# *Impact of the Supreme Court's Ruling on Hospital Design and Construction*



*AIA AAH Healthcare Reform Webinar*

*Presented by: Thornton Kirby, J.D.*
*President & CEO*
*South Carolina Hospital Association*

*November 15, 2012*

# *Well, now we know.*

# *Repeal is a long shot.*

# *The debate isn't over.*

# *It's the market, stupid.*

The Affordable Care Act is not the **source** of reform…it's the **product** of a market demanding change. Repeal it, and the pressure to change will not dissipate.


UNCERTAINTY
AHEAD

# *Has health care ever been so political?*



- America's health care system is no stranger to politics
- Since WWII, health care policy in America has been ***inherently*** political
- There's no reason to think an election will de-politicize the politics of health care, certainly not when tax dollars are funding half of all health expenditures


*America's health care system is no stranger to politics*

# *1940s: employer-sponsored health care*


# *1960s: government-sponsored health care*



To provide coverage for the elderly as well as poor women and children, Congress enacted Medicare

& Medicaid in the mid-1960s.

# *1980s: health care for all*

The Emergency Medical Treatment and Active Labor Act (EMTALA) of 1986 requires hospitals to screen and stabilize (treat) every patient who comes to the hospital ED seeking care, regardless of the patient's ability to pay and regardless of what it costs the hospital to provide the care.

# *2006: Medicare expanded*

# *Americans want three things…*

1. Give me the best health care possible
2. Send the bill to someone else

3. Don't bother me about my behaviors

**WARNING:**

Every system is perfectly designed to get the results it gets.

– Paul Batalden,
Dartmouth Institute for Health Policy and Clinical Practice

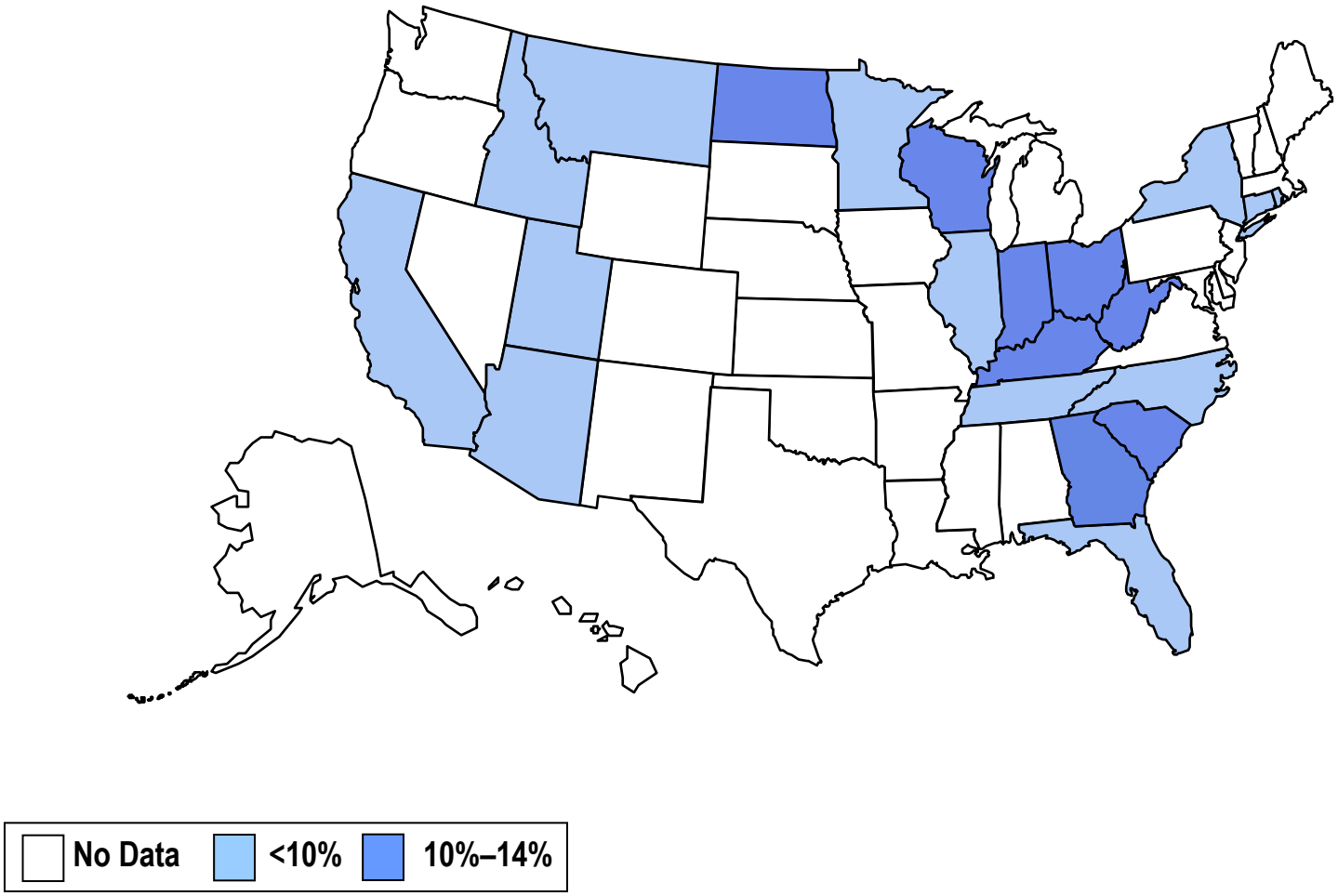
# *problem #1: personal freedom has a price tag*

- Smoking is the single most preventable cause of disease, disability, and death in the United States.
- Each year, an estimated 443,000 people die prematurely, and another 8.6 million live with a serious illness caused by smoking.
- Economic burden of tobacco use: more than $96 billion a year in medical costs.

# *Obesity Trends* Among U.S. Adults*

## *BRFSS, 1985*

**(*BMI ≥30, or ~ 30 lbs. overweight for 5’ 4” person)**



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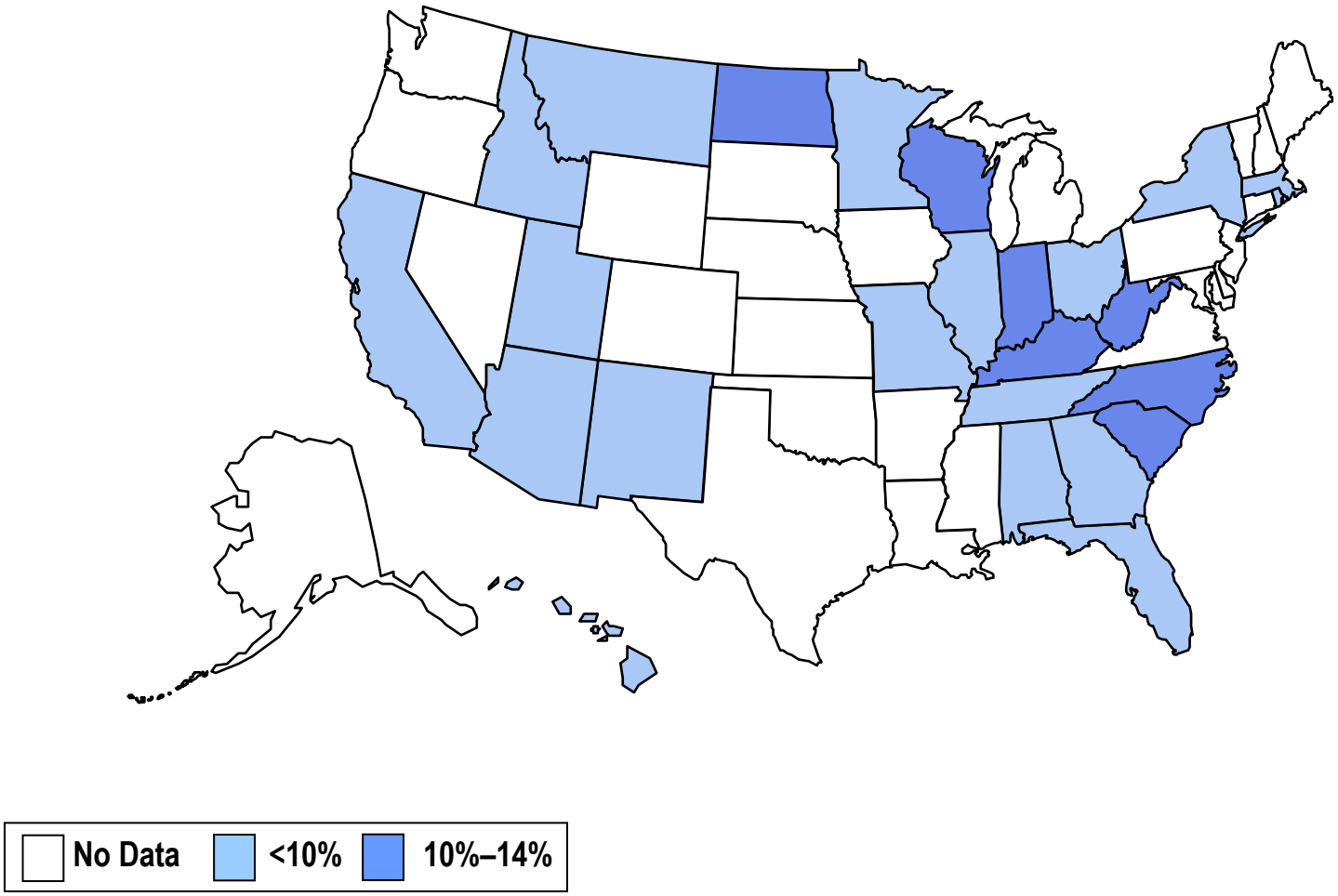

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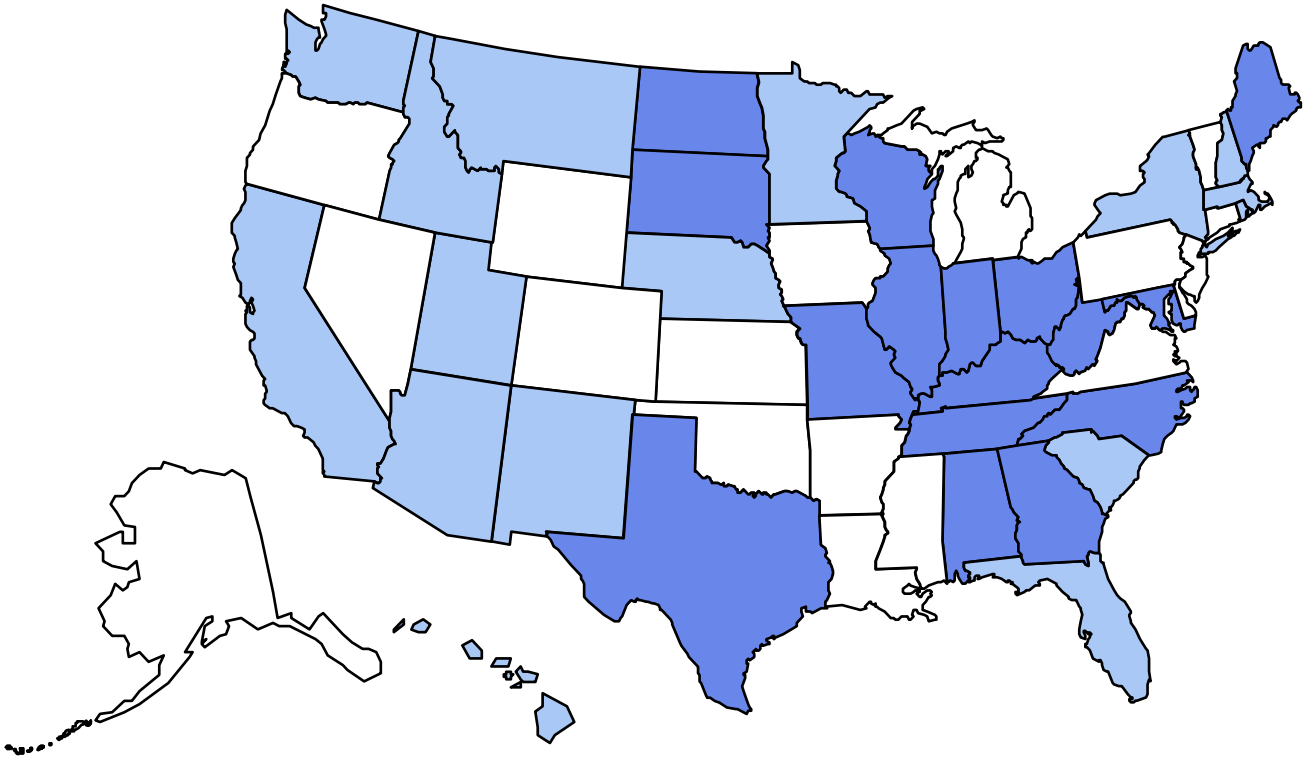

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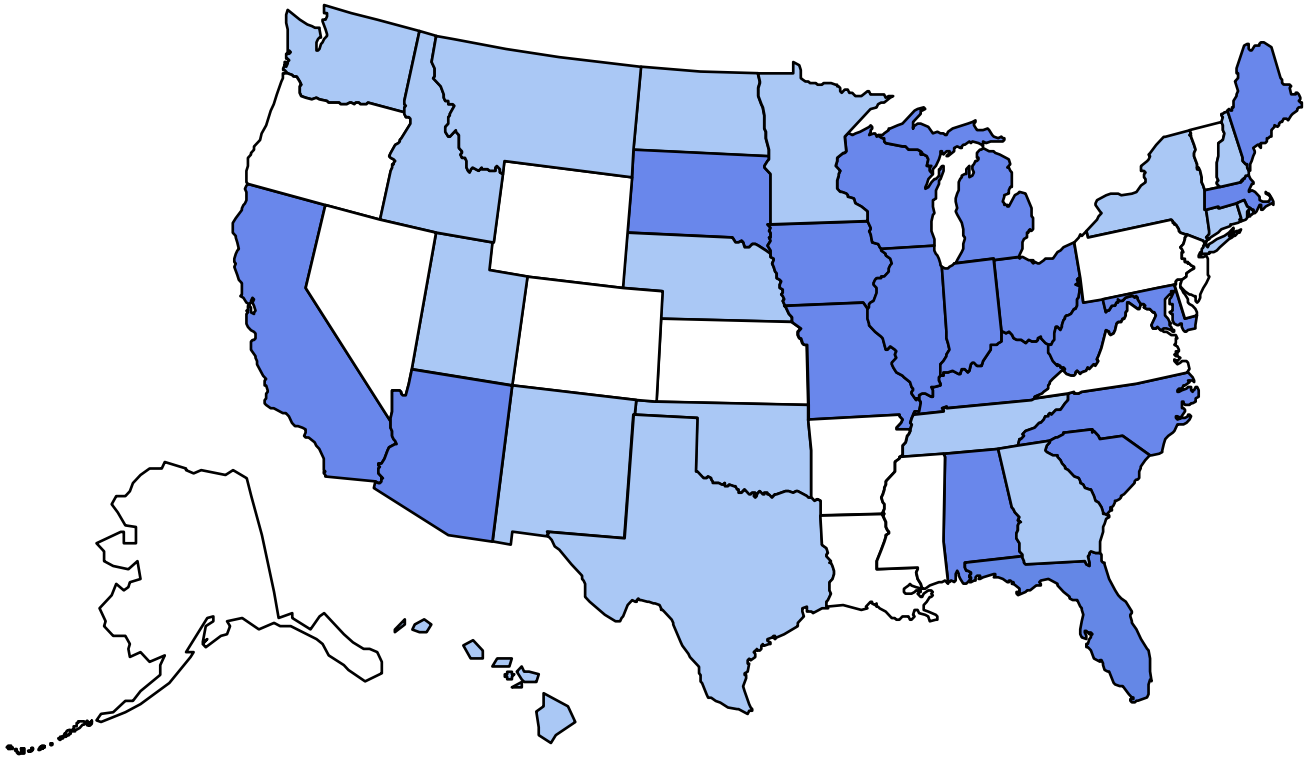

