

# **Beyond VHA – Opportunities to Improve Health Care Delivery Across the U.S.**

*2nd Annual Conference of the McGill University Health Centre's Institute for Strategic Analysis and Innovation*

**August 20, 2009**

**Robert M. Kolodner, MD**



# Topics For My Brief Remarks

## I. The USA eHealth Agenda & Health Reform

- Why is health Information Technology (IT) foundational to health reform?

## II. How Did the US Department of Veterans Affairs Transform Itself

## III. Closing Caveats



# Direction of Impending Transformation of the Health Care “Sector” in the U.S.

- **Predominate health care model in U.S.**

- “Disease Industrial Complex”

- Pay for interventions
- Provider-centered

- (47+ million people *uninsured* and more *underinsured*)

- **Future**

- HEALTH (and care)

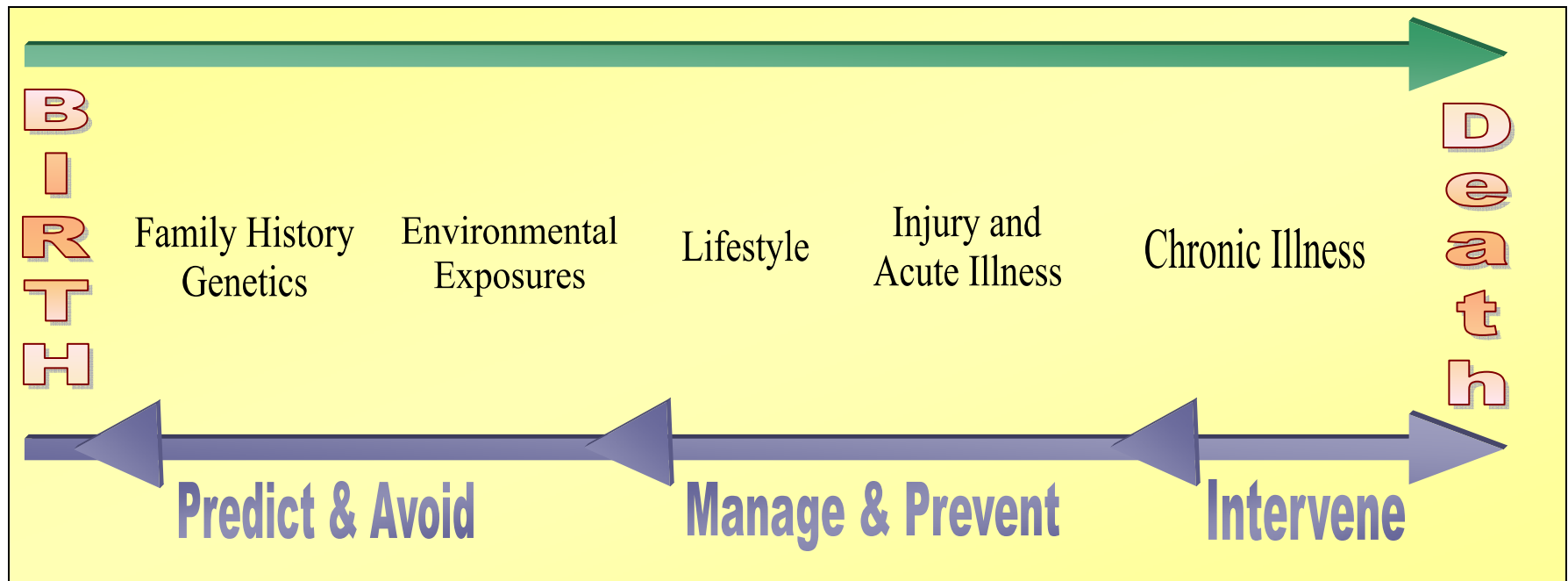
- Pay for results
- Person-centered
  - Transformed models of care delivery
  - Reaches beyond the care delivery system
- Health care as a “right”

# Perspective of Individuals on Future Health and Care



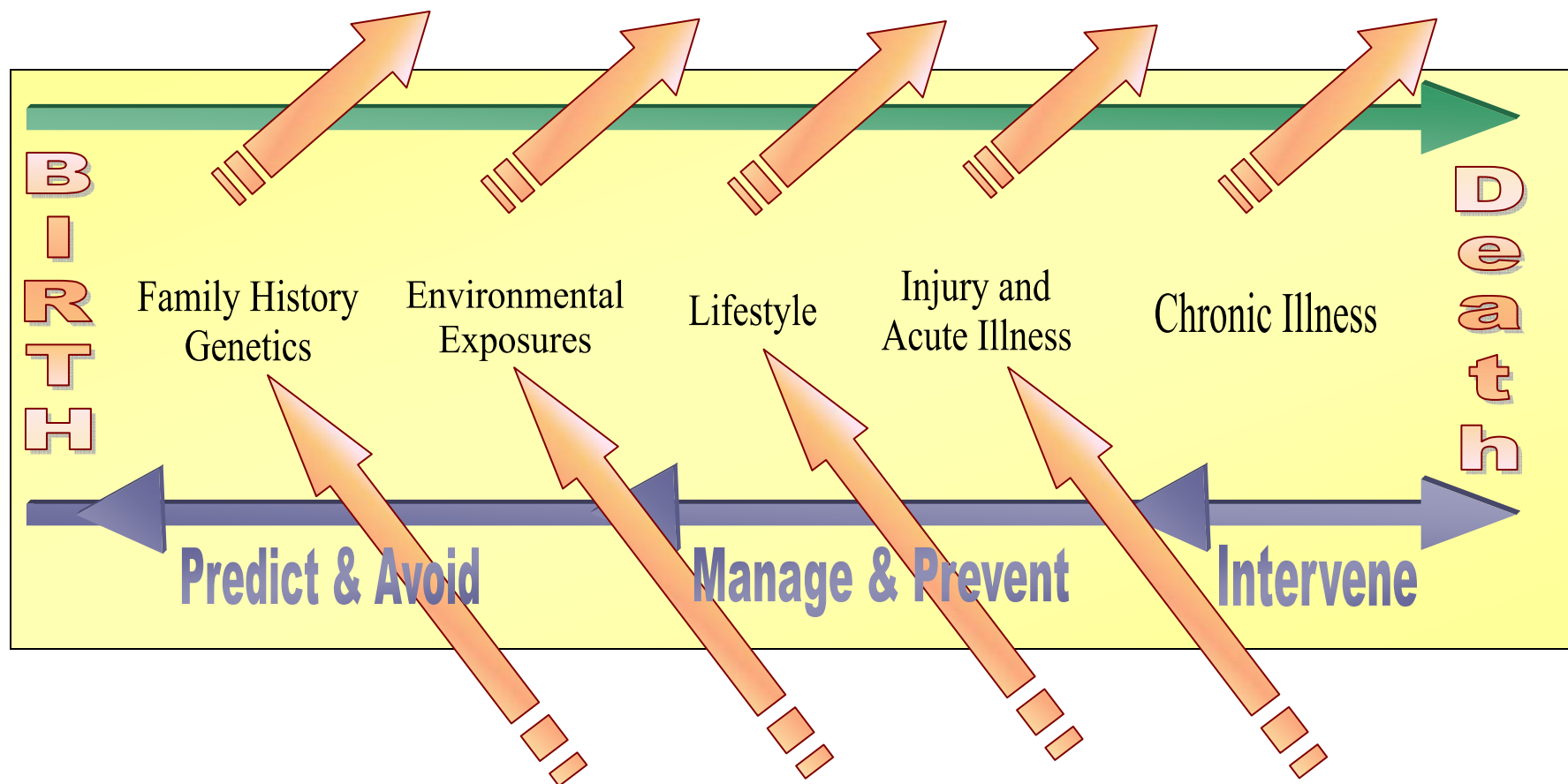
- **Better Health**
  - Prevention
- **Increased Self-Care**
  - Personal Health support
- **Convenient Care**
  - Tele-care
  - Tele-monitoring
- **Coordinated Care**
  - Enable care at multiple sites

# Transforming Health and Care: Moving from Treating to Preventing to Predicting<sup>1</sup>



1. Adapted from Perlin, Dr. Jonathan B, *Healthcare 1015 & beyond: Some Thoughts on Planning Ahead*, p. 95

# Transforming Health and Care: Moving from Treating to Preventing to Predicting<sup>1</sup>



**Population Health / Public Health**

1. Adapted from Perlin, Dr. Jonathan B, *Healthcare 1015 & beyond: Some Thoughts on Planning Ahead*, p. 95

# Section 1

## The USA eHealth Agenda

# Why is Health IT a Central Strategy for Health Care?

## Current Lack of Information:

### Higher Costs

- **Leads to 1 in 7 hospital admissions\***
  - When care providers do not have access to previous medical records
- **12% of physician orders are not executed as written\***
- **20% of laboratory tests unnecessary\***
  - Requested because previous studies are not accessible

### Avoidable Errors

- **Drug errors**
  - Complicate 1 in 6.5 hospitalizations
  - Occur in 1/20 outpatient Rx's



