Health Innovation Subcommittee

Wednesday, November 8, 2017
10:30 AM – 12:30 PM
Mashburn Hall (306 HOB)

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Health Innovation Subcommittee

Start Date and Time:	Wednesday, November 08, 2017 10:30 am
End Date and Time:	Wednesday, November 08, 2017 12:30 pm
Location:	Mashburn Hall (306 HOB)
Duration:	2.00 hrs

Presentation on innovative healthcare options, by Stephanie Zaremba, athenahealth, Inc.

NOTICE FINALIZED on 11/01/2017 2:04PM by Iseminger.Bobbye

Stephanie Zaremba

BIOGRAPHY

Stephanie Zaremba is the Director of Government Affairs at athenahealth, Inc., headquartered in Watertown, Massachusetts. athenahealth is a health information technology company that provides network-based medical record, revenue cycle, patient engagement, care coordination, and population health services.

Ms. Zaremba leads athenahealth's public policy initiatives, which are aimed at ensuring that federal policies enable innovation in healthcare. She focuses on issues regarding payment reform, data transparency, interoperability, and patient safety. She also represents athenahealth in a variety of health care and regulatory compliance issues and served as Senior Corporate Counsel for the company prior to joining the Government Affairs team.
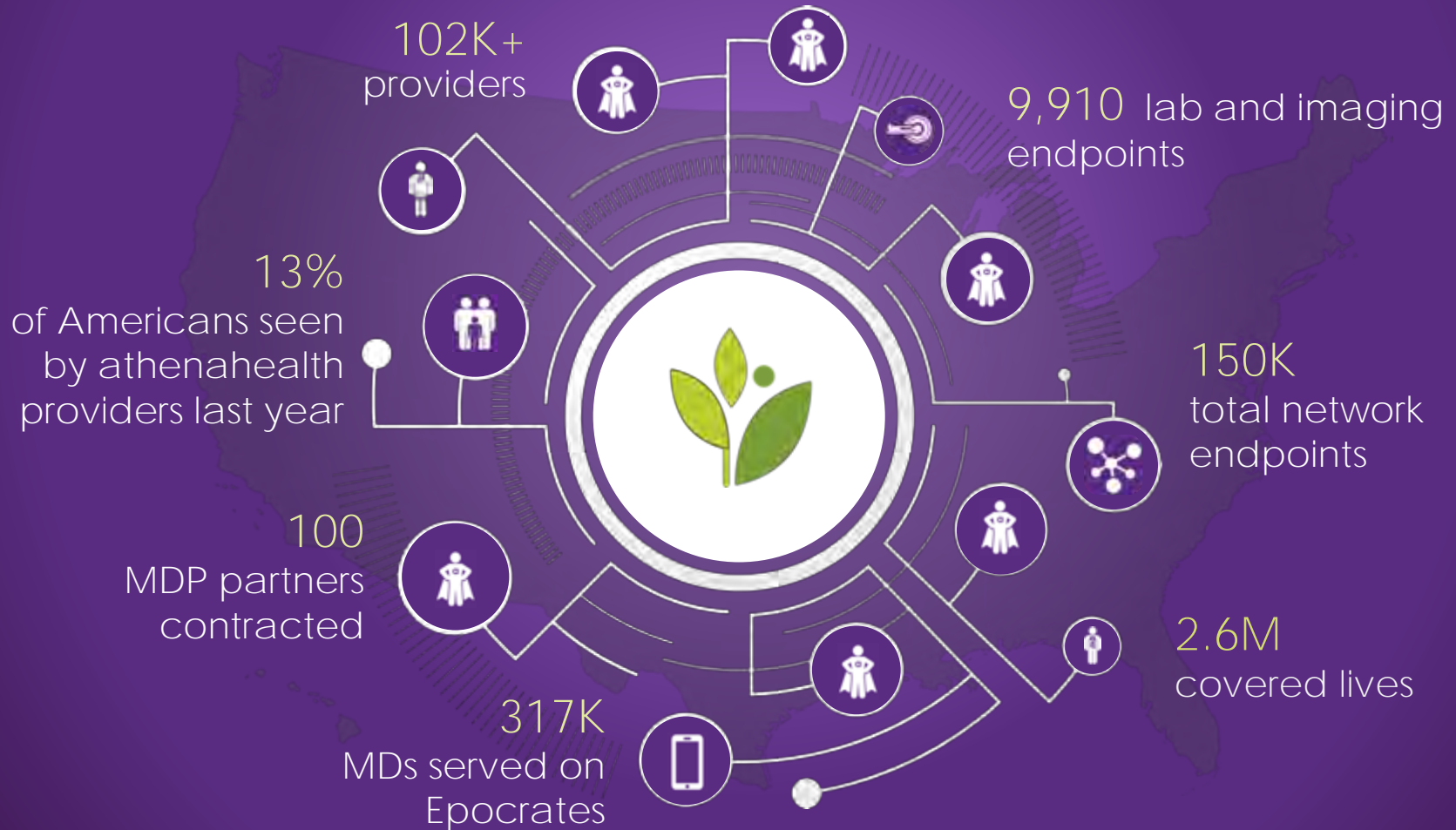
Prior to joining athenahealth, Ms. Zaremba received her law degree from Boston College Law School. She graduated from Syracuse University with a degree in Policy Studies and Economics.
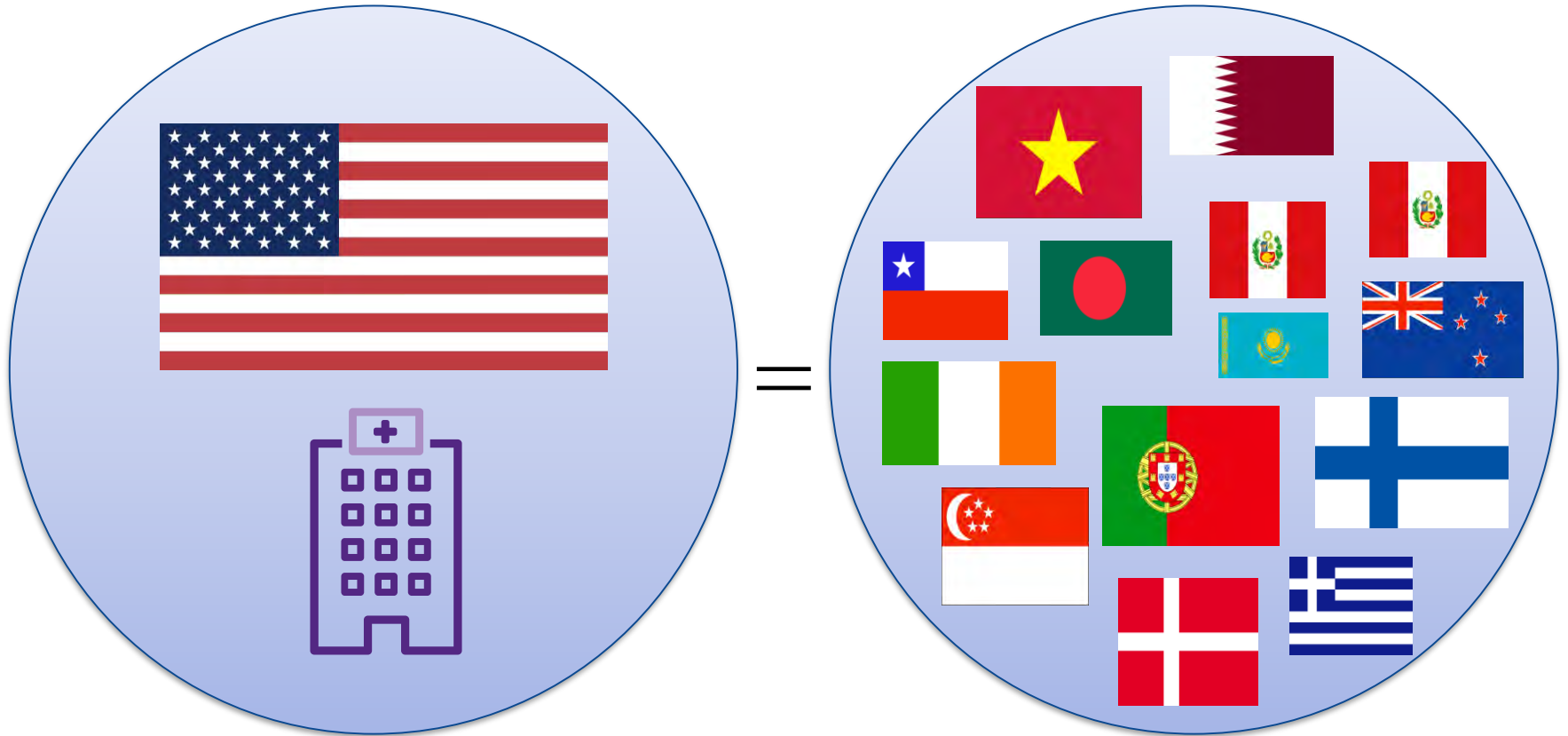
Briefing: What's Broken in US Healthcare

Stephanie Zaremba
Director, Government Affairs

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athenahealth vision: To build an information backbone that helps healthcare work as it should.

