



Regional Disparities in Health Spending: Implications for the Private Market and Medicare

Variations in Health Care Services: A Quality and Cost Issue in Need of Innovative Solutions

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Unjustified Variations in Health Care Cause.....

- Increased cost



- Increased error



- Reduced quality



Barriers to Variation Reduction

- Medical Education
 - Apprenticeship model
 - Hierarchical system
- Liability Concerns
 - Protocols = greater risk
- Technical Infrastructure
 - Timely access to useful data
 - EMR
- Adverse Incentives
 - High volume
 - No dollar incentives

Potential Solutions

I. Education

- Faculty development
 - Use of evidence-based medicine
- Student development
 - Small group discussion
 - Evidence-based
- Research dollars for academic health center
 - Design and testing of remedies
 - New technology to support evidence-based decision-making

Potential Solutions

II. Incentives

- Reimbursement system changes
 - Higher quality = better pay
- Include patients in incentives
 - Give a dividend for the patient who controls chronic disease indicators
 - Give a dividend for the patient who follows through on prevention
- To accomplish effective incentives, outcome tracking, severity indexing, and process evaluation would have to occur

Potential Solutions

III. Taking a page from lessons learned by others

- Agricultural extension and the science of an agrarian economy
- Drug detailing and rapid information dissemination
- Time for a medical extension service -- for professionals and the public?

One definition of insanity is
Doing the same thing over
and over

And expecting a different result



**It is time for some
changes**