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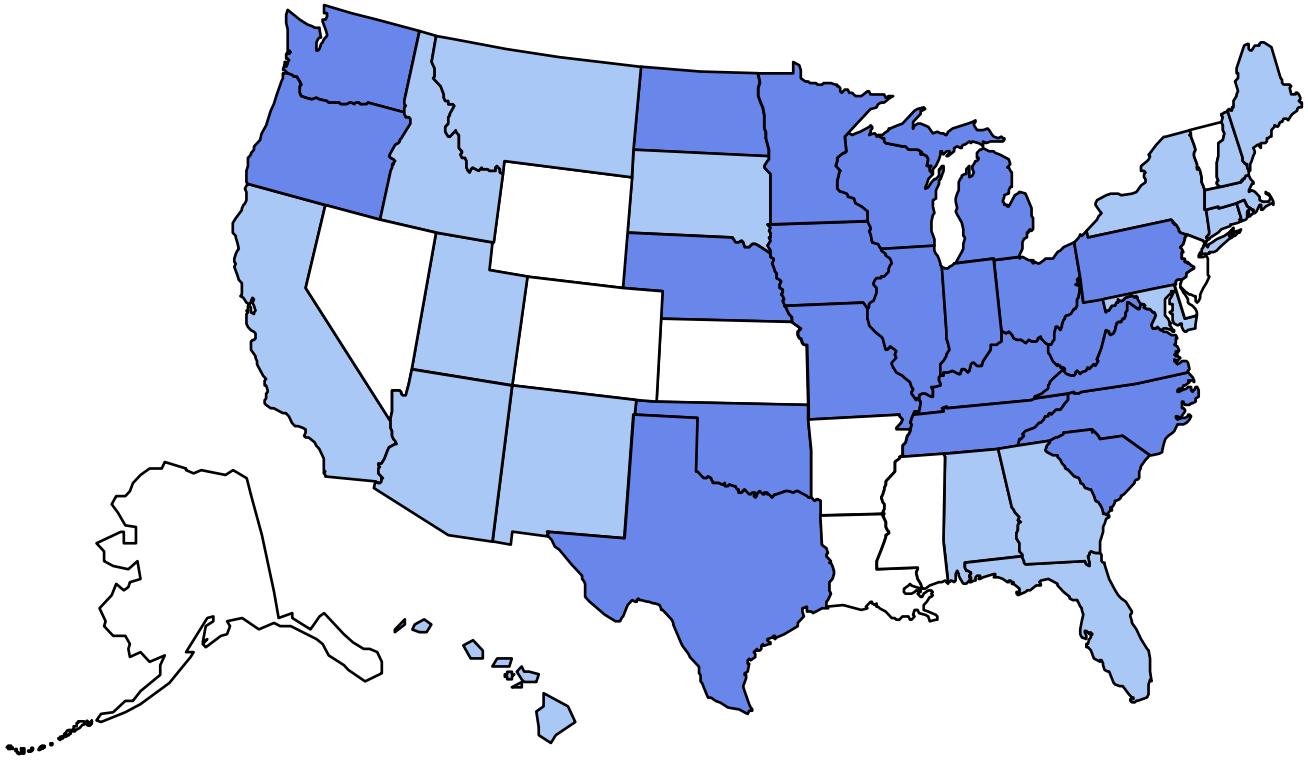

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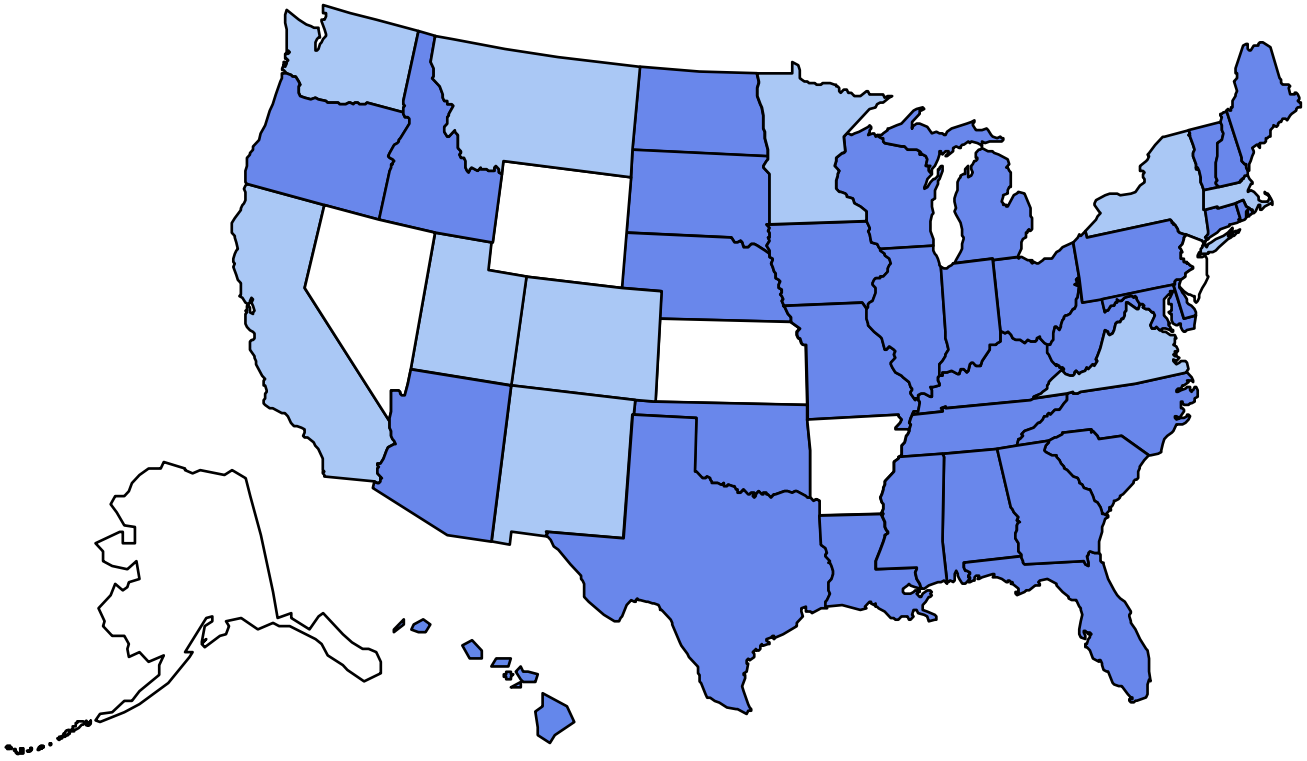

No Data | <10% | 10%–14%

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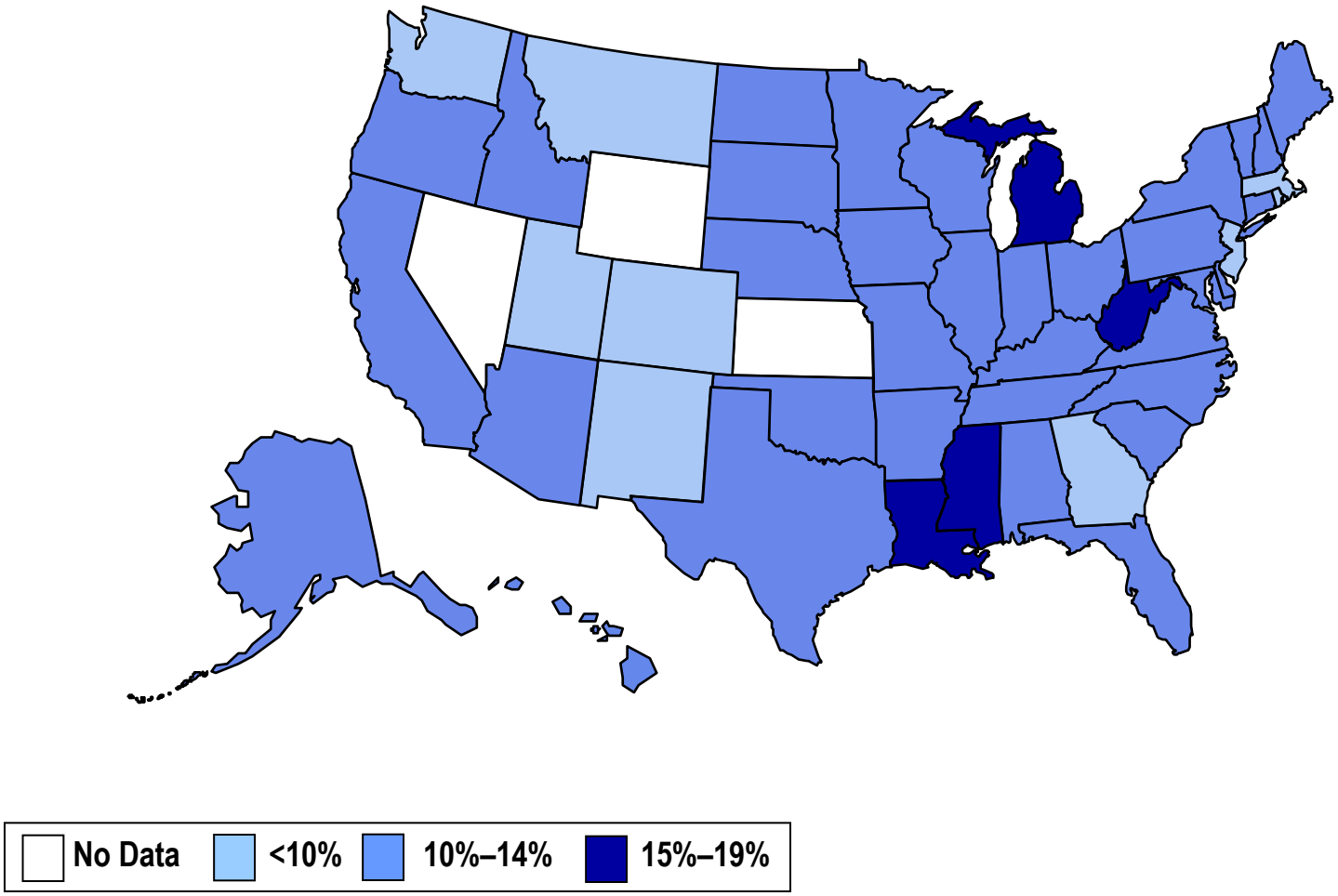

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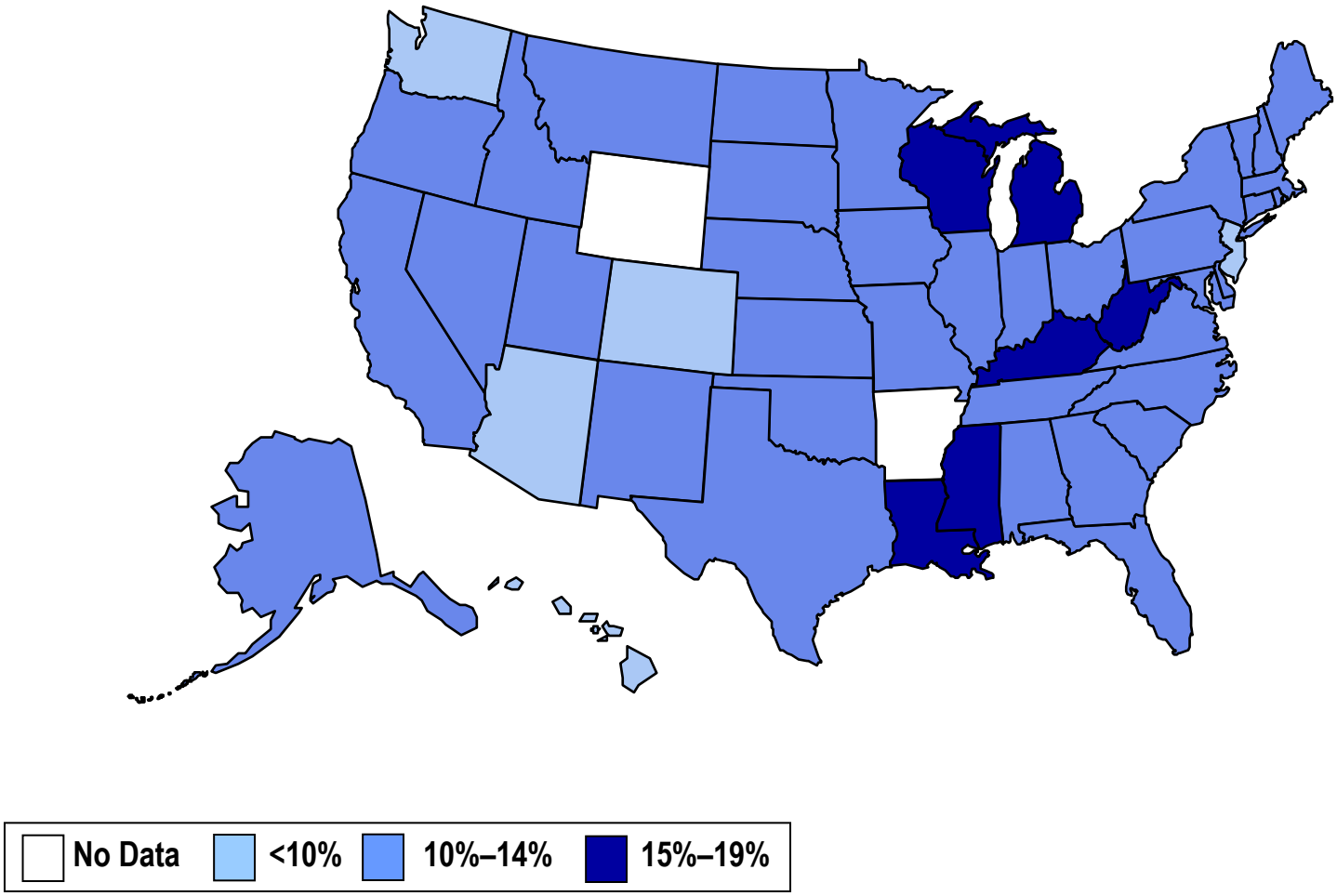

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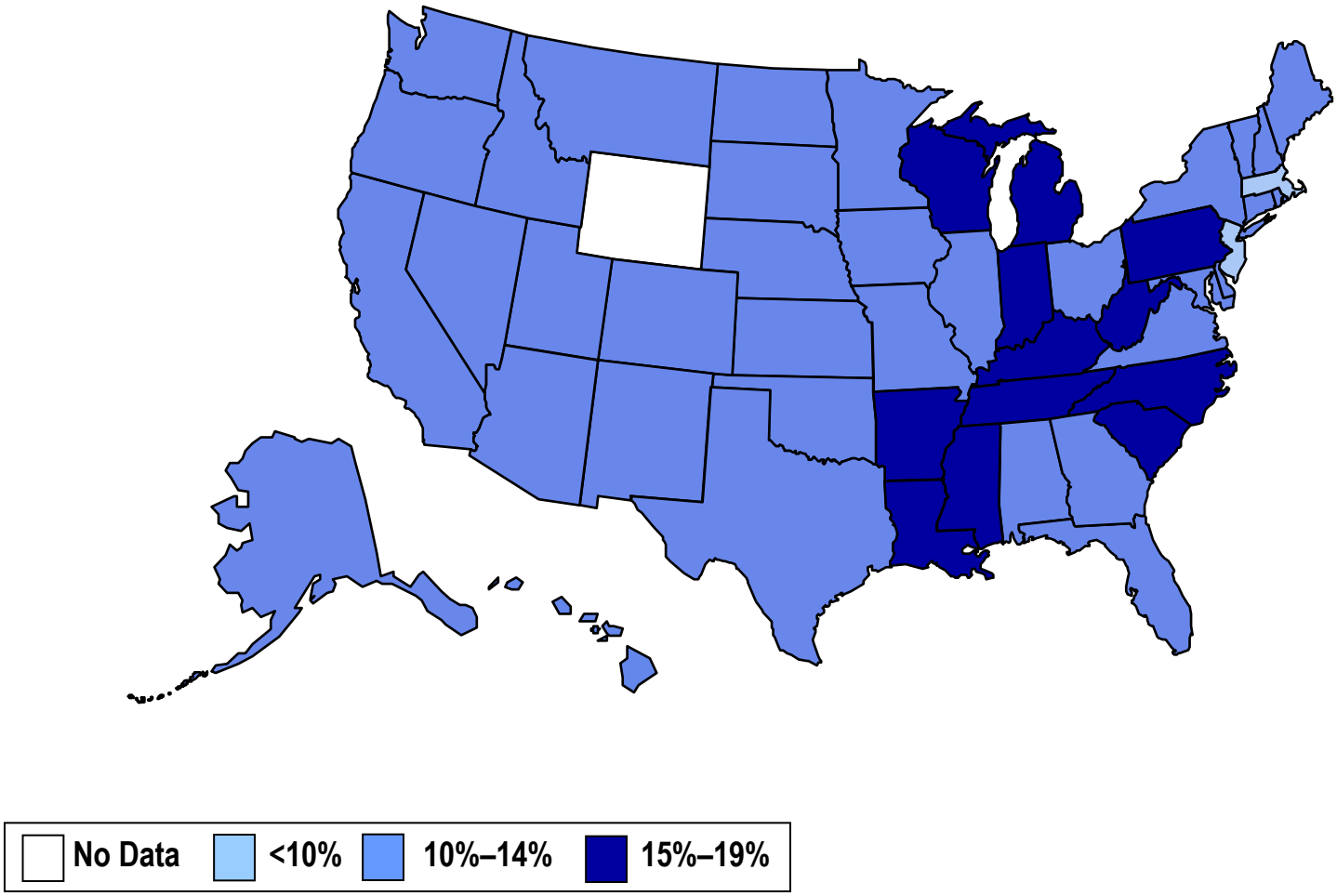

