

UC San Diego Health

# US Health Care Reform and Digital Health Transformation

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# UC San Diego Health Campus – 2019



# The financial crisis Great Crash of 2008

## Disbelief, and a punter reach

The plunging market yesterday dealt a new blow to investors' confidence, as the government decided to inject HK\$10 billion into counselling services for losers in the financial crisis.

Retail investors' disbelief at the Central

Bank of East Asia...  
cent, compared with 3.0...  
esday.  
Bank offered 3.4 per cent  
below HK\$500,000,  
er cent previously.  
month time  
HK\$500,000

"The financial...  
push the US and European ec...  
mies into a deep downturn or even  
recession, prolonging the tough  
times for Hong Kong's trade sector -  
the industry that employs the most  
workers.

"Major real estate agencies have  
also started to cut headcount as  
property transactions turn more

...k revised its economic  
for this year down to  
...er cent. For next  
to 2 per cent.

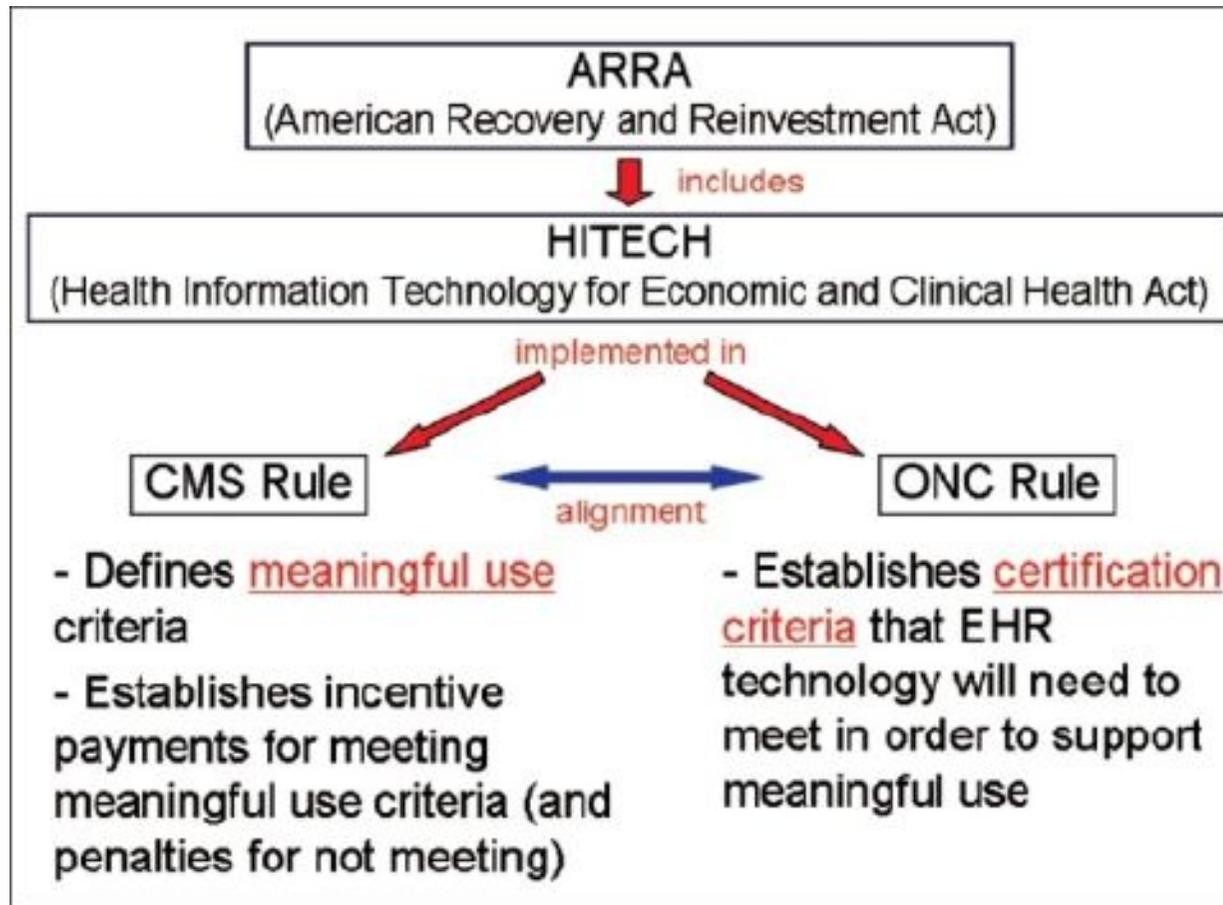
with the...  
main gauge of inflati...  
cent this year and 4...

