



Transforming the Health Care Delivery System

Hospitals have always carried the promise of help, hope and healing. The hospital of the future will continue to extend that promise, but in new ways. They will be less about a building of bricks and mortar and more about a coordinated system of care.

Increasingly, hospitals are being reimbursed by private and public payers like Medicare for the value they provide rather than the volume of patients they treat. In fact, the Department of Health and Human Services recently announced plans to tie 30 percent of fee-for-service Medicare payments to alternative payment models, such as accountable care organizations, by the end of 2016 and to increase that amount to 50 percent by 2018.

Hospitals are responding by using evidence-based practices to, for example, eliminate preventable infections and complications and better manage advanced illness. They are using information technology to track the quality of the care they provide and involve patients in their care. They also are analyzing information so they can spot patterns that could lead to better treatments for certain conditions or groups of patients. All of these efforts are having an impact. And growth in health care costs is at historic lows.

These are not simple transitions. There is no single “right” transformational journey; there are multiple pathways and not all hospitals need to become an integrated entity. But hospitals are determined to do whatever it takes to continue meeting their commitment to their communities. They are reaching out, moving care into their communities in nontraditional ways and creating new relationships with their patients.

But they need help to continue to make progress. They need federal programs to be more nimble and to incorporate feedback from participants’ experiences more rapidly to foster improvement. And they need those same programs to be harmonized and streamlined so that providers can focus their improvement efforts and are not penalized unfairly. They need auditing processes streamlined so that they can better ensure compliance while not wasting precious resources – both their own and taxpayers’ – on redundant paper work requests and appeals. They need outdated laws and regulations modernized to keep pace with current medical practice. And their patients need continued access to affordable health coverage so that they have the means to get, and stay, healthy.