

The Business Case for National Health IT Infrastructure, *Version 8.0*

Is the Perfect Storm Upon Us to Finally Achieve a Uniquely American Solution?

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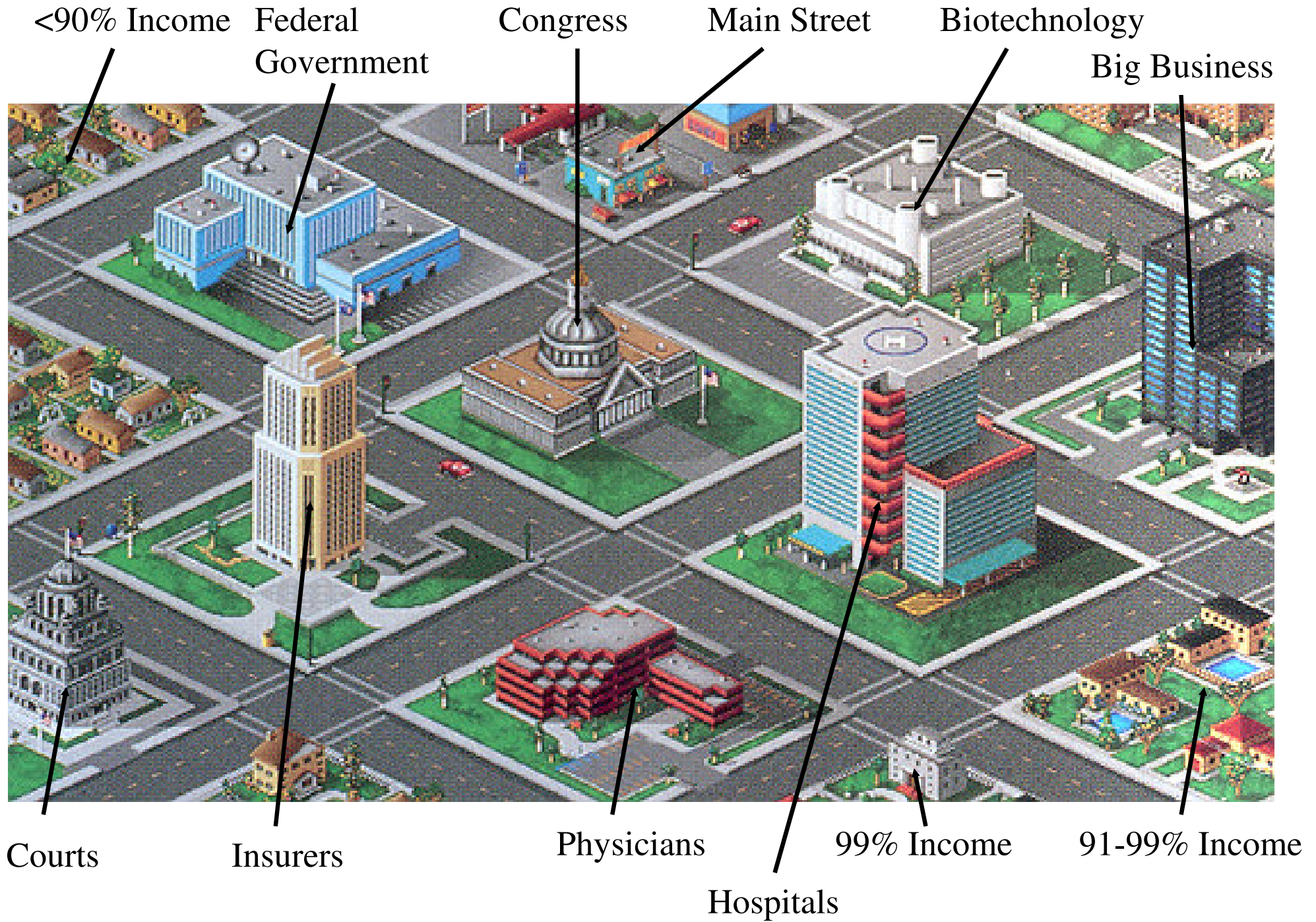
Presentation Overview