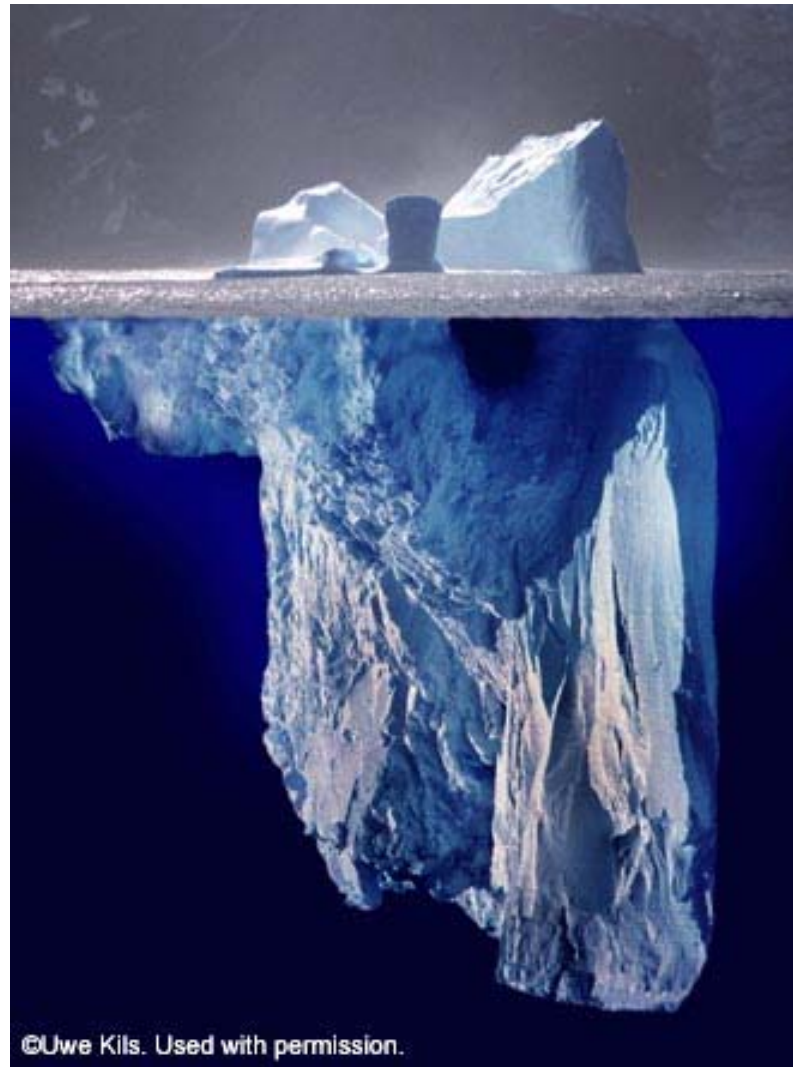
\* President's IT Advisory Committee (PITAC)



# Problems with Both Safety and Quality

***Safety  
Problems***

***Quality  
Problems***



***To Err is Human:***  
98,000 patients die  
from avoidable errors

***The Quality Chasm:***  
Every Patient  
“Crossing the Quality Chasm” 2001: IOM

***Americans receive  
on average 55% of  
the evidence-based  
care\*\****

\*\* N Engl J Med 2003;348:2635-45.

# Office of the National Coordinator for Health IT (ONC)

**Phase 1**  
**[Dr. David Brailer]**

**(Apr 2004 - May 2006)**

**Phase 2**  
**[Dr. Robert Kolodner]**

**(Sep 2006 - Apr 2009)**

# Health IT – Role in Health and Care Transformation

## Individual and Population Health & Well-being

*Health Care Transformation  
(Higher Quality, More Efficient,  
Patient-Focused)*

*Population Health  
(Public Health, R&D, Quality  
Improvement, Emergency Preparedness)*

*Health IT solutions must support the needs of  
**BOTH**  
“perspectives”*

# Key Health IT Components to Enable Transformation

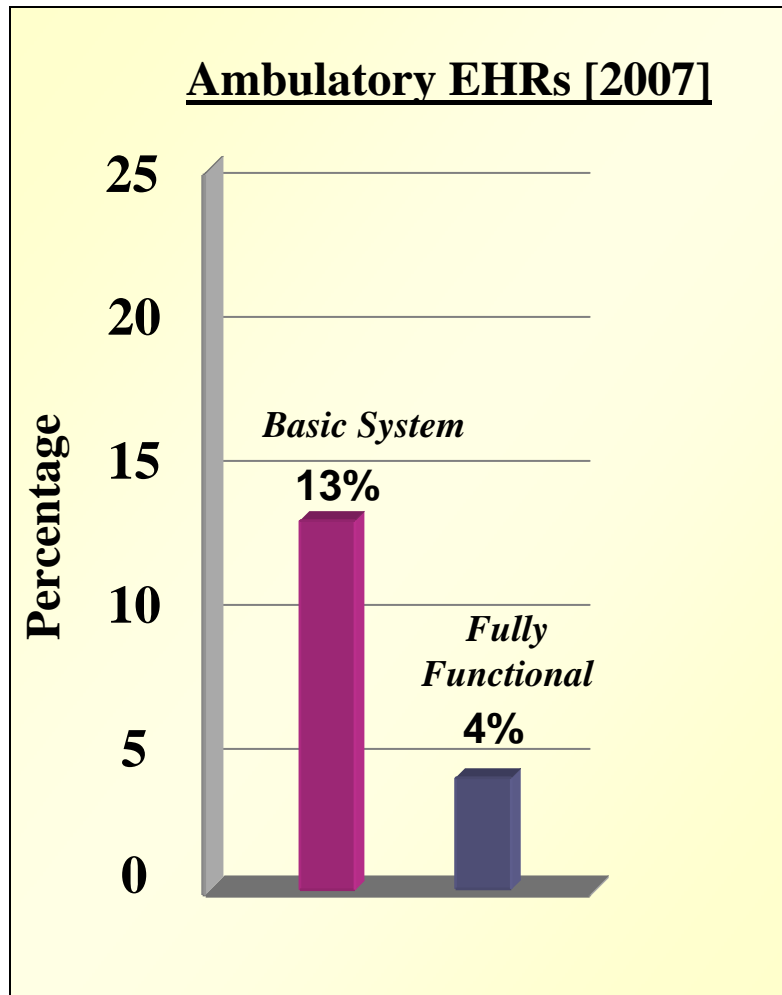
## A Robust, Interoperable, Health IT Environment that brings together:

- Electronic Health Records (EHR)
- Personal Health Records (PHR)
- Population Health Information  
(Public Health, Biosurveillance, Quality Improvement, Research)

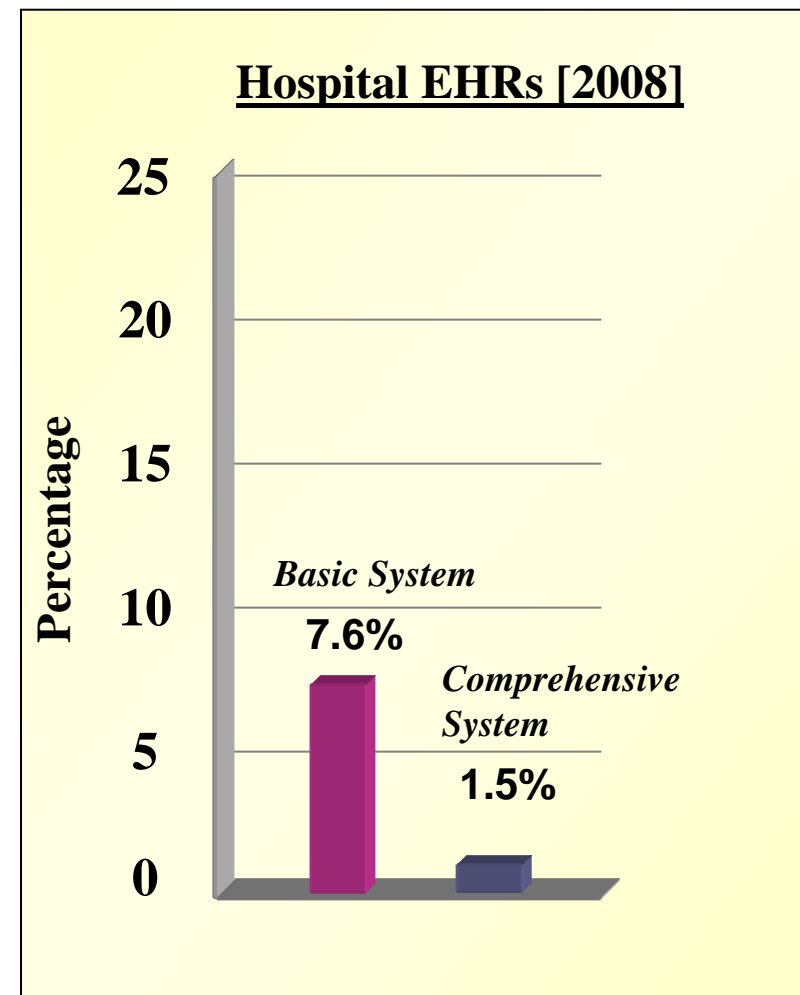


- Standards (Data, Technical and Security)
- Interoperable Health Information Exchange Network  
(*Nationwide Health Information Network - NHIN*)

