

NJBIZ

ALL BUSINESS ♦ ALL NEW JERSEY

OPINION

Corner Office: Bob Franks

The status quo in health care has become unacceptable

By Bob Franks

6/29/2009



Bob Franks

From the floors of state legislatures and the halls of Congress, to the White House cabinet room and corporate boardrooms, health care reform is now squarely at the center of the national domestic policy debate.

Although it is unclear precisely what shape it will take, it is very clear that the status quo in health care has become unacceptable and the new administration in Washington is determined to seek significant change.

With the president's recent victory in securing commitments from private industry to do their part to rein in the growth of health care costs, the question of health care reform is not an "if," but a "when." The participation of the private sector — drug companies, medical device companies, insurers and hospitals — is a game-changer. It is proof positive that health care reform is going to happen this year in Congress.

What course should we follow?

First, we need to create a stronger, more proactive health care system. Today in America, we have a "sick-care" system, not a health care system. Too many times, we see patients after they've been diagnosed with a chronic or life-threatening disease. The damage has already been done. In effect, we've built a health care system that responds best to treating the disease at the point where medical options are limited and the cost is great. That paradigm must shift if we are to achieve meaningful reform and generate savings.

One way to do that is by focusing on disease prevention and early intervention, with particular focus on chronic disease. Chronic diseases are the leading cause of death and the key driver of health care spending in the United States. In fact, 75 percent of the nation's overall health care spending goes toward caring for patients with chronic diseases. Studies show that health care costs for people with a chronic disease average \$6,032 annually — five times higher than healthy patients.

Second, we need to encourage medical innovation in our country. Prescription medicines, medical devices and related health care technologies are a key element in both improving patient health and reducing the growth of overall health costs. Preserving the policies that foster innovation is critical as Congress works to improve our health care system.

Prescription medicines in particular play a critical role in managing and preventing many chronic conditions. Although prescription medicines account for only 10 cents on every health care dollar, among health care services covered by insurance, they get the least coverage. And even among Americans with health insurance, 14 million still don't get the kind of coverage that provides access to prescription medicine.

Finally, we must do more work to knock down financial barriers that prohibit patients from getting the treatments they need. Cutting-edge science is creating opportunities for the development of personalized medicine — an approach that will help us better identify what treatments work best for which patients.

Also, to promote better and more efficient care, the development of performance measures and performance-based payments for providers should be considered. Adopting well-designed performance measures can help ensure patients receive the right type of treatment and patients follow treatment regimens that will allow them to achieve desired outcomes.

These are reasons why now — more than ever — we must tackle health care reform. Comprehensive health care reform, done in a way that takes advantage of innovation, the goodwill of all stakeholders and the crisis in our country, can address the urgent need for all Americans to have access to high-quality, affordable health coverage.

Bob Franks is a former U.S. representative who now serves as president of the Bridgewater-based HealthCare Institute of New Jersey.