- ❑ The Old/New Business Case
 - ❑ A Review of the Stakeholders & eLinks
 - ❑ The Health IT Leadership Panel Says...
 - ❑ At Issue Today: Unbridgeable Silos
 - ❑ Perfect Storm Approaching
 - ❑ The Minnesota Model...
 - ❑ Carlson's New Role in the Medical Industry
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The New/Old Business Case for a National Health Information Infrastructure

- Health data lie in disparate silos.
 - The silo effect can and has killed.
 - Bridging/breaching silos economic sensibilities:
 - Cost-saving – Saves lives, shorter or avoided medical care.
 - Cost-effective – Better outcomes at greater cost
 - Old
 - V1 – 1960s, Medicare contracts to insurers for data processing
 - V2 – 1970s, Hospitals invest in Health IT, Build first Silos
 - V3 – 1974, Health Planning Act seeks ‘national intelligence for planners’
 - V4 – 1980s, Regenstrief Institute ‘Community Health Info Network’
 - V5 – 1992, HHS Secretary Sullivan’s ‘Health Security Card’
 - V6 – 1993, NHII via Clinton Health Reform – Rewritten as HIPAA
 - V7 – 2000, Dot-com, electronic health records
 - New – V8: ONCHIT
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A Review of the Health IT Stakeholders



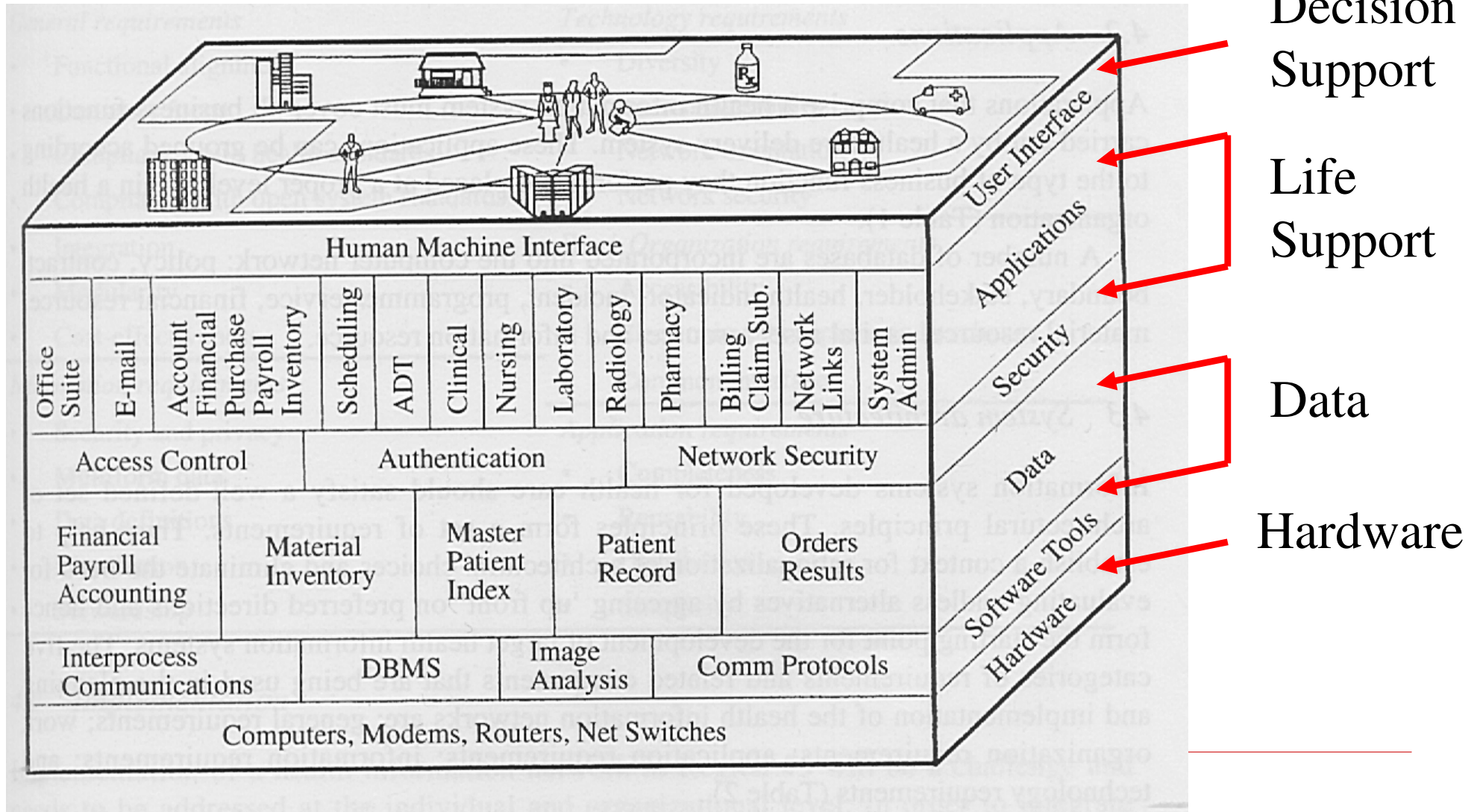
The ONCHIT Difference: Active Engagement of the Leadership of the U.S. Businesses - 1