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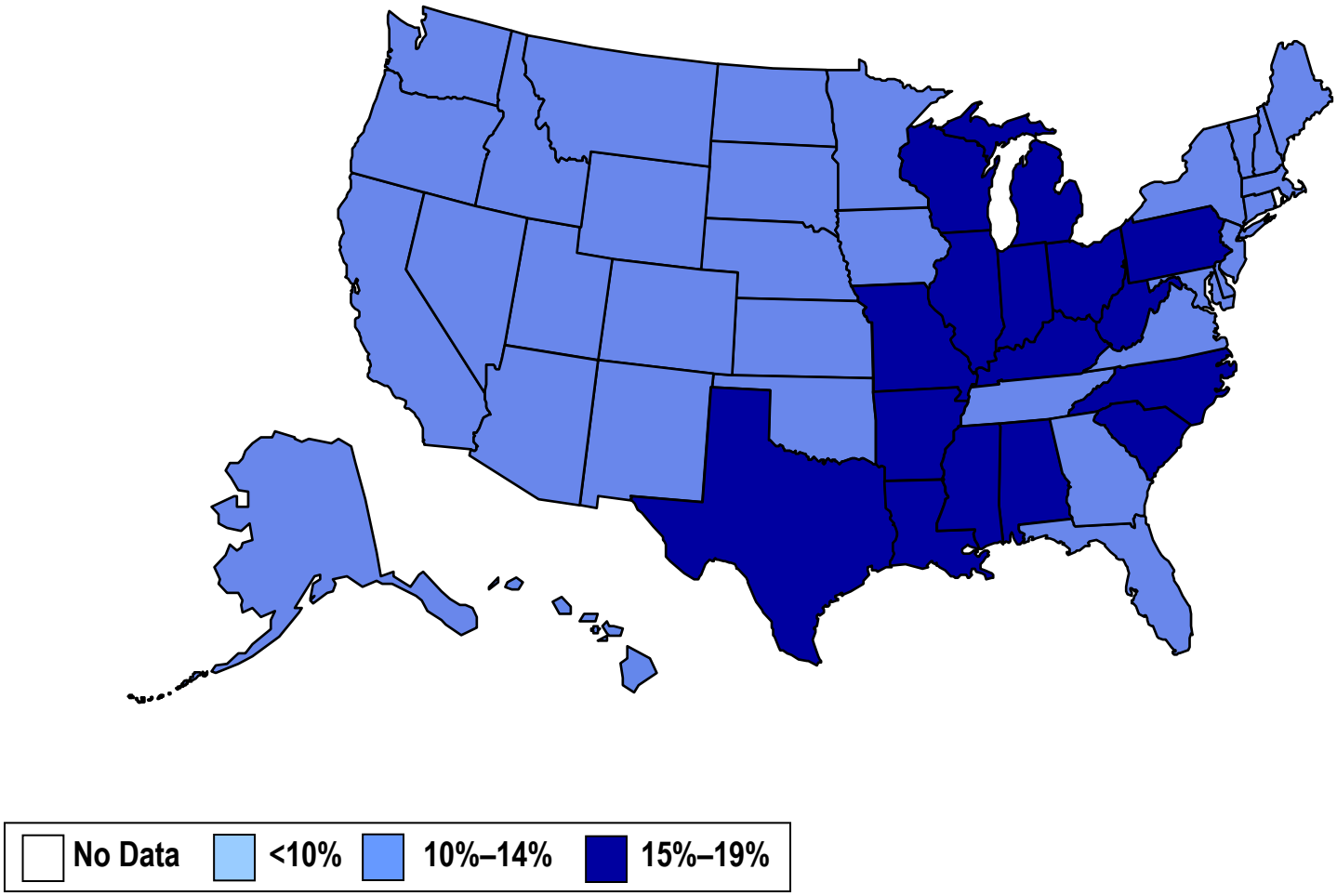

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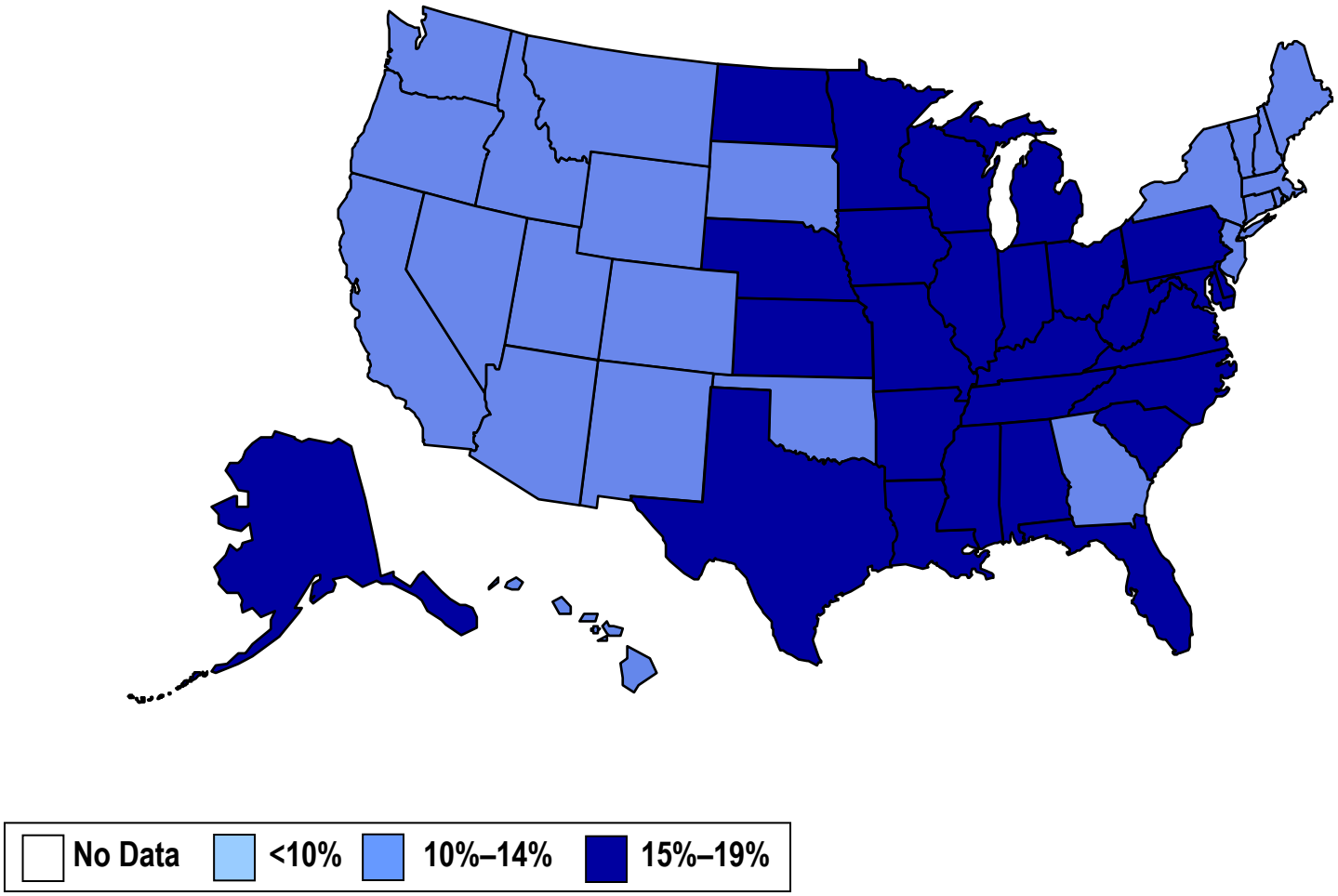

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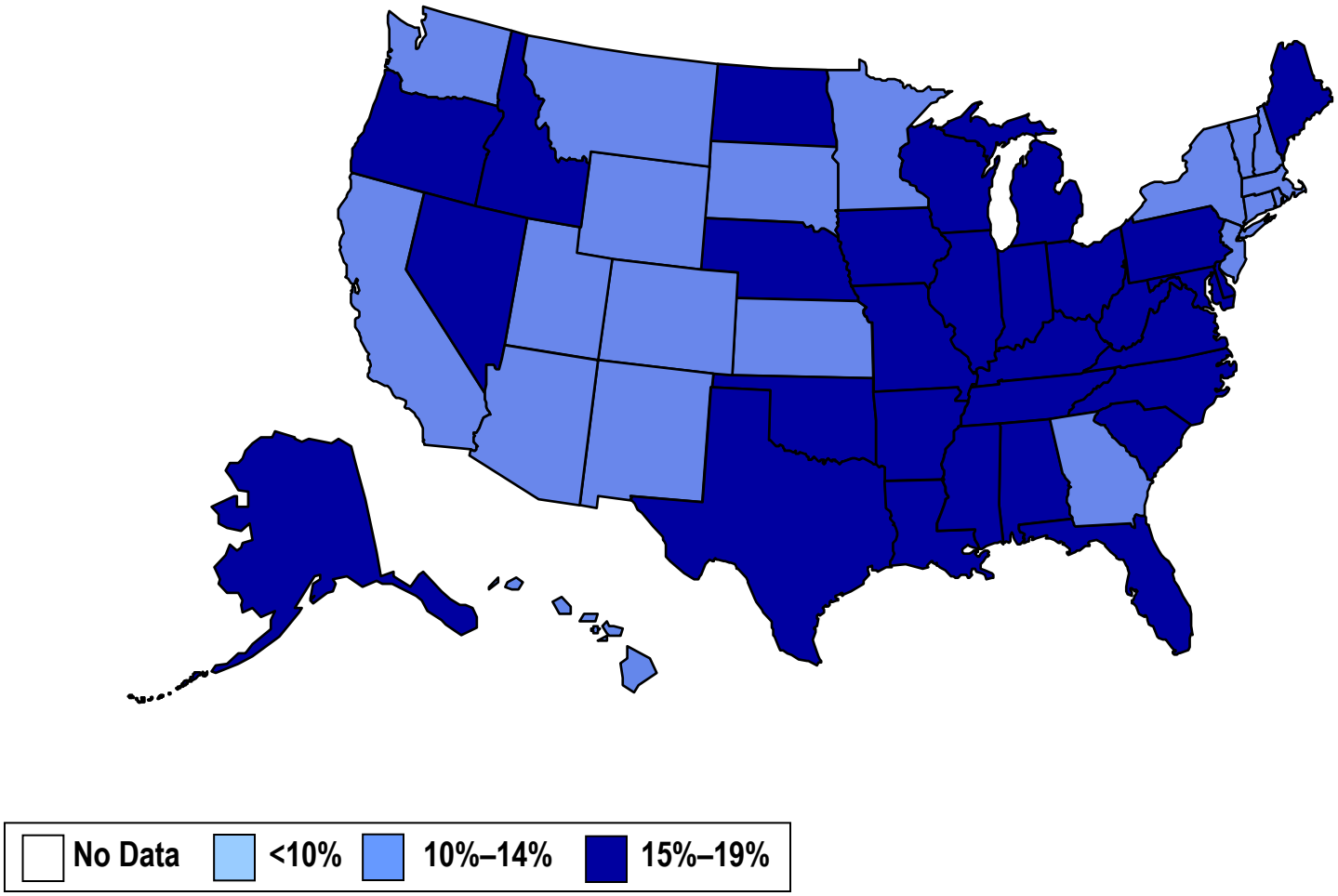

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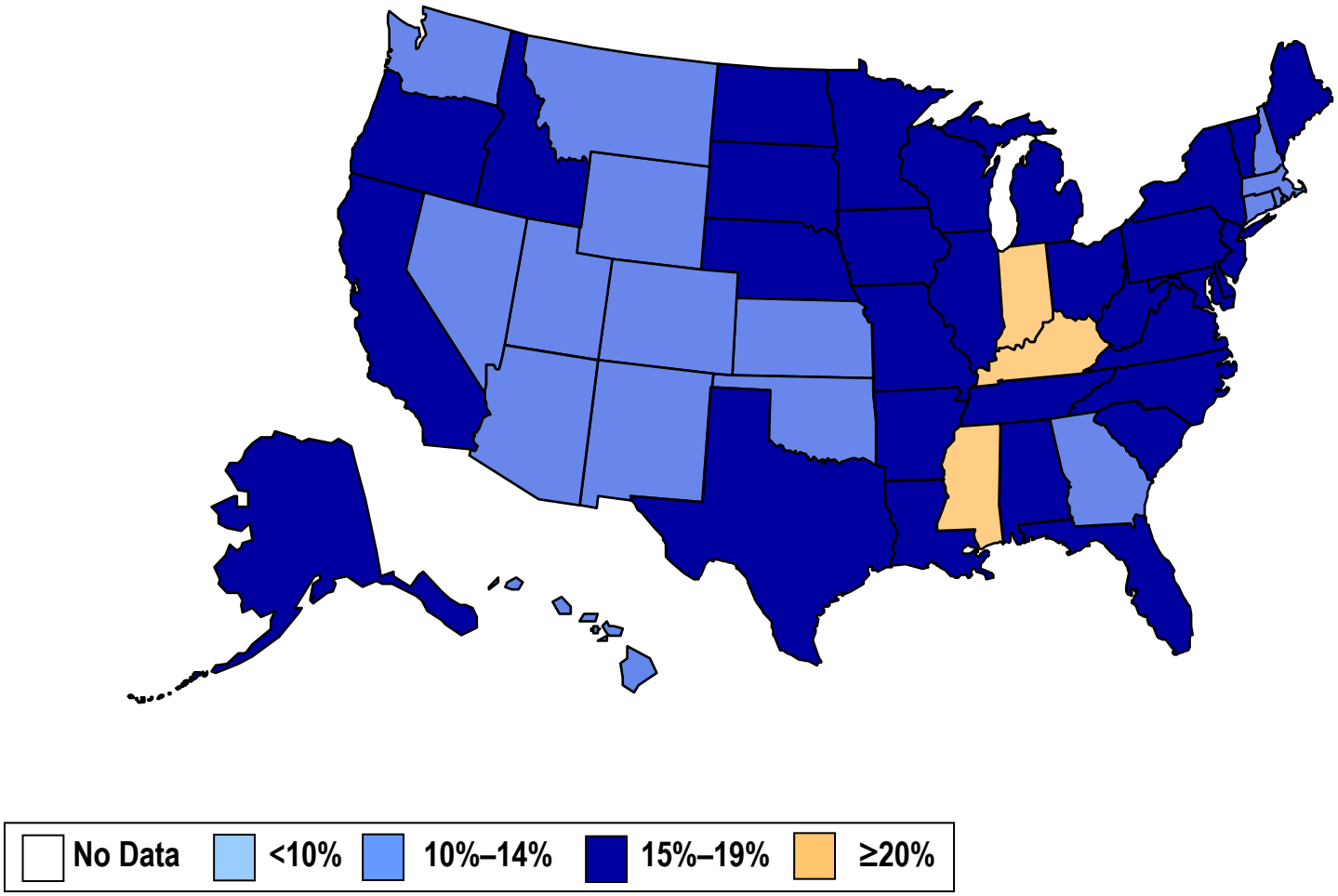

