

## **THE FUTURE OF HEALTH CARE**

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Welcome to the University of St. Thomas and its Opus College of Business. We pride ourselves in the collaboration in educational programming between the Colleges of Law, Business and Education and with the Centers for Ethical Business Cultures, Non-profit Management, Catholic Social Thought, Policy, Politics and Law, and The Holloran Center for Ethical Leadership in the Professions. Recently we created the James Oberstar Professorship of Law and Public Policy to emphasize the importance of the contemporary rule of law and democracy.

We do not have a medical school at St. Thomas, and chose recently not to develop one in an area of substantial shortage. Nor do we have graduate education programs in health professions education like those you can find in many other private and public colleges and universities. But we have pioneered MBA and mini-MBA programming, distance learning in graduate health business education, physician leadership in a college environment, a center for applied business excellence and a unique Upper Midwest emphasis in changing national health policy.

In short, our goal, and our record, is to make the University of St. Thomas an academic home for the business of health care. To that end, today's program has been timed to coincide with the election of a new president and what promises to be the beginning of new and, hopefully, bi-partisan efforts to bring out the best in health systems changes in the form of an evolving set of health policy initiatives.

In April of this year, The National Institute of Health Policy invited 40 veterans of the 1993-94 Clinton health reform to gather in Minnesota and focus on what they recommend be done to "get it right" in 2009. They worked with 40 other invited guests in leadership positions in the current healthcare delivery system. By the end there was much more consensus than anyone might have believed possible given the fact that so many were polar-opposites 15 years ago.

One thing everyone agreed on is that what each of us saw 15 years ago in the heat of reform depended on where we stood; that conflicting GOP and Democratic political goals made bi-partisan consensus impossible; that each of us would do anything we could to help the next president and congress to get it right for a change. We did not try to agree on a reform plan.

We did agree that the environment in which reform is considered is more important than specific proposals. (For example, an economic and fiscal crisis like today's creates an environment that demands centrist's reform) We did agree that the role of the president must be to give the public a sense or a vision of what we can be as Americans using our distinctive approach to health care delivery and financing. Some of you

participated. You were undoubtedly as impressed as I was at the degree of unanimity that came out of this group.

National government policy has always impacted the financing and delivery of health care. During much of the 20<sup>th</sup> century we financed access by financing employer based insurance, Medicare and Medicaid and device, drug and technology development. During the last three decades of the century we sought to use these financing programs to change the behavior of the delivery system.

In the 21<sup>st</sup> century we have turned our attention to a greater role for consumers of health, medical and insurance services in improving the affordability of and the value derived from each. We have witnessed substantial growth in retail health, medicine, insurance, and health IT applications to consumer needs. However, as we approached the recent election we seem to be divided as to the best course to follow to achieve universal access to consistently high quality care.

The results of the elections on Tuesday this week have demonstrated where the accountability for improving health policy will lie. The election has not defined whose responsibility it is to do what. In a representative democracy that lies with the President. Because the United States is unlike any other country, our President-elect must achieve the consensus goals of improving access, quality and affordability by lowering the overall costs of delivering care and insuring access. Barack Obama has said he will do so. Because it is critical to economic recovery. By raising systems performance and changing the rules by which health insurance competes, he expects to reduce costs per working family by \$2,500.

You should expect three things from the President-elect: Clarity of purpose, decisiveness in commitment, and motivation to change in the way we meet our individual responsibility and accountability. Because he is a Democrat, you will see emphasis on improving access for all Americans. Because he is well informed, you will see his emphasis on changing healthcare financing policy. Because it is the right thing to do, you will see the emphasis on responsibly and accountability.

This will not be achieved by blending the many transformer plans into one great piece of legislation. Nor by assembling 1000 national associations of health care professionals, technology developers, purchasers, patients, insurance plans and consumer driven health projects. Health policy reform will succeed only by enlisting the American people and those in the medical enterprise who profess to serve them, in a once-in-a-lifetime effort to build a truly unique American health system.

The good news is that systems like this already exist. In the form of many of the much smaller health systems in various parts of this country. Many of them here in the Upper Midwest. In Hawaii, the pacific northwest, parts of California and New England. Many of whom were once even better than they admit to being today. Some of whom are better than ever and trying harder to improve despite a financing system that does not reward them.

Our own Senators are committed to bi-partisan health policy reform. Senator Amy Klobuchar has taken the lead in the U.S. Senate, working with Republican Senator Judd Gregg of New Hampshire, to examine the potential for Medicare financing changes to enhance the performance, improve care quality, and reduce medical costs. On November 25 she will convene a 4-hour forum at the Mayo Auditorium of the UMN Medical School to look at the data on practice variation across the country and within health systems, with the help of Dr. Jack Wennberg of Dartmouth. To listen to medical experts from Geisinger, Intermountain Healthcare, and Mayo Clinic discuss what patients and consumers can achieve from integrating and coordinating care.

Today we have three speakers who will lead us in a discussion of the latest changes and proposed changes in healthcare financing policy. In breakout sessions we will have an opportunity to learn how to address the changing dynamics of the healthcare marketplace. In the afternoon our expert panels will help us examine changes that are and could be taking place in the care delivery system, and the high degree of potential they have for improving care quality and reducing healthcare costs.

Thank you for giving us your day and for trusting us at St. Thomas with the task of helping inform the business of health care financing and delivery in this community.