

**Viewpoints: The Health Care Debate
Partnership to Fight Chronic Disease Executive Director
Kenneth Thorpe
Kaiser Family Foundation
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VICKIE JUDD: Ken Thorpe thanks for being here with us today.

KENNETH THORPE: My pleasure.

VICKIE JUDD: The partnership to fight chronic disease is calling for what it calls common sense reforms to address the challenge of chronic disease, why is chronic disease the centerpiece for your organization?

KENNETH THORPE: Well we think one of the major issues on health care reform is that health care costs too much and so we're trying to find efforts to reduce the costs of health care. As it turns out, people with chronic health care conditions account for 75-percent of total health care spending and the growth of chronic disease accounts for about two-thirds of the rise in health care spending. So we're really not going to make health care more affordable until we do something to prevent and better manage chronic illness in the United States.

VICKIE JUDD: And what are your proposals?

KENNETH THORPE: Well we're going to focus on two issues, one is that we have to put into place more effective lifestyle change programs starting with the schools, dealing with childhood obesity which is a major and growing issue, in the communities, community based initiatives to try to deal with wellness and diet and exercise and nutrition and smoking cessation.

VICKIE JUDD: Do you mean in the work place?

KENNETH THORPE: And in the work place as well, so our community based interventions could be things run out of community health centers, out of churches, out of boys' and girls' clubs. We're really looking at broad based venues where people live to try to get people engaged in healthier activities, good nutrition, good diets, and the work place is a natural place to really get at work place health promotion programs.

VICKIE JUDD: And I know that you believe this will save large amounts of money, does it save large amounts of money certainly in the prevention of chronic disease but under your plan is there money saved in the treatment of chronic disease?

KENNETH THORPE: There's the potential for both. I think the challenge is to find well designed programs that have been proven to effectively prevent disease and secondarily to do a better job of managing people that have chronic illness.

So a lot of what we've been doing is trying to identify those effective best practice programs, understand what it is about them that makes it effective, and see if we can't replicate those programs more broadly in the United States health care economy. So the challenge is to really find the good ones and weed them out from the ones that are mediocre and the ones that don't work.

VICKIE JUDD: At this moment in time, what is the best one that you have found and at what scale is it?

KENNETH THORPE: Well there are several. On the prevention side, we've seen effective programs in the work place that engage workers in taking a health risk appraisal to understand what their health care risks are, lay out a very clear care plan for how they can either reduce their risks or maintain a normal weight.

And the way they work is by in setting good behavior both in terms of providing information, providing perhaps financial rewards for people to meet certain benchmarks. And even in some cases at the work place provide the resources, nurses, nurse practitioners, to work with people on an ongoing basis at work rather than waiting for the worker and perhaps their family to find a physician sometime after work hours or on the weekend. So there are some great examples of programs, whether it's Johnson & Johnson, IBM, Pitney-Bowes, several good examples of these programs that work.

VICKIE JUDD: How do you scale it up?

KENNETH THORPE: Well I think what you have to do is two things, the key thing is to find out in the design of the programs what it is about them in terms of how they're put together that makes them work, and then we need to find ways to incent other employer to use those types of approaches. There's a variety of ways that you could do it.

For small businesses you could encourage it through tax credits to make it less expensive, but most of it is really to point out to employers these programs work and here's why and here are the proven results.

VICKIE JUDD: Everything you've just described seems to be more aimed more at the local level, at private enterprise, etc, how does this fit into the larger discussion of national health reform?

KENNETH THORPE: Another major part of this is to make sure that in the management of chronic disease that we're effectively keeping people out of the hospital, out of emergency rooms, and out of clinics. That is we're proactively working with patients at home to prevent bad outcomes from occurring and that means that in the way we pay for health care, particularly in the medicare program, we need to make changes in how we reimburse for health care services in medicare.

We need to build a care model that allows people to work with nurses, nurse practitioners at home, and we need to have a financial way for physicians and nurses to get paid for working with patients in non-traditional ways so we need to reformulate the basic concept of insurance for people with chronic illness.

We need to make sure that we're not discouraging people from refilling their drugs, from getting, to persistently

taking them, to make sure that they're getting the annual eye exam and extremity exams and not discouraging people from doing those things by having high co-pays and deductibles so there's a lot of things on the benefits side that we need to change and we need to fundamentally change how we pay for health care, particularly in the medicare program.

VICKIE JUDD: Well you say in a letter that you and Mark McClellan wrote, it doesn't matter what financing system we have in place, etc, why doesn't it matter? Are you saying that single payer or public private combination that either system gets us to where you want to be?