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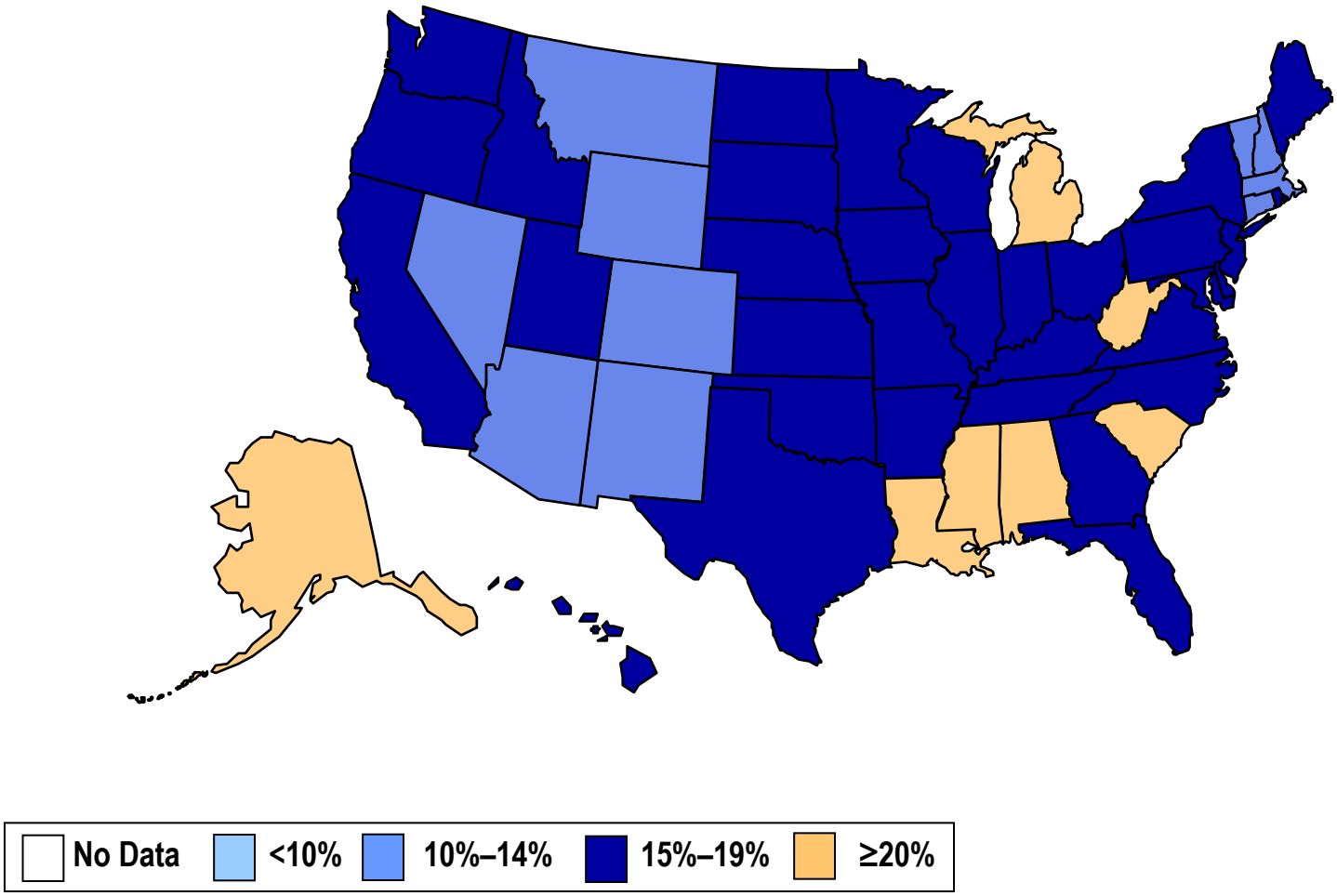

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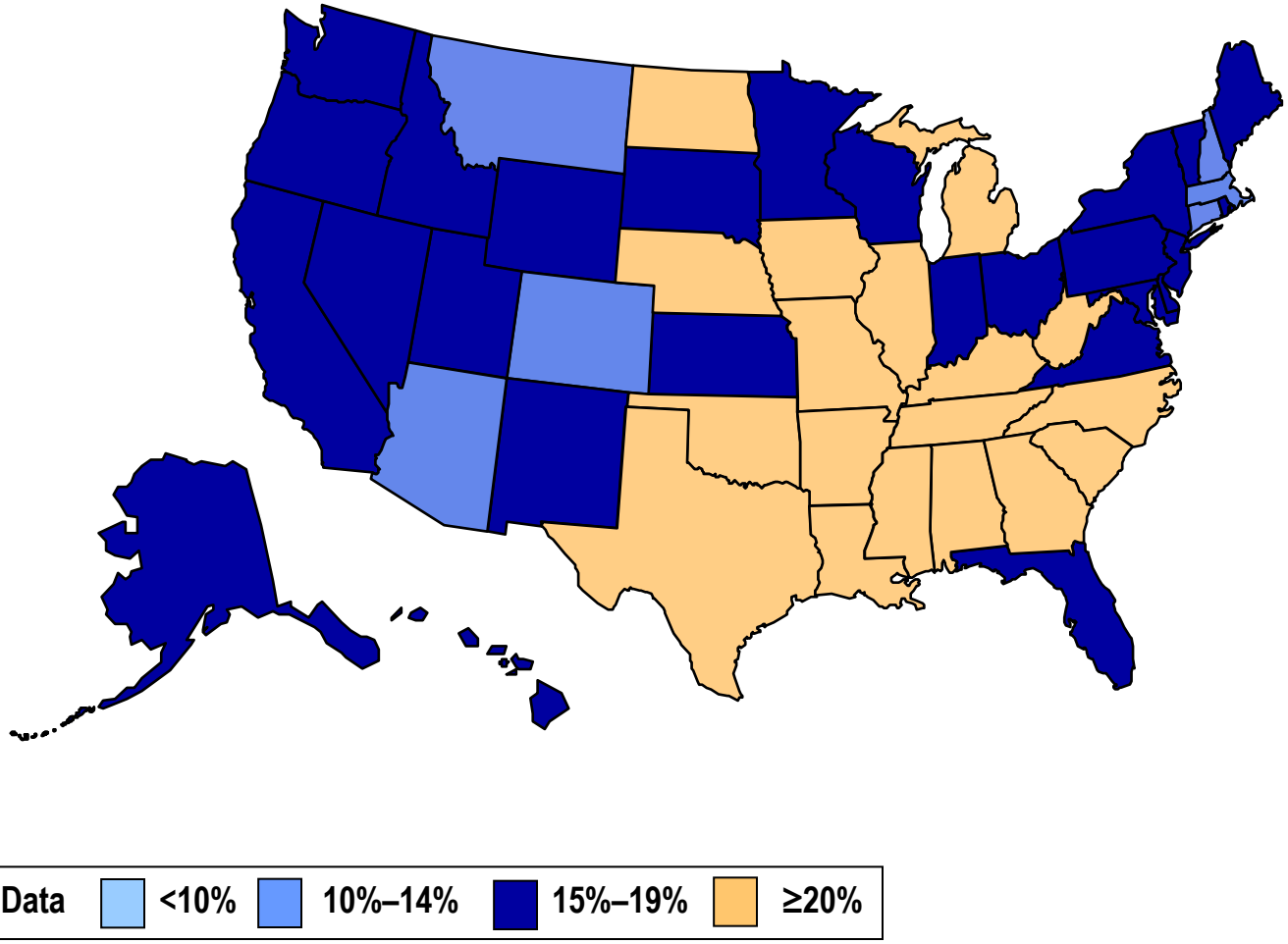
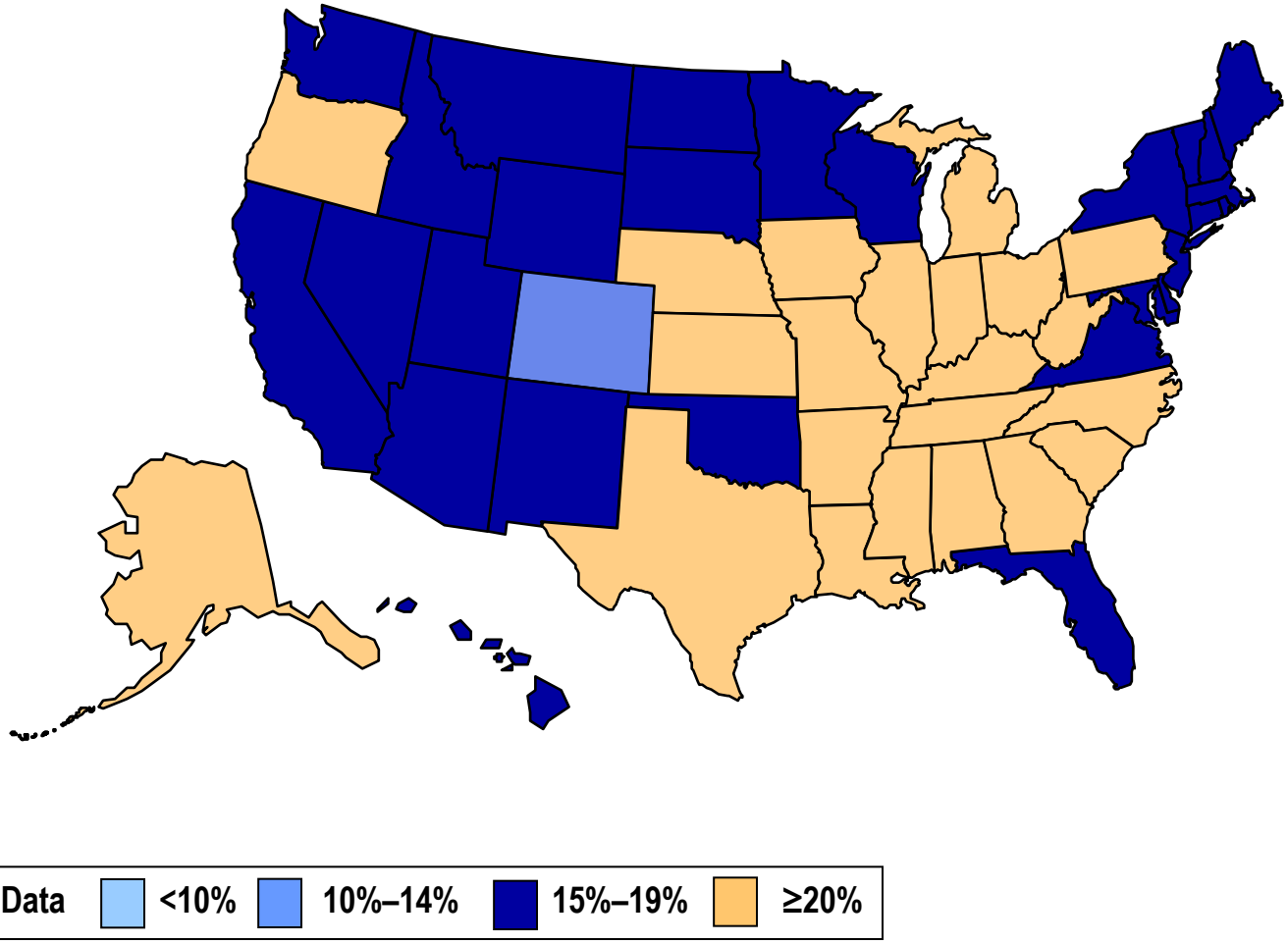


# *Obesity Trends* Among U.S. Adults*

## *BRFSS, 2000*

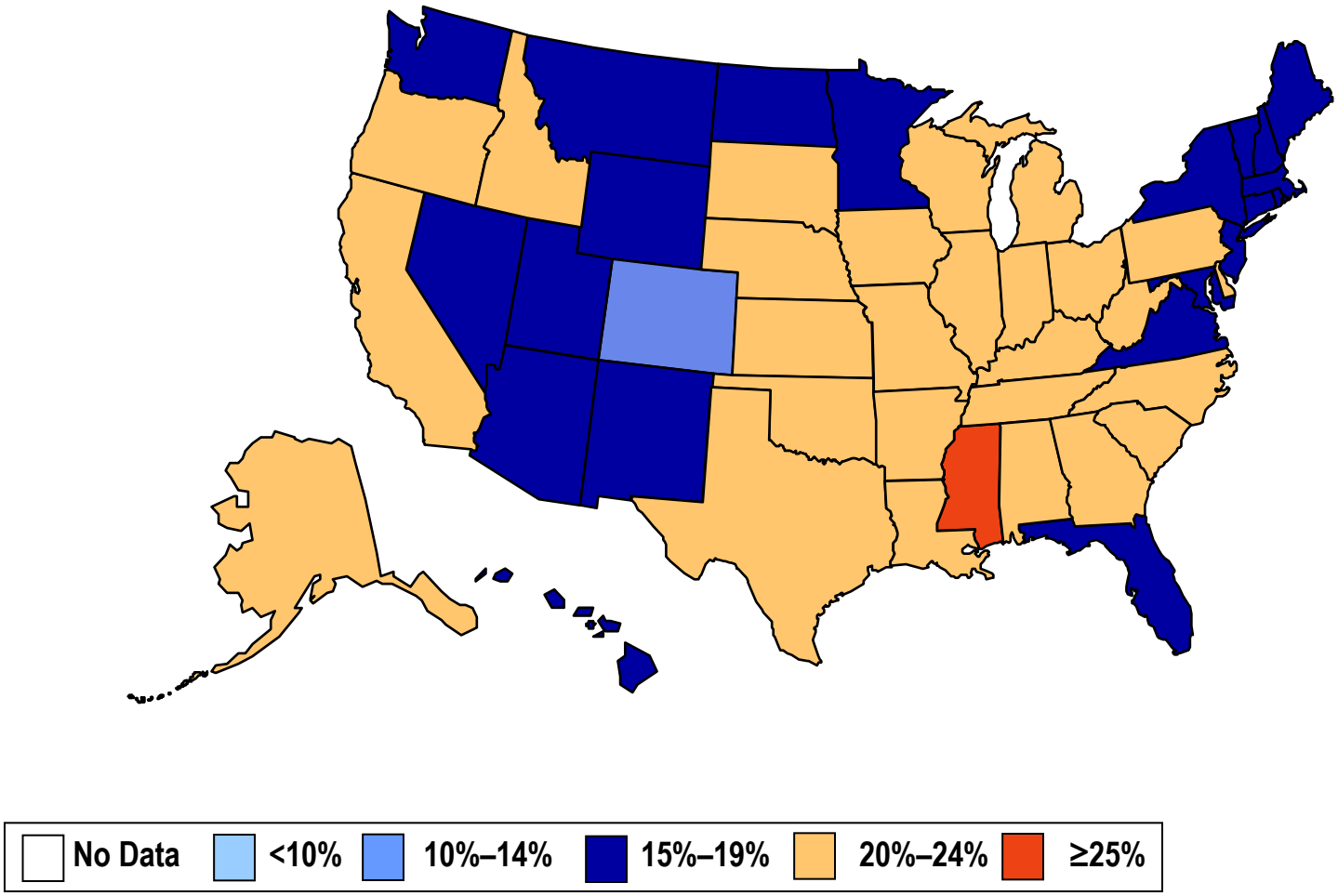
**(*BMI ≥30, or ~ 30 lbs. overweight for 5’ 4” person)**