102K+ providers

9,910 lab and imaging endpoints

13% of Americans seen by athenahealth providers last year

150K total network endpoints

100 MDP partners contracted

2.6M covered lives

317K MDs served on Epocrates

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US healthcare spending equals (combined) GDP of 14 countries

=

$3.2 T
National Health Expenditures (2015)
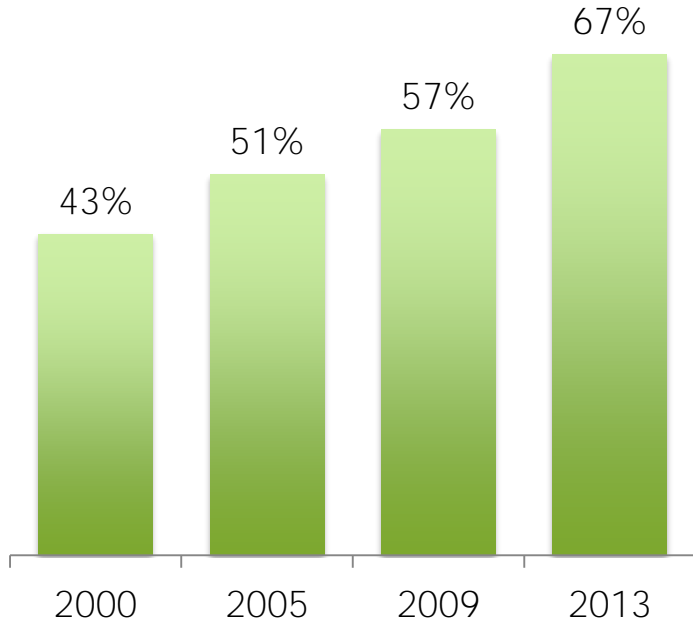
$1.0 T
Hospital Care (2015)

$635 B
Spending on Physicians

Paying a premium for mediocre outcomes

Source: Commonwealth Fund, "How the U.S. Health Care System Compares Internationally";
CMS Readmissions Complications and Deaths Data Set.
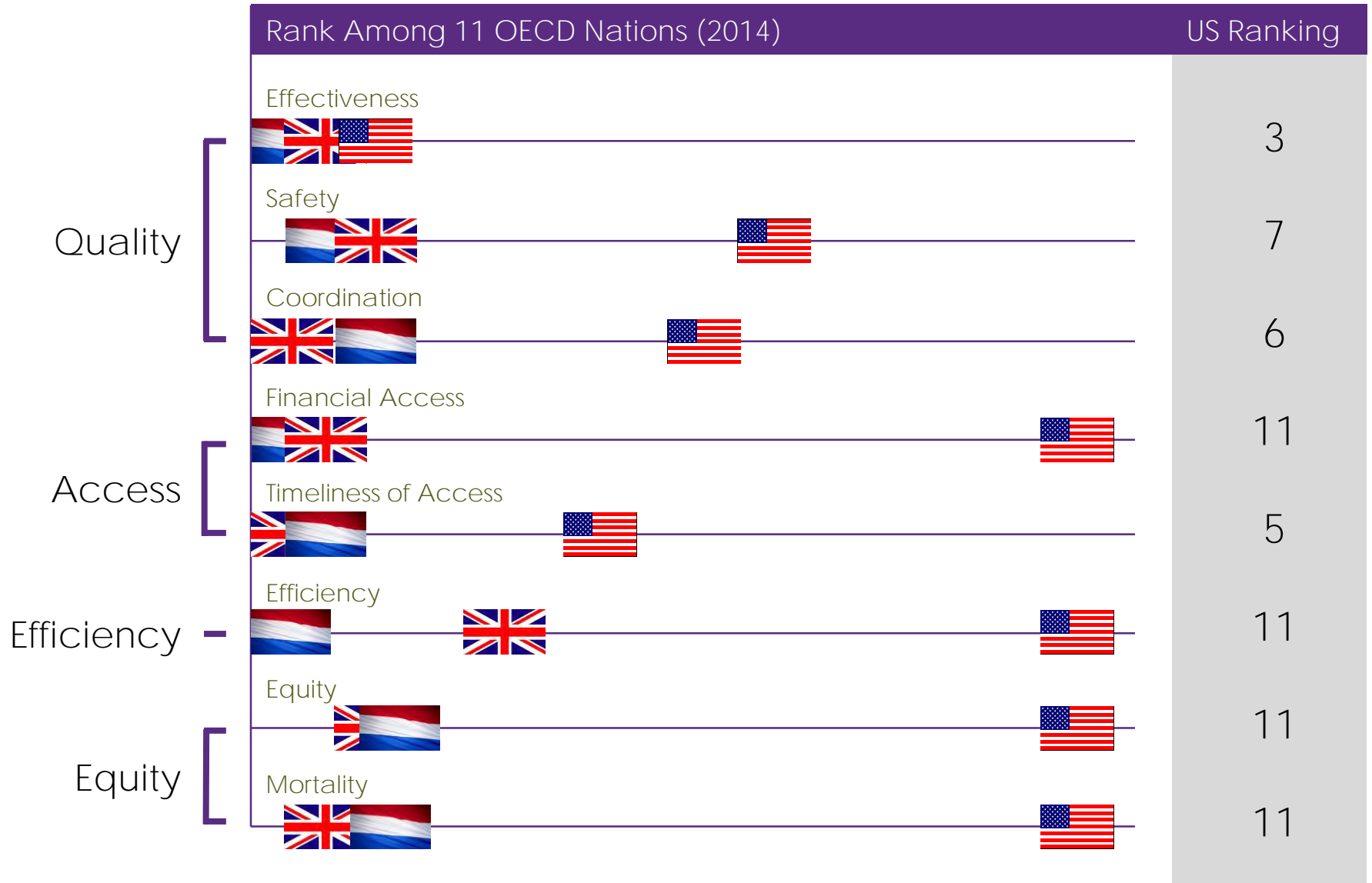
1 Volume-based reimbursement

