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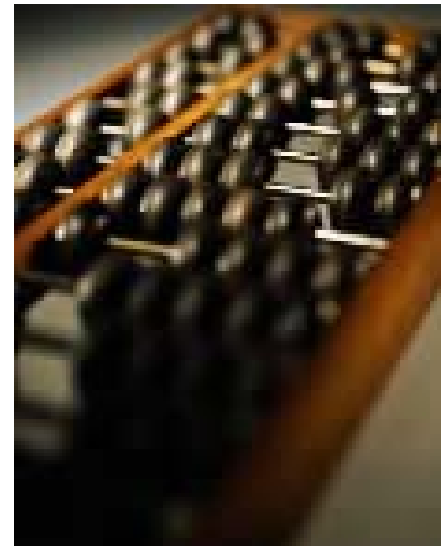
# **How Will Americans Get Efficient, Quality-Reliable Health Care?**

■ **Disclosure**   ■ **Consumerism**   ■ **Clinical Re-engineering**

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# Estimating Our Opportunity

- 50 point gain in quality reliability
- 40 point gain in direct cost
- 30 point gain in frequent user satisfaction
- 20 point gain in indirect cost
- 10 point gain in avoidable patient suffering



# Large Employer Options For Inducing Better Care

- Exhortation of professionals
- Boost market sensitivity to plan performance
- Boost market sensitivity to performance of providers and treatments
- Government as purchaser or regulator
- Divine intervention

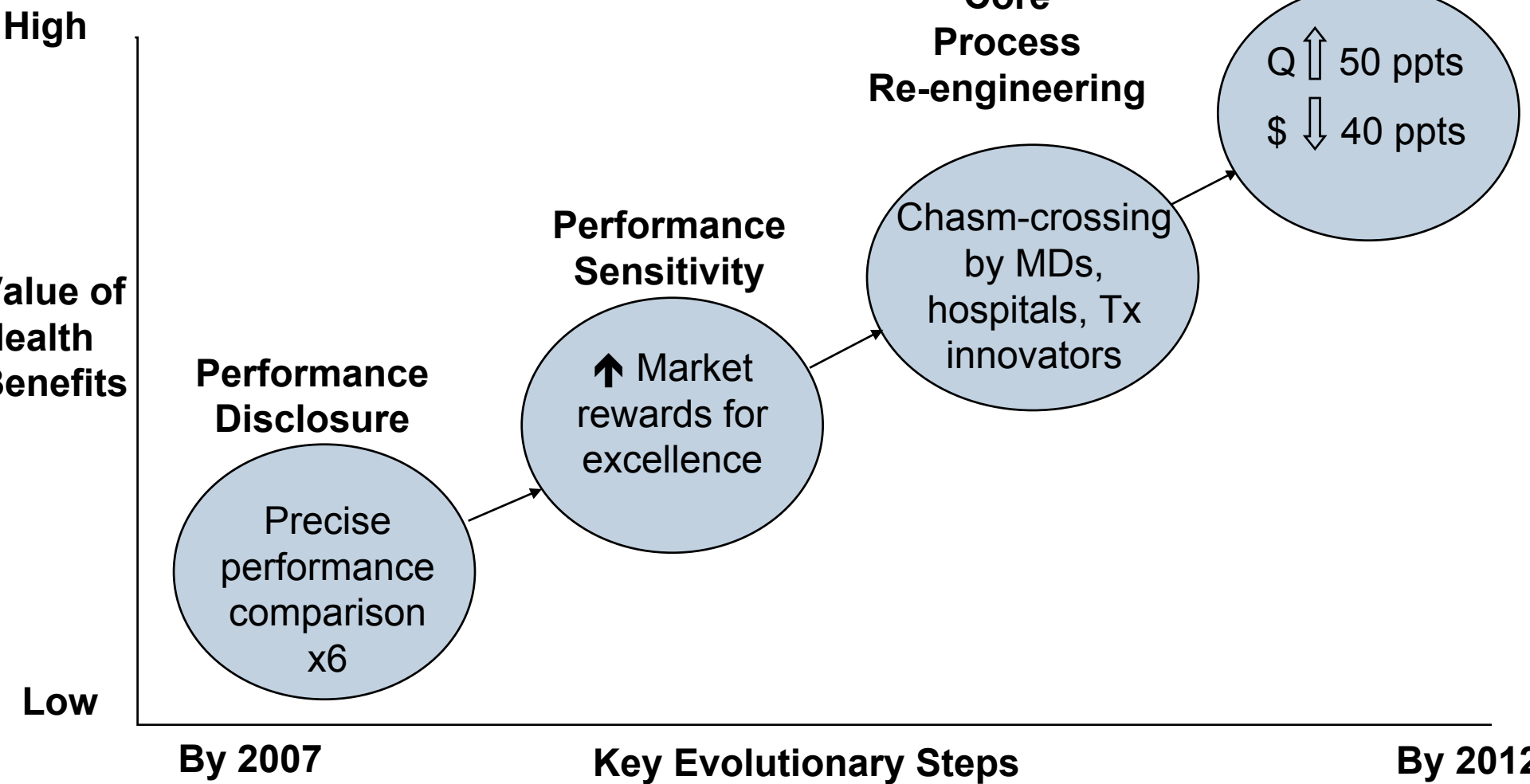


# Boost Market Sensitivity to Performance of Providers & Treatments

- Gear consumer decision support and incentives to drive selection of better-performing providers, including “backstage providers,” and treatments (AKA “Consumerism”)
- Expand performance-based provider payment (P4P)