Although the ac...  
2008 GDP growth v...  
previous forecast e...  
still more optimist...  
consensus of 9.9...  
9.1 per cent in 20...

"The slowdow...  
a normal fluctu...  
in a report yest...  
enough eviden...  
economic dow...

Last night...  
Chao (李超),...  
spokesman,  
... with

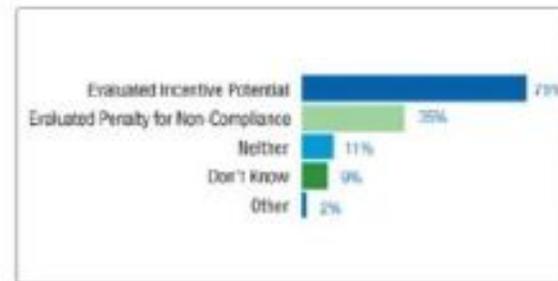
SATURDAY, OCTOBER



## It all started with ARRA

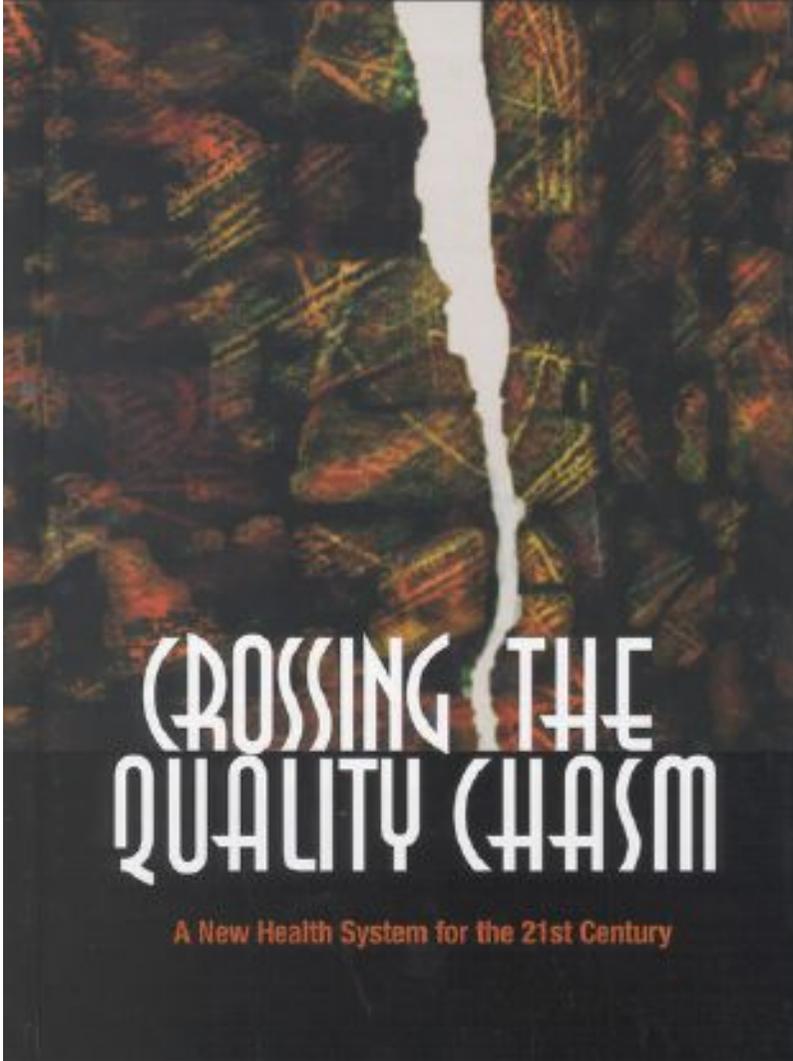
- The Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009 was a part of ARRA
- HITECH allocated funds to spur the adoption of electronic health records - approximately \$20.8 Billion
- While they're starting with carrots, there will be sticks