2 Variability in care processes

3 Lack of cost and price transparency

4 Siloed, fragmented data
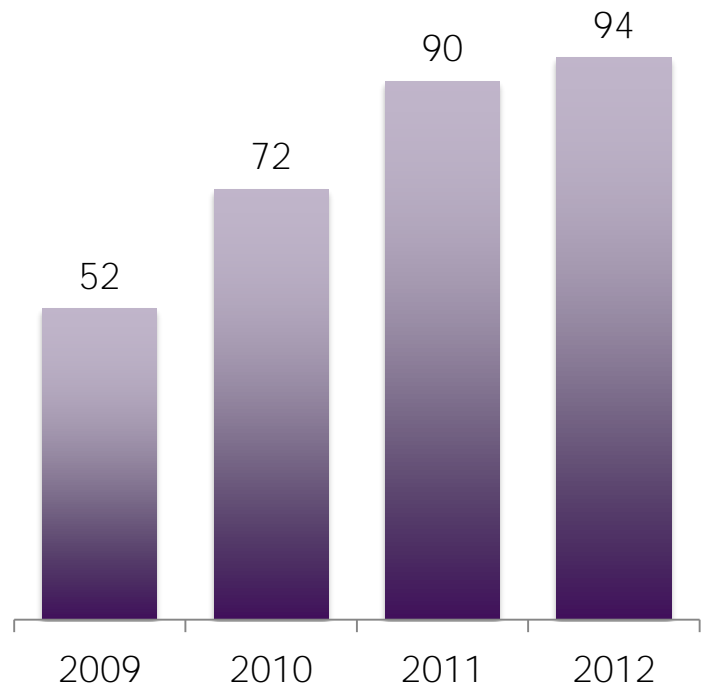
What if we paid for coffee like we pay for healthcare?

