

Institute of Medicine – Sept 2012

Major New Report: "Best Care at Lower Cost"

Patient-Clinician Partnerships

Engaged, empowered patients—
A learning health care system is

anchored on patient needs and perspectives

and **promotes the inclusion** of patients, families, and other caregivers as vital members of the continuously learning care team.

"The resource that is most often under-utilized ... our patients"



Charles Safran MD, Beth Israel Deaconess quoting his colleague, Warner Slack MD Testimony to the House Ways & Means subcommittee on health, 2004



Services: Chaos Behind A Veil Of Secrecy

An economist's insights into what causes the variation in pricing, and what to do about it.

by Uwe E. Reinhardt

ABSTRACT: Although Americans and foreigners alike tend to think of the U.S. health care system as being a "market-driven" system, the prices actually paid for health care goods and services in that system have remained remarkably opaque. This paper describes how U.S. hospitals now price their services to the various third-party payers and self-paying patients, and how that system would have to be changed to accommodate the increasingly popular concept of "consumer-directed health care." [Health Affairs 25, no. 1 (2006): 57-

> What Uwe didn't realize...



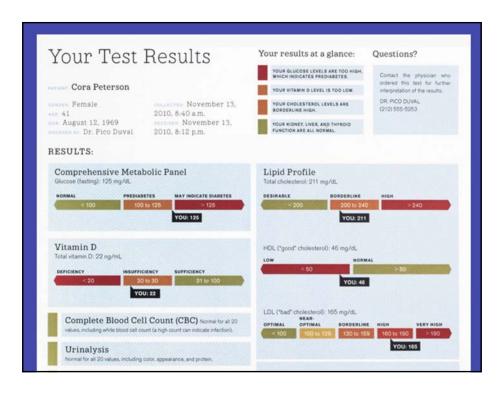
Obstacle to adoption:

"But patients
don't understand
this stuff."

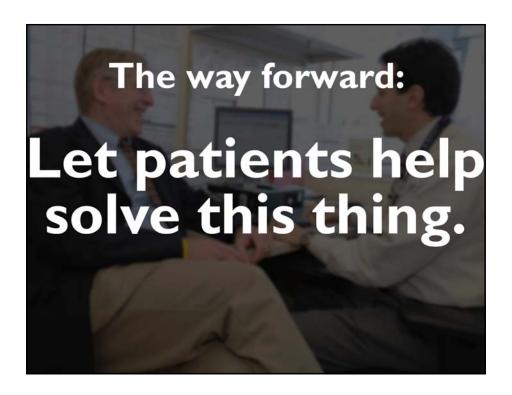
If the data's unclear let's MAKE it clear

Like other industries do.

Thomas Goetz, Wired NAMA NAMA NAME NAM

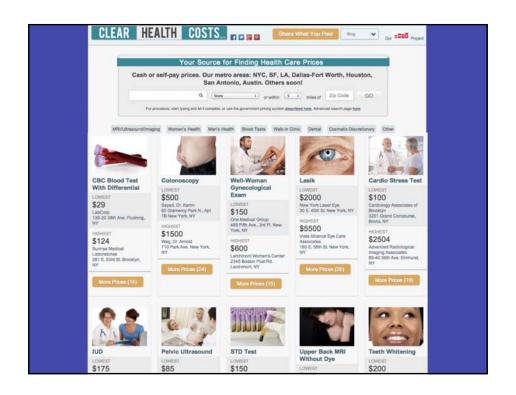


Same data –
better software.
Information: clearer.
Consumer:
informed, enabled.



"All of us are too well paid to understand how important price is"

"Pay to play"





"Patients are the only ones who don't have any skin in the game"

- Practice manager, quoted in Health Leaders, Fall 2011

What happens when a consumer tries to be responsible about costs?

N.H. insurance shopping, 2011

	Premium	Deductible	Co-pay after deductible	Max OOP (deductible + co-pay)	Stop-loss max (in-network + out)
Option A	\$894				
Option B	\$705				
Option C	\$581				
Option D	\$495				
Option H	\$624				