### Money Talks ...



Graph Source: HIMSS Analytics Survey, September 2010, [http://www.himss.org/content/Tiles/vantagepoint/vantagepoint\\_201009.asp?pg=1](http://www.himss.org/content/Tiles/vantagepoint/vantagepoint_201009.asp?pg=1)

INSTITUTE OF MEDICINE



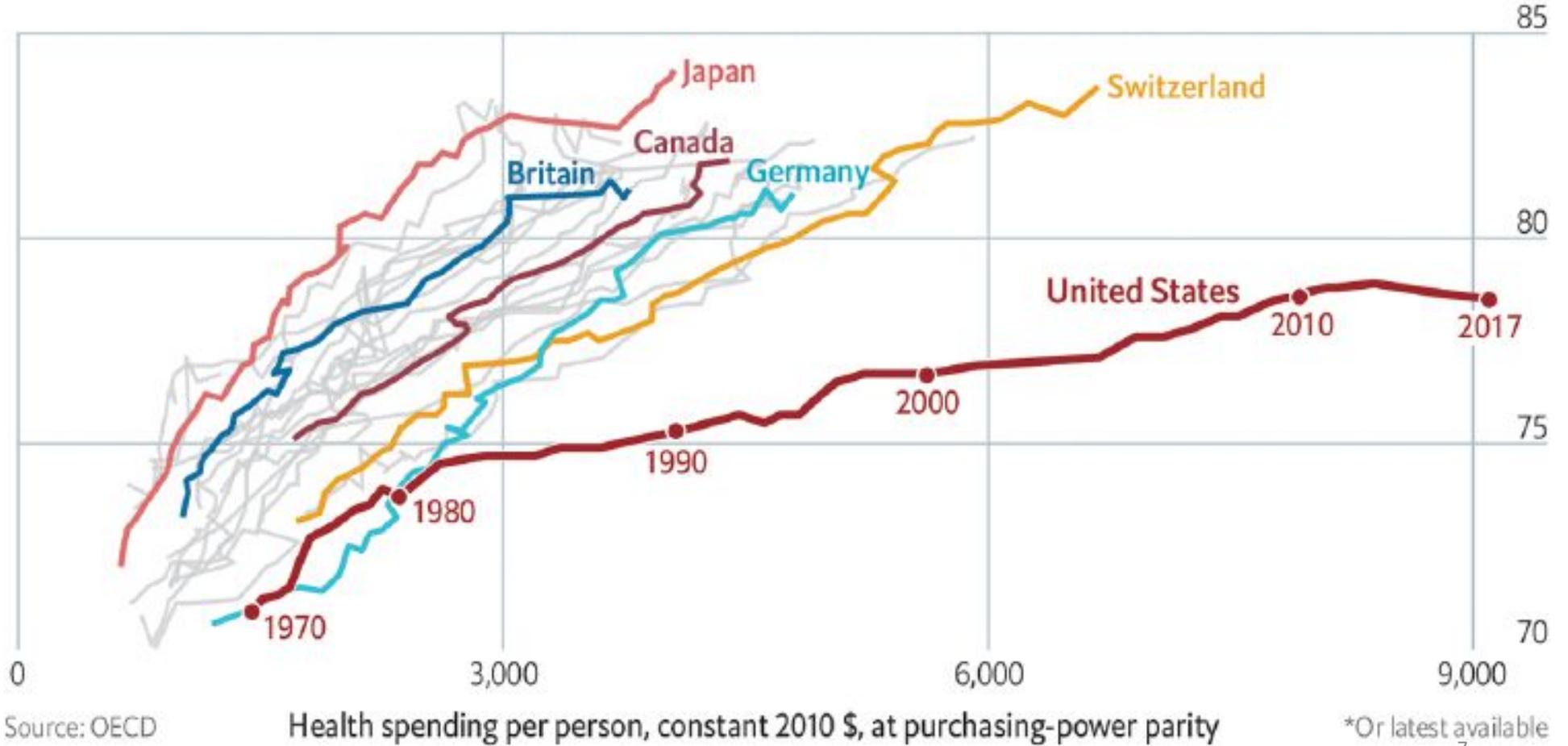
# CROSSING THE QUALITY CHASM

A New Health System for the 21st Century

## Odd man out

Health spending and life expectancy, 1970-2017\*, selected OECD countries

