

Healthcare Challenges and Opportunities

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Challenges facing healthcare



Changing delivery platform



Changing reimbursement



Changing workforce



Continued advances in technology and medicine



Greater focus on consumerism



Continued consolidation

Healthcare delivery changes



Corporatization of medicine

Including private equity investments



CV19 impact on population health

Deferred care, missed care, etc.



Healthcare consolidation

Larger, more complex healthcare systems



Healthcare staffing

Contract staffing, provider burnout, turnover, violence



Physician employment

Less private practice, more corporate/hospital



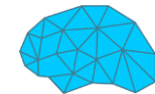
Scope of practice

Expanding for PAs, NPs, CRNAs, etc.



Shifting environment of care

More outpatient, home health, telehealth, etc.

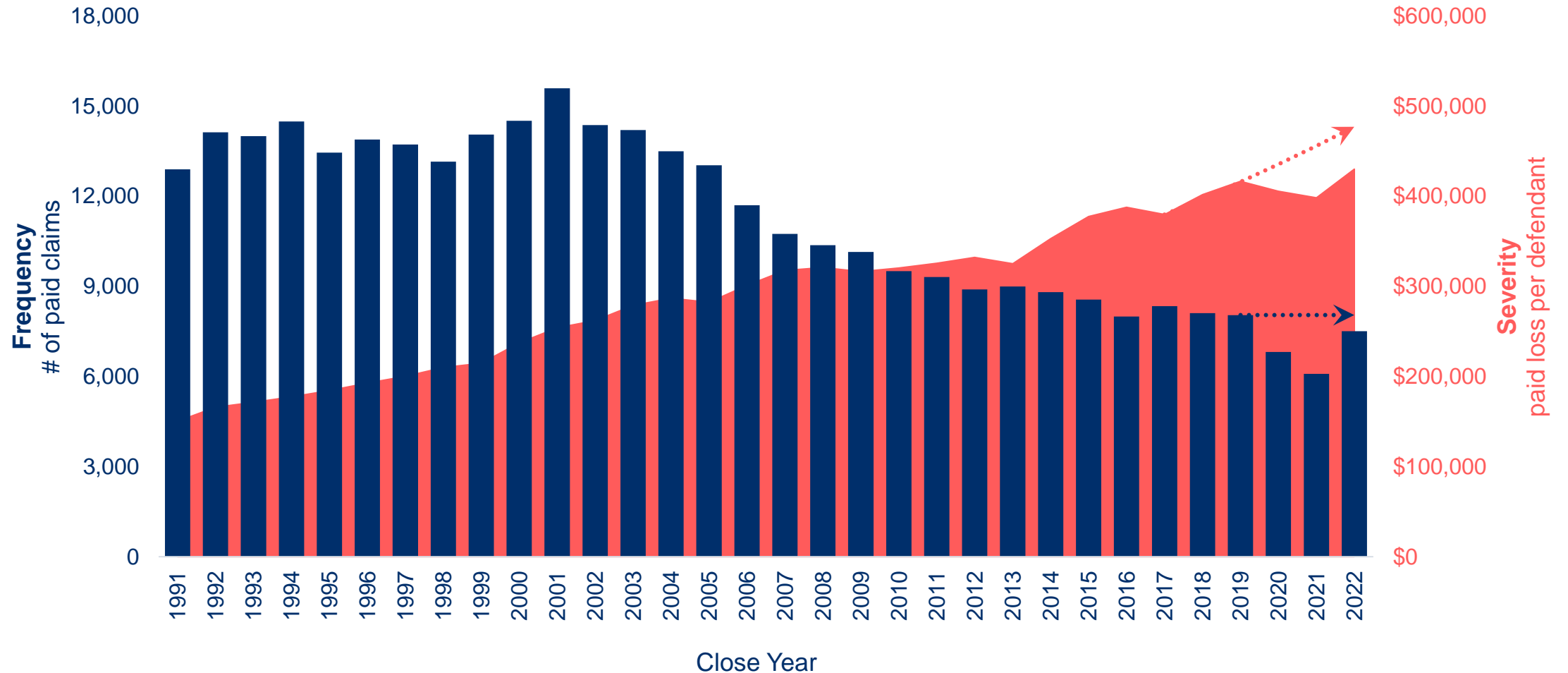


Technology innovations

Artificial intelligence (AI), genetics, etc.