# *Obesity Trends* Among U.S. Adults*

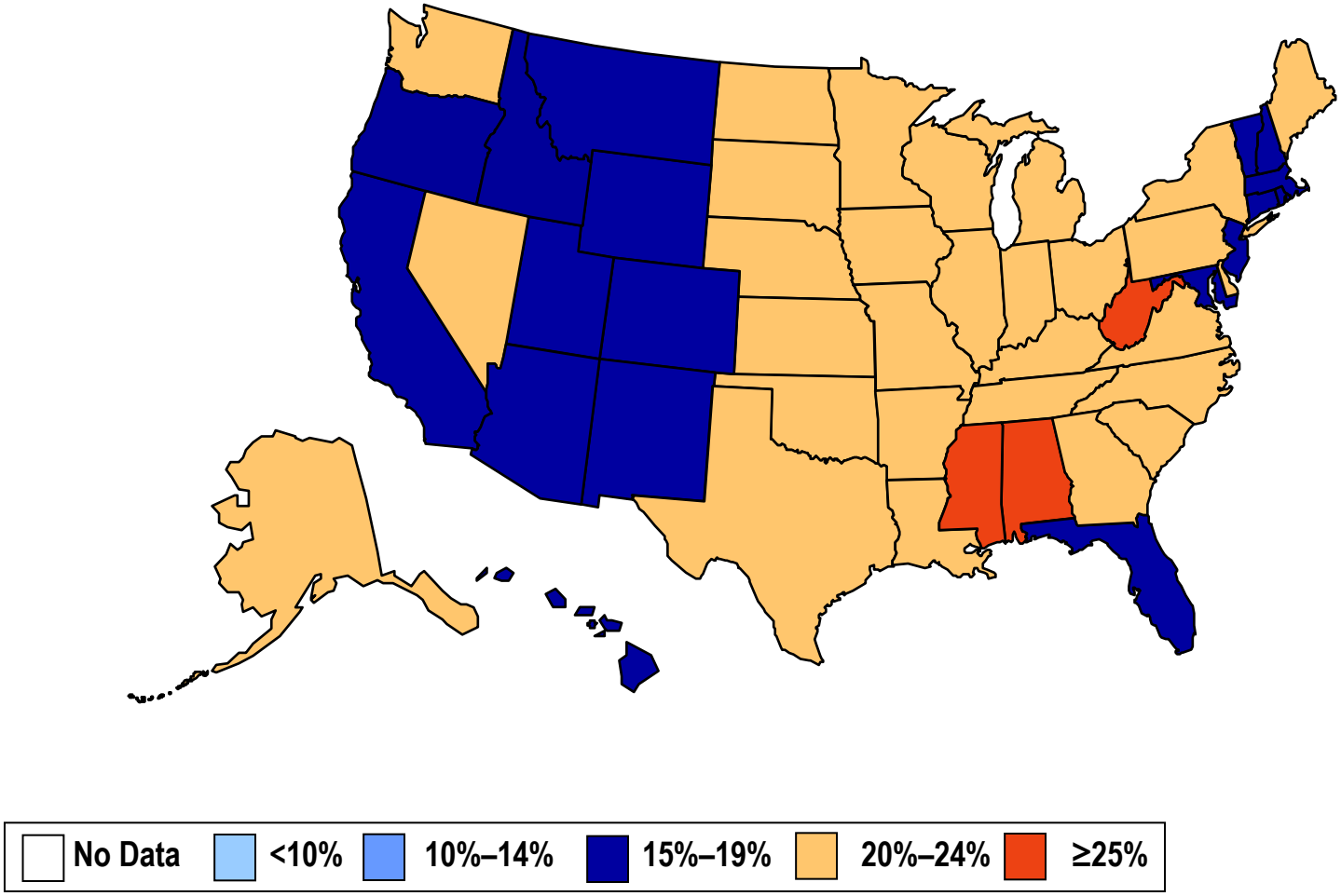
## *BRFSS, 2001*

**(*BMI ≥30, or ~ 30 lbs. overweight for 5’ 4” person)**



# Obesity Trends* Among U.S. Adults
## BRFSS, 2002

**(*BMI ≥30, or ~ 30 lbs. overweight for 5’ 4” person)**



# *Obesity Trends* Among U.S. Adults*

## *BRFSS, 2003*

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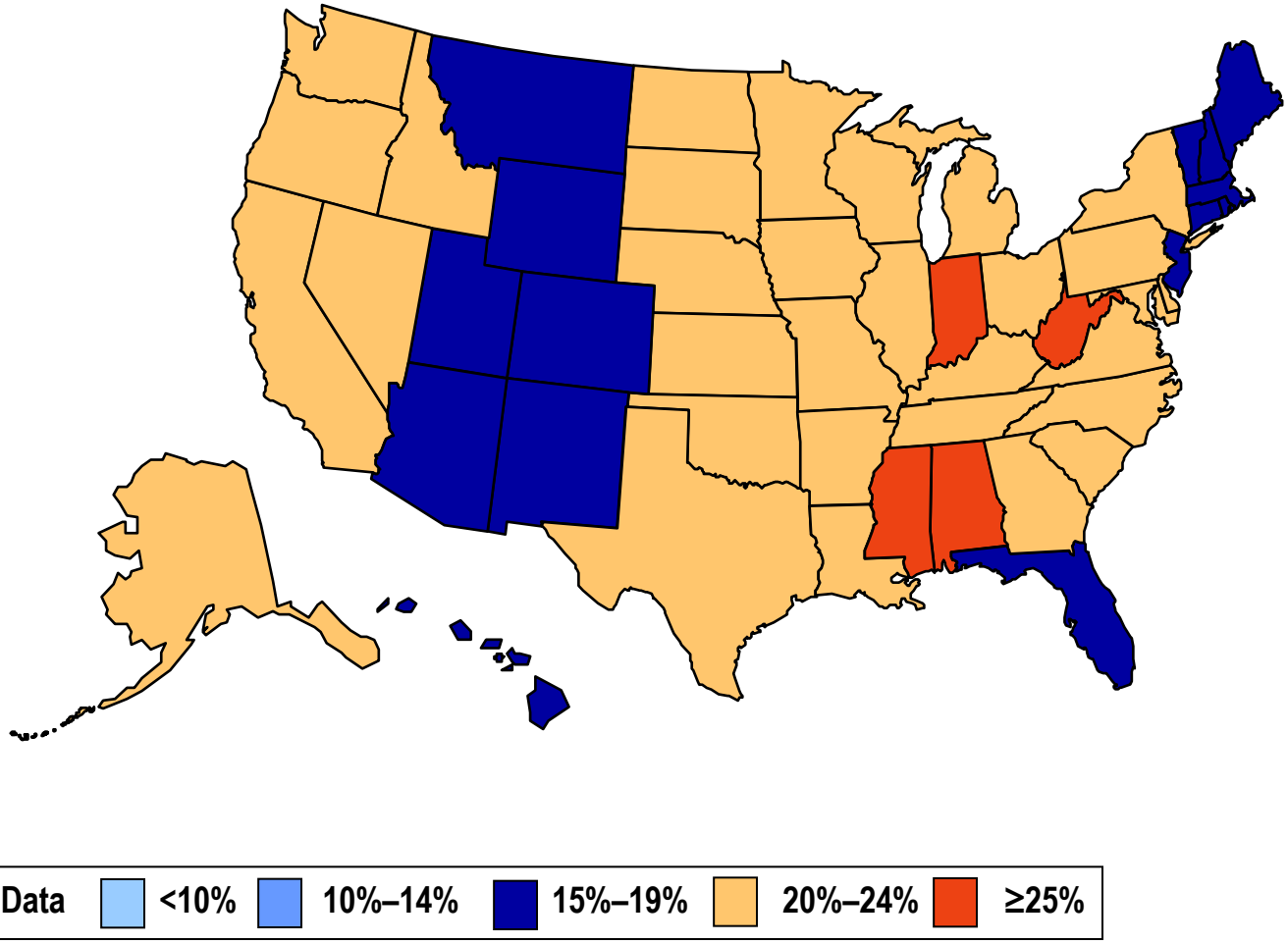

# *Obesity Trends* Among U.S. Adults*

## *BRFSS, 2004*

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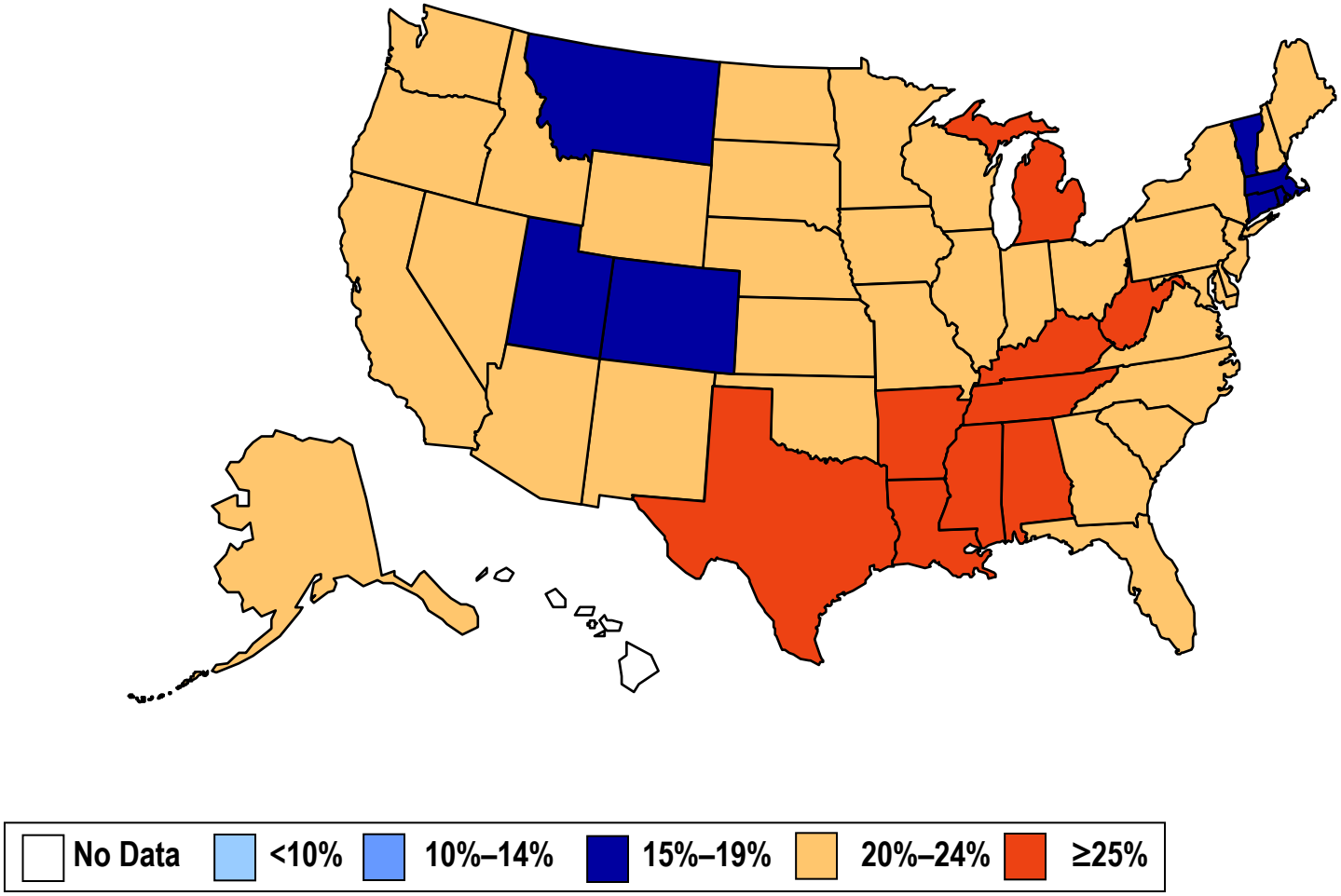

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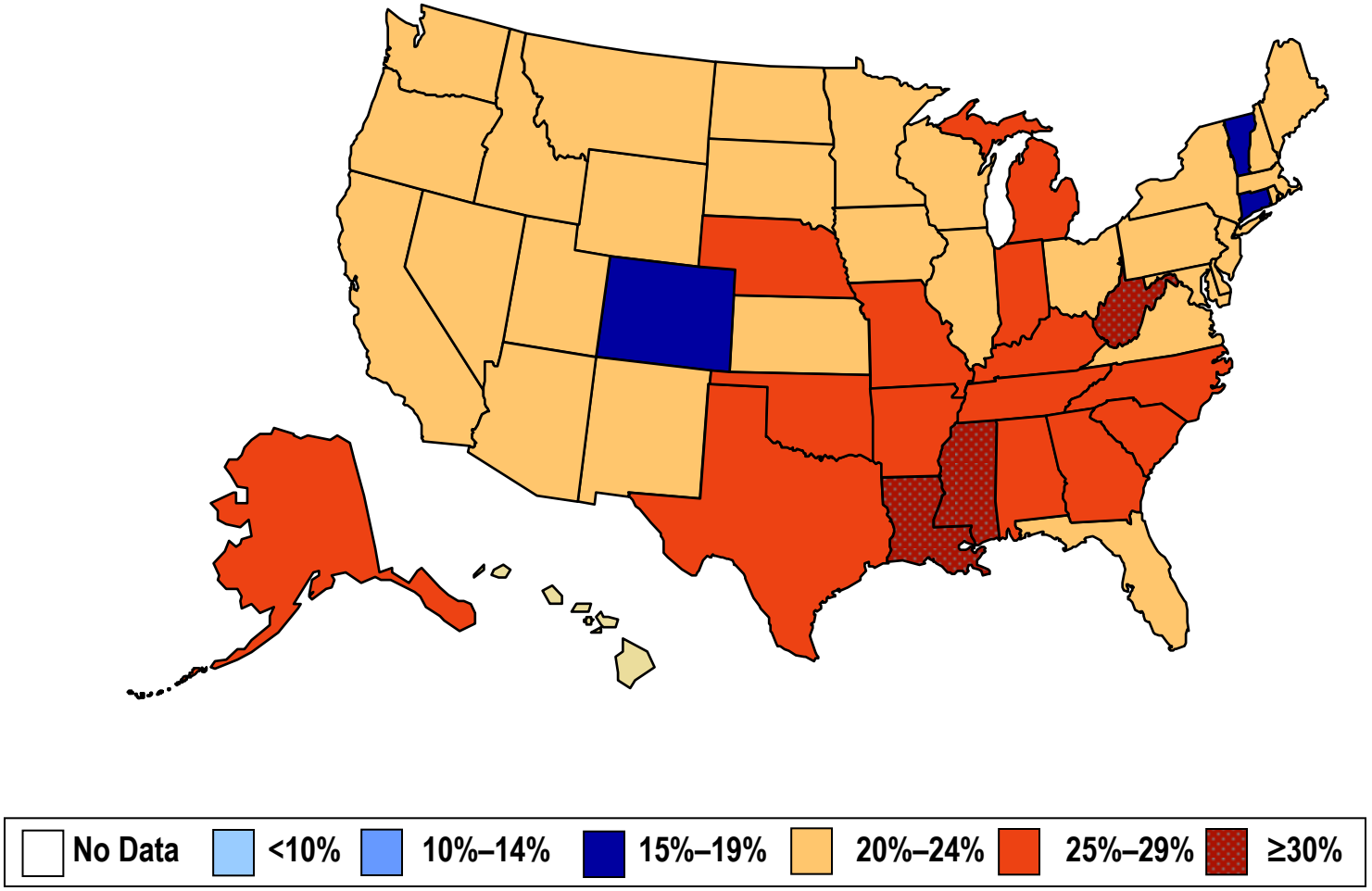

