

# CEO News & Views

an update from Bruce Schroffel



July 1, 2009

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*Kudos*

## The hospitalist team

As I noted to the right, we need to acknowledge the genuinely mighty health care reforms being implemented right here at UCH as we join the national health care reform debate. Among the leading players in our own reform drama are our hospitalists. UCH was one of the first in the nation to go to a hospitalist model, and we're probably still the best at it. For that I need to congratulate physicians **Jeffrey Glasheen, Ethan Cumbler, Rebekah Zaemisch, Heidi Wald, Dimitriy**

## Health care reform buzz in D.C.

I was in Washington, D.C. last week and, as you might imagine, the air was thick with talk of health care reform. No one - myself included - truly knows if some form of health care reform legislation will pass. However, we all know that our present system is not sustainable. It is a ridiculously expensive, financially perverse and only fitfully effective national health care delivery system that, as a cruel punch line, is still beyond the reach of more than 47 million (or, depending on who is doing the counting, 75 million) Americans.



But with one exception (the creation of Medicare in 1965), efforts to change it have been politically almost impossible since at least the Truman administration. Physicians, hospitals, insurance companies, pharmaceutical firms and a fair share of sky-is-falling politicians have all taken turns choking off reform before it could get through the legislative process.

All of us hope this time may be different, if only because many of the players engaged in the reform process swear they are willing to compromise. Several powerful interest groups like the drug companies and the health plans already have pledged to find billions in discounts and savings.

## Taking aim at academic hospitals

But billions - maybe trillions - more are needed. And as the various reform plans' details continued to emerge last week, you could see the opposition hardening around D.C. Almost every kind of health care organization, after all, is being asked to live on less money while coping with rising costs.



Our own interest groups are included. Policy wonks, perhaps justifiably, see hospitals as the prime source of funding for reform. There is little proposed so far that won't hurt hospitals in general and academic hospitals in particular. For example, there is much talk about cutting Medicare reimbursements to all hospitals, with even more significant cuts for teaching hospitals like ours. It's being proposed despite the fact that major teaching hospitals, while accounting for just 6% of all acute care hospitals, provide 40% of all hospital charity care and 26% of Medicaid inpatient care.

## Meanwhile, under the radar

I just don't see real reform happening without drastically reducing costs and waste in the system.

Before heading off to Washington, however, I got another look at some truly effective reform work being done right here at UCH. As luck would have it, it wasn't even billed as reform work.

**Small, difficult, crucial steps.** The occasion was the

**Levin, Jamaluddin Moloo** and **Erin Egan**. They put on an eye-opening Quality Improvement Summit after a year of outstanding, creative work.

*Kudos*

## Bike to work

Bike to Work Day was a terrific success. An unexpectedly large number of UCH employees and partners pedaled to work June 24 and partook of the bagels, treats and more once they got to the Anschutz Medical Campus. Thanks once again to ace planner **Chris Comer** and all those who participated.

*I can't help it...*

I know it has little to do with health care (except perhaps reforming my mental health), but I can't help it: kudos to the Colorado Rockies on their great June boom.

## Something On Your Mind?

[Talk to me](#)

"Hospitalist Quality Improvement Summit," held right here at the Leprino Building by our own group of hospitalists. Led by Jeff Glasheen, MD (below), these faculty and residents outlined their progress on no fewer than 32 initiatives to make patient care less wasteful as well as more effective.

I need to stress that these efforts are not on many reformers'



agendas, and revolve around evidence-based medicine, not politics. They involve deceptively complex changes like doing the necessary lab and imaging tests, re-engineering schedules to free up more beds for more patients earlier in the day, identifying stroke victims sooner to treat them effectively, and reducing the length of stay for patients with low-risk chest pain.

Each one of these efforts to speed up paperwork, make patient handoffs safer and improve testing not only enhances patient care, but carves fat from the system. Reducing the length of stay of patients in for observation, for example, saved 500 "bed days" and some \$250,000 a year for patients, payers and health care organizations.

The hospitalists are hardly the only people at UCH doing this kind of work. (I hesitate to single out any one of them because I don't want to forget anyone.)

## When evidence-based care doesn't equal cost-effective care

However, I think it is also fair to say that we do not often follow "evidence-based" decision making if it disturbs our work assumptions or habits, even if those professional habits are extraordinarily costly. For example, we - hospitals - elaborately medicate disease indicators when the evidence suggests they are only that: indicators of risk. (And such treatments sometimes go on expensively for a lifetime.) We perform procedures without evidence whether those procedures significantly improve - not just prolong - life. We treat specific organs, not the whole person, and thus drive up both emotional and financial costs when we fail to treat other significant, seemingly unrelated, facts about a patient.



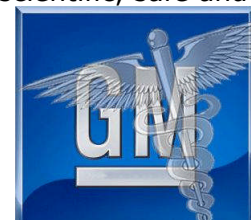
All those things, not just regulations or insurance paperwork, also have driven the price of health care to astronomical levels. I don't see anything in the current reform proposals that will reduce those levels until health care is as cost-effective as it is clinically effective.

Until we do become cost-effective, too, the current reform proposals suggest that the resources we have today will not be here tomorrow. We, in short, may soon have to learn to live with lower reimbursements. And while it may be controversial I believe that, as a leading academic medical center, we are not doing nearly as much as we should to train our future physicians to provide care in an improved and more cost-effective environment.

## Health care's General Motors?

University of Colorado Hospital has a role to play to lead the region and nation in how to provide the most scientific, safe and cost effective medicine available. Yet, as I mentioned above, I don't think any of us pay enough attention to the "cost-effective" part of the equation today.

So we must begin to think and behave



differently, regardless of what happens in Washington. We cannot, for example, continue to equate successful health care with adding more technology, more pharmaceuticals, and more dependence on more tests.

While we are indeed strong today, storied names like Pan American and Eastern Airlines were once strong, too. For those of you who not as grey as me, you might remember the recently mighty General Motors, Chrysler, and Merrill Lynch. Where they were a short time ago, Toyota, Kia and E-Trade are today. Don't think it can't happen to us.

How many of you, for example, go to urgent care centers because of service issues at UCH? All of us, in sum, must take a hard look at how we provide care and at our cost structures.

### UCH's new, integrated IS system

Two weeks ago, our Board of Directors unanimously approved what we hope will be a major step forward for us: adopting an integrated information system that will allow all our disparate clinical and operational units, practices, labs and offices to share information more accurately and quickly.

It's a huge commitment for us. Buying, installing and adapting this system will cost as much as \$67 million over five years (although federal stimulus money may help defray \$3-to-\$6 million of the total). Perhaps more than that, the adoption will occupy significant shares of our staff, energy and focus. We obviously think it is worth it. If we do this correctly, it will make us more efficient and, most important of all, a still higher-quality place to get care.

Sincerely,



Bruce

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