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From the Editor Managing the Medical Industrial Complex: Two Decades On

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From the Editor

Managing the Medical Industrial Complex: Two Decades On

In 1980, as the editor-in-chief of the prestigious *New England Journal of Medicine*, Arnold Relman first described the medical industrial complex of the late 20th century. He was deeply concerned about the growth of the for-profit sector in healthcare and, from his perch, warned that our medical system may not be able to keep up with dramatic market changes.

Nearly 20 years ago, colleagues of mine and I wrote a sounding board piece in the same journal which suggested that a new type of physician executive was needed to guide the complex healthcare system of the future. We outlined a managerial "fund of knowledge" including such skills as organizational development, financial analysis, microeconomic analysis, decision sciences, and the like. Our observation of the medical industrial complex moved us to call for the medical profession to rise and meet the challenge from critics by giving careful attention to the training of physician executives. The question remains: What progress have we made at the national level, and here at Jefferson, regarding the management of the medical industrial complex of the 21st century?

Today, editors of prestigious journals continue to call for curricular reform specifically addressing the need for physicians to learn about our country's healthcare system.³ The pervasive theme is that future doctors should see how healthcare is organized and financed in this country in order that they may more fully participate in the conversation regarding possible reforms. Our leading educational organizations, such as the Association of American Medical Colleges, have issued white papers and convened expert panels to address the leadership needs of the future. Major national philanthropic bodies, such as The Commonwealth Fund, have empanelled other groups to evaluate and comment on "Training the Doctor of Tomorrow."⁴ From a national education perspective then, it appears that our leaders have gotten the message and are calling for broad and sweeping changes in medical school training with an eye toward leadership and management of the medical industrial complex.

Some observers have gone so far as to say that the increased importance of physician administrative leadership represents an opportunity for academic physicians interested in working at the "interface of clinical medicine, healthcare, finance, and management." These physicians are called academic physician administrators and leaders or APALs. While I am not sure that this nomenclature will readily take hold, it is significant to note that these collective voices are joining together urging academic medical centers to enhance the career development of their own physicians in administrative and leadership positions. I would suggest that articles like this would have been viewed as clearly "out of the mainstream" only 20 years ago.

Other medical educators recognize that, while faculty must change, we must also change the training environment for our students and house officers. Reports are increasing regarding the development of innovative clerkships and related

experiences for students and house officers focused exclusively on issues such as quality improvement, managed care, and prescription drug cost management. Taken together, I am particularly heartened by these curricular innovations and the recognition by our most senior educational leaders of the need to address the management challenges in our work together.

I believe a quiet educational revolution has occurred contemporaneously with the call for major curricular reform, that is, the growth in the number of joint MD/MBA programs at U.S. medical schools in the last decade. Recently, Larson and colleagues noted that the number of such programs grew from six to 33 between 1993 and 2001, and 17 more medical schools were considering establishing the joint degree program.7 Taken together, this means that more than one out of four U.S. medical schools offer and promote such a joint degree program. While program structure, oversight, and philosophies may vary, it is axiomatic that there is a rising level of cooperation between medical and business schools and an increasing interest in management education early in the careers of graduating physicians.

Major national constituent-driven organizations such as the University HealthSystem Consortium (UHC) in Chicago, Illinois, also recognize the need for leadership and management training for physicians. Through the Medical Leadership Council of the UHC, its members come together to share information regarding innovative programs and benchmark their collective performance. One of the key attributes of leadership, of course, is preparing leaders for the future. The UHC is a good example of such an activity at the national level. Other organizations have matured since Relman's early description of the medical industrial complex. Today, the American College of Physician Executives, headquartered in Tampa, Florida, counts nearly 12,000 physician leaders among its members. These physicians are drawn from every sector, including academic medicine, government, military, community hospitals, managed care, and the like. They share in common a desire to participate in the leadership of our ever increasingly complex system and to participate in effective change management for the future.