# Current State of EHR Adoption in the U.S.

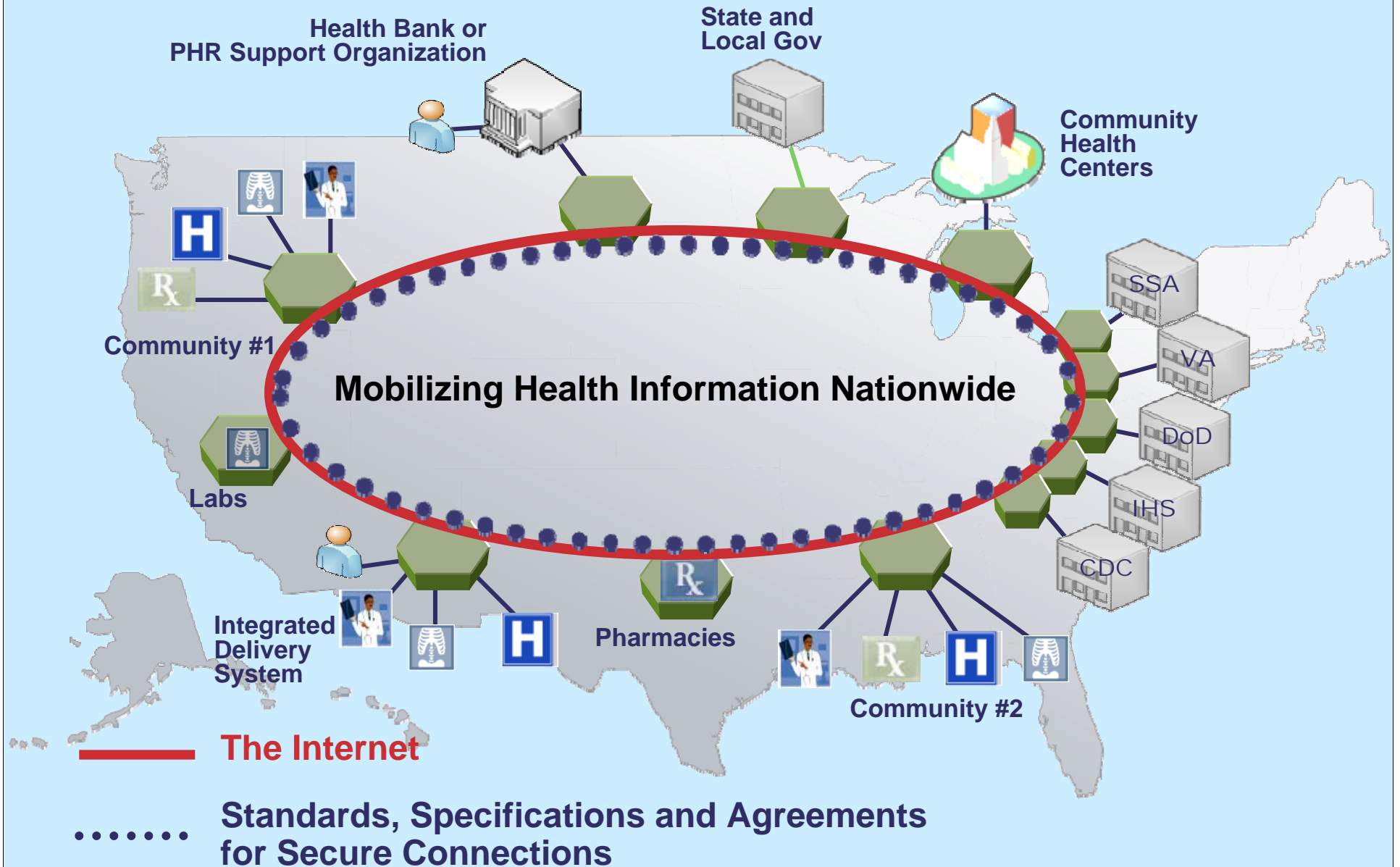


*DesRoches CM et al., N Engl J Med 2008;359:50-60.*



*Jha AK et al., N Engl J Med 2009;360:1628-38.*

# The Nationwide Health Information Network



# Will the U.S. eHealth Agenda Survive Beyond November 2009?



# President Obama's First Weekly Address

Saturday, January 24th, 2009



*“To lower health care cost, cut medical errors, and improve care, **we’ll computerize the nation’s health records in five years**, saving billions of dollars in health care costs and countless lives.”*



# The American Recovery and Reinvestment Act of 2009

# Office of the National Coordinator for Health IT (ONC)

Phase 1  
[Dr. David Brailer]

(Apr 2004 - May 2006)

Phase 2  
[Dr. Robert Kolodner]

(Sep 2006 - Apr 2009)

**Phase 3**  
**[Dr. David Blumenthal]**

**(Starting Apr 2009)**

## Dr. David Blumenthal – National Coordinator for Health IT



*“As a primary care physician who has used an electronic record to care for patients every day for 10 years, I understand the enormous potential of this technology.*

*President Obama has laid out **a vision of health reform** that is both inspiring and long overdue.*

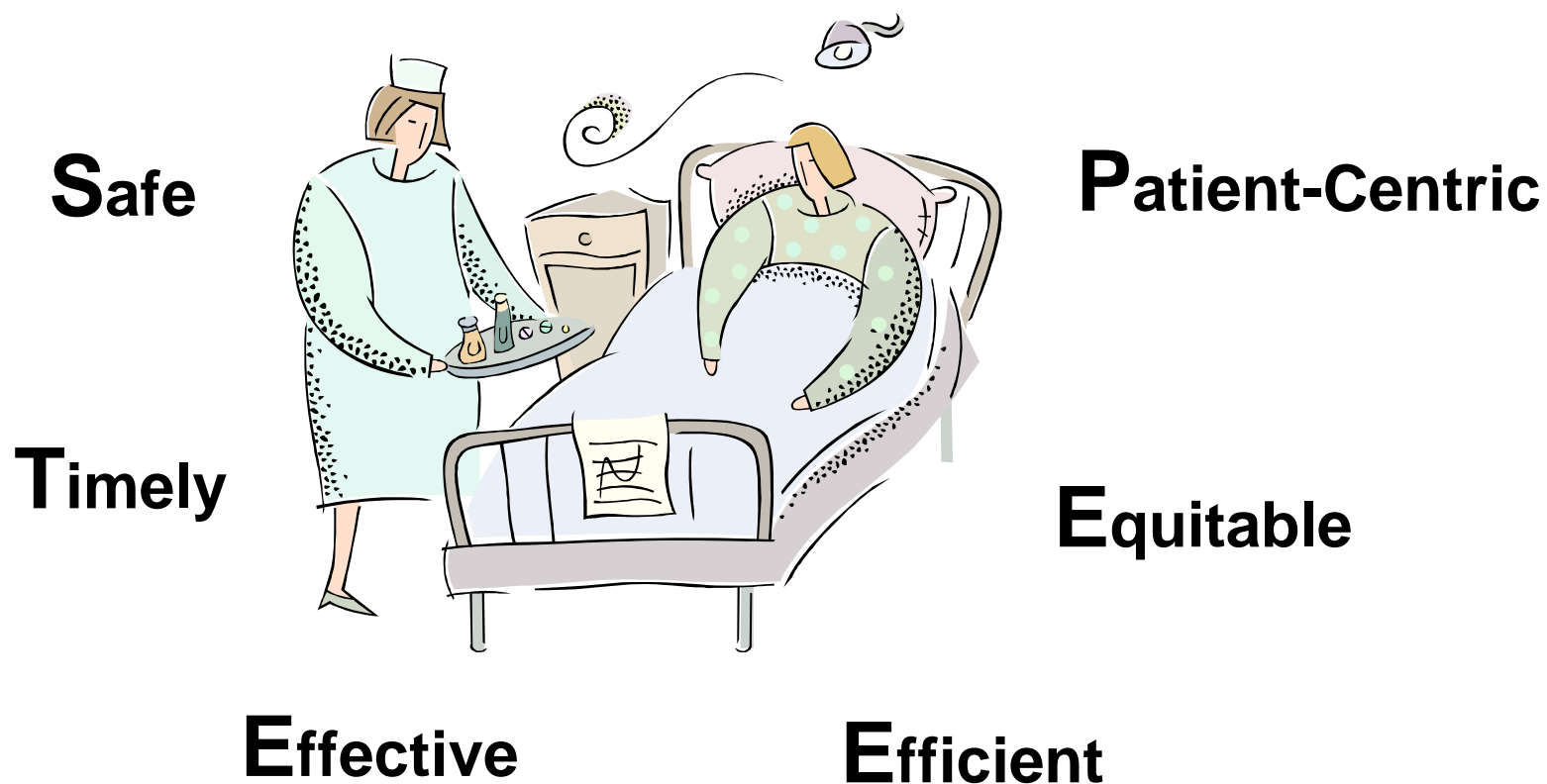
***We cannot make that vision a reality without the help of our most advanced computer technology.”***

HHS Press Release, March 20, 2009

# Health Reform 2009

- **Universal coverage**
- **Payment reform (pay for results)**
- **Comparative effectiveness**
- **Cost control**

# Institute of Medicine's (IOM) 6 Characteristics of Quality Care



# Section 2

## A Glimpse at the VA Experience

**Enabling Health Care Transformation  
Through  
Pervasive Health IT Adoption  
is Achievable**



# Transformation in the Veterans Health Administration

(also occurring in selected other organizations)





# (U.S.) VA Motto . . .

*To Care for Him Who Shall  
Have Borne the Battle , and for  
His Widow , and His Orphan . . .*

*. . . Abraham Lincoln*

# Veterans Health Administration

*Honoring Those Who Served*

***“To honor  
America’s  
veterans by  
providing  
exceptional health  
care that improves  
their health and  
well-being”***



# VA Patient Characteristics

## Patients

- **7.8 M enrollees**

- 5.5 Million patient treated annually
  - 62.3 Million outpatient visits
  - 589,000 admissions
- **Older:** 49% > age 65 (increasing population > 85)
- **More illnesses:** Compared to age-matched Americans
- **Poorer:** Income
  - ~ 70% with annual incomes < \$26,000
  - ~ 40% with annual incomes < \$16,000
- Ethnically **Diverse**

