



Efficiency Matters: Inducing Moore's Law in American Care Delivery

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To Afford Expanded Coverage *and* a Continual Inflow of Medical Miracles, New Health Policy Must Accomplish Two Jobs (while improving health outcomes)

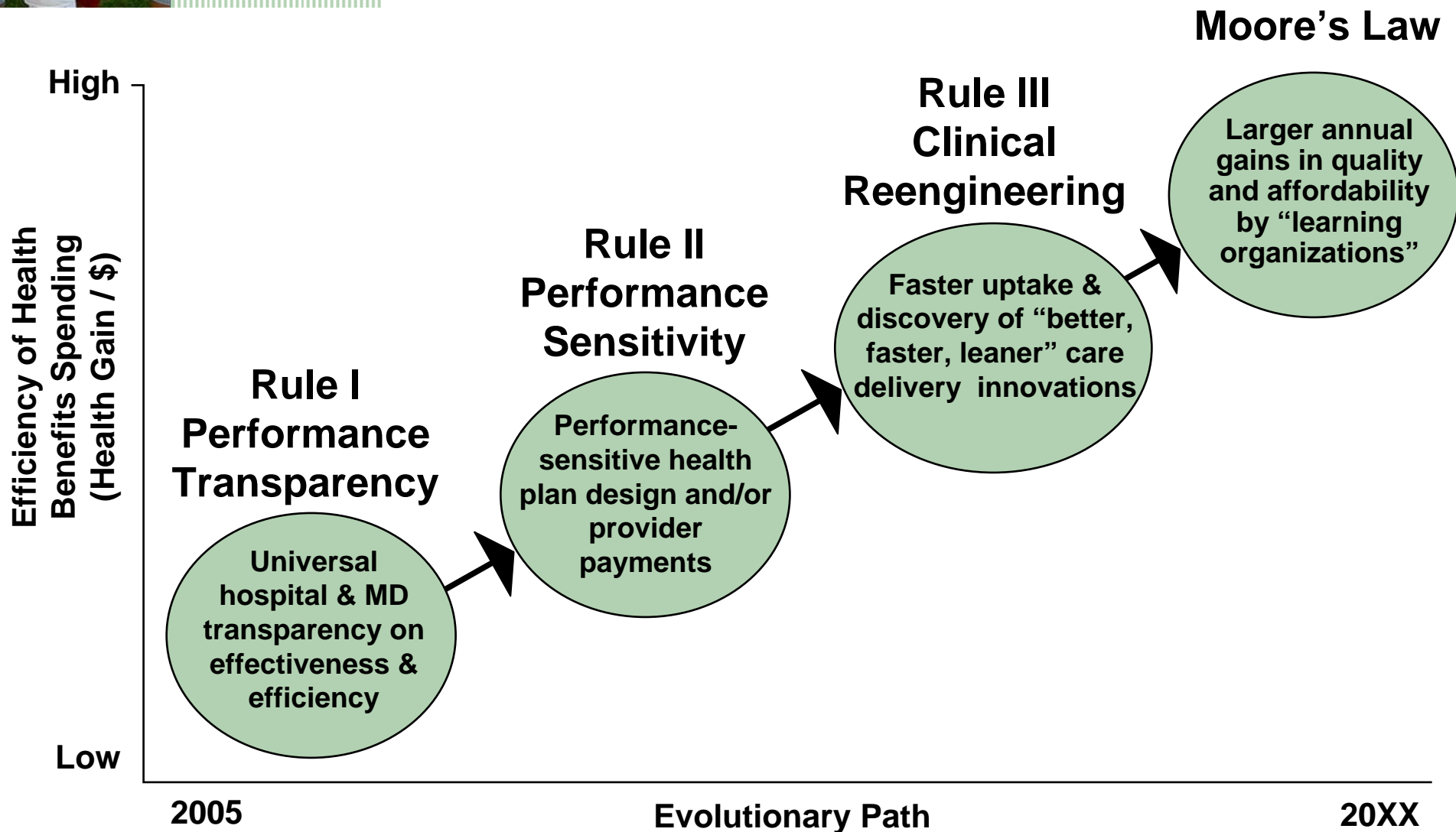
- **↑↑ “Translational Efficiency”**
Lower total cost of care by ~ 35 percentage points from average levels to current benchmark levels
- **↑↑ “Knowledge Turns”**
Lower total cost of care by >2.5 percentage points every year thereafter via discovery of leaner care methods



(Read Andy Grove '06 *JAMA* article)



A Converging National Path to Moore's Law in Health Care? (Three Simple Rules)





3 High-Friction Dilemmas



**Minimum validity
threshold for
consequential
performance
reporting?**

(Customer decides)



**Unit of
accountability?**

(Every level of influence)



**Allocation of
net savings?**

(Ask Solomon)

Mission Summary

- An increasing fraction of Americans and their purchasers cannot afford wasteful conventional care methods
- Necessary acceleration of “translational efficiency” and “knowledge turns” will only occur if customers become much more performance-sensitive
- Regional differences in physician public-mindedness will resolve 3 high-friction dilemmas differently
- The price of tepid incrementalism is two deaths per hour in working class households

