

AHA Research Question #4

What is the role of the hospital in a new community environment that provides more efficient and effective health care (e.g., what are the redesigned structures and models, the role and implementation of accountable care organizations, the structures and processes needed to implement new payment models such as bundled payments, and how do organizations transition to this new role)?

Importance/Context

This research question is important because as demonstrated in the 2009 Strategic Issues Forecasting Report:

- The United States spends approximately twice as much per capita on health care per year (\$6,347,¹ 20% of GDP by 2017²) and achieves poorer outcomes, such as infant mortality (6.9 deaths per 1,000 births)³ and life expectancy (77.8 years)⁴, when compared to other economically developed countries.
- Current actuarial projections show that without significant reform, the Hospital Insurance (HI) portion of the Medicare Trust Fund (Part A) is expected to be depleted by 2017.⁵
- CMS and other payers are likely to continue put forward new payment models that incentivize quality, efficiency, and coordination. Not enough information is known about the structures and processes needed for hospitals to successfully adapt to new ways of organizing and paying for care that will encourage more efficient and effective care at the community level.

Questions/Hypotheses

Some specific questions are:

- What will future accountable care organizations look like? What related services provide the best opportunities to improve the health of the population?
- What delivery and operational structures need to be in place to implement bundled payments?
- What does the future community hospital/population-based health care organization look like? What are the transitions needed to get there?

Some example hypotheses to test are:

- The most successful accountable care organizations will include public health departments, at least one hospital, numerous primary care practices, and major specialty practices.
- Owned/vertically integrated accountable care organizations are more likely to be able to successfully manage bundled payments to improve quality and efficiency.

How Information Can Be Used

Results will help hospitals in several ways:

- Understand what future accountable care organizations may look like and what services may provide the best opportunity to improve the health of the population within these new entities.
- Be aware of what delivery and operational structures need to be in place in order to successfully implement different types of bundled payments across settings and providers of care.
- Understand what roles different hospital types (e.g., small, rural, academic, independent) may play in accountable care organizations.

1 "OECD Health Data 2005, How Does the United States Compare." Organisation for Economic Co-operation and Development, <http://www.oecd.org/dataoecd/15/23/34970246.pdf>.

2 "Facts on the Cost of Health Insurance and Health Care." National Coalition on Health Care, Sept. 2009, <http://www.nchc.org/facts/cost.shtml>.

3 "OECD Health Data 2005, How Does the United States Compare." Organisation for Economic Co-operation and Development, <http://www.oecd.org/dataoecd/15/23/34970246.pdf>.

4 "OECD Health Data 2005, How Does the United States Compare." Organisation for Economic Co-operation and Development, <http://www.oecd.org/dataoecd/15/23/34970246.pdf>.

5 "A Summary of the 2009 Annual Reports." Status of the Social Security and Medicare Programs, Social Security and Medicare Board of Trustees, Social Security Online, <http://www.ssa.gov/OACT/TRSUM/>.

