# Health Policy 201– how health care is organized

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# America's health system is neither healthy, caring, nor a system.

-- Walter Cronkite

# goal

- Assuring the right patient receives the right service at the right time, in the right place by the right caregiver
  - Rodwin 1948
- Who is responsible to see that this happens?
- Who has the power, position to make it happen?

### levels of care

- Primary care first contact
  - Physicians' offices, clinics
  - Common health problems
  - Prevention
- Secondary care specialists, hospitals
- Tertiary care regional referral centers
- Quaternary care national referral centers

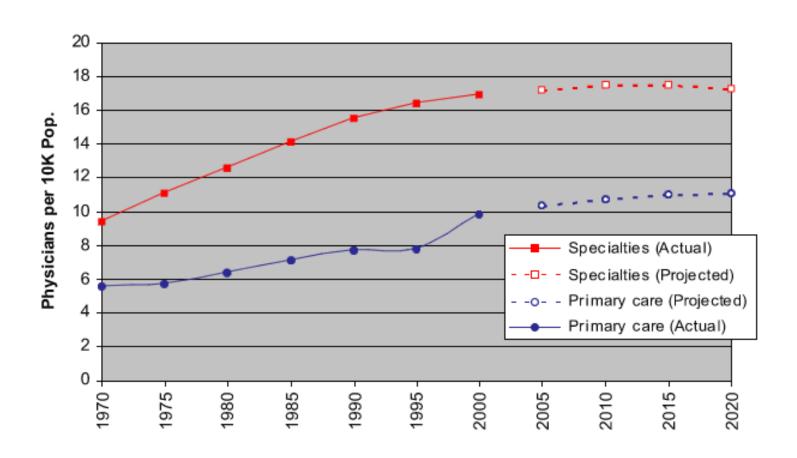
Primary care is the provision of integrated, accessible health care services by clinicians who are accountable for addressing a large majority of personal health care needs, developing sustained partnerships with patients, and practicing in the context of family and community.

Institute of Medicine, 1996

- Continuing, comprehensive, coordinated medical care
- Whole person considered, not organ based
- Accounts for 80 to 90% of physician office visits
- Emphasis on prevention, coordination
- Longitudinal care long term relationship
- Considers a wide range of health issues and how they interact for each patient
- Communities with more primary care capacity have better health outcomes
- Prevalent in training for pediatrics, family practice, general internists
- Not prevalent in training of OB/GYN, emergency medicine
- Gatekeeping negative perception, reality is help navigating the system

Pros	Cons
Prestige is building	Lower prestige
More control over practice	Less pay
Strong doctor patient relationship	Long hours
High job satisfaction	Private practice hassles vs. hospital salary and administrative support
Pay coming	

# capacity vs. need



Source: RAND

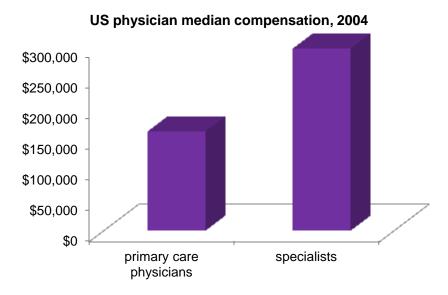
#### Good primary care contributes to

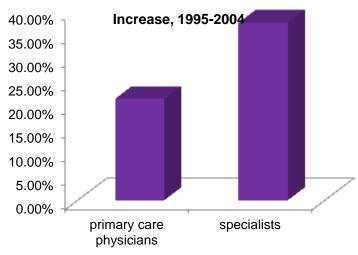
- better patient satisfaction
- reductions in hospitalizations
- better diabetes management
- compliance with treatment plans
- use of preventive services
- better control of hypertension
- less ER use
- better birth outcomes

# primary care vs. specialists

- Patients with access to primary care physician as their regular doctor had lower costs than those who saw a specialist regularly, after adjust for severity of illness
- Patients with a primary care physician had 33% lower annual health care costs and 19% lower mortality than patients who reported specialists as their regular doctor
- Study found that women with low-risk pregnancies cared for by a nurse midwife received less costly, less interventionist care and one third fewer C sections

# compensation





Source: T. Bodenheimer, K. Grumbach, 2009

# specialists

- Half of US doctors
- Higher pay, driven by high debt load
- Focus on one organ or system
- More residency slots
- UConn class of 2008, only 12 of 120 students went into primary care residencies
- More specialists in a region drives more of that care, does not reduce demand
  - Research found that states with more specialists/population have higher Medicare costs/person and lower quality
- Controversy over specialists providing primary care

# hospitals

- Often competing hospitals in same community
- Hospital-physician co-dependent relationship
- Hospitalists
- Medicare bundled rates changed incentives – reduced LOS, fewer admissions, more acute patients
- Mergers for efficiency and market clout

# care delivery reform

- Linked to payment reform
- Attempts to reorganize to place emphasis on primary care and prevention, reduce duplication, improve quality and safety
- New technology allows coordination, data collection and comparisons, shared savings
- Patient centered medical homes
- Accountable care organizations
- Scope of practice issues

### Patient-centered medical homes

- Care delivered by a team, all members working at the top of their license
- Led by primary care doc, nurse practitioner or physician assistant
- Considers whole patient, patient directs care plan
- Population based care, links to public health functions
- Electronic medical records
- Referral, test and prescription tracking
- Patient self-management tools
- Culturally appropriate
- Payment forms vary
- National certification

# accountable care organizations

- Integrated networks of local providers across the care continuum, including hospitals, physicians, nursing homes, home health care, pharmacy, labs
- Can be one system Mayo Clinic or network of providers spread out geographically – Geisinger
- Align incentives
- Pay for quality, outcomes
- Incentive to coordinate care