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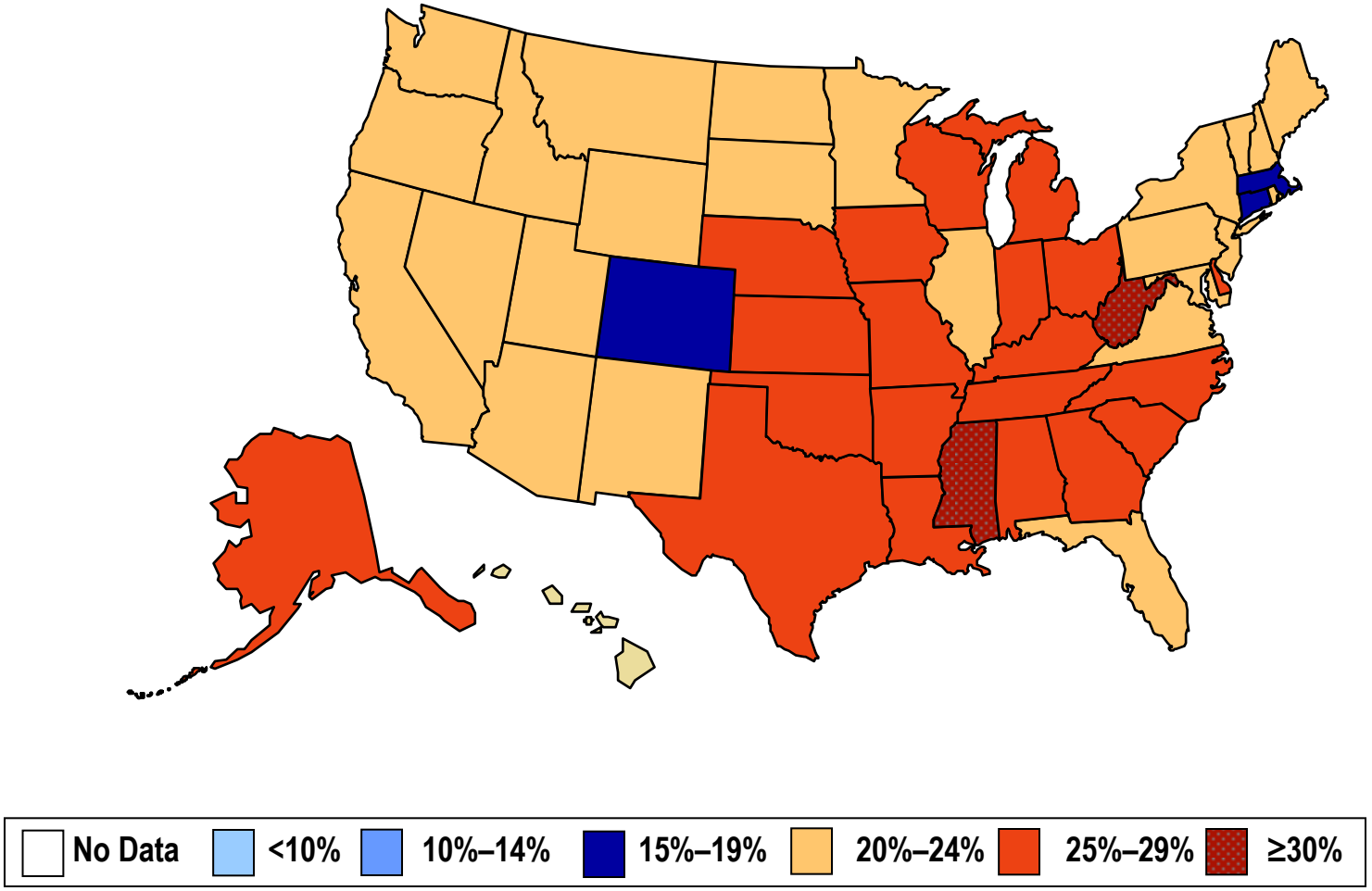

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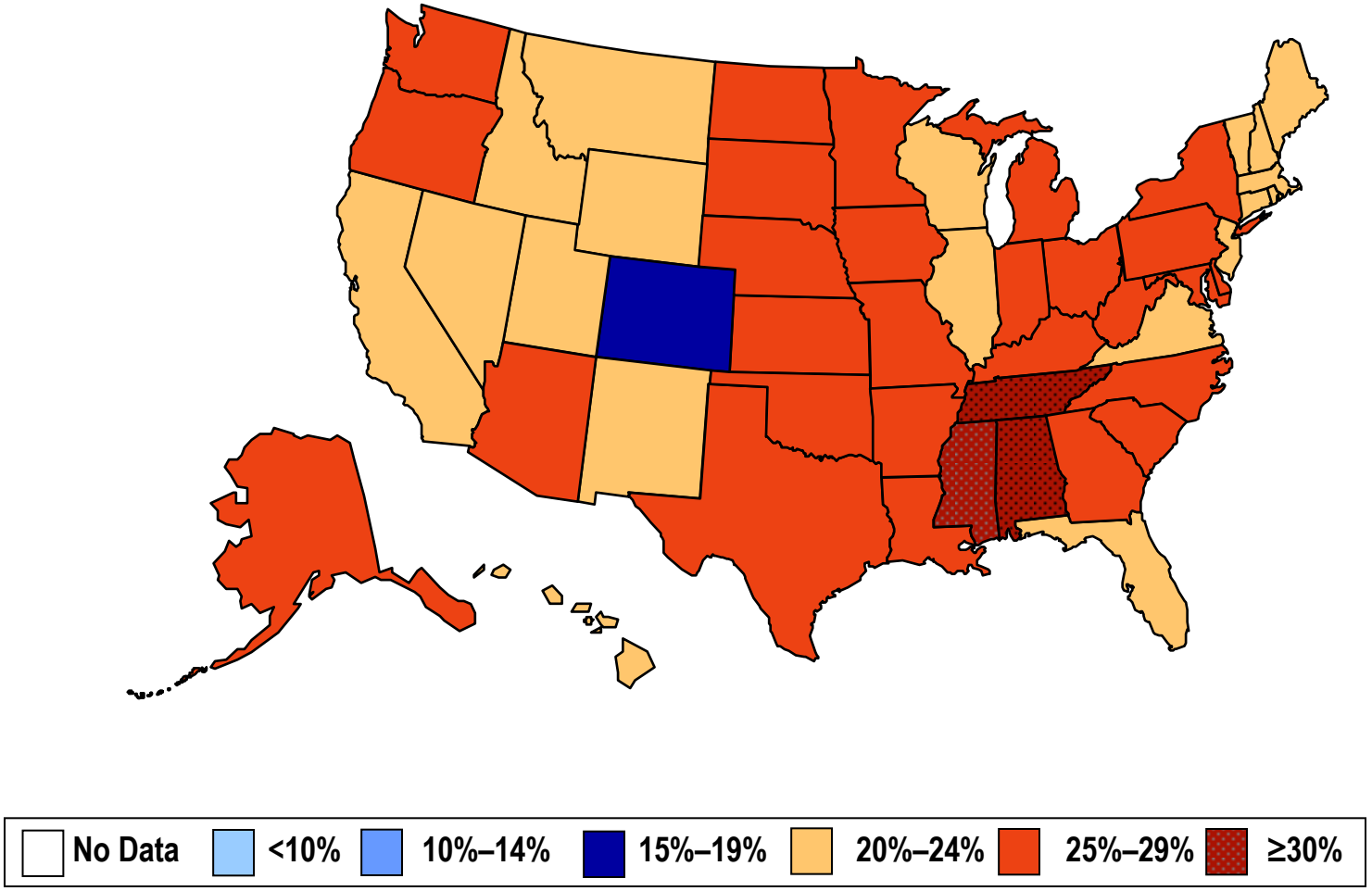
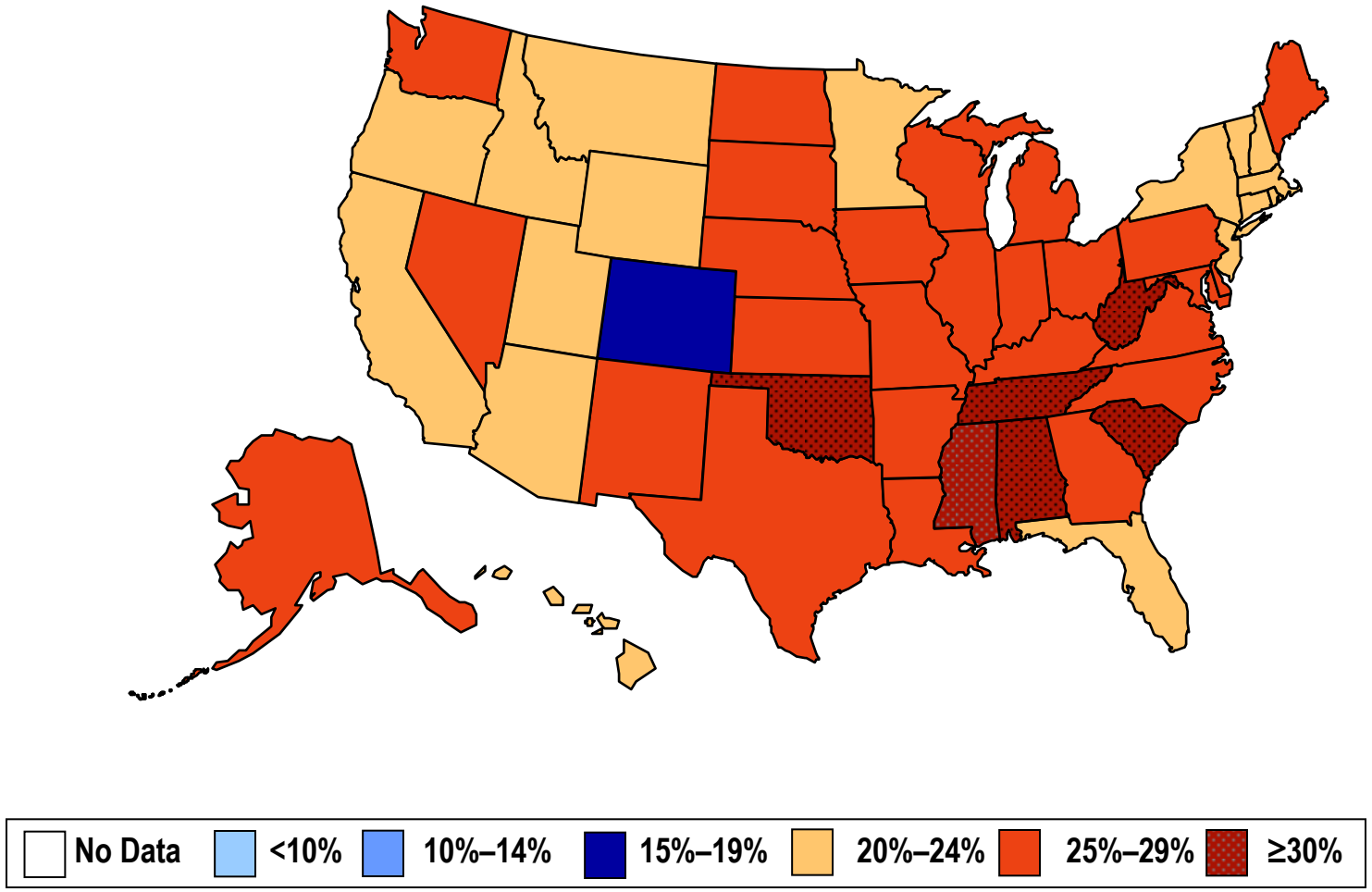


# *Obesity Trends* Among U.S. Adults*

## *BRFSS, 2008*

**(*BMI ≥30, or ~ 30 lbs. overweight for 5’ 4” person)**



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## *BRFSS, 2009*

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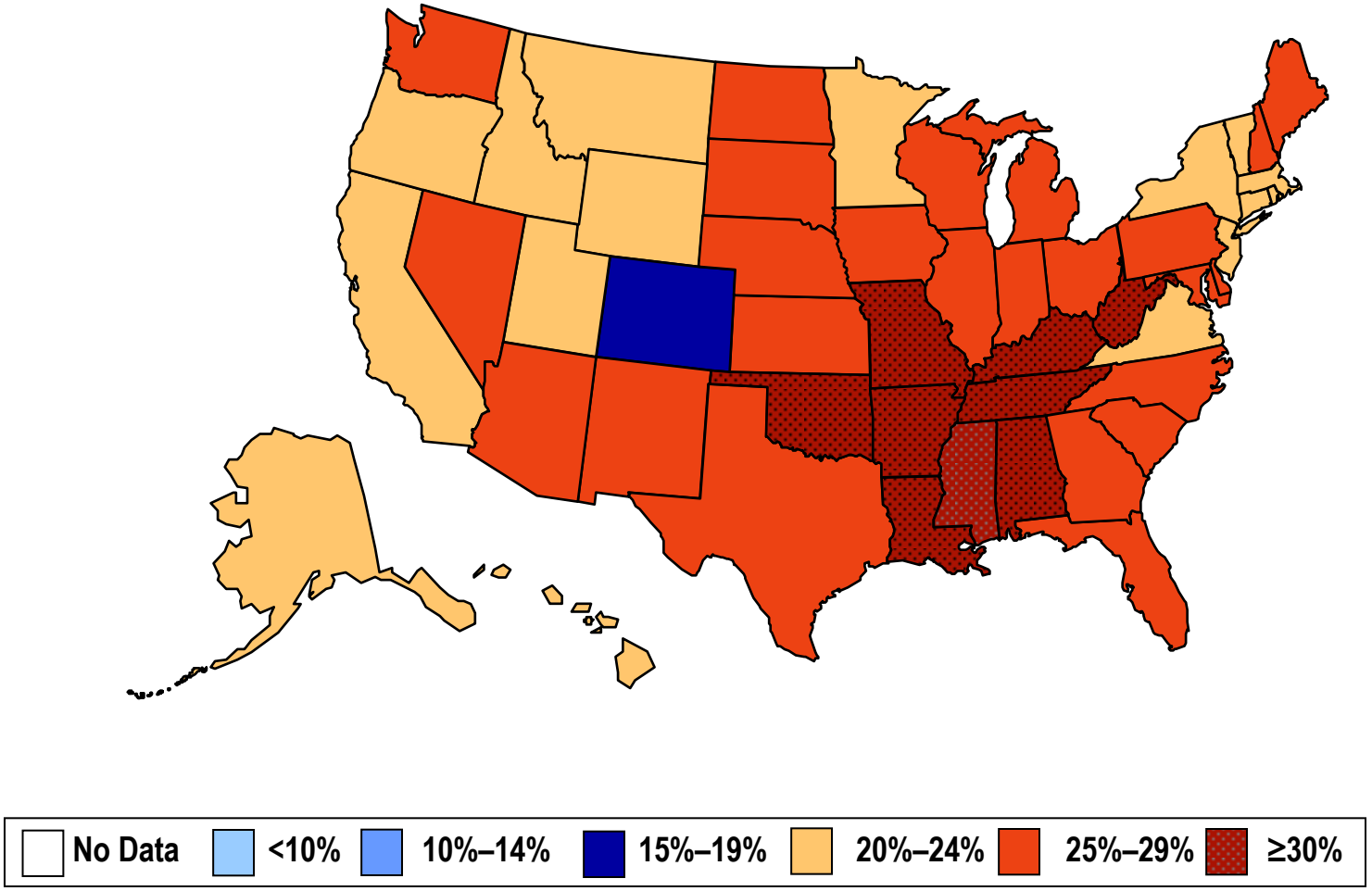

