Confronting the dinosaurs!

Key enduring challenges to innovation in health human resources policy

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Outline

1. What is power?
2. Who exercises power in the health care market?
3. What are the resulting characteristics of health care?
4. What change is needed?
5. How can we get it?

What is power? Some definitions

1. "Political ascendancy": due to income, wealth and social status
2. "Influential person or body" e.g. monopolies such as pharmaceutical firms, trade unions and professions
   - Professions were defined by George Bernard Shaw as a "conspiracy against the laity"
3. "Capacity for exerting force" e.g. health care employs many voters who can exert force at election time

Who exercises power in the health care market?

1. The labour force
   - e.g. labour costs consume 70 per cent of hospital budgets, and nurses alone usually consume 35% of expenditure
   - Physicians – "the captain of the team"? (Fuchs, 1974)
2. Commercial interests
   - e.g. pharmaceutical, medical equipment, construction and food industries
3. Threats to the income and employment of these groups leads to coordinated and collaborative opposition, and the exercise of power!

What are the resulting enduring challenges in health care?

1. Much of health care is unproven and may not improve health
   - Doctors do different things to patients with similar health needs and personal characteristics
2. Errors are common and poorly managed
3. Skill mix is inefficient
   - Who should provide what procedures?
4. There is little or no measurement of health outcomes
   - where is the evidence we make patients better?

The NHS is like a crematorium

" I once asked a worker at a crematorium, who had a curiously contented look on his face, what he found so satisfying about his work. He replied that what fascinated him was the way in which so much went in and so little came out. I thought of advising him to get a job in the NHS, it might increase his job satisfaction, but decided against it. He probably gets his kicks from the visual demonstration of the gap between input and output. A more statistical demonstration might not have worked so well"

Archie Cochrane, "Effectiveness and Efficiency" (1972)

