



# Listen up, Washington: The invasion is coming

By Stephen Klasko, M.D. | January 12, 2017

**W**hen it comes to healthcare policy, this is a time of turmoil and opportunity. It's also a time for the stakeholders to speak. As Washington mulls the status of the Affordable Care Act and priorities for the future, athenaInsight asked physicians and healthcare executives to share their advice.

When I interviewed Clayton Christensen recently about his excellent book "Competing Against Luck," I had an "aha" moment. And this is a very non-political statement about the Affordable Care Act. In Christensen's terms, the ACA did exactly what we hired it to do. It gave a lot more people access ... to a fundamentally broken, expensive, inefficient, inequitable, fragmented, and occasionally unsafe healthcare delivery system.

And then we "hoped" that the system would fundamentally transform and self-correct.

We have made some positive changes in access, quality, patient experience, and cost. But we have in no way disrupted the system enough to break the iron triangle of access, quality and cost that healthcare economist Bill Kissick, M.D., spoke about 50 years ago.

So on the night of the election, when many of my trustees at Thomas Jefferson University and Jefferson Health asked if we "have to change everything in the era of Trump," I took a much more measured approach.

If Senator Sanders had gotten elected and we had a single payer, I told them, what I'd be concentrating on is increasing access, increasing quality, better patient experience, and lower costs — so we could be the most attractive provider in Southeastern Pennsylvania and New Jersey.

If Secretary Clinton had been elected and doubled down on Obamacare, I'd probably be thinking about alternative payment models based on better access, better quality, better patient experience, and lower costs.

But under Trump, with likely private expansion across state lines — gosh, maybe I'd better focus on better access, better quality, better patient experience, and lower costs.

As a group of providers, insurers, and industry (and patients), we still have far to go in order to truly be competitive and increase value — and there's much we can do regardless of federal action. In a way, the change in Washington just accentuates that strategy

and, it is hoped, will make the government focus on the same goals: Better access, better quality, better patient experience, and lower costs.

And it needs to focus on all of them, not just one or two, because otherwise the system won't work.

In a weird way, Trump's election could force us to do everything we would have had to do anyway when the ACA subsidies ran out. This could be a gift. In my recently published book, "We CAN Fix Healthcare: The Future is Now," I predicted an alien invasion that got us to stop blaming everyone else and start looking in the mirror. While the election was not a science fiction event, it was indeed a wake-up call!

We need transparency and data about hospitals, providers and insurers. We need to move from "hospital companies" to "consumer health entities." For traditional hospitals or AMCs, that means investing in telehealth and urgent care facilities – not ERs and more hospital beds. Then a typical discussion with a patient might be, "I think you ought to be seen but you don't need to be seen in our expensive ER, or wait to be seen. We'll send you to our urgent care center right now, for a \$50 deductible rather than a \$500 charge."

Deductibles are going up, and there's likely to be less and less money coming out of Washington. We need to focus on setting up a business-to-consumer model that offers convenient access and complete price transparency. Because the least-talked-about change in healthcare is the abolition of OPM: other people's money. Once patients realize that they are spending their own discretionary money, they will start to make decisions the way they do in other aspects of their consumer lives.

To some of us, that may feel very much like an alien invasion!

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