

Thomson Reuters Report Focuses on Capping U.S. Healthcare Expenditures and Cutting Costs in Half Over 10 Years

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Focus on shifting from a culture of "Sick Care" to true "Health Care"

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A report issued by Thomson Reuters and shared in part at the Aspen Ideas Festival on July 10th, indicates that a combination of better coordinated public and private sector care; stronger patient awareness of health risks and wellness; and application of improved information systems to eliminate fraud and abuse could lead to a 50% reduction in wasteful spending in healthcare, saving 3.6 trillion dollars over the next decade.

Moreover, remarks made by Raymond Fabius, M.D., Thomson Reuters Chief Medical Officer, urge stakeholders in the healthcare system do their part to achieve a major health culture shift in the U.S.

"The simple reality is that in the U.S. we practice 'sick care' not 'health care'. The majority of our efforts are directed at highly expensive fixes to patients that are already ill, rather than keeping them healthy in the first place," notes Dr. Fabius, who with Bob Kelley, Vice President, Healthcare Analytics, Thomson Reuters Healthcare & Science authored the report. "Each stakeholder in the system: providers, payers, vendors and patients have a role to play in making a cultural shift to wellness and health."

Fabius uses the touchstone example of obesity. Annual obesity related costs have been estimated to be as high as 187 billion in 2008 dollars (evidence indicates obesity underlies the most costly illnesses: diabetes, heart disease and many types of cancers).

"Research indicates that higher productivity and commensurately lowered cost of care comes when people are repeatedly encouraged by their caregivers to stay well by making diet, lifestyle and behavioral changes. Purchasers of healthcare--primarily government and large employers--can incentivize their employees to make healthier lifestyle decisions and insist on healthier behavior in the workplace. Finally, better motivated and educated patients can take more personal responsibility for themselves, their families and their friends in staying well."

Analysis indicates that such actions directed at obesity alone can save anywhere from \$37 to \$140 billion in costs depending upon how widespread the actions are adopted.

One example Dr. Fabius points to is the social motivation to quit smoking when the public became aware of the dangers of secondhand smoke. "We have come to understand there is also a phenomenon of secondhand obesity. From very young ages, individuals who grow up in a culture that ignores the dangers of obesity do become dangerously overweight themselves," comments Fabius. "However, evidence derived from the private sector indicates that when employers cut unhealthy foods from cafeterias, educate employees on correct choices and incentivize weight containment, productivity jumps and costs plummet."

Ultimately, Fabius says it is a multi-generational task, given the historic growth of morbid obesity in America. "Providers, payers and physicians can achieve their best results by intervening with young families to create improved wellness outcomes over time; the heavier burden for illness containment can then fall on treating older segments of the population. At the end of the day we become not only a healthier society, but also a stronger global competitor, as productivity rises and social costs decline."

The study "A Path to Eliminating \$3.6 Trillion in Wasteful Healthcare Spending" is available at http://thomsonreuters.com/content/corporate/PDF/A_Path_to_Eliminating_Waste1.pdf.

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