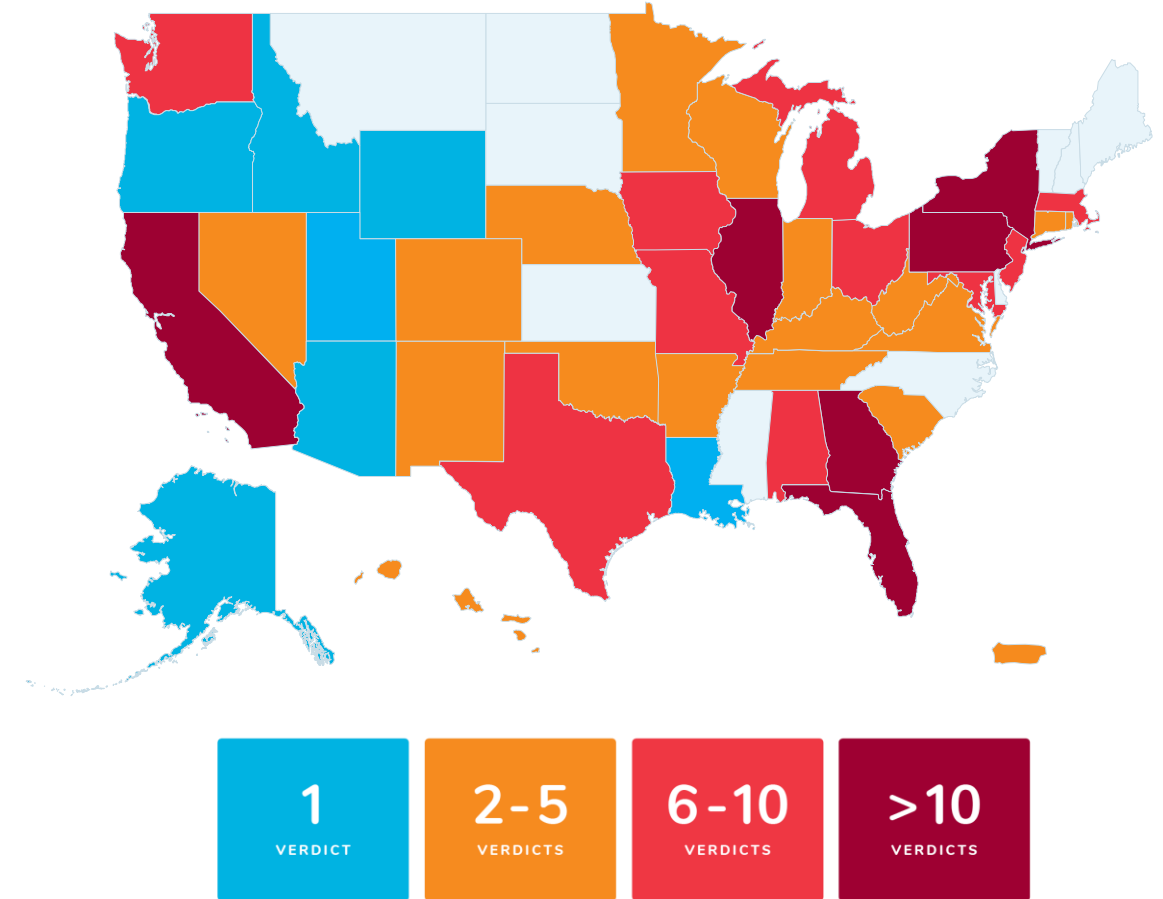
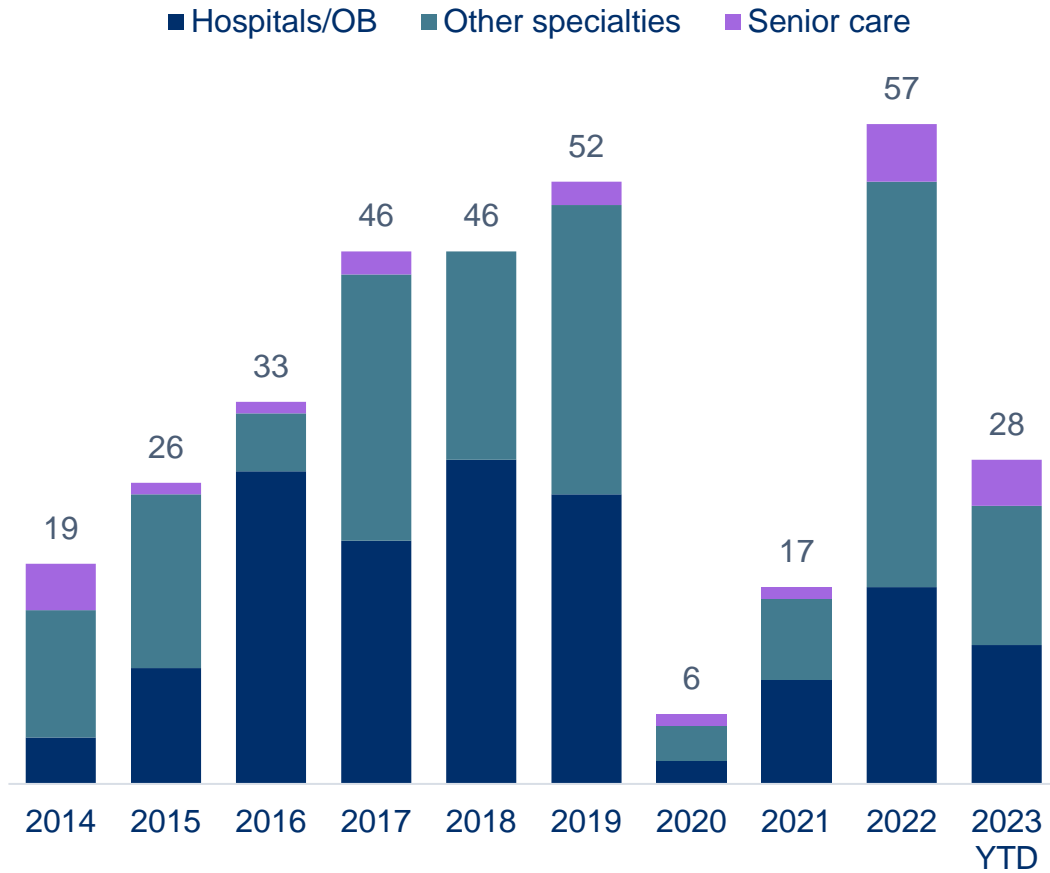
Deteriorating loss environment