- May 11, 2005 DHHS Press Release from the Health IT Leadership Panel stating three key imperatives for health IT:
 - Widespread adoption of interoperable health IT should be a top priority for the U.S. health care system.
 - The federal government should use its leverage as the nation's largest health care payer and provider to drive adoption of health IT.
 - Private sector purchasers and health care organizations can and should collaborate alongside the federal government to drive adoption of health IT.
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The ONCHIT Difference: Active Engagement of the Leadership of the U.S. Businesses - 2

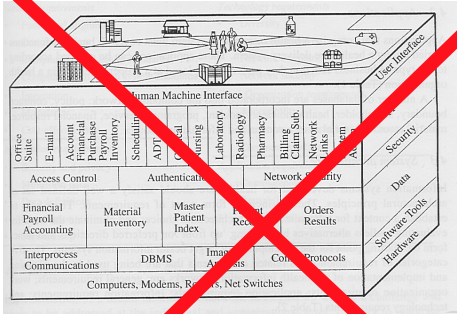
- The panel also reached six conclusions to guide health IT adoption by the federal government and private sector:
 - Potential benefits of health IT far outweigh manageable costs.
 - Health IT needs a clear, broadly motivating vision and practical adoption strategy.
 - The federal government should provide leadership, and industry will engage and follow.
 - Lessons of adoption and success of IT in other industries should inform and enhance adoption of health IT.
 - Stakeholder incentives must be aligned to foster health IT adoption.
 - Among its multiple stakeholders, the consumer – including individual beneficiaries, patients, family members and the public-at-large – is key to adoption of health IT and realizing its benefits.
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A Look Inside the “Health IT Sausage” of one Integrated Delivery System

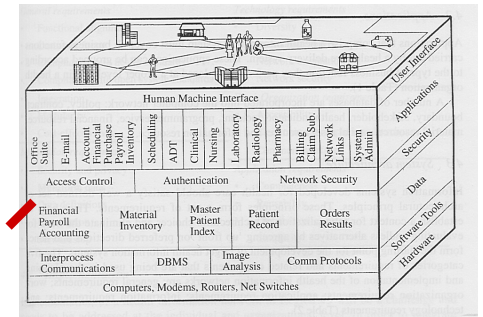


What's Wrong With Today's Health IT Picture?

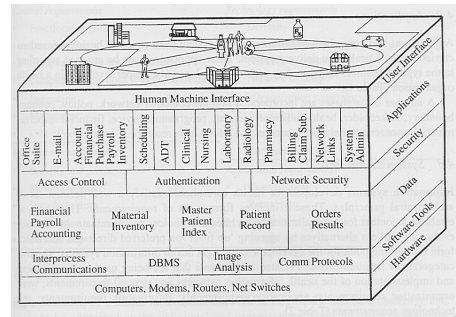
TOO MANY SILOES!