# VA Statistics

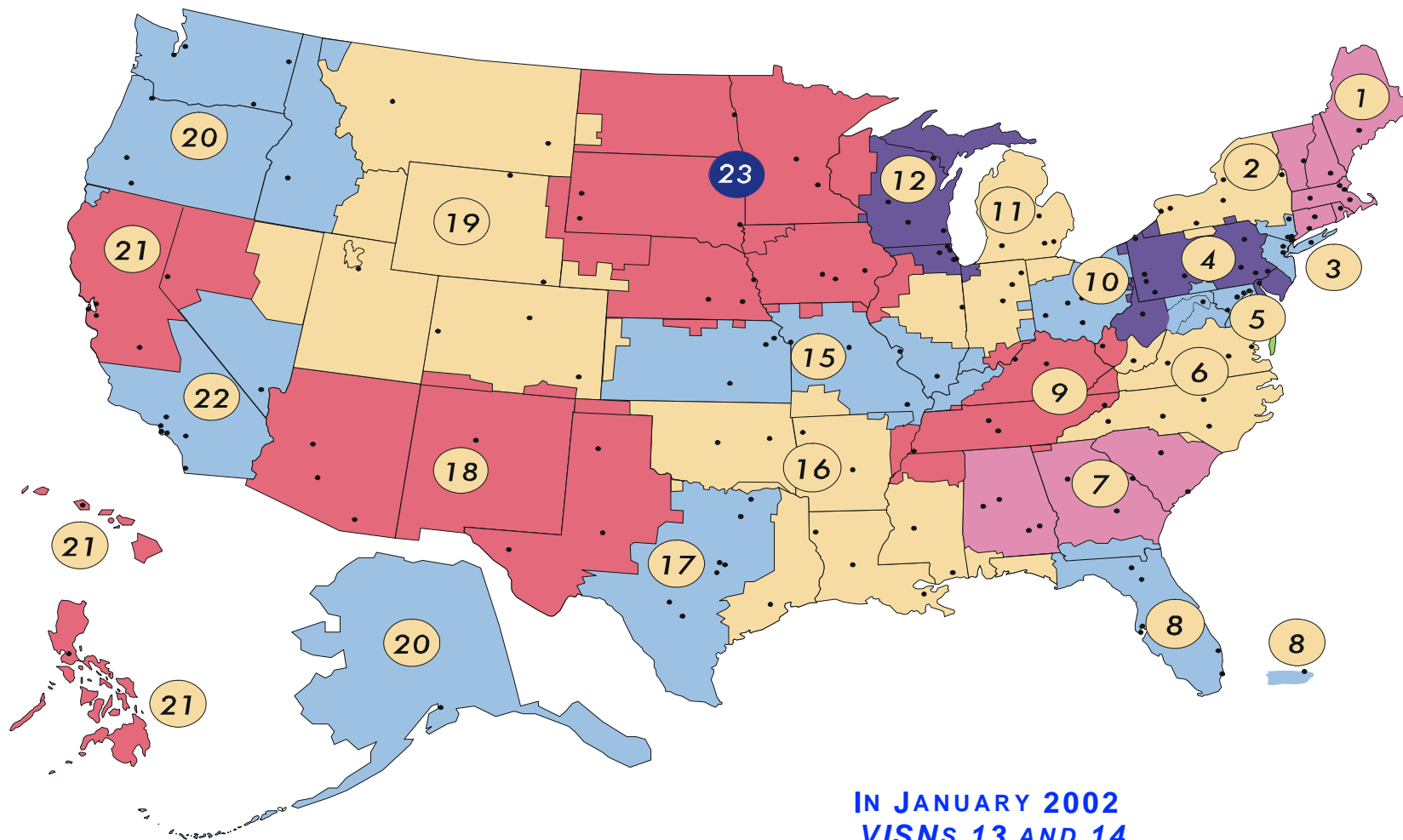
## Facilities

- **Almost 1500 sites of care**
  - 153 Hospitals
  - 919 Clinics
  - 183 Long-term care settings

## Annual Budget

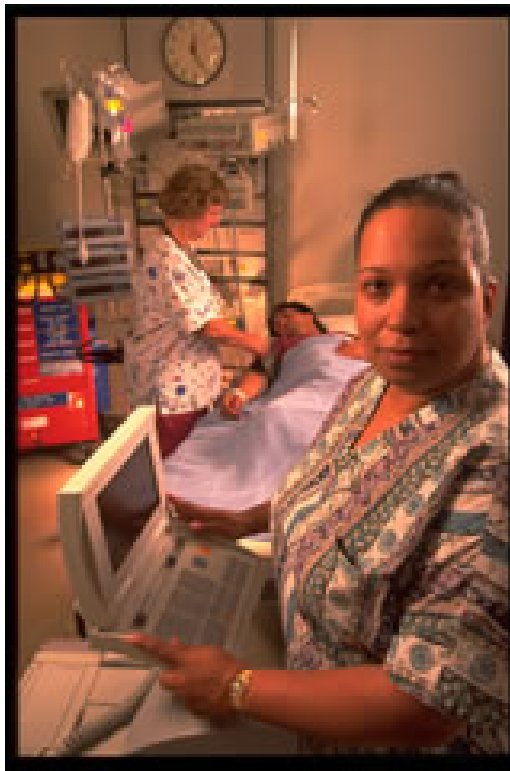
- **Over \$40 Billion**

# VHA organized into 21 VISNs (Veterans Integrated Systems Networks)



**IN JANUARY 2002  
VISNS 13 AND 14  
WERE INTEGRATED AND  
RENAMED VISN 23**

# Every VA Medical Center has Electronic Health Records !



# Uses a Chart Metaphor - Combining Text and Images

Vista

The screenshot displays the VISTA Imaging Display interface for patient MADTL, F. The interface includes a menu bar (File, Options, View, Reports, Help, System Manager), a patient information section (Patient: MADTL, F, dob: 1924, age: 75, ssn: 500-50-5000, type: NON-VETERAN (OTHER)), and a central area with a yellow background containing the text: "Single longitudinal health record is immediately available in • Outpatient • Inpatient & • Long-term care settings". The interface also shows a "Radiology Exam listing" table, a list of medical images (e.g., 1 COLON 7/28/97, 2 X-RAY CHEST SINGLE GEN. MED. 07/28/1997), a "Vitals" section (T 98 F, P 86, R 18, BP 120/75, HT 58 in, WT 140 lb), and a "Lab Results" section. The "Radiology Exam listing" table is as follows:

#	Day-Case	Procedure	Exam Date
1	113098-35	CHEST SINGLE VIEW	1998 - 11/30
2	113098-34	ABDOMEN 1 VIEW	1998 - 11/30
3	072897-30	CHEST SINGLE VIEW	1997 - 07/28
4	072797-22	ANGIO VISCERAL SELECT CP	1997 - 07/27

# VistA Clinical Reminders

- **VistA Clinical Reminders:**
  - Contemporary Expression of Practice Guidelines
  - Time & Context Sensitive
  - Reduce Negative Variation
  - Create Standard Data
  - Acquire health data beyond care delivered in VA

**Links Reminder**

**With the Action**

**With Documentation**

Reminder Resolution: Pneumococcal vaccine (pneumovax)

ORDER PNEUMOCOCCAL IMMUNIZATION:

Order for pneumococcal vaccine placed.

Order for influenza vaccine entered.

PRIOR IMMUNIZATION:

Patient indicated that the pneumococcal vaccine was received previously.

Date/Time: 1997 ... Location: East Orange, NJ

Comment:

REFUSAL/CONTRAINDICATION:

Patient indicates a history of contraindication to pneumococcal vaccination.

Pt. has an acute illness. Vaccinations will be delayed until recovery from this illness.

Patient has a life expectancy of less than 6 months. Education and treatment may not be useful at this time.

Patient refuses pneumococcal immunization.

Patient refuses all immunizations at this time.

Clear < Back Next > Finish Cancel

**Pneumococcal vaccine (pneumovax):**  
Patient indicated that the pneumococcal vaccine was received previously.  
Location: East Orange, NJ

Immunizations: PNEUMO-VAC (Historical)



# National VistA Statistics (Total...*Daily*)

- **Documents**  
(Progress Notes, Discharge Summaries, Reports)
  - **1.28 Billion**..... **+846,000** *each workday*
- **Orders**
  - **2.22 Billion**..... **+1,140,000** *each workday*
- **Images**
  - **1.26 Billion**..... **+1,560,000** *each workday*
- **Vital Sign Measurements**
  - **1.49 Billion**..... **+886,000** *each workday*
- **Medications Administered**  
with the Bar Code Medication Administration (BCMA) system
  - **1.19 Billion**..... **+633,000** *each workday*

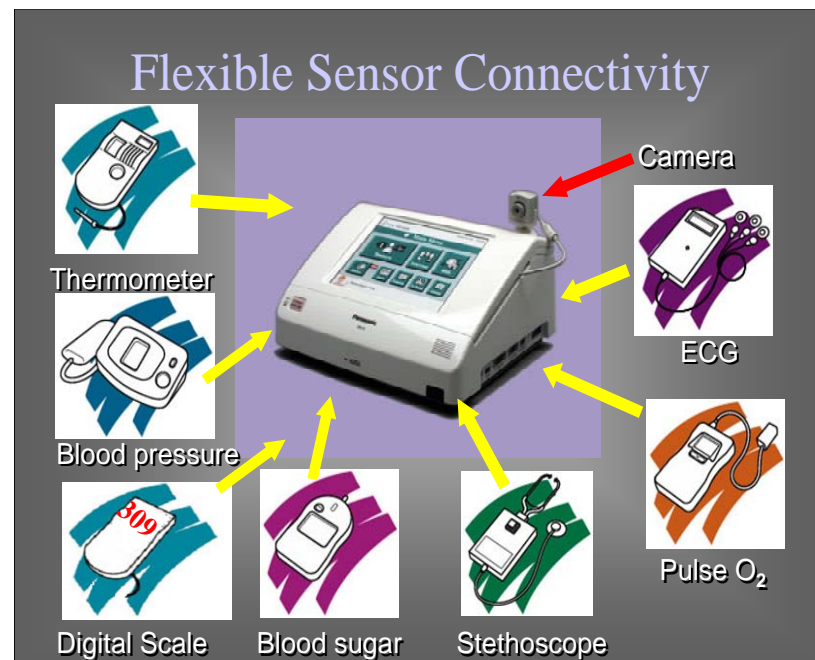
Statistics as of June 2009

# Home-Telehealth Technologies

**TeleVyou  
500**  
Stand-alone Color  
Videophone



## “Remote Physiological Monitoring”





# My Health\_eVet

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**URAC Award for Best Practices in  
Consumer Empowerment and Protection**

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March 26, 2008



# Transforming Health Care



**The “point of care” has changed.**

# However

This is **NOT** about technology...

