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Health Policy Center

2010 Intercity Visit

How Health Care Needs to be Transformed: Its Role in the Economic Vitality of a Community

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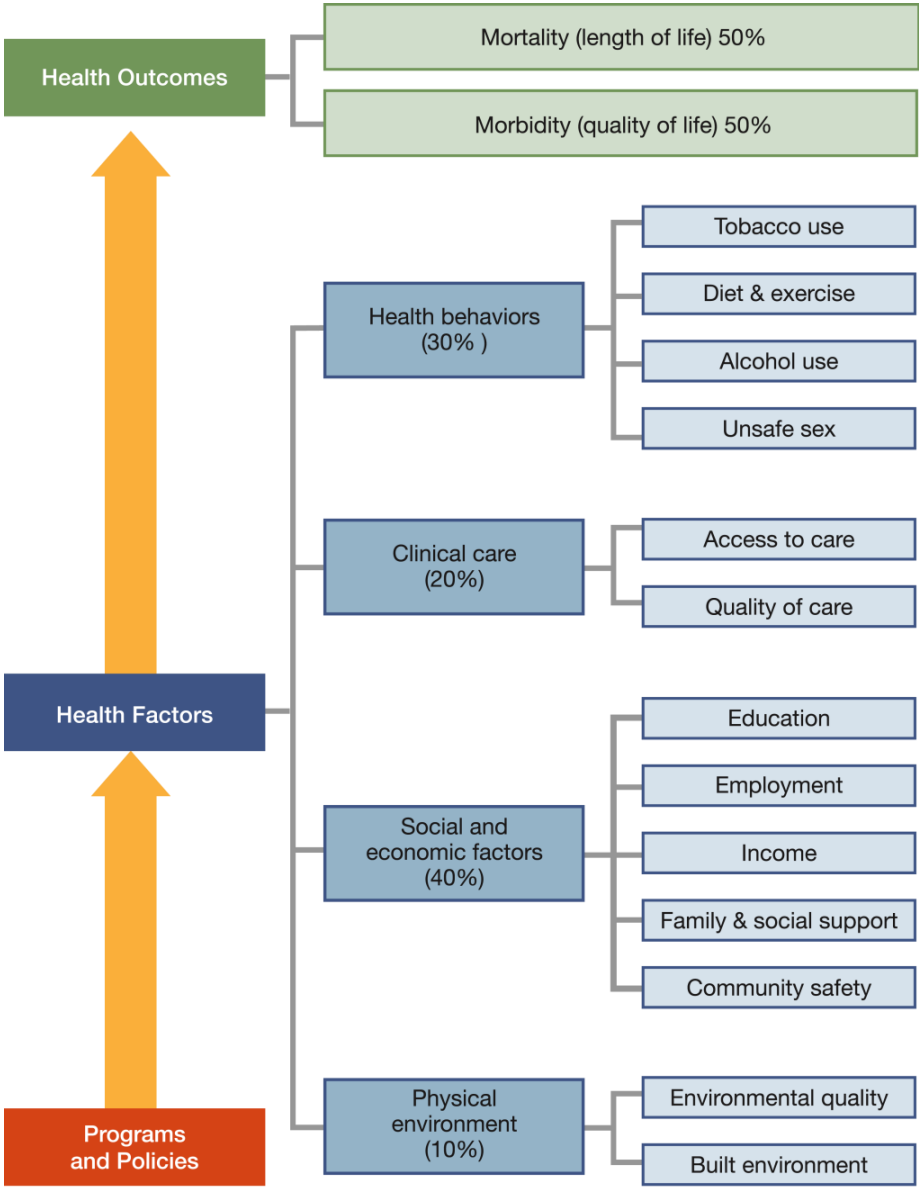
Fundamental Problem in U.S. Health Care

- Health care spending is growing faster than the economy (even before the recession)
 - Average excess growth over GDP has been 2.5% points each year
- We are not getting value for the money we are spending
- Payment reform will not solve our problems
- Delivery system will reform is necessary, but not sufficient
- Failure to solve this problem will threaten the economic health of our communities

$$\text{Value} = \frac{\text{Quality} \text{ (outcomes, safety, service)}}{\text{Cost over Time}}$$

Determinants of Health

At least 50% of health outcomes are related to community factors



Minnesota Health Care Reform: Accountable Health Communities

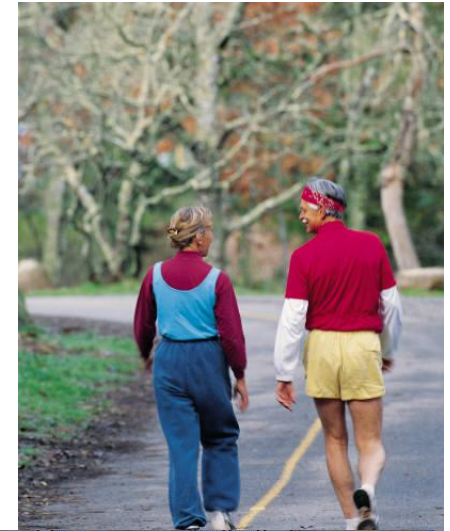
- Triple Aim
 - Improve individual health and experience with health care system
 - Improve population health
 - Reduce per capita health care costs

Implications for Austin: Triple Aim

- Health care providers must work hard to produce health, not health care
 - Clinical and patient-reported outcomes will improve
- Health care providers need to more aggressively control costs of care and work with buyers as partner
- Health care providers will need to partner with the community to improve population health
- Business should drive investment in education, new business opportunities
- Local philanthropy and local government should partner to leverage community improvements

Business Role

- Demanding purchaser of health care and provocative partner for health care providers in producing health
- Catalyst for government, private and philanthropic investments in the community to promote and sustain health
 - Healthy work place and community infrastructure
 - New business development for healthy living
 - New business opportunities in new locations



Transforming Health Care to Improve the Economic Vitality of the Community: Some Final Thoughts

- The status quo is not sustainable
- Now is the time to leverage opportunities and resources
- It is our responsibility
- Failure is not an option

Discussion