



Why hospitals must become 'centers of excellence'

By Kenneth L. Davis, M.D. | January 4, 2017

When I was a medical student, the idea of a patient-centered culture simply didn't exist. Showing concern over patient satisfaction wasn't a priority. Instead, the role of healthcare workers was solely to relieve suffering and cure disease. At the end of the day, that trumped all else.

But during the last 40-plus years in healthcare, values have shifted dramatically. We have moved from a doctor-centric culture to a culture that puts patients front and center. The consequences of that change are already evident – and the impact on the industry is huge.

The shift has led to a rethinking of the role hospitals play in healthcare. In the old system, there was no penalty for readmission. If a patient returned to the emergency room after being hospitalized for two weeks, no one would pause to consider why. The hospital was paid by the day for a patient's hospital stay and planned financial projects based on the number of beds it filled.

That's no longer the model

Now, an army of people closely track patients after they leave the hospital, remaining in constant

communication with them and intervening early so that events that could lead to potential readmission don't occur.

That means we don't need as many hospital beds because we're keeping people healthier.



As we focus on keeping the entire population healthier and out of the hospital, hospitals are focusing more on intensive and specialty care. In parallel, hospitals are making greater investments in outpatient clinics as care moves to these lower-cost sites.

These trends mean that hospitals will need to reimagine themselves as centers of excellence for

specific procedures, such as highly sophisticated surgeries that are done on fewer patients.

Take transplants, for example. Mount Sinai performs roughly 200 liver transplants a year, approximately 50 of which involve living donors. To do these specialized surgeries well, you need a highly trained surgical team that is able to handle every possible issue that arises. To achieve the highest quality outcomes, the surgeon needs to have the experience of doing hundreds of these procedures a year – not 10 or 20.

The same goes for the cardiac catheterizations that we perform for complex cardiac disease, including the placement of multiple stents in more than one artery. Patients need to go to a center of excellence like Mount Sinai for highly specialized procedures, which we do at our hospital 17,000 times each year.

As the model for healthcare delivery changes, hospitals will be forced to lower expenses associated with buildings and staff or face big losses. If we don't reevaluate exactly how and where money is spent in healthcare systems, the nation will be mired in a fiscal catastrophe and, ultimately, patient services and care will pay the price.

Since most contracts with insurance companies are being negotiated with a progression toward total risk, healthcare systems can best adapt by investing in resources that help keep people well. It's an investment that often precedes the return. By becoming centers of excellence, hospitals can not only survive, but also thrive during the transition to value and population management.

Kenneth L. Davis, M.D. is President and Chief Executive Officer of Mount Sinai Health System. This article originally appeared in "The Future of Hospitals," a sponsored series appearing in the Wall Street Journal.



A daily news hub reporting from the heart of the health care internet, with access to a comprehensive data set of health care transactions from athenahealth's nationwide network. We equip leaders with actionable insight and inspiration for making health care work as it should.

Stay in the know

Sign up for weekly data and news:
insight.athenahealth.com/newsletter