

Waterloo-Wellington CCAC Meeting

**REALITY THERAPY**  
**THE FUTURE OF HEALTHCARE**

**June 15,2011**

**Ted Ball**



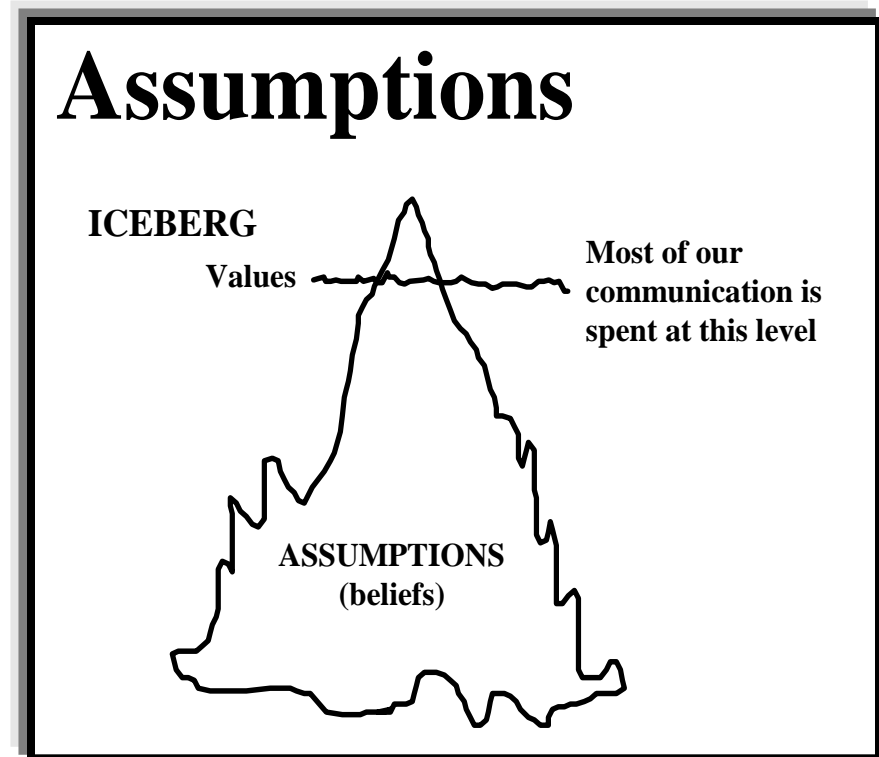
**Quantum Transformation Technologies**

# Perspective:

- Quantum teaches people how to think differently.
- Inventors of knowledge products/systems thinking tools.
- Our thinking is rooted in the *assumptions* we hold.

# Assumptions:

- *Assumptions* are beliefs, often unexamined, of why things work as they do.
- They are the mental foundation from which we draw conclusion, adopt beliefs, and take action.



# Assumptions:

- Quantum video: “PIG!”
- I’m saying: “*Golly, isn’t that a tsunami of change heading our way?*”
- Did you hear me calling you a “pig”, or do you see a tsunami?



# The Healthcare Tsunami:

- Ontario has an unprecedented \$16.3 billion deficit.
- We carry a \$237 billion debt.
- Interest on debt is \$9.7 billion – more than we spend on colleges, universities and training programs.



# The Healthcare Tsunami:

- Health sector costs increase @ 5% - 7% annually – while GDP grows much slower.
- Healthcare spending will make up 80% of expenditures in Ontario by 2030.
- 70% -80% of current costs are chronic disease. We need *Chronic Disease Management Strategies & Systems.*



# The Healthcare Tsunami:

- Canada's health spending per capita is 4<sup>th</sup> highest in 17 peer countries – but ranks 10<sup>th</sup> in overall performance.
- Last place on “*Patient-Centredness*”.
- 1 in 13 patients harmed, 25,000 preventable deaths.

**Why maintain the status quo?**

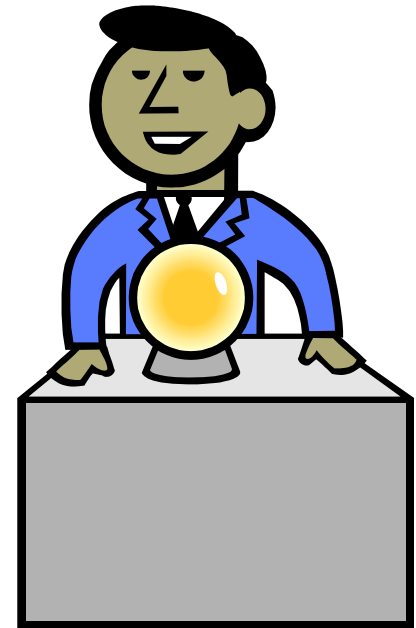


# Public Opinion Polls:

- Ontarians don't want any changes to their healthcare system!
- Gandalf Group's poll says healthcare is the most important issue for 88% of Ontarians.
- Federal Election: "The 6% football". Politicians will not address serious policy options. It's too risky!

