HEALTH CARE REFORM,
POPULATION HEALTH AND THE
FUTURE OF OCCUPATIONAL
AND ENVIRONMENTAL
MEDICINE

Kenneth W. Kizer, MD, MPH
WOEMA Annual Meeting
San Francisco, CA
September 14, 2012

“The specialty of occupational medicine is in peril…”

Joseph LaDou, MD

Because of its position at the crossroads of the employer-employee-healthcare system the specialty of occupational and environmental medicine is especially well-positioned to play a critical role in the future of American healthcare.
PRESENTATION OVERVIEW

- Present a brief overview of the Institute for Population Health Improvement
- Highlight the forces driving the transition of American healthcare and the growing focus on population health
- Discuss the confluence of forces laying the foundation for a renaissance of occupational and environmental medicine
- Identify some needs that OEM needs to address to actualize the opportunity for a renaissance

INSTITUTE FOR POPULATION HEALTH IMPROVEMENT, UC Davis Health System

- Population health
  - The intersection of public health and the clinical sciences
  - New payment models require that population health management be a core competency for health care systems
- Established as an independent operating unit in UCDHS in March 2011; has since developed a diverse portfolio of funded activities >$70M and >100 employees
- Serves as a resource for health care reform, health policy and clinical quality improvement
- Assists government health-related agencies in designing, implementing and administering programs
- Seeks to
  - Improve the effectiveness and efficiency of clinical care
  - Build health leadership and health care management capacity
  - Facilitate access to and leverage of data sources to develop clinical intelligence
- Promotes understanding of the multiple determinants of health and appreciation of health being a function of the totality of one’s circumstances
- Conducts research and teaching
**IPHI REPRESENTATIVE ACTIVITIES**

- Provides technical assistance and other support to Medi-Cal (California’s $48B/yr Medicaid program)
  - Medi-Cal Quality Improvement and DSRIP Programs
  - Designing the Evaluation of Medicare-Medicaid Dual Eligibles Program
- Manages the California Cancer Registry
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- Administers multiple statewide chronic disease prevention and surveillance programs for the CDPH, including:
  - California Heart Disease and Stroke Prevention
  - California Arthritis Partnership
  - Project LEAN
  - California Active Living Program
  - Breast and cervical cancer screening for underserved women
  - California Tobacco Control Program
- Conducting a statewide assessment of surgical adverse events
- Investigating feasibility of developing “Community Paramedicine”
- Manages the California Health Information Exchange Development Program
- Conducting various population health research programs
  - Use of the OncotypeDx Genetic Assay in Medi-Cal Beneficiaries with Breast Cancer
  - Evaluation of Opiate Overdose Prevention Policies (in collaboration with CHPR)

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**AMERICAN HEALTHCARE IN TRANSITION AND THE GROWING FOCUS ON POPULATION HEALTH**

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**The Turbulent Waters of Early 21st Century American Health Care**

1. The essentiality of constraining the unsustainable rise of health care costs
2. Need to improve clinical quality and patient safety
3. Changing demographics
4. Explosive growth of new technology
5. Health care personnel shortages
6. Higher service expectations
7. Health care reform legislation
Why are Healthcare Costs Rising?

- Population growth and aging
- Uncontrolled proliferation of technology
- Increasing chronic care needs
- Direct to consumer marketing of healthcare products and services
- American culture
  - High value placed on ‘choice’
  - Excessive demand (“consumptive society”)
- Legislated healthcare service mandates
- Consolidation of healthcare providers
- Rising liability insurance costs
- Care variation from best evidence (i.e., poor quality)
Growth of Mandatory Expenditures

- Mandatory Expenditures
  - Social Security
  - Medicare and Medicaid
  - Interest on the national debt
  - Veterans disability pensions
- Discretionary expenditures
  - National Defense
  - International Aid
  - Veterans health care
  - Education
  - Highways and transportation
  - Parks
  - Everything else

