



Elliot Joseph

EDITORS' NOTE Elliot Joseph also hosts a monthly radio show called "Health Care Matters," which focuses on the transformation of the American healthcare industry. Prior to his arrival in Hartford, Joseph was President and CEO of St. John Health. Joseph earned a master's degree in health services administration from the University of Michigan in Ann Arbor and a Bachelor of Science from the State University of New York at Binghamton. He is an alumnus of the Wharton CEO Program for Healthcare Leadership. Joseph is a member of the Connecticut Hospital Association board of trustees and chairs the finance committee. He also is a member of the Greater New York Hospital Association board of governors, the Metro Hartford Alliance board of directors, and The Bushnell Performing Arts Center board of trustees.

INSTITUTION BRIEF Hartford HealthCare (hartfordhealthcare.org) represents the next generation of integrated healthcare systems, marked by strong patient focus, heightened efficiency, consistent quality performance, and open, collaborative sharing of best practices. It is dedicated to providing patients with an exceptional, coordinated care experience and a single, high standard of service. A hallmark of the Hartford HealthCare vision is to strengthen access to care close to home for patients by enhancing local healthcare delivery capabilities. In addition, the system aims to create a culture and organizational structure in which clinical care, education, and research are supported to bring the latest technology and discoveries, clinical excellence, and innovation to the patient and community. Hartford HealthCare employs more than 18,000 employees and generates \$2.4 billion in net revenue. It includes a flagship academic medical center, four community hospitals, and additional member organizations that provide behavioral, home, long-term, and rehabilitation care and clinical laboratory services. All system organizations are driven by clear, measurable goals and metrics aimed at providing the right care, in the right place, at the right time.

Healthcare Climate Change

An Interview with Elliot Joseph,
President and Chief Executive Officer, Hartford HealthCare

You've compared the changes in the healthcare environment to global climate change. Would you elaborate?

You hear people calling the upheaval in American healthcare a "perfect storm." If you search "healthcare crisis" together with "perfect storm" on Google, you get more than 14,000 results. But there's a problem with the severe-weather image: Storms pass and skies clear. People go back to doing whatever they were doing before the rain came. That's not going to happen in healthcare. It's not about weathering the storm. It's about preparing for an entirely different future. Fifty years of ingrained relationships, incentives, and behaviors are melting away, and they aren't coming back. Our environment is changing permanently.

One of the issues with actual climate change is whether it is caused by humans. Can the same be said about healthcare change?

Yes, absolutely. As with actual climate change, it's not just happening to us. The dramatic shift in healthcare delivery and finances has been building for years and is the cumulative result of great people doing great work in a broken system with misplaced incentives. Although there has been a gradual – and global – slowdown in the rate of cost growth, we still must face facts: Our healthcare system is the world's most expensive. What we

get for all of that money is some undeniable brilliance, but way too much variability and average outcomes that put us dead last in a comparison with 10 other wealthy countries in a recent report from The Commonwealth Fund.

Are there healthcare climate-change deniers?

Lots of them, everywhere. Some of them think that federal healthcare reform is to blame and, in another election or two, it's all going to go away. But that's like saying that one cool summer disproves real climate change. We need to take the long view, and prepare for the metaphorical hot weather and high water we face in healthcare. This means building the organizational and technological capabilities to coordinate care. It's not just an IT problem; it also means aligning and streamlining our health systems to improve performance (especially in the areas of access and patient experience) and reducing costs. We need to have hard data that demonstrate improved outcomes for our patients and we need to be innovative when it comes to payment – so that we're all moving in the same direction, toward healthier communities.

Who is precipitating this change?