How has Jefferson Medical College (JMC) responded to the need for leadership and management training across the spectrum of medical education? We are celebrating the 10^{th} anniversary of the creation of the Jefferson Medical College/Widener University five-year combined MD/MBA program. This is a relatively unique program as it represents the joint effort of two different educational institutions. Whereas many other medical colleges join with the business school component of the parent university, Jefferson reached out to one of the most prestigious and accredited training programs in health management at Widener University, a 20-minute drive south of our center city campus. Dozens of Jefferson Medical College students have been involved in this very successful joint program, and the first cohort graduated in 1999.

Students in the combined program spend the first two years of their education on the Jefferson campus in a traditional classroom setting. They then devote a third year completely to work on the Widener campus in Chester, Pennsylvania. Courses are reflective of the fund of knowledge we articulated nearly 20 years ago. These students then return to the Jefferson campus to complete their third and fourth years of the medical college curriculum. As a result, they are out of step with their incoming cohort of student colleagues and graduate one year later than their immediate peer group. They all receive special personalized attention from faculty on both campuses, and many engage in original managerial research and serve as

teaching assistants on the Widener campus.

Another JMC program administered through the Department of Health Policy is our Chief Resident Education for Success Training or CREST initiative. Funded with outside support, the CREST initiative brings together chief residents across all medical specialties on a periodic basis. During a full day's program, the chief residents are exposed to the basic tenets of leadership training and have an opportunity to self-assess their own potential for ongoing administrative responsibilities. Over the last few years, scores of young, enthusiastic future leaders have come to our campus to enjoy this series of ongoing programs. They uniformly report that opportunities like this are limited at their own school, and they resonate with the recognition that many of their colleagues share their enthusiasm for these nontraditional topics in medical education.

The JMC curriculum is also changing. This past year, under the auspices of Interclerkship Day and Dr. Susan Rattner, Senior Associate Dean for Undergraduate Medical Education, the Department of Health Policy brought together the entire third-year medical class for the equivalent of what the military would call "a stand down day." For example, all of the third-year students, prior to starting their winter rotations both on our campus and at our affiliated institutions, spent the day focusing on improving patient safety. Led by a series of nationally prominent faculty members and JMC faculty in small interactive groups, the third-year class had an opportunity to reflect (at an early stage in their clinical experience) about the systemness of care. Few medical schools devote so much as one lecture to improving patient safety, let alone an entire day carved out of the busy third-year clinical curriculum on such a complex, controversial, and critically important topic.

Each summer, the Dean sponsors a series of scholarship opportunities for students who have just completed their first year in JMC. The Department of Health Policy has been fortunate to be able to host one of these Dean's Scholars every summer. They are exposed to many of the tenets of management and leadership within the healthcare system by virtue of their three-month rotation in the Department. They participate in all of our ongoing research activities and have an opportunity to read widely in our field while completing a publishable research project.

Finally, we were exceedingly proud to have recently hosted the Second National MD/MBA Program Director Conference on our campus in Philadelphia this past spring. Nearly 100 persons from across the country came to Jefferson to celebrate the growth of the movement toward managerial education and to hear from nationally prominent experts about the challenges of such a career trajectory. Students from combined degree programs up and down the coast commuted to our program, and the excitement in the room was palpable as they recognized there were many other colleagues with similar interests who had self-selected for a nontraditional career path. I was very proud of our faculty and students as they presented aspects of their managerial research and clearly were among the leaders of such a select group.

Medical education, at all levels across the training continuum, is changing to meet the needs of a highly complex delivery system in the 21st century. National thought leaders and prominent medical organizations have articulated their vision of leadership for this enterprise. JMC has internalized this vision and is responding exceedingly well, leading in its own right. If you would like to learn more about some of these exciting activities, please visit www.uhc.org, www.acpe.org and, of course, www.jefferson.edu/dhp. You can reach me at david.nash@jefferson.edu.

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