Hogarth on variations in medical practice

Lessons from the 19th century

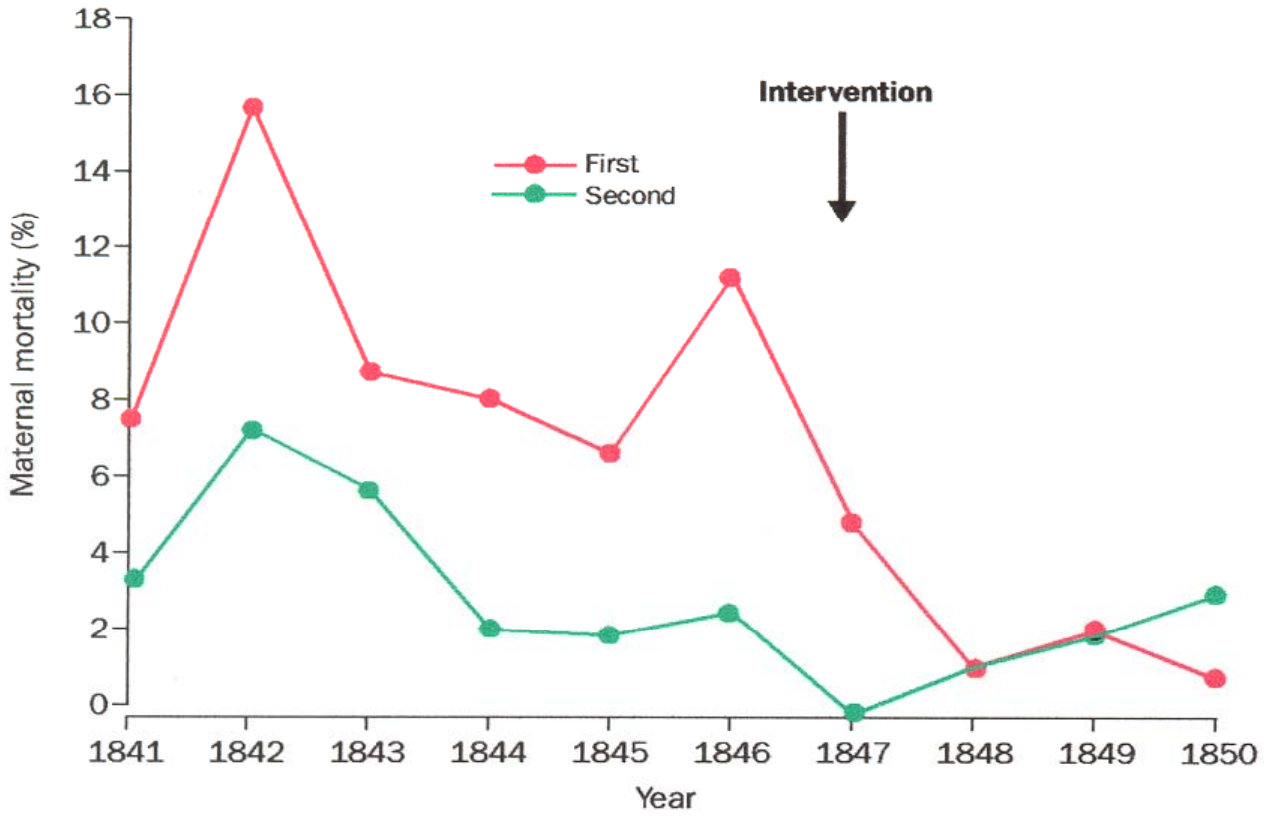

Figure 2. Maternal mortality rates in the First and Second Clinic at the Lying-In Women's Hospital, Vienna, before and after hand hygiene in chlorinated lime had been introduced in May, 1847. Rates have been calculated according to numbers given in reference 22.

Confronting the dinosaurs: reforming skill mix

1. Time to substitute nurse practitioners for doctors?
   - e.g. 80% of primary care can be provided by nurses (30,000 UK nurses have full prescribing rights);
   - Nurses can do endoscopy, anaesthesia and why not some surgery?
   - Canadian literature from decades ago: Spitzer et al (1973)
2. Time to substitute Assistant Practitioners for graduate RNs?
   - Are graduate nurses " too posh to wash" the patients and too expensive?
3. Time to substitute capital for labour e.g. robots in pharmacy and surgery

- All of which are evidence based, will redistribute income and employment and are resisted by powerful vested interests!

Lunacy Act 1845

- All managers of psychiatric institutions were required to evaluate the success of their institutions by reporting annually patient outcomes in relation to four criteria.
- Were the patients:
  1. Dead?
  2. Recovered?
  3. Relieved?
  4. Unrelieved?
- Failure to collect these data incurred fines for physicians of £2
- These data were collected by all psychiatric institutions until 1948 and by some acute hospitals such as St Thomas's and the London

Confronting the dinosaurs: measuring outcomes

Patient reported outcome measures (PROMs) in the English NHS

Procedure	Condition-specific	Generic
Primary Unilateral Hip Replacement	Oxford Hip Score	EQ5D
Primary Unilateral Knee Replacement	Oxford Hip Score	EQ5D
Groin Hernia Repair	None	EQ5D
Varicose Vein Procedures	Aberdeen Varicose Vein Questionnaire	EQ5D
Plus a standard set of patient-specific questions in all cases		

Source: DH Operating Framework, Guidance on the routine collection of patient-reported outcome measures, Department of Health 2007

Confronting the dinosaurs : improving productivity

- What is productivity?
  - The relationship between **inputs** and **outputs?**
    - "outputs" defined as processes of care e.g. an episode of treatment for stroke or heart attack
  - The relationship between **inputs** and "**patient outcomes**",
    - "outcomes" relate to improvements in the patient's length and quality of life (PROMs)
- What is the relationship between "**outputs**" and "**outcomes**"**?**
  - "The operation was a success but the patient died"

Confronting the dinosaurs: managing change?

- Who manages the health care industry?
  - Management=control of the allocation of scarce resources
  - Doctors are the principal managers!
- We need to focus on doctors and other clinicians to achieve change. What can we do?
  1. Trust ? "without trust we cannot stand" argued Confucius. But this has not worked!
  2. Transparency and accountability? use production engineering techniques to identify poor outliers, and "name and shame" them.
  3. Financial incentives? Pay for performance (P4P) with care

Potential risks of P4P

1. It is difficult to see if employees make the right decision
   - e.g. the results of decisions may not be evident for years
2. P4P attracts risk takers rather than those who want steady employment
3. Employees may manipulate the system
   - e.g. “exemptions” in the GP-QOF
4. P4P crowds out intrinsic rewards
   - i.e. P4P rewards may drive out the natural inclination of workers to do a good job
   - Thus Akerlof and Kranton (2010) argue that “people want to do a good job because they think they should and because it is the right thing to do”
   - In efficient firms the goals of workers and their organisations are aligned.

Overview

- Reform of well established health care inefficiencies which damage patients and taxpayers is resisted by powerful interest groups
- They see reform to improve patient care as a threat to their income and employment
- They use “Marxist” techniques to protect themselves
  - “ the secret of life is honesty and fair play. If you can fake that, you have made it!” Groucho Marx
- When will patients and taxpayers demand and receive better value from the health care budget?