It's the emerging healthcare consumer. It's not that patients and families weren't consumers until now in the sense that they utilized health services. Of course, they did. But

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healthcare has been an asymmetrical market for decades, with customers using the product but not paying for it – or not paying a significant share of the costs. In the past decade, employees have shouldered more costs through increases in their share of premiums and hikes in co-pays, etc. Next year, nearly one-third of the large businesses surveyed by the National Business Group on Health said they would offer only high-deductible, consumer-directed plans in 2015. We've reached critical mass. The consumer is at the table and is shopping for value in care. Let's not forget that the large employers and government agencies that still pay for most of America's healthcare also are becoming much more pragmatic consumers, and are more willing than ever to work with providers and insurers to put together inventive, value-based programs that produce better outcomes for their populations.

But who is to say how long it will take for this conversion to happen. Wouldn't a wait-and-see attitude be safer?

Let me be clear: I'm not suggesting that our fee-for-service business is disappearing overnight. Sometimes, when I talk to our boards and leadership groups, I talk about "two gas pedals." One is fee-for-service and the other is pay-for-value. We have to live in both worlds for a while. But everything we do to be able to deliver value-based care will also improve our fee-for-service arrangements because it's about improving our overall quality, reducing costs thoughtfully, and creating a better patient experience – especially with regard to care coordination. These elements of value feed one another. Coordinated care is higher-quality care. Consistently better outcomes reduce costs, etc. So it doesn't make sense to sit on the sidelines right now because the work we do on delivering value will make care better for all of our patients, whether it's fee-for-service or value-based, and we will be well-positioned for a shift to value as it occurs.

What is the role of population health in your global-warming scenario?

It's both cause and effect. Although individual patients are not necessarily clamoring for population health management, the

big payers are. This is part of the evolving consumerism of those who still foot most of the bills. They don't just want episodes of care; they want healthier employees and they're open to new arrangements, including bundled payment, narrow networks, and at-risk arrangements that reward providers for preventive care and well-coordinated case management of individuals with chronic illnesses. This is part of what is creating climate change. In response, providers need to create the information technology infrastructure – secure electronic health records, data analytics, etc. – to manage the care. This new infrastructure actually allows providers to look globally at the populations they're managing and to provide appropriate and timely preventive interventions to help everyone in the population stay healthier. It gives providers the ability to segment populations and provide, for example, services tailored to the needs of seniors with multiple chronic illnesses, a shopping list of prescriptions, and a roster of physicians. Individuals like this make up nearly a quarter of Medicare patients and account for nearly 70 percent of Medicare costs. Now we have the tools to provide much better service to specific populations.

Let me ask you about these and other tools. What is the role of technology in the healthcare shift you describe?

Well, I just described the technology that we're moving toward. It mirrors actual global warming in the sense that much of the world is now moving away from the fossil-fuel technology of the 19th and 20th centuries, and trying to create and adopt clean, sustainable energy sources. In healthcare, we're moving from a focus on diagnostic and treatment technologies to information technologies. Of course, we will still have and develop surgical robots and other care technologies, but without deep and instantly available information – and the ability to analyze the data – we can't provide consumers with proven and consistent high quality, and we can't push back on costs. But I need to be careful and maybe a little humble here. The healthcare establishment doesn't have a lock on patient-friendly technology any more than IBM had a lock on personal computers. (We know how that went.) We have to be willing to partner with tech start-ups, successful retailers, and tech companies (Apple and Google, for example) that are moving into the health space. For example, maybe online eye exams are an insignificant novelty, or perhaps that kind of thing is a game-changer. We have to pay attention so that we're giving the consumer a great patient experience in every possible setting.

When it comes to reacting to real global warming, the path is clear, although not easy. What is the roadmap for responding to the global warming in healthcare?

More than anything else, we have to listen to the voices of our patients. If we are not partnering with our patients – the consumers we've been discussing – we are really missing the boat. The consumer is now at the table. Those of us in healthcare have pledged ourselves to serve these individuals. In the past, it was kind of a one-way street, with healers prescribing and patients complying (or not). Going forward, we have to be a single team. We have to be honest and transparent with our patients and families, and we have to meet their expectations for reliable excellent care and broad access to care. Just as it will take everyone on the planet to combat climate change, it will take whole communities working together to create the next phase of healthcare in America. ●

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