# Political Dynamics:

- **Liberals fear-mongering that “a Hudak Government will cut healthcare spending”.**
- **Polls say Ontarians would even pay more taxes to maintain the status quo.**



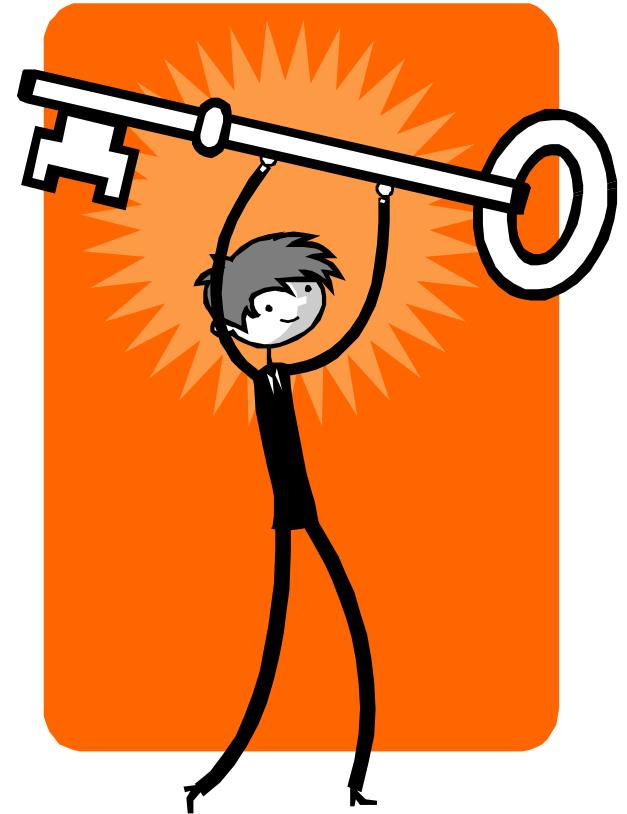
# Political Dynamics:

- **Hudak's response: promise to increase healthcare spending by \$6.1 billion – despite the evidence that demonstrates 30% of existing health sector spending is wasted.**
- **Does this mean healthcare is no longer an issue?**



# Political Realities:

- What would a Liberal or NDP government do on the “health file” if they are elected?
- What is their plan? What are their solutions?
- Tories are promising measures to ensure we have “patient-centred care”.



# CHANGEBOOK: ELECTION PLATFORM

- Commitment to *“a series of patient-centred reforms that make the patient the focus of our health care system.”*

**Patient-Centred**

- Commitment to *“give home care users more dignity, more flexibility, and more say in determining where they acquire these services.”*

# Emerging Ballot Question:

*“Whose vision, values & managerial capabilities do you trust to lead and manage the modernization of our healthcare delivery system?”*



# Mulroney/Kirby/Dodge:

- “*It’s Time For An Adult Conversation*”.
- *Assumption*: We need to find creative ways to get more money in the system. Since public resources are tapped out, they say our challenge is: *how can we get more private money into the system?*
- False assumptions.



# Cheap Healthcare:

- Reframe!
- “*Cheap healthcare*” is Canada’s only competitive advantage with our largest trading partner.
- Canada only spends 10% of our GDP on healthcare -- compared to 17% in the US.
- It is the reason why we still have an auto industry here. Why increase spending on healthcare?