Industry trends: frequency flat and severity up
Will general economic inflation impact these trends?

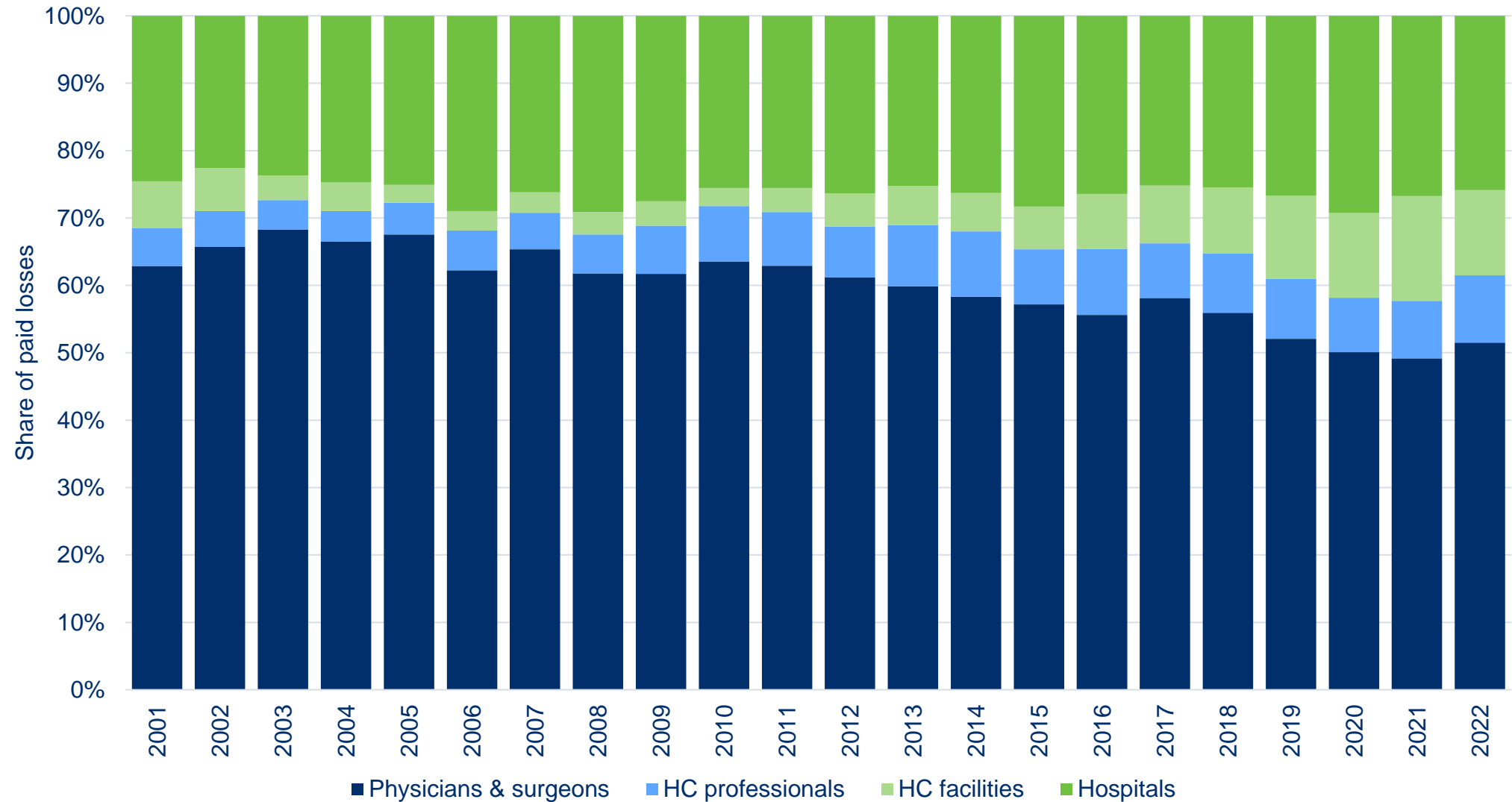


Severity and social inflation: \$10+ shock verdicts

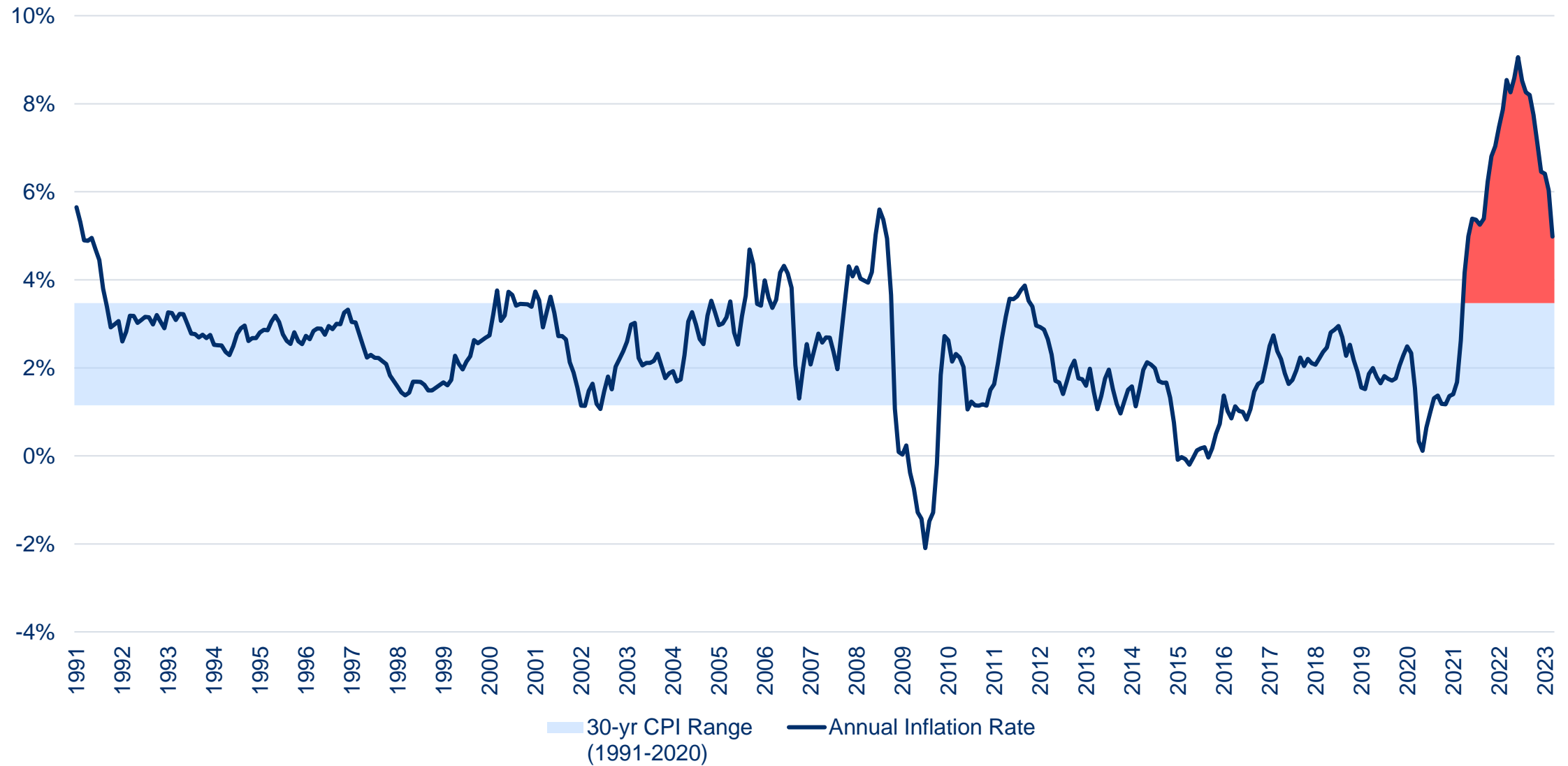
As courts reopen, US HCL verdicts \$10+ returning to, and passing, pre-pandemic levels ... nationwide



