

# HealthCast 2020

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Occasionally, I receive unsolicited e-mail reports from various international consulting companies and other health care-related organizations. Recently, a report from PriceWaterhouseCoopers (PWC) and its Health Research Institute caught my attention.

*HealthCast 2020: Creating a Sustainable Future*<sup>1</sup> is actually the third in a series of research reports that describe that company's point of view on global health trends. The extent of the survey research is impressive. The company surveyed more than 580 executives of hospitals and hospital systems, physician groups, payers, governments, medical supply companies, and employers from 27 countries. In addition, they conducted in-depth interviews with more than 120 of these thought leaders in 16 countries. It would be nearly impossible for any hospital, medical school, or managed care organization to mount a comparable global research effort.

I would like to highlight several key findings identified by the researchers.

First, it should come as no surprise that future health spending is expected to increase at a much higher level of growth than in the past. The researchers predicted that by 2020, health care spending will triple in real dollars in the U.S. and will consume 21% of the gross domestic product (GDP) in the U.S. and more than 16% of the GDP in other member countries of the Organisation for Economic Co-operation and Development (OECD).

Second, the findings suggested that there is wide support for a health system with shared financial risks and responsibility among private and public payers—versus the historic cost-shifting approach. Even European experts believed that financial responsibility for health care should be shared and stated that competition, regulated cost-controls, and cost sharing by patients were important future trends.

Third—and perhaps most important—the survey respondents reaffirmed the role of transparency in terms of outcomes of health care. Specifically, more

than 80% of the respondents identified transparency in quality and pricing as a key contributor to future sustainability of the health system. I was happy to read that physicians who were ranked the highest in Europe and Canada as the key stakeholder group supported the transparency agenda.

Fourth, the survey reinforced the importance of disease-management programs as an untapped potential to enhance health status and reduce costs; however, they require support and integration throughout the industry for their benefits to be realized. More than 80% of the respondents identified lack of health care integration as a major problem facing the health-delivery system. They saw disease management and coordination of benefits as a critical component for future growth.

Fifth, while calling for an increase in pay-for-performance and cost-sharing programs, the respondents recognized that few hospital systems, or even central governments, are prepared to meet the demands of the empowered consumer. There is certainly an important opportunity here to educate consumers and provide them with Internet-based programs describing their drug benefits, for example.

Finally, the survey respondents noted that information technology (IT) was critical in enabling health care issues to be resolved when systemwide and organizational commitment and investment are present. This means that globally, a greater investment in the health care IT infrastructure is essential for sustaining appropriate growth. There was also universal recognition of the relationship between IT and improving patient safety and restoring patient trust; people are getting the safety message worldwide.

In the report's conclusion, the survey respondents called for the transferability of lessons that are emerging from different nations. Thus, around the world and in all sectors of our health care industry, leaders are exploring many of the same solutions. We need to find a better way to

highlight and disseminate these commonalities.

What, then, are the common characteristics of the sustainable health system of the future? The survey respondents listed seven attributes that will be essential within the health system in 2020:

- a quest for common ground
- a digital “backbone” (support system)
- realignment of incentives
- standardization of quality and safety measures
- strategic deployment of resources
- a climate of innovation
- adaptable delivery roles and structures

All of these attributes certainly sound good to me, and I am sure that aspects of the report resonate with the members of your P&T committee. I sense that health care providers and payers the world over are struggling with many of the same issues that your P&T committee tackles every month. Maybe we can actually learn from one another's experience if we can take the time to listen carefully and then evaluate what we are hearing from across the globe.

If you would like to learn more about this report, you can download it directly from the Web site address.<sup>1</sup> PWC's partner for the pharmaceutical industry, Leonard Combs, can be reached by telephone (267-330-2405) or by e-mail (leonard.combs@us.pwc.com).

As usual, I am always interested in your views. My e-mail address is david.nash@jefferson.edu.

## REFERENCE

1. *HealthCast 2020: Creating a Sustainable Future*. PriceWaterhouseCoopers. 2006. Available at: [www.pwc.com/us/eng/about/ind/healthcare/hc2020.html](http://www.pwc.com/us/eng/about/ind/healthcare/hc2020.html). Accessed October 25, 2006. ■