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## *BRFSS, 2010*

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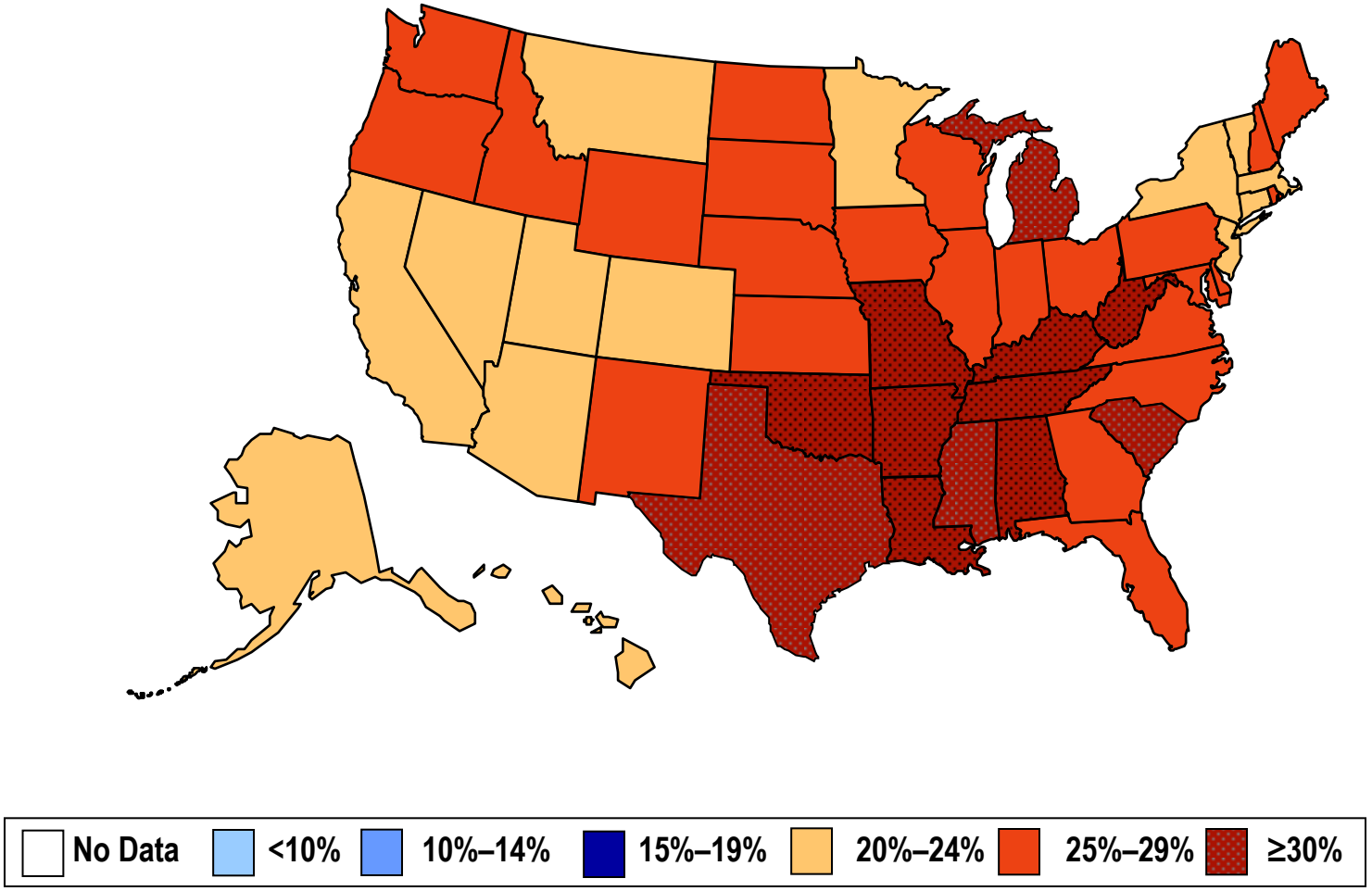
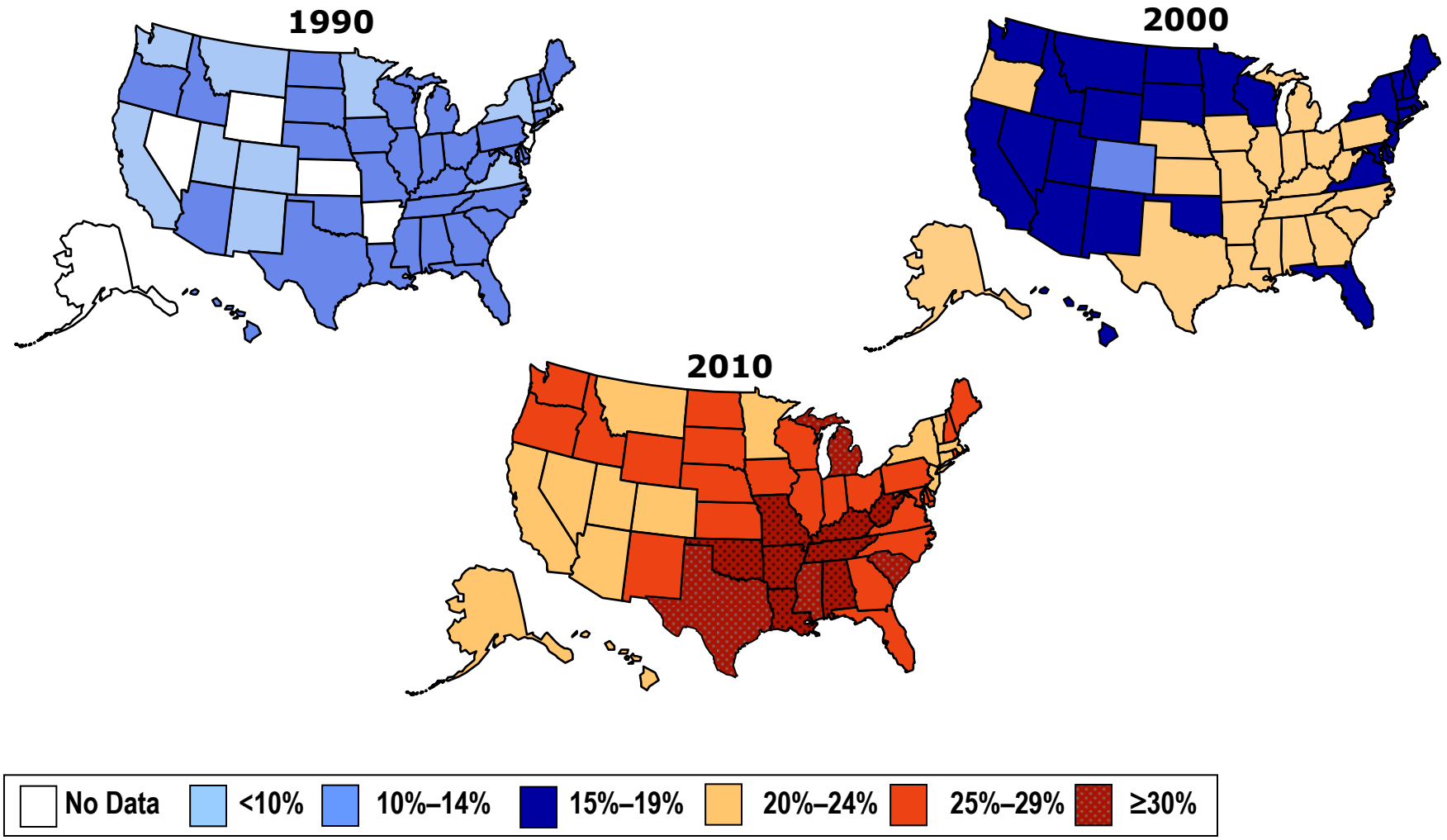


