wegmiller, Vice Chairman • Shelli Williamson, Executive Director  
1660 Highway 100 South, Suite 306 • Minneapolis, MN 55416  
Phone: 952.545.5880 • Fax: 952.545.6116  
E-mail: [scottsdale@scottsdaleinstitute.org](mailto:scottsdale@scottsdaleinstitute.org) • [www.scottsdaleinstitute.org](http://www.scottsdaleinstitute.org)