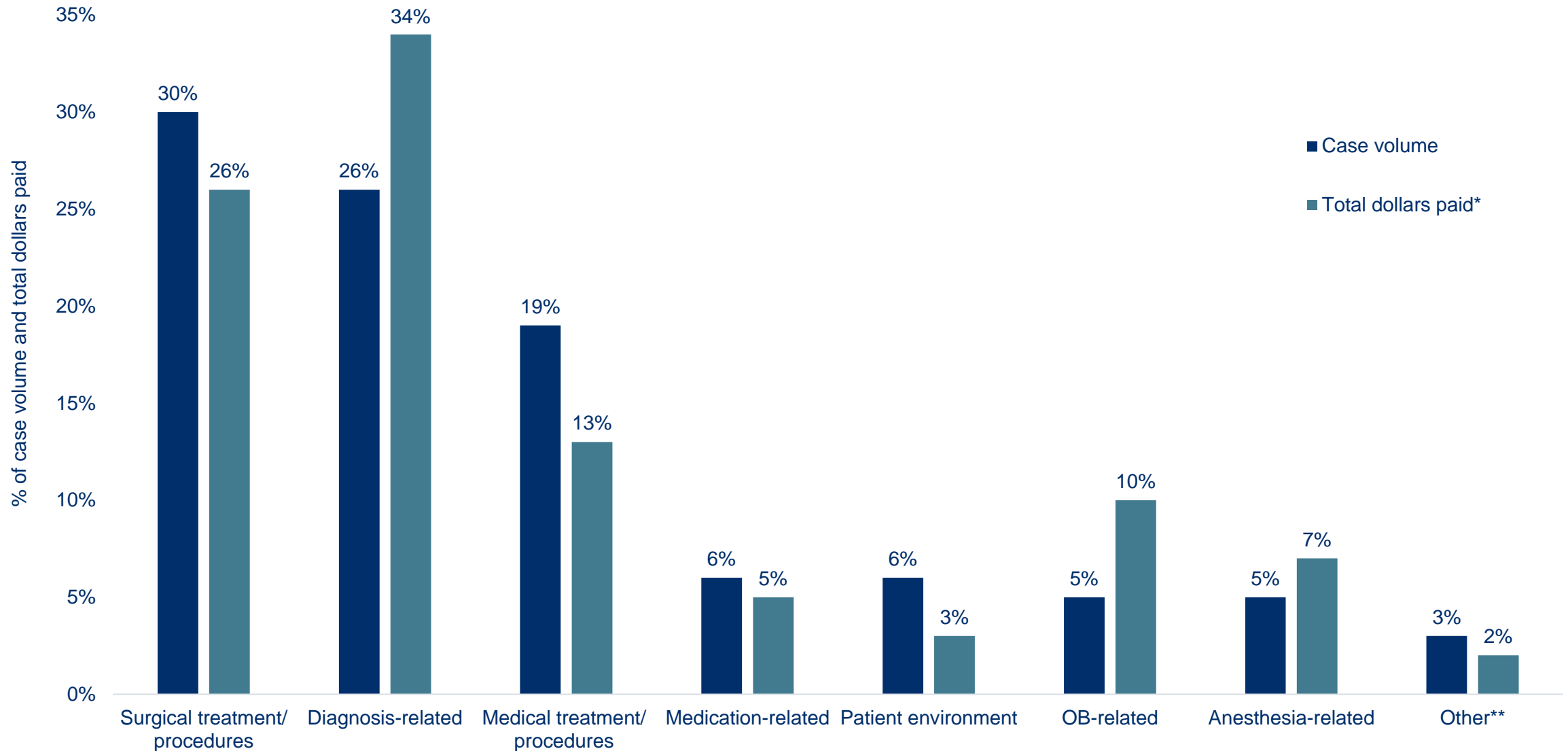
Losses shifting from healthcare providers to healthcare entities