Life expectancy at birth, years

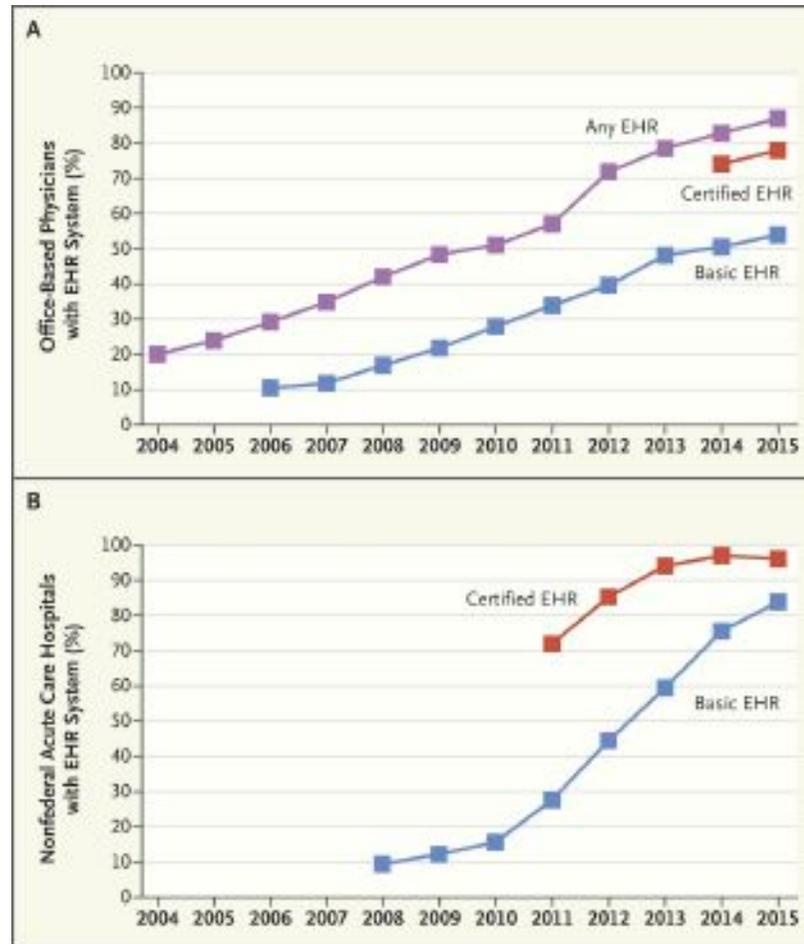


Source: OECD  
The Economist

Health spending per person, constant 2010 \$, at purchasing-power parity

\*Or latest available

## Affect of Office of National Coordinator on EHR adoption



# Three Major Leaps Dependent on the Digital Revolution

- Value Over Volume

- Data

- Big Data
- Population Health
- Universal Adoption of Electronic Health Records

$$V = \frac{Q + S}{C}$$

(VALUE) = (QUALITY) + (SPACE) / (COST)