It is about **RESULTS:**

- Improved Health Care Quality
- Improved Health Outcomes
- Containing Health Care Costs

# Best Health Care Anywhere

U.S. News & WORLD REPORT

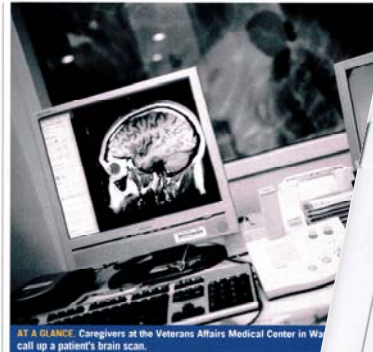
Special Report • Best Hospitals

## Military Might

TODAY'S VA HOSPITALS ARE MODELS OF TOP-NOTCH CARE

By Christopher J. Gearon

Three summers ago, Augustin Martinez's skin was yellow. He was in pain. And physicians at Kaiser Permanente, his usual source of care, were baffled. The Martinez, a retired Lockheed engineer in San Jose, Calif., brother, a New York physician. After consulting colleague advised him to go to a center of Veterans Affairs hospitals in Palo Alto. Martinez, a petty officer 2nd class, was in care (eligibility depends on date and service, injury, and in-brother's recommendation). Better care at Palo Alto. But he went—and was diagnosed with pancreatic cancer, chief of general internal medicine at a VA hospital and a doctor. They run a good healthcare experts. For decades for in July, the VA performed major care provided to the nation's best around. Patient safety is a top priority. Surgeons are sure they body part or are unusual hygiene, by carrying another. It could be especially important of patients and doctors



AT A GLANCE: Caregivers at the Veterans Affairs Medical Center in Washington call up a patient's brain scan.

and nurses instantly call up his medical records, including test results (his cholesterol is high and he suffers from asthma), CT scans, and medications via laptop, which has become as ubiquitous a tool at VA facilities as a stethoscope. Paper delay. But computerized records are more than a convenience. If all patient information could be reviewed on a computer screen and updated with each new test and observation, studies suggest that many of the medical errors that kill hospital patients would be prevented. Keeping everything on paper has been shown to delay care, force 1 in every 5 lab tests to be repeated, and cause unnecessary hospitalizations. But switching to computerized records can cost millions of dollars at a single hospital, so relatively few medical centers outside

the VA have changed. The informatic gertips, right at the desk, you're making decisions giving her a patient's progress. She is reminding foot and eye. They have regular or blindness. Such procedures unnecessary hospitalizations. But switching to computerized records can cost millions of dollars at a single hospital, so relatively few medical centers outside

Photo

BusinessWeek

The Best Medical Care In the U.S.

Reprinted from the July 17, 2006 issue of BusinessWeek magazine.

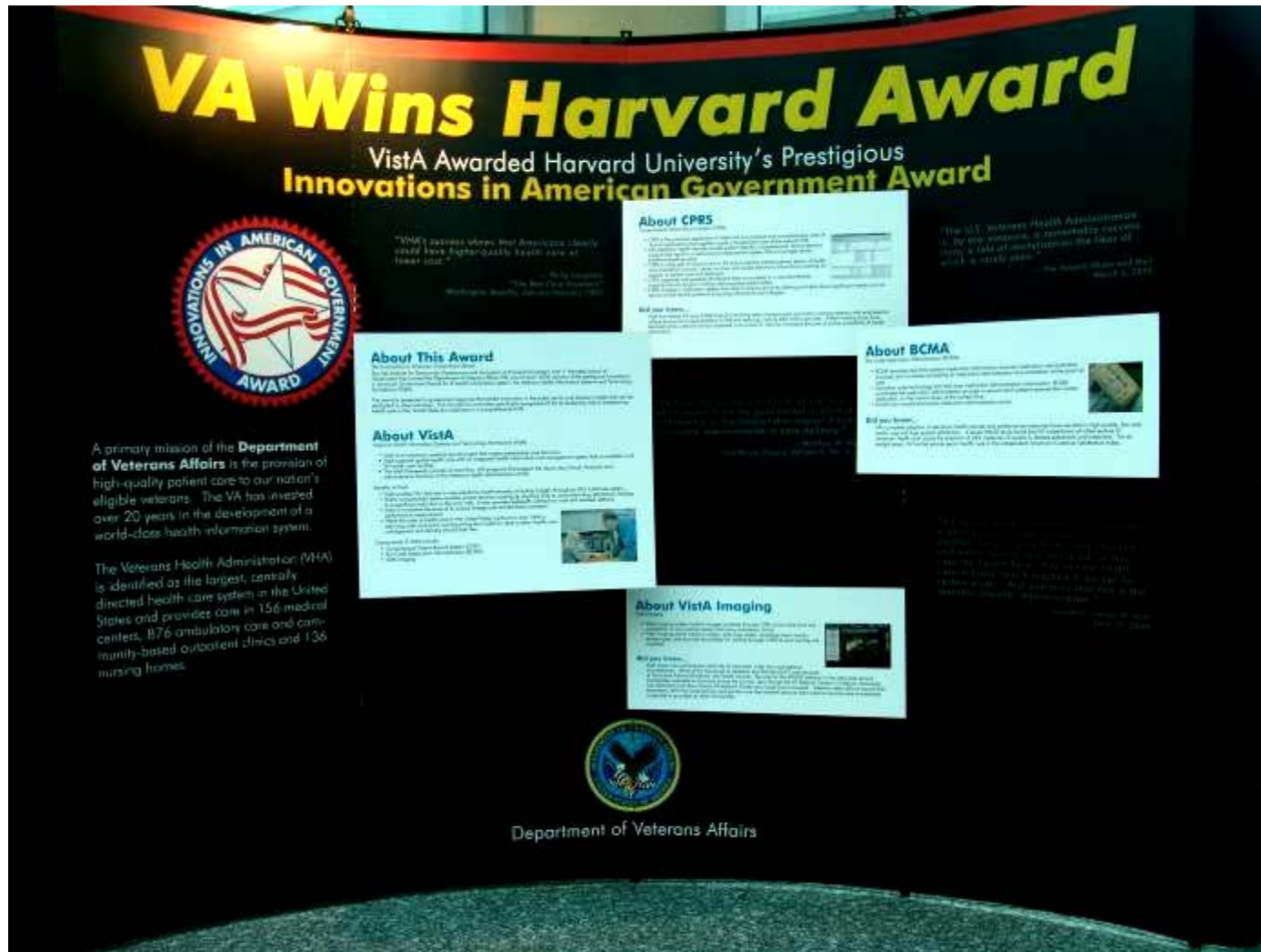
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BEST CARE ANYWHERE

Why VA Health Care Is Better Than Yours

PHILLIP LONGMAN  
Foreword by Timothy Noah

# Quality evidence



# And Just 2 Days Ago....

**GOVERNMENT HEALTH IT**  
a publication brought to you by HIMSS

Magazine    Subscribe    Webcasts

**TOPICS**

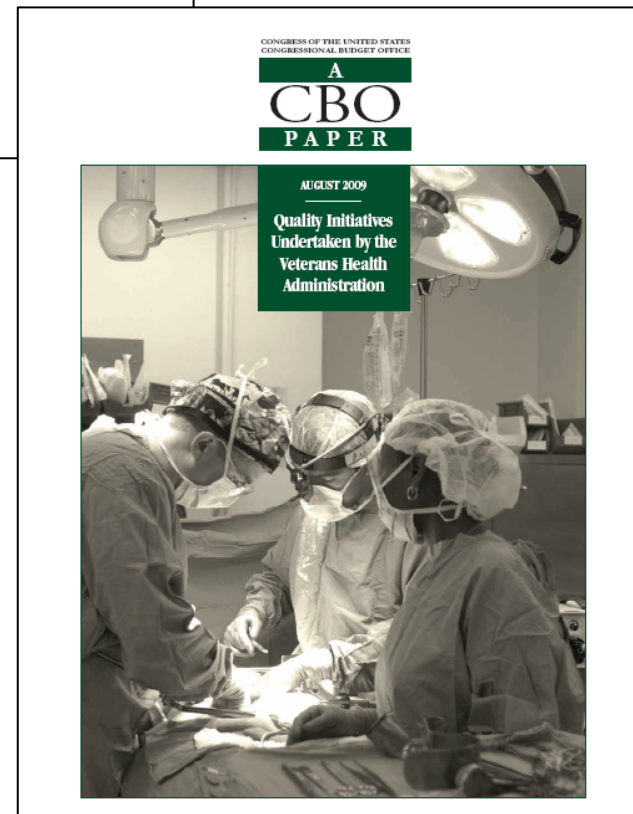
- Ambulatory
- CDC
- Defense
- Disease Surveillance
- Electronic Health Record

**Health care industry could learn from VA, says CBO**

By Mary Mosquera  
Monday, August 17, 2009

## From the CBO Report (p. 7):

VistA plays a key role in the agency's efforts to measure its performance and improve its quality. Researchers have used clinical data in VistA's electronic health records to study the effects of various quality improvement strategies. VHA's experience with EHRs may provide useful lessons for other health care providers on the ways in which such records can support the provision of coordinated, evidence-based medical care.