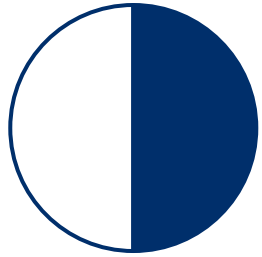
Economic inflation above historical norms



Major allegation categories and financial severity



Claimant type and location



Ambulatory
50%



Inpatient
40%



Emergency
10%



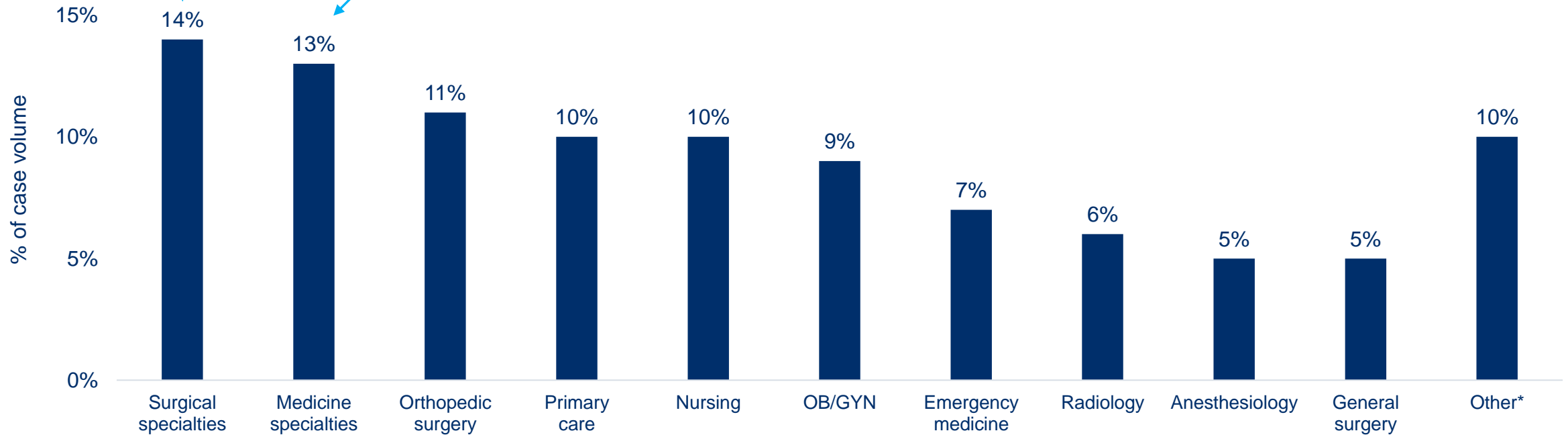
Top locations	% of case volume
Office/clinic	26%
Patient room/ICU	17%
Inpatient surgery	15%
Ambulatory surgery	11%
Emergency department	10%

