a catalyst for change

Missouri Foundation for Health
Transforming Health Care in Missouri: National and Historical Context

Robert Hughes, PhD
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Setting the Context

1. What is the current state of U.S. and Missouri health care?
2. How did we get here?
3. What are the implications - opportunities and constraints - for innovative ideas and investments in Missouri health care?
“The U.S. health system faces major challenges. Health care costs remain high at $3.2 trillion spent annually, of which an estimated 30 percent is related to waste, inefficiencies, and excessive prices; health disparities are persistent and worsening; and the health and financial burdens of chronic illness and disability are straining families and communities.”
American health care ranking an 'embarrassment'

The state of American health care in a new global study is termed an embarrassment — although most other countries have some shortcomings, too.

Related: Successful health care reform must solve these 3 problems

Health Data reports the study, published in The Lancet, finds inequity of access to, and the
Health Care in the United States

• “In the American health care system...different people get astonishingly different deals.”
  - Atul Gawande

• “It is not only the nation’s health but its fiscal capacity that is at risk, as health care spending reduces investments in education, infrastructure, and other arenas important to the daily lives of U.S. residents.”
  - National Academy of Medicine
While the U.S. is among the most advanced nations in the world, it’s one of the worst in terms of health.

In this report, U.S. Health in International Perspective presents detailed evidence on the issue, explores possible explanations for the shorter and less healthy lives of Americans than those of people in comparable countries, and recommends actions by both government and nongovernment agencies and organizations to address the U.S. health disadvantage.
The U.S. has higher mortality rates across a number of different causes of death.

<table>
<thead>
<tr>
<th>Cause of Death</th>
<th>Mortality Rate (per 100,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardiovascular disease</td>
<td>155.7</td>
</tr>
<tr>
<td>Respiratory disease</td>
<td>34.3</td>
</tr>
<tr>
<td>Infectious disease</td>
<td>15.4</td>
</tr>
<tr>
<td>Perinatal conditions</td>
<td>7.1</td>
</tr>
<tr>
<td>Intentional Injuries</td>
<td>17.3</td>
</tr>
</tbody>
</table>

○ U.S. ▪ Other Countries
Health Care in the United States

Health care spending as a percentage of GDP 1980 - 2013
Adolescent birth rates in 17 peer countries 2010

- Switzerland: 4.6
- Japan: 5.0
- Netherlands: 5.1
- Sweden: 6.0
- Denmark: 6.0
- Italy: 6.7
- France: 7.2
- Germany: 7.9
- Norway: 9.0
- Finland: 9.3
- Spain: 12.7
- Austria: 12.8
- Canada: 14.0
- Australia: 16.5
- Portugal: 16.8
- United Kingdom: 29.6
- United States: 41.2
Health Care in the United States

Infant mortality rates in the U.S. and average of 16 peer countries
1960 - 2009
Health Care in the United States

U.S. female life expectancy at birth relative to 21 other high-income countries
1980 - 2006
International Comparisons: Spending & Performance

Eleven-country average

Higher Health System Performance

Lower Health System Performance

Lower Health Care Spending

Higher Health Care Spending

Australia — United Kingdom
New Zealand — Netherlands
Germany — Switzerland
Sweden
Canada
France
United States
Health Care in the United States

Life expectancy vs. health expenditure over time
1970 - 2014
The Commonwealth Fund’s Scorecard on State Health System Performance ranks Missouri 36th overall.

Missouri is below average in most areas:

- 21st: Prevention and treatment
- 28th: Health equity
- 33rd: Access and affordability
- 38th: Avoidable hospital use and cost of care
- 40th: Healthy lives
Diagnosing U.S. Health Care System’s Pathologies

“An American Sickness: How Healthcare Became Big Business and How You Can Take it Back”

“Mistreated: Why We Think We’re Getting Good Health Care and Why We’re Usually Wrong”
How Did We Get Here?

Selected Influences on U.S. Health Care’s Trajectory
– Evolution of health insurance in the U.S.
– U.S resource allocation is not aligned with a broad concept of health
Health Insurance Coverage of the Total Population

Source: Kaiser Family Foundation, 2016

- 49% Employment-based
- 19% Medicaid/CHIP
- 14% Medicare
- 7% Individual/Marketplace
- 9% Uninsured
- 2% Military
Selected U.S. Health Insurance Milestones

- **Committee on the Costs of Medical Care** (1930's)
- **Medicaid and Medicare** (1965)
- **Affordable Care Act Passes** (2010)
- **ACA Repeal & Replace Proposals** (2017)

- **1940-1960**: Employment-Based Health Insurance
- **1997**: State Children’s Health Insurance Program (CHIP)
- **2012**: SCOTUS ACA Decision
% U.S. Population With Private Insurance, 1940-60

- 1940: 9%
- 1945: 23%
- 1950: 51%
- 1955: 61%
- 1960: 68%
Key Moments in Changing Conceptions of Health

1948
WHO: “Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity”

1978
WHO: Declaration of Alma-Ata

1993
McGinnis and Foege: “Actual Causes of Death in the United States”

2008
RWJF: Commission to Build a Healthier America

2017
National Academy of Medicine: Vital Directions for Health and Health Care
Health Care in the United States

Poverty rates in 17 peer countries 2010
Health Care in the United States

Enrollment of children (aged 3 - 5) in preschool in 17 peer countries 2008
Health Care in the United States

Expenditures as % of GDP

- Total health service expenditures
- Total social service expenditures

Countries listed from top to bottom: France, Sweden, Austria, Switzerland, Denmark, Germany, Belgium, Italy, Finland, Portugal, Hungary, Norway, Greece, Spain, Slovakia, Poland, Luxembourg, United Kingdom, Japan, New Zealand, Canada, Czech Republic, Australia, Israel, Ireland, Italy, Turkey, Korea, Mexico.
• 3rd Question: What opportunities and constraints can we take away from this brief, high-level overview of the history and current state of U.S. health care?
Constraints

• Competing values
• Tragedy of health care commons
• System complexity and role specialization
• Uncertainty of national/state policy influencing health care
Opportunities

• State flexibility
• Appreciation that the status quo is unsustainable
• Expanding conceptions of health
Contact

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