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The Confession That Could Change Healthcare in America

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Think back to September 11, 2001. It took a year, but the country's leadership eventually came to the admission, "We failed to keep the country safe," after the reflex of Democrats blaming Republicans and vice versa for the horrific attack on the United States. But as good leaders do, Congress, the President, and the private sector stopped the blame game and created the 9/11 Commission, which included leaders from both parties and members of the private sector with disparate points of view, experience, and skill sets related to terrorism prevention. They met under the radar for several months and while not all of the recommendations were enacted, it created a new dialogue that gave the country confidence that our citizens would be safe with a balance of sacrifices and precautions.

We are exactly in that place in 2021 as it relates to healthcare in America. We've seen some progress in the last decades: incremental strides have been made in pharma costs, provider and payer transparency, and in addressing perverse incentives. More than incremental advances in access were accomplished through the Affordable Care Act. But the fundamental truth is that the argument in Washington has fundamentally been how do we provide greater access to a fundamentally broken, fragmented, expensive, inequitable, and occasionally unsafe healthcare system. The excuse has been, "healthcare is too complicated to really transform." Is healthcare too complicated? Well, yes…and no. One of my mentors from Wharton, Dr. Bill Kissick, wrote a book almost thirty years ago entitled *Medicine's Dilemmas: Infinite Needs Versus Finite Resources*[1] where he spoke about the iron triangle of access, quality, and cost. His point was that the geometry is unbendable unless you are willing to think differently and "disrupt" the current system. It seems like yesterday when he told our

1 William L. Kissick, M.D., Dr.P.H., *Medicine's Dilemmas: Infinite Needs Versus Finite Resources*, Yale University Press, 1994.

class that it is impossible to increase access, improve quality, and decrease costs and not have it be painful to one or multiple sectors of the healthcare economy.

Despite the iron triangle, both political parties have tried to concoct a system that could make everyone benefit: pharma, payers, healthcare providers, and consumers. In essence, both Obama's ACA and the various Trump/Republican strategies have espoused "non-disruptive disruption." It's time to recognize that embracing healthcare as a right for all, ensuring quality and optimal user experience, and decreasing costs to accommodate that increased access, will be painful to traditional sectors that do not proact to that change.

Simply put, we cannot possibly bring costs down in a system where, after the ACA was enacted, payer profits and stock prices soared, investor-owned health system profits and stocks soared, pharma and supply chain profits and stocks soared, and even generic drug makers saw profits increase (think Martin Shkreli). If you needed any further proof, the pandemic of 2020 and beyond has just accelerated that economic fragmentation. In the first six months of 2020, America's hospitals lost almost half a trillion dollars while payer and pharma profits increased dramatically during the same time. No one did anything wrong. Most healthcare systems did what we do: take care of everyone regardless of their ability to pay, protect our employees, students, and patients…all at great economic peril. Our payer colleagues benefited

→ Key Board Takeaways

A "9/11 Commission for Healthcare" made up of representatives from every sector could be the key to finally transforming the healthcare system. Ideally it would:

- Acknowledge healthcare inequities
- Learn and take ideas from other industries
- Enact a real way to move from volume to value
- Improve end-of-life care
- Reorient how providers are paid
- Manage the tension around pharma costs
- Embrace the digital transformation in healthcare while maintaining ethical standards
- Create transparency and data interoperability standards for health records

economically by that same loss of elective procedures while, in most cases, helping their customers whenever possible. Any rational healthcare economic system that believed in access for all would align payer–provider–consumer incentives in a more logical manner.

So, what would I do if I was in charge of America's healthcare system? I would find at least one Democratic senator and one Republican senator to stand next to me and say: "WE made some progress but WE failed to fundamentally transform the system. Today we have appointed the equivalent of a 9/11 Commission for healthcare made up of representatives of every sector—payers, providers, pharma, medical device manufacturers, consumers, healthcare founders, and tech companies, as well as leaders of both parties."

This 9/11 Commission for Healthcare would meet without any interference for six months and come back to me with recommendations around a system that recognizes the need to:

1. Acknowledge that healthcare inequities, access, and cost represent an existential crisis and will require multiple stakeholders both within and outside the traditional healthcare system to work together to create new alliances to effect fundamental transformation.
2. Learn from other industries how we can move healthcare from hospital to home, from "patients" to "people" who want to thrive without health getting in the way, and from a "sick care" to a health assurance system.[2]
3. Reduce the fragmentation between payer and provider by creating *real* incentives and mandates to truly move from volume to value.
4. Reduce the variability in end-of-life care and increase opportunities for non-hospital, humane care for people dealing with impending death.
5. Reorient how we pay providers and the discrepancy between cognitive and surgical care in a manner that reduces the gaps between the highest paid and lowest paid specialists and physicians and other healthcare providers.
6. Manage the tension between government's role in paying for pharma costs with the need for those companies to continue to fund the research in drug advances needed for the future.
7. Embrace the digital transformation in healthcare, but recognize the need to inject ethics into product development at the earliest stage. Issues around privacy,

2 Hemant Taneja, Stephen Klasko, M.D., M.B.A., and Kevin Maney, *UnHealthcare: A Manifesto for Health Assurance*, Thomas Jefferson University Press, 2020.

genomics, racial, and gender biases need to be recognized and overcome. In essence, trust will be just as important as technology.

8. Create transparency and data interoperability standards so that a patient's health records are owned by the patient and the consumer has the tools to accurately compare healthcare options based on experience, outcomes, true cost, and user experience…just as they do in every other aspect of their consumer lives.

2020 has been a year we all want to forget. Those of us in the healthcare industry have all had to adapt to and work together in a manner that none of us could have predicted. And while no one can change the past or the reaction to the pandemic, our healthcare and legislative leaders have a once-in-a-lifetime opportunity to embrace the courage needed to address the inequities in our system that were accelerated during the pandemic. Let's hope they take advantage of this moment!

The Governance Institute thanks Stephen K. Klasko, M.D., M.B.A., President, Thomas Jefferson University, and CEO, Jefferson Health for contributing this article. He can be reached at Stephen.Klasko@jefferson.edu.