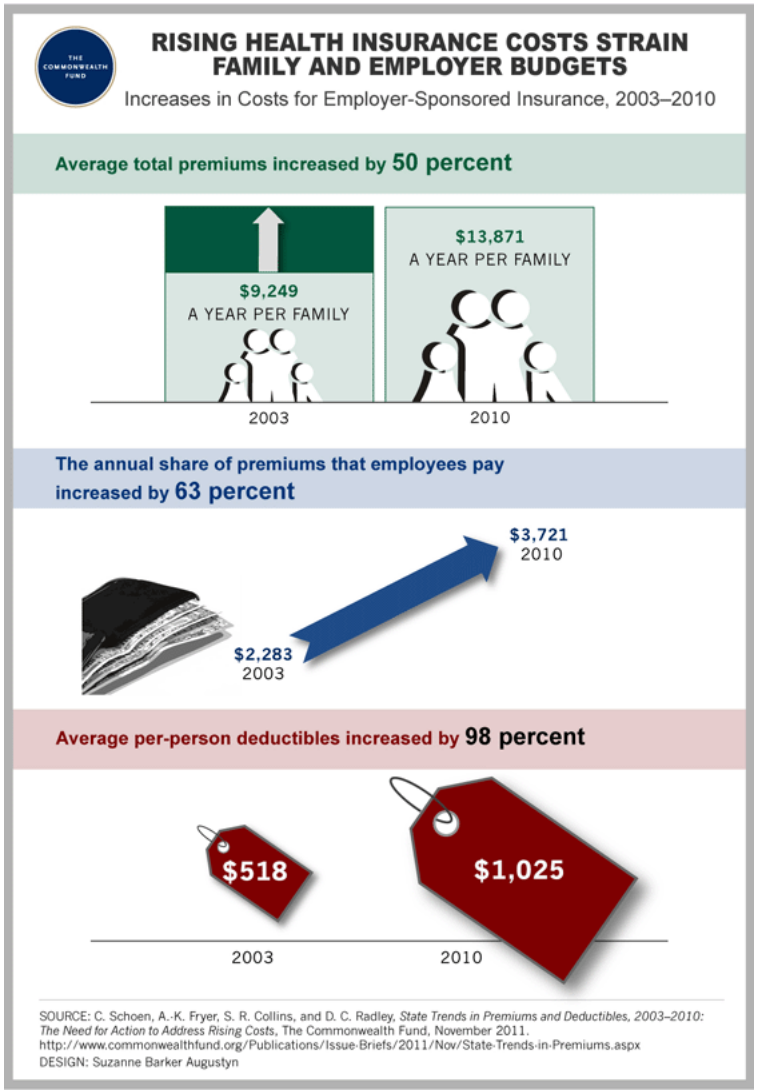
# Obesity Trends* Among U.S. Adults

## BRFSS, 1990, 2000, 2010

**(*BMI ≥30, or about 30 lbs. overweight for 5'4" person)**



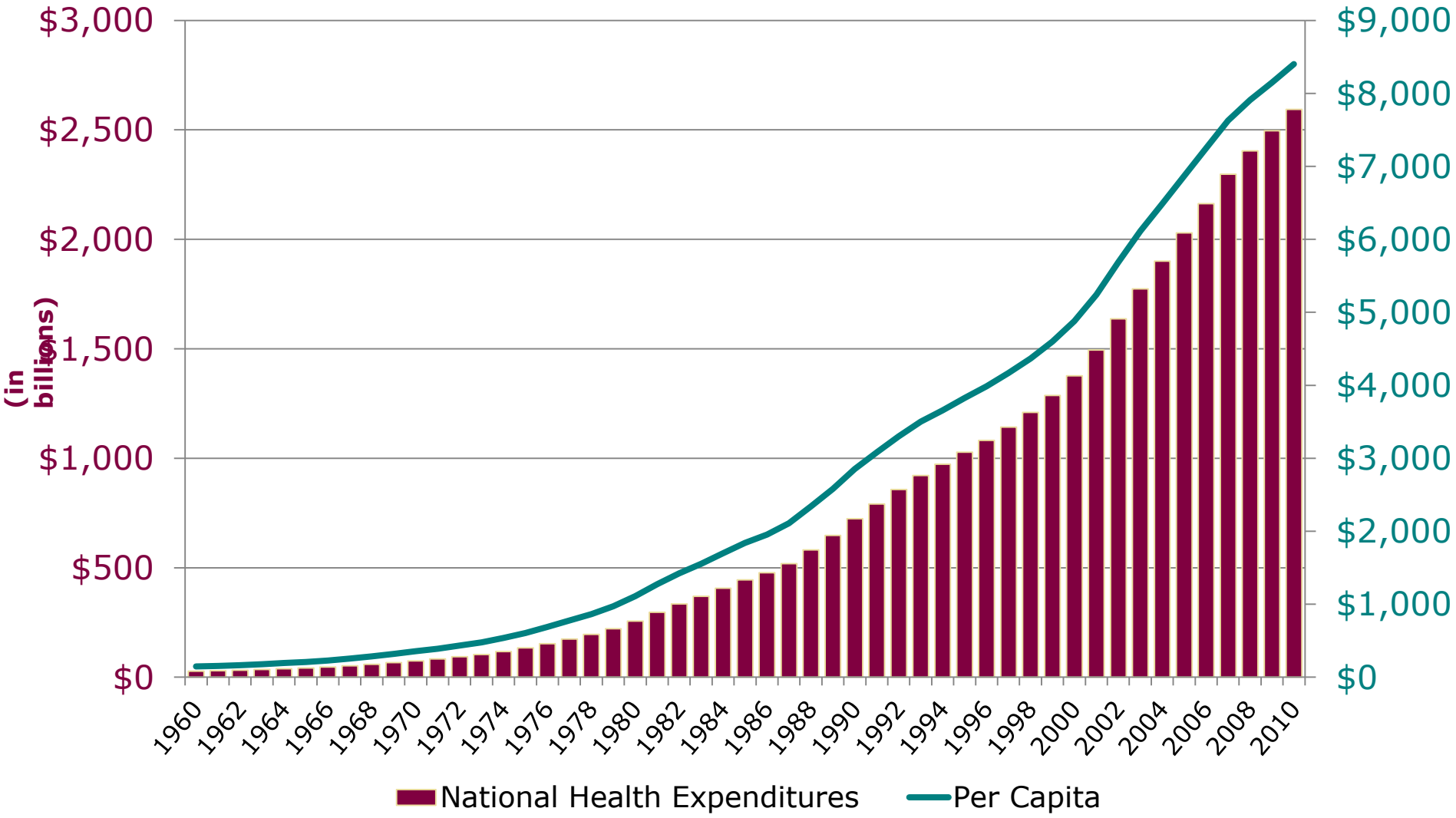
# *problem #2: **somebody** has to pay*




# National Health Expenditures

## Total Annual Costs and Per Capita

1960 – 2010




Source: CMS National Health Expenditure Accounts

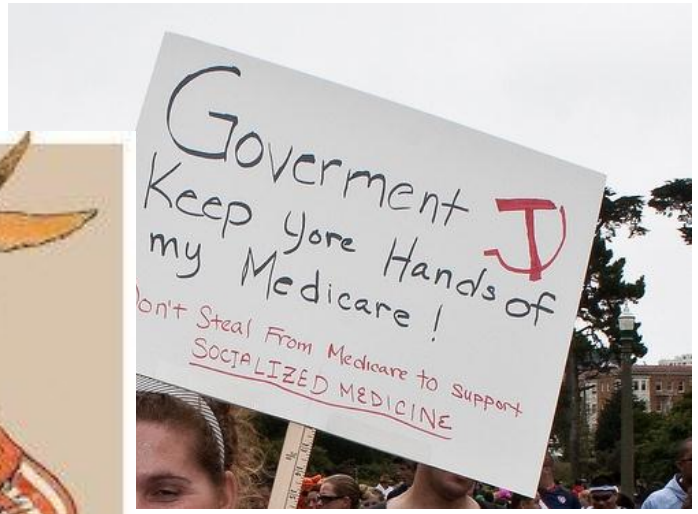


kerr & company CONSULTANTS

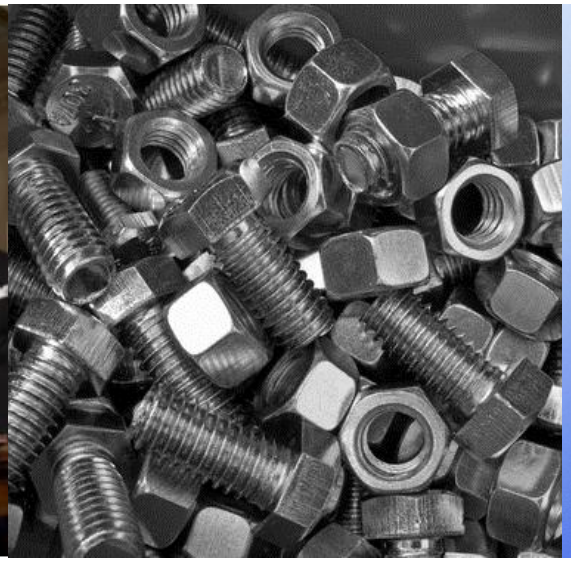
# *tell me again why this is my fault?*

# 2010: health care reform



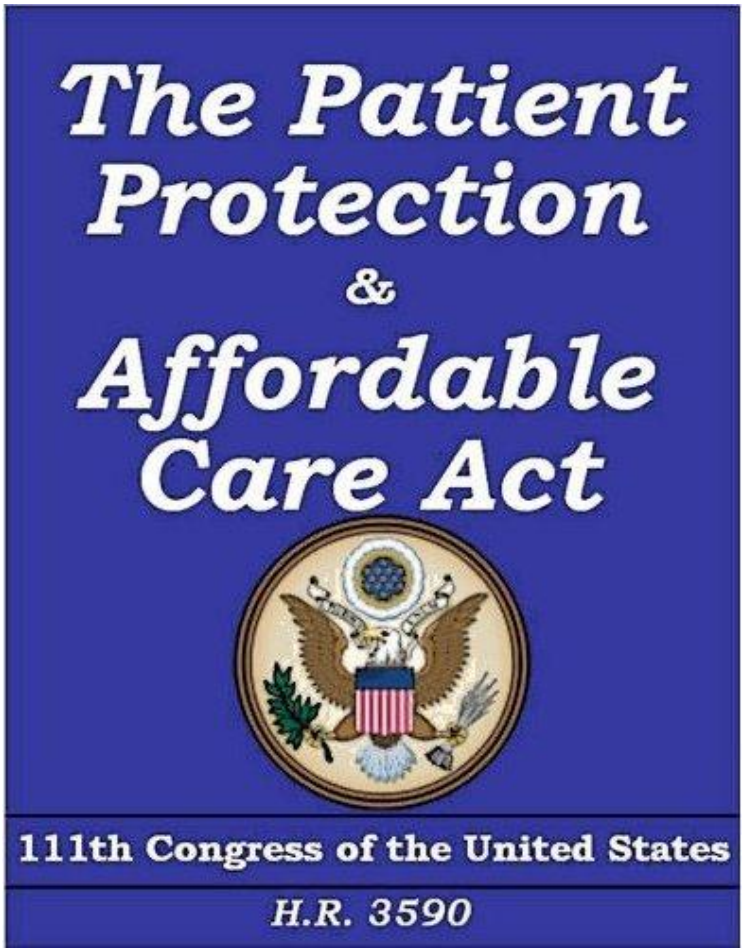





# *The affordable care act: nuts and bolts*

# *key strategic objectives*



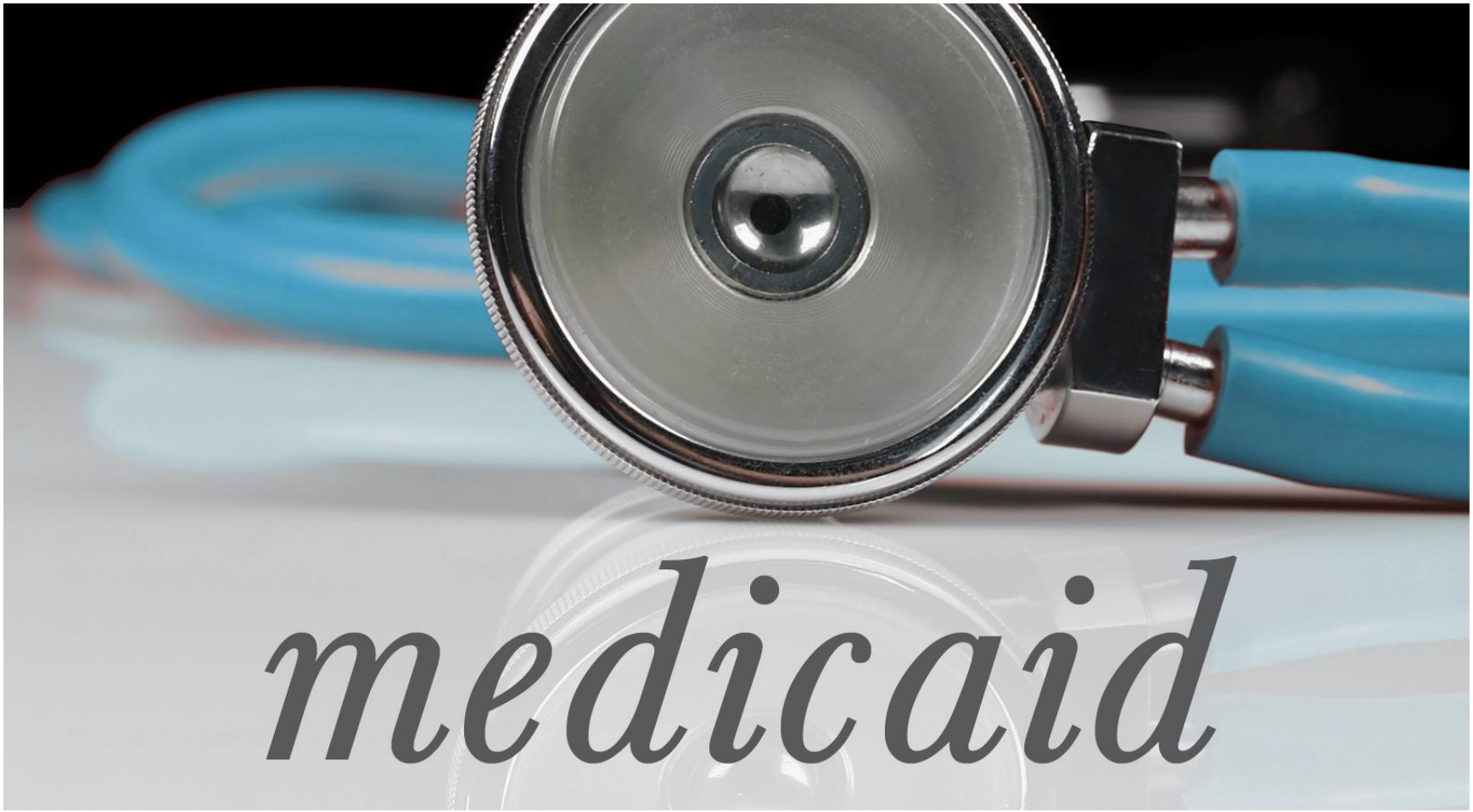

- Coverage
- Insurance Reforms
- Delivery System Reforms
- Payment Reforms
- Transparency
- Health IT


HEALTH CARE
REFORM

# *U.S. Supreme Court*

- 5-4 decision to uphold ACA
- Individual mandate stands…as a tax
- Medicaid expansion cannot be coerced; states must be allowed to opt out

# *The **political** question: what will states do?*

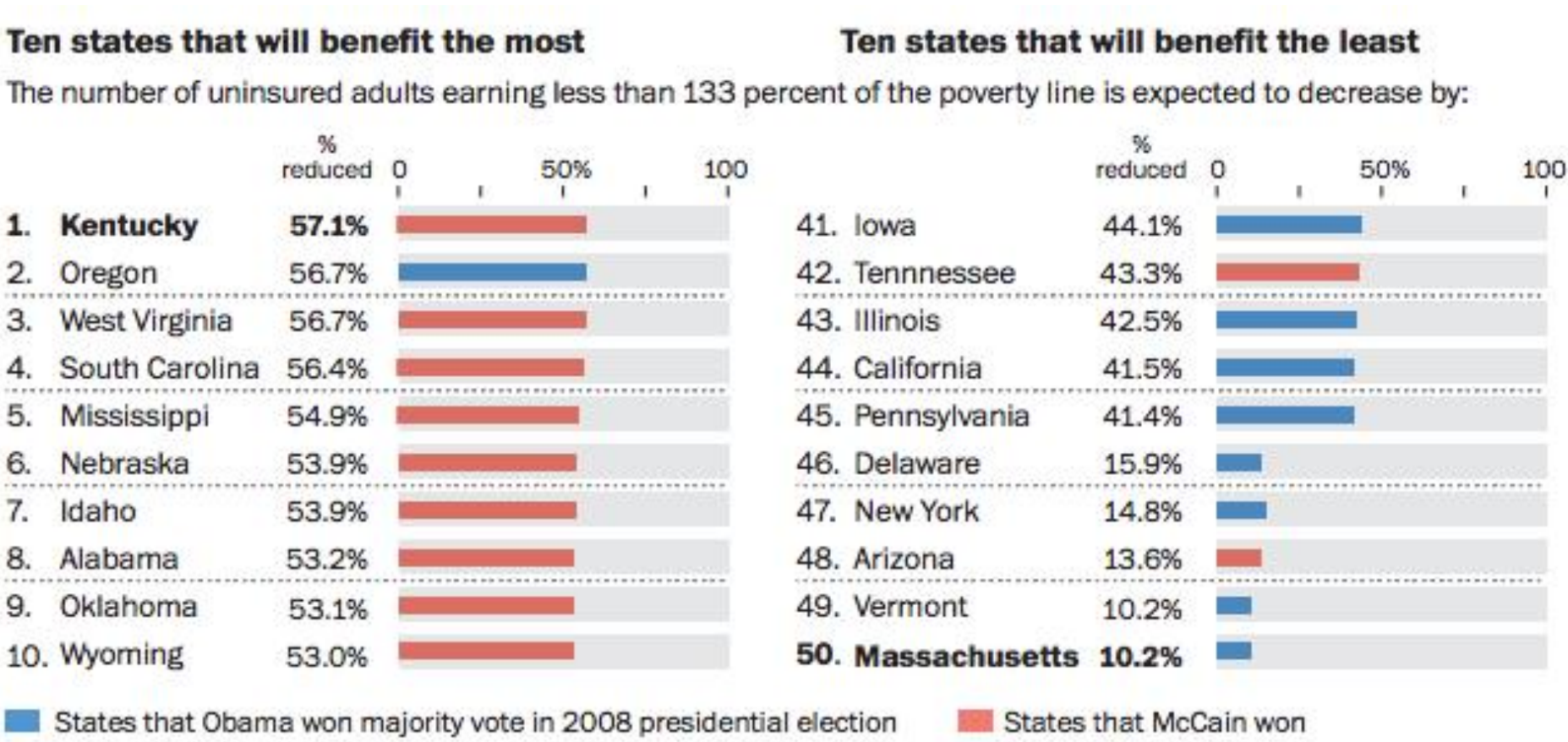


# *some background*

- January 1966. Only six states originally participated when the program launched: Hawaii, Illinois, Minnesota, North Dakota, Oklahoma, Pennsylvania
- 27 states signed on later that year
- 11 states joined in 1967
- Most remaining states (southern) joined in 1970
- Arizona last to join in 1982
- Eventually all states participated in basic program and SCHIP (enacted in 1997)

# *some likely state options*

- Red states "opt-out"
- Red states make noise… but then take the money
- Red states put some in Medicaid… punt rest to the exchange
- States go in… on their own terms




Source: The Henry J. Kaiser Family Foundation, U.S. Department of Health and Human Services

THE WASHINGTON POST

# *The **operational** question: how should physicians and hospitals revise their business models?*

# *implications for hospitals*


- Achieve solid clinical alignment between hospital and physicians
- Deliver superior outcomes
- Reduce costs
- Develop integrated information systems
- Form strategic alliances
- Prepare for new payment models

# *implications for hospitals*


- Achieve solid clinical alignment between hospital and physicians
- **Deliver superior outcomes**
- **Reduce costs**
- Develop integrated information systems
- Form strategic alliances
- Prepare for new payment models

# Tulane Medical Center alerts patients after medical gear improperly sterilized

Published: Thursday, March 10, 2011, 9:30 PM  Updated: Tuesday, March 15, 2011, 3:36 PM

By Bill Barrow, The Times-Picayune

Follow

**Tulane Medical Center** has notified 360 patients that it failed to properly sanitize gastrointestinal scoping equipment used during seven weeks last fall, potentially exposing the group to various infectious diseases.


+ View full size  Michael DeMocker, The Times-Picayune archive

Dr. Robert Lynch, the hospital's CEO, acknowledged the error in a Jan. 3 letter that invited affected patients to obtain free screening for hepatitis B, hepatitis C and HIV. The letter, however, characterized the chances of infection as "minimal to non-existent."

Lynch cited a mistake in one of five steps in its sanitizing protocol and framed the tests as a way "to reassure patients whose procedures were impacted."

State epidemiologist Dr. Raoult Ratard, who has conferred with Tulane officials


The Joint Commission

# 'You're taking out wrong kidney, surgeon was told'

by CLARE KITCHEN, Daily Mail



A surgeon accused of killing a patient by taking out the wrong kidney was warned he was making a mistake by a medical student watching the operation, a court heard yesterday.

Dr Mahesh Goel dismissed the concerns of student Victoria Fern and pressed on with the surgery, it was said.

Goel and consultant urologist John Roberts are accused of manslaughter over the 'appalling error' which left 70-year-old Graham Reeves with one diseased kidney.

The Korean War veteran died five weeks after the botched operation.

Roberts, 59, and Goel, 39, had shown a level of care far below that which is expected of competent surgeons, prosecutor Leighton Davies QC said.

'It was a drastic surgical error described by Mr Roberts himself in the aftermath as the worst thing he had done in his life,' said Mr Davies. 'He says it was an appalling error.'

Mr Reeves, who was single, was due to have his damaged right kidney removed. But the surgeons removed his left kidney and before the mistake was realised it was put in a jar of acidic sterilising agent.

'The right kidney was diseased for years and non-functioning,' Mr Davies told Cardiff Crown Court.

'The operation played a significant part in causing his death. It deserves to be condemned as gross negligence and therefore a crime.'

# Current State of Quality

- Routine safety processes fail routinely
  - Hand hygiene
  - Medication administration
  - Patient identification
  - Communication in transitions of care
- Uncommon, preventable adverse events
  - Surgery on wrong patient or body part
  - Fires in ORs, retained foreign objects
  - Infant abductions, inpatient suicides

# How Have Others Done It?

- "High reliability organizations" manage very serious hazards extremely well
  - Commercial aviation, nuclear power
- What do they all have in common?
  - Highly effective process improvement
  - Fully functional safety culture
- Discover and fix unsafe conditions early
- "Collective mindfulness"

# How Safe are US Airlines?

- 1990-2001
  - 129 deaths per year
  - 9.3 million flights per year
  - Rate = 13.9 deaths per million flights
- 2002-2010
  - 18 deaths per year
  - 10.6 million flights per year
  - Rate = 1.74 deaths per million flights

**= 87%↓**

The Joint Commission

# Safety: Airlines vs. Health Care

- IOM “To Err is Human” estimate
  - 44,000-98,000 deaths in hospitals due to errors in care
  - 34.4 million hospitalizations per year
  - Rate = 1300-2800 deaths per million hospitalizations
- US Airlines: 2002-2010
  - Rate = 1.74 deaths per million flights
- Hospital care is 750-1600 times less safe

# Key components of a highly reliable organization

# *Implications for facility design*

macro

micro

# *Macro level questions*

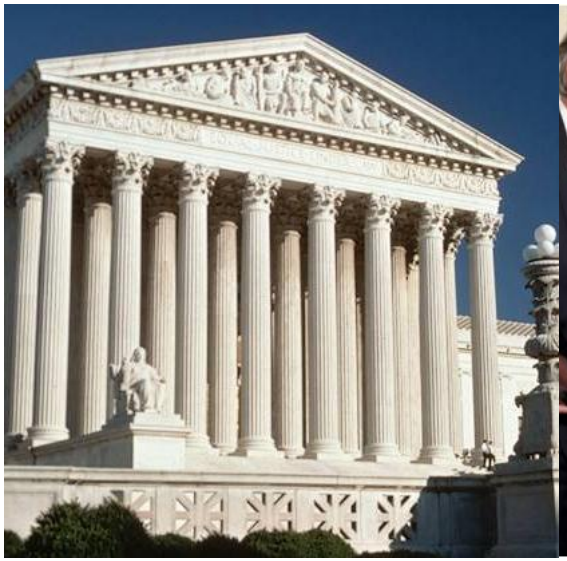
- Where will we need new hospitals?
- ***Will*** we need any more hospitals?
- Will we need all the hospitals we have now?
- How many hospital beds will we need in the future?
- Should we move forward with the current project?
- Will funding be available?

# *Micro level questions*

*Hospital room of the future, as conceived by NXT Health*

- What changes are needed in patient care environments?
- What materials will reduce the spread of infections?
- How can facility design help hospitals become highly reliable organizations?
- How can facility design increase patient satisfaction?

# *Impact of the Supreme Court's Ruling on Hospital Design and Construction*



*AIA AAH Healthcare Reform Webinar*

*Presented by: Thornton Kirby, J.D.*
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*South Carolina Hospital Association*

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