# **Conference Board Of Canada:** **CANADIAN ALLIANCE FOR SUSTAINABLE HEALTHCARE (CASHC)**

*“We need to move to a health system based on empowerment, recognizing this must go hand and hand with greater responsibility. We must change the way we think about healthcare” .*

*–Ann Golden, CEO,  
Conference Board of Canada*

The Conference Board of Canada  
Insights You Can Count On

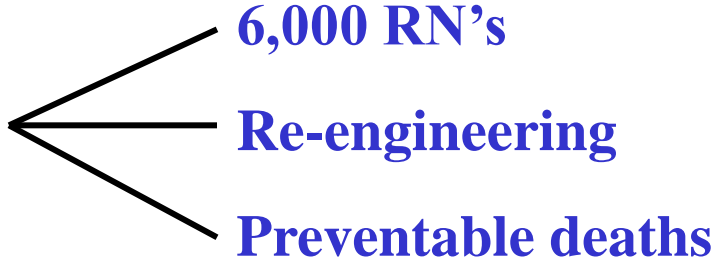


# Don Drummond's Report:

- Appointed by McGuinty to report after the election. “Bend cost curve”, says Drummond.
- “Discipline of the marketplace”. Credit rating?
- My guess: \$12 billion for public sector/\$6 billion healthcare/\$2 billion a year/3 years?



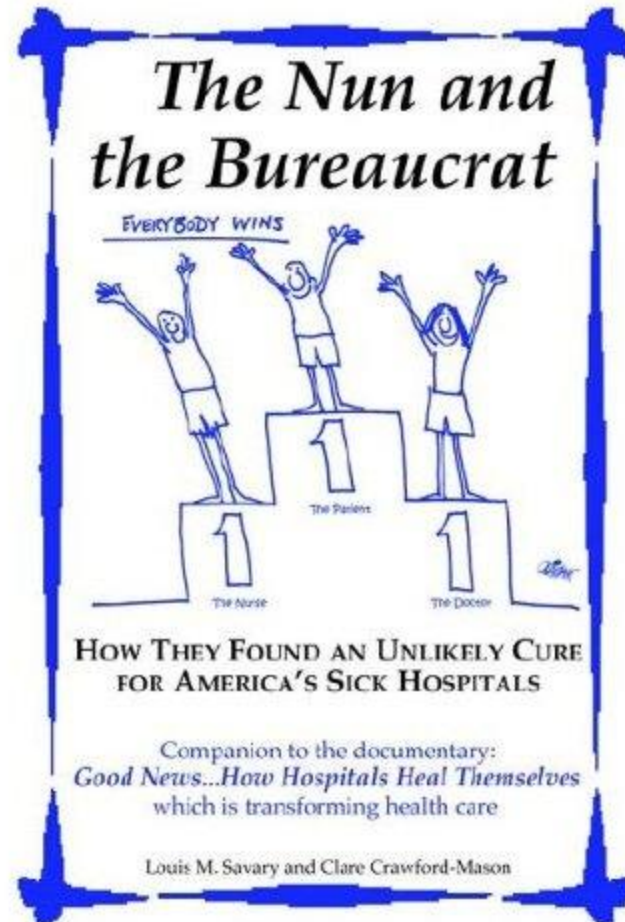
# Warning:

- We can't put \$6 billion into -- or take it out of the system -- without a fundamental transformation.
  - Downsizing in silos?
  - Been there! Done that!
- 
- 6,000 RN's
  - Re-engineering
  - Preventable deaths

**Take savings required out of inefficient system designs.**

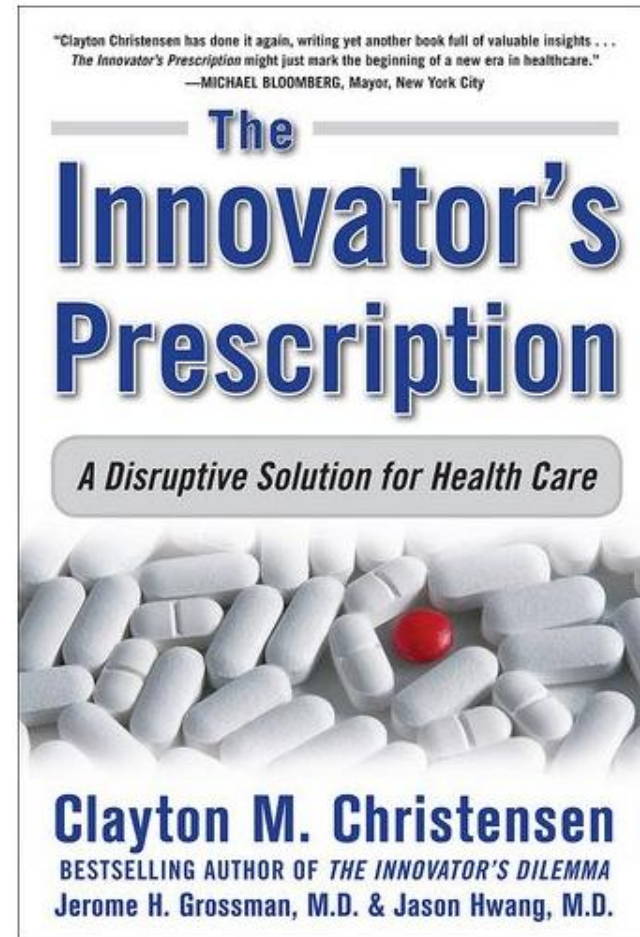
# System Waste & Inefficiencies:

- 30% of all healthcare expenditures are wasted.
- Paul O'Neil Senior, former Sec. of US Treasury, says it is closer to 40% and 50%.