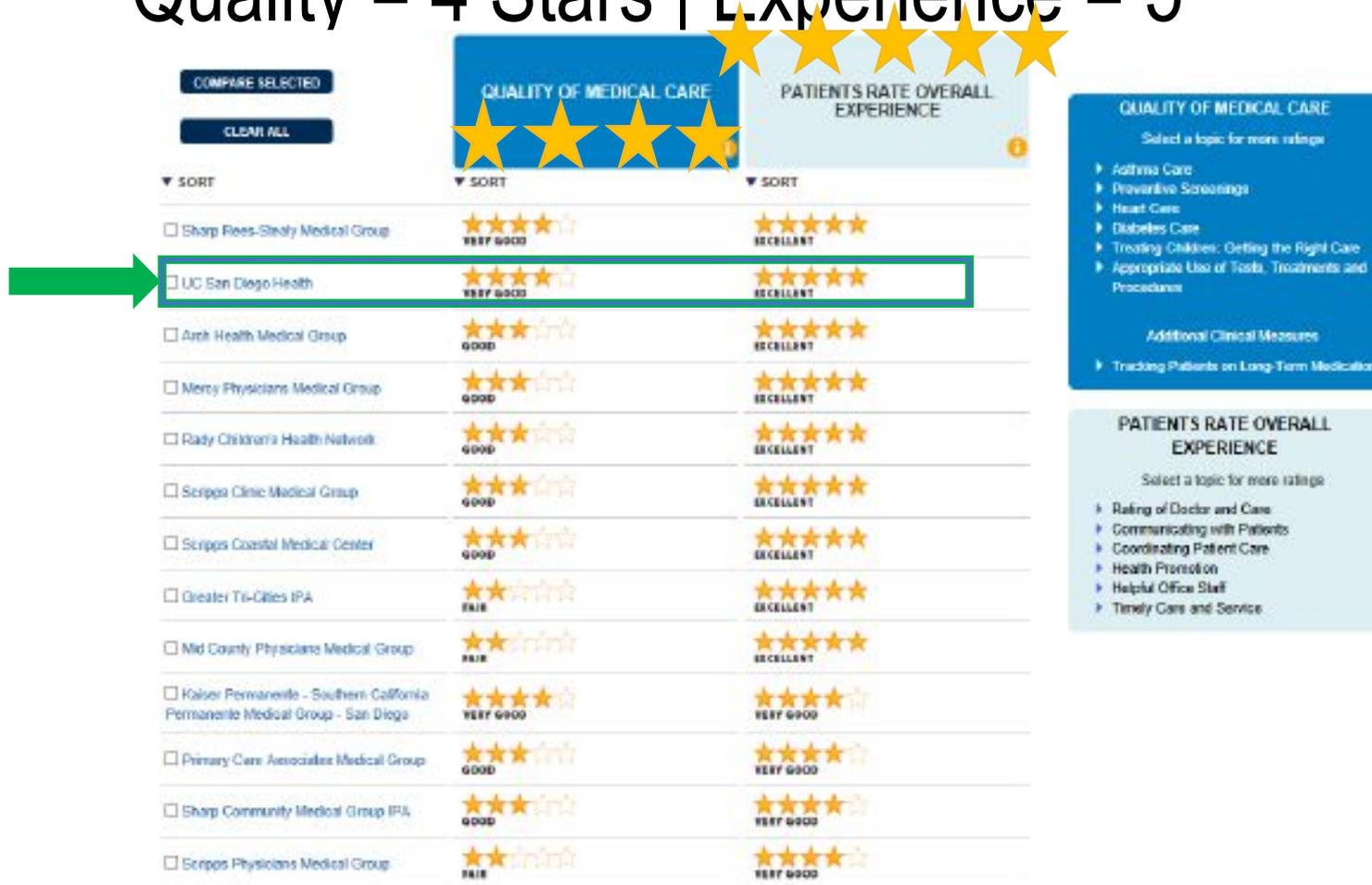


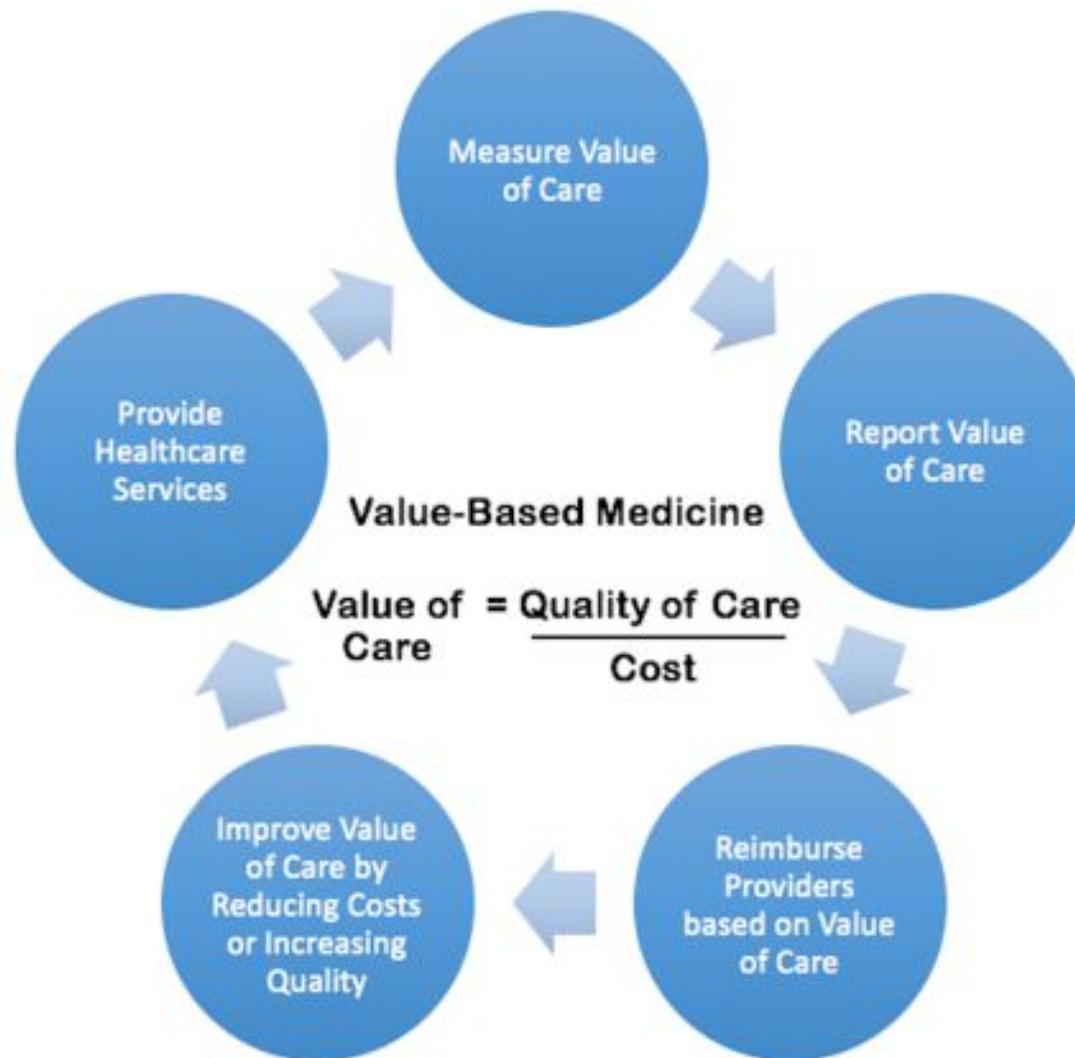
- Consumerism

- Quality and Cost Data Readily Available on the Internet
- Social Media
- Non-Traditional Healthcare Encounters and Patient Experience