KENNETH THORPE: We really sort of break this into two different segments, there's the basic health delivery and health reform piece which focuses on lifestyle change, a subset of prevention that has been shown if it's well designed to work and save money and then there's the management and delivery system side, you know, how do you deliver effective services to patients at the right time in the right setting?

That's basically an infrastructure issue of having the technology base, having the right payment systems in place, and having the right delivery model in place. And I think our point there was is that type of model can work in a medicare single payer program, it can work in a program of multiple payers, it's really not about the insurance, it really is about

the infrastructure, the delivery payment model and the technology.

VICKIE JUDD: Okay well, we're going to have a new president in office in January, whether it be McCain or Obama, if there were one thing you could address to the new administration to say this is what needs to be done in the first year of your administration in terms of health care change or reform, whatever name you want to give it, what would it be?

KENNETH THORPE: Well the first thing that we have to start out is to find a bipartisan vehicle to move a health reform legislation forward. We've been at this debate for 80 years and we haven't found common ground to do major health care reform yet.

VICKIE JUDD: And you know the pitfalls because you were there in the Clinton Administration back in the early 90s, right?

KENNETH THORPE: Absolutely so there's a lot of lessons learned from that experience. I think the first place I would start is building a bipartisan coalition to really make health care more affordable around the issues of lifestyle change and on system redesign and building the technology platform so the physicians are interconnected and so we can build the efficiencies in the system. That's not a republican or

democratic agenda, that's really a common sense clinical management agenda.

At the same time, I would move forward with the debate about expanding coverage but unless we have some common ground to really build a bipartisan coalition, I'm afraid that we'll go the same routes this year that we've gone for the past 80, so my message would be to think about affordability in health reform, at the same time you're also thinking about health care financing reform.

VICKIE JUDD: This is a question I've asked others whom I've interviewed, and that is do you think that the route to get something done is big and bold or small steps, small incremental steps?

KENNETH THORPE: I think it's big and bold on the infrastructure piece. We really have to rebuild our delivery model. It doesn't make sense for today's patients that have multiple chronic health care conditions. Our delivery and payment systems were built for patients 30 and 40 years ago that were acutely ill, episodically treated.

Well, that payment and delivery system doesn't work today for patients that have multiple chronic health care conditions. So I think we need to be big and bold on the infrastructure pieces, accelerating the diffusion and the information technology much more dramatically than we've been doing, change in the payment model to make sure that we can

really proactively work with patients in non-traditional settings, and build the integrated delivery teams that really are geared towards effectively treating patients in a team basis. That's a big and bold step we need to take.

The other part of it on the financing side is a political call, about how you incrementally move towards universal coverage, and that's where the politics of this will come in and people are going to have different opinions about how to approach that.

VICKIE JUDD: Republican Mike Huckabee was probably the candidate who spoke about health care in the way that you're speaking about it today, prevention, since he left the field, have you been at all disappointed about the nature of the conversations about health care reform?

KENNETH THORPE: Well I have been. I think what's happened is that it's like in any political contest, you get into sort of the policy issues and the events of the day. So obviously as oil prices and the cost of gas has assumed center stage in the debate, that's overtaken some of these long-term issues around health care that have always been there but we don't seem to just get around to in discussing in the political context.

My expectation is that in the fall, as Senator Obama and McCain move forward in comparing and contrasting their approaches on domestic policy issues, their differences on the

economy, their differences on health care, will also come to the forefront.

VICKIE JUDD: And what is your expectation, not your hope but your expectation, again having been through this once close up, that there will be changes next year, that whomever is president will be successful?

KENNETH THORPE: Well I'm eternally optimistic for a couple of reasons. One is that I see an incredible coalescence of organizations that traditionally don't work together so the partnership to fight chronic disease which I had, we have 110 organizations in it ranging from the Chamber of Commerce to the Service Employees' International Union, the Pharma Industry, the American Hospital Association, we we've got a broad coalition of groups that are big players in the health care reform debate but not necessarily on the same side. So that's one issue is that I think people have a hunger to do something big and bold.

Second, I think if you find a bipartisan message and a bipartisan approach that really deals with the affordability issue and the quality issue, and have a bipartisan approach to doing it, I think you can move something very major next year.

VICKIE JUDD: Okay we'll check back with you same time next year.

KENNETH THORPE: Absolutely.

VICKIE JUDD: Thank you very much.

KENNETH THORPE: I'll look forward to it.

VICKIE JUDD: Ken Thorpe, appreciate it.

KENNETH THORPE: My pleasure.

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