Provider sector consolidating in search of volume

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Physicians Employed/Closely Affiliated with Health Systems
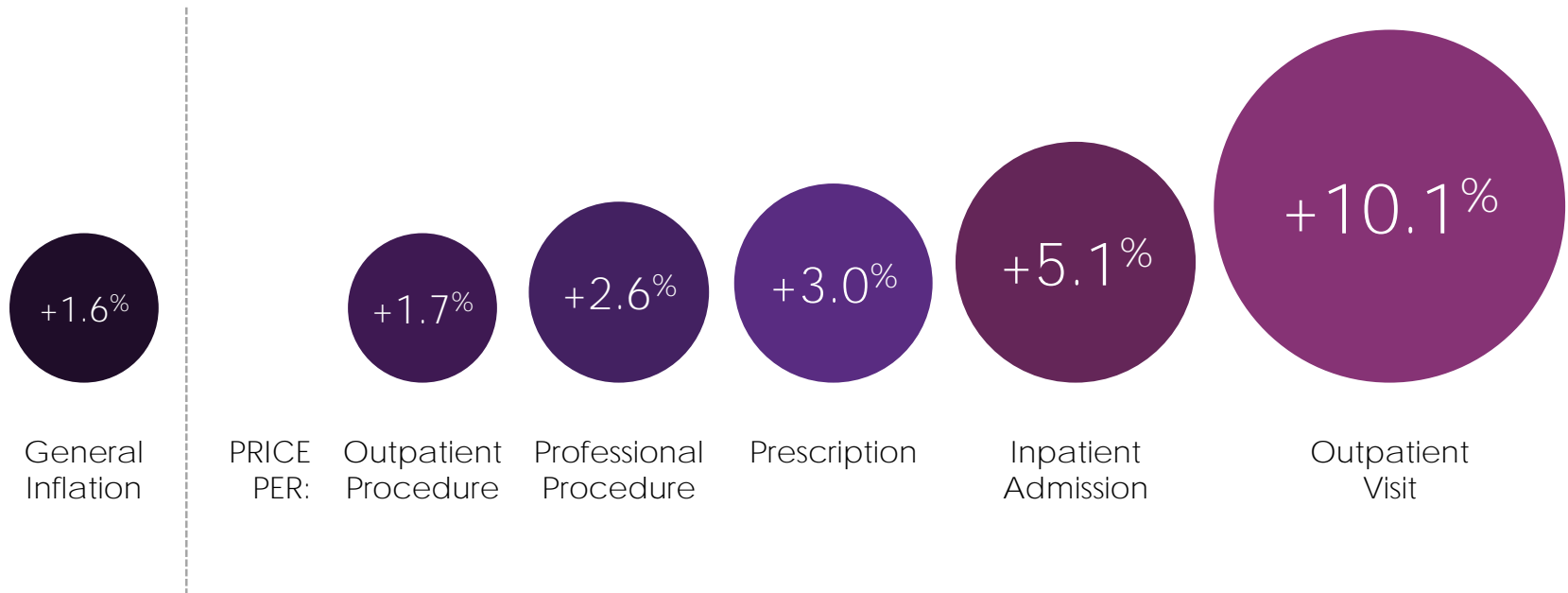

- 2000: 43%
- 2005: 51%
- 2009: 57%
- 2013: 67%

Hospital Mergers and Acquisitions

- 2009: 52
- 2010: 72
- 2011: 90
- 2012: 94

Sources: Levin Associates, Hospital Mergers and Acquisitions; Accenture; New England Journal of Medicine.

Prices Drive Health Spending Growth

Health care prices outpaced general inflation between 2009-2010

General Inflation	PRICE PER:	Outpatient Procedure	Professional Procedure	Prescription	Inpatient Admission	Outpatient Visit
+1.6%		+1.7%	+2.6%	+3.0%	+5.1%	+10.1%

Note: Data represent health spending growth from 2009-2010 among people under 65 with employer-sponsored insurance.
Source: *Health Care Cost and Utilization Report: 2010*, Health Care Cost Institute, May 2012.

HCCI | HEALTH CARE COST INSTITUTE

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42%
Of wasted spending due to care variation

Overtreatment	Failures of Care Delivery	Failures of Care Coordination
Provision of unnecessary clinical care	Failure of safety practices and following established best practices	Poor management of chronic disease leads to expensive treatment
$192 billion	**$128 billion**	**$35 billion**

Source: The Advisory Board

University of Utah is Calculating Cost of Care

"No one on Dr. Lee's staff at the University of Utah Health Care could say what a minute in an M.R.I. machine or an hour in the operating room actually costs. They chuckled when she asked."

University of Utah

▶ Implemented a new computer program that can calculate cost of care

▶ While costs at other academic medical centers in the area have increased 2.9% a year, University of Utah's costs have declined 0.5%

$0.82

Cost per minute in the ER

$1.43

Cost per minute in the ICU

$12.00

Cost per minute in the operating room for an orthopedic surgery case

Charge: ???
Billed: $7,468
(for two scans!)

Newton-Wellesley

Charge: $5,315
Out of Pocket: ???

Massachusetts General

Charge: $2,000
Out of Pocket: $600

Shields

Source: M. Bebinger, How Much Does an MRI Cost? Good Luck Finding Out, Kaiser Health News, 2012.

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95%
of doctors have difficulty delivering care because they cannot access patient records

16,000
faxes are sent to the average doctor each year

$12B
wasted in U.S. hospitals annually as a result of inefficient communication among care providers

Interoperability is about a lot more than forcing the exchange of information

Access: "When I'm on the athenaNetwork, I want to be connected to my patient's network of data"

Utility: "Data needs context so that I know what to do next."

Performance: "I want to easily find what's important. Help me manage the information and effort overload."

Thank you