# Commercial Report Card Ranking: Quality = 4 Stars | Experience = 5





**Traditionally**

**Fee-for-service payment**

**Focus on QUANTITY  
of services**

**Length-of-stay reduction**

**Index admission focus**

**Individual patient  
utilization and costs**



**Reformed**

**Pay-for-performance, at-risk,  
shared savings, penalties**

**Focus on QUALITY  
of services**

**Balancing length-of-stay and  
readmission reductions**

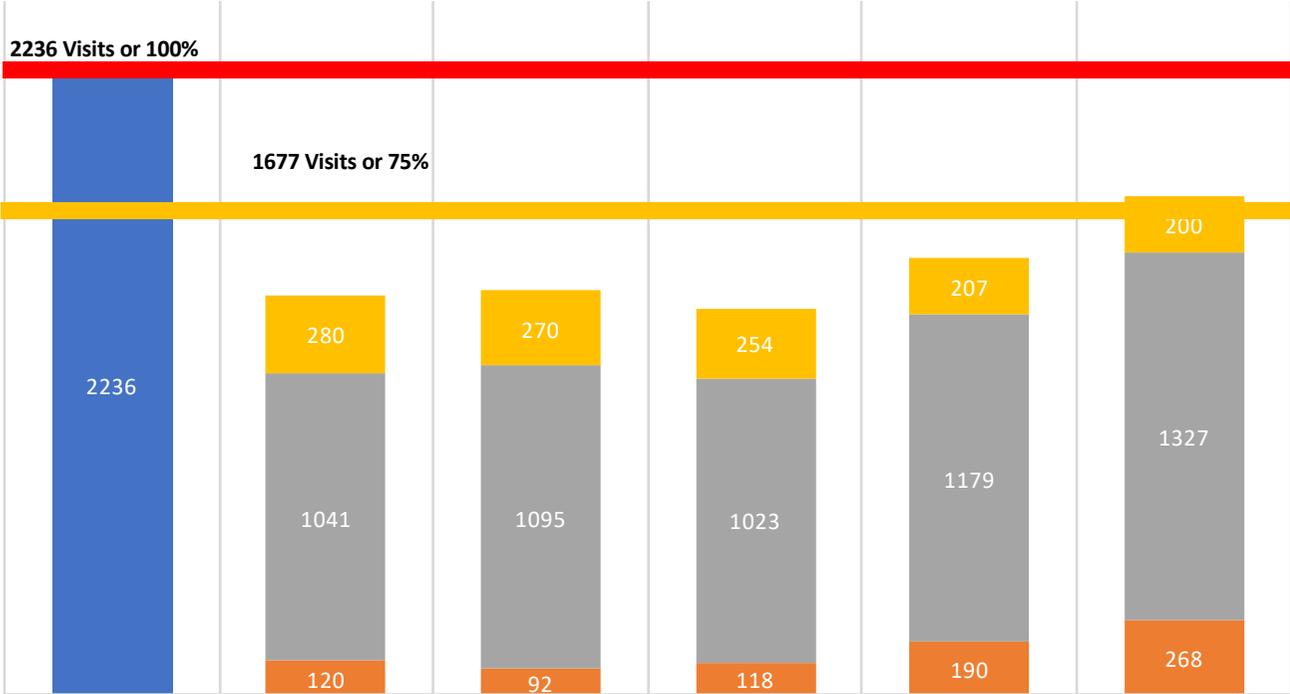
**Episode of care,  
long-term focus**

**Population utilization  
and costs**

# COVID Related Telemedicine Leap

- Main Motivation: Policy not Technology
- Centers for Medicare and Medicaid Services (CMS)
  - Waiver to Pay for TM
  - Waiver to Pay for Telephone
  - Waiver to cross state lines
  - These are waiver, not laws
    - Not clear what will remain post-COVID
- Social Distancing
  - Patients and Doctors Understand the Need and Find it works well
    - Pick the right circumstance and patients
- Not So Much New Technology But New and Broader Applications

