
What Can “New Wave” Health Care Do to Help Workers’ Comp?

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Universal Threat

- Rising health care costs one of manufacturers' biggest challenges
- Threat to all who consume health care resources
- Costs are out of control; inefficiencies and medical errors impair quality
- What do we get for \$1.7 trillion invested?

Walking the Tightrope

- Reduce health care costs today & develop health care system of tomorrow
- NAM's Health Care Agenda — www.nam.org/healthplan
- Katrina's (and maybe Rita's) shadow

Two Key Changes

- Implement Health Information Technology (a.k.a. health IT)
- Better manage chronic and catastrophic health care costs

Health IT

- Largely paper-based health care system
- Waste, duplication
- Medical errors
- Manufacturers innovated through technology and zero tolerance for errors
- Can health care follow suit?

Driving Implementation of HIT

- Bush Administration
- Congress
- Private Payers
- Goal of lower costs, improved quality and reduced medical errors.
- Medical system “suppliers”
- Partnership of Payers

What Will Health IT Look Like?

- Protected Information – blessing or bane?
- Better patient management
- Fewer adverse drug interactions
- Better therapeutic compliance
- Less duplication of tests
- Lower costs through best practices analysis

Reducing Chronic Care Costs

- Chronic conditions — e.g., heart disease, diabetes, asthma — are responsible for 75% of all health care costs
- What risk management lesson?
- Whose backache?
- Healthier workers = fewer comp claims?

Disease Prevention / Case Management

- Health care and acute case management
- Disease management
- Disease prevention
- Behavior modification techniques applicable to comp?
- High dollar claims — 1% = 20% of costs

Coalition on Catastrophic and Chronic Health Care Costs (HC⁵)

- NAM has established HC⁵
- Reduce the cost of chronic health conditions and better manage high dollar health care claims
- More information available at www.nam.org/HC5

Other Useful Reforms

- HSA Improvements
- Tax Credits
- AHPs or Other Pooling
- Medical Liability Reform
- Health Care Change as Process, Not a Destination

Demanding More from Health Care

- Manufacturers and Zero Tolerance
- Technology serves as a catalyst toward greater integration, efficiency and zero tolerance for errors
- Why not demand the same from Health Care?
- Alliance of shared interest



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