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American Health Policy Institute Releases Paper on Supplier Views of the U.S. Health Care System

Kaiser Permanente's Charles E. Columbus shares insights on how the health care ecosystem can bring America closer to the desired "Future State of Health Care"

Washington, D.C. — Today, the American Health Policy Institute (AHPI) releases "Supplier Views on the U.S. Health Care System: Kaiser Permanente," a compilation of Kaiser Permanente Chief Human Resources Officer (CHRO) Charles E. Columbus' remarks at the 2015 Chief Human CHRO Summit, the largest assemblage of senior executives from the nation's largest employers. Mr. Columbus' remarks on the challenges faced by employers as well as some of the creative opportunities for addressing these challenges. His insights opened a useful window into the thinking of one of the health care supply chain's most innovative and influential organizations.

Mr. Columbus' comments follow the launch of the Institute's latest initiative—a collaboration of the large employer community to establish a new approach to health care—one designed by employers, for employers—as outlined in "The Future of Employer-Sponsored Health Care: A Call to Action."

"As we take on this work, it will be important that we also look at the broader health care ecosystem. That ecosystem expands beyond the supply chain to include the other forces that influence the design and direction of health care, including regulations—both federal and state; public policy including tax policy; human factors—including the options and choices we make about our health; and the physical and social environments—such as communities, schools, workplaces—that also play a role in influencing our health," Columbus said. "We can't solve for access and affordability if we don't consider the forces that shape when, why and how people interact with their employer and their health care. No single element of the supply chain or the ecosystem will provide a simple 'fix.' We must take a systems view."

In his remarks, Mr. Columbus noted that change is underway, and that there are encouraging signs including: innovations in medical technologies and treatments; drug therapies coming on line, greater societal focus on health; and the development of consumer-based, rather than purchaser-based payment models. While these signs are encouraging, he acknowledged there are other practical concerns that need to be acknowledged and tackled, including current payment models based on volume rather than quality; rising prevalence of preventable chronic health conditions; the rising unaffordability of health care; and a shortage of physicians, nurses, and other clinical professionals.

Dr. Tevi Troy, President of the American Health Policy Institute, said "I applaud Mr. Columbus for calling attention to some of the incredible advances occurring in health care in our country, while pointing out opportunities for further change and how the employer community can lead the charge. Employer-provided health care in the United States is in critical condition and will not survive

without major transformation. By the end of the decade, employer sponsored health insurance will become unaffordable to a large segment of the working population. As large U.S. employers are the primary payers of health care for America's workforce, the Institute is working with large employer community to come together to create a fundamentally different system. A 'Health Care Future State,' would ensure that employer and employee interests and concerns are addressed and maintain the health of the nation's employees, retirees and their dependents on a cost-effective, sustainable basis."

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American Health Policy Institute (AHPI) is a non-partisan 501(c)(3) think tank, established to examine the impact of health policy on large employers, and to explore and propose policies that will help bolster the ability of large employers to provide quality, affordable health care to employees and their dependents. The Affordable Care Act has catalyzed a national debate about the future of health care in the United States, and AHPI serves to provide thought leadership grounded in the practical experience of America's largest employers. To learn more, visit americanhealthpolicy.org.

Kaiser Permanente is committed to helping shape the future of health care. We are recognized as one of America's leading health care providers and not-for-profit health plans. Founded in 1945, our mission is to provide high-quality, affordable health care services and to improve the health of our members and the communities we serve. We currently serve more than 10 million members in eight states and the District of Columbia. Care for members and patients is focused on their total health and guided by their personal physicians, specialists and team of caregivers. Our expert and caring medical teams are empowered and supported by industry-leading technology advances and tools for health promotion, disease prevention, state-of-the-art care delivery and world-class chronic disease management. Kaiser Permanente is dedicated to care innovations, clinical research, health education and the support of community health. For more information, go to: kp.org/share.