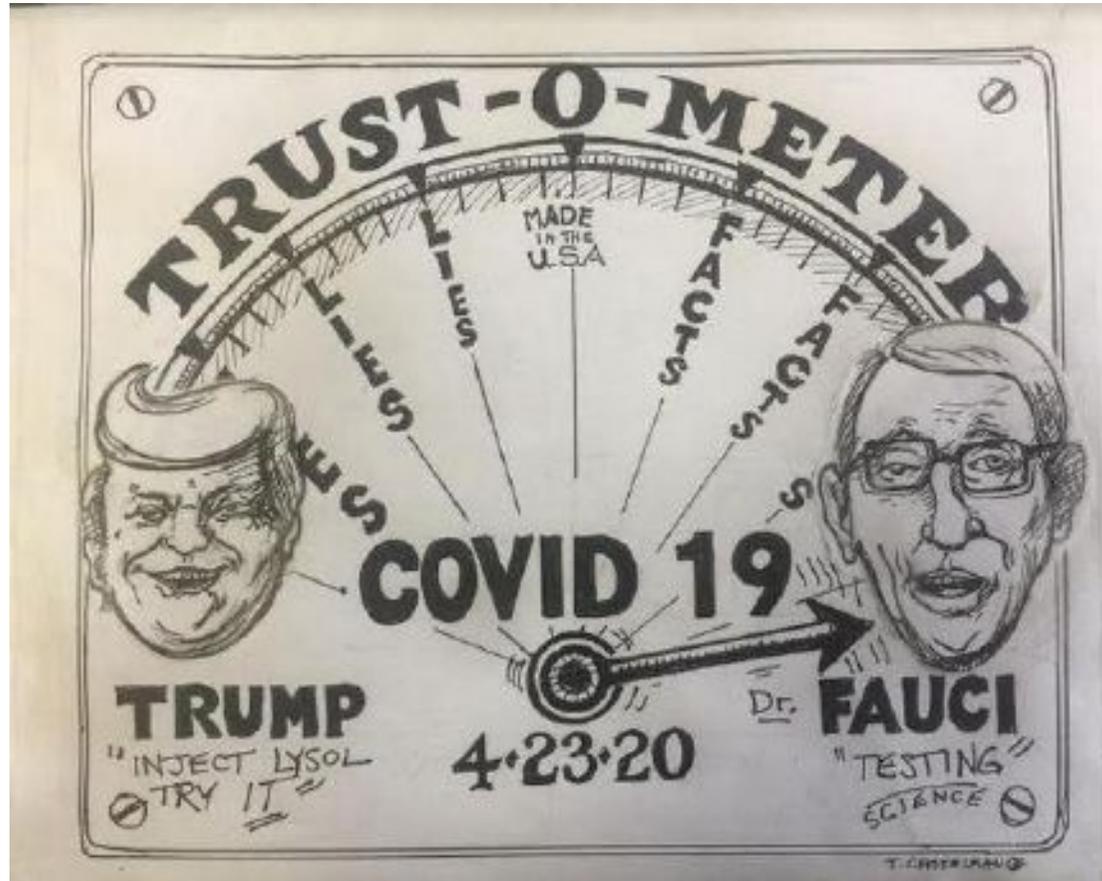
# Faculty Primary Care Completed Visits



	Target	Week of 3/30	Week of 4/6	Week of 4/13	Week of 4/20	Week of 4/27
■ Telephone		280	270	254	207	200
■ MCVV		1041	1095	1023	1179	1327
■ F2F		120	92	118	190	268
■ Total	2236					

# Story of Healthcare Reform Still Being Written

- Will COVID 19 Change Things and If So How
  - History Will be the Best Decision-Maker
    - The US Will Not be Judged Kindly
  - Things Like Supply Chain May Be More Important than Technology
- Digital Platform Helped with Agility
- Digitalization Doesn't take the Place of Policy, Process and Leadership
- Patient Centered Medical Home will Be Defined Differently
  - Primary Care Delivered Virtually For Many
  - Many Patients have become more comfortable using TM and mobile health
- Technically Disadvantaged Will Fall Behind



## What (HOPEFULLY) the Future Will Bring in the US

- Return to Trusting Government and Public Health
  - History will Judge the US Response Harshly
- Return of Globalization
  - We are all connected
- New Debate Over Insurance Coverage for All
- Widespread adoption of Telemedicine and Remote Monitoring
  - Advanced Patient-Centered Care virtually
- New Knowledge of Viruses, Prevention and Treatment
- Role of Federal vs State and Local Public Health Decision-making
- We Will be Drinking Wine rather than Bleach

# AMERICA'S BITTER PILL



MONEY, POLITICS, BACKROOM DEALS,  
AND THE FIGHT TO FIX OUR  
BROKEN HEALTHCARE SYSTEM



STEVEN BRILL