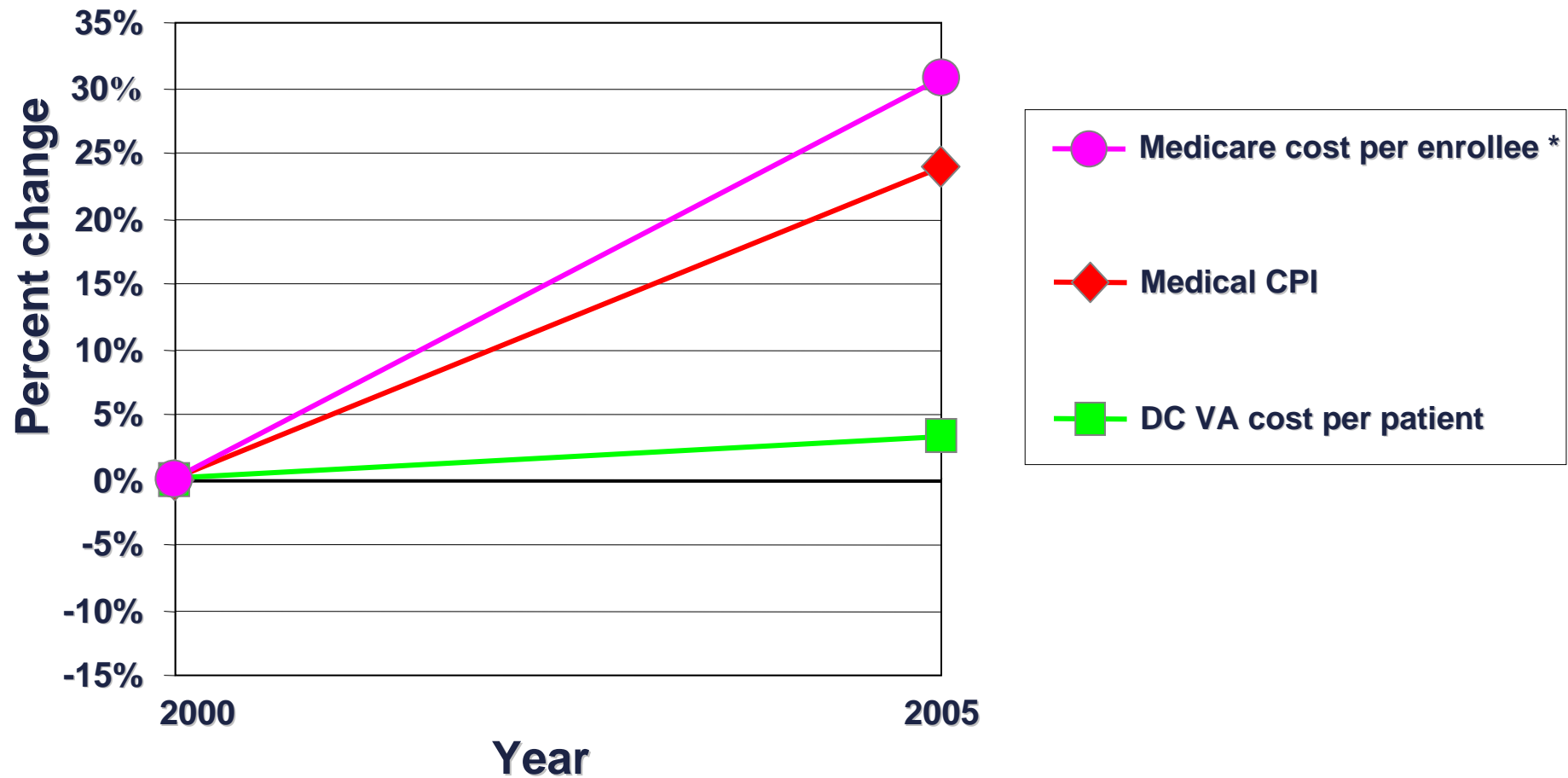
# Quality evidence

VA's complete adoption of electronic health records and performance measures have resulted in high-quality, low-cost health care with high patient satisfaction.

A recent RAND study found that VA outperforms all other sectors of American health care across a spectrum of 294 measures of quality in disease prevention and treatment.

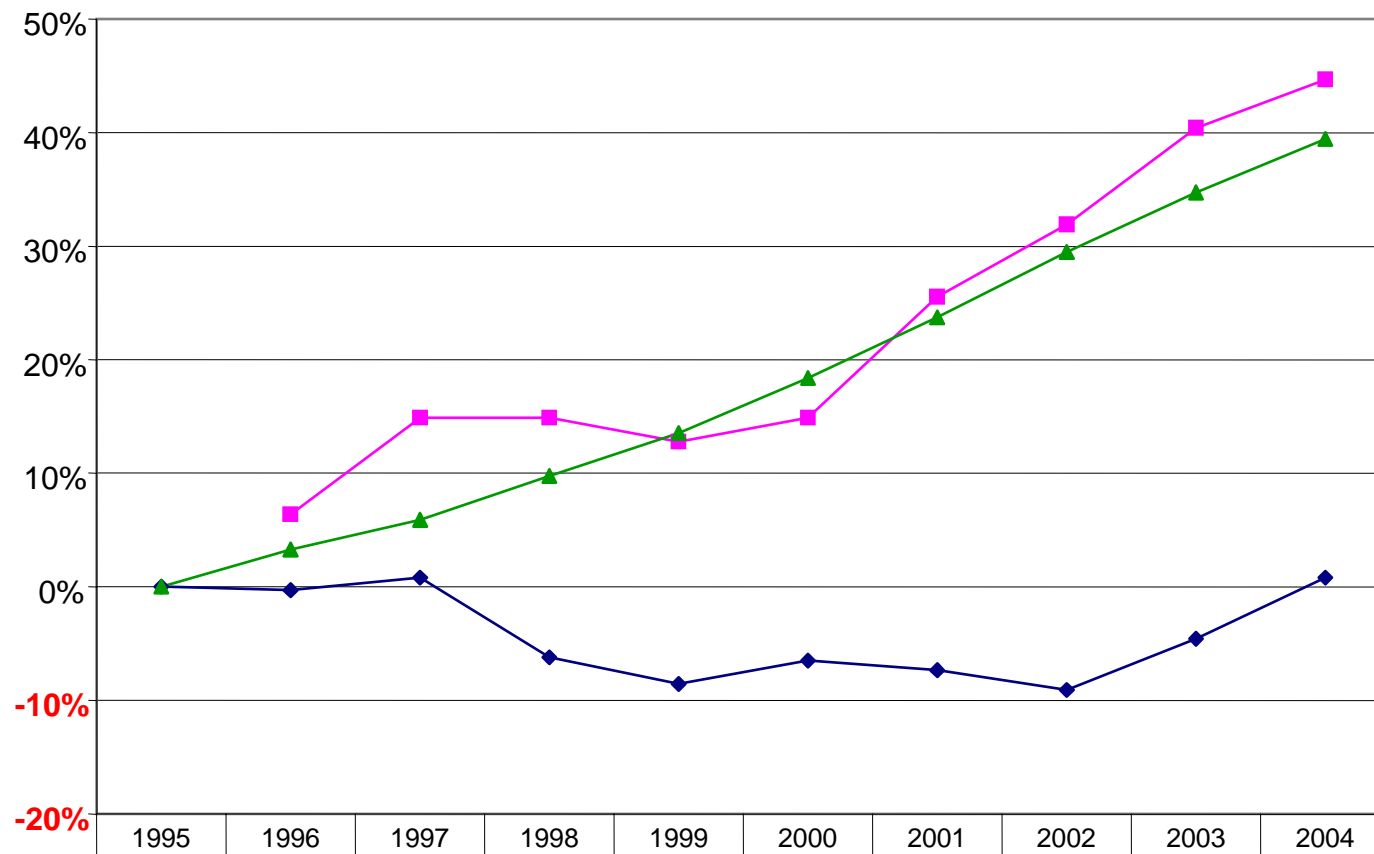
For six straight years, VA has led private-sector health care in the independent American Customer Satisfaction Index.

# Change in Washington DC VAMC Costs 2000 – 2005



\* 2005 values for Medicare were not available, 2004 value used in chart.

# Cost Effectiveness: Ten Year Cumulative Percentage Change in Cost



—◆— VHA Cost Per Patient —■— Avg. Medicare Payment/Enrollee —▲— Medical CPI

# Three Key Quality Measures

## 1995 vs. 2006

<b>Change in Performance</b>	<b>1995</b>	<b>2006</b>
<b>Colorectal Cancer Screening</b>	34%	76%
<b>Hypertension: BP ≤ 140/90</b>	45%	75%
<b>Immunizations: influenza</b>	27%	71%

# VA Performance Measures, 2009

- **120 Performance Measures**

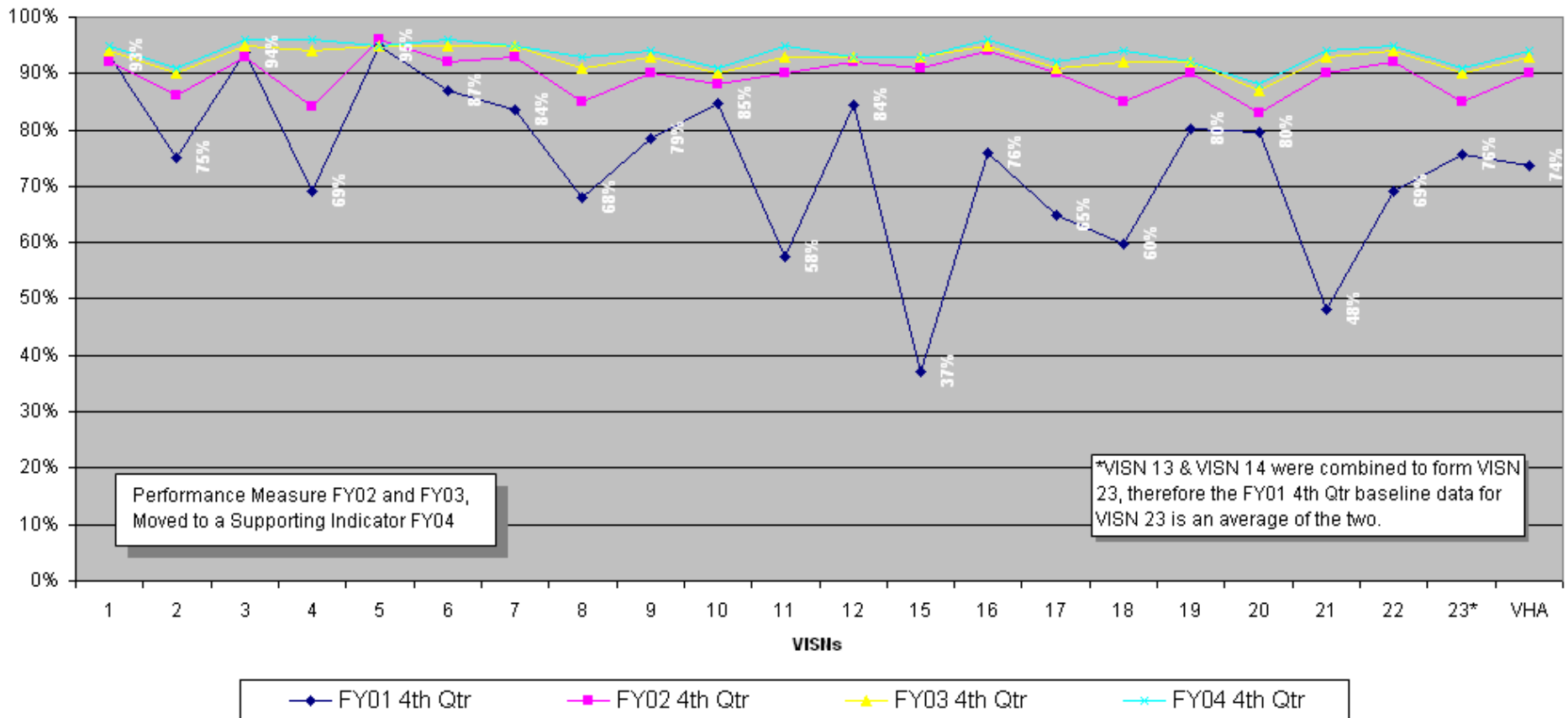
- 81 Clinical
- 29 Access
- 7 Functional status
- 3 Patient satisfaction