The choices they offered

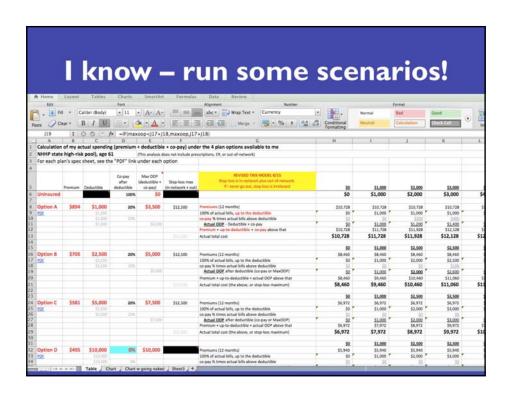
	Premium	Deductible	Co-pay after deductible	Max OOP (deductible + co-pay)	Stop-loss max (in-network + out)
Option A	\$894	\$1,000			
Option B	\$705	\$2,500			
Option C	\$581	\$5,000			
Option D	\$495	\$10,000			
Option H	\$624	\$5,950			

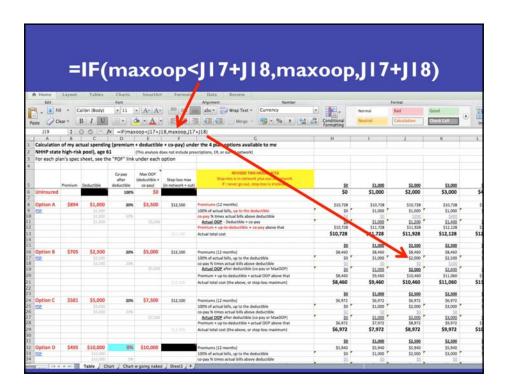
The choices they offered

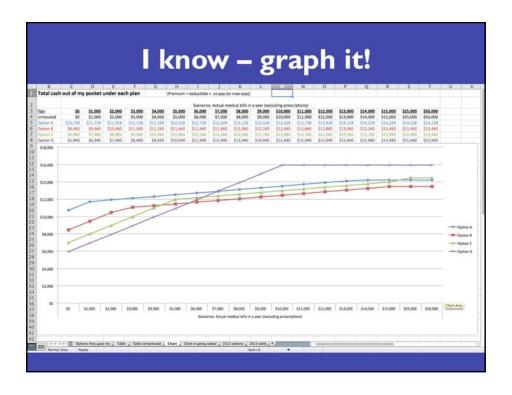
	Premium	Deductible	Co-pay after deductible	Max OOP (deductible + co-pay)	Stop-loss max (in-network + out)
Option A	\$894	\$1,000	20%		
Option B	\$705	\$2,500	20%		
Option C	\$581	\$5,000	20%		
Option D	\$495	\$10,000	0%		
Option H	\$624	\$5,950	0%		

The choices they offered

	Premium	Deductible	Co-pay after deductible	Max OOP (deductible + co-pay)	Stop-loss max (in-network + out)
Option A	\$894	\$1,000	20%	\$3,500	\$12,500
Option B	\$705	\$2,500	20%	\$5,000	\$12,500
Option C	\$581	\$5,000	20%	\$7,500	\$12,500
Option D	\$495	\$10,000	0%	\$10,000	n/a
Option H	\$624	\$5,950	0%	\$5,950	\$12,500







People perform better when they're informed better.

Clarity is power.

Corollary:

It's perverse to keep people in the dark

and call them ignorant

Speaking of skin in the game...



Home Schedule For Patients Pt. Communities For Providers Videos Boards & Awards Media Testimonials Books About Contact

Time to practice what I preach: I have skin cancer again.



Photo of the lesion, Nov. 15 (click) enlarge, if you really want) Update Feb. 11: I've decided to publish what I want to find in a provider: see this post.

Be sure too to read the substantial information contributed below in comments, some by e-patients and some by participatory providers. This process is interesting to observe!

An odd consequence of speaking at medical conferences is that sometimes my face is displayed, real big, on monitors at the front of a room. That happened in November at the Aligning Forces for Quality (AF4Q) annual meeting in Washington.

At the end, Lisa Letourneau MD, MPH of Maine Quality Counts raced up, pointed to my jaw, and said "You should have that checked. I think it's a basal cell." (That's the least serious type of skin cancer—see Wikipedia: "Basal-cell carcinoma (BCC) is the most common type of skin cancer. It rarely metastasizes or kills.") A few days later I took the picture at left, and started watching.

I had a basal cell removed from my nose 30+ years ago. (More on

To me it was just a shaving cut... but, I realized, it wouldn't heal. For the next two months I was a slug (a not-engaged patient!), but I did take pictures, and son of a gun it did not get better, even when I thought it was finally going away.

