

# Public Demand Driving Innovators to Generate Real Value in Health Care

Perspectives on Aging with Dignity • September 2018

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American health care has failed to respond to the complexity and cost burdens confronting older adults and family caregivers alike.

The last major system shift occurred nearly 30 years ago, with the emergence of risk-bearing insurance models driven by three primary interventions: medication formularies, outpatient specialty approval requirements and managed length of hospital stays. Efforts to make this model more efficient have focused on reducing excess care and addressing system shortcomings. These efficiencies are largely incremental and frustrating to insurance purchasers who have failed to realize savings that could benefit the purchasers and consumers alike.

Frankly, American health care is too fragmented, too opaque, and not person-centered. No amount of tinkering with the system with tiered copays, selective networks or disease management “wrapping-paper” will result in substantially improved savings, care, or public satisfaction. Topping it off are enormous resources spent on redundant administrative rework, which translates into billions of dollars not spent on customer care. This combination of complexity and cost is maddening, and yet our siloed health care system continues to add, not decrease, these layers.

The result is an ineffective and inefficient health care system wholly unprepared for a millennial and Gen X generation that demands individualized and convenient services, and an aging boomer population impacted by rising chronic illness and daily living difficulties. Americans with multiple

chronic conditions drive the vast majority of [health care spending](#). And the trend lines are [staggering](#): More than 80 million Americans are estimated to have three or more chronic conditions by 2030, up from a little more than 30 million in 2015.

With this in mind, it is time to envision and build a better health system. Such a system would integrate providers across the spectrum, offer services where and when people need and want it, provide transparency on costs, and define and deliver high-quality care. Today, most health care is based on the idea that a patient's primary care provider is a gateway to other non-emergent services. However, the doctor is only available during the weekday, often with little or no same-day availability. This leaves families with urgent care facilities or the emergency room as the default for primary care, which can present challenges for older adults with specific and complex needs.

The good news is that seeds planted for this long overdue shift are starting to sprout. New companies such as [Oscar Health](#) are simplifying how traditional insurance products operate. Amazon, JPMorgan and Berkshire Hathaway [announced](#) a new joint health care venture with Atul Gawande to explicitly weed out opaqueness and redundancy.

CVS MinuteClinics and Walgreens' Healthcare Clinics are [increasingly utilized](#) and meet people's immediate care needs in ways that fit in the cadence of their day-to-day lives as a supplement to doctors' roles. The proposed merger between CVS Health and Aetna signifies new potential by blending community-based pharmacy services, enhanced access to primary care, analytics and state-of-the-art care coordination — all of which may substantially reduce redundancy, improve information sharing and foster new, more affordable care models that people actually want to use.

Fearing these new models is not a solution, but being clear about what we expect out of them is. We should all want health care that maximizes actual care delivery and minimizes redundant administration. We should want models that meet people where they are, which deliver care when needed in places that are convenient and not hide-bound by traditional bricks and mortars. Finally, we should expect and demand care that focuses on both quality of health and quality of life. If we do, and the innovators deliver the goods, I am increasingly confident that positive change is on the horizon for us all.

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