- **193 Supporting Indicators**

- 177 Clinical
- 11 Access
- 5 Functional

- **Various other monitors**

# Clinician Pharmacy Direct Order Entry Trend Data Jul-Sep in Fiscal Year 2001 (baseline), 2002, 2003 & 2004



# VHA Care Compares Favorably With Others

INDICATOR	VA 2008	VA 2007	Commercial 2007	Medicare 2007	Medicaid 2007
Breast cancer screening	87%	86%	69%	67%	50%
Cervical cancer screening	92%	91%	82%	n/a	65%
Colorectal cancer screening	79%	78%	56%	50%	n/a
LDL Cholesterol < 100 after AMI, PTCA, CABG	66%	62%	59%	56%	38%
Diabetes: DM control HbA1c ≤ 9.0%	84%	84%	71%	71%	52%
Diabetes: LDL-C<100	68%	64%	44%	47%	31%
Diabetes: Eye Exam	86%	85%	55%	63%	50%
Diabetes: Renal Exam	93%	91%	81%	86%	74%
Diabetes: BP < 140/90	78%	77%	64%	59%	56%
Hypertension: BP < 140/90	75%	76%	62%	58%	53%
Smoking Cessation Counseling <sup>(3)</sup>	89%	83%	76%	n/a	70%
Smoking : Medications offered <sup>(3)</sup>	84%	n/a	51%	n/a	39%
Smoking: Referral/strategies <sup>(3)</sup>	92%	n/a	48%	n/a	39%
Immunizations: influenza	84%	72%	49%	72%	
Immunizations: pneumococcal	94%	90%	n/a	67%	

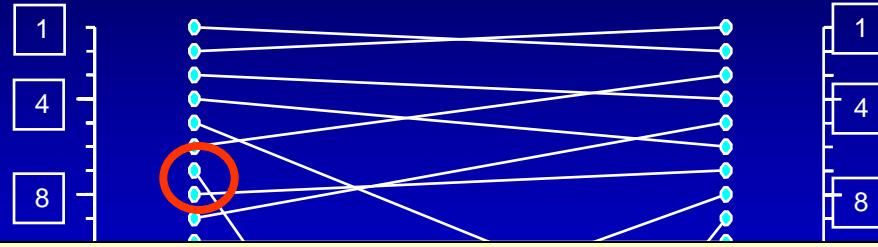


Since 1996, **Over 6,000 Lives Have Been Saved**  
Just Among Veterans with Emphysema

From Increased Rates of Pneumococcal Vaccination

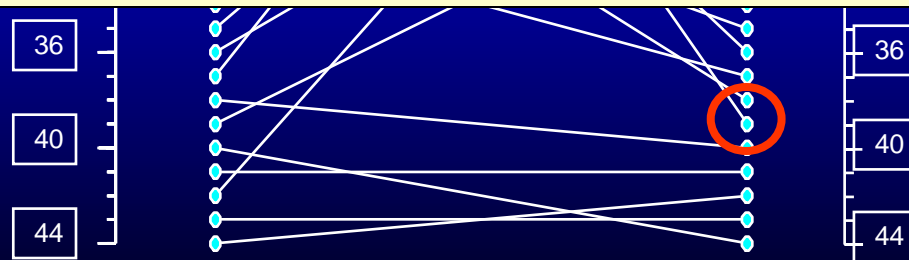


# Changes in Hospital Ranks After Risk Adjustment for 30-day Mortality

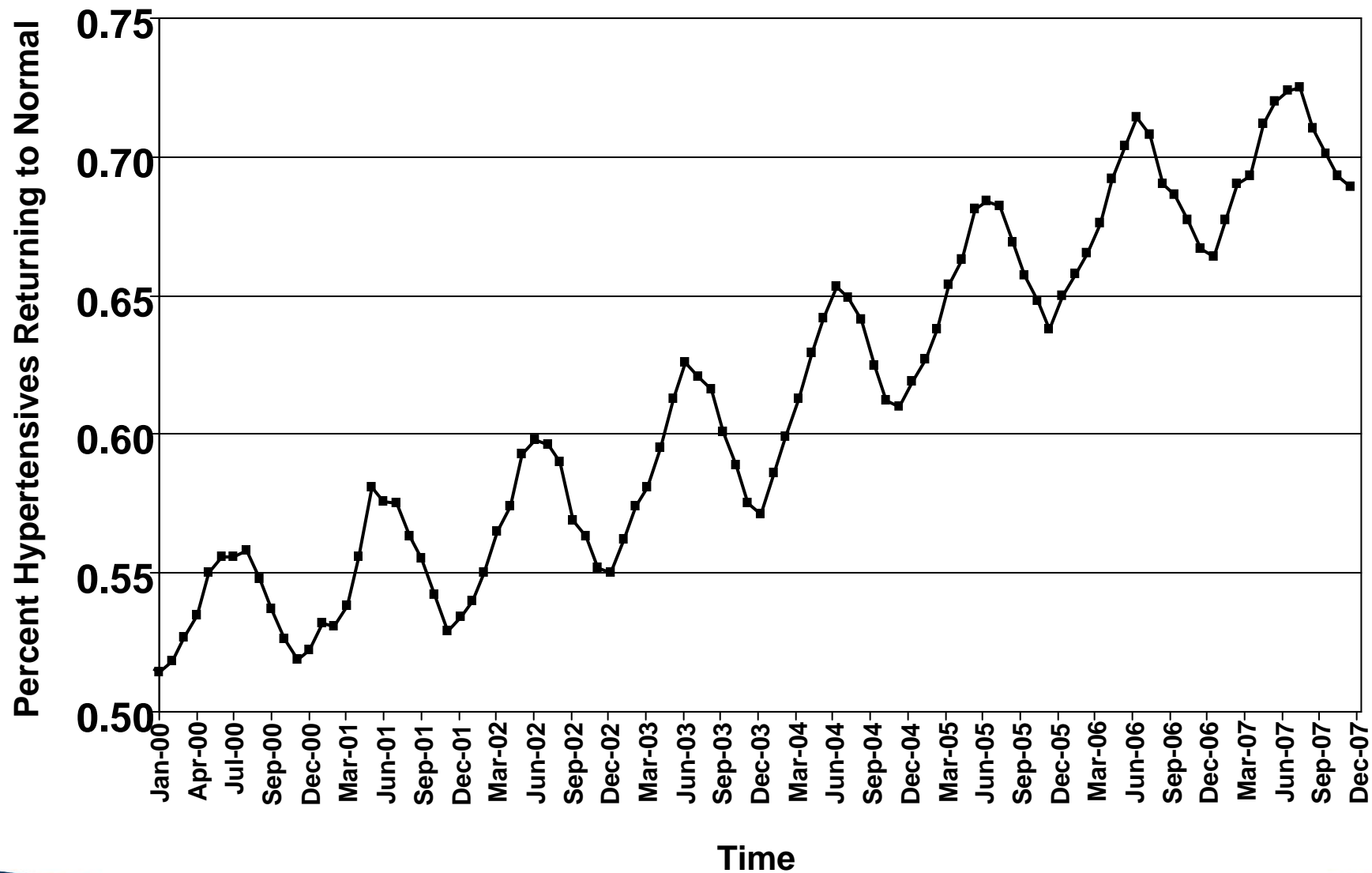


*Annals of Surgery 1998;228:491-507*

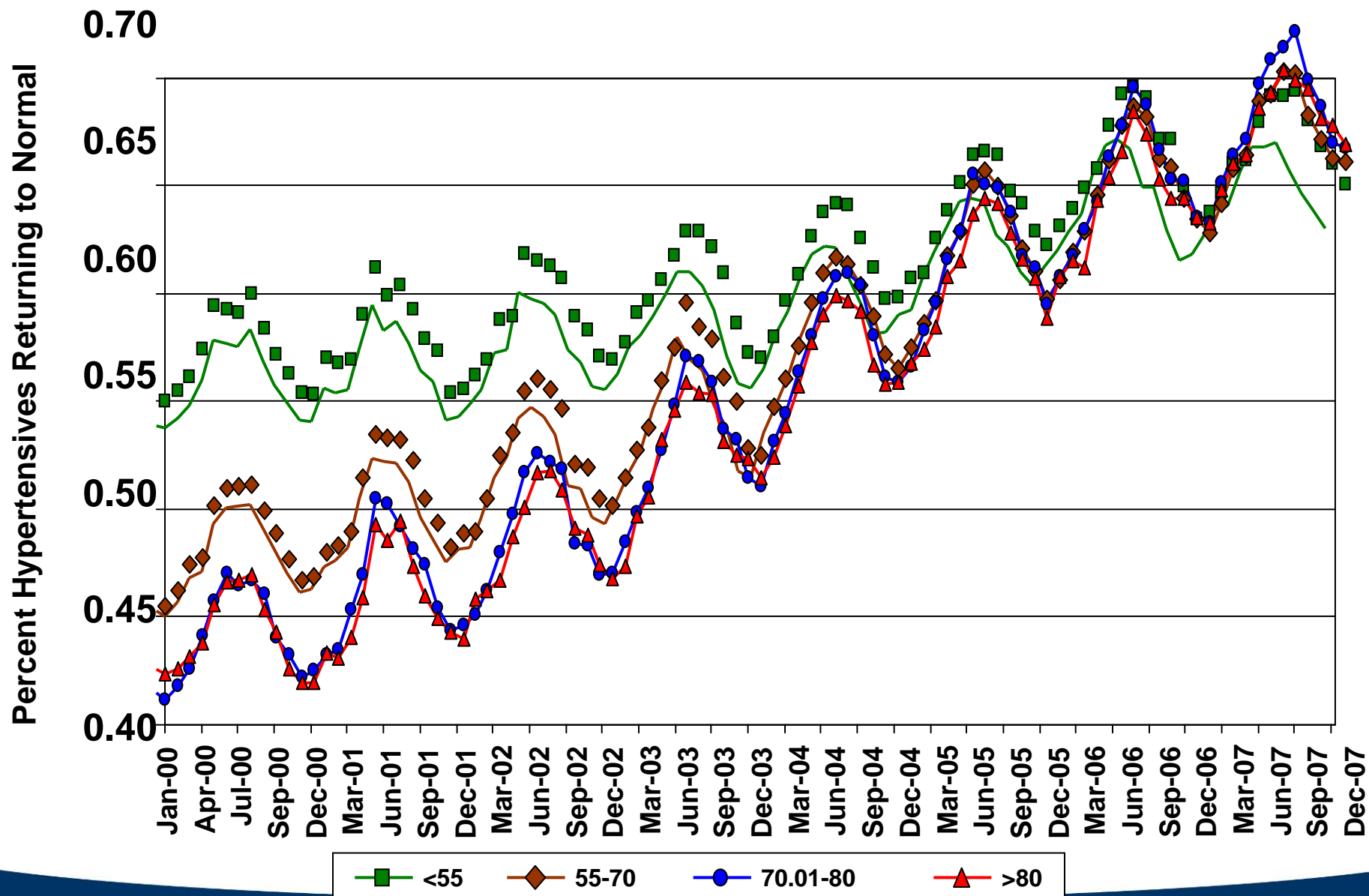
Identification of outlier status of specific institutions using unadjusted outcomes has an error rate of 60%



