Healthcare Management: A Turbulent Past and an Exciting Future

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Health Care

We all need it but nobody wants it.

How do we manage a product or service that has this kind of relationship with customers?

It is necessary for us to think creatively about improving health care by better management and more effective and efficient use of our resources.
Health Care as currently structured and managed:

(1) Costs too much - *The major cause of personal bankruptcy*

(2) Is not of consistently high quality - *Error rates are atrocious*

(3) Many people do not have good access - *There are wide disparities across our society*
Things we need to attend to if we want to better manage the system:

Patient control over outcomes

Difficulty of cost-benefits analysis

Highly variable time horizons

Variable and indeterminate technologies

Direct participation of high knowledge workers in service delivery
Things we need to attend to if we want to better manage the system:

**Patient control over outcomes**
- Process function
- Improving health care
- Patient-centered medical home

Difficulty of cost-benefits analysis

Highly variable time horizons

Variable and indeterminate technologies

Direct participation of high knowledge workers in service delivery
Things we need to attend to if we want to better manage the system:

Patient control over outcomes

**Difficulty of cost-benefits analysis**
- Impossible to fully calculate
- Highly variable across patients and providers

Highly variable time horizons

Variable and indeterminate technologies

Direct participation of high knowledge workers in service delivery
Things we need to attend to if we want to better manage the system:

- Patient control over outcomes
- Difficulty of cost-benefits analysis

**Highly variable time horizons**
- Immediate effect versus time to be effective
- Illness moves from acute to chronic
- Trajectories of illness

- Variable and indeterminate technologies
- Direct participation of high knowledge workers in service delivery
Things we need to attend to if we want to better manage the system:

- Patient control over outcomes
- Difficulty of cost-benefits analysis
- Highly variable time horizons

**Variable and indeterminate technologies**

- Factors in the environment
- Effects vary across patients
- Reciprocal interdependencies

Direct participation of high knowledge workers in service delivery
Things we need to attend to if we want to better manage the system:

- Patient control over outcomes
- Difficulty of cost-benefits analysis
- Highly variable time horizons
- Variable and indeterminate technologies

Direct participation of high knowledge workers in service delivery
- Variable mental models
- Complex teaming
Things we need to attend to if we want to better manage the system:

Patient control over outcomes
Difficulty of cost-benefits analysis
Highly variable time horizons
Variable and indeterminate technologies
Direct participation of high knowledge workers in service delivery
Some specific ideas for improvement

- Pay physician salaries
- Make medical school free
- Rethink electronic health records
- Recognize limits of medical practice
- Focus on relationships among caregivers
- Involve patients in the work of healing
Pay physician salaries

Physician Pay as a Multiple of Average Wage

<table>
<thead>
<tr>
<th>Country</th>
<th>Multiple of Average Wage</th>
</tr>
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<tbody>
<tr>
<td>United States</td>
<td>5.5</td>
</tr>
<tr>
<td>Germany</td>
<td>3.4</td>
</tr>
<tr>
<td>Canada</td>
<td>3.2</td>
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<tr>
<td>France</td>
<td>1.9</td>
</tr>
<tr>
<td>Sweden</td>
<td>1.5</td>
</tr>
<tr>
<td>Britain</td>
<td>1.4</td>
</tr>
</tbody>
</table>

The National Commission on

PHYSICIAN PAYMENT REFORM

"Our nation cannot control runaway medical spending without fundamentally changing how physicians are paid."
Make medical school free
Rethink Electronic Health Records

Same organization, same electronic health records (EHRs) system, different use: exploring the linkage between practice member communication patterns and EHR use patterns in an ambulatory care setting

Holly Jordan Lanham,1,2,3 Luci K Leykum,1,2 Reuben R McDaniel Jr4

J Am Med Inform Assoc 2012;19:382–391
Recognize limits of medical practice

Uncertainty creeps into medical practice through every pore. Whether a physician is defining a disease, making a diagnosis, selecting a procedure, observing outcomes, assessing probabilities, assigning preferences, or putting it all together, he is walking on very slippery terrain. It is difficult for nonphysicians, and for many physicians, to appreciate how complex these tasks are, how poorly we understand them, and how easy it is for honest people to come to different conclusions.

—David Eddy

Fundamental Uncertainty

Diagram:

- Uncertainty
  - Probability
  - Ambiguity
  - Complexity
Focus on relationships among caregivers

The Joint Commission Journal on Quality and Patient Safety

How Improving Practice Relationships Among Clinicians and Nonclinicians Can Improve Quality in Primary Care

Involve patients in the work of healing

Shared Decision Making
A Tool to Ensure Patient-Centered Care

I will manage my diabetes and get help when I have questions.

Patient-Centered Care
Healthcare that establishes a partnership among practitioners, patients, and their families (when appropriate) to ensure that decisions respect patients' wants, needs, and preferences and that patients have the education and support they need to make decisions and participate in their own care.

Institute of Medicine, 2001
Some specific ideas for improvement

- Pay doctors salaries
- Make medical school free
- Rethink electronic health records
- Recognize limits of medical practice
- Focus on relationships among caregivers
- Involve patients in the work of healing
Cost
Quality
Access

Painting by Regina Holliday
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