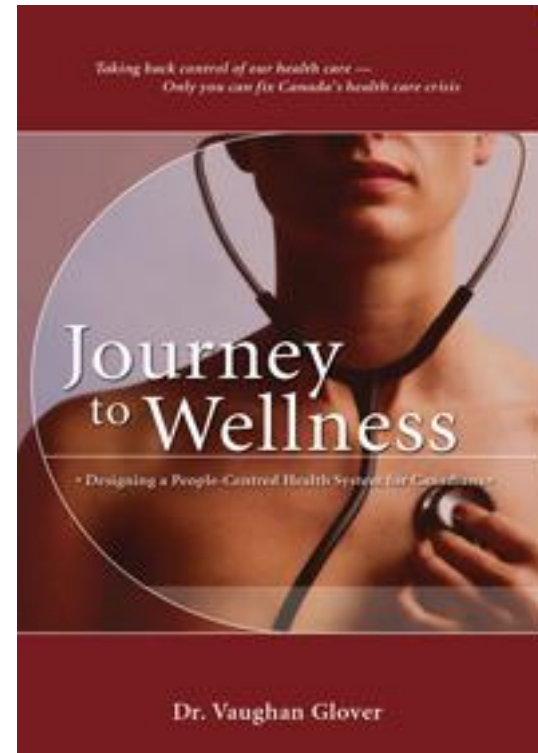
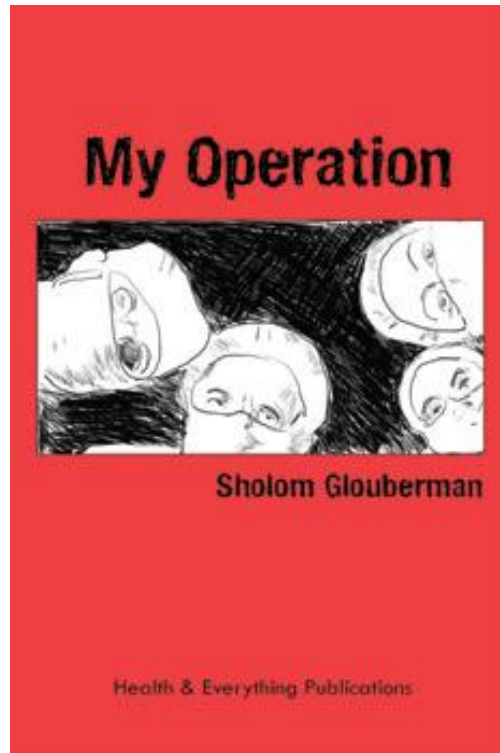


# Disruptive Innovation Can Transform our System:

- Clayton Christensen's concept that "turns the market on its head".
- Examples: the internet and the personal computer.
- They changed everything – and there is no going back.



# Consumer Revolution:



**Patients' Association of Canada & The Canadian Association for People-Centred Health & Patient Destiny.**

# Patient-Centred Care Is Better & Cheaper:

- **The Change Foundation.**
- *Patient-Centred Care Study, Gov. of Sask.*
- **UK Study projects significant savings from re-designs focused on the patient/client.**
- **NYGH example: 12 steps to 10**



