

Increasing health care value improves health care quality

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Finding better ways to deliver healthcare to patients is key to ensuring that Medicare is able to meet the needs of the nation's baby boomers according to a new paper by Geisinger Health System published in *Health Affairs*.

The good news, as the paper points out, is that the solutions are basic: create policies that improve collaboration between providers and insurers, develop financial incentives that reward providers when better care is delivered, increase access to primary care, and recognize that electronic healthcare records (EHRs) help facilitate the process.

The article outlines several Geisinger initiatives that have addressed these issues. Some of the results include:

- Reducing hospital admissions by 20% and saving about 7% of total medical costs through a medical home program;
- Saving nearly \$4,000 per patient per year in unnecessary drug costs through closer monitoring of the drug Erythropoietin
- Reducing hospitalizations and errors for elective heart surgery patients through Geisinger's innovative ProvenCare program.

Geisinger's new care models eliminate common healthcare delivery issues, including unjustified variation (different approaches to care in different locations), a lack of coordination between caregivers, perverse payment incentives (more money for more work with irrelevant outcomes) and disengaged patients. Interestingly, results show that

quality and care value improve.

Located in rural Pennsylvania, but facing the same healthcare issues that plague communities across the country, Geisinger clinicians are seeing more chronically ill patients and increasingly coping with the consequences of their patients' complications. Geisinger experts say patients with chronic illnesses, such as high blood pressure, diabetes, congestive heart failure and obesity account for nearly 80 percent of all healthcare spending.

"Geisinger has learned that improving value is not just about innovation and finding new treatments," said Geisinger CEO and President Glenn Steele Jr., MD, PhD. "Yet unless this country changes how it pays for care, we'll be facing a disaster."

Source: Geisinger Health System

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