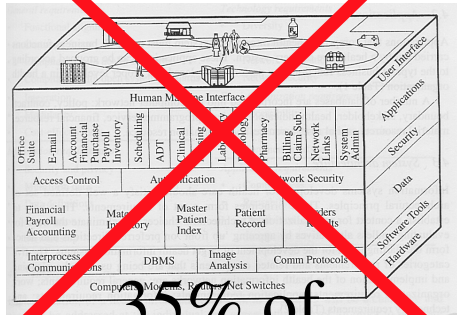
10% of
Care



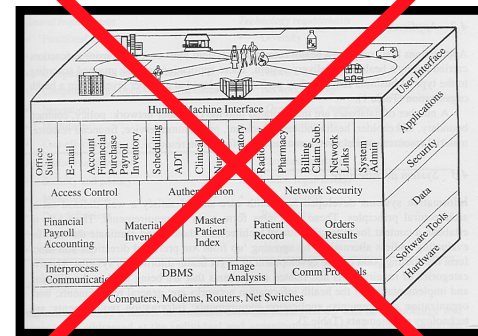
25% of
Care



15% of
Care



35% of
Care



15% of
Care

Data Available to the Average Medical Provider About a Patient's Care

Actual eLinks

To Build

<90% Income

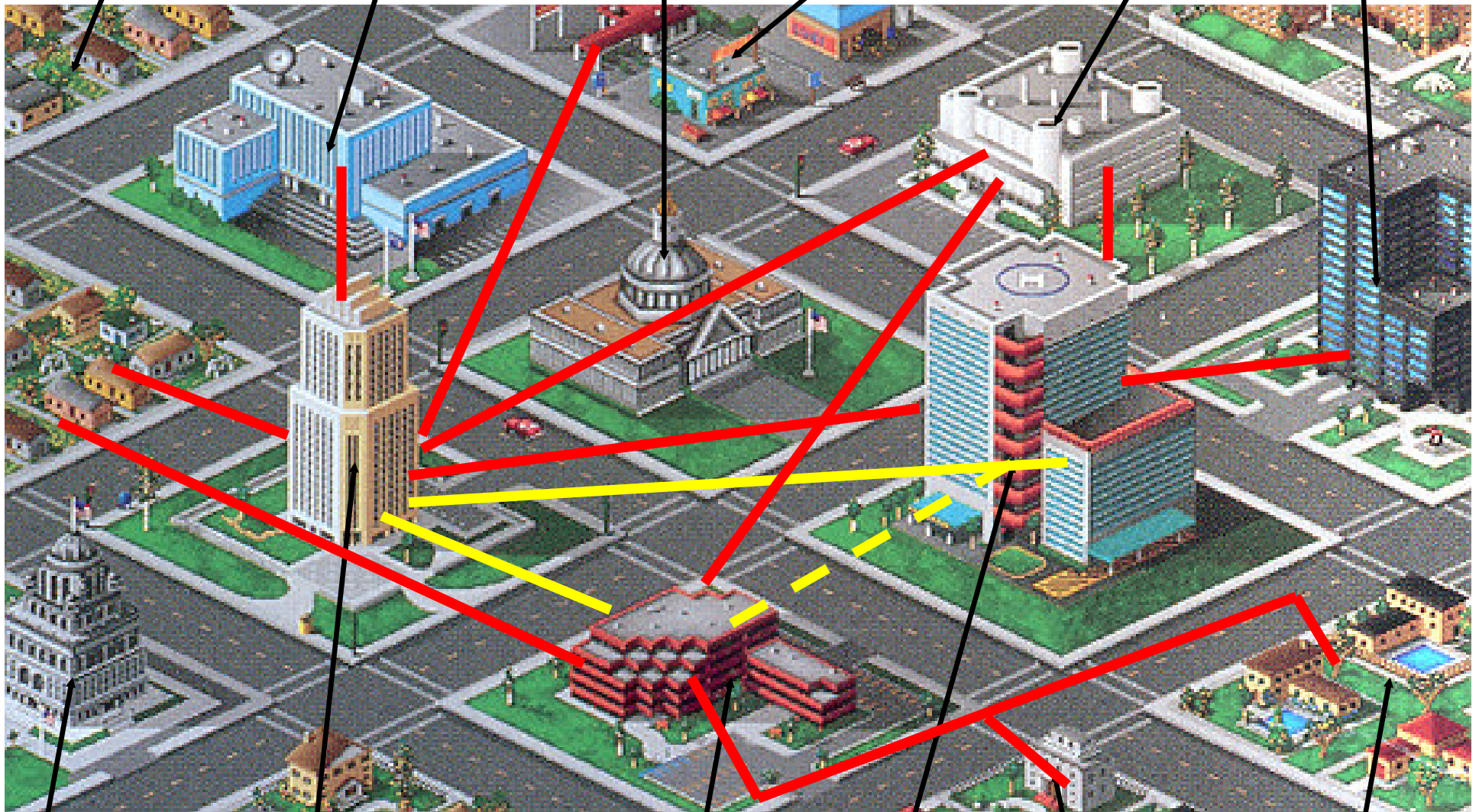
Federal
Government

Congress

Main Street

Biotechnology

Big Business



Courts

Insurers

Physicians

Hospitals

99% Income

91-99% Income

The Perfect Storm Approaching

- The Non-Medical Private Sector is Engaged
 - Vendors looking for a new product
 - Firms wanting better health care benefit return on investment
 - Health insurers building a effective poor-man's EMR from swipe card technology and health savings accounts.
 - The Public Sector is Engaged
 - ONCHIT's depth of audacious vision and visibility is a first
 - The President actually spelled out a medical record goal for 2010
 - The 'Ownership Society' health platform is Health Savings Accounts – which to be portable from employer to employer need interoperability.
 - The vision of Medicare's payment transaction processing will get the biggest overall since the 1970s thanks to Part D.
 - The Medical Sector is Engaged
 - Buying/upgrading new systems: EMR, PDAs
 - Watchful waiting of pay for performance IT requirements.
 - Physician practices are buying into the ownership society by buying Health Savings Accounts – A first in Health Policy Reform where the AMA & Govt. agree.
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The Minnesota Model in Health IT Must....

- Engage all sectors of the health care supply chain, in order to be...
 - Providers
 - Hospitals, Academic Health Centers, VA, IHS
 - Physicians, Nurses, Pharmacists & Allied Health Professionals