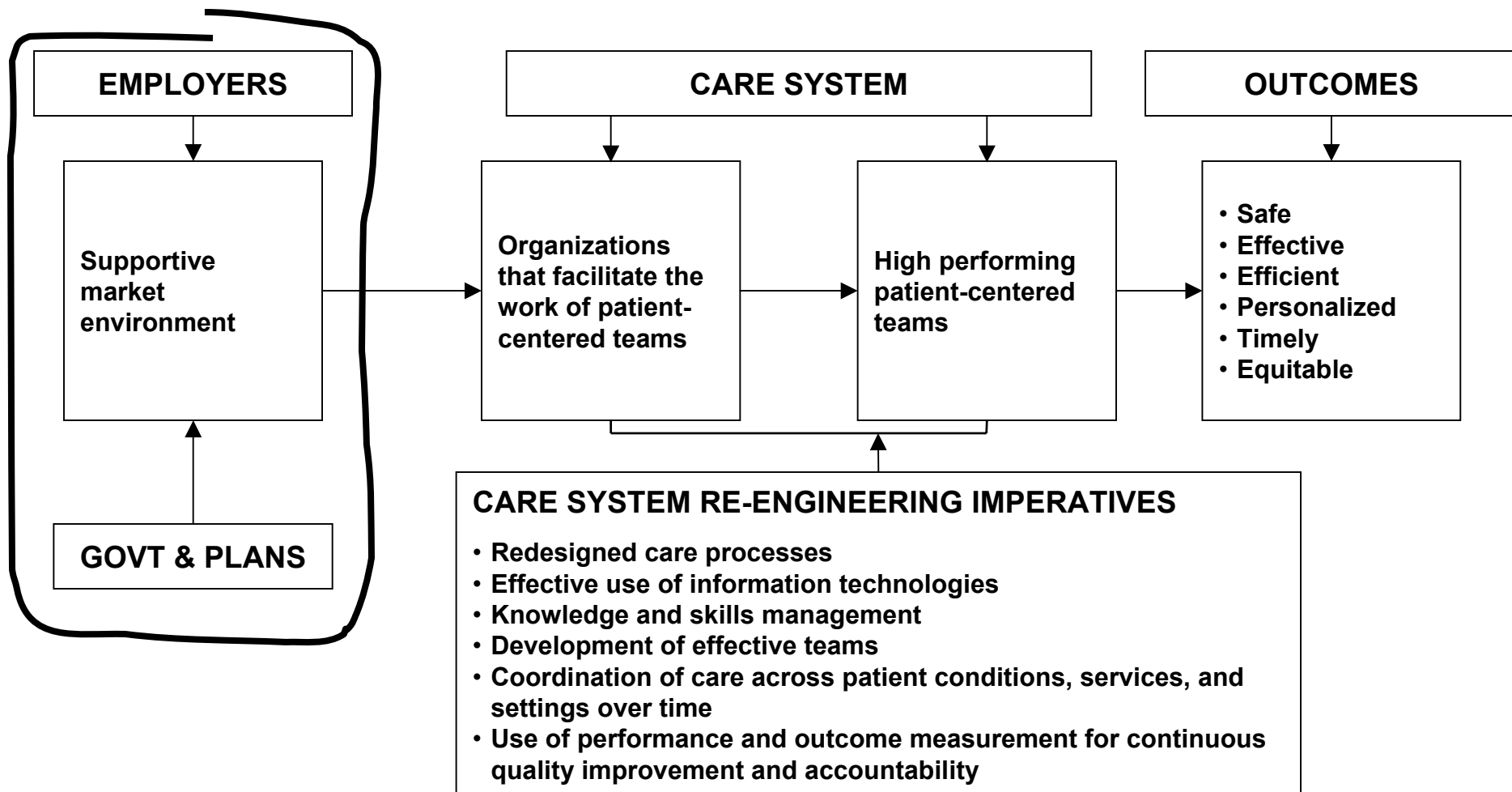


# Performance Disclosure is Instrumental to Value Breakthrough



# A Parallel IOM Blueprint for Chasm-Crossing

*“... Purchasers ... should create precise streams of performance measurement and accountability”*



# What Supportive Government Intervention Would be Welcomed by Large Employers?

- **Medicare FFS and FEHBP: Performance-sensitive provider payment and consumer co-payments, including high risk consumers**
- **CMS and FDA: Standardized, publicly-reported performance measurement x 6 IOM aims for plans, providers and treatment options**
- **HHS: Electronic clinical info system connectivity standards and rules**
- **AHRQ: Cost-effectiveness research on consumer incentives to select better providers and treatments**
- **FTC: Anti-trust vigilance**



# Closing Thoughts

- **Better performance depends on better procurement**
- **Health care's nuances require tailored solutions**
- **Economic downturns will catalyze bolder strokes**
- **Selected federal interventions welcomed**