# New Technology:

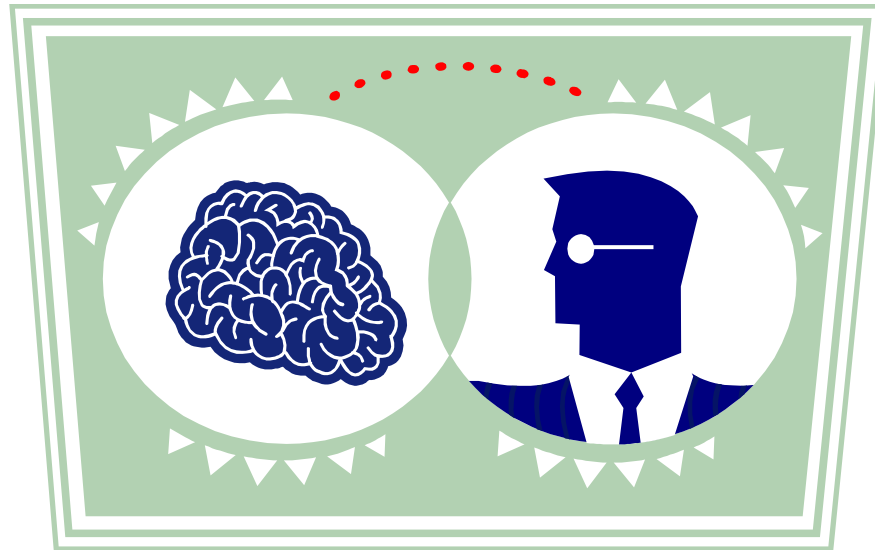
- **Neil Fraser, Chair, *Ivey Centre for Health Innovation & Leadership.***
- **18,000 medical apps/revolution.**
- **Patient demands for internet access.**
- **Patient Destiny/Patient Empowerment.**
- **Many *disruptive innovations* ahead.**





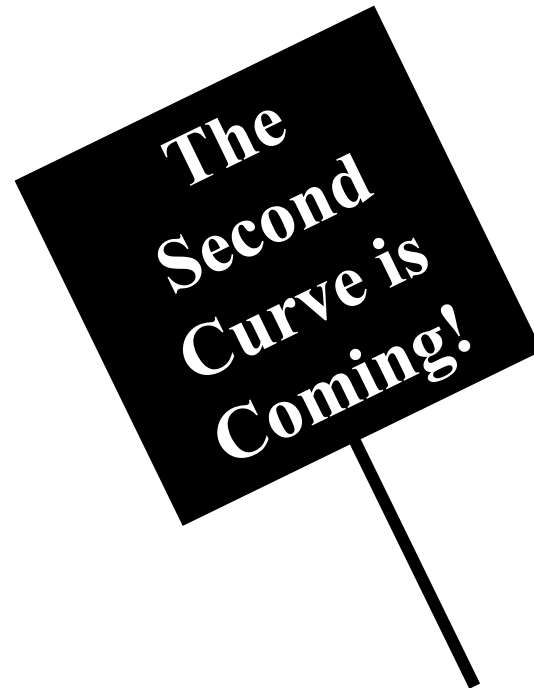
# Paradigm Shift:

- **We can't think the same way any more.**
- **Does not mean we need a two-tiered system that generates more cash to maintain our existing inefficient, wasteful, provider-centred system.**



# Paradigm Shift:

- **The survival of Medicare depends on our ability to evolve our existing delivery system to the so-called “second curve” health system design.**



# **First Curve Healthcare System**

# **Second Curve Healthcare System**

<b>Acute Care is the “hub of the system”.</b>	<b>Primary Care is the “hub of the system”.</b>
<b>System is fragmented.</b>	<b>System is seamless.</b>
<b>Sickness-Focused. Episodic/Individual.</b>	<b>Health Outcomes-Focused. Systematic/Population- Based.</b>
<b>Provider-driven systems, structures &amp; processes.</b>	<b>Patient/client-driven systems, structure &amp; processes.</b>

# Options for Healthcare:

- **Get more money from citizens (i.e. two-tiered system).**
- **Co-payments.**
- **Delist services/drugs/etc.**
- **Reconfigure the delivery system (hospitals/homecare/resource allocation/governance/etc).**
- **Patient-Centred Redesign & Innovation.**



**Disruptive Innovation**



**5 APPRENTICE REJECTS!**

What They Did—and Didn't—Learn From The Donut

# FAST COMPANY

HOW SMART PEOPLE WORK

# CHANGE OR DIE.

What if you were given that choice?

*For real.* What if it weren't just the rhetoric that confuses corporate performance with life or death, but actual life or death? Yours. What if a doctor said you had to make tough changes in the way you think and act—or your time would end soon? Could you change? Here are the scientifically studied odds: nine to one. That's nine to one against you. —



**25 WOMEN BUSINESS BUILDERS**



**<< She's #1**

Taryn Rose was a surgeon with your liver. Now she owns a \$20 billion shoe company. Here's how she did it.

**Ontario's Healthcare  
Tsunami  
Will Arrive In The  
Spring, 2012**