When I had my annual physical recently, I asked my doctor, and he oked and said, "Get a biopsy." I did, this week, and today they called. Yup, it's a basal cell. Thanks, Dr. L!





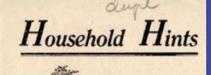


	Facility 1		Facility 2		Facility 3	
Mohs	CPT	Cost	CPT	Cost	СРТ	Cost
Stage 1	17311	\$2000 (\$1444p)	17311	\$1900; allowable: \$4597	17311	\$1904 (\$1,178p)
Additional stages	17312	(\$673p)\$1600	17312 -15	\$1400	17312	\$1752 (\$627p)
Total if 3 stages		\$5200		\$4700		\$5408
Pathology billing		May cost extra	No extra			May cost extra
Closing – simple	Intermed: 12051	\$552	12001-	\$900	12001- 18	\$1246 (\$278-\$686p)
Closing – complex		\$2700	12018	\$2900	12051	\$1246 (\$492p)
Total – Minimum / simplest case		\$2000 ± 552 \$2552		\$ 200 \$1900 \$ 900 \$3000		\$1904 \$1524 \$3428
Total cost for 3 stages and medium repair		\$5200 +\$1600 \$6800		\$ 200 \$4500 +\$1900 \$6600		\$5408 +\$1738 \$7146



Obstacle to adoption: "My patients aren't asking for this."

Vote <u>NO</u> on Woman Suffrage



BECAUSE 90% of the women either do not want it, or do not care.

their husbands' votes.

BECAUSE it can be of no benefit commensurate with the additional expense involved.

BECAUSE in some States more voting women than voting men will place the Government under petticoat rule.

BECAUSE it is unwise to risk the good we already have for the evil which may occur.

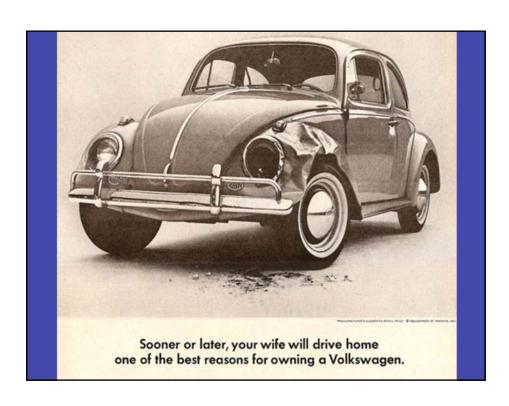
to Woman Suffrage

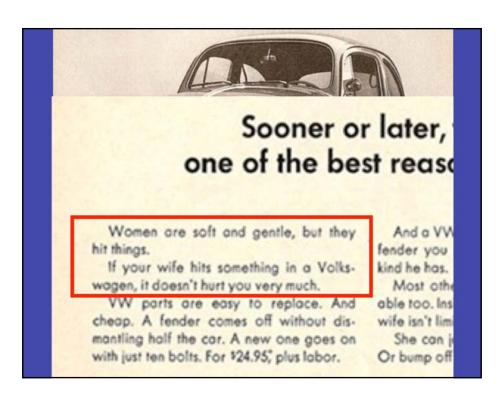
Headquarters 268 Madison Avenue New York, N. Y.

Branch 726 Fourteenth Street, N. W. Washington, D. C.

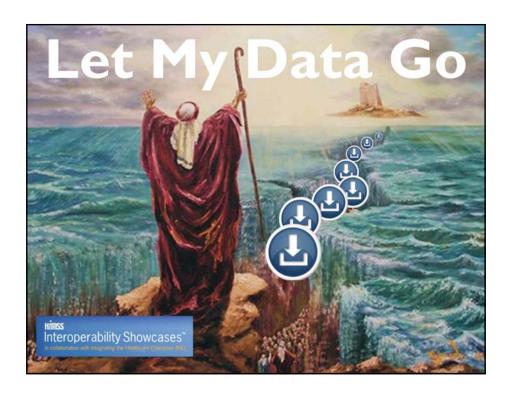
Votes of Women can accomplish no more than votes of Men. Why waste time, energy and money, without result?











Yes friends, it's an information revolution.

But it's not to burn anything down.

It's a revolution of new possibilities.

Who is the ultimate stakeholder?

Someday it will be you.

Ask not for whom the bill tolls.

Patients' point of view on the way forward: Let patients help solve this thing. "e-Patient Dave" deBronkart Twitter: @ePatientDave LinkedIn.com / in / ePatientDave dave@epatientdave.com Skype: ePatientDave