Reinventing the hospital

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Around the world hospitals & other providers have similar problems

- Downward pressure on costs
- Models based on growth
- Relationships with physicians
- Lack of integration
- The wrong offer for most people they serve
Hospitals

Not specialist enough for complex cases

Not general enough
NHS Cooperation and Competition panel on relation between volume and outcomes: 2/3 of all reviews found that increased volume yields better outcomes.

<table>
<thead>
<tr>
<th>Surgery Type</th>
<th>Positive</th>
<th>No Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schildkranz</td>
<td>8</td>
<td>21</td>
</tr>
<tr>
<td>Coelacant</td>
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<td>20</td>
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<tr>
<td>AAA Prostaat</td>
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<tr>
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<td>Hersenen</td>
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<td>12</td>
</tr>
<tr>
<td>Hart</td>
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<td>Maag</td>
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<td>Blas</td>
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<tr>
<td>Long</td>
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<tr>
<td>Lever</td>
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<tr>
<td>Vaten</td>
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<td>Schouder</td>
<td>10</td>
<td>4</td>
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<tr>
<td>Overig</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Hart (kind)</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Aorta</td>
<td>3</td>
<td>5</td>
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<tr>
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<td>Gastro (trauma)</td>
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<tr>
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<td>Nek-en rugwervel</td>
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</tr>
<tr>
<td>Geboorte</td>
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</tr>
</tbody>
</table>
... and it is not only about surgery

But no English Trust has fewer HF admissions than this

**Figure 3.** Predicted Effect of an Increase of 100 Patients in Annual Hospital Volume on the Adjusted Odds of Death from Any Cause at 30 Days and Volume Threshold, According to Medical Condition.

For each condition, the association between the hospital volume and the patient outcome was attenuated as the hospital’s volume increased. For patients with acute myocardial infarction, once the annual volume reached 610 patients, an increase of 100 patients in hospital volume was no longer significantly associated with reduced odds of death. The volume threshold for hospitalization was 500 patients for heart failure and 210 patients for pneumonia.
Hospitals

- Not specialist enough for complex cases
- Not general enough
- Not managing the whole value chain
### How much change?

<table>
<thead>
<tr>
<th>Three strategies</th>
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<tbody>
<tr>
<td>Try and make the current model work by improvement or growth</td>
</tr>
<tr>
<td>Build new approaches on the current model</td>
</tr>
<tr>
<td>Rethink the whole model</td>
</tr>
</tbody>
</table>
Growth – the standard approach

- A challenge in many systems with small funding growth
- Mergers and acquisitions (that often fail)
- Management contracting (hard)
- Taking the model to new markets (very hard)

All require

- A transferrable methodology and management model
- Mechanisms to avoid multiplying complexity
Improving operations and delivery

- Making the best of the workforce
  - Ensuring a focus on value
  - Empowered professionals and team working
  - Task and process redesign
  - Measuring on outcomes
  - Getting the basics right

- Improving management e.g. changing the status of public hospitals

- Outsourcing

- Redesign and improvement
Unfortunately…

In many countries these approaches are just the price of continuing to exist

Other approaches are going to be required

New approaches need skill in the formulation of new strategies
New approaches built on the existing models

Integration

Networks

Hospitals as a provider of space & support

Quality improvement at scale

Building academic links
Rethinking the approach

- Focus
- Disintermediation
- Channel Shifting
• New venues to access healthcare
• Changing paradigm of time and distance
• Personal technology

Kaiser Permanente – Coordinating Care in Many Settings

Capital Investment
Resource Intensity
Length of Implementation
Rethinking the approach

- Focus
- Disintermediation
- Channel Shifting
- Patients and their networks as a source of value
  - Self service
  - Co-production
  - Informed decision making
  - Goal oriented medicine
Integrated care

Current

Improve existing model

Cost improvement
Lean
Quality as a differentiator

Work with communities

Reimagine

Market

New

Networks

Focussed factory

Integrated care

Enter new markets

Academic Health Science Centres

New channels
Building a system

Home care
- Nursing homes
- Rehabilitation
- Home Nursing

Ambulatory care
- Chronic disease
- Office specialties
- Diagnostics

Local hospital care
- Urgent care
- Medical
- Minor Paediatrics
- Maternity?
- Support for primary care
- Diagnostics
- Some Surgery?

Major centre
- Major Trauma
- Surgery
- Specialist med
- Orthopaedic
- Specialist surg
- Inpatient Paeds
- ICU

Elective centre
- Orthopaedic
- Gynae
- Other surg

Share resources
- Laboratories
- Procurement
Integrate with primary care and community resources
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