Primary responsible services

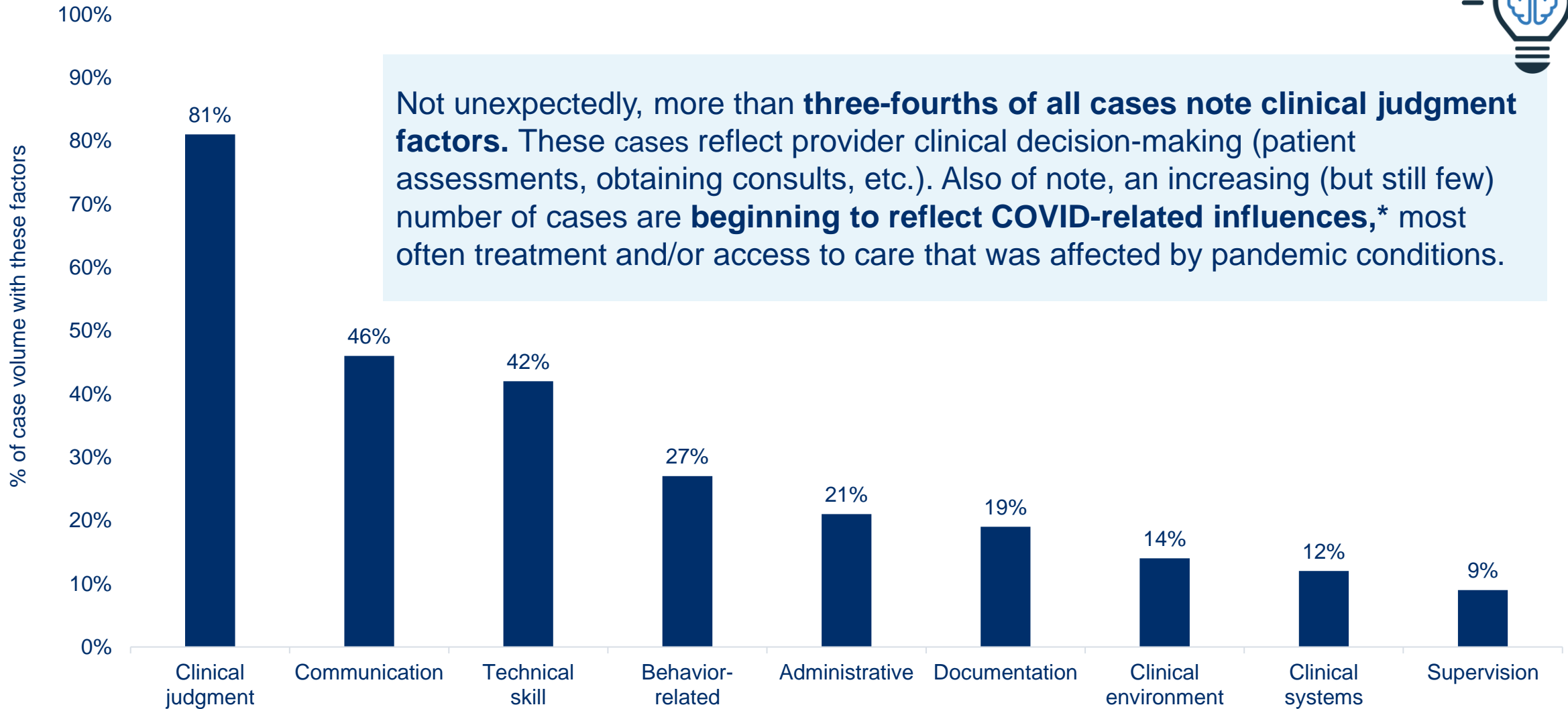
- Ophthalmology (23%)
 - Plastics (16%)
 - Urology (14%)
 - Otolaryngology (12%)
 - Podiatry (11%)
 - Vascular (7%)
 - Other* (17%)
- Cardiology (14%)
 - Gastroenterology (14%)
 - Dermatology (12%)
 - Medical hospitalist (12%)
 - Pain medicine (11%)
 - Neurology (7%)
 - Other* (30%)



The primary responsible service in each case is the specialty that is deemed to be most responsible for the resulting patient outcome.