Factors affecting mandatory expenditures since 2007
- Recession
  - Increased Medicaid expenditures
  - Marked increase national debt and debt services
  - Economic stimulus legislation
  - Health care reform legislation

THE OPPORTUNITY FOR A RENAISSANCE OF OCCUPATIONAL AND ENVIRONMENTAL MEDICINE
GROWING FOCUS ON POPULATION HEALTH

- Stagnant or deteriorating population health
- The workplace and home environments are intimately connected
- 7 of the 10 leading causes of mortality are linked to lifestyle and preventable conditions
- Increasing amount of health care provided at home
- Others

Report Says 75 Percent of Young Americans Unfit for Military Service
Published November 05, 2009 | AP

About 75 percent of the country's 17- to 24-year-olds are ineligible for military service, largely because they are poorly educated, overweight and have physical ailments that make them unfit for the armed forces, according to a report issued Thursday.

Other factors, such as drug use, criminal records and mental problems, contribute to what military leaders say is a major problem that threatens the country's ability to defend itself at a time when the all-volunteer force is already strained fighting two wars.

Healthcare Costs and U.S. Competitiveness

The United States spends an estimated $2 trillion annually on healthcare expenses, more than any other industrialized country. According to data from the Organisation for Economic Co-operation and Development (OECD), the United States spends two to three times more than the OECD average, and yet ranks with Turkey and Mexico among the OECD countries without universal health coverage. Some analysts say an increasing number of U.S. businesses are less competitive globally because of ballooning healthcare costs, U.S. economic woes have heightened the burden of healthcare costs both on individuals and businesses.

GM health care bill tops $60 billion
Cost adds $1,400 per vehicle, hurts competitiveness
By Ed Garsten / The Detroit News

Rising Obesity Rates


Source: Thorpe, 2008
THE ECONOMY

- Economic recovery will be prolonged
- Physical and mental health of the workforce is inextricably linked to employee performance, engagement and productivity
- Increased understanding that population health management is a long-term business strategy
- The cost of job-related injuries and illnesses is sizable and the majority of these costs are not borne by workers compensation
- Employers and other healthcare payers need help in designing the infrastructure and policies needed to support access to comprehensive healthcare services for employees, families and retirees

Health Care Reform

- ARRA and HITECH
- The Affordable Care Act
  - Increases the number of insured and, therefore, demand for healthcare services
  - Incentives for the workplace wellness programs to reduce chronic diseases, promote sustainable and replicable workplace health-related programs, and conduct peer-to-peer healthy workplace mentoring
  - New healthcare payment models
- The cost of job-related injuries and illnesses is sizable and the majority of these costs are not borne by workers compensation
- The workplace is an important venue for the provision of healthcare services
- Is creating a new healthcare economy
**Health care mass layoffs escalate**

Aug. 9, 2012

The number of people losing their jobs in a mass layoff from a hospital or an ambulatory care center spiked of Labor Statistics. A mass layoff is defined as at least 50 people being laid off from a single entity in one day. In June, according to a monthly report issued July 20 by the U.S. Bureau of Labor Statistics.

**Northwestern hospital confirms 230 layoffs**

By Peter Frost Tribune reporter 6:26 p.m. CDT, August 22, 2012

Northwestern Memorial Hospital confirmed Wednesday that it has laid off 230 employees over the last month as part of an effort to reduce its cost structure by a quarter by 2017.

**Union leaders for nurses meet with Englewood Hospital management over potential layoffs**

**Northwestern hospital confirms 230 layoffs**

Union leaders for nurses meet with Englewood Hospital management over potential layoffs Thursday, August 23, 2012

BY LINDY WASHBURBAND BARBARA WILLIAMS Staff Writers

**Westchester Medical Center lays off more workers**

August 15, 2012

Health system cost-cutting changes will include staffing reductions. The Cumberland Times-News Wed Aug 15, 2012, 10:37 PM EDT

CUMBERLAND — Changes are coming for the Western Maryland Health System and its employees. The changes will include staffing reductions through attrition and some "involuntary separations."