 - Long Term Care
 - Insurers
 - National chains and franchises
 - Local health plans
 - Third party administrators
 - Technology
 - Pharmaceuticals
 - Medical Device
 - Biotechnology
 - Information Technology
 - Be mission driven rather than stakeholder/silo driven, in order to be...
 - Be exportable to the U.S. as a model.
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The Carlson School's New Role in the Medical Industry

- Launch of the Medical Industry Leadership Institute to:
 - Train leaders to meet the future demands of the entire health care sector: provider, insurer and technology.
 - Provide a meeting place that serves as 'demilitarized zone' for the stakeholders and silo-holders alike.
 - Offer customized graduate, executive education and experiential learning programs.
 - Why Minnesota? Why Carlson?
 - **Minnesota** is recognized as national innovator in all sectors of the health care supply chain: provider, finance & insurance, technology.
 - **Minnesota** has national/international health care brands in all sectors.
 - **Minnesota** has enough critical mass to make sustainable national products with less politicizing and corporate competition compared to other metropolises.
 - **Carlson** is a top 25 Business School in MBA, undergraduate & executive programs with many alums holding senior positions in leading firms.
 - **Carlson** is not a silo-holder.
 - Thus, **Carlson** can stakeholders offer a DMZ resource-laden with alums & scholars.
 - **Carlson** is investing millions in start-up capital produce the next generation of health care leaders by networking with and leveraging ALL of the previously stated assets.
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