Most common contributing factor categories



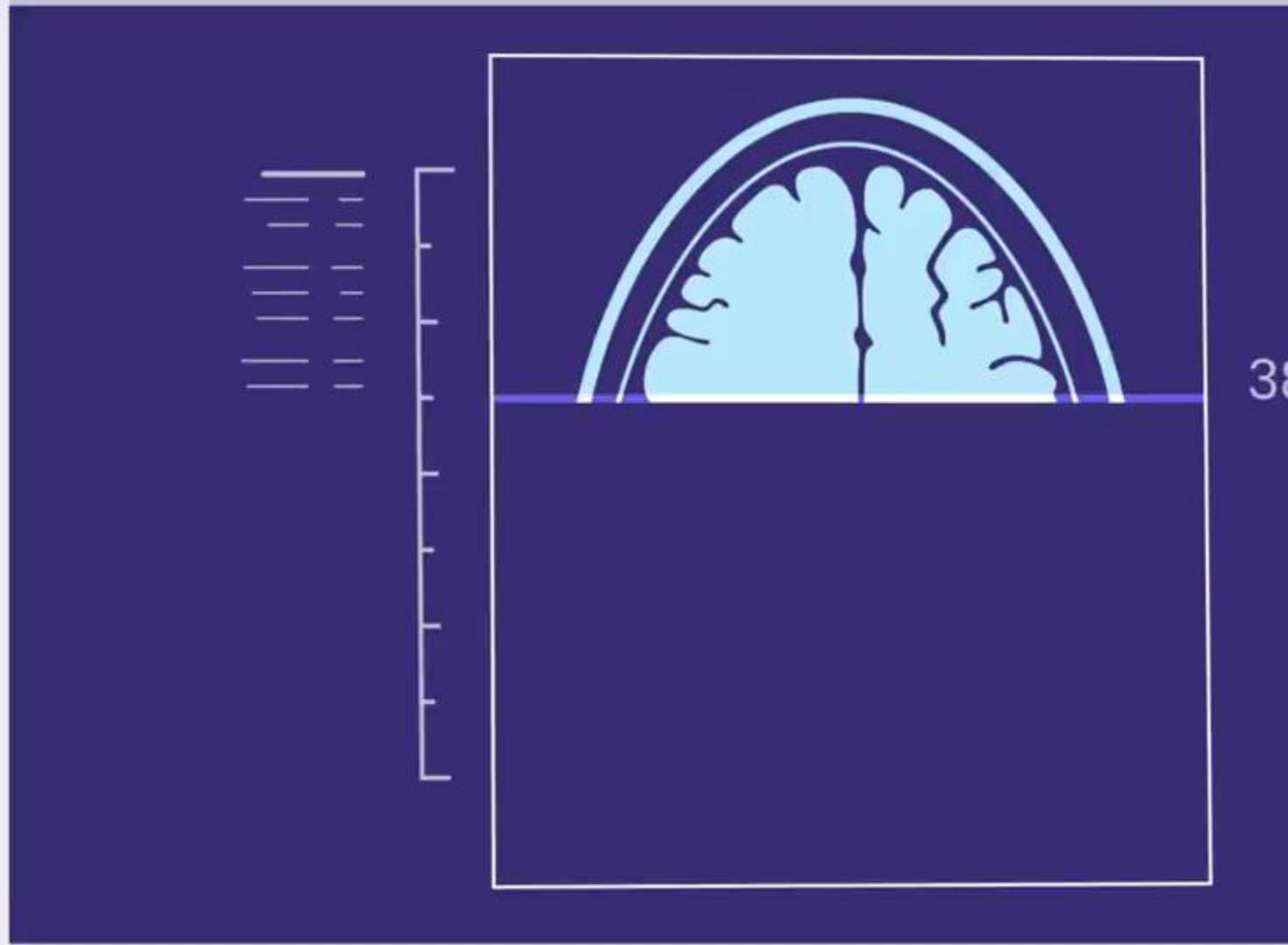
For the love of technology



“To err is human, to really foul things up takes a computer.”

— Paul Ehrlich, *The Farmers' Almanac* (1978)





Artificial intelligence: pros and cons

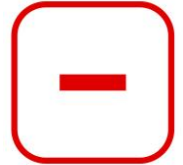
Pros

- Operational efficiency
- Care transition coordination
- Cost reduction
- Medical diagnostics
- Simulation training
- Population health management
- New drug discovery
- Documentation efficiency
- Medical decision-making support
- Error and adverse event reduction
- Disease surveillance
- Image and speech recognition
- Blackbox OR



Cons

- Shows promise, but lacks expertise
- New standards of care
- Steep learning curve
- Patient's expectations
- Opportunities for error
- Consultant vs. replacement
- Biased data
- Privacy and security
- Legal concerns
- Ethical and morality issues
- Informed consent concerns
- Indemnification clauses
- Liability exposure



Emerging risks

Workforce shortages

Telemedicine

Burnout

AI

Antibiotic resistance

Opioid crisis

Cyber liability/cyberattacks

EHR and forensic audits

Batch or class action claims

Scope of practice

Climate change

Supply chain/medication shortages

Credentialing and privileging

Sexual misconduct and abuse

Aging population

Future pandemics



The cost of technology

A PIECE OF MY MIND

The Cost of Technology



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