# Discovering New Knowledge: Seasonal Variation in Blood Pressure in Hypertensive Patients

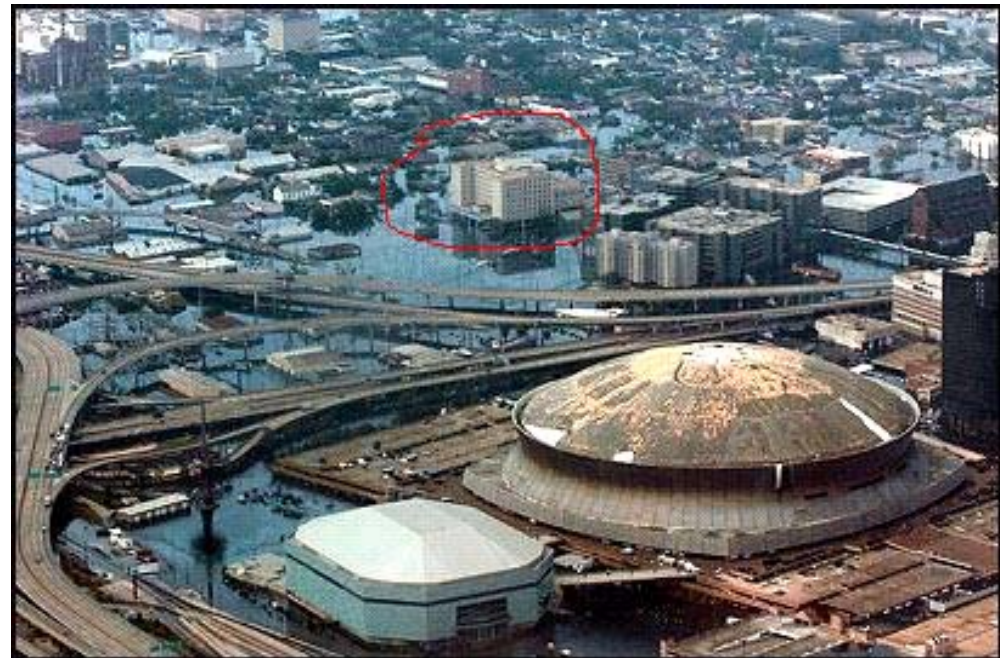


# Seasonal Variation in Blood Pressure in Hypertensive Patients by Age



# Community Health: Hurricane Katrina Relief

- **50,000 New Orleans VA Patients did not lose their medical records, even when they lost their City**
  - Their VA Electronic Health Records followed them around the U.S.!



# Transformational Strategies for VA Health Care

The Veterans Health Administration:  
Quality, Value, Accountability, and Information as  
Transforming Strategies for Patient-Centered Care

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*Jonathan B. Perlin, MD, PhD, MSHA; Robert M. Kolodner, MD;  
and Robert H. Roswell, MD*

“In summary,  
***electronic health records,***  
***performance management,*** and  
***a patient-centric focus***

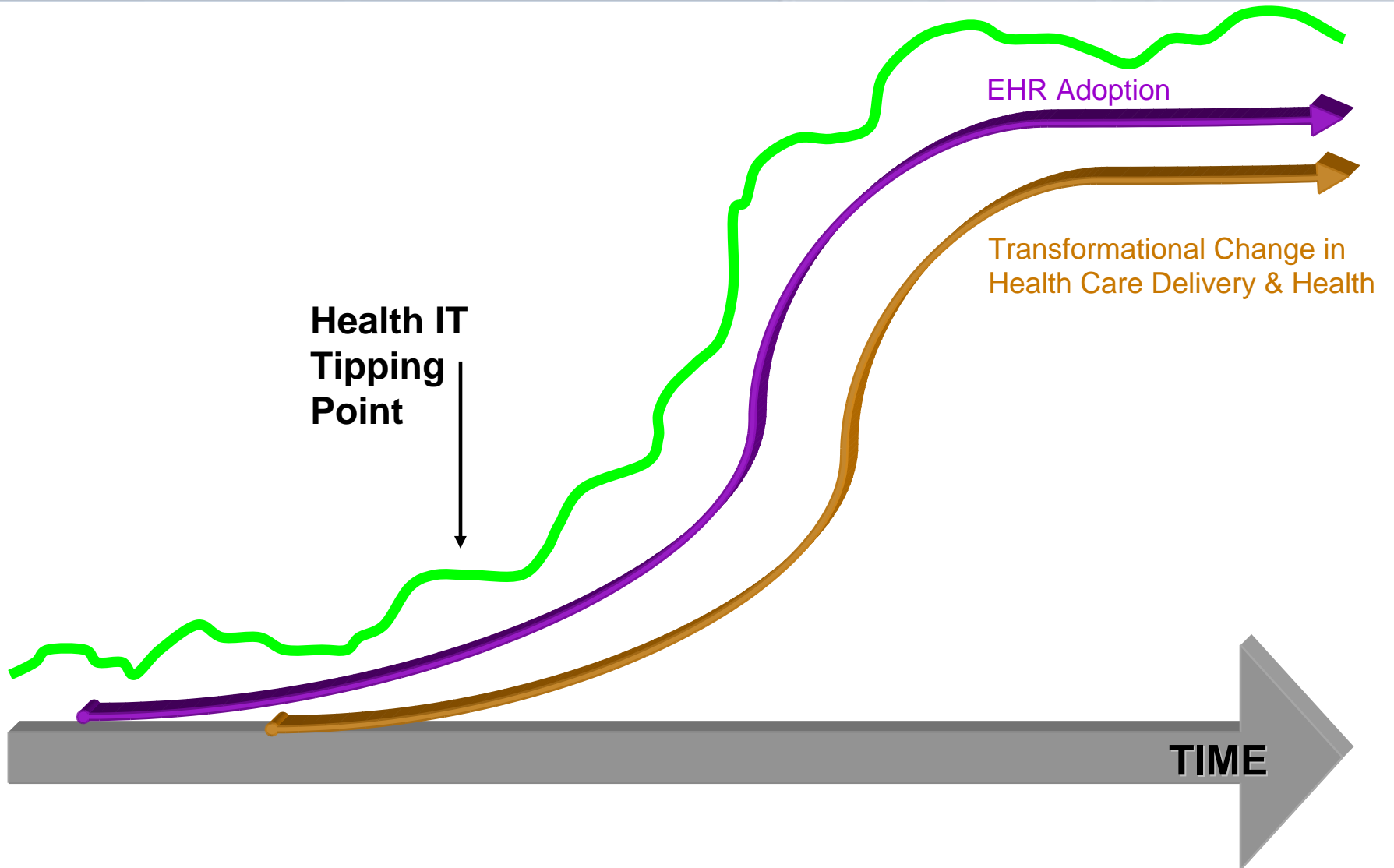
have been critical transformational strategies for the VA. They have been utilized to support achievement and are associated with measurable progress in each of the VA’s value domains.”

*The American Journal of Managed Care, November 2004*

# Section 3

Closing Caveats

# How Transformational Change Occurs



# Opportunities Created by the World Wide Web





# Disruptive Changes Are the “Norm”

## PERSPECTIVE

### **Disruptive Innovation In Health Care Delivery: A Framework For Business-Model Innovation**

Coupling technological advances with appropriately matched business models is the right prescription for our ailing health system.

**by Jason Hwang and Clayton M. Christensen**

**ABSTRACT:** Disruptive innovation has brought affordability and convenience to customers in a variety of industries. However, health care remains expensive and inaccessible to many because of the lack of business-model innovation. This paper explains the theory of disruptive innovation and describes how disruptive technologies must be matched with innovative business models. The authors present a framework for categorizing and developing business models in health care, followed by a discussion of some of the reasons why disruptive innovation in health care delivery has been slow. [*Health Affairs* 27, no. 5 (2007): 1329–1335; 10.1377/hlthaff.27.5.1329]

## Notable Quote – Larry Wilson \*

“Our options are to learn this new game, the rules, the roles of the participants and how the rewards are distributed,

or

to continue practicing our present skills and become the best players in a game that is no longer being played.”

***\* Changing the Game: The New Way to Sell***

# VA Leaders' Role in Fostering Innovation

“If we’re not making mistakes, we’re not at the edge.”

***Kenneth W. Kizer, MD***  
*Under Secretary for Health*  
*Department of Veterans Affairs*  
1995-2000



# **Questions and Discussion**